

Action Research strategies at the “third place”

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This article discusses action research strategies in regional development. It argues that regional settings are complex, and conceptualises this as the “third place”. This complexity implies a democratic challenge. Furthermore, using regional leadership as a case, it argues that in order to approach this as action researchers, one needs to discuss the assumptions the research is based on. The article discusses two action research approaches: the socio-technical approach and the democratic dialogue approach, and argues that in the complex setting of the “third place”, and at a pragmatic level, one might use insights from the two approaches. The argument for this is that regional development in practical terms both implies functional and structural challenges, but is also a matter of meaning construction. We discuss this as *sequential governance*.

Key words: action research, third place, democracy, regional leadership, socio-technical, democratic dialogue, sequential governance

1. Introduction¹

Researching complex social processes such as regional development as action researchers is a challenging task. It is challenging not least because the complexity implies that the researcher, and those with whom he researches, cannot be in control of the situation they act in. Compared to an organisational setting or a setting of social mobilisation, regional development is not a task where a defined group of actors can necessarily come to mutual understanding based on their own work experience.

We use the “third place” as a term to identify this complex institutional setting. It has been conceptualised in different ways, from different disciplines within the social sciences. For simplification the term means a social sphere, which is neither hierarchy (organisation) nor market, governed by relational dynamics and horizontal coordination of activity that is dependent upon some level of cohesion, social capital and a sense of interdependency between actors. We lump all these institutional characteristics together, and assign them to the realm of the “third place”. Thus, the “third place” is structurally complex, something that is reflected in the many faceted faces of regional network governance and leadership.

We understand regional leadership as a practice that involves the design of regional institutions, organisations, networks and processes, funding and agenda setting, as well as the co-ordination of resources and regional policy development. These are demanding processes in particular environments, which are critically dependent on how to form legitimacy of leadership in network processes, as well as on how leadership knowledge about the challenges of manoeuvring within networks and steering network processes in particular directions can be put to use.

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The challenge we are faced with, when researching leadership in the “third place”, is related to how systemic and institutional characteristics, i.e. institutional economy and socio-cultural structures, influence institutional change, and thereby produce innovative outcomes; and how regional actors develop strategies for utilising decision-making, interaction processes and innovation in these networks. The core challenge is about researching the organising and the managing of these complex and multi-dimensional processes (Normann & Johnsen, 2013) as well as the democratic dimension in regional development (Johnsen, Lysgård et al., 2005; Johnsen & Normann, 2004; Johnsen, Normann, & Fosse, 2005; Johnsen, Normann, Karlsen, & Ennals, 2009). We can ask how leadership can meet these challenges (Hidle & Normann, 2013; Knudsen, 2005; Normann, 2007, 2013; Normann & Johnsen, 2013; Normann & Vasström, 2012).

Action research has, over its history, involved many different approaches (Greenwood & Levin, 2007). A main distinction can be drawn between two conflicting paradigms and approaches; the *socio-technical* school (Trist, 1981), and the *democratic dialogue* school (Gustavsen, 1992). We argue that researching complex social settings such as the “third place”, involves participation and mobilisation, but also a structural understanding of what is in play in the process. We therefore try to approach this challenge in what we call a *pragmatic way*, through asking how action research strategies based on socio-technical thinking and democratic dialogue thinking can be combined in understanding social development, governance and leadership in the “third place”.

The article is organised in the following way; firstly we elaborate our argument that regional development and leadership happens in a multidimensional context that can meaningfully be described as the “third place”. Secondly, we discuss how the two approaches to action research give different guidelines to research strategies related to this task.

