

**Theory of Organisational Partnerships – partnership advantages,
disadvantages and success factors**

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Promoting 'partnership' and greater inter-agency co-operation between government departments, public agencies, private companies and the third sector has become a staple of strategies to promote social and labour market inclusion at national and supra-national levels, for instance internationally (CEC, 2003, 2001: 6; OECD, 2008) and the UK (DWP, 2006). Area-based strategies to tackle social and labour market exclusion have particularly used of partnership approaches involving different organisations and forms of relationship – for the UK government, 'renewal relies on local communities', and non-public bodies have a leading role to play in promoting employability, regeneration and inclusion (SEU, 2001; McQuaid and Lindsay, 2005; McQuaid et al., 2007).

Across and beyond the EU, policy makers are turning to new forms of partnership and seeking to include a wider range of stakeholders in the design, planning and delivery of policies. In the case of employment policies this reflects an acceptance that, in order for employability policies or interventions to address the range of complex and multi-dimensional problems faced by unemployed and economically inactive people, multi-agency approaches are required. For instance, as governments refocused

their welfare to work strategies on those claiming long-term income-based benefits in many European countries (Lindsay and McQuaid, 2008) and incapacity benefits in the UK (Lindsay et al., 2008, 2009), they also 'opened up' employability services to a wider range of stakeholders, in an attempt to extend their quality and reach, and to access specialist knowledge and expertise.

Different types or organisation of partnerships are appropriate in different circumstances, and a key strategic issue is to identify and choose an appropriate type. Some of the main dimensions of partnership are: what the partnership is seeking to do, i.e. its purpose and whether it is strategic or project driven; who is involved, i.e. the key actors and the structure of their relationship in the partnership; when i.e. the timing or stage of development of the partnership process and changing relationships and activities over time; where, i.e. the spatial dimension; and how the activities are carried out, i.e. the implementation mechanisms (McQuaid, 2000).

This chapter considers a number of conceptual and policy issues surrounding partnership working, including inter-agency co-operation, mainly using examples in the areas of employability and local regeneration policy. Following this introduction the chapter addresses: definitions of 'partnership'; potential benefits associated with partnerships/inter-agency co-operation; limitations and problems with partnerships/inter-agency co-operation; critical success factors in effective partnerships; some implications for governance; and conclusions.

DEFINITIONS OF PARTNERSHIP

The term 'partnership' covers a multi-dimensional continuum of widely differing concepts and practices and is used to describe a variety of types of relationship in a myriad of circumstances and locations. Some, such as Public Private Partnerships often refer to specific forms of contractual relationships, although this paper is concerned with wider formal and informal inter-agency co-operation. Such is the rhetorical power of the language of

'partnership' that concerns have been raised that the concept has become little more than a buzzword to 'sprinkle liberally through funding applications' (Osborne, 1998); or an idea so ubiquitous in major policy initiatives that it defies definition (Rowe and Devanney, 2003) and risks losing its analytical value (Miller, 1999). Lankshear et al. (1997: 88-89) suggest that key terms like 'partnership' are "words that cross discursive boundaries, spanning multiple world-views, interests and value systems. They all carry positive connotations and name ideals to which people who embrace different – and often incompatible – aspirations, purposes, interests and investments claim allegiance".

The concept of partnership in service delivery arose, during the 1980s and 1990s, as a canon of public policy and private enterprise (Knox, 2002). The OECD (1990: 18) has defined partnerships as:

"Systems of formalised co-operation, grounded in legally binding arrangements or informal understandings, co-operative working relationships, and mutually adopted plans among a number of institutions. They involve agreements on policy and programme objectives and the sharing of responsibility, resources, risks and benefits over a specified period of time."

Further to this very broad definition, a number of more context-specific definitions of partnership have been articulated. Harding (1990: 110) sets out a general definition of 'private-public partnership' as "any action which relies on the agreement of actors in the public and private sectors and which also contributes in some way to improving the urban economy and the quality of life". Bailey et al.'s (1994: 293) more specific definition of partnerships for urban regeneration speaks of "the mobilisation of a coalition of interests drawn from more than one sector in order to prepare and oversee an agreed strategy for regeneration of a defined area".

It is useful to distinguish partnerships at different levels of organisation, such as at strategic or project levels, or geographically at regional and local levels.

Snape and Stewart (1996) are interested in different levels of inter-agency co-operation – they distinguish between three ideal-typical forms of partnership working in social inclusion policy: *facilitating partnerships*, which manage long-standing, strategic policy issues; *co-ordinating partnerships*, which are concerned with the management and implementation of policy based on broadly agreed priorities; and *implementing partnerships*, which are pragmatic, and concerned with specific, mutually beneficial projects. To this can added more strategic goal agreement partnerships which seek to identify key directions and aims and how these might be achieved through partnership working.

