

# Does the practice of PPP obey the generalised assumptions of partnership rhetoric?

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## Abstract

This paper explores the inter-organisational collaboration between public and private organisations, i.e., the public-private partnerships (PPPs). The private sector is directly intervening worldwide in the delivery of public services and infrastructures. PPP is explored from the perspective of both sectors to gain insights that contribute to further understand of its meaning, implications, and functioning. The paper also aims at critically analyse the theory and practice relationship. Acknowledging that the British experience constitutes an international reference as far as PPPs are concerned, this paper focuses on the British National Health Service. With the aim of uncovering the dynamics and processes that involve that particular form of collaboration, multiple case study research was designed based on semi-structured interviews, focus groups and documentary data. Evidence highlighted the dependence on the socio-relational dimension for the development and characterisation of PPPs and that they are mostly driven by institutionalised forces. It was also confirmed that a transactional nature considerably improves the premises that accompany the rhetoric of partnership.

**Keywords:** strategic public management; collaboration; public-private partnerships; relationship management.

## Resumo

Este artigo investiga a colaboração inter-organizacional entre instituições públicas e privadas: as parcerias público-privadas (PPPs). Cada vez mais, o setor privado intervém diretamente na prestação de serviços públicos e de infraestruturas. As PPPs são estudadas a partir das perspectivas de ambos os setores para obter informação que contribua para uma melhor compreensão do seu significado, consequências e funcionamento. Este artigo também analisa criticamente a relação entre a teoria e a prática. Considerando que a experiência britânica constitui uma referência internacional nas PPPs, este artigo foca o caso do Serviço Nacional de Saúde britânico. Com o objetivo de revelar as dinâmicas e os processos que envolvem esta forma de colaboração, construíram-se diversos estudos de caso a partir de entrevistas semi-estruturadas, *focus groups* e diversas informações documentadas. Os resultados revelaram que o desenvolvimento e caracterização das PPPs estão dependentes da dimensão sócio-relacional e que, na maioria das vezes, as PPPs são dirigidas por forças institucionais e têm uma natureza transnacional que melhora consideravelmente as premissas que acompanham a retórica da parceria.

**Palavras-chave:** gestão estratégica pública; colaboração; parcerias público-privadas; gestão de parcerias

## **1. Introduction**

Inter-organisational collaboration consolidates itself as an extended practice in order to compensate and soften the lack of resources needed for an optimal market competence (Huxham & Vagen, 2000) and market permanence (Teisman, 2002). Public sector became a key area for collaboration practices. Under the “so-called” new public management movement, an inevitable worldwide change took place with theories that advocated different management strategies that allow the provision of public services and infrastructure in the most effective way, while also assuring citizens’ satisfaction (Dorrego de Carlos, 2009). Driven by the critical situation reached by public administrations during the 70s and 80s, it was accepted that there was a need to introduce market competition, a business-like approach, efficiency and capital to provide public services. This derived in adopting a new concept of public service provision and an environment of outstanding complexity, ending in the acquisition of the public sector and forming an outstanding role within the contracting services market (Buse, 2001).

The British experience constituted an international reference (Khaleghian, 2005; Dorrego de Carlos, 2009). A relevant illustration of the mentioned search of better management, efficiency and effectiveness is represented by the British National Health Service (NHS). More than three decades of continuous reforms provoked different and continuous re-structures and re-organisations (Hewison, 2003) that affected many service delivery aspects (Puckett, 2004). Outsourcing was considered the most cost effective option and in consequence this assumption gave incentives to put support services, for example catering provisions out to compulsory tender (Kelliher, 1996) and thus resulting in the general growth of outsourcing practices.

Partnership was established as one of the favoured organisational models across European Union countries (Dorrego de Carlos, 2009; Yang, 2003) but especially in the United Kingdom (UK). Central governments resulting to be, in this way, the catalyst for establishing public-private partnerships (PPP) in local

economies in the 1980s (Weihe, 2006). Since its appearance, PPP gained similar relevant position to privatisation and contracting out practices. However, in spite of its popularity, this widely disseminated concept of partnership remains imprecise, with obscured defining features. Furthermore, this level of ambiguity is also negatively reflected at the operational level since policy guidelines remain unclear (Weihe, 2005; Weihe, 2006).

