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Place Leadership: Developing a model to guide regional partnerships

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Abstract

Models of sub-national governance have grown in popularity across Europe, but the notion of place-based leadership remains an ideological phenomenon. This paper explores the development of sub-national partnerships in England and considers the lack of formal guidance available to local leaders that limits their ability to develop transformational strategies. Drawing on extensive qualitative analysis of England's Local Enterprise Partnerships, the paper develops an original conceptual model of place-based partnership. The model provides a tool for partnerships to assess themselves and consider tactics to develop a stronger set of shared local values, contributing to both academic and policy debates.

Key words: place leadership; partnership, collaboration, local enterprise partnerships

Introduction

Place-based leadership is at a critical juncture. Since the 1990s it has been taken-for-granted that for places to prosper and drive economic development, effective partnerships combining the interest of multiple stakeholders are essential. The leadership of place-based structures at the city and regional level has received increased attention as partnership became an increasingly popular form of governance (Sotarauta et al., 2017; Ayres et al., 2018; Gherhes et al., 2019). But as models of sub-national governance have grown in popularity, the notion of place-based leadership remains an ideological phenomenon founded on numerous case studies with few conclusions that can be generalised across wider spatial scales or beyond the focus on advanced economies (Beer et al., 2019).

Recent theoretical contributions, including debates in this journal, are starting to bring these issues into focus and present models of place-based leadership that are argued to be the product of collaboration (Hambleton, 2015), shaped by context (Beer and Clower, 2014) and transformative rather than transactional (Collinge et al., 2010), but more work is needed to understand the

complexities involved. Gherhes et al.'s paper (2019) published in this journal calls for further research into the dynamics within multi-actor collaborations to help further our understanding of why some partnership are more successful than others.

This paper responds to that call, drawing on findings from research undertaken with the 38 Local Enterprise Partnerships (LEPs) in England to present an original conceptual model of place-based partnership working that both contributes to academic discourse and has implications for policy and practice. The research represents an attempt to evaluate the LEPs and understand the factors that enable them to foster improved cooperation between their stakeholders and their environment.

This paper is structured as follows. The first section provides a critical review of debates around place-based leadership. The paper then outlines how soft systems methodology was used to review the extant literature and develop a draft conceptual model to investigate place-based partnerships. Following a detailed description of the data collection strategy the paper proceeds to explore the themes that comprise the conceptual model before summarizing its evolution and potential application. The paper concludes by outlining the key findings and contribution of this research, highlighting the ongoing influence of government on place-based partnership and offering the Compass of Collaboration as a model to encourage the development of a stronger set of shared local values that can resist these external forces to achieve a greater, transformative performance. The model has relevance to different forms of governance at the sub-national level within, and potentially beyond the UK, to support place-based leaders in the development of transformative industrial economic strategies that seek to secure the benefits of collaborative advantage.

Decentralisation and Place Leadership in the UK

The shift towards greater decentralisation is an international phenomenon and place-based policies can be traced across most EU member countries encouraged in part by broader processes of globalisation (Broadhurst, 2018). In the UK the spatial scale of economic governance remains at the forefront of debates about economic development policy and there have been numerous attempts at decentralising power through the construction of tiers of governance between the national and the local. Some have likened this reorganisation to an oscillating pendulum that has swung from the regional to the local across several versions of devolved governance (Pike et al., 2016).

Economic development policy was decentralised by the Labour government in 1997 creating nine Regional Development Agencies (RDAs). They were regarded by some as a logical tier for economic

development bringing Britain in line with the regionalism common in Europe. During a time of economic austerity, the Conservative/ Liberal Democrat Coalition government (2010-2015) abolished the RDAs, replacing them with Local Enterprise Partnerships. This signalled a move to sub-national economic development and a policy of localism. The White Paper *Local Growth: realising every place's potential* (BIS, 2010) set out the government's vision marking a further shift from away from centralised government whereby LEPs adopted the geography of local communities, authorities and businesses. The Conservatives (2015 -) continued the localism agenda by pursuing a range of 'devolution deals' through the creation of Combined Authorities - legal structures set up between two or more local authorities to take on statutory functions transferred to them by an Order made by the Secretary of State.

In recognising the embeddedness of local economic influences, the creation of LEPs placed greater value on local networks and institutional context in shaping micro-economic behaviour. By working in collaboration partners should expect to achieve synergistic benefits beyond their own reach and capability (Huxham, 2003; Hemphill et al., 2006). Earlier research presented in this journal has pinpointed decisive leadership at the local level as one key driver of the growth of place (Bentley et al., 2017), and yet the ongoing changes by central government have made it difficult for local leaders to guide the long-term economic development with any certainty. Despite increased attempts at decentralisation, regional and city leaders are still arguably driven by the requirements of central mechanisms from Whitehall which has meant the system of governance continues to remain one of conditional localism (Hildreth, 2011).

The Industrial Strategy (HM Government, 2017) reconfirmed Government's commitment to LEPs emphasizing their critical role in the creation of Local Industrial Strategies to boost growth and productivity. However, research highlights multiple constraints on their ability to fulfil this role and there have been increased calls for greater clarity in the way these sub-national bodies are managed and evaluated (Lowndes and Gardner, 2016). A ministerial review (MHCLG, 2018) called for increased scrutiny of their performance with sanctions if deemed to be under-performing, although there remains little clarity as to how performance and effectiveness might be gauged. Some argue that the government's approach to decentralisation has been applied too inconsistently and have called for clearer guidance to support their long-term strategic planning and development (Pike et al., 2016). Gherhes et al. (2019) call for the empowerment of local actors to foster the success of these multi actor collaborations. The model developed through the research presented here has

been authenticated with several LEPs in England and offers a means to empower local leaders to navigate the complexity of governance arrangements.

