

This PDF is governed by copyright law, which prohibits unauthorised copying, distribution, public display, public performance, and preparation of derivative works.

TITLE

The Melbourne Model and its All Sector Taskforces:
Theoretical Framework and Delivery Mechanism for the
United Nations Global Compact Cities Programme (UNGCCP)

AUTHOR(S)

David Teller

AVAILABLE IN

The Journal of Corporate Citizenship Issue 26

FORMAT Journal article

DATE June 2007

ISSN 1470-5001

PAGES 43-52

MORE DETAILS <http://www.greenleaf-publishing.com/jcc26>

SUSTAINABILITY • RESPONSIBILITY • ACCOUNTABILITY

Aizlewood's Mill, Nursery Street, Sheffield S3 8GG, UK

Tel: +44 (0)114 282 3475 Fax: +44 (0)114 282 3476

info@greenleaf-publishing.com <http://www.greenleaf-publishing.com>



The Melbourne Model and its All Sector Taskforces

Theoretical Framework and Delivery Mechanism
for the United Nations Global Compact Cities
Programme (UNGCCP)

David Teller
UNGCCP, Australia

The UN Global Compact Cities Programme (UNGCCP) builds urban Livability. It provides a new form of governance, the Melbourne Model, which enables business, government and civil society to jointly tackle urban issues in a mutually beneficial and sustainable manner. The UNGCCP specifically provides: a neutral space for multi-stakeholder engagement and problem-solving; encourages the involvement and empowerment of the 'best as opposed the usual' stakeholders; and enables the private sector to contribute at a systemic rather than symptomatic level.

Launched in 2003 the UNGCCP is working on every continent to develop strong thematic communication channels between cities facing similar issues. Urban development themes include: green buildings, water and sanitation, road safety, reconciliation, industrial transition, urban planning, financial hardship, slum redevelopment and health system planning.

- All Sector Taskforces (ASTs)
- Global Compact
- Global Compact Cities Programme
- Cross-sector partnerships
- Melbourne Model
- Self-healing city
- City governance
- Livability
- Urban development

David Teller is the Director the UNGCCP, the designer of the Melbourne Model and AST, as well as the developer of the 'snowballing' technique used to identify the 'best as opposed to the usual' stakeholder participants. He designed and managed the Australia-based Utility Debt Spiral Project between 2004 and 2007 which represented the first application of the AST methodology, and is currently coordinating the multiple international projects that are taking place within the context of the UNGCCP. The author's background working in business as well as for the not-for-profit sector has provided him with insights into the potential for change that exists in the areas of tension present within and between business, government and civil society.



✉ Level 2, 25 Flinders Lane,
Melbourne, VIC, Australia 3000
dteller@citiesprogramme.org
www.citiesprogramme.org

THE MELBOURNE MODEL REPRESENTS THE NEXT PHASE IN THE EVOLUTION OF global governance. It is a paradigm shift from current methods of engaging the private sector and provides a new mechanism to tackle intractable urban issues at a systemic level. It functions by motivating, facilitating and organising input from business, government and civil society, and providing the resulting solutions for delivery through existing policy-delivery mechanisms. Its innovation lies in its ability to: provide a neutral and facilitated forum for the development of consensus-based outcomes; engage and empower ‘the best as opposed to the usual’ local proponents; and its ability to deeply motivate and harness the capacity inherent within the private sector.

Applicable where traditional governance models have failed, the Melbourne Model is effective in situations involving and impacting on all sectors—where no single sector has the ability to generate a required answer. It functions best at a systemic level, seeking to identify and resolve causes rather than symptoms and thus has, by definition, the ability to have far-reaching and sustainable impacts. It maintains an urban focus as this is where it finds the richest pool of ingredients for the Melbourne Model delivery mechanism: the All Sector Taskforce (AST). It is not seeking to break down societal silos nor is it a form of cross-sector partnership (CSP). It is conceptually simple yet complex and challenging in its application; the Melbourne Model is entirely focused on tapping into the best available human resources and transiting as rapidly as possible from issue, to process, to outcome.

The UN Global Compact Cities Programme (UNGCCP)

Launched in 2003 the UNGCCP is a unique UN-affiliated programme focusing on translating internationally ratified agreements referring to labour and human rights, environmental sustainability and anti-corruption into concrete city-centric outcomes. It further seeks to improve the quality of urban life through the effective use of local multi-stakeholder processes involving business, government and civil society. The UNGCCP is based on the premise that these multi-stakeholder processes, combining the ideas, knowledge experience and resources inherent within business, government and civil society, have a powerful, unique and unlimited capacity to develop innovative solutions to seemingly intractable environmental, social or economic problems.

