

EVOLVING LEADERSHIP AND GOVERNANCE FORUM

Partnerships and Collaboration

Guidelines in Governance Series: no 3

December 2010

**Contributors: Kris Von Wald, PhD
Linda Boyes**

Guidelines in Governance Series: no 3 Partnerships and Collaboration

The Evolving Leadership and Governance Forum

The Evolving Leadership and Governance Forum (the 'Forum') is a collaboration of organisations committed to strengthening leadership and governance in the third sector in Scotland. The Forum is hosted by ACOSVO and the terms of reference and other information about the Forum can be found at: <http://microsites.scvo.org.uk/scvo/governance/EvolvingLeadership.aspx?g=gov>. The Forum's 2010 work programme included a series of three half-day workshops on key governance issues. The first was about getting the best out of the Chair and Chief Officer in a third sector organisation. The second was about governance and cross border (UK) charities in Scotland. The third and last workshop in the 2010 series covered the topics of partnerships and collaboration in the third sector in its various forms.

Workshop Description

The half-day workshop was designed to explore the issues related to this topic by making connections between recent relevant research and participants' own experiences of partnership working and collaboration. With a focus on the leadership and governance issues around collaboration and cooperation between independent third sector organisations, the event provided a framework for discussion about good practices in leadership and governance together with the practicalities of independent organisations working together.

The format of the workshop was intended to provide participants an opportunity to:

- a) Engage in discussions stimulated by participant experience and recent research to identify issues and strategies for problems of practice;
- b) Draft proposals for organisations about how to approach the dilemmas and address the issues; and
- c) Generally increase awareness of the topics and their significance for the voluntary and community sectors in Scotland.

Twelve people enrolled in the workshop and seven people attended on the day. The information contained in this discussion document includes the background materials provided to the participants in advance of the workshop and some ideas and issues discussed by the group during the event.

Context for the Topic

The current political, economic and social climate in Scotland portends significant challenges ahead as the country comes to terms with a changing economy and shrinking public spending. In this environment, the senseless demand to 'achieve more with less' calls on third sector organisations to find efficiencies, strength, creative solutions and new opportunities through collaboration and cooperation in various

forms and across sectors. On the face of it, the third sector is uniquely positioned to rise to this call based on a historical legacy and ethos of meeting the needs of people and communities in challenging times.

The guarantee of funding cuts transforms the call for new ways of working into an imperative for survival. The sector is being asked to use partnership approaches across services and sectors to broaden the scope of services while improving outcomes for people (Association for Directors of Education Scotland, 2010; Learning and Teaching Scotland, 2010; Scottish Government, 2009). Assumptions about collaboration creating some advantage are based on ideas that working together contributes to:

- Access to resources, including financial and human resources, expertise, technology, premises, client groups (market);
- Sharing the risk of project success or failure;
- Efficiency in service delivery to minimise costs, reduce duplication, increase effectiveness;
- Seamlessness for client groups;
- Learning about what works and how to do things better; and
- Addressing the big, important and urgent issues that any one agency or organisation would not be able to address alone.

(Huxham and Vangen, 2005, pp. 6-7)

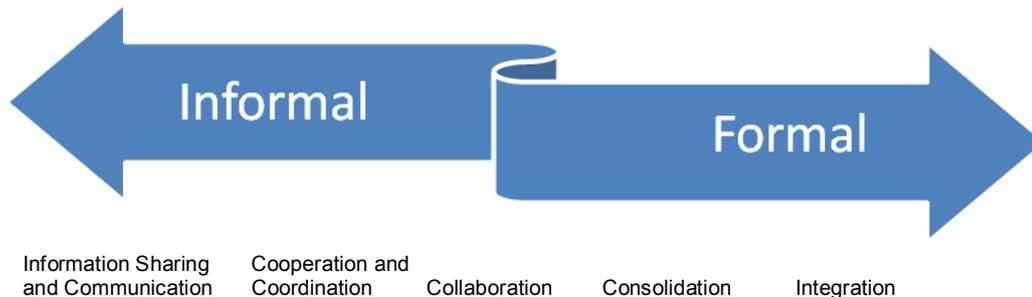
While on the face of it these assumptions seem reasonable, they cite the presumed benefits of collaboration without describing the associated costs and practical challenges of working together. In the current environment, questions about how to 'do' partnerships and collaboration are real and present for third sector leadership and governance. Along with practical questions about legal issues, regulatory requirements, employment law and change management, questions for governance include:

1. How do organisations plan and govern collaborative work that takes into account the responsibilities and accountabilities of the structures, systems, culture and leadership of independent organisations?
2. What are good practices in cooperative governance and the ways in which the obligations of trustees both constrain and liberate third sector collaborations?