Developing a conceptual model of place-based partnership

This research adopted a creative approach, applying a Soft System Methodology (SSM) to systematically guide data collection. SSM was developed in the late 1960s as a methodology to apply systems engineering approaches to solve business and management problems. The methodology evolved and has been widely used as a learning and development tool to intervene in complex problems across numerous sectors and different countries (Checkland and Poulter, 2006). Unlike Hard Systems Methodologies that assume problems are clearly defined with agreed goals, SSM deals with problems that are 'fuzzy' in nature with unclear objectives and different perceptions of the problem. SSM recognises that different individuals will have different worldviews and preferred outcomes and accommodates these differences in the research process.

Having agreed an area of study, SSM encourages the development of a conceptual model that can be used as a tool to question practitioners, shape improvements and consider whether the implementation of the model is both 'feasible and desirable' (Checkland and Poulter, 2006). To develop the model in this research, a review of the extant literature underpinning the policy arguments for decentralisation towards a more natural economic geography was conducted. This focused on two key areas; the literature on economic activity clusters, innovation systems and entrepreneurial ecosystems. In understanding the factors for success, the literature review identified several common conditions as elements of an effective system, notably: shared vision; effective network of partners; leadership from strong entrepreneurs; supportive policies and governance arrangements; access to capital, funding and talent; and culture of collaboration.

The governance of functional economic space in the UK adopts a partnership approach. Growing in popularity in the 1990s, partnership working is an established form of governance for economic development and the second element of the literature review focused on this area. The results provided a clear steer as to the drivers of partnership effectiveness that revealed commonality across a range of agendas not just economic development which included: common aims and a workable strategy; engaged partners with established levels of trust; effective leadership; strong governance arrangements; access to resources and skills and partnership history and a capacity for collaboration.

The literature review included a synthesis of published LEP research which echoed the factors drawn from the studies of ecosystems and partnerships. These included the presence of strong governance arrangements, adequate resources and capacity, effective group interaction with clear roles and contributions from partners, a shared vision and goals, strong leadership and a recognition that place-based partnership are influenced by contextual factors including geography, history, culture and institutions. The overlap between the themes highlighted in the literature review suggest a common set of factors may support a place-based partnership approach to economic development (Table 1).

Table 1: Common factors across the literature with illustrative sources

Economic ecosystem Literature	Partnership Literature	LEP Literature
Shared vision (Isenberg, 2011; Stam, 2015; Acs <i>et al.</i> , 2017)	Having a shared vision that is translated into a workable strategy (Carley, 2000; Mcquaid, 2009)	Shared vision and goals (Shutt <i>et al.</i> , 2012; Huggins and Thompson, 2015)
Effective network of partners (Feld, 2012; Isenberg, 2011)	Presence of a mix of engaged and motivated partners with established levels of trust (Skelcher and Sullivan, 2008; Vangen <i>et al.</i> , 2014)	Effective group interaction, clear roles and contributions from partners (Pugalis and Bentley, 2013; Hildreth and Bailey, 2014)
Leadership from strong entrepreneurs (Feld, 2012; Feldman, 2014; Acs <i>et al.</i> , 2017)	Effective leadership (Carley, 2000; Vangen and Huxham, 2006)	Strong leadership (Pike <i>et al.</i> , 2016; Bentley <i>et al.</i> , 2017)
Supportive policies and governance arrangements (Feld, 2012; Acs <i>et al.</i> , 2017)	Transparent structure and governance arrangements (Geddes, 2006; Hemphill <i>et al.</i> , 2006)	Clear lines of accountability and strong governance arrangements (Cox <i>et al.</i> , 2014; Bentley <i>et al.</i> , 2017)
Access to knowledge, capital, funding and talent (Isenberg, 2011; Stam, 2015; Acs <i>et al.</i> , 2017)	Access to resources and skills (Nelson and Zadek, 2000; Mcquaid, 2009)	Adequate resources and capacity (Shutt <i>et al.</i> , 2012; Cox <i>et al.</i> , 2014)

2017)		
An established culture of collaboration with the presence of effective institutions (Mason and Brown, 2014; Audretsch and Belitski, 2016)	Favourable history of partnership working ; a culture of collaboration (Nelson and Zadek, 2000; Skelcher and Sullivan, 2008)	Influenced by their contextaul factors including geography, history, culture and institutions (Shaw and Greenhalgh, 2010; Hildreth and Bailey, 2014)

Source: Author's Elaborations

Whilst recognising that each locality is unique, these factors formed the basis of the draft conceptual model (Figure 1).

