Using ‘informal governance’ as a city leadership asset: a case study of the Bristol Pound

Project Overview Report, April 2018
Sarah Ayres and Caroline Bird, School for Policy Studies, University of Bristol

EXECUTIVE SUMMARY

This report presents the findings of a one-year study that has explored how Bristol Pound (Bristol£) has used informal governance as a leadership asset to effect progressive social change at city level. Informal governance is the undocumented interaction that actors often use behind the scenes in pursuit of objectives. Informal working can shape policy-making and city leadership in both positive and negative ways. On the one hand, it can assist in addressing political and policy problems which cannot be solved by traditional government institutions, leading to more effective, inclusive and innovative decision-making. On the other, it can weaken transparency, accountability and legitimacy by undermining traditional (more formal) administrative structures.

We have worked with Bristol£ and its partners to understand how they use informal ways of working and, by reflecting on these behaviours, how they could be used more effectively. We undertook interviews and focus groups with Bristol£ employees and Bristol£’s partners to explore how relational aspects of political decision making and leadership can impact on governance at a city level. We have worked in co-production with Bristol£ to understand how informal ways of working might be approached in a more structured and considered way to both enhance the positive aspects and also reduce some of the negative possibilities to working informally.
The insights and observations from the project are summarised as follows:

− Informal forms of governance are recognised as making a contribution to city collaborations. Nonetheless, informal practices are rarely used decisively or with strategic intent. More could be done to identify and utilise informal governance in a more purposeful way to maximise its potential.

− Informal ways of working have clear advantages for promoting creativity and ‘testing the water’. The flexibility afforded by informality can lead to innovative forms of collaborative working. Yet, this has to be balanced against the inevitable trade off regarding reduced transparency, accountability and the potential for misunderstandings.

− Informal working can be a way of bringing in new voices and strengthening inclusivity. However, the way that informal networks operate mean that it can be difficult for new entrants to engage with established structures. There is also a tendency for city leaders and organisation to interact most effectively with those who are similar at an informal level unless there is a conscious effort to promote difference.

− Individuals often rely on inter-personal and/or inter-organisational trust to create strong informal relationships and build support. Nonetheless, trust can leave one open to the potential for manipulation and misplaced loyalties.

− Sharing what might be termed ‘informal intelligence’ within and across individuals and organisations can provide a unique type of information that can be highly valuable to achieving strategic objectives. Findings reveal that this tends not to happen in any meaningful way without conscious planning and purposeful intention.

− The City of Bristol has an acknowledged pedigree in championing innovative and creative approaches to city leadership and governance, drawing in organisations and individuals from across sectors. The ‘Bristol City Office’ has been set up by the current mayor, Marvin Rees, to provide a hub and focal point to bring diverse groups together. This, and activities like it, can provide the ‘formal webbing’ or architecture on which more informal working and contacts might rest.

− City leadership networks need to be conscious of who might be excluded through informal and relational activities. City leaders need to create opportunities to encourage diverse voices into the debate if the city is to avoid a one dimensional and elitist approach to policy making. Bristol has the heritage to do this but achieving it can be hard during times of austerity when resources are constrained and challenges significant.

Key terms:
• Informal governance,
• Bristol Pound,
• local currency,
• diffused city governance,
• inclusion,
• city leadership,
• informal intelligence
INTRODUCTION

Project Overview

The aim of this project has been to develop theoretical work on informal and diffused city governance through a case study of Bristol. The background for this work was research carried out by Sarah Ayres on the impact of informal governance on the devolution deals in England (Ayres et al 2018; 2017). Complementing this work, Caroline Bird has been looking at the concept of diffused city governance and how a range of actors can play a part in urban leadership, particularly focussing on Bristol (Bird et al, 2016). Funded by an Economic and Social Research Council’s (ESRC) Impact Accelerator Award, this project has explored Bristol’s (potential) use of informal and relational processes to exert influence at City level and beyond.

