

Observations on Effective Accountability in Collaborative Working Arrangements

Abstract

While some changes have been made to the public sector's management, finance and accountability systems to enable collaborative working, public organisations continue to find effective collaboration challenging. Many of the things that are important for developing and sustaining effective collaboration are also elements of effective accountability, including understanding roles and responsibilities, being clear about goals and performance, and developing the right incentives for everyone to act in the best interests of the collaboration. Getting collaborative working right – and being collectively accountable for it – is increasingly important for achieving positive outcomes for all New Zealanders.

Keywords accountability, collaboration, relationships, trust

Although governments face complex issues that need a collective approach, they have often found setting up effective accountability arrangements for collaborative working problematic. In the work my office does auditing the public sector's performance, I have frequently observed well-intentioned collaborations between agencies that do not operate as effectively as they could and

therefore fail to realise the aspirations of those who established them. In this article I set out some thoughts and observations from the work my office has done, and from other research, to encourage more discussion and understanding of what lies behind this enduring issue and what can be done about it.

It is first worth noting that, for the most part, the design of the management,

finance and accountability systems for the public sector tend to focus on separate organisations and the delivery of individual services to the people or communities who need them. This focus is important for supporting the efficient management and delivery of many public services. It is particularly useful for services that one agency can largely deliver, that are well-defined, and that are relatively routine – for example, managing benefits.

However, this focus does not easily support public organisations wanting to work in a collaborative way, especially when they need to manage more complex intergenerational public outcomes, such as reducing poverty or responding to violence. Even so, many public organisations still need to work together – and with organisations outside the public sector – to make progress on these complex issues. These organisations involved in collaborative work must be accountable for both their individual contributions and overall outcomes.

The difficulties public organisations face when collaborating are well-known

Many of the difficulties that public organisations face when working together are already widely understood. Earlier research provides a good description and discussion of the issues involved for New Zealand's public sector and these remain relevant today.

In a 2011 paper, public policy experts Jonathan Boston and Derek Gill examined public sector accountability in collaborative working. They identified several issues that commonly arise when two or more individuals or organisations share accountability. These include: a lack of clarity over lines of accountability; the risk of blame-shifting; and difficulties in rewarding performance or applying sanctions in the event of poor performance. Boston and Gill observed that these issues can make 'some individuals and agencies reluctant to participate fully or enthusiastically in joint working arrangements, thereby thwarting inter-agency collaboration and cooperation' (Boston and Gill, 2011, p.2).

Three years later, Rosemary O'Leary, a visiting Ian Axford fellow from the United States specialising in public management, also looked at collaborative governance in New Zealand's public sector. She identified several factors that inhibited or acted as barriers to collaboration. These included:

- a bureaucratic and risk-averse culture that positively reinforces individuals working in silos;
- different understandings of what collaborating means;
- difficulties delivering the collaboration message to the bureaucracy;
- public servants with enormous responsibilities and little room to try something new;
- a lack of funding; and
- a lack of trust.

O'Leary's paper quoted one public servant as saying, 'I have everything to lose and nothing to gain by collaborating' (O'Leary, 2014, pp.v, 33). This points to a lack of systemic incentives and effective accountability for collaborative work.

The public sector needs to collaborate more
Many of the issues and concerns that Boston, Gill and O'Leary identified are, in my opinion, still relevant today. However, the need for the public sector to collaborate continues to increase.

In 2020, to support the increasing need for collaborative working within central government, public management and finance systems were adjusted to allow for different organisational forms, such as joint ventures and interdepartmental executive boards. Different ways of budgeting, resourcing and

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reporting were also introduced (Treasury, 2023, pp.2–3). Examples of these collaborative working arrangements include:

- In 2021, the Border Executive Board was established as part of New Zealand's defence against Covid-19 and other risks. The board is intended to help co-ordinate the management of New Zealand's borders.
- In 2022, the Climate Change Chief Executives Board was established to implement, monitor and advise on New Zealand's emissions reduction plan, including cross-agency actions and strategies.
- In 2022, the Executive Board for the Elimination of Family Violence was established to ensure joint accountability for work relating to the elimination of family violence and sexual violence, replacing the joint venture of the same name. (Treasury, 2024)

However, providing the machinery to collaborate is one thing; getting organisations to do so in an effective and enduring way is another. In a 2022 *Public Sector* article, Derek Gill explained that, to collaborate effectively, organisations need to get the 'hard (technical governance) stuff and the soft (behavioural) stuff working together'. He also said that 'getting the hard

stuff right is not sufficient for joint working to succeed' (Gill, 2022, p.5).