While there are many resources and research available to explore the issues related to practicalities of partnership working (primarily through formal means such as merger or acquisition), there are far fewer resources available to guide the work for Boards of Directors or Trustees as they grapple with their responsibility to fulfil their governance responsibilities in collaboration with others.

What does Collaboration Look Like?

Different levels of collaboration and intensity exist on a continuum spanning from informal to formal. Working together covers a very broad and inclusive range of possibilities from two or more people or entities sharing basic information through to full integration of funding streams, authority, accountability, and all other resources and responsibilities (through partnership or merger).



(Konrad, 1996)

At any point along the continuum questions for governance arise about understanding the reasons why collaboration might be useful, what the objectives are for working together, what form and structure the effort will take, and how the work will be measured and held accountable. Fulfilling the responsibility for leadership and governance of a single agency is challenging. The complexities of multi-organisation, multi-layered partnerships and collaborations require added understanding of how to fulfil the obligations and responsibilities of leadership and governance for third sector organisations.

With such a range of possibilities for working together, it is no surprise there is no single definition of partnership. Some definitions that are helpful to understanding the current possibilities for partnership working are:

“A process in which two or more organisations or groups work together to achieve a common goal, and do so in such a way that they achieve more effective outcomes than by working separately. This involves the sharing of skills and resources in a climate of mutual understanding, trust and respect.” (Big Lottery Partnership Guidance)

“Partnership working offers access to a broader range of perspectives and experiences and encourages the sharing of good practice. This increases the potential for learning, innovation and creativity.” (Cairns, Harris, et al, 2009)

Watters (2005) suggests that there are five forms of partnership commonly found in the learning and skills sector:

- Strategic alliance: including learning partnerships, information advice and guidance
- Joint venture: including inter-agency and inter-organisational projects and enterprises and ongoing voluntary sector training and skills consortia

- Supply chain: including contracting arrangements between provider and subcontracting organisations that deliver specific aspects of provision (for example, work placements, franchised arrangements, progression partnerships)
- Networks: including co-ordinated opportunities for sharing information networks
- Advisory groups, stakeholder groups, or provider curriculum groups: involving relevant agencies and/or employers in contexts such as widening participation or workforce development.

The Obligations of Governance

According to the Office of the Scottish Charity Regulator (OSCR),

‘A charity trustee must:

1. Act in the interest of the charity: trustees should put the interests of their charity before their own interests or those of any other person or organisation.
2. Operate in a manner consistent with the charity’s purposes: trustees should carry out their duties in accordance with their governing document.
3. Act with due care and diligence: trustees should take such care of their charity’s affairs as is reasonable to expect of someone who is managing the affairs of another person.
4. Ensure that the charity complies with the provisions of the 2005 Act and other relevant legislation.’ (OSCR, 2010)

Research in the area of collaboration and cooperation describes most collaborative efforts originating on the front line of service delivery as service providers work together across agencies in the client’s and their own interests to provide the most efficient and effective service. In order to be scaled up to cover whole programmes or entire agencies, these grass roots efforts require support through changes to the systems in policy, structures, staff development and funding in order to become programmatic or institutional (Garnett & Gould, 1996; Schorr, 1997; White & Wehlage, 1995). This is where the obligations of governance need to be navigated in partnership with other trustees who share the same obligation. While this may be seen as constricting (particularly from the grass roots or staff perspective of the organisation), the governance perspective may also be able to see areas of overlap, complementary provision and gaps in service that can be effectively addressed through collaboration.

Issues for Leadership and Governance of Collaboration

The inter-organisational and often inter-sectoral nature of collaborative working would appear to demand a fundamental re-appraisal of the nature of leadership in these often complex, multi-layered partnership domains (Pettigrew, 2003). Yet, it is only fairly recently that leadership in multi-sectoral partnerships has been directly addressed (e.g. Crosby and Bryson, 2004; Huxham and Vangen, 2005; Murrell, 1997).

In recent years collaborative working or partnerships have increasingly been seen as a critical factor in successfully addressing some of the most pressing social and economic

issues and the current economic and financial challenges point to the need for increased partnership working. A wider social dimension of partnership was widely recognised by survey respondents in 2007, with nearly nine out of ten respondents agreeing that partnering has the potential to transform how well we meet business and social goals in the future (Ipsos Mori).

