

Critical success factors for public-private partnerships in disaster risk management

Lessons and observations from the broader public-private partnership field



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Introduction

Introduction

- The public-private partnership (PPP) has enjoyed sustained support over many years as a viable and desirable service delivery option in both the public and private sector, and is seen as a valuable implementation tool by many developmental agencies. Although there is definite resistance against specific types of partnership in specific societies, partnerships for the purpose of reducing disaster risk seems to have generally positive support.



Introduction

- The theme for this conference relates to the pivotal role expected of public-private partnerships in engendering integral risk management and climate change adaptation.
- This paper is based on a thesis currently being completed for a PhD in Public and Development Management at the University of Stellenbosch, South Africa entitled "Critical success factors for public-private partnerships", and will pay particular attention to some suggestions on improving the success rate of partnerships in disaster risk reduction.



Investigating partnership management and governance good practice

- While partnerships are seen as valuable vehicles for reducing disaster risk, not enough time, effort and energy is spent looking at the organisational mechanics of the vehicle to see what makes it tick, what makes it run, and what makes it stop - dead.
- In this presentation some critical success factors for disaster risk reduction partnerships will be presented.





The “Broader” Partnership landscape

“Lessons and observations from the broader public-private partnership field”

Great expectations

- The enthusiasm for partnerships must have something to do with the feelings of inclusiveness, consultation, participation and collaboration that is somehow associated with the term. However, partnerships bring more complexity and potentially more problems.



There are many different types of partnerships

- Internal knowledge management networks
- Communities of practice
- Open source development communities
- Communities of interest
- Membership networks
- Information networks and portals
- Strategic alliances
- Networks of experts
- Knowledge networks
- Multi-stakeholder partnerships
- Public Entrepreneurship Networks
- Global Public Policy Networks
- Service Contract
- Management Contract
- Outsourcing
- Lease contract
- Corporatization
- Concession
- BOT – Build Operate Transfer
- DBO – Design Build Operate
- BOTT – Build Operate Train Transfer
- “Full privatisation”
- Joint Venture
- Spin-out Company
- PFI - Private Finance Initiative

Creech Heather, 2005, The Terminology of Knowledge for Sustainable Development, IISD Knowledge Communications Practice Note

The Broader Partnership Landscape

- PartnershipsUK has a database of 820 British PPPs and PFIs (Private Finance Initiatives – another incarnation of the PPP) that were completed since 1987. There are 143 projects on the database covering the period 1 April 2004 to 31 March 2007 with a total capital value of £13.6 billion. It is clear that with that type of investment, PPPs are seen as viable vehicles for the delivery of public services in this country.
- Central institutions to promote PPPs have been set up in the UK, US, South Africa, Brazil, Mexico, the Netherlands, Japan, the Czech Republic, Nigeria, Zambia, Mauritius, Ethiopia, Tanzania, Uganda, Egypt and Australia.
- It is not only countries who are promoting PPPs. The United Nations Development Programme is actively advocating the value of PPPs and encouraging their use, while the World Bank run courses and workshops on implementing PPPs.

But it is not all moonshine and roses: 85 Failed PPPs in 32 countries

- Uganda • West African state
- United Kingdom • Bangladesh
- Canada • Croatia
- Czech Republic • Argentina
- United States • Hungary
- Brazil • Germany
- El Salvador • Colombia
- Dominican Republic • Chile
- India • Australia
- New Zealand • Slovak Republic
- South Africa • Bolivia
- Portugal • Korea
- Romania • Netherlands
- Bulgaria • Macedonia
- Serbia • Zambia
- Philippines • Ireland

Researching Partnerships

- The goal of the research project on which this paper is based is not to gather arguments to support PPPs as a service delivery vehicle for public services or for disaster risk reduction.
- The intention is rather to recognise PPPs as an important service delivery option, and then to investigate ways of ensuring that:
 - when roleplayers consider service delivery options they can make confident decisions about when a PPP would be a good choice,
 - when they choose PPPs as delivery instruments, they have the best possible chance of successful implementation and value for money.
- Flowing from this goal, the real question to be asked of existing PPPs is how many PPP's deliver on their promises, and what causes one PPP to succeed while others collapse or limp along dysfunctionally.

International background to and history of public-private partnerships

- From the colonial powers to the pirates of the Caribbean to the building of nuclear reactors to the conservation of endangered species to supporting victims of rape, public-private partnerships have more variety in implementation and history than generally realised.



Increased Complexity

<i>Comparison of meetings required for a single simple project executed by a single agency as opposed to the same project executed by a partnership</i>	
Single executing agency	Execution though Partnership
Project meetings: Single executing agency	Project meetings: Partnership
	Meetings inside each partner to get go-ahead for partnership.
Project initiation	Project initiation meeting
Weekly project management meetings	Weekly project management meetings
	Weekly feedback to partner organisations by their representatives within the partnership
Monthly progress report meetings with project champion	Monthly progress report meetings with project champion
	Monthly progress report meetings with champion within each partner organisation
	Partnership management and coordination meetings
Internal management meetings of single executing agency	Internal management meetings of each partner organisation
Project close-out meeting	Meetings to approve project close-out within each partner organisation
	Project close-out meeting



Successful Partnership ??

Success and failure: Owning up

- People and organisations involved in public-private partnerships very often have very little motivation to broadcast the fact that "their" public-private partnership has failed, if indeed it has.
- Such "failed" as well as successful partnerships should however contain valuable lessons for governments, NGOs, civil society, donor organisations and the private sector in terms of their future involvement in partnerships.
- The question is: how many prospective "partners" are considering these lessons before embarking on new partnerships?