2. Regional network governance in the “third place”

2.1 Regional Network Governance

During the last 10-15 years, ‘governance’ has developed into the organising metaphor for the study of interactive forms of political decision making (Sørensen & Torfing, 2008). In addition to political science ‘network governance’ builds on network theory. Where networks have been interpreted and conceptualised as governance structures, governance is coupled to the governance of networks (Grabher & Powell, 2004). Governance network theory describes modes of regulation that differ from traditional modes of market or hierarchical steering (Powell, 1990). Sørensen and Torfing (2008) argue that sovereign forms of regulation would undermine the self-regulating capacity of the networks. Governance network theory thus addresses different approaches to the regulation of network and other self-regulating actors without reducing their space for manoeuvring in any radical way.

One issue that the regional governance network faces is that of defining authority and independence. Such a problem is fairly classic, related to understanding and acting in network-like structures (Kickert, Klijn, & Koppenjan, 1997; Owen-Smith & Powell, 2008); that is, the problem arises where structures have little formal instructive authority, and where management options have to stick to different indirect methods. The regional development process’ reliance on indirect forms of governance makes steering complex, relative to particular goals. Specific expertise in understanding and acting in such structures is therefore required. As we argue below, this is a field where the socio-technical approach to action research can be of help.

The complexity is increased in addition to this, as regional policy is influenced by multi-level management (Enderlein, Wälti, & Zürn, 2010; Piattoni, 2010). This can be understood in two ways: first, that there are different objectives at different levels, and second, that the players are sitting at various levels in a control chain. Both imply an ambiguous relationship between policy intentions and what is being realised. As we see it, this is a general challenge in public organisations. New Public Management (NPM) argues that these complex challenges can only be dealt with through interaction with

others (Lægneid & Christensen, 2007), and where public authority is only one among many different players (Olsen, 2010). Academically, this is referred to as the phenomenon of co-steering.

The challenge for regional, collaborative networks is to deal with many different arenas that have very different ways of developing, and that depend on and produce diverse kinds of knowledge. Some authors, such as March and Olsen (1989, 1995), have for instance made the development of robust and democratic institutions, norms and rules an explicit normative goal of their institutional theory on politics and governance. Gustavsen and Ennals (2007) argue that trust relations are essential to collaborative advantage. Others (Burchell, Gordon, & Miller, 1991; Dean, 1999) can be interpreted as viewing governance structures and their adjacent institutions as power structures that exert specific views and ideas about society (Sørensen & Torfing, 2008). In such perspectives, collaboration and trust are not at the core of development, or even the goals. Rather, collaboration and trust may play the role of forming a veil and a rhetoric that hides other and more instrumental agendas. Thus the governance literature includes both constructivist and structuralist approaches to regional leadership.

2.2 The multi-dimensional “third place”

It is an almost common sense insight that collaborative, regionally based steering systems are complex and multi-dimensional. This implies that it is difficult to overview what effect particular policy initiatives may have on them. It is also difficult to judge to what extent it is possible to manage development through these multi-dimensional mechanisms in a particular direction. These issues concern policy makers, but are also interesting and important concerns for research. How can we for instance design research on multi-dimensional and multi-level governance networks at a regional level, to become informed on these questions?

One way to approach this, is to ask what this complexity is about? We think that in their now classical work on Mode-2 in *The New Production of Knowledge*, (Gibbons et al., 1994) give us an indication of where to look when they write:

In transdisciplinary contexts, [...] institutional differences between, say, universities and industry, seem to be less and less relevant. [...] performance and excellence [is therefore] judged by the ability of individuals to make a sustained contribution in open, flexible types of organisation in which they may only work temporarily (Gibbons et al., 1994, p. 30).

One could therefore argue that the “third place” is a meeting place between different *institutional logics* (Blatter, 2003). This is supported by the observation that we, within the different conceptualisations of the “third place”, find arguments at different levels from the individual or entrepreneurial perspectives to perspectives emphasising social structures and systems. We also find the “third place” to be a meeting place between actors with very different institutional relations, very different agendas and very different time perspectives. Network governance in a regional setting implies that it is the role of regional leadership to directly and indirectly facilitate and meta-steer network processes, in such a way that they address pertinent policy issues and agendas.