Drawing on a number of existing approaches, Hutchinson and Campbell (1998: 9) suggest that there is a consensus around a number of defining features: partnerships bring together a coalition of interests drawn from more than one sector to generate agreement; partnerships have common aims and a strategy to achieve them; partnerships share risks, resources and skills; partnerships achieve mutual benefit and synergy.

This discussion demonstrates that partnership remains a varied and ambiguous concept. In the UK context, the debate has been further complicated by the government's application of the language of partnership to programmes and relationships that in fact involve the allocation of resources on the basis of competitive tendering to provide services. These include Public Private Partnerships (and Private Finance Initiatives or PFIs in the UK) (McQuaid and Scheerer, 2010). Government departments and funders are required to fulfil the dual role of acting as strategic partners, working with other government agencies and stakeholders to shape the general framework for local policy implementation, while also acting as a funder, contracting out services often through some of the same stakeholders.

Increasingly important are partnerships between different public sector bodies which link different types of services (e.g. the linking of welfare allowances, health and job search etc.). There may be tensions between organising activities along specific functions and tasks (e.g. providing welfare benefits in

a cost effective way) and more client centred approaches where the full range of issues facing a client need to be dealt with in order to help them to move on (e.g. to employment). For example, it may be important to train a person to manage their health condition first, and to remove their fear of losing welfare benefits if they take a job, as well as improving their vocational and job seeking skills etc. The question arises as to how best to maintain economies of scale and other efficiencies in each of the different supports given to a client while making them co-ordinated and flexible enough to realistically meet the needs of the clients, in the right time, place and manner. Is it best through merging the different services, or through better joint working (partnership) between different agencies (in which case the incentives must promote the flexibility required for effective joint working, while not introducing significant inefficiencies).

While organisations providing training and support for unemployed people under contract to the UK government Public Employment Service, Jobcentre Plus, (under the policy during the 2000's termed 'New Deal' which targeted different groups of unemployed people) tend to be referred to as 'partners' the differential financial power, and control of resources and policy direction that characterises these providers' relationships with the Public Employment Service raises questions about models of partnership, and the potential benefits and problems associated with different approaches (Lindsay and McQuaid, 2008). Nevertheless, previous analyses of various models of partnership working and inter-agency co-operation generally point to a number of benefits and limitations associated with such processes (see Mosley and Sol, 2005). It is to these issues that we now turn.

BENEFITS OF PARTNERSHIP AND INTER-AGENCY CO-OPERATION

Partnership-based approaches to dealing with social and labour market exclusion have become increasingly popular among policy makers. A review of the literature suggests that there are a number of benefits associated with

inter-agency co-operation (Hutchinson and Campbell, 1998; McQuaid, 2000; Dowling et al., 2004; McQuaid et al., 2005).

Flexible and responsive policy solutions

Perhaps the most regularly deployed argument in favour of partnership-based approaches is that problems such as urban regeneration or labour market exclusion are complex and multi-dimensional, requiring a range of inputs from stakeholders involved in delivering on social, economic and physical development (Rhodes et al., 2003). The individual barriers (e.g. lack of skills), personal circumstances (e.g. caring responsibilities) and socio-economic context (e.g. living in an area of multiple deprivation and low job opportunities) faced by people with low employability are often inter-related, overlapping and mutually reinforcing. Hence policy solutions aimed at one factor, or part of the support system, are unlikely to be fully successful due to the counteracting impacts of other factors. Partnerships between key actors or service providers are therefore essential in order to tackle the various causes as well as the symptoms of low employability. In terms of labour market policies, local partnerships arguably facilitate the tailoring of the programme and its delivery to the specific problems and opportunities of local labour markets (Nativel et al., 2002).

Facilitating innovation and evaluation

Partnerships arguably have greater scope to test new and innovative approaches, as stakeholders coming together from a range of different policy perspectives can, in itself, produce greater dynamism through the sharing of ideas, expertise and practice and risks can be contained. They also allow individual partners to test new approaches, and if necessary withdraw from unsuccessful or difficult experiences. Effective partnership working therefore challenges existing approaches by bringing to bear experience from other sectors and organisations, and developing new ways of working (Nelson and Zadek, 2000). Under employability programmes to assist unemployed people policy makers in the UK have sought to encourage the development of a flexible programme that can operate slightly differently across delivery areas, promoting experimentation and innovation, and the emergence of new ideas

and solutions at the local level (DWP, 2004). Beyond the obvious benefits of such an approach, the flexible nature of localised partnerships facilitates a process of comparison and appraisal, so that best practice can be identified and alternative options and design features can be evaluated.