A core finding is that by harnessing informal governance as a strategic leadership asset, it is possible to exert greater influence over political decision making at city level. By working in co-production with Bristol, we have explored how informal governance can be enacted by a social enterprise working at the city scale. We have examined how informal governance can assist in developing a narrative of change in the city of Bristol that promotes progressive public and social values. We have looked at different manifestations of informal working, explored the advantages and disadvantages of informality and considered different ideas of how a broader approach to civic leadership emerges through wider (informal) engagement. A strategic understanding of the importance of these informal mechanisms can thus enable organisations to play a more effective role in city leadership, exert greater influence and promote city collaborations for progressive change.

Theoretical context – a brief look at the literature

Informal governance can be defined ‘as a means of decision-making that is uncodified, non-institutional and where social relationships and webs of influence play crucial roles’ (Harsh, 2013, 481). It represents the informal layer that happens beyond the formal archive. The crucial aspect is that it does not exist beyond the perceptions and recollections of those actor involved. So, the only way to understand it and research it is to speak to those individuals directly involved in decision making. As soon as there is an audit trail, an email or documented record, the activity become part of the formal apparatus of city governance and decision making.

One perspective is that ‘austerity politics’ and public sector spending cuts have led to a reduction in state capacity and a reorientation of political leadership. Some argue that this has resulted in a new form of civic leadership that relies less on bureaucracy and more on informal relations (Ansell and Torfing, 2016). Some also suggest that where there is a high degree of complexity and uncertainty, informal governance is more likely to feature (Klijn and Koppenjan, 2016).

In some instances, the withdrawal of the state has resulted in opportunities for new fluid spaces for state, market and civil society to coalesce at city level, resulting in new forms of urban governance. This was an issue pertinent to Bristol’s stakeholders in research on ‘Delivering the Future City’ (Bird et al, 2016) where the new roles of city actors in a changing environment were acknowledged and debated. Other work on city leadership has shown how informal structures and networks have been pivotal in shaping the governance of England’s cities (Political Studies Association, 2016; Ayres, 2017). There is also a growing literature on ‘place-based’ leadership (Beer et al, 2018) that highlights the importance of interactions between place-based communities, institutions and geography (Hambleton 2015). Place-based leadership ‘explicitly considers the specifics of the local and wider regional context’ (Barca et al, 2012, 140) in policy development.

Recognising the critical role for non-state actors in policy making, Crosby et al (2017, 659) assert that public value can be created ‘not through the heroic efforts of strategic public managers, but through dispersed efforts and distributed leadership ... without formal authority in the government system’. Klijn et al (2010) argue that trust between organisations and/or individuals is an important asset for networks and can have a bigger effect on outcomes than variables such as aligning strategic objectives. However, trust can also make individuals and organisations vulnerable to exploitation. It can be used as a tool to marginalise actors and there is a danger that the social capital between organisations is lost when individuals move institutions. A clear identity and
shared social values are important network management strategies and can help to overcome the risks associated with manipulation and marginalisation (Koppenjan and Klijn, 2016).

Finally, all staff within organisations have the potential to recognise and engage with informal processes to achieve organisational objectives. It helps if senior leaders and management create an environment permissive of staff utilising their ‘agency’ to cultivate imaginative partnerships within and across organisations. Wynen et al (2015, 46) suggest that an ‘innovative-oriented culture’ is needed, which ‘encompasses both the intention to be innovative and the creation of a supportive climate for innovation’.

The context of Bristol and Bristol£

The city of Bristol has a reputation for creativity, activism and grassroots responses to social and environmental issues. It was within this context that the founders of Bristol£ sought to bring about change in the way people spend money in the city. Bristol£ was founded in 2009 as a social enterprise and was conceived as a local response to the financial crisis and the damage done by global systems that ‘extract wealth from communities, damaging the environment and perpetuating inequality’. Bristol Pounds as a currency are equivalent to Sterling in value and directly exchangeable. Bristol£ is regarded as the most successful local currency in the UK with over £5m spent in the city in over 80,000 transactions since 2012. However, Bristol£ sees itself as more than a currency agency that supports local supply chains and keeps money in the city. Indeed, they describe themselves as ‘a movement, an idea, a hope, a better way of doing money’ (all references Bristol Pound, 2018).