2.3 The Norwegian context

In order to link these general theories to a practical field, we might take Norway as a case. In Norway, the county councils are formally intended to take the role as regional leaders. In a government white paper the county councils’ role as regional leaders is clarified in the following way:

“The ministry of local government and regional development considers it appropriate that the county councils in the work of regional development take leadership and the necessary initiatives to develop regional partnerships” (Innst.S.nr.268, 2001-2002).

In a subsequent white paper this role is further clarified:

“The county council's role as a development actor means that it has the responsibility to establish meeting places, establish and lead the regional partnership, set the agenda and identify issues related to regional development included in the network, and to have dialogue with user groups” (St.meld.nr.12, 2006–2007).

In practice, regional leadership may not necessarily be exercised by the county, nor may it be exercised in the same manner and to the same extent in all Norwegian regions (Hidle & Normann, 2013; Normann, 2013). Some regions are characterised for example by the major city municipalities’ de facto exercising leadership, in other regions it may be cornerstone enterprises or sectors of the state apparatus. Regional leadership can thus be placed at different levels of a regional steering chain. Its rationales of operation can furthermore be either exogenous or endogenous to the region.

2.4 Researching regional leadership

Compared to hierarchical organisations, governance networks create new layers of complexity in all dimensions. Governance network participants thus eventually will find it necessary to use their resources on co-ordination and role clarification, both internally and externally. Such processes can be costly, and characterised by enduring power struggles and more or less articulate conflicts (Pfeffer & Salancik, 1978). Thus, themes like leadership, democracy, efficiency, dialogue, interest mediation and conflict resolution are often central themes in “third place” development processes.

The construction of shared understandings and beliefs has been argued as key to the success of governance network processes and regional leadership (Normann, 2007, 2013; Sørensen & Torfing, 2008). Shared understandings and beliefs can make the role of public dialogue instrumental to the ability of governance systems to establish common action and norms (Kickert et al., 1997; March & Olsen, 1995). Olsen (2009) writes:

Institutions are not merely structures of voluntary co-operation and collective problem solving that produces desirable outcomes, and institutional change is not necessarily an apolitical, harmonious process. It cannot be assumed that conflict is solved through social integration and shared values, political consensus, or some prior agreement and ‘governing text’ (constitution, treaty, coalition agreement, or employment contract) [...] Institutional arrangements are usually a product of situation specific compromises. They fit more or less into a coherent order and they function through a mix of co-existing organizational and normative principles, behavioural logics, and legitimate resources (Olsen, 2009).

Network processes are complex, and can represent high levels of uncertainty for stakeholders and actors involved. Therefore, when researching the governance phenomenon, we should be careful not to reduce it to a static snapshot, and thus risk losing sight of its complexity. The key issue is then which structural elements we choose to observe, and what context and situation we observe them in.

It has been argued that the present fascination for governance arrangements stems from their ability to establish oligarchic forms of governing, while at the same time suspending democratic processes at different political levels. Governance thus appears as the self-understood considerate elites' way of circumventing decisions made by the numerically institutionalised democratic procedures, often with the implicit analysis of these numerical channels as being in the hands of irresponsible or populist majorities (Todd, 2008). A major task for action research in the "third place" is to be aware of this challenge.

We can also envisage that the scope of regional leadership is extensive, such that it is exercised both directly and indirectly in a number of regional policy areas. Conversely, we envisage that regional leadership is absent or more limited where it can only be exercised in conjunction with a specific legal field, or where it has little practical impact. Internationally, we find many examples of responsibility for regional leadership being shared between multiple actors and institutions. For instance, regional leadership can be exercised as a partnership or as a coalition. In such coalitions exercising regional leadership, we often find that there is representation from parts of the business sector, from politicians and from R&D institutions (Benneworth, 2007; Benneworth, Charles, Hodgson, & Humphrey, 2007; Karlsen & Larrea, 2012; Normann, 2007; Sotarauta, 2005; Sotarauta, Horlings, & Liddle, 2012; Teräs, 2008).