Figure 1: Conceptual Model of Place-Based Partnership Working



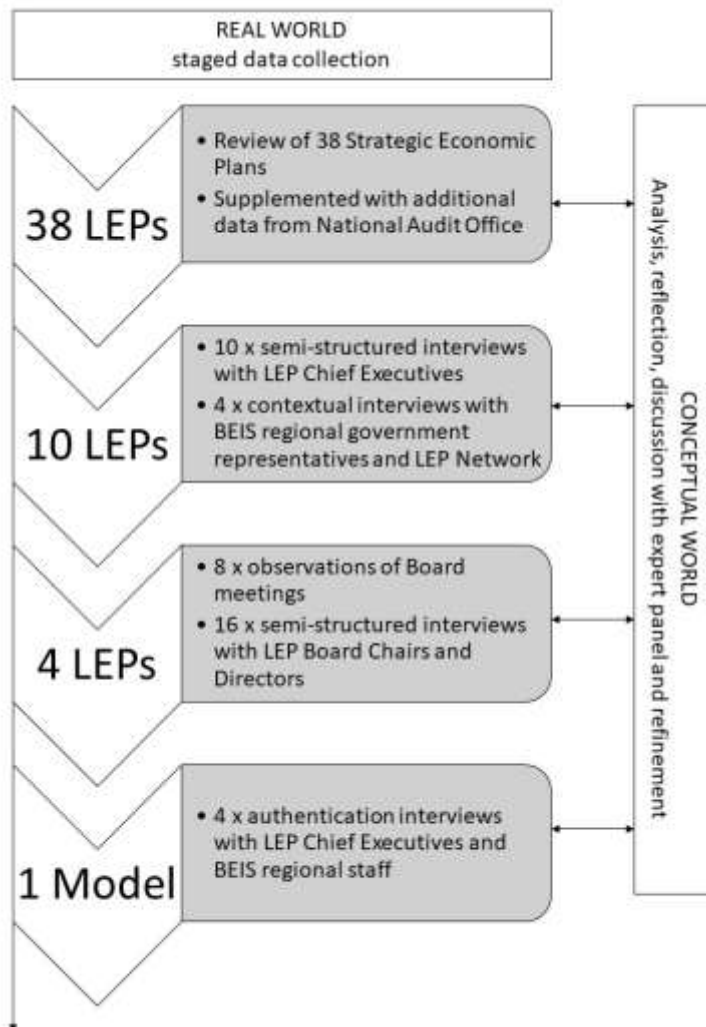
Source: Authors' Elaborations

Data Collection Strategy

Having developed the conceptual model, the SSM approach requires a process of refinement through discussion with practitioners operating in the 'real world' of place-based partnerships. To test and refine the model we adopted a rigorous multiple-stage qualitative methodology that

generated a deep and rich data set. This included analysis of the 38 LEP strategic economic plans, 34 semi-structured interviews, 8 LEP board observations and validation with an expert panel (Figure 2).

Figure 2: Layered approach to data collection



Source: Authors' Elaborations

First, the strategic economic plans (SEPs) of all 38 LEPs were reviewed. SEPs set out the partnership's long-term strategy for securing economic growth. Plans were coded using a framework based on the conceptual model with additional themes added through open coding that ensured iterative themes that fell outside the six factors were included (Patton, 2002).

To generate the richness required of SSM, a total of 34 semi-structured interviews were conducted with key stakeholders, complemented by 8 observations of LEP Board meetings. The 10 LEPs

situated in the East and West Midlands area were selected for an initial round of semi-structured interviews. This sample was chosen because it offered a range of partnership conditions including those from both urban and rural areas, those with access to differing levels of human and financial resources, areas that were newly formed partnerships and areas that were founded on historical collaborations. This was important to provide depth and ensure maximum opportunity for the transferability of findings to other partnerships (Checkland and Holwell, 1998).

In each of the 10 LEPs, an initial in-depth interview was undertaken with the individual in the partnership management role given that they had oversight of all partnership activity. Interviews were focused around the themes of the conceptual model but were open to lines of enquiry at the start and end of the schedule to allow respondents to discuss wider issues they perceived as having an enabling or inhibiting influence on their partnership. To authenticate these, four further interviews were undertaken with representatives from the main government department overseeing the LEPs, the Department of Business, Energy and Industrial Strategy (BEIS) in both the West and the East Midlands and with a representative of the LEP Network, the body that represents the views of all 38 partnerships. The interview schedule was again guided by the conceptual model but remained open to allow respondents to pursue unexpected lines of enquiry.

To continue the development of the conceptual model, data from the interviews was combined with the review of the SEPs to categorise the LEPs into the typology outlined below. One LEP (drawn from the sample of 10) representing each type was selected for a detailed case study.

- Lower growth outputs but stronger evidence of partnership working (LEP1, West Midlands)
- Stronger evidence of partnership working and higher growth outputs (LEP4, East Midlands)
- Weaker evidence of partnership working and lower growth outputs (LEP8, East Midlands)
- Weaker evidence partnership working but higher growth outputs (LEP10, West Midlands)

Consideration was given to issues of feasibility and pragmatism in that cases needed to be accessible, and researchable from a functional perspective and so distance, cost, accessibility and openness of key participants were all considered (Stake, 1995).

Across the case studies, 16 semi-structured interviews were conducted. The body of interviews needed to be large enough to capture a range of experiences but not so large as to be repetitious (Creswell, 2013). Given the relatively small number of people in positions of responsibility in the

LEPs, an interview was conducted with a representative from each of the key partners. Interviews were complemented by a series of non-participative observations of LEP Board meetings. This provided a means of authenticating the interview data and widening the breadth of views gathered to reduce the potential impact of missing interview subjects. A non-participative approach allowed the case to be observed operating as if the researcher was not there, further increasing the reliability of the data (Adler and Adler, 1994). A total of eight observations were conducted with each continuing long enough to enable the researcher to comprehend what an ordinary Board meeting meant for each LEP.