The research revolves around the context of health services and the outsourcing initiatives that took place as part of the modernization process within public services to achieve better adaptability, efficiency and service delivery particularly in Britain. By referring to the outsourcing experience in the UK and the resulted highly complex inter-organisational relations between public and private organisations, this research attempts to address the concept of partnership as a means to improve service provision and the generation of added value. With the aim of not only investigating the influential factors that affect partnering but also the intrinsic meaning of this concept, this research aims to show the contrast between how partnership is understood in theory and in practice. This work provides a holistic understanding of the relationship by including both involved sides of the contracting arrangement agreed for the provision of ancillary public services –food services provision in this case, and the barriers associated with the development and implementation of these types of collaborative relationships.

Overall, the purpose of this paper is to develop a conceptual framework that expands existing insights into PPP particularly within an area where little research has been undertaken as is the case with the provision of catering services in public domains. The purpose of this research is to introduce the aims and objectives, provide an explanation of the applied methodology and to present and discuss the most significant findings.

## 2. Research background

Departing from the corroborated premise that in spite of the widely spread use of PPP as a globally accepted procurement route, there still is a need for agreeing on what constitutes a PPP as well as extending knowledge about its practice, this research is driven by finding evidence and discussion about “*how partnership is approached and understood between public and private organisations for the delivery of public services?*”

The above research aim concentrates on two questions: how the involved parties make sense of working in partnership; and how do public and private parties interact and collaborate in practice. This research paper will focus on the partnership between public and private institutions from theory and practice within the selected research context of the provision of public services in healthcare, identifying the critical factors and requirements for materialise PPP accordingly to the associated principles of partnership theory.

In order to approach the main research question, different objectives are formulated. Firstly, by appraising the internal context and the dynamics and interaction processes that are generated by the sectors involved; the organisational and governance structure of PPPs which were targeted for critical examination; the conceptual aspect of the research and the meaning and values associated with the idea of partnering; Both theory and practice were explored and contrasted with the purpose to identify any possible gaps, misconceptions or contradictions, to finally envisage a suitable partnership model after highlighting the key factors and principles associated with PPP. The next section provides a narrative and justification of the research methodology designed to undertake the work.

## 3. Methodology

Since this research is committed to exploring the singularities and characteristics of the created working relationship between public and private

organisation for the delivering of a public service (catering provision), due to its involved exploratory nature, case study research resulted to be the best suitable methodology. Case study provides direct insight by focusing on what specifically can be learnt from the case/s, facilitating understanding of the entailed context, processes (Yin, 1989) and dynamics (Eisenhardt, 1989; Hartley, 2004) by revealing not only the casual process but also generating explanatory theories about them (Yin,1994). In order to pursue that detailed understanding –rather than obtaining empirical generalisation to be applied to a population of cases (Gomm, 2000), commonly case study is approached through the use of multiple sources of evidence (Robson, 2002; Yin, 1989).

Under the above premise, this research involved multi-case study methodology based on semi-structure interviews, focus groups and additional documentary information. The public health service in Great Britain was the target context and in particular, the outsourcing practice of ancillary services such as food provision. Initially seven study sites were approached of which five were successfully completed in full. These five sites were public hospitals where catering divisions were outsourced to private food services providers. In each case, stakeholder's views were explored by following a two-level approach.

Firstly, the public-private interface was approached through semi-structured interviews with the directly involved parties from both sides. Semi-structured interviews were chosen as they are very effective for exploratory and explanatory research purposes (Saunders, 1997) and allow the collection of the opinions of the particular phenomena from the views of the participant (King, 1994). A total of 32 interviews were conducted. The number of conducted interviews per site varied up to seven, including interviews with the head of estates, estate facilities manager, hotel services manager, soft and hard facilities managers, on the public side; and site contract manager, assistant catering manager, human resources division on the private side.

Additionally, the created partnership was explored by including the views from the involved staff delivering those contracted services through focus group discussions. Focus groups offer the opportunity of studying collective sense-

making and the collection of a vast amount of data and any issues can be corroborated during the course of the discussion (Bryman, 2001). The perceptions and opinions about the general partnership experience and created working environment of the staff together with a contrasted view of both organisations were collected. Fifteen focus groups discussions were undertaken with catering services staff including supervisors, managers and general staff members with a maximum of seven and a minimum of three people on each. Documentary data provided for each site including issues of contract arrangement, services specifications, communication and regular meetings between both parties, satisfaction survey results for both customer and staff and the hospital general profile and procedures were also viewed.

All these sources of information shared a common structure with the same themes and areas although in different formats. Apart from comprising straightforward individual descriptions and rates about the relation with the other partner and the experience of partnership as a whole, the main issues covered were: partnership issues (conceptual and operational); social-relational issues such as relational dynamics, behaviour and expectations; formal/legal contract issues; management and governance issues; working climate; and service delivery issues.

