What Drives Network Governance? A Microstructural Approach

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Abstract

This paper focuses on addressing the importance of governing collaborative networks. Such collaboration arrangements face barriers and need governance to coordinate their actions to overcome obstacles and also to organize their activities in the pursuit of their members' common goals. One of the main barriers faced by network governance is the balance among coordination and cooperation, or authority and autonomy. It is necessary to create a collaborative environment, where the network members feel they are part of the process, but also one that guides the process in the right direction. Therefore, we proposed that looking at collaborative network governance is exploring its microstructure, represented by the functions, and analyzing those from the authority and autonomy perspective. Approaching network governance from this perspective, generating a theoretical stance on it, gives future studies a path to go forwards, using the functions as microstructures from where to ground research, especially when thinking about what can replace authority in horizontal network governance relation.

Keywords: collaborative networks, networks governance, authority

1. Introduction

Considering the current economy and scientific knowledge in the business area, many organizations are choosing to use their resources as a group, instead of competing isolated against one another. The new information technology and communication options combined with the conception of a world without borders increase the opportunities to find not only customers but also possible business partners. Networks represent a collaboration among independent organizations that join forces to achieve some advantage, the network must have joint goals and some forms of sharing revenue, costs, and risks among the members. Thus, literature conceives inter-organizational relations as a group of three or more organizations connected through a network, searching to achieve a common goal that cannot be reached individually (Provan & Milward, 1995).

The benefits generated by such arrangements (shared risk, innovation, flexibility, knowledge creation, information exchange, and so on) suggest the network may be a strategy to develop an organizational structure that fits better to new challenges and changes in society that affect organizations (Popp *et al.* 2014) when advantages were perceived by new companies that have joined the network since its foundation. So, networks become a strategic decision to deal with global society, interconnected in human, social, economic, and technological relations.

Governance as itself is a large and complex process, but when we transfer it to a network context, the collaborative process requires even more organization, methods, tools, helpful leadership, and a space free of coercion, so that participants have opportunities to exercise power (Purdy, 2012). These features are necessary for network governance so that it does not lose its collective character, as the network, as an organization arrangement, needs to keep certain characteristics as stable relations among interdependent actors.

Though network structures represent a large and common new organizational form, it also brings new challenges, such as managing such structure of different organizations and aligning it towards a common goal avoiding conflicts that may hinder the objectives, and pondering the more horizontal hierarchy structure of a network. Challenges that present the field with many questions and few certainties. Considering the network structure and the governance challenges presented by it, this study proposes that there are micro governance functions that act as the authority inside the networks and conduct the governance process.

Sorensen and Torfing (2021) advocate that collaborative governance is a process that manages different interests and ideas in the chase for solutions to common problems of different and relevant actors, and also that this same collaborative process has been researched considering the mainstream ideas, and it is more than time to take a look at it from a downstream angle. The authors recommend three solutions to the downstream problems they bring forth: design thinking to create a bridge between formulation and implementation of solutions; developmental evaluation to support collaborative innovation and decision making; and social accountability may substitute the more hierarchical and traditional forms of accountability (Sorensen & Torfing, 2021).

In the attempt to tackle this lack, some studies about network governance (Provan & Kenis, 2008; Ansell & Gash, 2008) suggest insights, however, they still lack in refinement to understand the practical functions of governance, the activities daily carried on by in the network, pursuing to reach the common goals. So, searching to refine network governance strategies, Wegner and Verschoore (2021) propose six micro governance functions which may be essential to collaboration networks leadership, those functions affect daily activities, offering network governance support. The micro governance functions are alignment, mobilizing, organizing, integrating, arbitrating, and monitoring (Wegner & Verschoore, 2021).

Accordingly, micro governance functions are transformed into practices by the managers, seeking to reach the network results, working as guidance to activities in the network. The micro governance results bring balance to network governance, as it needs to consider several organizations and the distribution of advantages that keep participating in the network more attractive than acting alone. However, to organize a collaborative governance process it is necessary to have varying degrees of cohesiveness, resources, and political relations, thus many sources of income can affect the governance at the micro-level.