O'Leary identified why the 'soft stuff' matters in her 2014 paper. She found that risk, fear and lack of trust create significant challenges for collaborators, especially for central government organisations. These challenges manifest as 'fear of loss of power, loss of credibility, loss of control, suboptimal outcomes, loss of resources, personal loss and loss of authority'. She also observed that '[b]efore agreeing to a collaborative arrangement, it is important to determine if and how a collaborative group will be held accountable to citizens and public officials' (O'Leary, 2014, pp.33, 49).

A 2021 Norwegian study affirmed the importance of setting up effective accountability arrangements when organisations collaborate, at least in part to assuage the kind of fears O'Leary identifies and to build trust. The authors found that greater focus on designing relevant accountability mechanisms may be needed to counteract collaborative issues such as 'blame avoidance tendencies, low trust, and scepticism towards other ministerial silos'. Effective collaborations need 'informal horizontal accountability mechanisms ... as a supplement to formal, vertical, and hierarchical accountability relations' (Læg Reid and Rykkja, 2022, p.16).

My office has made similar observations. In practice, we often see more focus on formal management and financial structures ('the hard stuff') rather than less formal but still important things like developing shared goals and building strong relationships ('the soft stuff'). Therefore, in the remainder of this article I will focus on the challenges organisations face in getting the 'soft stuff' right, and what, based on our work, getting it right might involve.

Organisations struggle with collective accountability

In many of my office's performance audits, we have seen the consequences of the challenges that Boston, Gill and O'Leary identified. For example, a performance audit we carried out in 2021 looked at how the government's Joint Venture for Family Violence and Sexual Violence worked in practice. We found that, although the joint venture had the machinery and commitment for ten public organisations

to work together, they still found this challenging. We found that important barriers to effective collaboration included organisations not having a shared understanding of goals, responsibilities and accountabilities; a lack of clarity about people's authority; inconsistent communication; and a lack of connection with Māori and important stakeholders (Office of the Auditor-General, 2021, pp.6, 20, 22, 32).

Other performance audits we carried out in 2023 and 2024 found similar issues. In a 2023 performance audit examining how well public organisations supported Whānau Ora and whānau-centred approaches, we found that the Whānau Ora commissioning agencies experienced competitive rather than collaborative behaviours from individual public organisations they worked with. One example we learned about involved a public organisation drawing on a commissioning agency's knowledge and experience of supporting whānau without telling them that it was going to set up a similar service. Such behaviour undermined relationships and eroded trust (Office of the Auditor-General, 2023, p.51).

A 2024 performance audit about how well public organisations were meeting the mental health needs of young New Zealanders found a lack of clarity about the various agencies' roles and responsibilities. For example, we found that when prisoners with ongoing mental health needs were discharged from prison and transferred to public health services, organisations did not always transfer essential information in a timely way. This meant that some people could be released without medication or ongoing care plans (Office of the Auditor-General, 2024, p.53).

The difficulties we have seen that organisations have in working together reinforce the importance of one of O'Leary's key findings: building trusting relationships and sustaining collaboration needs 'clear communication, reciprocity, goal alignment, transparency, information and knowledge sharing', and organisations to 'demonstrat[e] competency, good intentions, and follow-through' (O'Leary, 2014, p.50).

These principles are also important elements of explaining, demonstrating and justifying the progress and performance of

a collaboration to all partners and stakeholders. In other words, our work shows that many of the elements important to building trusting relationships and sustaining a collaboration are also elements of effective accountability.

In the more successful collaborations we have seen, the elements are borne out in co-design and cross-sector leadership. When we looked at how well public organisations were meeting the mental health needs of young New Zealanders, we saw some initiatives that displayed these characteristics. One example was Mana Ake, where several agencies worked together to provide well-being services for primary- and intermediate-age students (Office of the Auditor-General, 2024, p.27).

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Accountability arrangements in

government-community collaborations

Spending time building relationships is especially important when public organisations work with community groups or non-governmental organisations. For example, *Māori Perspectives on Public Accountability*, a report we commissioned from Haemata Ltd in 2022, found that the concept of accountability is inherently collaborative and relationship-centred for Māori. Participants in the study felt that qualitative non-financial outcomes related to community and whānau initiatives are often overlooked and undervalued. They also identified that their understanding of accountability included elements of both responsibility and consequences (Haemata, 2022, pp.18, 19).