In line with the purpose of this research and the formulated research questions, a research study protocol was established in order to facilitate the process of data collection and add increased reliability to the study. In addition, a pilot case study was conducted which assisted with the development of relevant questions and re-financing the data collection process (Yin, 1994; Miles & Huberman, 1994). This first case constituted a valuable source of information and was a form of pre testing the taken assumptions and relevance of the aimed approach with this research. This also gave an initial understanding of the particularities and dynamics of public-private partnering.

Both interviews and focus groups were fully transcribed and in order to analyse the data and emerging patterns, coding was used as the key tool. Although, the pilot case results of coding became the initial coding scheme for

the remaining cases other grounded coded were included. Thereby, transcripts of the cases were analysed continuously in order to refine the analysis process, adjusting data collection in subsequent cases as new themes emerged.

In order to evaluate the data collected, each case was analysed individually before exploring the communalities and differences between cases. Cross-case analyses was pursued to observe patterns and to discern idiosyncratic differences from one case to the next, unveiling the study variable(s) relationships (Eisenhardt, 1989). The micro-level of the inter-organisational relationship was the main focus and this drew attention to the way both public and private site managers approached the collaborative agreement and the particularities of their dynamics and attitude towards the day-to-day operation and management. Macro-level issues from top level management and human resources departments were also included in order to obtain a more holistic view of the particularities of undertaking public and private partnerships. The key findings of this research work are summarised in the next section prior to the general discussion and interpretation of the results.

## **4. Main research findings**

### **4.1 The meaning: conceptualisation of partnership**

Before presenting illustratively the experience of partnering public and private organisations from the point of view of each party, we need to turn our attention to the conceptual dimension by exploring the way the term of partnership was understood. Interestingly across the cases, there was clear agreement and similar associations attributed to this type of collaboration through the different interviewed individuals. Hence, as table 1 summarises, both sides public and private, associate the term of partnership with mutual respect and trust; with working and belonging to team; sharing common ends and goals; transparency and honesty; as well as with sharing the commitment of both parties doing their best to reach the established outcomes. Views corroborate the

advocated qualities and properties highlighted in most literatures of collaboration and partnership without adding further contribution apart from ratification.

**Table 1: The “meaning” of partnership (associations)**

Conceptual meaning
<ul style="list-style-type: none"> <li>• Mutual respect</li> <li>• Mutual trust</li> <li>• Working closely &amp; forming/belonging to a team. Involvement</li> <li>• Common end/goals. Achieving the best for patients in an effective manner</li> <li>• Openness &amp; transparency/honesty</li> <li>• Doing parties their best, striving to reach outcomes</li> <li>• Commitment</li> </ul>

Some metaphors accompanied the description of the partnership concept by public partner organisations, especially like man and wife (including “the honeymoon period”) but also others such as landlord and tenant and football team allusions. In addition, as one case emphasised the term of partnership was believed to be an “unusual word in private finance initiative (PFI)” that overall PPP was believed to have very particular dynamics that made it necessary to refer back to the contract. Private partner organisations highlighted that partnership was believed to be more needed when scepticism was high.

**4.2 The experience: the practice of PPP**

Firstly, attention needs to be paid to the particular context, in which these collaborative relationships take place. In this particular research context, the NHS ancillary services were described as the easy target for cost reduction measures with a continuous lack of investment that not only affected the day to day operational dimension but also management levels and staffing. Equally, the outsourcing market was introduced as highly governmental and politically dependent. From the client perspective, it was manifested that many changes had taken place but mainly a reduction of the number of contracts was drastically appreciated. In addition, recent government imposed policies such as agenda for

change (AFC) clearly was starting to represent a significant impact even turning into a considerable thread due to its involved costs to the extent of believing that it could have the potential of changing the outsourcing market, affecting the current collaboration agreements and services procurement formats. In fact, it was stated that the introduction of AFC already moved the outsourcing trend from being mainly a cost effective strategy to an adding value measure, reducing the focus on providing higher quality rather than purely saving costs.

There was a general disagreement on adopting outsourcing strategies with for-profit organisations since those practices were believed to only benefit the government, but mainly PFI was criticised for being a bad planned, costly and risky government strategy. In general, the NHS trusts interviewed stated to experience still a lack of autonomy on their operations with those strategies. Whether outsourcing was considered a growing or a failing market remained inconclusive and produced despairing views but its political dependency was majorly unquestioned.