This proposal means that network governance behaves in a different way than organizational governance, with its traditional hierarchical structure that organizes the governance process. Network governance is not only a challenge as a practice, but it remains a study challenge, because it is hardly feasible to apply the same criteria of single organizations to study networks, as the latter presents specific conditions and settings (Provan & Kenis 2008; Cepiku *et al.* 2020), yet as a conglomerate of single structures, networks have similar behaviors as organizations. Therefore, transporting theories of governance from microstructures to networks is one path, though it must be done carefully and considering that the network as a whole is more than just its organizations, it is embedded in all the relations and ties and interdependent connections and the results that these interactions produce. As a result, we find fewer studies that aim to explain network governance in its practice, and when we do find them, they tend to be context-restricted.

As a new approach arising lately, viewing networks through the lens of microstructures presents itself as a provocation, instigating the theories to go further inside the network's context to better analyze its forms. Puranam (2018) implies that regards the level of aggregation of the organization, they have the same basic design, the same problems - with different levels of complexity - therefore, analyzing the microstructures is a suitable way to understand how to overcome these problems, considering the different contexts. Meaning that to understand any structure, even the biggest of them, looking at the same small subgroups that a small organization can be divided works just as well. It goes into the similar direction as Sorensen and Torfing (2021), to consider downstream problems when it comes to collaborative governance processes, as it is a different and current point of view, less explored and prone to indicate new approaches, such as the one proposed by Wegner and Verschoore's (2021) framework.

Therefore, this study proposes that the micro governance functions act as a source of authority, conducting the network governance process. And it aims to understand the current theoretical state of how authority embedded within networks acts in shaping the micro governance functions. This study contributes to the literature delineating the connection between microstructure and governance in networks. It also brings insights about the limits of hierarchy and autonomy in governance microstructures of networks, in which individuals develop tools to interact and collaborate to generate better outcomes.

1.1 Literature Review: Network Governance

Considering networks as a group of organizations collaborating, making it difficult to separate the individual result when considering the collaboration success (Ainsworth & Chesley, 2018), implies some consequences for studies. For example, it is necessary to align and guarantee that each and all collaborate to the network goal, offering every member the same advantages and results to be shared. Besides individual capacities, researchers maintain that the organizational context - in this case, inter-organizational - has a great influence on the way the organizations perform their functions (Ainsworth & Chesley, 2018). So, recognizing the functions held by the networks to achieve the goals is a way to perceive the path to more effective results for inter-organizational

networks.

So, the role of guiding the network collaboration is provided largely by governance, as it has the responsibility to create and apply rules that will lead the network to its goals, representations that help to keep the organizations and their processes cohesive such as the authoritative superior, a centralization of beliefs and paths may be a useful feature for the administrative hierarchies (Puranam, 2018). Governance as procedural, inputs, outputs and bureaucratic measures (Fukuyama, 2013) acts as a guide for those network structures, steering the organizations towards the collective goals. As a result, network governance is an important part of the microstructure of a network.

Governing networks remains a challenge, in the inter-organizational level it has the power to influence activities of the network and stimulate activities in many other organizations, defining the decisions and actions that must be taken by the network governance (Kreye & Perunovic, 2019). These governing activities aim to help achieve the network goals, which, ideally, all organizations involved are aligned with, proposing the network governance as a set of specific rules that impact the individual organization's activities as well. Governance is directly connected not only to creating rules but also to applying those rules, situations in which the management of such activities becomes crucial to understand how the network was created and how it works, advancing to understanding the collective goals.

The theory distinguishes between governance that cares about control and governance that cares about coordination (Schilke & Lumineau, 2016), as the first defines rules and obligations, minimizes possible hazards involving opportunistic behavior, and aligns incentives; and the latter refers to managing expectations, setting future goals and priorities, guides formal communication. The authors suggest that control and coordination are a continuum, not opposites, therefore they co-exist in governance settings, with different levels (Schilke & Lumineau, 2016).

As stated, the partnership among organizations needs a common goal, or more than one, which can only be achieved through collaboration, justifying the network creation, the sharing of advantages has to be more interesting than acting solo. In order to organize and administer the inter-organizational relations according to the plan, governance at the network level tries to define some rules for collaboration, reassuring that all organizations are going in the same direction with their efforts, aligned with the network goals. Understanding that networks are not a form of governance, but a form of organization that requires a form of governance provides some stances as Provan and Kenis (2008) theorize that governance in networks may be defined among one of three types: shared participant-governed networks, lead-organization governed networks, and network administrative organization.