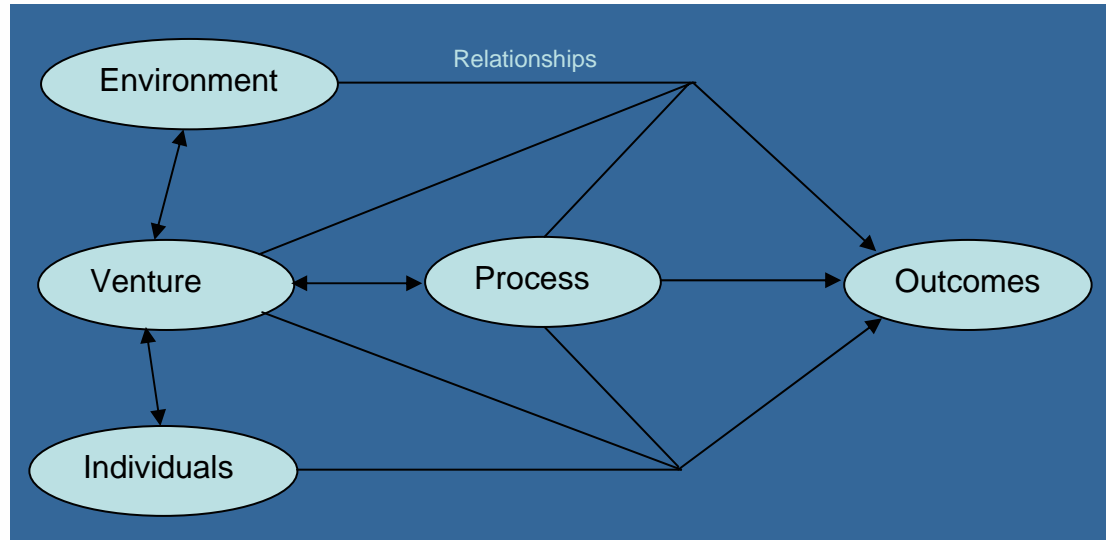
Measuring the success or failure of PPPs

- Before you can try to model what has worked, you need to determine what has worked, which means you need to measure performance.
- Measuring performance requires an instrument which includes specific performance indicators.
- Performance is a matter of definition and the definitions of partnerships followed by stakeholders define their expectations of partnerships
- The key requirement is that a partnership should perform better than its components parts in at least one key performance area.
- In the research project on which this presentation is based, selected examples of PPPs are analysed and compared in terms of their performance – enabling the extraction of pointers to success.



Components of Partnership

Partnerships as new ventures: Components of partnerships



Components and possible relationships of the new venture startup phenomenon (Davidsson,2006:xii)

A positive outcome for a new startup (such as possibly a partnership) should depend on:

- Environment;
- Venture;
- Individual(s);
- Process; and finally
- Relationships between these components



Individuals: The Human Element

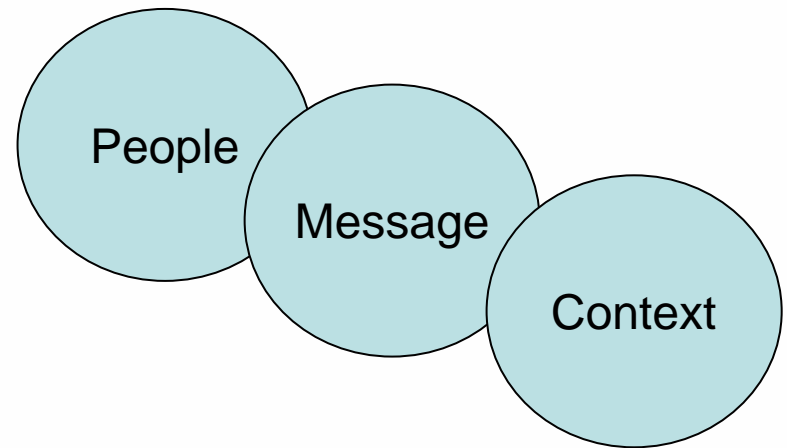
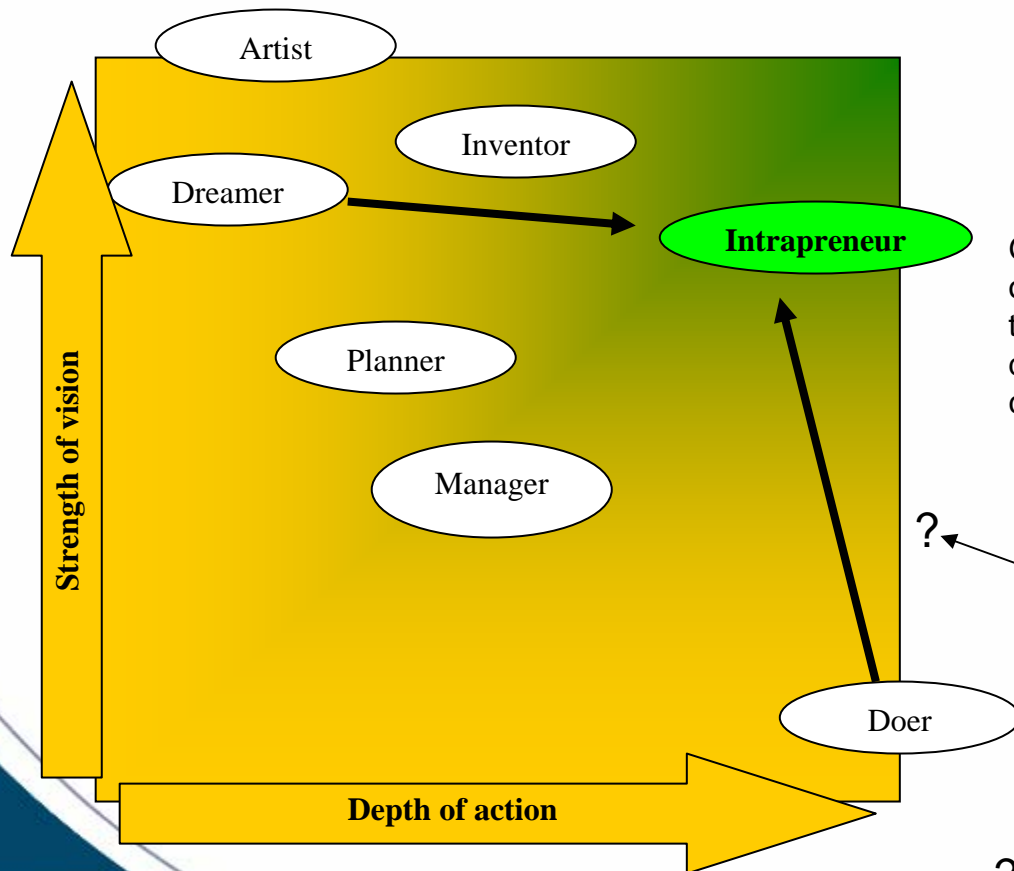
People and personalities are important

