

**Texas Low Income
Housing Service**

**Director
John Henneberger**



**Texas Department of Housing and
Community Affairs**

**Executive Director
Michael Gerber**

MEMO

To: Michael Gerber, Texas Department of Housing and Community Affairs
From: John Henneberger, Director of Texas Low Income Housing Services
Date: 12/3/2007
Re: Progress of the Self-Help Centers

Dear Mr. Gerber:

The purpose of this memo is to address the concerns that Texas Low Income Housing Service has with the progress of the Self-Help Center program (SHC). Texas Low Income Housing Information Service (TxLIHIS) is a nonprofit 501(c) (3) organization whose mission is to “support low-income Texans' efforts to achieve the American dream of a decent, affordable home in a quality neighborhood” (TxLIHIS , 2007). Since our establishment in 1988, TxLIHIS has held the belief that the best way to solve Texas’ critical low-income housing and community development needs is with public and private partnerships.

In 1995, the 74th Legislature passed Senate Bill 1509, a legislative directive that established Self-Help centers in designated colonia areas considered to be economically distressed. The purpose of these Self-Help centers was to “assist individuals and families of low income and very low income to finance, construct, improve or maintain a safe, suitable, home” (Varley, 1998). The Office of Colonia Initiatives, a department within the Texas Department of Housing and Community Affairs, was placed in charge of implementing the program and supervising the Self-Help Centers. The day-to-day operations of each Self-Help Center were to be carried out by local nonprofits who demonstrated the ability to carry out the functions of the SHC program. As one of the original

authors of the SHC bill, I am deeply distressed by the lack of progress made. Fifteen months into this two-year contract, the Self-Help Centers “have completed little substantive work” (Varley, 1998). This Memorandum should not be construed as an indictment of the Texas Department of Housing and Community Affairs, Office of Colonia Initiatives, or the five Self-Help Centers, but rather as an analysis of what TxLIHIS sees as the critical problems and recommendations for how SHC can improve its program. It is our hope that the findings in the report will not only be used to help SHC accomplish its mission, but will also serve as a model for how government and non-profits should function together to meet critical housing and community development problems.

This Memo will be divided into three parts. Part One will describe a theoretical framework for understanding the Self-Help Center program and briefly explain how the external and internal factors within the Self-Help Center program coalesced into public administration issues with leadership, accountability, organizational capacity, and networking. Part Two will analyze these public administration issues in depth. Part Three will provide specific recommendations for how to improve or alleviate these public administration problems as well as provide a model for how the state, the Self-Help Centers, and colonia residents can work together to solve their housing and community development needs.

Part One

Organizational theories are vital because they provide an explanation or a way to interpret and understand organizational behavior. In the early years of public administration, the literature focused on using a rational model to explain organizational behavior. Pioneered by Herbert Simon (1954), the rational model believed decision-making was based upon reason. In a rational model, problems and issues are “identified and isolated; then goals, values, and objectives of pertinent solutions are identified and ranked according to saliency” and, finally, decisions are made based upon what will maximize the most social good (Theodoulou, 1995). There were many criticisms of the rational model. In real life, it’s extremely difficult to isolate every problem and identify all

possible courses of action (Denhardt, 2004). Graham T. Allison used his book, *Essence of Decision* (1971) on the 1962 Cuban missile crisis, to illustrate the deficiencies of using a rational model to explain human behavior. Charles E. Lindblom's (1959) article, "The Science of Muddling Through," proposed that an incremental method is a more realistic way of viewing what should happen with public policies. Under an incremental model, if public policy is beginning to "fail or produce unsatisfactory or undesirable situations, small changes in the policy are made by the decision-makers" (Theodoulou, 1995).

