



PARTNERSHIP: CHIEF EXECUTIVE PERSPECTIVES



society of local authority chief executives and senior managers



CONTENTS

The Research Objective	3
Progress to Date	3
The Results	3
Partnership Goals & Types	3-4
Improvement in service quality to citizens:	4
Greater flexibility of inputs and support services:	4-5
Building policy responsiveness and ability to solve problems:	5
Meeting statutory obligations:	5
Enhanced recognition and reputation:	5-6
Promotion of internal cultural change:	6
Mechanisms of Partnership Working	6
Incentives and institutional arrangements:	6-7
Types of Relationships:	7-8
Resources and Assets:	8
Ideas Development:	8-9
Learning, Risk and Evaluation:	9-10
Conclusions	10-11

1 The Research Objective

'Hearing stories, experiences, comments from "live" partnerships and ideas "from the horse's mouth", punctuated with the multi-sectoral and political input' (SOLACE Partnerships Group, Report Project Plan).

2 Progress to Date

We have undertaken a programme of semi-structured interviews with:

- 8 Chief Executives:-
 - from a wide geographical spread across England;
 - including large and small authorities, Counties, District and Borough Councils;
 - with self-selecting individuals (not necessarily, therefore, a representative sample). At least four of the councils are very active in partnership working. One is an ODPM Pathfinder, others are engaging in experiments in Strategic Service Partnering and equivalents.
- 3 senior private sector consultants - all engaged in partnership planning and management.

We talked with these interviewees about...

- The nature of the partnerships that they were involved with;
- The nature of their personal involvement in those partnerships;
- The barriers, obstacles, risks or failures that they encountered;
- The critical success factors in partnership working;
- Any learning outcomes;
- The positive benefits of partnerships;
- Approaches to partnership evaluation.

These issues were selected because the SOLACE Partnership Group had earlier noted their importance and other research has indicated their significance.

3 The Results

The interviewees were heavily involved in partnership working. They had strong views on these matters. The results were correspondingly rich and thought-provoking.

We set out below:

The key insights of respondents, supported by selected quotations that indicate strength of feeling on these matters. The areas to be discussed below include...

- Partnership Goals & Types;
- Mechanisms of Partnership Working;
- Learning, Failure and Evaluation in Partnership Working.

Our intention has been to remain as faithful to the claims, concerns and issues of the respondents, while bringing a proper critical perspective to bear.

4 Partnership Goals & Types

Partners were frequently unsure of what exactly was meant by partnerships. A Chief Executive from a borough was asked what partnerships he was involved with. He immediately and without prompting, sought to clarify the question:

'I assume that what we're talking about is about partnerships where there is a provision of services and activities, rather than the looser partnership between public sector organisations and... strategic partnership.'

This was the particular way in which this respondent chose to interpret the question, of course. Others gave the term a different sense. As the senior risk management consultant noted, this ambiguity is quite general.

'Although there is a clear definition of what a partnership is, certainly at the strategic level... they mean different things to different people. One of the root causes of the problem is the misuse and abuse of the word, "partnership".'

Our respondents tended to define partnership working in terms of achieving set goals. These goals can be divided into four main groups. These we call desired 'outcomes' (O1-4).

- O1 Improvement in service quality to citizens.
- O2 Greater flexibility of inputs and support services, aimed at internal customers.
- O3 Building policy responsiveness and ability to solve problems.
- O4 Meeting statutory obligations.

These are set out in order of increasing distance from the citizen or service user. Thus, O1 concerns the service encounter; O2 is about 'rear-office' or support functions; and so on.

The comments of respondents make it possible to categorise these strategies further. It is clear that the first three are viewed as offensive strategies: they are about trying new processes and trialing new mixes of assets. Most strategies in local government are defensive in nature. This area of work thus appears unusual, bold and attracts both interest and **personal pleasure as a result**.