At key points during the research, a small group of practitioner experts (LEP Chief Executives) were invited to comment on the research design and outcomes. The approach drew on the principles of the Delphi method and enabled a structured process of eliciting expert opinion notably at the research design and results validation stages (Gibson and Miller, 1990). This included a final round of interviews with the expert panel and with representatives from BEIS and the case study LEPs to authenticate the model.

The overall validity of the results was strengthened by using both data triangulation (the collection of a variety of sources) and methodological triangulation (the use of multiple methods) (Patton, 2002).

Findings

The following section summarises the findings for each of the six themes within the conceptual model: leadership, partner engagement; structure and governance; vision and strategy; resources; culture and context.

Leadership

The findings support the traditional theories of individual leadership and trait theory in highlighting a cluster of attributes that propel business leaders towards the role of LEP chair, emphasising the importance of the chair's skill set and stature. Where LEPs had retained the same Chair since their creation, consistency in the role was valued by board directors:

I think that having that consistency (in the chair) has allowed us to build relationships and we know where to go in each of the four local authorities to make things happen (LEP 1 interviewee 3).

Conversely, where LEPs had changed leadership, respondents argued that as the partnership evolved, a different skill set and personality was required. Examples were cited of where a leader had failed to adapt to the changing demands of the partnership, resulting in the LEP moving from a position of collaborative advantage to one of inertia (Huxham and Vangen, 2000). A ministerial LEP review (MHCLG, 2018) suggested time limits for chairs of LEPs and the findings offer support for this recommendation. Continuity of leader provides the benefit of stability but only when the leader can be adaptive and flexible to the changing needs and demands of their partnership.

Respondents were unanimous in the view that the chair needed to be politically aware and connected both locally and nationally so that the LEP could build confidence amongst local and central decision makers:

There was excellent political play from the LEP chair who was good at having those political conversations. They were good at understanding where ministers were and being able to match that expectation. They were the most politically astute both at the Whitehall and at the local level (BEIS interviewee).

There were calls for the chair to have experience of multi-agency partnership working and a familiarity of the issues facing the public sector, higher and further education and of the wider business community. Chairs themselves highlighted the need to have an appreciation of the public sector and the ability to nurture effective relationships with local authorities was critical to unlocking the local growth potential of the area given that the local authority held several of the levers to affect growth.

Respondents highlighted the benefits accrued when the LEP chair delegated responsibility to other board directors and locked in contribution and commitment from other partners. Business representatives spoke positively of how they held responsibility for sub-groups of the main board. 'Sharing the load' was said to enable the vision to permeate to other tiers of the partnership. The complexity of these multi-organisational structures suggests that those leaders that engendered a greater sense of distributed or collaborative leadership appeared better able to secure the benefits of commitment and contribution for the wider partners.

Across the interviews the overriding view was that, whilst LEPs had achieved high levels of business engagement, they were not being led by the private sector as government intended but by the public sector who had: well established geographical ties; greater access to human resources;

politically accountable leadership; and responsibility as the LEP's accountable body. Public sector actors were said to hold considerable influence over the LEP and private sector leadership was deemed unattainable. Several barriers were identified including the extent to which local businesses had the: will and motivation to engage and lead the partnership; ability, skills, expertise, time; and mandate and permissibility to lead a non-accountable body directing considerable public funds. This has implications for any model where the private sector is intended to drive development or act as a leading stakeholder.

Partner engagement

The extant literature highlights the complexity of public-private collaboration and whilst there were tensions evident in the interviews and observations, these were not necessarily considered an inhibitor of progress. Respondents reflected that they were stronger and able to achieve more collectively. Continuity of partner membership was highlighted as a factor that enabled trust to be established and through the experience of working together, partners were said to have built understanding and a common language:

What actually builds an effective working partnership is trust between the parties. It is the continuity of personalities, it's working together, it's building trust (LEP 1 interviewee 2).

Some respondents cited a legacy of collaboration across their geography that had helped their LEP to progress more quickly. Conversely respondents from LEPs who identified a lack of pre-existing collaboration across their LEP boundary regarded that as a disadvantage.

Respondents often commented that a lack of trust between local authorities meant that some LEPs had to appease calls from all local authorities to have a seat on the board. This resulted in an augmented board which hampered its effectiveness. All four case study LEPs had created a joint committee of local authorities to feed into the board structure that enabled all local authority leaders to meet collectively and gather their views ahead of the LEP board meeting. They were welcomed by the public sector respondents who regarded them as a way of collaborating across the wider area:

(I am) comfortable with the (local authority) joint committee, supportive of that and recognise that we need to work together across the administrative

*boundaries which may appear on a map but certainly don't appear on the ground
(LEP 8 interviewee 5).*

Conversely respondents from the private sector expressed concern that these structures afforded greater power to the local authority enabling them to organise and collaborate more effectively, reducing the influence of the business sector:

We have got this joint committee of the leaders, what is that all about? There isn't an equivalent for the private sector so we run a danger there perhaps that we could have some increased integration between the views of the public sector and the views of the private sector will be diluted because we won't have our act together as much (LEP 8 interviewee 3).

With regards to partner engagement, the LEPs are a complex web of partners with a mix of motivations and agendas and newly joining partners need time to get up to speed even for those LEPs that cited a history of collaboration. Similarly, as LEPs have expanded in role, this can be too great a commitment for business.