The work of Allison and Lindblom are important to understanding the Self-Help Center program for two reasons. First, it is unrealistic to think that when you are creating a partnership between the state and non-profits that success will happen naturally and quickly. Goldsmith and Eggers' book, *Governing by Networks*, argues that a network between government and non-profits must be "malleable enough to accommodate each partner, dynamic enough to adjust to changing circumstances, but fixed enough its mission to serve the common goal" (Goldsmith, 2004). In order to accomplish its mission, the Self-Help program partners must be able respond to the adversity they face and gradually take the necessary steps to improve. Secondly, the shift in organizational theory has led to greater emphasis being placed on environmental factors instead of rationality. In other words, organizations, public policies, and decision-making do not exist in a vacuum. Environmental factors heavily shape the activities of public organizations. No longer can a single organization's work "be viewed in isolation from other public and private agencies" (Denhardt, 2006). This new method of understanding organizations is called the systems model. The systems model believes that an "organization receives from its environment the human and material resources it requires to function, as well as requests and directives for how it should operate" (Denhardt, 2006). To understand why the Self-Help Center program struggled, we must look at both the external and internal environment to determine if this program had the necessary human and material resources to succeed.

External Environment

The external environmental factors that influenced the Self-Help program were the political landscape, conditions of the colonias, legal restrictions, resident willingness, financial restraints, and bureaucratic delays.

Political Landscape: The political landscape in Texas changed in 1994 when George Bush appointed Larry Paul Manley as head of the TDCHA. Manley believed that providing subsidies to poor residents was not an efficient use of public resources because it only served a small number of people.

Implications: There was widespread sentiment amongst Self-Help Operators that the Texas Department of Housing and Community Affairs was not genuinely supportive of the initiative. The negative sentiments held by the Self-Help Operators led to problems with networking. How could the Self-Help Operators effectively network with the Texas Department of Housing and Community Affairs if they had trust issues?

Conditions of the Colonias: The Texas Water Development Board estimated that there were 339,041 people living in 1,436 colonias along the Texas-Mexico border (Texas Water Development Board, 1995). The housing conditions in the colonias were considered by many housing experts to be the worst in the country with many settlements having “no running water, sewer service, storm drainage, paved roads, or other residential infrastructure” (Varley, 1998).

Implications: The pre-existing conditions of the colonias led to organizational capacity issues for the Self-Help operators. How could small non-profits who had little experience providing housing services help residents who lived in the worst housing conditions in this country?

Legal Restrictions: Federal and state regulations forbid any public funds from being used to help any settlement that did not have access to running water.

Implications: The legal restrictions led to problems with accountability for the Self-Help operators. How could the Self-Help Operators be held accountable for meeting its program targets if they could not provide services to many of the settlements in the colonias because they did not have access to water?

Resident Willingness: Many colonia residents were reluctant to take out loans and incur debt for home repair.

Implications: The lack of willingness by colonia residents to apply for loans led to issues of accountability. How could the Self-Help Operators be held accountable for meeting its program targets if the colonia residents were unwilling to accept assistance?

Financial Restraints: The entire Self-Help center program was funded by the Community Development Block Grant (CDBG), which was only available on a reimbursement basis.

Implications: The CDBG reimbursement process led to problems with organizational capacity. How could the small non-profit Self-Help Operators have the financial capacity to run its program if they had to wait to be reimbursed for the cost of running the program?

Bureaucratic Delays: There were bureaucratic delays with getting the contract signed because of disagreements between TDHCA, the non-profits, and the counties over language in the contract.

Implications: The bureaucratic delays led to problems with accountability. How could the Self-Help Operators be held accountable for meeting its contractual obligations if they had started behind schedule?

Internal Environment

The internal environmental factors that influenced the Self-Help program were non-profit work experience and administrative authority.

Non-profit work experience: Most of the non-profits who were granted Self-Help contracts were small and inexperienced with affordable housing and community development needs.

Implications: This lack of experience led to leadership and organizational capacity problems. How could the Self-Help Operators be effective leaders if they did not have the organizational capacity to meet the needs of the colonias?