The need to meet statutory requirements is an exception. It is clearly seen as a defensive strategy. Many of the respondents communicate that 'we do this because we must' - though in some cases, any latent opportunities to go beyond statutory requirements are clearly being seized. The vast majority of the partnering efforts being pursued by respondents are, though, motivated by voluntary effort, not statute.

There are two other sets of goals that may be met when the process of partnership negotiation proceeds well. These relate to:

- O5 Enhanced recognition and reputation.
- O6 Promotion of internal cultural change.

These two goals were achieved almost in passing, in pursuit of the first four formal goals, as one Chief Executive noted: 'The partnership approach had merit in itself, but it also had merit in that it was a catalyst for other changes' or gains that were deemed desirable. These two goals may be termed process outcomes.

These desired outcomes (O1-O6) will now be briefly discussed further.

O1 Improvement in service quality to citizens:

Most projects being pursued by the respondents are explicitly aimed at this goal. One initiative, being pursued by a Borough Council, seeks to construct a 'single county-wide portal for all local authority service access' on the part of the public. This project involves a partnership spanning all but one of the County's Districts, Boroughs and the County Council itself. One authority has shunned participation, because 'they didn't believe a single solution would work'. A successful early launch may yet persuade it back into the partnership. The proposal is out to tender and its future remains uncertain. It has required, however, high levels of inter-authority pooling of skills and resources.

O2 Greater flexibility of inputs and support services:

The Chief Executive of a Borough Council has used a strategic partnership with a private sector firm in order to engage in a fundamental restructuring in processes and functions at the Council. All support services were subjected to fundamental review, including personnel, property management and general administration.

In both of these cases, O1 and O2, the lasting effects of partnership work appear to come where authorities take the opportunity to restructure or design their functions. In relation to O1, research has repeatedly shown that the public is indifferent to which councils

provide what: their concern is with the service itself and its quality. Seamlessness is a key criterion. In this view, the citizen should be the subject of a service system and functions arranged as objects around that subject.

A County Council Chief Executive commented that all collaborating councils (the County and Districts together) openly recognised that 'competing for funding was counter-productive and local authorities can only achieve so much on their own'. They are wrestling with the prospect of unitary government, which is seen as inevitable and 'trying to be grown up about it' - even where it will result in the death of one of the participant organisations. This open political environment appears to have supported a citizen-centred approach.

In relation to O2: the Chief Executive of a Borough Council was in no doubt of what was at stake.

'The outsourcing (of discrete services) is what pays for what's at the heart of this, which is process re-engineering and investment in property... we had a housing benefits system that didn't calculate benefit: we had no system for purchasing... We had to get a partner that could bring investment now for payback later and a partner who could bring a business process expertise into the organisation that we couldn't otherwise get... it's about productivity gain.'

The intention in this case was to restructure all support services and in so doing, to effect stepped change in internal customer relations.

O3 Building policy responsiveness and ability to solve problems:

Making better policy does not immediately yield benefit for citizens, but provides the seedbed for improved future governance. This often involves collaboration between neighbouring authorities - frequently, between known individuals.

'(There are) dozens of (informal networks), I mean, both personally and through the SOLACE connections. I've got all kinds of stuff going on, but again, lots of informal

arrangements with neighbouring authorities. A lot of work goes on behind the scenes, some of it I don't even know about... I set up a review between our neighbour districts, before CPA, and that was through my contacts... I thought we could gain advantage through doing that. ...I knew their districts or their boroughs would be quite similar to ours. I just said: "well, come on, do we want to do this?"'

A Chief Executive from a small District Council commented on these fluid, informal and often small-scale arrangements in the following terms.

'There must be dozens and dozens of these all over the country, hundreds probably, happening every minute of the day but never get classified as true partnerships, classed as one-offs that are too small.'

O4 Meeting statutory obligations:

This is usually viewed as an imposition. The views of one of the Chief Executives from a Borough Council are strident but not exceptional.

'We're meeting statutory requirements for local strategic partnerships. It's a pain... and it gets in the way of true effective partnership to have a civil servant there... ticking off whether you... go through a system and process laid down by Whitehall, rather than true and effective partnership on the ground'

The evidence suggests that some respondent authorities have deliberately used these statutory partnerships to their own ends and, in so doing, they go beyond the letter as well as the spirit of statute.