Project approach

This is an impact project, we are seeking to maximise the impact of academic research through working with practitioners and exploring how they can use the theoretical understandings effectively in their work. In order to do this, we have carried out a sequence of activities, each building on the previous and developed in collaboration with key personnel at Bristol£.

Initially, we conducted a series of interviews in February 2017 with Bristol£ staff and directors (n=8) to explore how they identified and utilised informal ways of working within the organisation. Key insights were subsequently explored in a focus group with Bristol£ staff (n=8) in March 2017. Further interviews were carried out with some of Bristol£’s strategic partners (n=8) in June 2017. These interviews focussed on how informal working shaped working practices between themselves and Bristol£ and also explored how informality shapes city governance in Bristol more broadly. The issues emanating from these interviews informed a focus group involving Bristol£ strategic partners (n=11) in September 2017. Our preliminary findings were discussed with wider audiences at the annual conference of the Independent Money Alliance (IMA) in Glasgow (October 2017) and at a public panel session in Bristol on ‘Informal power: the opportunities and risks in using the personal touch to bring about city change’ in December 2017. This report presents some of our findings.

In the text that follows we have used the following shorthand to identify verbatim quotations:

- Interview participants: R1-R8 (staff and directors) R9-R16 (strategic partners)
- Focus group participants: BPFG (staff focus group), SPFG (strategic partner focus group)
- Bristol panel event: panellists: David Relph (DR), Sharon Woma (SW), Ciaran Mundy (CM), Robin Hambleton (Chair, RH) and Caroline Bird (CB); and audience members (BPA)
1. APPROACHES TO INFORMAL INFLUENCE

Understanding ‘informal governance’

The idea of informal working was broadly understood by respondents and the description of informal governance was something that all participants recognised in how the city works. One interviewee described it as ‘the backdrop to so many other things including things which latterly might become formalised’ (R1). Another described it as ‘that sense of not having just formal power or authority within structures but actually using a whole range of connections and influence and networks’ (R4) to make things happen. Interview findings suggested that it is used at an individual level in a largely ad hoc and reactionary way, rather than as part of an institutional strategy. Informal governance is often the consequence of ‘happenstance’. ‘People are doing it but not consciously processing it’ (BPFG) which was shown to be a missed opportunity in some circumstances.

Whilst informal working is widely recognised by participants, the term ‘informal governance’ is unfamiliar. Some of Bristol’s strategic partners suggested that ‘networking’ was a more familiar phrase to them. Some described informal interactions as ‘fun’, catching up with friends, ‘having a drink, having a chat but also maybe asking ‘Oh what do you think about teaming up to do that or how would you feel about this idea?’ (SPFG). Other terms used included ‘peer-to-peer’ where informal interactions were more about mutual support or a coming together to exert influence as a collective or collaboration.

Informal discussions were generally seen as an essential part of doing business and maintaining good communications with colleagues around the city. Networking at organised events is a necessary part of the way commercial firms operate. A participant at the public event in Bristol said that all organisations must have some degree of informal interactions and that they would be ‘very dead’ otherwise, ‘informality is just a fact’ (BPA).

Recognising informal methods

Informal governance ‘isn’t just about the project or a particular outcome, it is about a wider sense of collaboration as a good thing’ (R16) and staying in touch with a range of colleagues and activities across the city. Many city partners felt it was important not to formalise discussions too early in order to keep options open and to bring new ideas and people into the conversation. Fluid and informal networks potentially allow more voices to be heard. One of the panellists at the public event in Bristol suggested that Bristol has a particularly important role in bring together small traders and giving them a voice – both formally and informally.

Informal approaches can take place in many ways and recognising the opportunities and being strategic about how they are realised is important for any organisation. Our findings showed that reflexive thinking about how individuals and organisations use informal governance can lead to it being adopted more purposefully as a strategic asset to develop new ideas, agendas and collaborations.

This purposeful approach helps those involved to be clearer about what they want to achieve and the direction towards shared outcomes.