Sharing knowledge, expertise and resources

A defining feature of any inter-agency partnership is the manner in which skills, knowledge and expertise are shared in order to maximise the appropriateness, quality and efficiency of provision. By engaging with private and third sector providers with expertise in specific areas of service provision, or with experience in engaging particularly disadvantaged client groups, public agencies can expand the reach, diversity and quality of their services.

Pooling of resources, synergy

At the most basic level, partnership-based approaches can increase the total level of resources brought to bear on problems, by increasing the number of budget-holding organisations involved in delivering solutions (Conway, 1999; McQuaid, 1999). Synergy may also be achieved through combining complementary resources from different organisations and from them operating in more appropriate ways compared to their normal organisational approach. In addition, targeting or altering mainstream expenditure on specific shared goals (i.e. 'mainstreaming' or 'bending the spend') and achieving synergies, and so maximising the impact of resources, are issues that partnerships potentially have great impact.

Hence supporters of partnership-based approaches are particularly committed to the idea that an effective partnership amounts to 'more than a sum of its parts'. Miller (1999), drawing on the example of effective local regeneration programmes in England, enthuses about the potential for partnership to provide: 'added value through the synergy of joint working' and a 'transformational' learning process where stakeholders learn from each other and often alter their own approach accordingly. "Effective partnerships can be expected to generate: information sharing; improved communication; a better understanding of what each stakeholder can offer; the avoidance of

duplication and inefficiencies; and the identification of opportunities for effective sharing of resources” (Miller, 1999: 349).

For Nelson and Zadek (2000), the achievement of this synergy or ‘partnership alchemy’ depends upon five key factors: context, the socio-cultural environment and key drivers (systemic and specific triggers) that shape the creation of partnership; purpose, the complexity and scope of partnership goals and activities, including the level of agreement on a common agenda; participants, the leadership characteristics, resources, capacities and competencies of different participants; organisation, the organisational and legal structure, governance principles and communication, consultation and conflict resolution mechanisms; outcomes, the ability to identify and evaluate outcomes and adapt the partnership accordingly.

Finn (2000) argues that National government initiatives have often been structured in order to access the experience of working in the community and engaging certain client groups held by local authorities and community stakeholders (including the formers’ experience as large employers in many areas). By engaging with private and third sector providers with expertise in specific areas of service provision (e.g. mentoring or literacy training) or with experience in engaging particularly disadvantaged client groups, public agencies can expand the reach, diversity and quality of their services.

Developing a coherent service

Partnership working at the strategic level can ensure that policy initiatives in major areas of government activity are ‘aligned’. The drive to achieve coherent local and regional frameworks linking regeneration and employment policies has been a major theme of recent reforms in the UK. The integration of policies under shared strategic priorities can ensure that – for example – supply-side and demand-side labour market strategies try to compliment each other, and that supply-side interventions are informed by an understanding of the long-term needs of communities and local labour markets. There are a number of examples of national employability policies being linked to local

demand-led strategies and regional regeneration initiatives (Lindsay and Sturgeon, 2003; Gore, 2004), but progress in this area has been uneven.

Improving efficiency and accountability

One of the key benefits associated with effective inter-agency co-operation is that it can lead to more efficient policy delivery, by eliminating the duplication of effort and improving communications. Within partnerships, inter-agency bodies have the capacity to be more democratic – at best they can open up decision making processes and gain the input and ‘buy-in’ of organisations representing a broad range of constituencies and interests. However, there are often concerns that it is not clear ‘who is in charge’ (see below).

Capacity building

Examples of best practice in regeneration projects in England have demonstrated that local partnerships can build community capacity and engender a sense of community ownership (Rhodes et al., 2003). For the voluntary sector, inter-agency co-operation (particularly with government) offers new opportunities to have a practical impact on the policy agenda, enabling organisations to fulfil the key objectives of representing the community and giving voice to the concerns of disadvantaged groups (Miller, 1999). Becoming ‘delivery partners’ has also helped these organisations to access long-term and stable funding. At the strategic level, co-operation between government agencies and departments can lead to a sharing of knowledge and practice across different areas of expertise, and result in joint working towards a seamless, multi-faceted service for clients.