From the private partner organisation, the outsourcing market used to be highly competitive. High levels of uncertainty and dependence, characterised by continuous changes and political involvement were underlined to the extent that there was no guarantee for future continuation, even when a successful relationship was developed and there was good rapport between the parties. Moreover, short term orientation trends driven by clearly specified aims and achievements were stated to increase further the level of competition of the outsourcing market. In similar line to the client's perceptions, it was also argued there was a significant effect of AFC in economic terms. Despite the stated uncertainty, there was a positive belief towards the continuation of private collaboration with public sector although with an inferior growth.

Regarding the involved dynamics, we focus now on attitudes, behaviour and strategic issues. In terms of the adopted common attitude towards working in partnership, in the case of public client organisations there was a repeated pattern including lack of acceptance of private contract organisations. This pattern to some extent was also accompanied by a preference and association with –what in

some cases was recognised to be a fallacy that better and cheaper provision used to be delivered by the client (a hypothetical NHS “brand”). Clients used to perceive private contractors to be in a better position than NHS trusts by having more advantages in PPP collaboration.

Private contractors also corroborated that common client’s attitude by emphasising having to deal with some resistance, prejudices and hesitation, which was also pointed as the main inconvenient to the relationship with the client partner. Private partner organisations across cases however, manifested the same concerns, focusing on satisfying the client and always being better. Client organisations tended to execute a dominant role and for contractor organisations, client’s satisfaction used to be a paramount. However, it was observed a transition from general reluctance towards private services contractors, mainly based on previous past negative experiences, to acknowledging contractors’ ability and associating them with services efficiency and quality. Furthermore, it was manifested in some cases that the NHS was starting to shift to also adopting a profit oriented culture and getting involved more with private contractor to this aim.

In spite of those attitude patterns, commonly to all cases there was a good disposition to collaborating with public partner organisations. To avoid conflict or -using participants’ language, avoiding “being casted off”, adopting generally a problem solving approach. However, there were repeated site stories about conflict people within the client institutions, usually occupying relevant management positions that were driven by the disagreement of adopting that procurement measure, which were markedly interested on proving the contract to be unsuccessful.

The common pattern was transferring the risk to the private partner and becoming highly outcomes-oriented. To some extent an over- controlling role, manifesting constant surveillance, a watchdog attitude in supervising the service operation was commonly adopted. Besides, public client organisation was characterised by being demanding. However, the level of client satisfaction was related to some kind of loyalty or intention to maintain the same services

provider. The practice of rewarding practices such as allowing contractors to expand their services scope or responsibility on site was the explicit way and a clear proof of client's satisfaction.

On the one end, the private partner's adopted behaviour was very similar across the cases based on being communicative, proactive, flexible, present and available to the client. Table 2 summarises those behaviours and attitudes of private services providers. Across the majority of the cases, private service organisations repeatedly made reference to the differences between both sectors. Generally private services provider organisations perceived themselves as having superior ability in technical and management terms whereas client organisations were perceived inferior particularly in finance and management skills but also lacking ownership of their services operation. Overall, limited finance understanding together with marked pricing mentality were emphasised.

**Table 2: Contractor's attitude & behaviour**

Contractor's attitude & behaviour
<ul style="list-style-type: none"> <li>• Communicative &amp; proactive approach.</li> <li>• Committed to provide the service/s as a way for obtaining credibility.</li> <li>• Flexible. Adapting to client's needs.</li> <li>• Innovative. Bringing innovation all the time.</li> <li>• Open, transparent and honest.</li> <li>• Being seen, meeting and talking with the client.</li> <li>• Working with the client.</li> <li>• Concerned about the relationship with the client (undertaking regular surveys).</li> <li>• Focusing on becoming or continuing being the "preferred supplier". Differentiating &amp; demonstrating being the best provider.</li> <li>• Aims: happy client &amp; making profits.</li> <li>• Belief: Private sector future continuation in public services provision through a continuous focus on service quality and improvement.</li> </ul>

The working dynamics were characterised by a general increased pressure on private contractor organisations to be adding value but also by an endless, demanding, persuasive client, expecting too much. On the other hand, it was manifested that the contractor depends on reputation as a competitive tool; and

there is a general concern to gain a good reputation. A common pattern was the existence of relational imbalances, leading the relationship to be mainly driven by the client. A common strategy was observed across cases table 3 illustrates.