To summarise; we have identified different approaches to regional leadership. Following Blatter (2003) we can see the parallel challenge of reconciling different institutional logics in border regions with our conceptualising of the "third place". It involves both building instrumental and identity institutions; or functionalism and constructivism. Below we relate this to Action Research approaches.

3. Two approaches to Action Research in regional development

3.1 *The socio-technical approach*

A main tradition in action research is related to industrial development as it was developed at the Tavistock Institute in London after World War II. This research programme, with main scholars such as Trist and Emery, developed the *socio-technical framework* for industrial development. This was a framework that in the late 1950s was supporting the Norwegian Industrial Democracy endeavour, led by Einar Thorsrud (Sandberg, 1985).

Emery and Trist developed the philosophical foundation for the socio-technical approach, where they built among others on Philip Selznick’s work in organisations as systems (Selznick, 1984 [1949]). Their approach was to see the organisation as an open system consisting of two main elements; the technical system and the social system. They wanted to avoid the type of individualisation found in the Human Relations movement, and therefore had *the work system* as their unit of analysis. They also rejected the technical determinism that they found in bureaucratic theory and scientific management (Emery & Trist, 1960; Trist, 1981).

The main focus in the socio-technical perspective is on systemic relations. Change and development happens in interplay between the human sub-system and the technical sub-system. However, it is not to be understood as a social psychological process. This implies that issues like participation and job-satisfaction are outcomes of, but do not define, the process (Trist, 1981). Thus, there is an element of *functionalism* in socio-technical thinking.

Most of its subfunctions may be realised either by humans or by technical object systems. So we can transform the abstract action system into a socio-technical system by conceiving object systems for every suitable acting function and by integrating them into the human acting or working relations. Thus, we obtain a coherent understanding of technology in society (Rophol, 1999).

The socio-technical framework implied the idea of making a better fit between system elements, both technical and social. The starting point of the process is to envisage the whole system, and how sub-systems can be developed, in order to enhance learning in and between the sub-systems. In this

sense, one might see a parallel between this socio-technical approach from the 1950s and 60s when it comes to regional development, and today's policy frameworks like regional innovation systems. In both cases, it is the system characteristics and the learning in and between sub-systems that are in focus (Johnsen & Ennals, 2012).

The action research agenda in such a system perspective is to facilitate system development, not least through *search conferences*. The intention of the search conference is to identify the sub-system characteristics and learning capacity. The underlying idea is that people, collectively and through their work experience, have knowledge of what works and what does not work. A search conference builds on this knowledge in order to find new ways of working. Thereby, search conference and the action research strategy are collective in nature, they are bottom-up, they mobilise the workforce, and they build on the knowledge in the situation.

Although the socio-technical approach was developed at an industry level, it was also applied to larger social systems. Trist led projects in the early 1970s on regional development based on the socio-technical framework (Trist, 1981). In Norway the industrial democracy tradition was extended to encompass social and regional development. Emery and Thorsrud (1976) already had this on their research agenda.

3.2 The democratic dialogue approach

The link between industrial democracy and regional development became very explicit through three large and subsequent programmes initiated by Bjørn Gustavsen in the mid-1990s (Gustavsen, 2002). The inspiration of these programmes came from the Swedish LOM programme.

The Swedish Program "Leadership, Organisation and Communication" (LOM) was a research and a development programme designed to support local processes of change in the private and the public sector. The programme was carried out between 1985 and 1990. The strategy of LOM was focused on two basic principles: the principle of democratic dialogue and the principle of development of a "communicative infrastructure" for interaction and for rational actions. The process of establishing a communicative infrastructure was focused on incorporating as many of those

concerned as possible into an organisation. A democratic dialogue and the establishing of communicative infrastructures were regarded as prerequisites for bringing about real change in organisations (Drejhammar, 1998).