Governance can be understood as the ability to make and enforce rules, deliver services, governance is about the agent's performance in carrying out the activities, though may not always be about the goals that were set (Fukuyama, 2013). Therefore, governance seems to imply some kind of order imposed by one or more actors that have the authority to decide the way and the rules to follow - if not the goals. Cochet, Dormann, and Ehrmann (2008) define governance as norms of behavior and codes of conduct that are not established in documents but are learned through socialization and act against conflicts, defining expectations of behavior among partners. Thus, governance helps to create an environment that allows transactions among members, either economical or social exchanges - such as knowledge, trust, culture, and so on.

Nunkoo (2017) maintains that network governance represents organizations or groups, therefore it is essential to consider the structures at the organizational level, and collaboration in governance processes is embedded with power and hierarchical relations among the actors, thus making it even more important to consider these relations. In other words, governance in a network context must cover a pluralistic perspective, more socialized ways to govern, considering the need to collectively coordinate, steer effects, and influence different actors, in that case, organizations. Though it seems a collective and social and equal perspective, it is also necessary to add some aspects of hierarchy that will allow the organizations to have a common purpose (Swierczek, 2020), even when at first it seems as polarized ideas: collaboration and hierarchy. Swierczek (2020) studied findings directed at the idea that governance with more hierarchical traits showed stronger relational embeddedness, facilitating the collaborative process.

These many network governance studies conceptualize and characterize governance and its modes, but they little explain the activities held by the network to exercise governance and secure the alignment among the members towards the common goal. To map out network governance it is necessary to look at activities that form and regulate the diversity of knowledge and interests that different organizations have (Hao, Feng, & Ye, 2017).

Towards this perspective, Sørensen and Torfing (2021) indicate that most studies focusing on collaborative

governance think about mainstream problems - such as recruitment of members, building trust, and an inclusive environment - which though are valid problems, are not the downstream problems, those that should receive more attention. Downstream problems are related to problems that emerge from the routine and daily activities and processes of the network, related to implementation and coordination evaluation and accountability of network governance (Sørensen & Torfing, 2021). These problems require approaching network governance from a more microstructural perspective, which analyzing micro governance functions may allow us to provide.

1.2 Microstructures: Network Micro Governance Functions

Network members need to clearly understand the network functions to ensure the network governance works effectively (Popp *et al*., 2014). The more authority needed to rely upon for functioning and the hierarchical levels any network has, the more levels governance has to consider to work out properly. Also, the more authority and hierarchical levels a network presents, the more distant the members will feel from each other, from the network goals, hindering the governance objective, which is to help achieve the planned goals. Lumineau and Malhotra (2011) justify that it is necessary to have some mechanisms to mitigate opportunism and conflicts among members in a network, processes that will help to achieve the goals but also facilitate cooperation and diminish opportunism, and many inter-organizational networks rely on contracts to do so. Though, it is possible to understand that micro governance functions may replace contractual governance in some situations, as a mechanism of coordination.

These complementary perspectives on networks as an arrangement that requires governance to function allow this study to go further and analyze the microstructures of network governance, as a direction to portray a better image of how network governance works as a design to solve network problems. Considering network governance, based on the literature, Wegner and Verschoore (2021) propose that network governance carries out some functions in the search to align different perceptions and towards the best way to reach the network goals. The six functions are better introduced in Table 1.

Table 1. Functions of network micro governance

FUNCTION	DESCRIPTION	AUTHOR(S)
ALIGNING	Identify and define the direction of network activities and their alignment to achieve the results.	Acar & Guo Yang, 2008
MOBILIZING	Stimulate members to act towards the collective goal.	Van-Veen-Dirks & Verdaasdonk, 2009
ORGANIZING	Organizing human, financial, technological, and legal factors to instigate organizational development as well as processes and routines.	Sørensen & Torfing, 2005; Cristofoli, Macciò & Pedrazzi, 2015
INTEGRATING	Integrate members and resources to share knowledge, plans, and activities aligned with collective decisions.	Sørensen & Torfing, 2005
ARBITRATING	Complements the Integrating function, dealing with conflicts, negotiating the cooperation in the network context.	Cristofoli, Macciò & Pedrazzi, 2015
MONITORING	Ensure that collective goals are being achieved and correct an action that goes out of the planning.	Van-Veen-Dirks & Verdaasdonk, 2009

Source. Wegner and Verschoore (2021).