**Table 3: Contractor outsourcing strategic approach**

Contractor outsourcing strategic approach
<ol style="list-style-type: none"> <li>1. A suitable project (catering) manager. With the expertise experience &amp; personal skills to build relationship with the client.</li> <li>2. Building up trust. Allowing the client to trust through respect &amp; following the stated rules. Increasing level of confidence.                             <ol style="list-style-type: none"> <li>2.1. Trust allows higher autonomy on the operation resulting in further service development/improvement.</li> </ol> </li> <li>3. Building bridges (build relationships, good relationship with the client) and upfront communication.</li> <li>4. Develop/improve the service.</li> <li>5. Having a balance between guidelines (specifications) &amp; people orientation.</li> <li>6. Contract individualisation: offering a personal service. Bending the stated rules to meet client's expectations.</li> <li>7. Convincing focus. Reassuring that the client wants to use that services provider organisation.</li> <li>8. Being the chosen one for further continuation when the contract is close to end.</li> </ol>

Regarding the understanding of success for working in partnership, from the client organisation view, it was argued to be dependent on the individuals themselves, their personalities and skills to the extent of emphasizing that partnership develops differently across organisational levels because of the rapport generated led to diverse types of relations. The importance and need of having the right team was especially highlighted along with the right site manager. In addition, the private organisation was actually delivering what was said together with holding an optimal response for solving problems, which played significant importance for the client organisations.

From the private partner's perspective, the partnership success was understood as including the input of both partners through a balanced participation and power but also being dependent on a range of factors including the right contract specifications; for-profit organisation acceptance; working as a team; allocating resources; making an effort to develop the relationship; maintaining communication; developing trust and understanding. However, in

line with the client organisation's view, it was also stated that the impact of individual personalities and level of rapport as well as maintaining the same people at management levels were considered crucial. The next section discusses the implications of the above main findings by focusing on the interpretation the key points deducted from this research.

## **5. Research discussion**

Considering both involved parties in PPP, the experience of working in partnership was approached from meaning to practice combining the understanding of the conceptualisation of the term of partnership (how both public and private parties make sense of working in partnership) as well as the formal and informal governance of this type of inter-organisational collaboration. The main aim of this research was to explore the informal organisational structure and relational dimension rather than formal and legal issues including organisational structure, performance measurements, etc. Other implicit issues such as the particularities of the research context and influential factors to the development and practice of adopting partnership agreements were also considered. The mentioned socio-relational dimension such as, attitudes, behaviours, expectations, and general dynamics of PPP are explored in five different cases constituting a rich source of insights for exploring the reality of this type of partnership as well as the level of congruence between theory and practice all with the aim of enhancing further management understanding of the development of PPP.

By focusing on the above issues, as table 4 illustrates, the social reality of PPP in the NHS context mainly obeys to transactional, controlling nature type relationships with marked imbalances of power, dependence or influence.

**Table 4: PPP practice profile**

PPP practice profile
<ul style="list-style-type: none"> <li>• Dominant formal &amp; transactional nature</li> <li>• Control &amp; power imbalances</li> <li>• Resistance to mutual dependence</li> <li>• Lack of partner acceptance “them &amp; us” attitude</li> <li>• Time needed to trust</li> <li>• Any strategic plan to manage, develop &amp; incentivise the relationship between parties accordingly (life cycle&amp; dependence levels changes)</li> <li>• Success mainly dependent on two factors:                             <ul style="list-style-type: none"> <li>– Local team (the right “people”)                                     <ul style="list-style-type: none"> <li>• Project site managers</li> <li>• Positive outcomes</li> </ul> </li> </ul> </li> </ul>

From the cross-analysis of both perspectives, public and private experiences of partnership result in a range of factors and conditions identified as necessary to the success of the PPP. Table 5 illustrated those success factors.