Gustavsen then organised the Norwegian research programme Enterprise Development 2000, from 1994, which in 2001 was further developed into Value Creation 2010, and from 2007, into VRI (Instruments for regional R&D and innovation) that is still running. Through these programmes, and building on the Norwegian industrial democracy and action research tradition, Gustavsen coined mobilisation frameworks of regional based development (Gustavsen, Finne, & Oscarsson, 2001). However, as indicated in the above citation, Gustavsen framed this differently from the socio-technical tradition. His main concept became the *dialogue conference* and the *development coalitions* (Gustavsen, 1992, 1996). The difference was not only one of wording, but also indicated a different philosophical foundation.

Gustavsen had thus introduced communicative theory into the industrial democracy movement (Gustavsen, 1992). Communicative theory built, among others, on the work of Habermas (1981). A core of the Habermasian communicative theory is the reflexive processes of meaning construction through democratic dialogue. Democratic dialogue has two main elements that distinguish it from the socio-technical tradition; the role of *language* and the role of *subjective reflection*. Therefore, the dialogue conference is less about a systemic fit, and more about constructing meaning than was the idea of the search conference. The reflexive dimension does not only refer to the participants in the process, but to the researchers as well. Research is in itself a learning process in this perspective. Furthermore, a development coalition is able to develop understanding of the situation, and does not build on some pre-defined system-perspectives and analyses. In the communicative perspective, the research strategy is more dialogue oriented, interactive, based on theory of participative democracy where the researcher participates in the process of creating solutions. It is an on-going, reflexive process, stepwise, but otherwise minimally structured (Eikeland & Nicolini, 2011; Gustavsen, 1992, 1996, 2005; Pålshaugen, 2002; Toulmin & Gustavsen, 1996).

The socio-technical and the democratic dialogue approach share the plea for the broad mobilisation for development. What separates them is that the

dialogue conference is not confined to the type of systemic functionalism that underlies the search conference. In both cases, the action research strategy is to facilitate the development process.

In spite of this, the fact is that during this programme history, from Enterprise Development 2000, in 1994 to today's VRI programme, the emphasis has shifted from the dialogical perspective onto the socio-technical perspective. This is articulated through the strategy for the VRI-programme that is based on a regional innovation system (RIS) concept (Ennals, Johnsen, & Normann, 2012). However, none of these concepts have been discussed in relation to the "third place".

4. Action Research in the "third place"

Action researchers, although they may see their role as facilitators of development processes, still have an underlying philosophy that guides their approach. Two such philosophies might give different guidelines for development in the "third place". As neither of the two approaches that we investigate are specifically developed to handle "third place" situations, this discussion is cast in a conceptual form. We have argued that the socio-technical perspective and democratic dialogue perspective represents two different methodologies or paradigms to social/economic change. Both are participatory, but they are based on different foundations.

In the socio-technical perspective, the core methodological challenge is to make a fit between system challenges and the local organisation. The core idea is that if we mobilise the right participants to the right systemic challenge, we get better results. This perspective aims at getting quick, workable and practical changes.

In the democratic dialogue perspective, the core challenge is much more of a constructive kind, it is about coming to mutual understanding in a way that will eventually affect action. The dialogue process is about creating this understanding and having it deeply anchored in the values that people hold. It is thus necessary to spend much time on interpretation of reality as experienced from various positions.

In short, we argue that the socio-technical approach implies reducing the “third place” to a functional system. Democratic dialogue is likely to see the “third place” more in terms of meaning constructions, mutual understanding, developing a common language. We maintain that the two different approaches give different inputs to how the “third place” is conceptualised, and thereby how regional leadership is understood, and what it takes to develop it.