- People, personalities and relationships are perhaps more important to the success of partnerships than we want to acknowledge



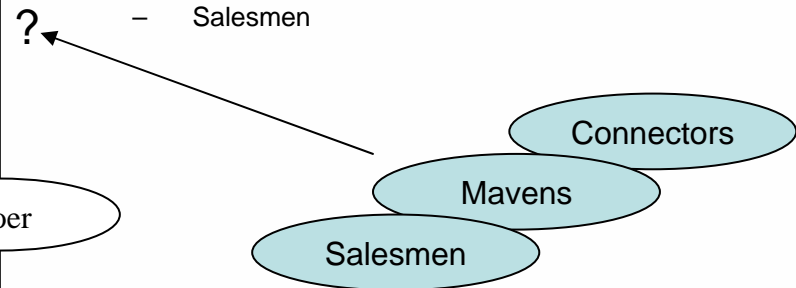
Partnerships need enterprising individuals

- Professor Scott Moeller, CEO of Cass Executive Education, Cass Business School, in a presentation on 10 May 2007 for PartnershipsUK, discussed the “Corporate Entrepreneur” who can combine vision and action, becoming “Dreamers that do”.



Gladwell, in his book “Tipping Point”, discusses the origins and spread of social epidemics. He discusses three elements that contribute to such epidemics and describes three types of persons that contribute to creating tipping points:

- Connectors,
- Mavens, and
- Salesmen

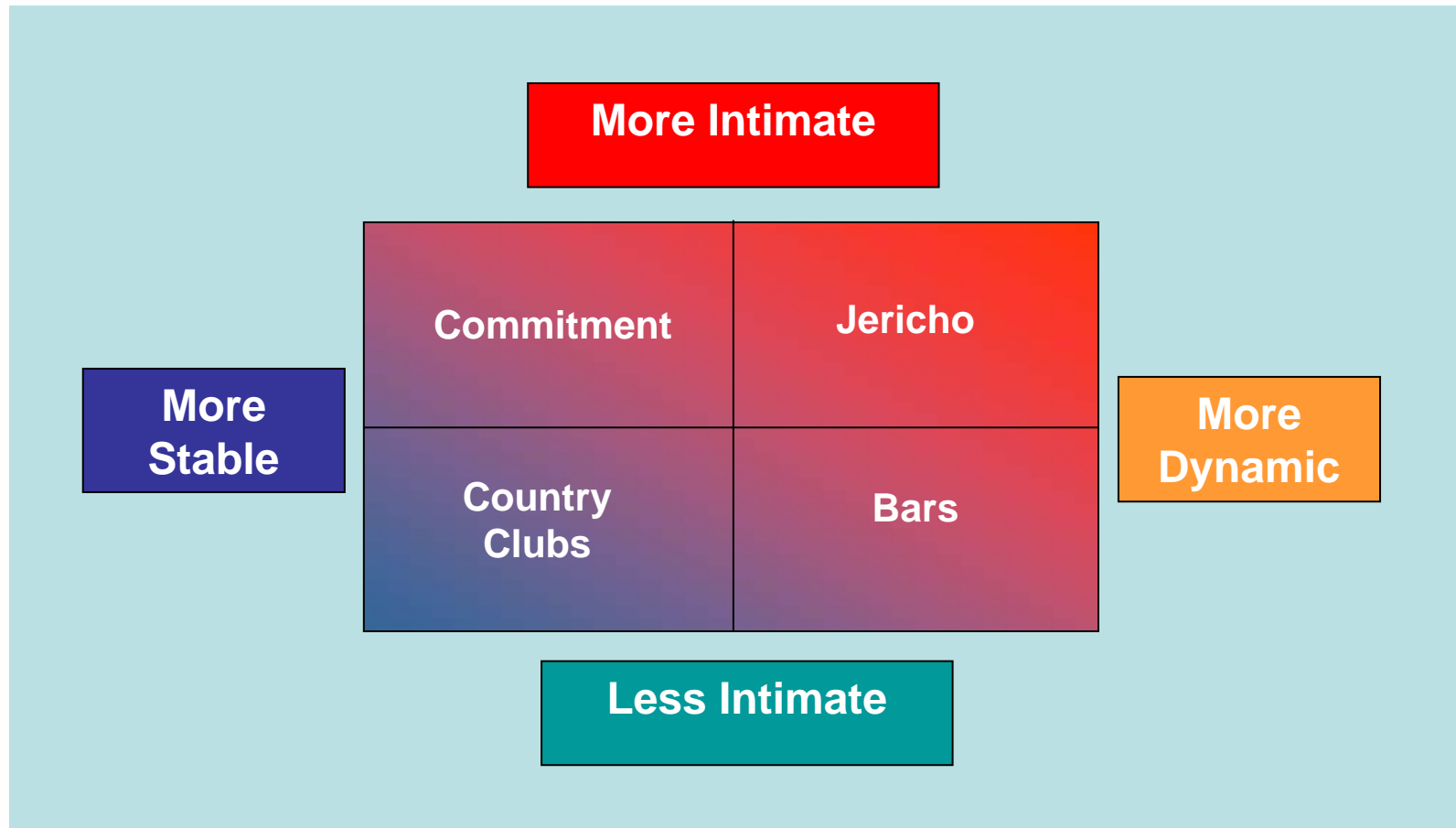


?



Venture: Partnership Organisation

Partnerships are defined by their degree of cooperation and stability



Welborn and Kasten's "Collaborative Landscape" – from "The Jericho Principle"



Environment: Partnership Context

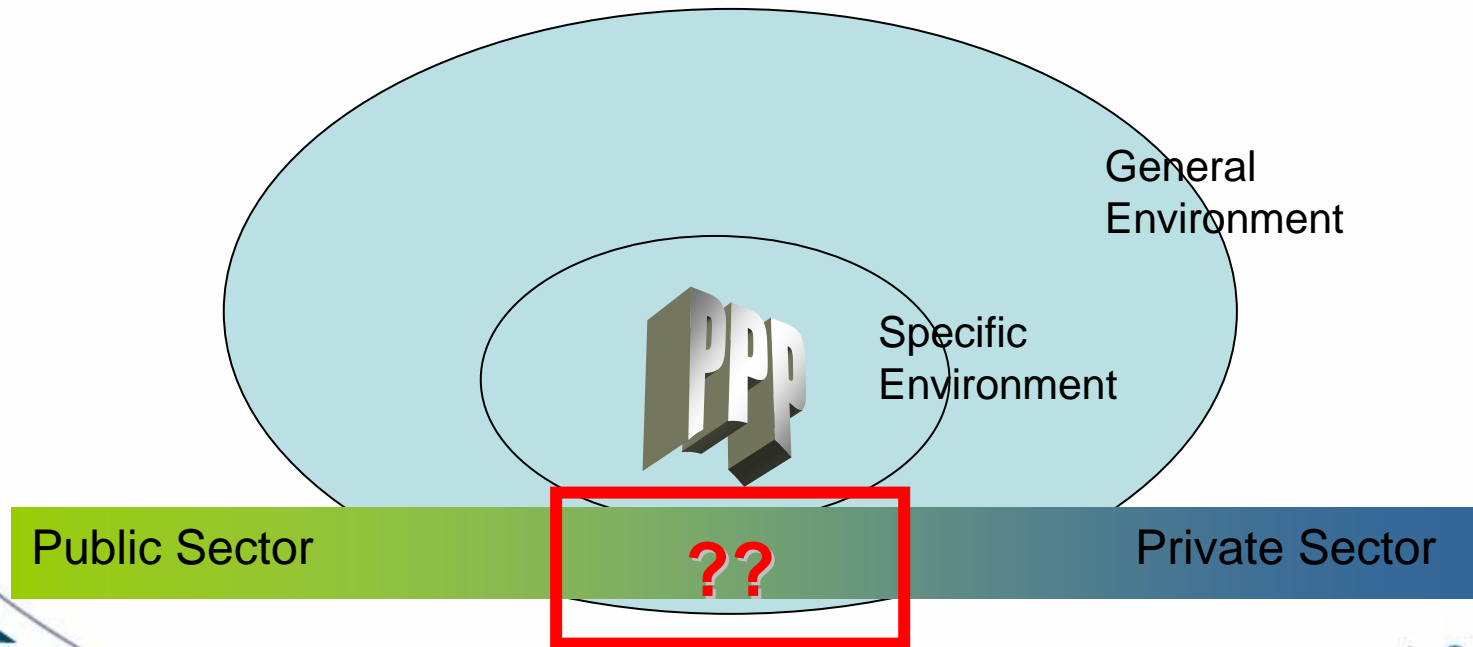
Elements of the environment: Supportive, indifferent or destructive?

- EITHER

- Political
- Economic
- Social
- Cultural
- Technological

- OR

- Political
- Economic
- Societal
- Technological
- Ecological
- Legal





Partnerships in Disaster Risk Reduction


Are partnerships necessary in Disaster Management?