The international secretariat of the UNGCCP resides in Melbourne, Australia. It is a discrete component of the business-focused UN Global Compact (an initiative of former UN Secretary-General Kofi Annan), and provides a communication hub for participating cities and the solutions they develop. It further provides participants with the training, facilitation and materials on the Melbourne Model methodology and the All Sector Taskforce delivery mechanism.

The Melbourne Model

The Melbourne Model methodology was first tested and validated in 2004 through the Utility Debt Spiral Project (UDS) which developed mutually beneficial solutions as to how water, gas and electricity companies could better work with their customers experiencing financial hardship. The Melbourne Model, developed at the not-for-profit Committee for Melbourne, now underpins the UNGCCP as an alternative methodology for how cities can develop innovative solutions to their environmental, social and economic challenges.

The Melbourne Model provides a framework for a new form of governance that seeks to resolve complex urban issues. The Melbourne Model is premised on the theories of: *unutilised human capacity*; *local capacity generation*; and *the theory of the self-healing city*.

Theory of unutilised human capacity

Individuals are made up of their component parts including: experience, ideas, information, data, education, knowledge, wisdom and motivation. Through our daily personal and working lives we normally have the opportunity to utilise only a relatively small amount of these attributes while the balance lies dormant and under-utilised. Multiplied across urban populations, this represents large-scale forgone human capacity which, currently, has few mechanisms through which it can be usefully expressed and applied. The Melbourne Model, as delivered through AST, represents a new mechanism whereby under-utilised human capacity for change and progress can be organised, focused and applied to pressing issues impacting our urban communities. The theory of unutilised human capacity is supported by early evidence from the Debt Spiral Project which demonstrated that in any community and in all sectors there exists a significant number of individuals who are keen and highly motivated to contribute to processes whereby they are empowered to apply their specific areas of expertise to issues of personal interest.

CASE STUDY

Running from 2004 to 2007 under the auspices of the Committee for Melbourne, the Utility Debt Spiral Project (UDS) brought together Australian water, gas and electricity retailers, relevant government officials and NGOs. Its objective was to generate mutually beneficial solutions to how the private sector can more effectively work with customers experiencing financial hardship. In 2006 the project was ultimately successful in changing corporate behaviour and guiding philosophy as well as in generating a new set of guidelines for energy and water retailers. The changes reflect the realisation, developed through the Melbourne Model process, that a business case exists to work cooperatively with those customers in financial hardship, as opposed to imposing credit-driven processes that not only alienate the customer, but often end up costing more to the company than the alternatives.

New legislation underpinning the changes will be passed in July 2007. Merchant and retail banking and telecommunication are now adopting the new processes developed within the UDS Project. The UDS Project exemplifies how the Melbourne Model is used to tackle complex and seemingly intractable systemic issues impacting large populations.

Theory of local capacity generation

Local capacity building is critical in ensuring the successful implementation, survivability (or 'stickiness') and sustainability of complex urban solutions. By utilising and facilitating local assets the Melbourne Model encourages the development and recognition of existing local capacity. Unlike many existing international programmes, the UNGCCP is not designed to provide external solutions and expertise that may be unsustainable, unsupported or unsustainable in a given environment but, rather, to provide a framework that will assist in the process of facilitating local ideas, expertise and capacity around a specific local issue. Indeed, the Melbourne Model relies on the fundamental premise that every city contains the ingredients necessary to generate solutions to any problem it may cause itself and that any deficit in local knowledge and capabilities

relative to externally sourced expertise will be more than compensated by local knowledge, sociocultural understanding, networks and on-the-ground permanence. This is supported by the fact that, in every country, cities are the focus of infrastructure, population, government, educational establishments and human and financial capital representing a 'treasure chest' of attributes and resources. The challenge is therefore not a scarcity of resources with which to resolve urban issues, but rather how existing local resources can be motivated and focused on a given issue that is larger than any of the component elements required to fix it.