These functions of micro governance may fit into a microstructural approach of network governance, interpreting the topic from the perspective that these seem to require a certain level of authority or hierarchy and how the authority features within the micro governance functions. Schilke and Lumineau (2016) advocate that governance functions are essential to routinized interactions, which could decline the possibilities of misalignment, misunderstandings, and misunderstandings among the network members. So, the micro governance functions work as a shield against situations that could potentially decrease the network cooperation purpose.

It follows that, in Wegner and Verschoore's (2021) study, the functions represent specific activities that the network governance should approach with care, as they are vital to the network operation. The aligning function represents the need for one vision among members of what are the interests and the directions that the network will take in its activities and results. Mobilizing is the function that foments the network members to put their efforts together to reach the goals, is the function that covers communication and the creation of a suitable

environment to inspire the members to perform the collaborative process. Organizing is the function that moves the network to make things happen, promoting the organization of human, financial, technological, and legal resources to propel development, organizing routines and processes to move towards the network goals. Integrating refers to helping participants and processes to work as one mechanism, sharing knowledge and with the goals aligned together, promoting joint decisions that help the collaboration process. The function of arbitrating is necessary to deal with conflicts, which happen in any relationship, but especially within organizations, they need to be addressed and require some form of negotiation in a non-hierarchical environment, but though as free of hierarchy as possible, not free from authority as it is required some of it to mitigate or solve any conflicts within the network context. Lastly, monitoring is the function that looks closely to actions and results, supervising whether the activities were performed and the goals were achieved is primal to guarantee that the network goals - goals that should ideally be collective and important to all members - were met and promoted any necessary corrections in the course.

The micro governance functions are performed in the chase for a collaborative environment among network members, not necessarily assuring the reaching of the network goals, but directing the activities to align with the network goals (Wegner & Verschoore, 2021). The authors' theory suggests that to evaluate how effective are the functions held by the networks it is necessary to consider the results achieved. Provan and Milward (2001) indicate that network effectiveness according to the members' perception depends on integration and coordination of actions, therefore, micro governance may help to improve activities among members and bring more effective results.

Bertrand and Lumineau (2015) reach an understanding that conflicts arise easily among equal partners, where situations with low hierarchies foster more conflicts because organizations and people perceive their relations as horizontal in power, and network structure usually lacks the vertical authority to control possible frictions. Hence, governance functions need to provide some form to mediate conflicts, mitigating its vile influence on cooperation, aligning goals, and sharing power in a way that does not impact the more horizontal structure usually found in networks.

For this paper, it is proposed that the different micro governance functions executed by the network affect the results differently and that these functions act as a source of authority within the network, mitigating the more traditional hierarchical governance forms and fostering the collaborative process in a more organized and autonomous environment. Literature seems to suggest that less hierarchy will provide the network members with a better understanding of the micro governance functions, therefore these functions will lead to better results. On the other hand, a high level of hierarchy may help in organizing the network structure and functions, but it may negatively impact the members' perception about the fairness of their relations. The practical implications are that networks must find a balance between micro governance functions according to the results the network has been achieving, constantly evaluating the goals, results, and governance planning. The theoretical implication is that network theories need to look deeply into the hierarchical process as a whole at the network level, considering the complexity of interactions and power distribution among organizations that are part of a network structure.

2. Discussion: The Role of Authority in Network Governance

To practice the functions described by Wegner and Verschoore (2021), networks comprise several organizations with distinct backgrounds that need to be connected and directed at the same goals, thus, a certain kind of governance and authority is necessary to establish boundaries and common ground. After all, the micro governance functions require a dose of hierarchy in the sense of who has the power to enforce those functions upon other members of the network, who has the final decision, and, as one of the functions well explains, who is responsible for monitoring whether the results have been attained. The interaction itself has to be managed, and it can be executed by appointing someone who invests time and energy connecting the functions, strategies, governance, knowledge with other involved actors. Although networks tend to be a group of interdependent organizations with horizontal relations, a certain level of hierarchy remains (Klijn et al., 2020), consequently, creating some hierarchy involving the power to manage the resources and relations and processes is necessary for the network to practice governance. So the existence of different perceptions and interests among actors, as well as different contexts from where they come, will lead to conflicts and complexity, which will require a certain vertical structure to deal actively with well-defined functions to organize activities and set a clear path towards the goals.

Hierarchy shapes processes, beliefs, and expectations about the collaboration procedures, including formality levels, and according to Purdy (2012), an organization may challenge the notions about power by sharing the

power to design processes. It means that though a certain level of the hierarchy is necessary to rule the governance functions, it is also possible to share the power in a collaborative process. Especially, sharing the decision about these functions gives to the organizations that are part of the network the sense that they are also part of the process of designing the governance structure and strategies that will guide them to results.