4.1 The socio-technical approach to the “third place”

For a socio-technical approach, one will be looking for what socio-structural elements can be identified and how these work out in system form. Concepts such as social field (Bourdieu, 1977), the clan (Ouchi, 1980), the network (Powell, 1990), embeddedness (Granovetter, 1985) are all terms that catch different facets of this phenomenon. One might also understand the field in terms of theories about epistemic community (Knorr Cetina, 1999) or self-referential system theory (Luhmann, 1995). Networks and epistemic communities are regulative systems that presuppose compliance with rules and norms. They develop in parallel with identity formations, and thereby there is a sort of self-closing, autopoietic process by which social structuring is reinforced.

A socio-technical approach will identify stakeholders and core networks. Networks that are considered legitimate by actors both internal and external to the collaborative structure benefit from having relations (social capital) that enable them to act effectively and efficiently together. Network legitimacy is one of the core resources of network based development work. Legitimacy is established through interests. An interest group in a community could work as a parallel to a work organisation within a company. Action researchers will work with the networks and groups in order to identify challenges and collaborative solutions. This efficiency can be problematic in relation to issues like power and democracy, if the process is not able to cover all the people or interests relevant in the environment.

To give examples, in the socio-technical perspective researchers would be interested in answering questions like: What are the main systemic challenges

facing us? Who are our competitors? What are our systemic advantages? Who are best fit to do what? How should we organize in order to meet these challenges? What will be the outcome of this process if new initiatives, institutions or actions are created to approach the challenges?

4.2 The democratic dialogue approach to the “third place”

An action research strategy, based on democratic dialogue philosophy, has much in common with the socio-technical approach, mainly in mobilising stakeholders and creating discussions in groups on challenges. However, the action research approach is more open to what the agenda for research is about. The relevant references in social science are among others the public sphere and the communicative community (Habermas, 1981), community of practice (Amin & Roberts, 2008; Lave & Wenger, 1991), development coalitions (Gustavsen, 1992), agora (Nowotny, Scott, & Gibbons, 2001), regions of meaning (Gustavsen, Nyhan, & Ennals, 2007), third place (Oldenburg, 2000; Putnam, 2000), and border regions (Blatter, 2003). These can all be seen as relevant notions, opening up the understanding of how social processes work in order to solve diverse problems and challenges.

A social dialogue has a double intention; on the one hand it makes the participants aware of common challenges, and enables them to name the challenges; at the same time it creates a common language and an understanding of these challenges. The first represents a sort of reflection, the second a sort of construction. An action research strategy intends both to facilitate reflection and construction, but action researchers will also have to see their own self-construction as part of this process. Thereby, one could say that action research in this regard is a self-reflecting process.

Again to exemplify; in the democratic dialogue perspective the researcher might ask questions like: What are our values? How do we communicate? Is it open, democratic, critical? How do we understand our selves and the challenges we are facing? Is our common understanding in line with individual aspirations? Do we have the same understanding of the situation? Have we involved all those affected? What role can we see for ourselves in the global economy? How can we utilise our cultural values and make them into

advantages? Will the outcome of this process be to create new communicative patterns and new relations?

4.3 Taking a pragmatic approach to researching regional leadership

Is it possible to research regional development and leadership by combining insights from the two Action Research approaches? In this paragraph, we will try to show how that might be done, by taking a *pragmatic* attitude to the two competing approaches. A key concept in both democratic dialogue and socio-technical process is the concept of *process*. Development happens over time. Those involved in the research process have to acknowledge the temporal aspect of learning and reflection. This includes especially being open to the fact that the process can take unexpected directions. A socio-technical approach will normally target and address systemic challenges, and identify stakeholders in order to go into a solution phase of solving the challenges. A democratic dialogue process will normally use more time at an early stage in identifying stakeholders, a common vocabulary, and a meaningful way to define the challenges.