Gaining legitimisation and ‘buy-in’

The tapping of ‘local knowledge’ through the involvement of community-level stakeholders can contribute to the development of approaches that are able to engage disadvantaged communities and address specific, localised problems. Engaging community-level stakeholders can also result in the legitimisation of, and mobilisation of local support for, new policy goals. This can be particularly important in geographical areas characterised by severe disadvantage, where public agencies can be viewed with scepticism by

residents who have previous experience of unsuccessful employability and regeneration interventions. By using local people to help in the development and implement of policies, there can be greater ability to get the target client group to help the recruitment and retention of 'hard to reach' individuals etc. (McQuaid, 1999). At the planning level, where lead agencies are willing to cede and share decision making, budgets and responsibilities with partners, they can engender a sense of shared ownership, helping to legitimise their policy aims.

The benefits discussed above may be achievable where effective structures for inter-agency co-operation and/or partnership working are in place. However, there are considerable challenges in achieving these positive outcomes which are now discussed.

PARTNERSHIP AND INTER-AGENCY CO-OPERATION: POTENTIAL PROBLEMS AND LIMITATIONS

Partnerships may not achieve the potential for synergy due to inertia or other reasons (e.g. Huxham, 2003). Some of the challenges in achieving effective and efficient partnerships are now discussed: a lack of clear and/or consistent goals; resource costs; impacts on other services; and differences in approaches between partners. The specific issue of community participation is then discussed.

Conflict over goals and objectives

A lack of clear, specific aims or goals is often cited as a major cause of the failure of partnerships. Many partnerships have agreed broad aims, but their detailed goals may be unclear or the partners may have differing understandings of what the goals mean (Mitchell and McQuaid, 2001). This can rapidly lead to misunderstanding, lack of co-ordination, and possible conflict between the partners. This may be accentuated if some partners have undeclared or 'hidden' agendas. At the strategic level, conflicting priorities and 'turf wars' where different agencies fight over control of an issue or service, can undermine attempts at developing collaborative approaches.

At the operational level, gaining the commitment and engagement of private and third sector partners, and community representatives, can be complicated by organisational barriers and inflexibilities, and localised problems in relation to limited community capacity.

Resources costs

There are considerable resources costs, for instance in terms of staff time in meetings and discussions and making agreements, and in delays to decisions due to consultation with partners. It may also be difficult to close an inefficient or unsuccessful partnership, or even one whose objective has been achieved if all partners do not agree, as this may 'sour' relations elsewhere.

Accountability

There can also be problems of accountability as no single partner feels fully accountable for the actions of the partnership due to the split between responsibility and control (e.g. no single body takes full responsibility for problems or for ensuring that overall the policy is effective and efficient). It may not be clear 'who is in charge'. If each partner 'claims' the full success of the partnership (e.g. in an initiative to help unemployed people seeking work) but only considers its own costs then this may distort decisions then efficiency and value for money will be difficult to measure. The opportunity or direct costs of staff time in participating in the partnership also needs to be accounted for. The full social costs of the partnership need to be aggregated and compared with the full social benefits, rather than each partner focusing upon its own costs and benefits (e.g. possibly through a form of social return on investment).

Impacts upon other services

Partnerships (especially those with stand alone implementation units) may be seen as an alternative to re-aligning mainstream services to deal with particular issues. But the scale of, and integration between, mainstream services may have a far more significant impact, especially in the long-term. Conversely, partnerships may draw resources from other mainstream services or confuse the services in the minds of users, so reducing their

effectiveness (i.e. there may be a significant opportunity cost in economic terms).

Organisational difficulties

Organisational difficulties inhibiting successful co-ordination of programmes and approaches, and overcoming the specialist concerns of disparate organisations, is a key implementation problem faced by agencies working together. Within this context, barriers to effective partnership working include: organisational (these include differing missions, professional orientations, structures and processes of agencies); legal/technical (statutes or regulations set down by higher authority, and the technological capacity and practice of the organisation); and political (the external political environment but also internal bureaucratic politics).

At the strategic level, effective inter-agency co-operation can be undermined by the rigidity of institutional and policy structures. Government departments and agencies have arguably traditionally operated in narrowly focused 'policy silos' (see above), with resources and expertise concentrated in specialised areas of policy. Breaking out of these policy 'silos', to develop multi-policy inter-agency solutions can be difficult due to institutional arrangements that regulate the use of funding and deployment of manpower resources. There is also a danger that strategic-level partnerships can be drawn into the minutiae of process, rather than focusing on implementing change – the actual outcomes achieved by partnership working can be difficult to measure, which can lead to the partnership being seen as an end in itself rather than a means of implementing policy change (Ball and Maginn, 2005).