Administrative Authority: Homero Cabello, Director of the Office of Colonia Initiatives, did not have power to change the funding mechanisms for the Self-Help program.

Implications: Cabello's lack of power to change the funding mechanisms for the Self-Help program was a leadership problem. How could Cabello be an effective leader if he did not have the administrative authority to create flexible funding?

Using a system model as a theoretical framework, it is not surprising that the Self-Help Center program had difficulties being successful. A close examination of the external and internal environment reveals that the Self-Help Center did not have the necessary human and material

resources to succeed. The political landscape, conditions of the colonias, legal restrictions, resident willingness, financial restraints, bureaucratic delays, non-profits work experience, and administrative authority were all environmental factors that led to the Self-Help program having major public administrative issues with leadership, accountability, organizational capacity, and networking.

Part Two

As we enter the twenty-first century, there is no denying that public administrators have become more focused on trying to have transparency in governance. Both government and non-profits are now facing greater pressure from media, boards of trustees, partners, donors, staff, and academia to demonstrate effective leadership, accountability, organizational capacity, and successful networked relationships.

Leadership

Leadership is a complex topic. Oftentimes it is considered synonymous with an individual instead of thought of as a process. Public administration literature defines leadership as the “process of influencing others to take action toward a common goal” (Paarlberg, 2005). The common goal is to “assist individuals and families of low income and very low income to finance, construct, improve or maintain a safe, suitable, home” (Varley, 1998). If you look at the important players involved in the SHC program, the Office of Colonia Initiatives and the five Self-Help Operators, each of them had difficulty fulfilling their leadership role of influencing others to take action toward a common goal.

Office of Colonia Initiatives Leadership Problems

The Office of Colonia Initiatives struggled with its leadership capacity to support the five Self Help Centers. The Office of Colonia Initiatives was not able to provide the Self-Help Centers with flexible funding. Each of the Self-Help Centers were responsible for fronting their own start-up cost because the Community Development Block Grant (CDBG) funds were only available on a reimbursement basis. For tiny non-profits, such as the five Self-Centers contracted to complete the SHC program, this posed an almost insurmountable barrier. Non-profits, by their very nature, do

not “generate any income to cover such costs: that’s why they’re non-profits” (Varley, 1998). The lack of flexible funding was made more complicated by the restraints placed on how the CDBG funds could be spent. If a non-profit was able to obtain alternative funding to cover its operation cost, they could not use the CDBG grant to pay back these interim funds. Lastly, the length of time that the Self-Help Operators had to wait for reimbursement was burdensome. Many of the Self-Help Operators had to wait several weeks and sometimes months because the request for reimbursement had to go through multiple channels before finally being approved and the funds disbursed. The process was also slowed down because many of the local counties did not have direct deposit set up and relied on the old fashioned method of distributing reimbursement funds via checks to the Self-Help Operators.

The limitations placed on Homero Cabello as Director of the Office of Colonia Initiatives also created leadership capacity problems. Cabello did not have the power to change the funding mechanisms for the Self-Help program and this was not because of lack of effort upon his part. Mr. Cabello attempted to set up a revolving loan fund to help alleviate the interim funding problem for the Self-Help Operators, but the Texas Department of Housing and Community Affairs did not grant the OCI with any additional funding. Cabello’s inability to create flexible funding to help support the Self-Help Operators led to frustration. Cabello personally stated: “all the money we get in the agency has rules and regulations. There are not many funds that don’t have string attached” (Varley, 1998). Cabello’s lack of power to influence spending in his own agency was a major leadership problem. Leaders must have the ability to be resource allocators in order to troubleshoot organizational problems. (Van Wart, 2005).