Authority as the legitimate power to make decisions, shape the organization structure and dictate actions has been recognized as a set feature of traditional organizations (Weber 1922; Simon 1951). When we convey the same idea of authority for the network structure, it has many differences and it becomes harder to set boundaries, similarities, and oppositions from the traditional theories. Networks usually do not have the same employment ties that attach organizations to their members, formal authority implies power imbalance and clear boundaries between individuals (Gulati, Puranam & Tushman, 2012), separating and creating vertical structures with hierarchical levels. These features are usually opposed to the network idea, which is embedded with cooperation, democratic decisions, horizontal structure, and trust ties among members. It does not seem to make any difference how decentralized the structures are, some sort of central position is required to coordinate certain activities such as information flow, enforcing joint rules, and practicing network governance as a whole (Thomson, 2006).

Authority hierarchies indicate some organizational problems that must come front when theorizing about its practice: the power concentration, specialization towards the bottom of the hierarchy, more bureaucracy and procedures, results become harder to be seen in all the levels as a collective achievement (Puranam, 2018). It does not mean that authority is only a source of problems because it is also a necessary feature to organize and nurture collaborative arrangements. The key question is the exact role that authority plays on each part of governance and the balance when it comes to less hierarchical structures such as networks.

Gulati, Puranam and Tushman (2012) indicate that lack of formal authority in what their study calls meta-organizations, is only based on formal understandings of authority, as even these new and more collaborative ways of organizing do not lack authority. Networks authority is found in relations based on expertise, reputation, status, privileges, control over key resources inside the network, which means though network governance is less hierarchical as the traditional forms of hierarchy seem to show, network governance does not completely overrule hierarchy and authority from inside its borders, they just have different sources, and, probably, different roles and outcomes.

Authority remains an important microstructure to be analyzed as it creates a certain tension in the collaboration process, where autonomy among organizations has an important weight, the sense of all organizations having the same horizontal position and decision power inside the network creates an idea of unity required to create an effective integration perception (He & Puranam, 2020). Despite that, problems such as insufficient motivation, knowledge gaps, different beliefs, leading to evasion from the collaborative process, are usually portrayed as problems that could be resolved with some standard authority to overcome these challenges (He & Puranam, 2020).

On the other hand, autonomy is positively related to better network performance, too much autonomy may lead the network and its members without a clear goal or direction, leading to possible failure, therefore some studies showed that a balance is the better outcome when it is network governance-related with autonomy and authority (Colla et al., 2018; Cochet, Dormann, & Ehrmann, 2008). Entwistle (2010) recommends that balancing between degrees of autonomy and authority are the only option as the network collaboration process requires certain levels of interdependence, thus, negotiating the set of priorities is necessary but having some level of governance that indicates the boundaries and enforce some rules that will not always be negotiable is also necessary.

He and Puranam (2020) indicate that authority's importance is due to its prime role as a conflict manager, as many organizations rely on authority as its first tool to resolve any conflicts that arise from natural interactions among different people or organizations, in the network case. The authors suggest that conflicts are any rupture in the coordination or cooperation process in the network and that understanding the authority or the lack of it passes through understanding how the network deals with conflicts. From that perspective, it becomes even more important to understand the functions of micro-governance, as many of them rule conflicts out by setting down some rules for the network members as aligning - which idealizes the direction of network activities and tries to guarantee that all members are in the same path to achieve the goals - and integrating - which seeks to join members and resources envisioning the collective decisions and activities (Wegner & Verschoore, 2021).

Therefore, it is possible to associate the micro governance functions with authority sources inside the networks governance process, as they may work as a basis to direct the network activities, resulting in the network expected outcomes, as proposed by Wegner and Verschoore (2021). The functions performed by the network

micro governance will act as authority, replacing the more traditional hierarchical forms of governance, without the concern of who or what organization is practicing them, at a certain point that they will help to alleviate the vertical structures of hierarchy needed in some cases to reinforce the processes inside any business, fostering the collaboration process. These functions will lead to the network results, specific to each network, but that was designed by Wegner and Verschoore (2021) as five types of results. Considering the aforementioned, we propose: the micro governance functions act as a source of authority as they conduct the network governance process.