Theory of the self-healing city

Living organisms share the ability to heal themselves and to adapt to their environment. Cities share these attributes and share the ability to grow, adapt, react to a highly complex set of inputs and stimuli and to heal themselves. This concept serves to counter-balance the negative and sometimes fatalistic views that major urban economic, social and environmental issues reach a tipping point whereby they can only be mitigated but never successfully resolved. Arguably, the fact that cities currently often have limited success in doing so is therefore more a reflection of the lack of empowering governance structures than on any innate limitations in their make-up. The Melbourne Model seeks to overcome this limitation by accessing the inherent human and material capacity that, by definition, exists in any human settlement and to assist in the reorganisation thereof for the sake of resolving otherwise seemingly intractable issues.

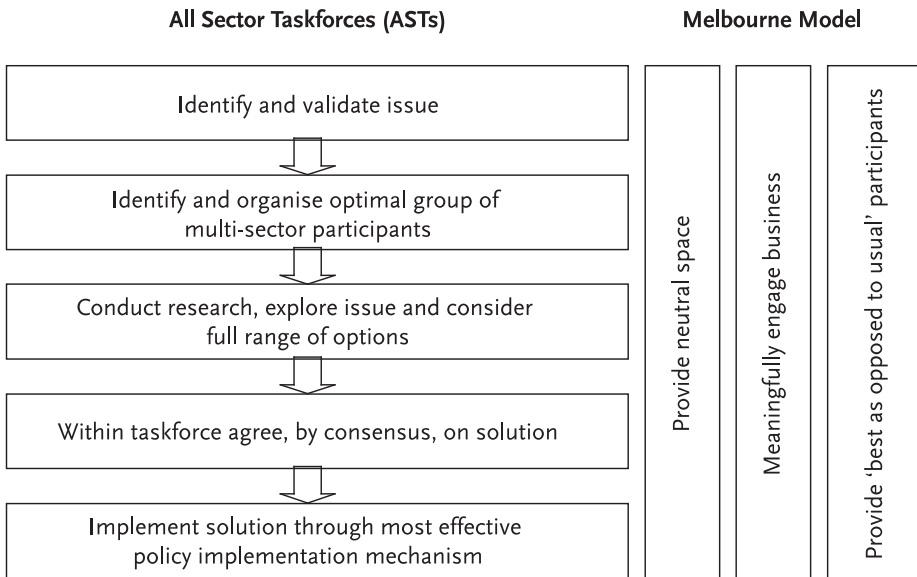


Figure 1 ALL SECTOR TASKFORCES AND THE MELBOURNE MODEL

The All Sector Taskforces

ASTs are a solution-producing mechanism. They function by bringing together, focusing and facilitating an optimal group of stakeholders from the private, public and not-for-profit sectors around an issue of an intractable nature.

ASTs differ from 'normal' multi-stakeholder processes: by the make-up of their participation; by the neutral, empowered and agenda-free nature of the space within which they occur, by the process facilitation method they employ to progress from issue to solution; and by the methodology employed whereby every participant, regardless of relative wealth and power, holds an equal status within the process.

The practice of ASTs

In the words of Anant Nadkarni, TATA Council for Community Initiatives, ASTs are '*simple but not easy*'. That is to say that they are theoretically straightforward but extremely challenging in their application. To date they are being applied specifically in the context of the UN Global Compact Cities Programme where each participating city must engage in a project using ASTs as the overarching problem-resolution mechanism.

ASTs, as described in Figure 1, follow a prescribed set of actions that are designed to validate the issue under consideration, form an optimal group of stakeholders, generate a solution and then provide this solution for implementation. Each of these steps is challenging, all the more so when the complexities of language, culture, politics and power are taken into account. This challenge has resulted in the AST being adapted for each situation and being designed with significant levels of flexibility to cater for situation-specific requirements.

The need for ASTs

As with the delivery mechanism for the Melbourne Model, the need for ASTs has come about from a simultaneous observation of two factors: first, that current corporate social responsibility (CSR) activities are generally ineffective in harnessing the true capacity inherent in the private sector to help resolve systemic issues; and, second, that there is a growing public frustration with existing forms of governance which seem unable to develop efficient and effective solutions to emerging and pressing urban problems.

Urban communities do not understand the lack of progress on a range of social, economic and environmental issues that have been long-standing, are of grave public concern and in some cases appear to be getting worse rather than better—often despite the significant sums of money and effort that have been expended in trying to resolve them by governments and other key stakeholders. This especially holds true when it is recognised that immense pools of talent and resources exist in each of our urban communities which should, logically, have the ability to resolve the range of issues with which our cities are faced. Examples of this include: slow economic growth, lack of opportunity, the income gap, traffic congestion, lack of affordable housing, greenhouse gas emissions, entrenched youth unemployment, poor city planning, drug use and the conditions of many indigenous populations around the world, to name but a few.