I felt [informal governance] characterised most of my work ...that sense of not having just formal power or authority within structures but actually using a whole range of connections and influence and networks – it makes things happen (R4)
2. CHARACTERISTICS AND CONSEQUENCES

Informal relations were viewed by some as ‘more powerful and long lasting’ (R1) because they exist outside contractual constraints. However, in the absence of a formal ‘safety net’, respondents indicated that they often felt most comfortable working with others with similar values: ‘I just know that he’s somebody that’s interested in the same things and we have a similar value set’ (R1). Working with partners who are similar offers some advantages. Nonetheless, because similar people tend to have access to the same information, there is less scope for added value and innovation. In order to create real change, there is often a need to work with others who are different so that new information and opportunities can be accessed. This was viewed by city partners as challenging but necessary to deliver outcomes that reflect the full diversity of the city.

‘It’s important to actively place yourself into those environments ...and doing it in a way where you accept that openness is the most important quality rather than necessarily knowing exactly what you’re going to get from those experiences’ (R4)

The concept of trust emerged as an important feature in city relationships and governance, as one respondent indicated: it’s ‘about having trusting relationships with your peers in the city and those relationships not necessarily associated either with hierarchy or direct responsibility’ (R4). Trust can work in both positive and negative ways. It can serve to build the personal connections and social capital required to engender loyalty and support in more formal spheres. By contrast, it is often resource intensive to maintain and can make (often less powerful) organisations and individuals vulnerable to exploitation or marginalisation.

Benefits

Informal working was perceived by many respondents to have advantages for creativity and innovation. It can be employed to develop new ideas through casual and undocumented conversations. ‘At the beginning of something, you can just have conversations without feeling you’ve got to make decisions or commitments’ (R16). It can bring in new voices where there is no seat formally - bringing in ‘organisations or individuals who have less influence in the formal structures [but] are much closer to the real problems and real challenges that need to be addressed’ (R4). Informality was shown to be particularly valuable in managing high levels of complexity and uncertainty, ‘the mess of the real world’ (R7) and where conflict between partners is, or is likely to be, high. City partners viewed the flexibility afforded by informality as a route to making tough decisions and getting things done in challenging environments. It can be used to cut through bureaucracy, ‘like a fast track to being able to talk to people’ (R4) and bypass busy diaries and lengthy scheduled meetings when a quick chat might be all that’s needed.

‘Using informal processes always breeds creativity. The most interesting ideas about how to take a project forward come from not being bound by formal rules’ (R5)

Limitations

Nonetheless, informality was also recognised to potentially undermine transparency and accountability in decision-making. City leaders might, for example, utilise informality as a purposeful strategy to avoid making tough decisions and blur accountability. Respondents also referred to the downside of informal working as leading to unstructured, messy and chaotic decision-making processes. Respondents questioned whether it was fair or whether it reinforces entrenched privilege - ‘we need to be constantly questioning who we’re excluding from our debate by doing this’ (R7).

When not effectively managed, informality can lead to misunderstandings over what had been discussed or agreed and the ‘lack of audit and minutes can mean that you can’t look back and learn from what you did or understand why something was done or not done’ (R7). One way to overcome this is to ‘formalise’ agreements at critical stages. This can be done via email or any other written communication. This process of formalisation is important for organisations with strict requirements for disclosure and audit.
3. PERSONAL AND ORGANISATIONAL INFORMALITY

Resources and culture
At an organisational level, culture and leadership determine the extent to which employees can pursue informal and innovative practices and think creatively about their roles. At Bristol¿, informal conversations and processes were recognised as important. Staff are actively encouraged to engage with a wide audience and be open to new ideas and conversations. A Bristol¿ employee referred to ‘informal intelligence’ (BPFG) as the information gathered as a consequence of informal conversations held in different situations around the city. Coordinating informal intelligence more purposefully was seen as a way to better understand strategic and contextual challenges, although respondents on reflection realised that they did not yet do this coherently.