Self-Help Center Operators Leadership Problems

The five Self-Help Operators struggled in their leadership roles with the colonia residents because they were not very effective in convincing individuals and families to apply for loans. Many of the colonia residents were reluctant to apply for loans and incur debt for home repairs, but the Self-Help Operators should have anticipated this problem. They failed as leaders because they did

not understand the needs of their target population. Effective leaders always perform needs assessment on their target population. This assessment should include a description of the target population that evaluates three criteria: risk, need, and demand (Rossi, 2004). The Self-Help Operators should have known that colonia residents were poor and uneducated and, thus, more likely to be hesitant to take out loans that would make them vulnerable to foreclosures.

Furthermore, many of the colonia residents' home language was Spanish and this language barrier would make the application process intimidating. Many of the colonia residents were denied loans due to incomplete applications

Accountability

The primary purpose of public administration is the management of public programs. How does one deliver effective public services? During the last decade, significant changes have occurred in how public service is conceived and delivered. Traditionally, work that was delivered by the government “has increasingly been carried out through an elaborate network of contracting, intergovernmental grants, loan and loan guarantees, regulations, and other indirect administrative approaches” (Kettl, 2002). This new system of governance has been referred to in public administration literature as indirect government, government by proxy, the new governance, and third-party government (Bowman, 2004). The problem with the new governance is that the lines of accountability have become blurred. This is what Donald Kettl considers a devolution problem: “How can government ensure accountability in extended service networks where administrative authority is widely shared and where no one is truly in charge? (Kettl, 2002).

Accountability is usually defined “as the means by which individuals and organizations report to a recognized authority, or authorities, and are held responsible for their actions” (Edward and Hulme, 1994). There are two measures of accountability: *performance accountability* (achievement of identified performance levels) and *functional accountability* (accounting for resources, resource use, and immediate impacts). The Self-Help Center Operators and the Office of Colonia Initiatives struggled with both performance and functional accountability.

Self-Help Operators Accountability Problems

All together, the five Self-Help Centers pledged “to build 67 affordable new homes in the target colonias, rehabilitate 378 homes, convert 845 contracts-for-deed to conventional mortgages and provide 1,022 families with technical assistance” (Varley, 1998). The Self-Help Operators were not very accountable with their performance as evident by the fact that, fifteen months into the contract, they had not met many of their contractual targets. In competing for the Self-Help program contracts, many of the Self-Help Operators made promises that they could not keep and exaggerated how many families they could convince to take out loans for home repairs. The overstatement of performance by Self-Help Operators led to many of them telling Director Homeor Cabello that “we cannot fulfill our performance statements because the residents don’t want home improvements” (Varley, 1998).

The Self-Help Operators also had difficulties with functional accountability. They could not always account for the use of their resources. Many centers were “providing different services with the Self-Help Center dollars than they had promised to provide in their contracts” (Varley, 1998). For example, the Self-Help Operator Organizacion Progresiva de San Elizario in El Paso County had started to provide a variety of helpful services to the colonia residents, including help with citizenship, G.E.D. classes, a food bank, and renovation of mission churches, but none of these services were part of their Self-Help Contract. Functional accountability requires that money be spent for its designated purpose and the Self-Help Operators were not been able to effectively perform this function. The lack of functional accountability was compounded by the failure of some of the Self-Help Operators to track how the grant money was spent. Proyecto Azteca had six staff members overseeing two different programs and, instead of differentiating in the books how the money was being spent between the programs, they paid their staff from both program funds. This

was problematic because the “Self-Help Center money should not be used to fund the entire salary of any employees who is not working full-time on Self-Help Operator projects” (Varley, 1998).

Office of Colonia Initiatives Accountability Problems

The Office of Colonia Initiatives was responsible for implementing the Self-Help program and supervising the Self-Help Centers. The Office of Colonia Initiatives had issues with functional accountability because it had difficulties with the management of resources. Homero Cabello remarked, “I personally think we picked the wrong source of funding. CDBG money’s not flexible enough” (Varley, 1998). Money is closely related to accountability and the fact that Cabello struggled to create flexible funding for the Self-Help program was a failure upon his part to be accountable, not only to the program itself, but to the Self-Help operators.