Structure and governance

A ministerial review (MHCLG, 2018) required LEPs to have a legal status such as a limited company or a Mayoral Combined Authority. Respondents expressed mixed views on the discernible benefits of being structured this way. Some felt it beneficial given the breadth and scale of LEP activity, others felt it was necessary to be able to offer insurance to board directors involved. This indicates a tension in the LEP model that struggled to be truly locally collaborative when the vertical relationship to the centre remained so strong (Sotarauta and Beer, 2017; Gherhes *et al.* 2019). Several respondents (largely from the public sector) voiced concern that considerable amounts of public money had been allocated to a non-accountable body:

I think it is not the right model because ultimately you are dealing with taxpayers' money and bringing in people whose expertise is good, I am not knocking that, but I remain to be convinced that we should have people who don't have a democratic mandate to take decisions about how we spend public money.. (LEP 10 interviewee 5).

As a result, there was evidence of institutional isomorphism at play (DiMaggio and Powell, 1983) with the coercive power and influence of central government placing the LEPs under pressure to conform in their governance arrangements.

Geddes *et al.*'s (2006) evaluation of strategic partnerships noted a 'virtuous' circle occurred when they were deeply embedded in the local governance landscape as sustainable institutions. However, findings in this research implies that some LEPs were overly reliant and embedded in the local authority landscape. Returning to DiMaggio and Powell (1983?), the local authority has a mimetic force over the LEPs. In response to a lack of certainty over funding, and poor guidance from central government, as newly formed institutions the LEPs modelled themselves on the local authority. This was apparent in the LEP's approach to governance which some respondents felt adhered to local authority traditions rather than the more agile culture of the private sector.

Vision and strategy

Data analysis confirmed the importance of having a clear vision for the local area and securing commitment to a long-term strategy. Respondents in some areas were clear that the board had a central role in shaping the vision for the local area:

Part of our problem is a lack of aspiration in our area and therefore we need to break through that barrier by collectively creating a vision and an ethos where people understand where the money is being spent and why the money is being spent and how they can then support that vision (LEP 1 interviewee 2).

However, there was mixed evidence of board members actively engaging in strategic development and in some cases, there was criticism that the process of developing the LEP strategy was over reliant on the executive staff team to the frustration of board members.

Through the interviews it was clear that LEPs had sought to incorporate relevant local authority plans and accompanying targets into their SEPs; essential in making the plan a core, not peripheral activity. One respondent from a local authority highlighted that LEPs lacked power and although they set the targets in the strategy, they had few levers to achieve the results without genuine commitment from partners to take collective responsibility for securing the vision for the wider area:

Bear in mind also the Strategic Economic Plan – the LEP is not a driver for a lot of it, a lot of it is about creating a vision for the area and it is what the chair and

then individual partners and councils are doing to achieve that vision (LEP 4 interviewee 5).

Respondents often expressed frustration that their desire to set a long-term vision for the local area was thwarted by the short termism of national and local politics. Several commented that the pace of change impacting on LEPs was rapid and so the ability to remain agile and flexible was crucial. Once again, the inhibiting influence of local and central government over the LEPs ability to deliver place-based development was evident.

Resources

The findings confirmed a heavily centralised system of resource allocation whereby LEPs were required to write plans to bid for government funds. Three of the four case study LEP chairs interviewed regarded the level of funding secured from central government as an indicator of the regard in which they were held. This was also evident in the observations of board meetings:

The LGF allocation is discussed and clearly seen by the chair as an indicator of strong support from government. The LEP asked for more but so did all LEPs and they believe they have been awarded more than others in the Midlands. Concern voiced that LEPs still reliant on year on year funding (observation notes, LEP 8 board meeting, March 2017).

Respondents expressed concern over the lack of revenue funding to administer the growing workload of the LEP. As a result of the constraints, respondents explained that LEP administration fell to local authority staff who were either seconded directly or made available for LEP work. In LEPs that had chosen to recruit staff directly, often there were direct financial contributions from the local authorities to support these appointments with recognition that diminishing local authority resources was making this increasingly difficult:

It is really under resourced and there is a little bit of money coming from central government but it's pathetic. So essentially the council pay for that because all of those people are seconded over from the council (LEP 10 interviewee 2).

Several respondents highlighted that the impact of the reliance on local authority funding impacted the LEP in other ways. It was viewed positively in that by drawing on staff with experience of working locally in economic development, the LEP benefitted from extensive knowledge and

embedded networks. Conversely, in other areas, the LEP Chief Executive was recruited to the post from outside the region and, whilst experienced in economic development, was not local. Additionally, the LEP executive team had been recruited externally rather than drawing on local authority staff with the suggestion that staff lacked local knowledge and were not locally embedded. These findings add further weight to the importance of retaining the explicit and tacit knowledge of these key members of staff (Polanyi, 1997).

Respondents suggested that the reliance on local authority staff meant the LEP adopted a similar culture to that of a local authority that was not necessarily positive. Organization theory (Meyer and Rowan, 1977) argues that as new organisations form, they are susceptible to being codified into the rules and practices of their larger organisational environment as they seek to gain legitimacy. As relatively new bodies dependent on central government funds, the LEPs were clearly under pressure to establish legitimacy and alignment to a local authority appears to be a route to securing the confidence of government.

There was criticism of the restricted time span of centrally allocated funding and of the delays in funding announcements, which meant LEPs had difficulty with long term planning with any certainty. Respondents from several LEPs commented that the limited and time bound resources from central government meant the LEP was only able to employ staff on fixed term contracts with modest salary scales thus restricting the pool of applicants. The findings add further weight to the conceptual work of Bentley *et al.* (2017) exploring the mechanism of control used by central government to limit the leadership capacity of sub-national spaces and provides further evidence of the coercive power of central government.