One reason that cities often fail in resolving intractable issues is that no form of governance currently exists whereby the sole driver for generating a given solution is purely the issue itself. Indeed, market-driven mechanisms are skewed towards the needs of owners and shareholders, government-led processes often produce suboptimal outcomes due to the influence of the political re-election imperative (in those places where democratic processes occur) and self-interest where they do not, and the outputs of cur-

rent models run by civil society of multi-stakeholder networks are habitually skewed towards the needs and wants of the strongest partners or managing entities.

ASTs therefore exist in the space between current forms of governance and the ultimate objective of efficiently utilising existing plentiful human, financial and technical resources to resolve the complex issues with which every urban community is faced. This is a space where these resources can be identified, motivated, assembled into an effective whole and have the substance, power and political weight to be effectively implemented in a real-world environment.

When to apply All Sector Taskforces?

One of the key benefits of ASTs is their ability to develop solutions to seemingly intractable urban issues that would not, using other methodologies, be able to be generated. This is due to their unique capacity to simultaneously draw and combine ideas, experience, data and information from business, government and civil society. It must be noted, however, that many issues do not require ASTs as they can and should be addressed by a single sector—often government—or two sectors working together: for example, government and NGO. It is to be further noted that ASTs are not designed to replace current forms of governance but rather to contribute to their effectiveness by acting as a neutral pre-vetting and analysis mechanism. For this reason a set of specific criteria have been developed for when ASTs should be applied consisting of:

1. When the target issue has a direct and identifiable impact on all three sectors
2. When direct input from and consensus between each sector is required for the development of an effective solution
3. When every participant from each of the three sectors perceives eventual benefit from their participation

What differentiates All Sector Taskforces?

The 'best as opposed to the usual' participants

One of the most challenging aspects of building effective ASTs is identifying and assembling an optimal group of participants—the 'best'. These participants form the critical building blocks of the AST and are the ingredients that enable the development of optimal solutions. Most participatory processes do not achieve the optimal mix of participants and fail as a result. Participants may simply lack the necessary technical and communication skills, may not have the support of their organisations, may be negative 'blockers' who can slow or stop the process, or they can be made up of those chosen on the basis of their status as opposed to their ability to make a significant contribution to the process. By seeking to identify and empower non-traditional or the 'best' stakeholders, ASTs build into the process the capacity to generate consensus-driven, innovative and effective solutions.

'Usual' participants, on the other hand, can be described as individuals who are chosen to participate in a multi-stakeholder process not based on their capacity or willingness to contribute, but instead on their seniority, job description, political connections, membership of a topic-related gene pool or personal connections. These people will often not have the time, inclination, detailed expertise or up-to-date understanding of a topic to make an informed and sustained contribution. The 'best' people, on the other hand, can be defined as individuals who do have the capacity, expertise, ideas, personal interest in the topic, and willingness and time to make a positive and constructive con-

tribution to a multi-stakeholder process. These will often be people, regardless of age or status, who have been working on a given topic for many years but who have never been in a position where they can contribute to a larger conversation on their area of personal interest and expertise.

An important challenge of ASTs is therefore not only to identify the 'best as opposed to the usual', but also to empower them to the point where they can have an impact. Indeed, a common situation is whereby the 'best' people are usually disempowered, do not necessarily hold a high rank within government, business or within NGOs, are not known to the media and do not belong to the power cliques that form around most topics. They are often expert and well-meaning but usually disconnected or 'unplugged' from any power base that can have an impact. The role of the AST is therefore to provide a framework that is in itself powerful and recognised and therefore a source of power for anyone who is 'plugged' into it.

Provides for bullet-proof arguments

Task forces, lobby groups, civil activists and committees constantly generate reports, ideas and proposed solutions on a range of urban-related topics. These are often dismissed or ignored because they fail to take into account the full range of sectoral or technical views and political and financial considerations. This may be termed *exclusionary non-endorsement* and usually leads to policy implementers, including governments, not wishing to proceed with the suggested solution. ASTs, on the other hand, have the advantage of a highly inclusive and representative list of members which serves to avoid accusations of bias and exclusionary non-endorsement and can make the process 'bullet-proof' to those who would wish to impede or stop it. Indeed, the expert individuals that make up the AST form a natural filter that ensures that solutions are consensus-driven, realistic, carefully considered and often innovative. In addition, experience has shown that, when the output of an AST is criticised or attacked, various individuals within the process will act as champions to rebut the criticism and to vouch not only for the proposed solution but also for the integrity of the process within which it was generated.