The Office of Colonia Initiatives also had problems with performance accountability. It was Homero Cabello’s job to supervise the Self-Help operators and keep them accountable to their contract. Part of Cabello’s frustrations with the Self-Help operators was his perception that they were taking a casual attitude toward fulfilling their contracts. Many of the Self-Help operators had come to Cabello asking if the state could relax some of their performance expectations. For example, in November of 1997, Proyecto Azteca in Hidalgo, the operator who was awarded the biggest SHC contract of \$1.2 million dollars, requested that their performance goals be scaled back. Cabello was placed in a difficult situation. His philosophy was “when you submit a bid, you are pretty much expected to fulfill your bided obligations” (Varley, 1998). If he allowed Proyecto Azteca to keep its contract award but reduce its performance goals this might send a dangerous message to the Self-Help operators - one will not be penalized for exaggerating performance goals in one's contract, nor will one be held accountable for fulfilling the targets agreed upon in the contract.

Organizational Capacity

It has been observed by public administrators that the “entire network is only as strong as its weakest component, which makes choosing each partner critical, especially in a network designed to deliver a particular service or product” (Cooper, 1994). The most important criteria that should be

used to select a partner is organizational capacity. Organizational capacity is defined as the “the capability of an organization to achieve what it sets out to do: to realize its mission” (Fowler, 2002). Goldsmith and Egger's (2004) book, *Governing by Networks*, identifies several criteria for evaluating organizational capacity: cost, specialized expertise, financial viability, and ability to assume some risk. The SHC program was not successful because the operators selected to fulfill the contract did not have all of the prerequisites needed for organizational capacity.

Networks are being formed because the traditional hierarchical models of government can no longer meet the demands of a complex society. The one-size-fits-all solutions have given way to customized approaches used to solve societal problems (Goldsmith, 2004). Partners in a network are selected based upon their specialized expertise in a public policy arena. One of the major reasons why the SHC program was unsuccessful is that the Self-Help operators selected for the project did not have specialized expertise in housing issues. The housing conditions in the colonias were considered by many housing experts to be the worst in the country. Many of the settlements had “no running water, sewer service, storm drainage, paved roads, or other residential infrastructure” (Varley, 1998). The majority of the non-profits selected for this project were small and had little experience with housing services. These organizational capacity problems were exacerbated by the legal restrictions. Federal and state regulations prohibited any public funds from being used to help any settlement that did not have access to running water. Many of the settlements the Self-Help centers were contracted to help did not have access to running water and, thus, the Self-Help operators did not have the capacity to serve them.

Another important criteria for determining organizational capacity is the ability to assume financial and performance risk. The Self-Help operators were not financially viable because many of them did not have the capacity to raise funds beyond the ones granted from the SHC program. Furthermore, many of the Self-Help operators were unprofessional with their attitude toward assuming performance risk. For example, when the Self-Help operator Proyecto Azteca encountered

problems convincing colonia residents to apply for home repair loans, their director responded by saying, “What am I going to do? Force people to do what they don’t want to do?” (Varley, 1998). With this kind of negative and defeatist attitude, it’s not surprising that these Self-Help operators had difficulty fulfilling their contract obligations. Not only did they not have the necessary organizational capacity prerequisites to fulfill the mission of the SHC program, but they also failed to act as responsible, public administrators “who put public interest over personal interest and display a service orientation and a commitment to serve” (Svara, 2007).

Networking

The networks between public, private, and non-profit organizations have profoundly disrupted how public services are delivered. (Kettl, 2002). The traditional method of delivering public services through hierarchical authority has been transformed into horizontal networks. These new networked relationships have created fuzzy boundary issues: How do networks deliver quality public services when the boundary lines are blurred? How do leaders effectively manage in a networked relationship? How are networks held accountable when multiple stakeholders are delivering the public service? How do networks work to build organizational capacity? The Self-Help Program was unsuccessful on many levels, including leadership, accountability, and organizational capacity; however, all of these problems can be traced to the root cause: lack of proper coordination between networks. The book, *Governing by Network* (2004), points out that success or failure of a network can oftentimes be traced to the original design. From the start of the SHC program, the networked relationship between the various stakeholders was built upon a rocky foundation of mistrust and coordination problems.