**Table 5: PPP Success factors & conditions**

PPP Success factors & conditions
<ul style="list-style-type: none"> <li>• Creating a “suitable” environment</li> <li>• Integration levels (both partners being equally involved). Partner acceptance</li> <li>• Working as a team.                             <ul style="list-style-type: none"> <li>– Understanding success as the input of both parties</li> <li>– Balanced levels of effort, commitment &amp; power relations</li> <li>– Both parties sharing benefits, risks &amp; expenses (both investing)</li> </ul> </li> <li>• Local team                             <ul style="list-style-type: none"> <li>– Good relationship &amp; rapport. Personalities &amp; common will for success</li> <li>– (private organisation) site manager                                     <ul style="list-style-type: none"> <li>– Technical (management) skills</li> <li>– Social abilities</li> </ul> </li> <li>– Same management team (people) overtime. Changes have significant impact</li> <li>– Re-employing former staff especially at managerial level to facilitates change &amp; fusion between both organisations</li> </ul> </li> <li>• Clear specifications, expectations, needs &amp; wants. Right contract</li> <li>• Client-contractor running contract about the same lines (ends).                             <ul style="list-style-type: none"> <li>– Bringing both partners cultures closer</li> <li>– Avoiding to have a blame culture</li> </ul> </li> <li>• Mutual understanding and awareness (ethos, values, structures &amp; procedures)</li> <li>• Communication. Keeping continuous &amp; open up communication. Being partners approachable</li> </ul>

The above findings corroborate the claim that success requires creating and maintaining the right environment (Trafford & Proctor, 2006), that is, the relevance of building an environment that enhances understanding and respect, as well as supportive with similar ideologies (Greer, 2001). Agreeing also with other elements underlined as keys factors like effective and open communication, open and informal decisions making; joint problem solving; equal balance of power and clear operational strategy in relation to objectives (Trafford & Proctor, 2006; Greer, 2001); and strong leadership (Trafford & Proctor, 2006).

Trust was one of the most essential elements for the success of the partnership (Fleming, 2007) as this research corroborates. Communication quality was one of the most repeated elements, being considered essential by both parties since contractors needed accurate information to be able to perform and improve but also client organisations needed it to monitor and be in a position to trust the private provider. Furthermore, success is linked to the idea of solidarity and mutuality (Kim, 2003; Fleming, 2007) hence mutual share of both benefits and risk. However, in this aspect there were some differences as contractor organisations focused on benefits while clients focused on obtaining added value and transferring risk. Furthermore, willingness to continue (Kim, 2003; Fleming, 2007) and mutual dependency (Fleming, 2007) also determine success. In this context however, although there is an existence of mutual dependence, the intention of continuation is concluded by other external forces such as political dependence and assuring cost effectiveness through putting out to tender. Conversely, this study corroborates the indicated necessity of avoiding any kind of confrontation in order to establish and maintain a favourable relationship together with setting clearly the direction and specifications of the relationship (Fleming, 2007).

However, from the data obtained, the NHS context seemed to be far from being the right environment but mainly this presented a common pattern. A partnership identity was missing and hence needed to be adopted, “promoting the branding of the partnership organisation”. Setting a strategy, plan and objectives for the adopted partnership beyond the expected, agreed outcomes was

important. Furthermore, this research identified as causes of failure the nature itself of the collaboration (merely transactional); power imbalances; distrust and over-control; lack of investment on developing trust; limited integration and acceptance; lack of mutual understanding (incomprehension); inadequate/bad disposition to collaborate; poor/limited communication; and unclear expectations.

According to the above findings, it is possible to relate the practice of PPP in the NHS context closer to failure than success mainly because of the evidenced unbalanced power forces and, transactional and volatile nature of these public-private collaborations. Hence, the picture obtained invites further reflection. A highly formalised structure need to be adopted in those cases mainly because of the level of investment by the private side and the relevance of the services for the public institution. It was justified that the emphasis and attention towards the legal aspects (contract) and reassurance of obtaining what was stated, however, in some cases despite having the adopted formal structure in place, there were issues -the same ones that the aim was to avoid, like misunderstandings to such an extent even leading towards the dissolution of those working relationships. It is not enough of a solid argument to focus the attention on building those relationships from another perspective. Also focusing on the socio-relational structure equally holds the inter-organisational relationship? This is the main outcome of this research.

When exploring the practice of PPP in line with partnership rhetoric, the unavoidable question is “what is pursued in reality?” and more in particular, “what is the role of government, whether enhancing or impeding partnership?” Through the obtained evidence from this research, the role of the government is put in the spotlight in its role of precursor of partnership, not only in enhancing collaboration but also in providing guidance. The necessary support and flexibility in order to benefit from partnerships agreements are not meeting expectations.

Furthermore, there is a contradiction between the theory or the idea of partnership and the practices implemented to develop collaborative relations. A

highly formal, aggressive and detailed approach is still adopted in outsourcing practices under the denomination of partnership when, in factual terms, it seems to be reduced to an "embellished" transactional contract based relationship. Hence, government appeared to be failing to address partnership twofold: in conceptual terms and in practical issues.