A neutral forum

Current governance models are habitually 'agenda-led', a common example being government-led processes in which a number of 'key stakeholders' are invited to belong to consultative committees or advisory boards. These are usually relatively ineffective due to the common pre-existence of government agendas and the very nature of the traditional process which not only inhibits innovative thinking, but also provides little incentive for participants to invest significant time and effort in the process.

ASTs, on the other hand, provide a neutral forum which has been established for the express purpose of examining an issue of common interest and establishing new solutions based on consensus and input from all participating parties. It is a process in which participants will feel motivated, safe and confident to contribute to the process and one in which they will all have the same status and ability to influence the outcome regardless of their relative size, power or influence. The process is driven not by any one sector or participant, but is instead established with the sole purpose of resolving the issue. Ideally, the process will take place in a neutral space designed specifically for the process: for example, a committee-like structure or one that can be held within local government, an NGO, a university or a chamber of commerce.

The concept of neutral space is vital to the success of ASTs as it not only removes the uneven power dynamics that normally occur in any multi-stakeholder process, but also provides a neutral arbitrator who has no vested interest in a particular position or outcome and whose only role is to facilitate and organise the input from participants. Maintaining a neutral arbitrator also ensures that control and structure can be main-

tained over the process and that individual participants will be unable to influence the direction or nature of the outcome.

Engages/motivates private sector

The private sector represents talent, experience, expertise, ideas, experience, data and organisational systems. Due to competitive pressures these resources will normally not be shared outside of companies, especially when competing organisations operating in the same sector are involved in multi-stakeholder processes. The challenge, as noted by many NGOs and government departments, is therefore how to effectively engage the private sector in multi-stakeholder processes that demonstrate an unclear return on investment for participating companies.

ASTs are effective at engaging business in two ways: first, due to the fact that all AST projects have been pre-qualified to ensure that they have a direct impact on and potential benefit for the private sector; and, second, that ASTs identify particular individuals to participate instead of the organisations that employ them. This concept of individual as opposed to corporate participation distinguishes ASTs from other multi-sector processes—processes where specific companies are invited to participate based not necessarily on what they can or are willing to contribute, but rather on their size, reputation or relative wealth. ASTs, on the other hand, seek individual expert input and involvement as this is seen as key to helping develop consensus-based solutions. These individuals will, preferably, have the backing and support of their companies, but will be valued participants in their own right. This individual participation is a powerful phenomenon as it then permits individuals to become the key communication channel and liaison between the AST and the company in question, thereby leveraging the capacity of the neutral facilitator.

From the company perspective, a number of motivating factors exist to become involved in ASTs: the possibility of deriving economic benefit from participation; the competitive impulse of wishing to be engaged along with your competitors to ‘keep an eye on their activities’ and to ensure that they do not gain an advantage; a desire to avoid new legislation or regulation by developing alternative voluntary codes of practice; a desire to strengthen or protect the corporate reputation; a historical corporate involvement around a certain topic; or a means of engaging with non-traditional stakeholders. Obviously, reasons will differ from one company to another and from one issue to another.

The difference between cross-sector partnerships and All Sector Taskforces

For the purpose of understanding the Melbourne Model, it is important to note the differences between cross-sector partnerships (CSPs) and All Sector Taskforces (ASTs). Whereas a key theory underpinning CSPs (see Fig. 2) is that the process of developing and maximising the nature and scale of partnerships between participants and within the process is an end in itself, ASTs focus all the effort of participants on developing a clear solution to a given issue (see Fig. 3).

Within CSPs, as the name may indicate, significant efforts are made to develop relationships, understanding, alignment and communication between participants. This takes place in the belief that partnerships between participants are a prerequisite before a more generalised solution can be sought. The problem with this approach is that significant time, effort and expense is often expended in developing the partnerships instead of focusing on the issue at hand and can result in: the misallocation of resources