O5 Enhanced recognition and reputation:

This process outcome reflects a growing recognition of the importance of organisational and personal reputation as a basis for building public trust. Some local authorities have gone so far as to set up formal reputation management systems. The Chief Executive of a District Council sets out the importance that he attaches to reputation factors.

'Some of that (added value) is around reputation... If we're seen to be good at partnership working, then...

other organisations are more keen to work with you. It affects us, it's affected us regionally where Government Office looks at us and... there is a success rate of being able to deliver what they see as good progress.'

Other respondents equally shared this understanding of the long run benefits of a 'national and widespread recognition' of achievement. In the case of one of the County Councils, the partnerships are clearly achieving national recognition, as a part of the ODPM's Pathfinder system. The Chief Executive is concerned, though, that the process of 'shining a light' on the partnership may serve to blind local partners to their local goals and distract from the achievement of agreed tasks.

O6 Promotion of internal cultural change:

Broader cultural change may arise from major outsourcing projects or other partnering initiatives. Staff can - under certain circumstances - welcome the transfer of employment contracts. Values may then shift under the impact of these new employment relations, symbolised in the following case by signs of higher professionalism.

'If you walk into a (private sector managed council) office now in the Town Hall, you will walk into a professional, business-like organisation. You go into the council staff and you will find a Third World rubbish dump, paper everywhere, with fluffy kittens and Robbie Williams all over the wall: totally unprofessional attitude. Now that is starting to change' (Chief Executive, Borough Council).

This was, again, not the formally stated goal of the radical outsourcing project, but it was certainly a prized outcome from the process.

In many cases, projects seek to deliver outcomes across more than one of these categories. For example, a process re-engineering and outsourcing project in the north-east is also likely to deliver major gains to the public in terms of out-of-office working and new access points. It is also clear that an experiment in one area tends to feed forward (through the experience curve) to promote initiatives in other areas. Many respondents talk in terms of growing confidence and boldness.

We turn now to the mechanisms that are being used to achieve these outcomes.

5 Mechanisms of Partnership Working

Mechanisms are the instruments that are needed in order to make partnering work. Many of our respondents tended to conflate ends and means.

There is a frequent tendency, for example, to define the desired outcomes of partnership working in terms of a desire to build a particular facility or acquire an asset. These resources are actually tools to achieve other social goals. A wide range of mechanisms is being used to achieve final outcomes.

Analysis of respondent's comments suggest that four key mechanisms are being used:

- M1 Incentives and institutional arrangements;
- M2 Types of Relationships and trust;
- M3 Resources and assets;
- M4 Ideas, common vision and values.

We set out these mechanisms in terms of degree of market readiness. Thus, M1 (incentive and institutional arrangements) is a near-market instrument. M4 (ideas, common vision and values) is a 'blue-skies' instrument. The views of respondents in relation to each of these Mechanisms are now discussed.

M1 Incentives and institutional arrangements:

Much work has been done on this mechanism. New legal forms (like the Limited Liability Partnership) and management systems (like the Incremental Partnering process) seek to make new partnering deals possible. Sometimes, an approach to developing partnership that relies heavily on rules and systems may actually hinder experimentation. The Chief Executive of a Borough Council highlights the 'extremely restrictive' nature of both the EU procurement regulations and the assumptions underpinning UK strategic partnering initiatives.

'If we were to do it as the Government's Strategic Partner, we would never have got there. It wouldn't have happened, because if you have to work out a detailed Business Case and series of options, you need to have had management information. We had to have a partnership in order to get hard management information, dot every "I" and cross every "T".'

Other information from this respondent indicates that this was a council under significant fiscal and other stress. This suggests that the rules and procedures associated with 'best practice' procurement may accidentally discriminate against weaker councils - and narrow their range of turnaround options.