Trust and Coordination Issues

“Trust is the bedrock of collaboration” (Goldsmith, 2004). If the networks do not have trust, they will not collaborate or share knowledge. The Office of Colonia Initiatives and the five Self-Help Centers were distrustful of each other. The Office of Colonia Initiatives and, in particular Homero Cabello, were very angry at what was considered a lackadaisical attitude amongst the Self-

Help operators in fulfilling their contracts. Cabello was also frustrated by his efforts to help the Self-Help operators build capacity. Cabello remarked, “you go to a lot of effort to train someone, and as soon as they’re trained, they leave to work for a for-profit developer or bank to make more money” (Varley, 1998).

On the other side, many of the Self-Help operators were weary and distrustful of the Office of Colonia Initiatives because “the agency was not only part of the state bureaucracy in Austin but a part of the the Republican Administration” (Varley, 1998). There was widespread sentiment amongst the Self-Help operators that Republican administration was not genuinely supportive of the Self-Help program initiative. The Self-Help Operators were also angry and frustrated by what they perceived as an unwillingness of the state to be more flexible in changing the original blueprints, even when it was clear that these changes were needed and would be in everyone’s best interest. For example, when Organizacion Progresiva de Sa Elizario, a Self-Help center in El Paso, determined that some of the colonia areas designated in the contract were well-off and did not need the SHC services, they decided to work in nearby colonia areas where the need was higher. OSPE felt that it was unnecessary and ridiculous that the Office of Colonia Initiatives would expect them to take the time to document why they chose to help a colonia area that had more needs, even if these areas were not covered in the original contract.

The lack of trust and respect between the Self-Help centers and the Office of Colonia was disastrous. A Texas housing expert remarked, “I think everybody’s ready to kill everybody else right now. There’s a lot of finger-pointing going on” (Varley, 1998). Instead of collaborating to solve the issues, the Office of Colonia Initiatives and the five Self-Help operators played the blame game. Public administration literature has pointed out that coordination is the key to a successful networked relationship and the lack of coordination is the diagnosis for its failures (Kettl, 2002). The SHC program failed because the stakeholders involved did not trust each other and, thus, did not collaborate well together. These stakeholders failed to recognize that new governance entails

bridging the fuzzy boundary problems and this “requires different strategies and fresh tactics to ensure effective and responsive programs” (Kettl, 2002). Part Three of this Memo will discuss in depth the new strategies and tactics that are required to build a successful networked relationship and, more importantly, illustrate how the Office of Colonia Initiatives and the five Self-Help operators can work together to meet the critical housing and community development problems in the Texas colonias.

Part Three

The Texas Low Income Housing Information Service (TxLIHIS) strongly believes that the public administration issues that the Office of Colonia Initiatives and the five Self-Help Centers had with leadership, accountability, organizational capacity, and networking can either be solved or minimized. I will agree that the Self-Help Centers need to do more and become more professional, but I stand behind the comments that I have previously stated publicly about the Self-Help operators:

They are credible organizations. They may not know how to get things done in all cases. They don't have the resources to get things done in hardly any case. But you solve the problem by capacity-building, by fostering cooperation and by sharing new ideas and techniques and by helping them gain the resources they need to solve the problems (Varley, 1998).

The SHC program is worth saving and can be successful, but the path to achievement must be collaborative. Both the Office of Colonia Initiatives and the five Self-Help Centers will have to make some changes as well as compromises in order to strengthen their networked relationship.