Individuals operating at any level within an organisation, not just senior executives, can have a valuable role in extending informal influence and visibility across the city. Yet, initially some Bristol¿ staff did not recognise their potential role in this context. For many, a barrier was investing adequate time: maintaining the ‘background noise of informal activity’ (R13) can be resource intensive and an understanding of where to concentrate efforts is key. This is especially challenging as returns on ‘informal investment’ are often intangible and hard to justify in resource-constrained organisations. Some viewed this informal activity as an additional burden on their time, whilst others welcomed the opportunity to get out and meet new people.

Widening influence
Participants agreed that to really effect change, new avenues and environments have to be explored and that ‘sometimes it might be a little bit uncomfortable in these new settings, because you’re working with people who might not be quite aligned with where your thinking is and that’s partly why you’re doing it to discover new insights from different perspectives’ (RH). This was further discussed at the panel session with one panellist saying that:

‘if you’re trying to make change happen, it becomes so important to look at ‘points of friction’, [these] are the points of creativity and potentially rapid change as well. So you have to be drawn to them rather than be averse to them. If you sense some discomfort, … that’s a sign that you’ve got to go there. (CM)

It is often the case that people find informal interactions easiest with people like themselves. Yet, there are rewards in deliberately moving into new spheres and seeking to extend influence and generate new connections, resulting in growth for business and increasing visibility and recognition in different communities and networks.

Personal attributes
Our research suggests that some individuals and organisations within the city were viewed as particularly effective at operating in the informal sphere. Some common characteristics were identified, including individuals that know a lot of (different) people, who are well connected, have an open and creative disposition and are politically astute. A key issue is whether others can emulate these characteristics by adopting a more purposeful approach to managing the informal space and their relationships with others.

For those with less well-developed informal networks, ‘using channels such as networking to develop skills, to connect to the right people, to share connections, to share experience, to signpost other people’ (SW) is a good way to start. This approach is more akin to the ‘peer-to-peer’ support which was seen as another way of describing the network of informal connections and their value, particularly for smaller organisations.
4. THE CITY CONTEXT

Cities are often regarded as places where innovation can take place and where there is scope for ‘creativity in public policy’ (RH). Our panel session in Bristol in December 2017 explored this idea, talking about how informal methods can support the co-creation of new solutions, making spaces to allow ideas to be ‘batted around’ and to create new ways of doing things. The concept of ‘power of place’ (RH) supports the idea that places could bring their collective strength to rally against a ‘placeless power’ where decision makers are disconnected and do not care about particular places: ‘moving investments around regardless and damaging communities’ (RH). There is some evidence that place-based leaders can make a difference to the political and social systems and have benefits for social justice, care for the environment and community empowerment (Hambleton, 2015) and this view was reflected at the various stages of this project.

Bristol

Bristol is often talked about as a city that seeks to champion values around environmental concerns, social justice, independence, activist spirit and creativity. In the Sunday Times ‘Best place to live in the country’ survey, Bristol came out top in 2017, being described as ‘cool, classy and supremely creative’ (quoted by RH). City partners recognised these external images but also agreed that the reality for many in the city was not so positive and that the ‘experience of Bristol is very different for different people’ (SW). Bristol is a disparate city with many of its citizens experiencing Bristol in a less positive way. Informal working was seen as having the potential to both exacerbate and overcome this problem. Informality can be a route to reassert the privilege of some. Yet, evidence also suggests that informal working has the potential to bridge the divides between city leaders and marginalised community interests by facilitating conversations across diverse groups.

Participants also viewed Bristol as a ‘collegiate’ city where informal and ‘diffused’ leadership has long been a feature of how the city functions. Many respondents viewed it as the right for size for face-to-face interaction and the development of trust and shared understandings. City leaders view Bristol as a city where ‘people choose to collaborate and participate’(SPFG).

A number of respondents suggested that Bristol has long been a place where people get together and make things happen without waiting for permission. Some suggested that there has ‘always been a high degree of community activism’ providing opportunities for collaborative innovation: finding a group of like-minded people to, informally, set something up whether it is a community self-build, a soup kitchen or an alternative currency.