Incentives are as important as systems and institutional structures. In one Borough, they have set in place what the Chief Executive terms a:

'...game-share arrangement, so there's a financial incentive for the partner to carry out the business process engineering in retained services.'

Such value-sharing principles remain relatively novel in local government, but may represent among the most powerful mechanisms for fostering commitment.

Evidence suggests that many private sector firms (in, for example, the local government insurance sector) may be hardening their interpretation of contract obligations. These incentives to contract flexibility may be becoming more important.

As a Chief Executive of a large District Council notes, 'actually getting improvement in the contract once it's written... when you actually want something done outside the contract, it becomes quite an interesting negotiation'.

M2 Types of Relationships:

Who are the key groups involved within local government on partnership working? An 'outsider' (Consultant) sees three groups as being central: members; the Chief Executive; and chief officers. These groups will have 'three different views of what... the nature of the partnership is and what you are going

to deliver'. A Chief Executive of a District Council would add a fourth key group to this list: middle management.

'One of the biggest barriers to break down is the attitudes of middle-managers and you've got to get them on board with everything you do.'

Many of the respondents were sensitive to the need to secure participation from councillors. One of the Chief Executives from a District Council observes,

'I believe our involvement in those partnerships should be through members - it's a democratic organisation, local government... while that's more accepted in (the County), it wasn't when I started doing it.'

The themes here concern political accountability and buy-in to the partnership process.

The Chief Executive of a County Council was convinced that discontinuity caused by uncertain political representation presented a major challenge. A number of District Councils are involved with the County Council in a two-tier system. De-selection by the electorate or change in portfolios occurs quite frequently. The result is a rapid 'churn' in political membership and the rupturing in relationships within the local partnerships. This problem may be acute in terms of political representation, but it is more widely felt among all partnership members. It is a 'big frustration' for the Chief Executive of a Borough Council. One consequence of this, according to one of the Consultants, is a 'volatile' market in which partnerships 'come and go quite quickly'.

The development of these relationships over time is a recurring theme in respondents' worldview. As one Consultant notes:

'I think it's a question of... building up respect, exchange of ideas, understanding each other's strategy which, on those sort of discussions, don't have to be documented in a formal partnership which gets translated into some sort of commercial arrangement.'

Such informal networking can lay the ground for more formal partnering (path dependency), but

it may also be enough in itself - to achieve policy responsiveness (outcome O3). The private sector often engages in networking activity too, when it takes a long-term view on customer relationships and profit. One of the Consultants highlights the mutual advantage to be had from such exchanges.

'From the client's side, I think they gain quite a bit from exchanging experience and understanding the capability requirement of the ICT technology. From our side, it's understanding the political agendas, the organisational dynamics of the client and the opportunities to discuss strategy with senior management.'

M3 Resources and Assets:

Acquiring assets and transferring complementary skills is a central concern of respondents. The assets involved in partnership deals are many and varied. A Chief Executive from a City Council is clear as to the crucial asset in this field. 'People are the key to partnerships. It's the person, not the organisation' that galvanises action. Another Consultant also endorses this view. 'The key variable is the personalities of the people involved in negotiating a partnership.'

There is, however, disagreement on how those human resources are best mobilised. One Consultant believes that '...you can't do this as a hobby. It's got to be the day job for very few people'. Specialisation and dedicated staff, in the form of partnership managers, provide the key here.

Yet, this 'amateur' approach is exactly how staff have been organised at one particular Borough Council, where partnership working is pursued with 'time on top of the day job'. In this case, though, officers were working in the teeth of councillor indifference. They were seeking to persuade, in a battle of ideas. The partnerships were still embryonic, too, so there was little dedicated funding available for specialist appointments.

Not least among the human assets that drove partnering were the skills of the Chief Executives themselves. Our respondents demonstrated a number

of key personality traits that may be significant here. First, the Chief Executive is required to 'give leadership to the whole direction.' His Council's experiment in strategic outsourcing was marked by forward movement, reverse, error correction and forward movement: an erratic development. As he notes, 'my own involvement was to have the courage to get us to that point and I'm now taking us back. We then had to go back to the start and make this fly. And that, of course, fell to me.'