Culture and context

Several LEPs cited a culture of collaboration pre-dating the LEP enabling them to work constructively together. By starting from a position of established functionality and familiarity, the LEP was able to draw on locally embedded and knowledgeable people that enabled the collective to achieve more than they would have separately. Respondents also spoke of being able to absorb local and central political/ policy changes more easily as a result. This view was shared across LEP Boards. Pre-existing collaboration did not necessarily operate smoothly or without tension but having established links between people within the spatial network meant partners were able to present a united front:

There has always been a rivalry, it is like brothers and sisters. We will fight amongst ourselves but when it comes to facing the outside world it is very much together (LEP 10 interviewee 3).

Respondents from LEPs that lacked historical collaboration were unanimous in their view that was an impediment and cited high levels of resistance from local authority partners in the early stages of partnership forming.

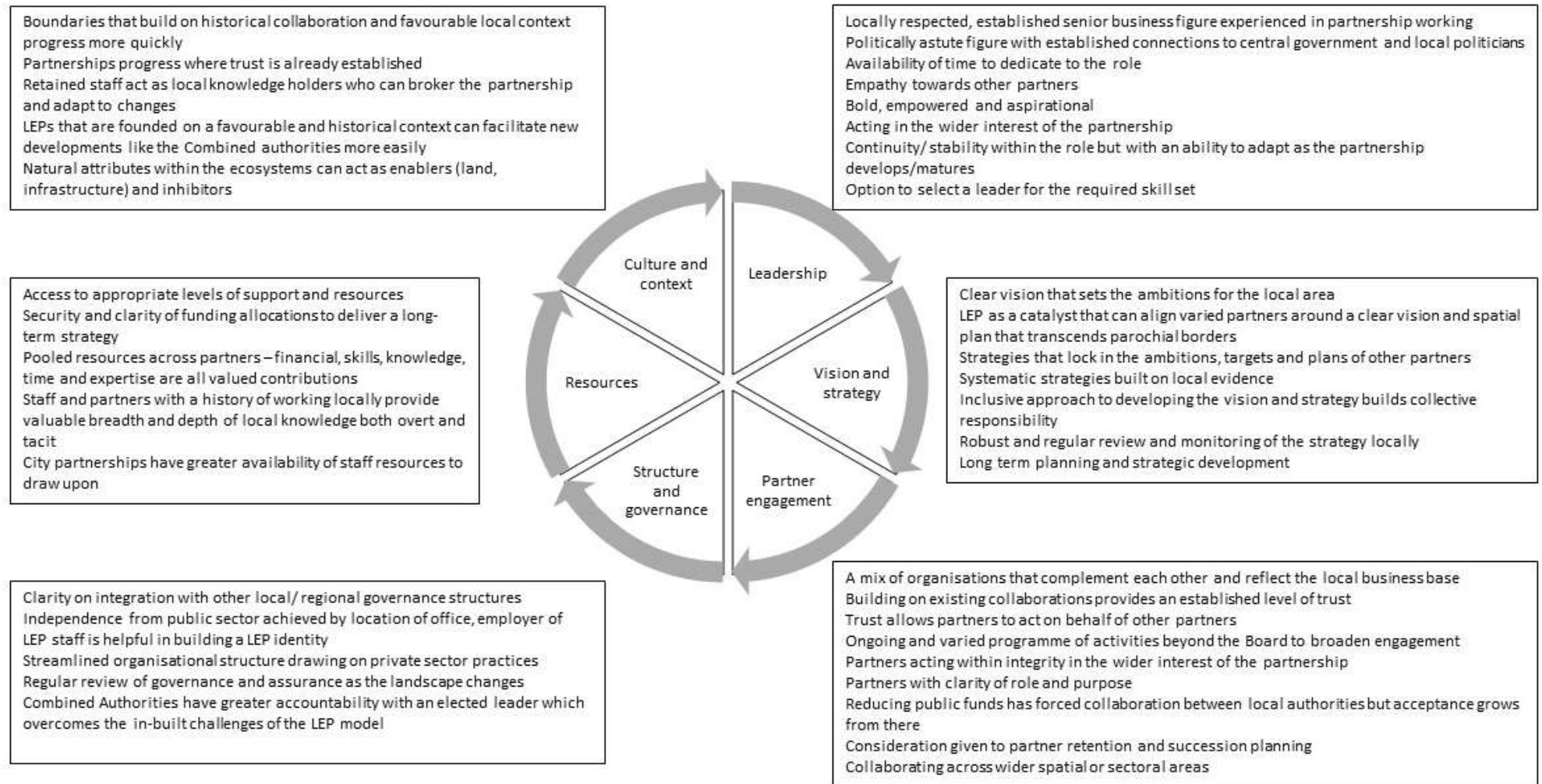
Findings recognised that the ability of their LEP to transform the local ecosystem was influenced both positively and negatively by external contextual factors. Respondents from case study LEPs that had relatively high growth outputs, recognised that their performance was partly assisted by presence of strong local attributes including the availability of housing stock and employment land, good transport, energy and digital infrastructure which had meant they were more natural growth areas. Conversely, respondents from LEPs that scored relatively low on growth outputs recognised they faced barriers to growth presented by the nature of local land and workforce that would be difficult to address solely at a local level:

The difficulty is that this is going to be a ten to twenty-year journey even to attempt to get anywhere towards national averages and of course the better you get the more the averages move away from you. I think it is a big challenge for areas like ours (LEP 1 interviewee 2).