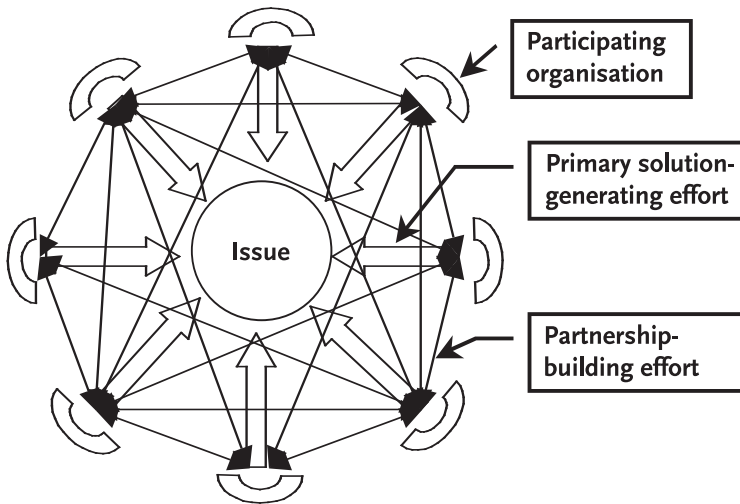


Figure 2 TRADITIONAL CROSS-SECTOR PARTNERSHIP (CSP): DIFFUSE ENERGY MODEL

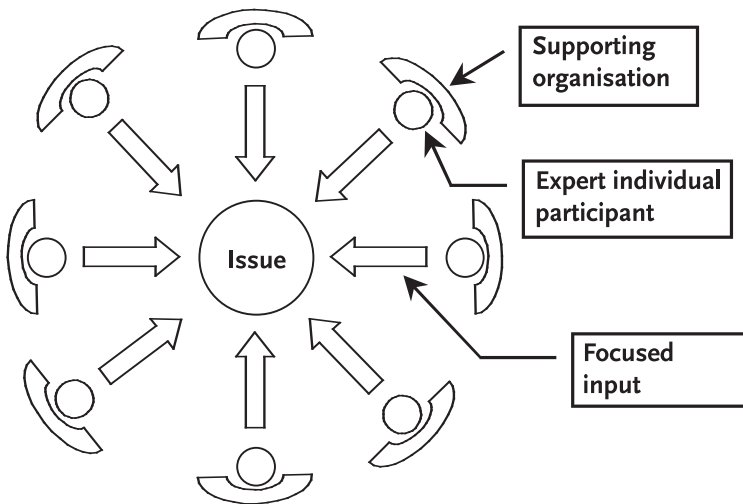


Figure 3 ALL SECTOR TASKFORCES (ASTs): MODEL OF OPTIMAL STAKEHOLDER FOCUS

to activities that are non-value-generating; difficulties in maintaining interest and participation from stakeholders (if there are no immediately apparent objectives and benefits for each of the participants); and the wrong combination of stakeholders (as the primary focus is on the partners around an issue as opposed to the optimal human and organisational ingredients necessary to develop an applicable solution).

Limitations that apply to CSPs are avoided by ASTs within which multiple participants (up to 25) all have an individual motivation to participate in the process and therefore do not require any other additional reasons for being involved. By definition this process

is therefore more efficient than CSPs as no effort or expense is incurred to ensure partnerships between the participants.

ASTs as a new form of governance?

In considering the potential of ASTs it is interesting to note that no new forms of governance have evolved in over 150 years. Democracy, communism, socialism, monarchies, dictatorships and tribalism all evolved prior to the nature and range of urban issues we are currently faced with, and the question may be asked whether an opportunity therefore exists to identify and tap into the potential to be found in the spaces between existing forms of governance. Although variations on the corporate social responsibility theme have emerged in the 20th century, they have, arguably, been ineffective in capturing the true value inherent within the tension present between the private, public and civil-society sectors. The Melbourne Model and its delivery mechanism of All Sector Taskforces seeks to address this failure and to provide an effective mechanism that will provide a significant opportunity for the private sector to contribute towards resolving complex social, economic and environmental issues that increasingly face our cities around the world.

Conclusion

ASTs are evolving at a time when societies are seeking effective new solutions to complex and often worsening issues effecting urban economies, environments and populations. ASTs are not an effort to generate new resources, but rather to better utilise those that we already have: particularly our most important resource—human capital. They are urban-focused, not because of any intrinsic link with urbanisation but rather because that is where they can best feed on the networks that exist around virtually every topic within the geographic focus of urban settlements. ASTs are newly evolving and therefore limited in their experience. Theoretically, however, they are designed to take advantage of fundamental human characteristics of constructive teamwork and individual interest and passion, and therefore be universally applicable to virtually any topic in any city—as long as these topics meet the criteria of the Melbourne Model.