Capacity building and gaps

There can be difficulties when government seeks to engage different sectors in delivering policy, if key stakeholders lack the professional, organisational or financial capacity to contribute. There have been problems where governments have sought to outsource provision before sufficient private or voluntary sector capacity is available. In many localities a lack of 'community capacity' (i.e. of the local people in the community) consistently undermines

the ability of local stakeholders to engage in partnerships. Where local partnership structures are weak, a considerable commitment of time, effort and resources is likely to be required in order to build capacity. As noted above, even with such a commitment, building trust may prove difficult in disadvantaged communities where public service providers can be viewed with suspicion. Preparation of local communities (and others, such as local employers) to participate effectively in partnerships often needs a clear strategy that is adequately resourced (and includes practical aspects such as being prepared in advance to deliver quick 'wins' without waiting for the usual long timescale of public sector decision making). Even at a professional level there is often a capacity gap in terms of specific skills and attitudes that hinders partnership development and implementation.

Differences in philosophy among partners

There may be significant differences in philosophy between the partners, such as in the degree to which they feel the market can solve problems around a particular policy (e.g. employability) or the legitimate role of different stakeholders. There are a variety of related factors that have affected the development and implementation of partnerships such as differing value and ethical systems between the public and private sector actors (OECD, 2008; McQuaid, 2000). Problems may arise in combining public and private management practices, philosophies and language within one partnership organisation, while the extent to which formal contracting is a sound basis for partnership has been debated. Contractualism offers benefits associated with accountability and clarity in responsibilities and reward structures. However, where stakeholders are required to be both actors within a purchaser-provider contract and strategic partners there may be a confusion of roles and incentives. It has also been suggested that the strict obligations associated with contractual relations (and even Service Level Agreements in the public sector) can stifle some innovation. More generally, an integrated 'policy culture' shared by agencies and groups involved in delivery is important if partnerships are to be effective. Where policy culture becomes fragmented – for example due to conflicting priorities over financial resources or tensions

over the differential power of partners to 'drive the agenda' – partnership working can quickly disintegrate (Dobbs and Moore, 2002).

Power relations

The handling of differences in the relative power of different bodies or individuals in a partnership is important to its success. In most partnerships there is a degree of unequal power. The presence of unequal power should not imply that all partners should necessarily have equal power. Some may have greater legitimate claim, due for instance to their greater involvement in the project or local area, or have greater political legitimacy in the case of elected bodies. Although there are different types of power, greatest power generally rests with those controlling resources. In the case of local regeneration partnerships they are likely to dominate those in the local area who may have a considerable understanding of what is relevant and effective, albeit from a local rather than macro-perspective, and whose feeling of 'ownership' can be crucial to the initiatives success. At different stages of a partnership there will be different balances of power between actors. To illustrate, in the early stages when an initiative is being developed, all those 'around the table' will have potentially large influence as their involvement will often be considered important for getting the initiative started. However, the environment within which the key funders operate is very influential (for instance, in ruling certain approaches out of discussion). When the initiative is agreed, then the views of the main funders are likely to become relatively more important, i.e. there may be a shift from the influential power of some actors (such as local voluntary groups). As McDonald (2005) argues, power relations remain an area for greater theoretical development.

Community Participation

In regeneration partnerships, a lack of 'community capacity' consistently undermines the ability of local stakeholders to engage in partnerships (Dobbs and Moore, 2002). Where local partnership structures are weak, a considerable commitment of time, effort and resources is likely to be required in order to build capacity (Rhodes et al., 2003). Carley (2006) notes the

importance of an integrated 'policy culture' shared by agencies and groups involved in the delivery of local inclusion strategies.

The inclusion of community and voluntary sector stakeholders can also raise issues surrounding the changing role of such organisations. McLaughlin and Osborne (2000) argue that the increasing involvement of the voluntary sector as a delivery partner 'risks subverting the legitimate role' of community organisations by attaching them to 'labyrinthine' contractual processes of regeneration programmes. Osborne (1998) has also warned against the danger of community-level actors becoming the 'puppets' of government agencies, which may be attracted to indulging in tokenistic forms of local consultation rather than less comfortable discussions with street-level groups representing the full diversity of community interests. The concern here is that local authorities and other governmental stakeholders tend to be reluctant to cede authority, and seek 'safe' forms of local engagement in which their decision-making autonomy is not challenged (Rowe and Devanney, 2003).

Miller (1999) discusses the problems of government-community sector co-operation from the opposite perspective, noting that the introduction of new stakeholders presents new potential problems beyond the familiar tensions between the state and private sectors. Miller distinguishes between the formalised professional non-profit sector and the 'community sector' of local, informal and citizen-based organisations. He further distinguishes between primarily service-oriented organisations and those seeking to 'enhance local democracy' (i.e. those with a political agenda). The former prioritise the extent to which the partnership enables the delivery of services, the latter will be more interested in strategic action and the partnership process in itself.