The implementation of partnership strategies appears to have "transitory" purposes, being used as temporary tools-which also might hide some opportunistic reasons in their adoption. This among others could be one of the reasons for being far from –and in contradiction to, its theoretical principles and the associated difficulty of putting it into practice. This research highlighted the fact that how partnership is being implemented and adopted particularly in the UK, is far from its argued principles of mutual trust, reciprocity, equity, interdependence (Lane, 2010; Shaeffer, 2002). In practice, partnership seemed to be reduced to a mere substitute, an uncompleted version of the idea of partnership. The predominant focus on transactional and controlling aspects seemed to have demerited the socio relational dimension of partnership and its added value.

However, approaching collaboration from relational foundations and by so doing achieving added value to the final outcome requires not only implementing an appropriate plan but also holding adequate strategies that incentivise the development of the relationship, the ability to cope with any adversity or conflict as well as to adapt to any possible change derived from its dynamic (Ring, 1994; Weihe, 2005). Oppositely to this idea, evidence from this research clearly exposed a desire of executing control instead.

Reality that relates with the dominance of control and systems -thinking claimed by organisational theory is still clearly manifested in the organisational management field. The idea of conceiving organisations as political neutral controllable entities (Watson, 2006) seems to similarly apply to the adopted vision of putting into practice the term of partnership. The search and over focus on "ideal" management approaches and formal structures, and the formalisation of converting inputs into outputs following specific goals, mirror that desire of

having control and making organisations manageable, unified and coherent, coping in this manner with the involved uncertainty derived from the human dimension. However, by “pragmatically” disregarding the human element and relational processes for making relations easier to be handled, a merely simplistic vision (Watson, 2006) and understanding of partnership is obtained. Furthermore, partnership theory arguably introduces this management concept distant from control, bureaucracy and reiterative assessment measures (Wettenhall, 2007; Thomson, 2006; Shaeffer, 2002). Values that interestingly disagreed with the explored practice of PPP characterised by doing everything by the book.

However, in this research from either side indistinctively, the relevance of the relational dimension shone especially at the individual or micro-level dimension, that is, between the managers, from public and private sides executing the partnership; particularly the relevance of the private project manager role was emphasised. Furthermore, in some cases individuals and their personalities presented a clear “voice” and “role” in the development –although not necessarily continuation, of the relationship in fact, it was evidenced that partnerships are between individuals rather than organisations (Fleming, 2007). This corroborates Williams’ (2002) attention to the so-called boundary spanners. Representing in this way, the originated personal relationships a source of added value for the development and performance of the project and delivered services. However, those relationships were characterised by an over –focus on rules and control that as Mintzberg (1996) states, can undermine outcome results and diminish the development of the relationship. Hence, formality should be considered as an aid rather than the substance of collaboration (Mintzberg, 1996). Alternatively, strong relationships are suggested as an alternative to direct control since close, integrated relationships facilitates indirect control.

Bringing into the scene results of this research context, the practice of partnership between public and private is surrounded by incongruence and contradictions. For instance, it seems to be a contradiction the way partnership is adopted considering the general background and motivational drivers. As it was

mentioned earlier, “adding value” used to be a priority especially for public sector organisations. However, it is argued to be contradictory over-focusing on achieving added value without considering that the relationship itself represents a source of adding value. As Madhok & Tallman (1998: 336-337) claimed “perhaps the lack of a proper appreciation of the true value of relational assets prevent firms from enjoying the benefits from their alliances more fully”. However, to “materialize” this value creation, investment is needed in the relationship. Oppositely, the examined partnership relations were lacking any strategy for embracing the relationship itself and its development.

Furthermore, in line with the wasted and underdeveloped social capital in PPP, an additional incongruence, although beyond the purposes of this research, is linked the origin of public private partnership and the NPM reform with the idea of learning from private sector as well as the adaptation of a business-like approach. In order to enhance the basis for knowledge transfer and learning across boundaries and by so doing also improve general performance, relational capabilities such as the ability to socialise, willingness and ability to partner, and having the right mindset are necessary (Kale, 2000; Lorenzoni, 1999). However, although the importance and role of the relational asset is acknowledged, in practice these issues are not considered even less, including any plan or strategy to enhance their development over time. More rather focus is placed on the legal and outcomes aspect of adopting a partnership.