Participants were concerned about the lack of consequences, particularly for work that was meant to improve Māori outcomes. They said that the Crown needs to 'front up' and to own and learn from its failings. They felt that acknowledging failures is a first step in the process of improving accountability, followed by swift and monitored action to ensure improvement (ibid., p.20).

In the work my office has completed this year looking at relationships between government and community organisations, we have found that being open to different ways of demonstrating accountability (in addition to the usual public sector accountability requirements) is important when public organisations work with others outside the public sector to achieve shared goals. This work explores the accountability practices of three well-established government-community partnerships, in Gisborne, Taranaki and Auckland. In examining these partnerships, we observed that partners understanding each other's roles, responsibilities and expectations was an important building block for effective accountability and a trusting working relationship.

Although formal partnership documents were useful for effective accountability, accountability was also demonstrated in other ways. This was especially the case where strong local connections created opportunities for direct conversations between those involved in the partnership and their communities. Fronting up in person to communities was seen as an important way of demonstrating accountability.¹

Five essential elements for establishing effective accountability

In 2019, my office published a discussion paper that set out five essential elements for establishing effective accountability when parties work together. These elements are:

- understanding the relationship, the parties and their expectations;
- defining the objective of the partnership and the need for accountability;
- identifying what information is meaningful to understand progress and performance;
- having the means to report, discuss and judge that performance information; and

- agreeing to appropriate consequences for unexpected events (Office of the Auditor-General, 2019, pp.32–7).

Our 2019 discussion paper observed that care must be taken in how accountability arrangements are planned for and managed to avoid or mitigate unintended consequences. Such consequences include:

- an accountability dilemma – when management and governance decisions are heavily influenced by managing compliance with accountability requirements;
- an accountability paradox – when accountability requirements reduce organisational performance through, for example, a shorter-term focus, risk aversion and less innovation;
- a tyranny of light – when the desire for fully transparent and objective measures leads to complexity, lack of timeliness, less public understanding or more public distrust;
- a multiple accountabilities disorder – when organisations attempt to be accountable in the wrong way or try to be accountable in every way; and
- a problem of many eyes – when organisations have different stakeholders with different and conflicting accountability requirements. (ibid., p.38)

In *Collaboration and Public Policy* (2022), public policy scholar Helen Sullivan

concluded that '[s]ecuring accountability is one of the most significant challenges facing collaborators for public policy' (Sullivan, 2022, p.241). Although we know that effective accountability arrangements play an important role in building trusting relationships and sustaining a collaboration, setting up these arrangements can be challenging and time-consuming in practice.

So where should potential collaborators start when thinking about how to develop a shared accountability process? Some questions that may help include:

- Is there clear and common agreement about what the collaboration is designed to achieve?
- Have you engaged with other interested parties about their expectations?
- Do all parties understand everyone's roles and responsibilities, and what they bring to the collaboration?
- Is there a plan that demonstrates how each of the collaborators' roles, resources and responsibilities will result in the collaboration's intended outcome(s)?
- Is there regular and meaningful reporting and a forum for discussion and feedback?
- Do you need regular monitoring processes or periodic evaluations? Is the information about performance or progress relevant, reliable and robust?
- Are there clear and agreed protocols for managing unforeseen events, any lessons,

and/or unexpected progress or performance?

A well thought through and agreed accountability process will clarify what is important for the collaboration to succeed, what each party's roles and responsibilities are, how stakeholders can be properly informed about progress, and what incentives are needed to encourage everyone to act in the best interests of what the collaboration is intending to achieve.

More broadly, it is important to acknowledge that working together well takes time. Agencies are too often not given adequate time to collaborate and are under considerable pressure to deliver. Collaborative working needs to balance these frequently competing imperatives. Ensuring that enough time is available for organisations and people to collaborate will help leaders and decision makers to participate early and well.

Getting collaborative working right – and being effectively accountable for it – is increasingly important for achieving positive outcomes for all New Zealanders. In the words of the whakataukī, 'nā tō rourou, nā taku rourou ka ora ai te iwi – with your food basket and my food basket, the people will thrive'. Or, in other words, working well together will ensure the prosperity and well-being of the people.

¹ Office of the Auditor-General, 2025.

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