- During the first half of 2008 Africon conducted workshops with Disaster Management stakeholders to define generic disaster response and relief activities on behalf of the Western Cape Disaster Management Centre
- Number of possible role players identified for just response and relief for major incidents and disasters occurring within the Western Cape Province: 121
- For each of these role-players, where responsibility is broken down into smaller units across the province, additional role-players become involved and there is an exponential increase in complexity.

What do the workers say?

- A questionnaire was administered to 64 workshop delegates asking them what they thought makes for successful and failed partnerships in disaster response.




Provincial Government of the Western Cape
Directorate Disaster Management and Fire Brigade Services




QUESTIONNAIRE

Major incidents and disasters bring many different role-players together who are responding to an impact and who need to manage the consequences and requirements of the situation in partnership with each other.

1. In your personal opinion and experience, what should be done for this partnership to be successful?

2. What should be provided to ensure successful incident management partnerships?

3. What are the critical success factors for incident management partnerships?

What do the workers say?

- Factors identified:
 - Management (31)
 - Organisation (29)
 - Communication (27)
 - Personal Capacity (24)
 - Policies, Standards (22)
 - Active Participation (15)
 - Info & Knowledge (14)
 - Stakeholder Support (10)
 - Relationships (8)
 - Common Goal (7)
 - Learning (6)
 - Trust & Respect (5)
 - Common values (4)
 - Leadership (4)
 - Planning (3)
 - Attitudes (1)
 - Documentation (1)
 - Partner choice (1)
 - Context & Mandate (1)
 - Professional approach (1)
 - Creativity (1)
 - No window dressing (1)



Disaster Risk Reduction Partnerships

- The Harbin Alliance (Harbin Alliance for Harmonisation of Climate Change Adaptation and Disaster Risk Reduction)
 - worldwide partnership of ten NGOs, UN bodies, intergovernmental bodies and research organisations:
 - Asia Disaster Preparedness Centre,
 - Asia Disaster Reduction Centre,
 - Care International,
 - Climate Action Network South Asia,
 - Climate Action Network South East Asia,
 - International Disaster Reduction Conference,
 - Provention Consortium,
 - Oxfam Hong Kong,
 - UNDP South Asia and
 - UN/ISDR (International Strategy for Disaster Reduction)



Millennium Development Goals

INSPIRED TO MAKE A DIFFERENCE

1



**ERADICATE
EXTREME POVERTY
AND HUNGER**

2




**ACHIEVE UNIVERSAL
PRIMARY EDUCATION**

3



**PROMOTE GENDER
EQUALITY AND
EMPOWER WOMEN**

4




**REDUCE
CHILD MORTALITY**

5



**IMPROVE MATERNAL
HEALTH**

6



**COMBAT HIV/AIDS,
MALARIA AND OTHER
DISEASES**

7



**ENSURE
ENVIRONMENTAL
SUSTAINABILITY**

8



**GLOBAL
PARTNERSHIP FOR
DEVELOPMENT**

Millennium Development Goal 8



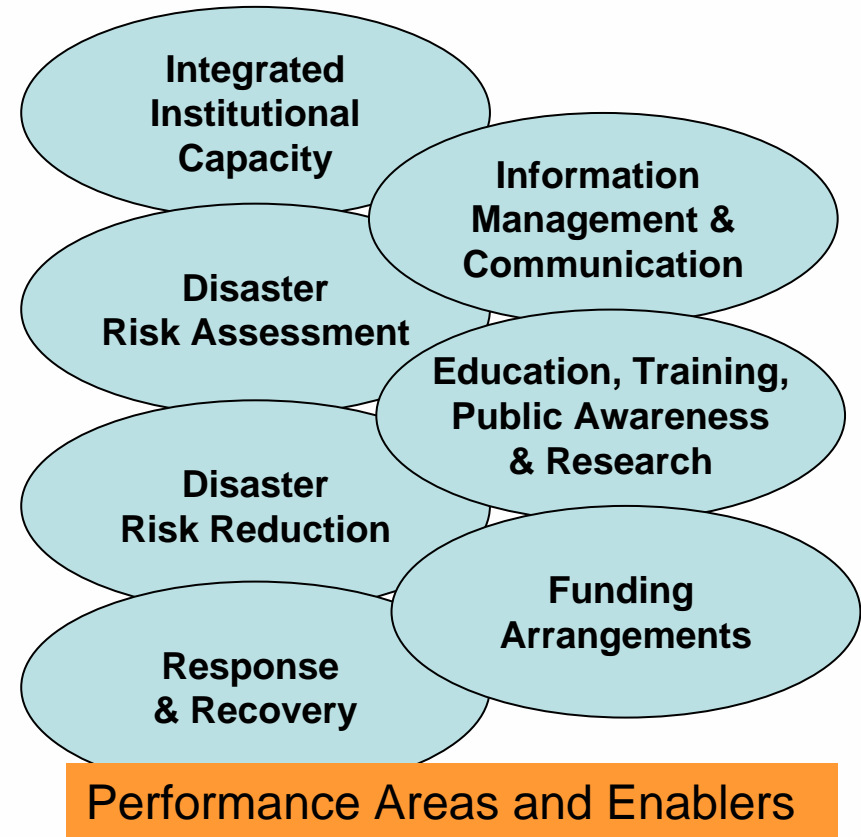
Millennium Partnership

- The Millennium Goals represent a global partnership for development. The deal makes clear that it is the primary responsibility of poor countries to work towards achieving the first seven Goals. They must do their part to ensure greater accountability to citizens and efficient use of resources.
 - **But for poor countries to achieve the first seven Goals, it is absolutely critical that rich countries deliver on their end of the bargain with more and more effective aid, more sustainable debt relief and fairer trade rules, well in advance of 2015.**
- The above recognises the promise of partnerships as a viable vehicle for solving complex problems...