To be effective partnerships should:

- Bring together a range of expertise knowledge, and experiences
- Add capacity and supports efficiency by providing economies of scale
- Lead to the sharing of resources and workloads
- Make a greater impact than individual organisations can. (Watters, 2005)

However, partnerships in every sector and across sectors come with their own challenges and concerns and collaboration is not easy for many reasons. The collaborative effort itself requires resources to initiate, develop and deliver. Working across organisational boundaries takes more time and any efficiencies gained take time to realise. Organisational culture, agendas, styles and goals rarely match up neatly and the collaboration or partnership itself is likely to take on a hybrid persona that adds complexity that cannot be foretold at the outset. Decision making processes must be negotiated and the murky waters of power and control must be navigated carefully and constructively. (Huxham and Vangen, 2005)

Issues of accountability can be the most difficult to address, as informal cooperation may fly under the radar of formal channels of accountability and formal partnerships may potentially require another layer of governance or dismantling and reconstructing existing governance structures.

Collaboration and partnership work must be based on the potential for distinct benefits overriding the challenges and costs of engaging in collaborative work. Collaboration for its own sake is most certainly not good enough. This is where Boards of Directors or Trustees can offer good insight, analysis and leadership. In order to address the challenge of effective collaboration, cooperation, partnering or any other form of working together, the obligations of governance must first be addressed:

1. Will the collaborative effort be in the best interest of the organisation? Will it inappropriately compromise our independence and/or fundamentally change our relationship with members, funders or other stakeholders?
2. Is the collaboration aligned with our charitable purposes? Will it cause us to stray from our core purposes and values? Will we be engaging in something that takes attention away from our core purposes?
3. Will the organisation be in a better situation by working collaboratively? Will working through partnership improve services, enhance operations, achieve better outcomes, ensure sustainability? Is there a solid 'business case' for partnering?

4. Will the collaborative effort compromise our legal status or somehow interfere with our legal obligations and statutory requirements? What are the lines of accountability for the partnership? What is the form and structure of the collaboration?

Workshop Discussion

The issues and concerns raised by participants at the workshop centred around what is seen in the current climate as a 'requirement' for the third sector to create partnerships or even merge for the purposes of gaining efficiencies. The assumption that service provision will cost less if organisations collaborate is an unfounded assumption, but one that continues to drive conversations in an increasingly competitive tendering environment. Using Community Planning Partnerships as a largely unfunded partnership working model adds to the illusion that working in partnership will not require additional resources. The reality that a partnership itself has resource requirements is largely ignored in requests for partnership proposals for the provision of public sector services.

The fear is that more third sector mergers, partnerships and consortia will result in charitable monoliths that overshadow the smaller community and voluntary sector and the sector begins to look and act more like public sector bureaucracy. Therefore, the desire is to find a way to work collaboratively and cooperatively across the third sector and between the third, public and private sectors without losing the identity, independence, ethos and focus of the charitable sector. Ultimately, whatever shape organisations take must suit the purpose of meeting the needs of their constituents, stakeholders and service beneficiaries.

Further, charitable organisations with long-standing legacies and identities in the community will be reluctant to enter into any type of collaborative working arrangement that may cause a loss of independent identity or damage to their brand.

Recognising that many of the issues identified in the literature speak to the practicalities or legalities of collaboration (in its various forms), the participants described the barriers and enablers of effective partnership working:

Barriers:

- Sufficient motive for collaborating
- Adequate time to find the right structure
- Shared liability (ie, there might be equal accountability without equal effort made by all 'partners')
- Legal accountability
- Good match between what is in the best interest of two or more independent organisations
- Flow of money
- Joint and several obligations – making clear where responsibility, accountability and liability lie
- Trust – full disclosure required for joint working, protecting competitive advantage for independent working

- Sharing information, common databases
- Employment regulations – terms and conditions

Enablers:

- Clear documentation of the working arrangement
- Focus on the reason why – to achieve better outcomes for people, communities
- Information sharing at strategic levels (ie, often already done on the ground between practitioners)
 - Should only be collected once – eliminate duplication
 - Remove gaps in knowledge, understanding of separate organisations
- Being proactive – find the right places to collaborate – rather than reactive in response to less funding
- Focus on the partnership itself, the relationship between partners
- Gaining strategic permission to work together

The participants also provided some ideas for where support is needed from infrastructure support organisations and the regulator to address the challenges for partnership working.