The micro governance functions are essential for the network collaborative governance, but even to perform these functions the network leaders should rely on some source of authority or hierarchy that empowers them to execute these functions. It is proposed that the functions themselves are the authority source, as the ones who know and conduct them will seem fit to lead the network activities. Cabral and Krane (2018) state that authority in a network configuration may be well tolerated when it is fed by knowledge, consistent information, and communication. The authors will refer to knowledge as a source of legitimacy, and an important feature for network governance (Cabral & Krane, 2018). Considering that legitimacy is in Weber's theory (1922) one of the types of authority, in such a case, the more comfortable the network leaders appear in conducting the micro governance functions, the more collaborative the network governance process will sound for its members. Though they do not guarantee the achievement of results, the micro governance functions may help to foster an adequate environment for collaboration at the network level.

Lumineau and Malhotra (2011) assess that it is necessary to examine network governance structures and their processes to understand not only the media but also the results of such governance. The authors suggest that governance structures, such as the micro functions represented in this study, shape the frame used by the network members to make judgments, influence the network and its members' behavior - that is, the processes (Lumineau & Malhotra, 2011). So, it is important to explore the network decisions when it comes to governance structure because it impacts network strategy and its relationships, performance, and, in the end, its outcomes, as proposed by this study.

Even though the authority may be perceived as an obstacle to collaboration, when it comes down to applying the functions, especially those who need collective movements and interactions, some source of authority must give the network the authority to make the final decisions. Cabral and Krane (2018) postulate that roles of guidance and facilitating are essential to keep the network balanced when it comes to power perception and solving conflicts. This poses a contraction, as to solve power conflicts it is necessary someone in a position or with some characteristics that give this member an advantage or some power to negotiate and arbitrate the conflict. Therefore, to act according to the functions, not only but especially the arbitrating one, the micro governance will act as an authoritative source within the network context, and the authority source will come mainly from the functions themselves, reinforced by the network leaders that will put them into practice.

This brings new light into theory as it does not assume that networks do not have any kind of authority, but it dives into the idea that different authority exists embedded in network governance - as well as autonomy, they coexist - and it shapes the network activities, though it may do it discreetly, leading to different ways to organize the micro-governance functions and also to different results for the network. Therefore, it is possible to understand that depending on the authority source, different styles of power will play different roles and be necessary to reinforce the micro governance function. But, as autonomy and horizontal structures are relevant in network governance, it is meaningful to consider that challenges arise when inserting authority in such a context and balancing the authority with autonomy may cause variations in the perception of members about the governance process.

Bruin (2018) states that for a strategy to be implemented successfully, a certain level of consensus must be in order, even in hierarchical structures, the less involved the organizations feel in the governance process, the more they feel as if they do not belong to the process. So, the fewer hierarchical levels a network presents, the easier it will be for members to feel like part of the governance process, but it will also create more arena to conflicts and disruption, as members will sense a power balance that will permit them to see all participants as equals. Therefore, micro governance functions will take place to avoid long vertical hierarchical structures, but also create a space where consensus may be created without conflicts or several disagreements, as effective governance must ensure the development of common understanding (Bruin, 2018).

This study proposes that the micro governance functions will act as the authority inside the collaborative process, depersonalizing the idea of authority, giving the network a more democratic and horizontal structure. It does not imply that networks using the micro functions will lack authority, but that the authority will be more connected with the process itself than with members or a role of power, facilitating the adoption of functions that will lead

to results and minimizing the negative impact of hierarchy in network structures. Rather than assuming that networks are perfectly balanced when it comes to authority and hierarchy, we intend to examine how micro governance shapes the functions according to the need for authority, according to the needs of different activities. We may articulate the important differences between different modes of network micro governance and how they create or surpass boundaries using authority or autonomy to certain degrees.

Despite the academic interest, to the best of our knowledge, there are gaps in the literature concerning the micro-governance functions and the authority role and their impact on network governance. Therefore, researching how these topics are related and how networks are governed is important to understand their functioning and to promote development and better performance (Wegner & Koetz, 2016).