The Hyogo Framework: Five Priorities for Action

1. Ensure that disaster risk reduction is a national and a local priority with a strong institutional basis for implementation.
2. Identify, assess and monitor disaster risks and enhance early warning.
3. Use knowledge, innovation and education to build a culture of safety and resilience at all levels.
4. Reduce the underlying risk factors.
5. Strengthen disaster preparedness for effective response at all levels.

The South African Disaster Management Framework (2005)





Partnerships in Disaster Risk Reduction

South African Examples



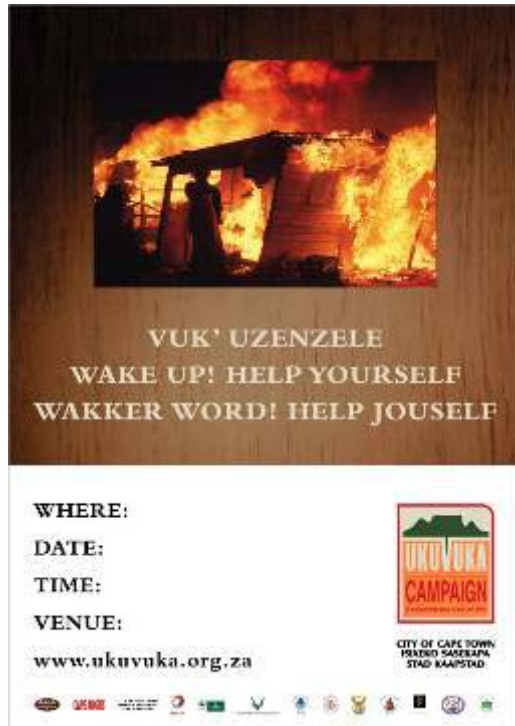
Selected South African examples of disaster risk reduction public-private partnerships

Partnership Name	Partnership Description
<i>Ukuvuka Operation Firestop</i>	A multi-year partnership established after devastating wildfires and urban fires in the Cape Peninsula in January 2000, focused on fire risk reduction. Separate entity established
<i>Western Cape Provincial Disaster Management Training, Education, Awareness and Marketing project (TEAM)</i>	A provincial funded project requiring local government execution and support as well as the involvement of NGO's in first aid training and academic institutions in project management. Temporary project teams established.
<i>Working on Fire</i>	Extensive multi-year partnership based on operating grants, aimed at reducing fire risk in natural and forestry areas and innovative use of new technologies in urban informal settlement fire detection and combating.
<i>Chapmans Peak Toll Road Concession</i>	After the January 2000 fires, mountain slopes above this historic and scenic tourist route on the Cape Peninsula coast became unstable and in many areas collapsed onto the road. The road was re-opened using a public-private partnership model. Engineering measures were implemented for reconstruction and the reduction of future risk.
<i>African Penguin rehabilitation after the MV Treasure oil spill</i>	A population of 40 000 penguins were threatened and the total species on the brink of extinction after a serious oil spill occurred on the coast near Cape Town. Through a collaborative effort several thousand volunteers washed, fed, transported and cared for penguins over a period of more than two months. International and local animal welfare organizations formed a team, along with government and the private sector.




Ukuvuka Operation Firestop

A multi-year partnership established after devastating wildfires and urban fires in the Cape Peninsula in January 2000, focused on fire risk reduction. Separate entity established




VUK' UZENZELE
WAKE UP! HELP YOURSELF
WAKKER WORD! HELP JOUSELF

WHERE:
DATE:
TIME:
VENUE:
www.ukuvuka.org.za



CITY OF CAPE TOWN
MUNISIPALITEIT SAKERAPA
STAD KAAPSTAD





TEAM

- Western Cape Provincial Disaster Management Training, Education, Awareness and Marketing project (TEAM)

A provincial Disaster Management-funded project requiring local government execution and support as well as the involvement of NGO's in first aid training and academic institutions in project management. Temporary project teams established.



Working on Fire

- Extensive multi-year partnership based on operating grants, aimed at reducing fire risk in natural and forestry areas and innovative use of new technologies in urban informal settlement fire detection and combating.
- Using forestry fire detection and arrest technologies in informal settlements



Chapmans Peak Toll Road Concession

After the January 2000 fires, mountain slopes above this historic and scenic tourist route on the Cape Peninsula coast became unstable and in many areas collapsed onto the road. The road was repaired, improved and re-opened using a public-private partnership model. Engineering measures were implemented for reconstruction and the reduction of future risk. New entity established to manage the road, which became a toll road.