Impacts of austerity

As with many cities, austerity politics has resulted in severe public spending cuts in Bristol. Some city leaders suggested that this had resulted in a new form of urban governance, less reliant on bureaucracy and formal structures. The institutional vacuum created by austerity in some areas has resulted in new networks of associations and the possibility for other organisations to play a role in city leadership. An alternative view was that the withdrawal of the formal city apparatus has effectively removed the ‘webbing’ of formal opportunity that is required to bring the full range of city partners on board to engender change. Organisations like Bristol£ can have an important role in creating opportunities for dialogue in this challenging urban environment.
5. DIFFERENT APPROACHES TO CITY LEADERSHIP

In resource-constrained and complex times, different approaches to city leadership become increasingly important. Indeed, finding mechanisms to enable new voices to be heard and to participate is essential. One of the Bristol panellists said that ‘places that really work are a really interesting, complex interaction of a myriad of meetings, relationships and decisions that are almost impossible in practice to plan for’ (DR).

City leadership networks – inclusive or exclusive?

Whilst informal interactions can be very effective in speeding up action and encouraging innovation, the downside of informal networks and connectivity is that it can be hard for new entrants to ‘break in’ to conversations. It was said that ‘Informality works well for those who are engaged in the informal’(R16) and that ‘a lot of the informal stuff can actually work to maintain certain structures and certain hierarchies’ (CM). There were reservations about the ‘potentially malign influence [wielded] through informal power’ (SPFG) and a number of respondents questioned whether working in this way was ‘fair’ or if it serves to ‘reinforce white, middle-class, male privilege’. There was a recognition that involving new participants necessitates conscious efforts to ‘step outside our boundaries’ in order to be inclusive and representative. Being aware of the dangers of exclusion was deemed as important.

Our Bristol panel session further explored these issues, with one audience member asking what we could do to ‘make soft power subversive rather than implicitly supporting destructive systems’ (BPA), in order to ‘reduce [and] undermine hierarchies of power’ and counter ‘systemic patterns of exclusion ... both patriarchy and racism’ (BPA). One issue repeatedly raised was whether those in power are really receptive to challenges from outside. It was suggested that ‘the first step is much more institutional openness about the frameworks that actually lead to the decisions that we have right now’ (DR). For example this might include the planning system or how budgets are spent on health and social care. It was suggested that ‘there’s lots of examples from around the world where communities are more engaged and they are more connected with each other, partly because they have more direct responsibility in deciding what happens within that community (CM)’. The problem, for many, is that they do not know these mechanisms exist so it is hard to contribute. Moreover, those who are heard are often those ‘who shout loudest’ and who might not necessarily be the best representative of the community.

Bristol city leadership

As we observed earlier, Bristol has always been good at harnessing informal networks. This success however has relied on some degree of input from the council who can provide the infrastructure to bring people together as, for example, in the Neighbourhood Partnerships. The ‘Bristol City Office’ was set up by the current Mayor, Marvin Rees, in recognition of this multiplicity of voices and as a space to bring together city contacts - potentially ‘formalising the informal’ (SPFG). It was viewed by city partners as something that might bring new people into city leadership debates if protocols for entry could be more overtly established. There was concern that these supposedly open portals to power are invisible to much of the populace. It was commented in the panel session that, despite the city council having open meetings and publishing lots of information, many decisions still get made privately.

A Bristol audience member commented that there are ‘covert structures ... a very powerful Merchant Ventures, and Free Masons, as well as the more overt structures, such as the City Council, big business’, and that ‘those structures are still overwhelmingly white male, middle aged, middle class’ (BPA). Many respondents felt that there is still a job to do in bringing different voices into leadership debates both informally and formally.