It is crucial that advocacy groups engaged in practical partnerships are persuaded to commit to constructive debate within the boundaries of the relevant policy agenda, and to consider their contribution to the delivery of outcomes. Without such a commitment, community-level stakeholders risk acting as a brake on progress, 'putting themselves between regeneration agencies and local people' (Sanderson, 1999). There can also be questions

of legitimacy in the engagement of community-level stakeholders – government agencies seeking to build partnerships are understandably attracted to established community organisations, but these ‘usual suspects’ may not always reflect the diversity of interests within local areas (Geddes, 2001).

SOME KEY SUCCESS FACTORS IN PARTNERSHIP WORKING

The above discussion highlights some of the advantages, problems and issues around partnership working and other approaches to inter-agency co-operation. Much of the literature on inter-agency co-operation emphasises questions of partnership structure, strategy and internal regulations (e.g. Hudson and Hardy, 2002). Although this provides a useful overview to the question of partnership, it is perhaps lacking in specific examples of how successful partnerships have emerged. Coupar and Stevens (1998, p.145) state that partnership “is not so much about institutions or methods, as about attitudes and culture. It is a question of building mutual trust, of recognising differences and finding common ground...”. This section identifies lessons from successful partnerships and inter-agency initiatives, in which a number of recurring features can be identified.

A clear strategic focus

Successful models of inter-agency co-operation tend to be governed by a detailed, clearly defined strategy, a commitment to shared objectives and clear targets informed by an overarching strategic vision; a transparency of operations; and strategic interests being given priority over local or sectional interests. Rhodes et al. (2003), reviewing Single Regeneration Budget partnerships, emphasise the need for ‘formal sign-up’ to an agreed strategy and approach from all relevant partners. Establishing ‘shared values’ has been a positive characteristic of local employability partnerships (Blaxter et al. 2003), although Miller (1999) suggests that this is more likely to succeed if co-operation is based around clearly defined, specific and limited objectives.

Strategic leadership and support

It is essential that there is clear strategic leadership and support for partnership within each partner organisation. Staff on the ground must be confident of such support and be able to 'speak for the organisation' at main partnership meetings. This requires confidence in, and support for, staff from senior management and decision makers to allow staff to make the partnership work effectively and efficiently. There must be a genuine willingness to make the partnership work, which may help to counteract the common tendencies to retreat into 'policy silos' based on professional discipline or organisational structure.

The importance of trust, organisations and people in partnerships

The importance of trust (between organisations and between individuals in partnerships) is often highlighted (Gambetta, 1998). Effective delivery partnerships need: the right mix of skills and expertise; certainty within each partner organisation regarding roles and responsibilities; continuity of approaches and membership in order to maintain 'trust and certainty'; and a recognised and legitimate role for all partners, with no one actor dominating. Referring to regeneration partnerships, Rhodes et al. (2003) suggest that all immediately relevant policy actors must either directly sign up to the specific project, or be linked through wider partnership bodies, for inter-agency co-operation to be effective. However, it is important for partnerships to be clearly focused – Blaxter et al. (2003) and McQuaid et al. (2005) reflect on innovative local employability projects, noting that only appropriate stakeholders with the power, skills or resources (including networks of influence) to add value to the partnership were included.

Capacity for co-operation and mutualism

Effective partnership or inter-agency co-operation operates through strong and established networks of communication and joint working at the local level, and, where external actors are involved, the inclusion of organisations with the capacity and resources to engage effectively in partnership relations and add value to the partnership process. It is essential that organisations, and individual representatives, involved in partnerships have both the authority and institutional flexibility to engage in mutual decision-making and

resource sharing. Training staff to effectively and efficiently participate in partnerships is essential, for those involved in either the development or implementation of partnerships. Specific practical training should be provided to all staff involved (preferably jointly involving staff from the relevant partners so they can develop a common vocabulary and understanding and agreements on how to operate). Given the highly structured institutional framework of many public agencies this can be problematic, but successful local employability partnerships have seen actors such as the Public Employment Service work creatively to ensure maximum flexibility in the sharing of information and resources (McQuaid et al., 2005).