Importance of Leadership and Organizational Capacity

The purpose of the SHC program is to build capacity at the local level and help individuals and families living in the colonia area to finance, construct, improve, and maintain a safe and suitable home environment. The SHC program is a community development model that we know can be successful if properly implemented. Organizations such as the Andres Soriano Foundation (ASF), a grassroots NGO in the Philippines that has a similar model as the SHC program, have been successful. ASF's philosophy is to educate and empower the island's citizens to take an active role in

protecting their own marine resources. ASF believes that teaching self-reliance will enable citizens to develop long-term sustainable economic development. ASF has been successful because it understands that the first and most crucial step to effective “community organizing is getting to know the community and gaining their trust and friendship” (Electronic Hallway, 2006). ASF accomplished this goal by hiring leaders from within the community who spoke the language and could establish a rapport with the families. Lastly, ASF brought in technical advisors to train their staff on basic marine and ocean ecology, alternative livelihood strategies, and Philippine coastal laws and regulations” to help strengthen their capacity to serve the community (Electronic Hallway, 2006)

Self-Help Operator Recommendations

- 1). The Self-Help operators should receive training that focuses on two areas of core competencies: building leadership and organizational capacity.
 - Staff should be trained on how to be effective community leaders, i.e. how to build trust and friendship in the colonia community. This training should be developed based upon the best practices learned from ASF' model of leadership.
 - The Self-Help operators should be trained on capacity building techniques, i.e. education campaigns on the loan process, debt counseling, ability to generate alternative funding sources.
 - Technical experts on housing issues should train the staff on how to address conditions in the colonia, i.e. how to make improvements in septic tank construction, home reconstruction, and waste water. Potential partners include: The Colonia Plumbing Loan Program (CSHP), The Colonia Wastewater Treatment Assistance Program (CWTAP).
 - The Self-Help operators should partner with local organizations to improve services and strengthen community ties. Potential partners include the Texas Low Income Housing Information Service (TxLIHIS) and Border Low Income Housing Coalition (BLIHC), a grassroots coalition that consists of 350 low-income border residents.

Office of Colonia Initiatives Recommendations

- 1). The Office of Colonia Initiative needs to provide more flexible sources of funding to the Self-Help Operators, i.e.HOME grants should be allocated for Self-Help operators to carry out the SHC mission.
- 2). Office of Colonia Initiatives must provide measures that allow the Self-Help Operators to be flexible, creative, and innovative in their capacity building, i.e. based upon documentation of need, the Self-Help operators should be able to broaden and narrow the scope of services they provide to colonia residents.

Importance of Networking and Accountability

The Texas Low Income Housing Service realizes that the problems of the twenty-first century are complex and the advantages of establishing networks are numerous including the ability to address shared problems collaboratively, potential cost savings, organizational learning, higher quality of public services, and creative and innovative strategies employed to solve societal problems (Gazley, 2007). In order to achieve successful networks, the partners in the relationship must have effective coordination as well as trust and respect for each other. They must also manage the fuzzy boundary issues with accountability. Partners in a network must be able to manage public programs and be accountable for performance targets despite the devolution in power.

Office of Colonia Initiatives Recommendations

- 1). The Office of Colonia Initiatives needs to establish realistic outcomes and time tables for the Self Help Operators to meet their program needs, i.e. distinguishing between short-term goals (# of loans awarded to colonia residents, # of contract for deeds converted to standard mortgages) versus long term goals (empowerment of colonia residents to solve their own critical housing needs).
- 2). The Office of Colonia Initiatives needs to establish more points of contacts between the Self-Help operators and itself in order to build trust and promote effective networked communication, i.e. meetings on a regular basis to bridge differences and share successes.

Self-Help Operators Recommendations

- 1). The Self-Help Operators need to be accountable to the Office of Colonia Initiatives, i.e. SHC operators need to keep detailed, explicit financial and performance records.
- 2). The Self-Help Operators need to be accountable to the colonia residents, i.e. SHC operators need to develop outreach programs to educate colonia residents on loans and alternative programs/strategies for home improvement.