This links to a second leadership theme. One Chief Executive from a District Council displayed remarkable persistence and personal determination in the face of peer pressure.

'We've tried a number of partnerships over the last five or six years... but they've all failed because of everybody's suspicions of everybody else and I think I'm the only one who said "I want to go for it, irrespective of who does what". I'm quite prepared to give up quite a few things in order to get what we want.'

Another quality that many of our respondents value is their role as an arbitrator. The same District Council Chief Executive quoted above has used his position to arbitrate disputes and resolve log-jams in middle management. He has also used his connections with his Council Leader to resolve problems being encountered with individuals in partner authorities.

As he notes:

'I got my Leader to talk to his Leader and he said: "Look, this is causing a bit of a problem" and it was semi-sorted in the end, the guy was moved sideways.'

M4 Ideas Development:

Groups of people seeking to collaborate will often have very different visions of what they are trying to achieve. The private sector management consultant describes the importance of crystallising a common vision.

'If you get people floating in from all sorts of different things, it's easy to see that there's no common agreement

on what success looks like... Folkestone's doing all sorts of water developments. The Director of Planning said: "look, I know what success looks like, because I've got the model in my office". And the rest of the management team had probably not taken it in... the design was amazing and everybody went: "yeah, we can see that", and I thought: "right, we're starting to understand what people are working towards".

As he observes later, though, it is much more difficult to visualise intangible values, like raising educational levels. There is no evidence from the interviews on the use of sophisticated visualisation techniques for group decision purposes. These might include, for example, well known extensions to Planning for Real techniques.

Values are more generally a concern. The Chief Executive of a County Council is required to prove the worth of partnership working (on ICT projects, in health or in collaboration with the local University) to a sceptical political audience. This requires him to turn inwards, back into his own organisation. Time and personal energy then becomes a major issue.

As noted, the act of partnering can change the values of the participants as part of the partnership process outcomes. The values that this County Council is seeking to promote among partners and in its own staff base include social entrepreneurship and a sense of social responsibility. Managing competing or conflicting values thus forms another key skill among our Chief Executives.

6 Learning, Failure and Evaluation:

The respondents were persuaded that there was much to learn about and through partnership working. A Chief Executive from a District Council was clear about the learning potential, but less clear about how to realise that learning potential.

'Quite often, when they go wrong, you learn a hell of a lot. And if they're going right, you don't realise, nobody realises that they're in a learning situation until much later.'

The need to learn from failures and disasters also concerns the private sector management consultant. He cites two 'enormously complex' partnering deals in support of this. One of these (involving a London borough) 'went bust', surrounded by 'lots of acrimony'. Another concerns a council from the East Midlands engaged in rapid and major outsourcing. Both provide telling lessons on 'what works and why'.

'What does failure look like? Failure isn't just about simple operational delivery. Failure is about an inability to live by the council's strategic priorities, so something might on the face of it be working, but it actually isn't getting the organisation or the district where it wants to go. So, that's... the paradox. If you're not actually competent to deliver on a project, you often go down the one that's the most difficult to manage.'

In this field, as elsewhere in public policy, there may be much to learn from analysing the types and root causes of failure. If there are learning opportunities in partnership working, there are also barriers to making use of that learning. One of the Chief Executives from a large District Council notes, 'we're not good at disseminating the learning across the organisation, because it tends to be... three or four people' who 'own' that experience. This learning barrier provides a counterweight to arguments about the need to centralise and specialise partnership responsibilities.

Evaluation can provide one way of encouraging dissemination of experience. Yet, many of the respondents were not convinced as to the potential contribution of evaluation of partnerships to learning. Few had any sustained experience of evaluation of partnerships. One of the Consultants had been involved in a number of partnering processes. As he notes:

'I think I've been in only one project where I've actually sat down and had an evaluation on what we achieved and what you learned from it... I think that often gets missed out and you're on to the next thing.'