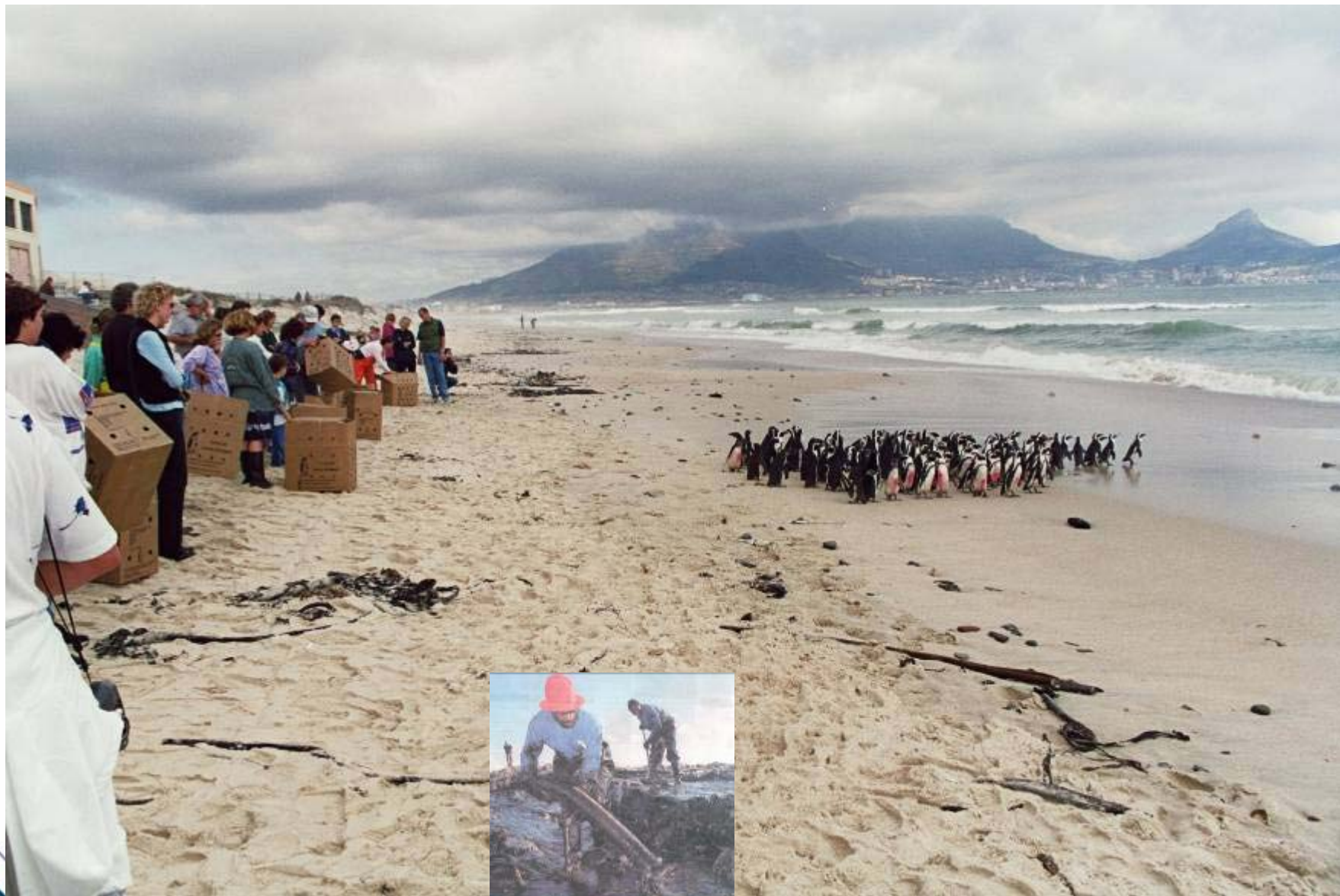
African Penguin Rescue



- African Penguin rehabilitation after the MV Treasure oil spill
- A population of 40 000 penguins were threatened and the total species on the brink of extinction after a serious oil spill occurred on the coast near Cape Town. Through a collaborative effort several thousand volunteers washed, fed, transported and cared for penguins over a period of more than two months. International and local animal welfare organizations formed a team, along with government and the private sector.



INSPIRED TO MAKE A DIFFERENCE



DMISA

The Disaster Management Institute of Southern Africa



Africon is a supporting member of DMISA

- The Disaster Management Institute of Southern Africa (DMISA) is a non-profit association for disaster management professionals in Southern Africa. DMISA aims to create learning and networking opportunities for its members - furthering the interests of the disaster management profession in Southern Africa and ultimately reducing Southern African vulnerability to disasters.