Another “ill-sounding” contradiction with the theory and attributed values of partnership is the unilateralism manifested in different aspects and dimensions such as power balance, reciprocity, equity and general mutuality. Examples such as for instance, that partners were missing to do own self assessment about their role as partners, particularly the fact that client organisations did not evaluate themselves executing that role by answering questions like how I am doing as a partner but rather focusing only on how the other partner is delivering and behaving, manifests the “controlling” or demanding role adopted by public partners that also seemed to relate to the attitude of assuming that being the client is equal having more rights.

Finally, independently of the theoretical and practical framework that govern the explored site specific partnerships, turning attention to the particular explored context, evidence echoed the opinion that what partnership requires for its development in theory was not in line with what this context could offer. After examining the different cases of this research, public sector seemed to be a difficult context in which the partnership concept is able to develop, mainly due to the inevitable governmental and political dependence associated with the execution of any kind of collaboration. But also in similar lines, further contradiction lies on the fact that rather than blurring public-private boundaries as it is underlined on the rhetoric of partnership (Linder, 1999), the practice is redefining them.

## **6. Conclusions**

This research was undertaken to offer significant insights into the experience of working public and private institutions in partnership. Firstly, attention was paid to the meaning and association of the term by those involved in that form of collaboration. Once values were identified, subject matters emphasised and ways of making sense of the term, it was possible to limit the strategic areas of intervention for successful implementation and maintenance of PPP in accordance with partnership theory. By doing so, this research makes a contribution to the field since PPPs research overall has focused on institutional and technical issues (Saz-Carranza & Serra, 2009; Thomson, 2006; Weihe, 2005). It is also expected to contribute to incentivising timely reflection on this extended popular phenomenon of public-private collaboration under the so-called umbrella of “partnership”. The term has been explored from different angles; firstly, the conceptualisation of partnership to elucidate understanding directly from a range of sectors that were executing that particular form of collaboration, identifying the common associated values and expectations; secondly, the way the concept is materialised into practice, that is, the approach in terms of governance styles and allocated resources to its execution together with the

ability of the involved partners in doing so as well as the pattern of behaviour and dynamic generated between parties; and finally, with the analysis of the congruence between theory and practice, to identify limitations, conflict and catalyst factors and conditions to optimise the development and maintenance of partnership business relations.

After immersing in a representative context, the British NHS context used in this research concludes highlighting the need for focusing on less adversarial and more “real” partnership contractual relations between public and private. An appropriate context to support collaboration needs to be accompanied by governance strategies that enhance optimum behaviour based on principles of equity in sharing responsibilities, power and risk as well as balanced parties’ interests together with clarity and mutual understanding of needs, expectations and specifications. Furthermore, it is necessary to promote ways of incentivising partners, especially the collaboration of private sector and enhancing long term collaboration.

Common to all cases was the matter of concern of any investment or planning (strategies) allocated to relationship-building assets. Beyond contract specifications, there was any focus on working together by covering issues such as how to enhance connection between parties and develop the relationship or how to sustain the partnership. Nevertheless, overall individuals have the last word in the sense that from both sides who actually builds the relationship are individuals in the management role rather than the institutions that agreed to collaborate. Hence, the positive development of the business relationship is at the expense of the personal side and interests of those parties involved, from their levels of willingness and commitment to their purely personal rapport. This research has highlighted in this way, the decisive role of individuals and the emotional bonding side of partnerships and collaborations, resulting in the partnership being more about the people involved than the structures in place.

However, partnership work cannot “flourish” naturally. An action plan is necessary for moving from being “in” partnership to be “a” partnership and by so doing, obtaining the added value of cooperation. A supportive culture, incentives

and attention to the relational aspects are necessary to implement and maintain the spirit of collaboration. Due to its impact and role, the socio-relational dimension of inter-organisational collaboration needed to be also specifically targeted. Hence, a combination of soft-based (social exchange theory) and hard-based (contract theory) relationship management (Ring, 1994) is necessary to the success of PPP. However, as this research has stressed, there is a predominance of transactional and mainly formalised approaches to embrace public-private collaboration.

An actual move from transactional to relational partnership is needed in order to be in accordance with the associated values of partnership, ending with partnership theory and practice in harmony. However, such a shift requires significant modifications that might not be possible within the public sector or simply might not be of interest. Although, we need to bear in mind that partnership structure does not necessarily fit all purposes (Ring, 1994), the inevitable question is what, the clearly stated interest in keep calling these collaborative agreements partnerships rather than contracts? Furthermore, in what PPPs are different from other previous public sector procurement practices such as privatisation and contracting out? The challenge still is out there to avoid limiting PPP to being a fashionable management idea without clear guidelines, ambiguous meaning and immaterialised expectations.

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