Organisational complementarity, co-location and coterminosity

The engagement of organisations that compliment each other's resources and expertise is important to maximising the benefits of partnership working. Employability is a multi-dimensional issue, affected by individual factors, personal and family circumstances and external barriers (McQuaid and Lindsay, 2005). It is therefore essential to ensure that there is a good 'match' between the organisations represented in partnerships, so that a range of issues affecting the employability of different individuals and communities can be addressed. At a practical level, there are benefits associated with the individuals represented within partnerships holding similar levels of budgetary and policy responsibility, and (where possible) operating within coterminous – or at least similar – geographical boundaries. Halliday and Asthana (2005), drawing on the example of Health Action Zones in rural areas of the UK, note how a lack of coterminosity and problems of physical distance can combine to constrain the development of the organisational capacity necessary to support community-based change. Co-location for the delivery of services may also be beneficial in many cases.

Incentives for partners and 'symbiotic inter-dependency'

If partnerships are to be effective, then mutual benefit and reciprocity are usually important. Actors must believe that there are benefits for their own organisation set against the costs of involvement (benefits could include financial leverage, expansion of competencies and influence, achievement of

organisational goals, positive public relations, or the opening of new markets). The presence of common or complementary goals is important, as is the degree of symbiotic inter-dependency – the extent to which benefits for one partner agency produce mutually beneficial outcomes for other partners (Fenger and Kok, 2001). This contrasts with competitive inter-dependency, where the action of one actor interferes with another actor's ability to take action or achieve his goals, potentially generating conflict. Systematically building and strengthening the 'shadow of the future', whereby future relationships are important and so influence current reciprocity can reinforce partnership working and the sharing of current benefits.

For example, effective employability partnerships tend to be built upon evidence of mutual benefits related to (for example) securing markets and addressing recruitment and retention issues (for employers); and the extension of partnership working and areas of influence and competence, and the achievement of positive outcomes for target groups (for policy actors and service providers). Where the inter-dependency of mutual goals and benefits is unclear, individual agencies can resist moves towards new co-operative structures.

The value of action and outcome-oriented procedures

Effective partnerships tend to focus on outcomes rather than merely evidence of activity (Rhodes et al., 2003). In terms of the delivery of local employability services there is a need for: an emphasis on the quality as well as the quantity of outcomes; clear decision making procedures, with management close to service provision; and an action and results-oriented approach, with measurable goals clearly defined and evaluated (McQuaid et al., 2005). However, we should finally acknowledge that measuring the value of effective inter-agency co-operation is likely to prove difficult. There are considerable problems in seeking to identify the specific impacts of any one model of co-operation. Nickell and Van Ours (2000: 219), referring to Dutch and UK labour market policies, note the problems associated with comparing the impact of different 'configurations of institutions':

“First, there is no empirical basis to disentangle the separate contribution of each policy change. Second, some policy changes are time consuming and therefore time lags may be substantial... Third, policy changes are complimentary. The effect of one policy depends on whether or not a different policy is implemented as well. A change of institutions in the labour market is a package deal.”

In general, outcome-oriented partnerships are characterised by: an emphasis on the quality as well as the quantity of outcomes; responsiveness and clear decision making procedures, with management close to service provision; and a consistent approach to reviewing results, with measurable goals clearly defined and evaluated at regular, appropriate intervals.

‘NEW GOVERNANCE’ AND ‘NEW PUBLIC MANAGEMENT’

Geddes (1998), reviewing social inclusion strategies across the EU, suggests that specific institutional configurations are particularly associated with certain types of welfare state. Statist, interventionist welfare states, such as those found in Nordic states, are less likely to develop broad, multi-agency partnerships with non-state organisations, and more likely to deploy government agencies as the main or sole provider of activation employment policies. However, shifts towards new ‘state-market-civil society’ mixes in the provision of welfare and employability services are common to a range of different welfare state models (Van Berkel and Van der Aa, 2005; Lindsay and McQuaid, 2008).

These shifts to some extent reflect a more general move towards new forms of public sector governance. Governance can be defined as the framework through which political, economic, social and administrative authority is exercised at local, national and international levels. This framework consists of a wide variety of mechanisms, processes, institutions and relationships (including partnerships) through which individual citizens, groups and organisations can express their interests, exercise their rights and responsibilities, and mediate their differences (Nelson and Zadek, 2000).

Governance is increasingly about balancing the roles, responsibilities, accountabilities and capabilities of: different levels of government – local, national, regional and global; and different actors or sectors in society – public, private and civil society organisations and individual citizens.

Moves towards what has been termed the ‘new governance’ – characterised by a shift in the roles and responsibilities bureaucracies, and the involvement of private agencies in service delivery – stem partly from concerns over budget constraints on the public sector, higher client expectations and therefore the demand for better quality services, the drive for efficiency through ‘least cost, best performance’ approaches, and the belief that private sector management systems can deliver these benefits (Considine, 2000).