The findings demonstrate that context holds considerable influence over a partnership's ability to achieve its aims and despite having a strong culture of collaboration, can hamper the ability to transform the local area.

Across each of the six themes, several factors were identified that helped and hindered the progress of the partnerships, these have been used to inform the further development of the conceptual model (Figure 3).

Figure 3: Developing Conceptual Model



Source: Authors' elaborations

Emerging Themes

Reinforcing earlier debates in this journal (Bentley *et al.*, 2017; Ayres *et al.* 2018; Gherhes *et al.*, 2019), the open coding identified several themes not captured in the original conceptual model that were influencing place-based partnerships. The influence of central and local government actors exerted power over the partnerships and inhibited leaders of place-based partnerships from developing and delivering transformational local industrial strategies.

At the macro level, partnership progress was affected by a coercive force of central government who, despite an illusion of localism, remained hierarchical in their mode of governance. Bentley *et al.*'s (2017) exploration of the governance of sub-national territories recognises a similar constraining force of central government in the form of four key mechanisms that limit the collective and relative power of local actors to achieve collaborative leadership. They call for further empirical enquiry and the findings of this research provide evidence of all four mechanisms constraining the LEPs, namely: legislation and formal agreements; funding; fiscal autonomy and government guidance.

At the micro level, there was evidence of strong influence of the public sector within LEPs and whilst the findings imply some benefits to this, it was also considered a hinderance. Respondents expressed concern that partnerships had become too embedded in local authority governance and culture. This placed them in danger of mimetic isomorphism whereby the LEP imitates the local authority in the belief that this will afford them benefits. By mimicking another organisation, they have sought to achieve greater legitimacy in order to proceed (Meyer and Rowan, 1977).

Sotarauta and Beer's (2017) exploration of leadership of cities and regions calls for collaborative governance whereby the horizontal relationships between actors within the partnership hold greater significance than the vertical relationships between the sub-national partnership and the national governance framework. Few LEPs have been able to achieve this because of the mimetic and coercive forces at play at both the micro and macro level which pull the LEPs horizontally and vertically. As such, the LEP model of governance remains one of conditional localism with dependence on established central and local governance institutions to function. The lack of guidance and direction from central government implies the absence of a clear framework for decisions on strategy and action in relation to local development that would be present under a more targetry regime. As such many LEPs remain trapped between local needs and national demands and are neither afforded the freedom and flexibilities provided by a devolution model of

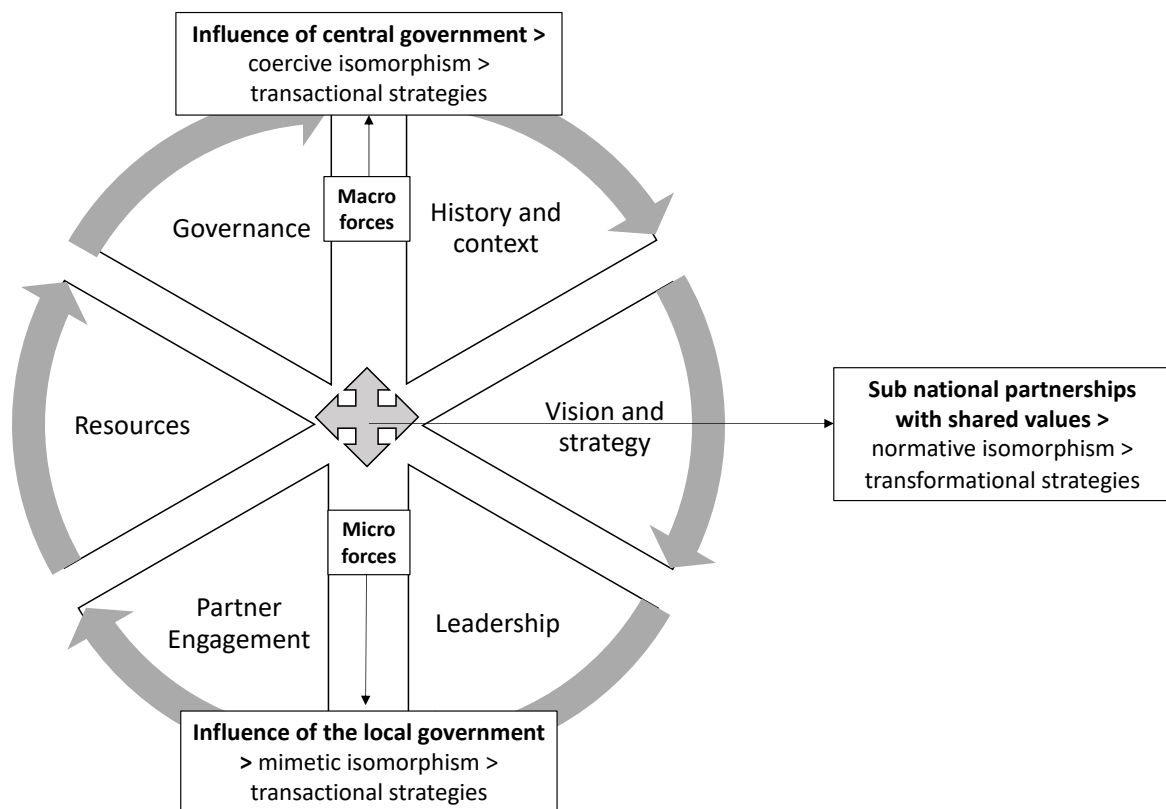
governance (through a Combined Authority) nor directed by a central framework for decision-making.