- www.disaster.co.za

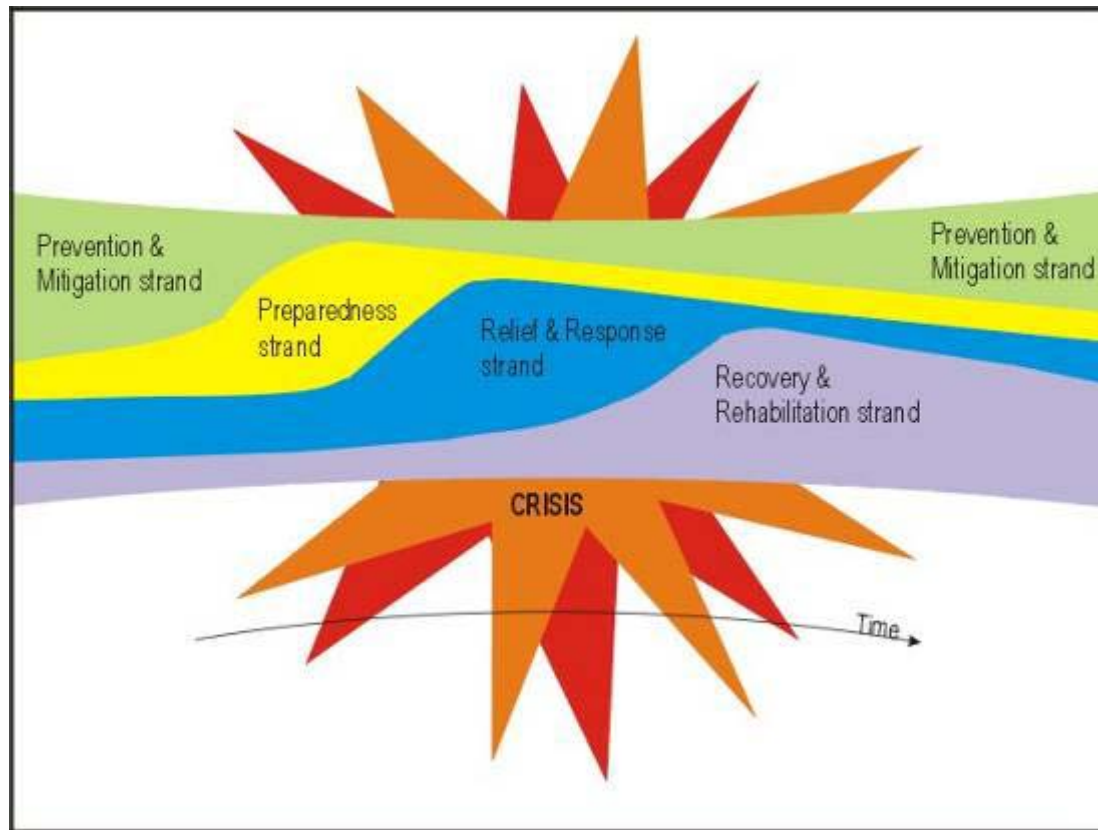


Partnerships in Disaster Risk Reduction

A few final points

Limited only by our creativity

- Partnerships that contribute to disaster risk reduction and/or preparedness and response can of course be extremely diverse.



Limited only by our creativity

- Partnerships can be formed in various aspects...

A Disaster Preparedness Framework

Vulnerability Assessment	Planning	Institutional Framework
Information Systems	Resource Base	Warning Systems
Response Mechanisms	Public Education and Training	Rehearsals & Exercises

Partnership is not an option

- Partnership is not an option – it is a must in a landscape where so many different organisations, agencies, roleplayers have contributions to make while trying to manage overlap and duplication, or no up-take of responsibilities.
- The most important partnership is with the victim (or potential victim) of disaster.
- In SA, the DisMan Act's definition of a disaster translates to the need for partnership...

Partnerships are not easy

- ***There is no magical formula: PPP has to rely on experience and trust, not only on strict contractual issues.*** (Buisson, 2006)

Critical Success Factors: Preliminary results

- Possibility for Mutual Benefit
- Cost reduction??
- Consensual decision-making
- Public opinion that a single party cannot deliver alone
- Right environment / atmosphere
- Right sector / appropriate service
- No pronounced animosity between sectors
- Enough social capital (always is)
- A need to be fulfilled (gap in market?)
- Available partners
- (Appropriate allocation of risk)
- Understanding (beyond e.g. language barriers)
- Common fear of an external threat
- Contracting problems overcome
- Benefit in pooling of resources (whole more than sum of parts)
- Extra costs outweighed by increased delivery
- Efficiency gains
- Delivering the right service and the right time and place
- Plus-points:
 - Innovative use of assets
 - Unlock managerial expertise (more about unlocking mutual capacity)
 - Improved project identification
 - Output focus
 - Generate economies through integration
 - Experience helps for better partnerships – e.g. SA had no previous experience of working with UN agencies who has work relief work inside the country
- Triple bottom line

Critical Success Factors: Preliminary results

- Clarity of each organisation's own objectives and that of the partnership
- Agreement on the operation of the partnership (structure, resources, who is responsible for day-to-day management and longer term strategy)
- Clear lines of communication and decision-making between each partner and the partnership (and each other)
- Clear exit routes (when has the partnership achieved its objectives and then what is to happen to it) [survival is not the object]
- A suitable system of incentives within and between organisations to encourage changed behaviour
- Trust between the partners

- Detailed business plan
- Organisational structure
- Clear revenue stream
- Stakeholder support
- Careful partner selection (not easy for begger)

- People / personality / prior knowledge
 - switch off personality and look what else jumps up

- Shared burdens and shared rewards



Conclusion

A few critical success factors...

Top ten (or so) mistakes (Don'ts)

- Square peg in a round hole (Forcing partnership)
- Organisational need for partnership instead of real need for a service / product
- Disregarding the need for common objectives, shared values
- Not working for mutual benefit
- Incorrect partner selection
- Rushing
- Power imbalance (Degrees of participation)
- No performance management
- No outcome focus
- Not working at it
- Disregarding the people element

Nice to have...

- Formal agreement
- Experience
- Trust
- Good organisational fit
- Shared culture
- Leadership



Top ten (or so) success factors

- An unfulfilled need
- A suitable context / environment
- Inability of a single party to adequately satisfy the need
- Available capacity that can be combined
- Opportunity for mutual benefit
- Shared objective / goal
- Partner "fit"
- Good organisation (Structure, roles, responsibilities)
- Good management
- Active participation
- Performance management
- Stakeholder support (Funding, Resources, Political)

Thank you

Questions? Advice?

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Disaster Risk Management

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