Rhodes (1997) argues that New Public Management (NPM) is one manifestation of these new forms of governance. NPM is characterised by the deployment of business principles and management techniques and the use of private enterprise to deliver public services, partly to gain associated efficiencies. This may be done through partnerships combining public and private sector bodies or through quasi-markets and purchaser-provider splits in the organisation of public services. Exponents have seen NPM as offering a solution through more flexible organisation, flattened management hierarchies, and the decentralisation of decision-making (Hood, 1991).

Such approaches emphasize the importance of choice for the provider of a public service and the implementation schemes to exploit possible efficiency gains in the provision of public services. This, however, is a more restricted view of partnerships than has been taken in this chapter. In the case of Private Finance Initiative (repackaged as Public Private Partnerships in the UK after the new government the late 1990s), there may be no increase in choice of service or product for the ultimate user of the service. This partly reflects the outcomes of the debates since the 1980s concerning whether the public sector should have an enabling role, determining the form and level of public services but not primarily delivering them, or a role as sole provider of services (see for instance: Giloth and Mier, 1993).

There remain questions of accountability, with one argument being that local authorities and government departments are more clearly and publicly accountable than multi-agency Quangos and contracted providers. Others argue that the introduction of quasi-markets, in an attempt to stimulate market-type competitive behaviour, is problematic, as such behaviour emerges only from the operation of genuinely open markets, but the product monopolies and single, state purchasers of public services that characterise 'internal market' arrangements do not provide such an environment (Drechsler, 2005). The critique of NPM is that it attempts to replace poor public management with private sector inputs rather than better public management (Bevir et al., 2003), and marks an attempt to reduce costs (with implications for services) by taking elements of public spending 'off the books' (Newman and McKee, 2005).

With the expansion of this contractualism through competitive tendering in employment and other policy areas, it has been suggested that the manner in which service providers have been required to engage in such processes of compulsory competitive tendering has created new rivalries, which have the potential to undermine the ethos of partnership (Peck, 2001). The form, power structure and implementation of partnerships is key. In the case of UK employment policy in the late 1990s and 2000s, there is some evidence that the process of strategic delivery plan development early in the programme's rollout was undermined by the competitive arguments made by organisations in favour of an expansion in their own role in the delivery process (Mason, 2007). However, despite some early claims that the extension of the private sector's role into unfamiliar areas of employability provision under the UK's policies to assist unemployed people initially has proved to be problematic, there is no consistent evidence of differences in quality as a result of private sector inputs (Hasluck, 2001), while Dunleavy et al., (2006) have argued that NPM is in decline. More generally, the future of wider non-contractual based partnerships and inter-governmental working may be more assured due to the reasons discussed previously.

CONCLUSIONS

The above discussion highlights the complexity and diversity of the issues surrounding the development and implementation of partnership approaches and other forms of inter-agency co-operation. The chapter provides a framework for considering the advantages and problems of partnership working, particular in the context of regeneration and employability policies. It also discussed 'critical success factors' in terms of: strategic focus; the participation of key individuals and organisations; a shared capacity for co-operation and mutualism; incentives and symbiotic inter-dependency; organisational complementarity and coterminosity; and outcome-oriented procedures. A number of specific issues have emerged from the above analysis, which revolve around lessons we can learn concerning how partnerships can be improved (in terms of strategic direction, structure, operation etc.) and when are they appropriate.

If we are to better understand, and theorise on, when and how to improve partnership working then further research is needed into several sets of questions, relating to why have partnerships and what form they should take. First there is a need to identify the balance between a body carrying out its activities largely alone (with potential benefits of clearer accountability, speed of action and reduced transactions costs associated with partnerships) or in a partnership with other agencies (with potential costs and benefits discussed above) or somewhere on the multi-dimensional spectrum between these. Second, for what reasons and under what circumstances are different forms of partnership most appropriate and what are the implications of different forms of partnership working? It is important to identify the different types of partnership based upon such factors as motivations, benefits and costs. We need to consider how, and to what extent, inter-agency co-operation has facilitated the development of innovative and locally responsive policy solutions and what forms of partnership organisation most facilitate this in different macro- and micro-circumstances. Third, what benefits and problems have been associated with the implementation of New Public Management type approaches to specific areas such as employability and regeneration

policies, and what are the implications of different models of private sector participation? To what extent do different models of partnership working, or contracting out, contribute to effective inter-agency co-operation and crucially outcomes, and what are the tensions between contractualism and strategic partnership working?

Given the complexity of issues concerning partnerships there is a need to: clarify our typologies of partnerships working; develop a greater understanding of the issues concerning the implementation of partnerships on the ground; and create more nuanced general theoretical analyses of partnerships.

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