As the functions of micro-governance seem to be the field to understand network governance, with so many actors involved in the process, it is difficult to not have a set of well-designed rules and procedures that will guide these actors' performances (the governance itself), which invariably results in some sort of hierarchy and authority even inside a more horizontal structure as networks (Cristofoli, Markovic, & Meneguzzo, 2012). Albeit collaborative actions are tough to measure, using a microstructural approach, maximizing the understanding about the process through its authority mechanisms that will hinder or incentivize or even make no difference at all over the micro-governance functions, may help to understand how governance is designed for success in a collaborative process. Notwithstanding, Koçak and Puranam (2019) argue that researchers can not expect to understand any aspects of collaboration, especially those linked with values, norms, assumptions that will serve as the basis for governance, without understanding more cultural aspects that serve as context, meaning that network governance studies will have to deal with deep and mainly qualitative research to find answers.

3. Conclusions

This paper starts by addressing the importance of collaborative networks as an arrangement that provides many advantages for organizations. Besides all the benefits, the collaborative networks have structures to integrate the activities, similar to how single organizations will find themselves, except that a network has a more complex structure and, probably, more complex problems to solve. One of the problems that networks face is the type of governance used to coordinate their actions towards the goals.

Collaborative governance may be understood as the arrangement that provides the network final decisions, orientation, deliberation, and planning that leads to achieving the common goals (Ansell & Gash, 2008). But this process does not occur without major obstacles. One of the main barriers faced by network governance is the balance among coordination and cooperation, or authority and autonomy. It is necessary to create a collaborative environment, where the network members feel they are part of the process but also to guide the process in the right direction.

Governance is a process, it is not static, and similarly to other processes, there is no universal recipe that makes it perfect and functional to all kinds of organizations. In the case of network governance, it is important to find some balance within the collaboration process that allows the network to maintain its characteristics of consensus and manage any conflict with authority to keep harmony but not more than necessary to not lose the horizontal and fair structure usually offered to members by the network structure (Thomson, 2006). Orienting new studies to look for new perspectives, such as downstream problems, problems that may be found more in the functioning of collaborative processes, such as suggested by Sorensen and Torfing (2021), as well as pursuing the microstructures that Puranam (2018) brings to light are recommended and have great possibility to enlighten governance at the network level.

Therefore, we proposed that looking inside the collaborative network governance is looking for its microstructure, represented by the functions and analyzed from the authority and autonomy perspective and the delicate balance that may be necessary to find. To investigate the network governance, we propose to approach it as a microstructure (Puranam, 2018), especially investigating the micro governance functions from Wegner and Verschoore's (2021) perspective: examining the six micro governance functions and how they are connected with the authority sources within the network.

The literature leads us to indicate that the functions will have the role of authority to deal with conflicts, that different sources of authority will adopt different mechanisms of micro governance functions, that the less hierarchical levels the network presents the more it will use the micro governance functions to legitimize its activities, and that networks use the micro governance functions as a replacement for the more traditional modes of vertical hierarchical governance, where the micro governance functions will be adopted within the network structure to replace traditional authoritative and hierarchical forms and to support the collaboration process. Consequently, the micro governance functions will act as the source of authority inside the network governance

processes, fostering the collaborative process into the network objectives.

This study contributes to the emerging literature of microstructures, emphasizing the design and topology of patterns, highlighting the mechanisms that underlie the network micro governance structures. This insight may bring forward discussions to contribute to a better understanding of the limits of hierarchy and authority versus autonomy in network governance, in which a balance among seemingly opposite concepts creates different interactions that will lead to different results.

Puranam (2018) suggests that theoretical frameworks that illustrate how the structures influence behaviors towards results, and how behaviors assemble to the organization activities and goals, it is possible to improve design, see more clearly how to use the assets to achieve better results with less effort and costs. Thus, this study provides an opportunity to look inside the network micro governance, to understand how behaviors connected with authority may influence the functions and end up by changing the network results.

Some scholars suggest that network is itself the balance between autonomy and hierarchy (Entwistle, 2010), but this research goes beyond that and indicates that authority has different levels even inside the network environment and the choices made by the network micro governance to apply authority in certain functions will lead to different outcomes, and even the perception and how the authority is portrayed may cause different results impacting the network cooperation among members.

We are aware of this study's limitations, as it is not feasible to research all the existing literature, to prove that all gaps are covered or not, as well as the perceptions provided by the framework used as a stance for our analysis. Despite these limitations, we believe this paper brings value for drawing meaningful theoretical conclusions and setting a space where empirical researchers may ground future studies. This study shows that network governance is more than what shows on the surface and examining it from a more micro perspective, searching for activities, processes, functions that guide the governance and, therefore, the network, is a valuable and interesting empirical field to be explored in future research.

Acknowledgments

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