References

- Bowman, James S., West, Jonathan P., Berman, Evan M., and Van Wart, Montgomery. (2004). *The Professional Edge*
- Collins, Brian K. and Gerber, Brian J. (2006). *Redistributive Policy and Devolution: Is State Administration a Road Block Grant to Equitable Access to Federal Funds?* Journal of Public Administration Research and Theory. 16(4): 613-632.
- Denhardt, Robert B. and Denhardt, Janet V. (2006). *Public Administration: An Action Orientation, Fifth Edition*. Belmont, CA: Thomson Higher Education.
- Denhardt, Robert B. (2004). *Theories of Public Administration, Fifth Edition*. Belmont, CA: Thomas Higher Education.
- Electronic Hallway. (2006). *A Partnership in Troubled Waters (A)*. University of Washington, www.hallway.org.
- Edwards, Michael and Fowler, Alan. (2002). "NGO Performance and Accountability: Introduction and Overview". Earthscan Publications.
- Fowler, Alan. (2000). "Organizing Non-Profits for Development". Earthscan Publications.
- Gen, Sheldon. (2006). *Accountability*. Lecture delivered at San Francisco State University as part of the Master of Public Administration Program. San Francisco, CA.
- Gazley, Beth and Brudney, Jeffrey L. (2007). *The Purpose (and Perils) of Government-Nonprofit Partnerships*. Non-Profit and Voluntary Sector Quarterly. (36), 389-415.
- Goldsmith, S. & Eggers, W. (2004). *Governing by Networks: The New Shape of the Public Sector*. Washington, D.C.: Brookings Institution Press.
- Graham, Allison T. (1971). *Essence of Decision: Explaining the Cuban Missile Crisis*. Boston: Little Brown and Company.
- Hawkins, William L. (1999). *CDBG: A Practitioner Looks Back*, Journal of Housing and Community Development (56), 26-32.
- Kearns, K. (2004). *Management-Capacity Building in the Pittsburgh Region*. Nonprofit Management & Leadership, 14(4), 437-452.
- Kettl, D. (2002). *The Transformation of Governance: Public Administration for Twenty-First Century America*. Baltimore: The Johns Hopkins University Press.
- Lindblom, Charles E. (1959). "The Science of Muddling Through". Public Administration Review, (19), 79-88.
- Paarlberg, Laurie. (2005, September). *Leadership*. Lecture delivered at San Francisco State University as part of the Master of Public Administration Program. San Francisco, CA.
- Svara, James. (2007). *The Ethics Primer for Public Administrators in Government and Nonprofit Organizations*

Simon, Herbert. (1957). *Administrative Behavior*. New York: Macmillan.

Rossi, P., Lipsey, M. & Freeman, H. (2004). *Evaluation: A Systematic Approach*. Thousand Oaks: Sage Publications.

Theodoulou, Stella Z. and Cahn, Matthew A. (1995). *Public Policy: The Essential Reading*. Englewood Cliffs, NJ: Prentice-Hall, Inc.

Texas Low Income Housing Information Service (2007). Information retrieved November 29, 2007 from TxLIHS website.

Van Wart, Montgomery. (2005). *Dynamics of Leadership in Public Service*. Armonk, New York: M.E Sharpe.

Varley, Pamela. (1998). *Self-Help Housing on the Texas-Mexico Border (B): Background Note*. Kennedy School of Government Case Program.

Varley, Pamela. (1998). *Self-Help Housing on the Texas-Mexico Border (B): The Frustrations of a State-Nonprofit Partnership*. Kennedy School of Government Case Program.

Wing, Kennard T. (2004). *Assessing the Effectiveness of Capacity-Building Initiatives: Seven Issues in the Field*. *Nonprofit and Voluntary Sector Quarterly*. (33), 153-160.