Application of the Conceptual Model

To move from a transactional to transformative model of place-based leadership Skelcher and Sullivan (2008) encouraged partners to develop shared values across the partnership echoing DiMaggio and Powel's (1983) normative isomorphism. This stresses the power of the network in generating a sense of shared vision across different professional groups and sectors.

The findings reveal that the coercive and mimetic forces of central and local government in the English context are so strong that even when partners have shared values and a history of collaboration, transformative industrial strategies have been hard to achieve. The conceptual model presented in this paper termed the Compass of Collaboration (Figure 4) is designed to provide a tool that can guide the leaders of sub-national partnerships as they seek to develop locally determined, transformational industrial strategies.

Figure 4: The Compass of Collaboration: A Model for Place-Based Partnerships



Source: Authors' Elaborations

Through consideration of the six factors presented within the Compass and the enabling criteria identified across each theme (Figure 3), partners can develop a greater level of understanding of the measures that encompass the components of effective collaboration. Considering the increased scrutiny from central government, the model can be used by partnerships and policy makers to ensure any reviews and assessments of partnership performance take these factors into consideration alongside any quantitative measures. Through a process of partnership reflection and self-assessment the tool can be applied by local leaders to review their current practice and develop stronger forms of collaborative governance that resist the forces of central and local government. Application and testing of the model will follow and form the subject of future research.

Conclusion

Few studies have attempted to offer guidance to empower local actors in the delivery of localised place-based enterprise policy. The research presented in this paper addresses this gap providing a more enlightened view of the factors that help leaders of place-based partnerships to develop transformative local industrial strategies. In doing so the paper makes a significant contribution to academic debates in place leadership and local economic development. Through the application of soft-systems methodology the research has presented, tested and validated an original conceptual model of place-based partnerships for economic development. The model was informed by uniquely bringing together three key strands of literature. First, the literature on the economic development ecosystem, considering economic activity clusters, innovation systems and entrepreneurial ecosystems (e.g. Porter, 1990; Isenberg, 2011; Feld, 2012; Acs *et al.*, 2017); secondly, that on drivers of partnership effectiveness (Carley 2000, Huxham 2003, Geddes 2006, Mcquaid 2009, Bentley *et al.* 2017); and thirdly, literature on local enterprise partnerships (Deas, Hincks and Headlam, 2012; Hildreth and Bailey, 2014; Pugalis and Bentley, 2014; Pike *et al.*, 2016; Bentley, Pugalis and Shutt, 2017). A set of six factors were identified and conceptualized to underpin a place-based partnership approach to economic development: leadership; vision and strategy; partner engagement; structure and governance; and resources; supported by a favourable local context. Findings gathered and refined across a rigorous, multi-layered approach to data collection validated these six factors. Throughout the analysis, views across stakeholder groups within partnerships, and across partnerships in different settings and contexts, provided a commonality of response which was helpful in building transferable conclusions that authenticated the model.

In the English context, the model has considerable policy and practitioner value. The landscape of economic development in England continues to shift most notably with the creation of Combined Authorities and the findings revealed concern amongst the LEPs over their position and security. This research uniquely suggests that the LEPs are limited in their role because they are neither afforded the freedom and flexibilities provided by a devolution model of governance (like the Combined Authorities), nor directed by a central framework for decision-making. Those LEPs that have been able to link directly to a Combined Authority have secured greater accountability, but this raises a question as to the longevity of the LEPs who cannot move out a position of weakness and strengthen their collaborative governance arrangements by aligning to a Combined Authority model. This will be significant as the government ramps up its approach towards under-performing LEPs. Areas comprising two-tier authorities remain dependent on the vertical relationship with central government, vulnerable to the micro and macros forces and need a means to achieve the transformative benefits afforded by securing Combined Authority status. Some partnerships called for a clearer steer from central government which implies a return to a targetry regime and without this guidance, it is questionable whether transformative strategy making is feasible under this form of decentralised governance. This raises as a query as to whether the policy shift has resulted in truly collaborative form of governance and finds a model of conditional localism whereby devolved tiers of governance remain dependent on central and locally established governance institutions to function which limits their capacity to be transformative in their approach to spatial strategies.

If sub-national partnerships are to succeed in achieving their vision of delivering a plan for transformational local growth, they need to address the coercive and mimetic forces of the state. The Compass of Collaboration is offered as a model for local partnerships to assess themselves and consider tactics to develop a stronger set of shared local values that promotes collaborative governance and resists the external forces to achieve a more transformative performance.

The model is geographically localised given its focus on the English LEPs, and this limits the generalisability of the findings beyond that context. However, given that the literature review demonstrated that components of an effective partnership have a degree of transferability to other contexts, the model provides insight within and beyond the UK for those seeking to lead multi-scalar models of governance and will be of value to the establishment and development of other place-based partnerships. This includes institutions like Combined Authorities in England, but also in other sub-national institutions in other nations. This will of course need to be subject to further testing and consideration of other national institutional contexts. Additional research in this area is

encouraged to understand more fully why some partnerships are more successful at building multi-organisational collaborations than others.

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