In two partnerships, some evaluation was being organised through the EFQM Business Excellence model or through local variants of that model. In the case of one Borough Council the evaluation appears to indicate that the governance process is performing well, but final outcome targets are not being met. It is not clear whether that evaluation framework indicated exactly why outcomes were eluding them. This is a point that is reinforced by other respondents. Performance indicators are backing up these exercises. As one of the Consultants noted, these indicators may sometimes include 'subjective' measures of business processes or of influence exerted by partners.

It remains unclear as to whether performance indicators, when grouped together, can provide robust information on why things work as they do. For one Chief Executive from a County Council, 'evaluation has been fairly intuitive'. Crucially for him, partnership evaluation as currently practised does not provide evidence on cause-and-effect.

Many of the respondents were wary of formal evaluation exercises. There appear to be four main reasons for this wariness.

- First, there was a concern for 'personal safety'. The respondent with legal expertise noted this sensitivity.

'I don't know exactly how much people sit down and actually talk about how they feel the partnership itself is working. That's obviously a vulnerable area for a lot of people.'

- Equally strong, though, are restless pressures to move on, the 'desperate look forward' noted by the Chief Executive of a southern District Council. As he observes:

'half the time you're doing the process... and the other half, you're trying desperately to look at the outcome and the trouble is, people always want you to move on to a different game and evaluating what you've achieved sometimes get lost.'

- One Consultant identifies another barrier to evaluation in partnerships. The learning in a particular partnership is very specific to the partners and their learning styles. In this situation, it would, he suggests, be difficult to 'bring an external body up to speed with the various dynamics involved in the partnership'.
- Finally, many of our respondents assert that evaluation should focus solely on the outcomes achieved, but there is disagreement about this. Learning in partnerships is messy. 'You get ideas shifting, specifications and objectives (changing)', as one Consultant noted. In this shifting context, a more adaptable and participatory form of evaluation may be needed. This continual alertness to learning and evaluation was well captured by another of our Chief Executives.

'They never end, partnerships, good ones, once you get them going. And so, I think you're constantly evaluating throughout the process, but there's a time where you might sit back and say: "right, let's look at what we've done". We've actually done that.'

As he makes clear, this form of evaluation is constant and is sensitive to participants' perceptions, evolves with them and is sensitive to political factors in governance activities.

7 Conclusions

Our respondents were very candid about their mixed experiences in this field of partnership working. We are grateful to them for their candour. The relaxed setting of the SOLACE Conference may have greatly assisted in this regard. Further research in this field and with these particular individuals needs to be sensitive to the respondents' pressured lives and multiple demands of accountability. Their position, the power that this endows them with and the degree of insight that they displayed to us make such exercises of great potential value.

There were basic disagreements concerning means and end. In relation to ends, there appears to be wide agreement to the effect that motivations to partner grow over time and are catalysed by success. How this process unfurls is an important but unexplored theme here. It would be particularly useful to chart the nature of the Chief Executive's specific and changing contribution to that path of development as it unfurls.

Most respondents agreed that the learning opportunities presented by partnering were great, for public and private sectors alike. These learning opportunities concern values like social and public service, as much as the pooling of tangible resources and detail of financing or legal vehicles.

Has the experience been worth it for these respondents? There is, they suggest, 'personal enjoyment' to be had from the experience of partnership working. Partnerships can be 'very exciting'; while working in this way 'gives you a lot of opportunities.' People really enjoy the fact that (a partnership situation) is more dynamic and fluid and will change and develop. The Chief Executive of a Borough Council agrees: 'I think the word "enjoyment" is a really good one.'

The risks are equally strong, however. 'Locking yourself with a partner for a long period of time... divorce, it's going to be painful one way or another, you don't get out easily.' The warnings of potential failure are thus equally stark.

'Unless you've got a damned good reason for (partnering), don't. This is getting to be too much of a fashion... This is not cheap and it's not easy. It drained the organisation for a two-year period. You don't do it overnight' (Chief Executive, Borough Council).

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