We might approach the issue of leadership from a functional-structural perspective, seeing it as a question of optimising structural fit. We might also approach it more open-endedly, and have a meaning related discourse on how a given region can identify and understand its challenges. This is currently part of our discussion on methodology. What we have observed is that there are certain structural features of regional leadership that seem to be rather generic. They relate to both developing instrumental institutions and to identity formation and they presuppose both legitimacy and knowledge. There is a continuous need to reaffirm the democratic dimension and legitimacy in such processes. Legitimacy can be related to how knowledge is developed, and to how this mobilises different enabling factors or resources like power, economic resources, and competencies through various phases of organisational behaviour. This implies that at a practical level, regional leadership processes face both structural and identity formation challenges. We argue that these challenges vary in different stages of a development process and we therefore label this phenomenon *sequential governance*.

We can identify three different roles that knowledge can take on, pertaining to the sequential rhythm of governance evolution. Firstly, we think of knowledge as capital for mobilisation and for setting the governance arrangement. Here, knowledge should be crucial for getting started. Knowledge will be attractive as an in-group resource that is only available through accessing the network in question, and derives its value from this fact. Secondly, knowledge will be important for moving the governance along through a process of selection and integration. Here the emphasis will typically be either analytical in form or subject to internal bargaining for coining the focused activity of the governance network. Thirdly, knowledge will be applied to implementing the desired outcomes of the governance processes. There are thus distinct phases of knowledge application throughout a governance network's time-span, as there are also different kinds of knowledge that come to use during the various phases. Initially the process will collect different types of knowledge from participants.

The way in which legitimacy is developed influences both the processes within the network, and the results that the steering network eventually produces. The relationship between legitimacy, process and output has implications for how we should design and organise regional development networks. Thus, legitimacy is a factor that mediates governance forms and knowledge development. We follow Suchman and use his definition of legitimacy, as he emphasises the socially constructed and transformative potential of legitimacy.

Legitimacy is a generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions (Suchman, 1995).

It follows that different types of knowledge production and different models of regional leadership can be associated with, and rely on, different types of legitimacy. For instance, partners in networks are likely to consider their participation in relation to the output that the network produces. Subsequently, we should expect that network actors and regional leaders more or less continually assess to what extent network collaborations produce satisfactory results. Legitimacy can in this sense be seen as a product of the success of a development network. The reason for this is that development networks are

loosely coupled systems, often consisting of strong but competing partners, and often contested by other institutions. As such, legitimacy also enters as capital for further network integration which in turn can generate more success. Thus a spiral of reinforcing effects is created. Another possible source of legitimacy in network based development processes can relate to moral values, in the form of doing some good for society, and of sharing norms and beliefs. The role of regional leadership, in relation to this and in such situations, is to support actors in breaking undesired circles, and incrementally develop the legitimacy of the collaborative structure, both instrumentally and in terms of more normative dimensions.

We have in this paragraph discussed how action research on regional development and leadership in the perspective of democratic development in the “third place”, can utilise insights from both a functional system view and a communicate view. To some extent, one might call this combining the two conflicting paradigms of social-technical system and democratic dialogue. The socio-technical part of this is that we need, as researchers, to make system assessments in order to overview the complexity of the “third place”. At the same time, our approach to understanding development and leadership is explorative, dialogue based and emergent.

5. Conclusions

This article has focused on methodologies for research on regional development and leadership in collaborative development processes. We have pointed at knowledge and legitimacy as core elements that define the role of leadership in the transformation between governance sequences. These transformations represent critical events in “third place” development processes. Sequential governance is a pragmatic and simple, but novel, take on territorial governance and the role of regional leadership herein. It draws in part on systems thinking, recognising the complex multidimensional nature of governance processes and emphasising the need to view and act in these processes longitudinally, in sequences. Within these governance sequences, knowledge and legitimacy are shaped, moulded and transformed. Regional leadership can be viewed as governance of such development sequences, and

thus a practice that can be informed and shaped by the democratic dialogue approach.

More research is needed on the applicability of our observations, to refine our approaches a theoretical tool, and to broaden our understanding of the dynamics of governance. Studies of how individual actors manoeuvre, both as network participants and as regional leaders in light of this model, should further be undertaken in order to gain more knowledge on the larger question on how networks can be more innovative and generally more useful for societal development.

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