- Finding organisations willing to work collaboratively (ie, match.com for the third sector)
- Signposting to money and resources for third sector partnership models
- Stop forcing partnerships in an effort to drive down prices
- Draw on the expertise that already exists
- Eliminate any regulatory barriers
- Provide checklists of things to think about
- Allocate longer term funding for partnerships to make the investment in the partnership worthwhile
- Provide case studies of partnerships/mergers that worked and that did not work for the sector's learning
- Identify champions of collaboration – people/organisations that have done it
- Create programme management approaches, something the sector is familiar with
- Learn from the 'failures'
- Create standard recording/reporting approaches and requirements
 - Datasets
 - Information sharing across organisations
 - Addressing confidentiality issues

Conclusion

Recognising that working in partnership, collaborating and cooperating in any form introduces some complexity to working arrangements, it is important that governance structures are developed that can support the arrangement and handle the complexity without losing focus on the obligations of governance. Finding a new way in challenging times is a strength inherent to the third sector. Inherent cooperation for community benefit has been part of the ethos as well. The current focus on collaboration and partnerships raises the bar by introducing formality to what might have been a previously informal arrangement. The formality requires that Boards and Trustees are more involved in discussions and decisions about collaborative working, and that they have the relevant and appropriate information, support and resources to add value to the process as they fulfil their governance obligations.

References

Armistead, C., Pettigrew, P., Aves, S. (2007). Exploring Leadership in Multi-Sectoral Partnerships, [http://eprints.bournemouth.ac.uk/807/1/Armistead_Output_2_\(revised\).pdf](http://eprints.bournemouth.ac.uk/807/1/Armistead_Output_2_(revised).pdf)

Cairns, B., Harris, J., Brier, S. & Moran, R. (2009) 'Getting things done together: key findings from the Partnership Improvement Programme': I&DeA (Improvement and Development Agency) and IVAR (Institute for Voluntary Action Research, <http://www.idea.gov.uk/idk/aio/11162249>)

Garnett, D. M. & Gould, M. S. (1996). Evaluation of state-level integrated services initiatives: Colorado's experience. In J.M. Marquart & E.L. Konrad (Eds.), *New Directions for Evaluation: Evaluating Initiatives to Integrate Human Services*, 69, 69-84. San Francisco: Jossey-Bass.

Huxham, C. & Vangen, S (2005). *Managing to collaborate: The theory and practice of collaborative advantage*. London: Routledge.

Ipsos Mori (2007). Making partnerships work: A survey of UK senior executives, http://www.socia.co.uk/content/documents/socia_mori.pdf.

Konrad, E. L. (1996). A multidimensional framework for conceptualizing human services integration initiatives. In J.M. Marquart & E.L. Konrad (Eds.), *New Directors for Evaluation: Evaluating Initiatives to Integrate Human Services*, 69, 5-19. San Francisco: Jossey-Bass.

Office of the Scottish Charity Regulator (retrieved 15 October 2010). <http://www.oscr.org.uk/CharityTrusteeDuties.stm>

Schorr, L. B. (1997). *Common purpose: Stenghtening families and neighborhoods to rebuild America*. New York: Anchor Books, Doubleday.

Watters, K. (2005) *More than the sum: Partnerships for adult learning and skills*, Leicester: NIACE.

White, J. A. & Wehlage, G. (1995). Community collaboration: If it is such a good idea, why is it so hard to do? *Educational Evaluation and Policy Analysis*, 17, 23-38.

Related Resources and Links

ACEVO has a range of online resources: <http://www.acevo.org.uk/Page.aspx?pid=2250>

ACOSVO website includes a paper on developing consortia: http://www.acosvo.org.uk/publications/cat_view/51-publications-2010.html

BASSAC provides a toolkit for preparing for partnership: <http://www.bassac.org.uk/node/942>

NCVO has introduced The Collaborative Learning Network and online resources:

<http://www.ncvo-vol.org.uk/learningnetwork>

<http://www.ncvo-vol.org.uk/advice-support/collaborative-working/information-and-tools/whatcollaborativeworkinginvolves>

<http://www.ncvo-vol.org.uk/advice-support/collaborative-working>

SCVO provides information on mergers and collaborations: [http://](http://microsites.scvo.org.uk/scvo/governance/MergerandCollaboration.aspx?g=gov)

microsites.scvo.org.uk/scvo/governance/MergerandCollaboration.aspx?g=gov