Beyond the City Office, there are networking and social events which provide spaces for Bristol’s leaders and citizens to come together to explore ideas. Interviewees suggested that important business takes place in informal settings such as these. Examples include the monthly ‘Green Mingle’ run by the Bristol Green Capital Partnership and ‘First Fridays’ set up to bring city leaders together in an informal, neutral venue.
6. THE ROLE OF ALTERNATIVE ORGANISATIONS – BRISTOL POUND AND OTHERS

The city leadership role of governmental organisations and other large institutions beyond their own internal organisation is clear. Smaller organisation, with less resource, can benefit from the access that informal working gives them to interact at a city scale. All organisations in the city can have an impact through the people they employ. These employees can mobilise their ‘agency’ to impact on political decision-making in creative ways, like how citizens spend money in the locality and engage with public services. The role of the local NHS for example, was touched on in our panel discussion both as an opportunity for positive influence as a major employer and consumer in the city, and as an organisation that has to work with others in the city to achieve its objectives - sharing or ‘giving away’ some of its power at critical junctures.

Bristol£ operating informally at a city level

Bristol£ is valued as a symbol of the independent and collaborative nature of the city as well as of the city’s progressive ethos. City leaders viewed it as an asset that might be mobilised further as a source of city pride amongst its communities.

Bristol£’s leadership role, ‘particularly if you frame it in terms of how we generate action and mobilise capability around a challenge’, is ‘a demonstration in practice of a really interesting type of leadership approach’ (SPFG). Bristol£ has a potentially powerful symbolic value as ‘a way of getting people to work together and understand their inter-relationships’. Nonetheless, discussions with city partners suggest that Bristol£ might do more to clarify and promote its organisational values. In order to maximise its city leadership potential it should work ‘in active, dynamic partnership with other transformative organisations in the city’. Clear values were identified as important in exerting organisational influence in the city both formally and informally, as is maintaining a visible and proactive city profile.

Organisational values as a strategic asset

All organisations can play a role in city leadership and it can help to have a clear set of values that would bring in an interested audience. However, some of our participants cautioned against being too ‘campaigning’ as this can serve to alienate those who do not feel the same way. It was suggested that, provided the core mission is clear, - in Bristol£’s case to encourage local and more conscious spending and to build community - then there should be flexibility to adapt to different audiences. This might involve drawing on social and environmental aims as well as the more overt economic mission. A focus group participant described the Bristol£ as ‘a social and environmental initiative masquerading as an economic project’ (SPFG). Bristol£ potentially has a range of ‘ambassadors’ in the form of its board of directors (each with their own networks), strategic partners and a core of enthusiastic users and businesses who might relate and appeal to different audiences and could build momentum for change.

Visibility

Whilst a challenge to informal working might be that it goes on covertly, behind closed doors or in networks that only a few have access to, other organisations not normally seen as necessarily playing a part in city leadership can use informal mechanisms in a very visible way to progress different approaches to the city. Interviewees suggested that Bristol Pound was very visible when it first launched and that, in getting on with their day-day business, they have lost some of the connectivity and power that came from their high profile. On reflection, some staff members felt that it might be time to think strategically about how to regain some of that informal influence.
CONCLUSIONS AND RECOMMENDATIONS

The commentary above draws out quotes and examples from the interviews and focus groups carried out with Bristol\£ staff, directors and partners together with input from a self-selecting audience in Bristol, all during 2017. Through the interviews, we drew on personal experience of how informal governance happens at a city level and about how Bristol operates as a city in this context. By contrast, the focus groups enabled us to delve further into what this means for Bristol\£ as an organisation and what it means for its directors, employees and partners in the future. Taking these findings, first to an audience of people interested in alternative approaches to money through the Independent Money Alliance conference, and then to an entirely open session in Bristol, enabled us to test our initial findings and bring new voices into our debate.

The use, application and consequences of informal governance seemed to be broadly understood. While most participants recognised and used informal approaches in their work, few had reflected on how they used it or its strategic consequences. For some, perhaps those better connected and more involved in ‘city life’, informal ways of working are just what they do all the time. It is about knowing lots of people around the city who are engaged and want to make things happen. For others, the examples were more specific: a particular conversation informally in the workplace or after a meeting, leading to noteworthy exchanges of strategically important informal information. Greater awareness of informal working and its value could lead to it being used more purposefully.

Mechanisms for informal governance include networking sessions where many people are there to catch up with familiar colleagues or to test the water on a new idea. Private companies use these opportunities formally as ways of getting new business. However, informal governance is much more than this, encompassing a range of informal interactions in different spheres and, when used strategically, can be an asset for influence and change.

It was recognised that working just with those with whom you share values or are familiar is limiting in extending influence and fails to give voice to new actors outside the current informal networks. New mechanisms are needed to spread ideas further and to engage new audiences, necessitating active attempts to break down boundaries and seek out different places and people. There was considerable concern amongst all participants that informal ways of working could maintain current privileges - the ‘white, male, middle class, middle-aged’ - and all were keen to challenge this and open up new channels and approaches which bring in different voices.

For Bristol\£, informal governance was viewed as a way of talking about their core values and starting to bring about change in how people view economic activity both locally and more generally. This might, for example, involve collaborating with other forward thinking organisations in the city and beyond to promote inclusive action.

Some suggestions for future action are detailed below. These have been divided into implications for organisations, individuals and the wider city leadership. At their core lies a recognition that being conscious of the existence and potential of informal governance could lead to it being used more purposefully as a strategic asset.

Organisations

1. Informal governance can be a strategic asset for an organisation. Employees and the organisation need to be conscious of its potential and for it to be more overtly enshrined as a valid approach to delivering objectives, with the organisation making strategic decisions about where to concentrate its efforts for maximum effect. Organisations also need to allow staff freedom to pursue informal routes and to value the informal intelligence gained as a result.
2. For smaller organisations, informal governance provides a route to influence city debates and decision-making where formal channels may not be available. It is important therefore to be visible and available when opportunities arise.

3. In order to maximise influence and impact, organisations need a variety of ‘ambassadors’ who appeal to different audiences. People elected to Boards of Directors often have wide networks, and harnessing the enthusiasm of partner organisations can help to build a sense of community and ownership.

**Individuals**

4. Informal relations can be ‘more powerful and long lasting’ because they rely on trust, exist outside contractual constraints and can serve to build loyalty and support in formal spheres.

5. Informal approaches are seen by many as ‘an essential part of doing business’, allowing ideas to be developed, tested, explored and supported across networks before seeking formal commitment.

6. All members of an organisation have the capacity to exert informal influence - not just senior leaders.

**Implications for city leadership**

7. Changing roles and opportunities: There are opportunities to occupy some of the (informal) spaces created by connecting different communities and strengthening influence and value. For an organisation such as Bristol¿, strategically identifying the most productive ways of achieving this with limited resources is key.

8. Valuing informality: City leaders need to actively create opportunities and space for informal discussion and influence.

9. Informal governance as an inclusion tool: City leaders need to consciously seek new places and create opportunities to involve new participants in informal discussion so that policy outcomes are properly representative and inclusive of a range of voices.

10. Informality and invisibility: The lack of transparency in informal approaches can further exclude those not already engaged and make it harder for them to participate.

11. Building bridges: Informal working can help to bridge divides and bring in other perspectives. Bristol¿, with its range of users, has the potential to act as a bridge between different communities and bring in new voices, thus strengthening its influence and value for the city as a citywide instrument for change.

12. Mitigating risks: Exploitation and marginalisation are potential risks in informal working, being conscious of these and formalising, even by email, at key junctures can help reduce the dangers and ensure that there is a degree of clarity between participants

13. Accountability: There is a balance to be struck between informal opportunities for discussion and influence and demonstrating clear accountability for city decisions.
REFERENCES


Bristol Pound (2018) [https://bristolpound.org/about/](https://bristolpound.org/about/) (accessed 15/3/18)


Further Information

Project webpage, including information on the panel event held in Bristol in December 2017: [http://www.bristol.ac.uk/sps/research/projects/current/promoting-informal-governance/](http://www.bristol.ac.uk/sps/research/projects/current/promoting-informal-governance/)

Acknowledgements

All quotes (italicised) are drawn from the interview, focus group and event transcripts and we are grateful for the open collaboration with BristolE directors, staff and partners in completing the project.

This work is funded through the University of Bristol’s ESRC Impact Acceleration Account

Contact: sarah.ayres@bristol.ac.uk  caroline.bird@bristol.ac.uk  https://bristolpound.org/