



RESEARCH AND RELEVANCE TO KEY POLICY AREAS

# Creating effective partnerships with civil society organisations

Partnership working with civil society organisations has become increasingly crucial to the delivery of a wide range of public services. The Coalition Government has expressed the intention to strengthen this development with new and expanded roles for civil society organisations in public service delivery.

Integrating public, private and civil society suppliers in new hierarchical forms – so-called 'vertical' service delivery supply chains – has become an important trend in recent public service reforms. In addition, an emphasis on payment by results and outcomes-based commissioning has set a new climate for partnerships between the private sector and civil society. This has created an advantage for organisations with the resources to deliver and ability to demonstrate impacts and outcomes.

At the same time there has been a weakening of local 'horizontal' partnerships, such as Local Strategic Partnerships(LSPs), following the abolition of Local Area Agreements. This has weakened the co-ordination of strategic commissioning of services at local authority level. Reductions in regulation and top-down planning such as regional housing and spatial strategies have also changed the incentives for partnerships.

Researchers at the Third Sector Research Centre, which is part-funded by the Economic and Social Research Council, have examined recent changes to partnership working between the state, the market and civil society, and the different forms of partnership, strategic alliances and mergers.

The research included literature reviews, stakeholder interviews and workshops, as well as five case studies of organisations and sectors involved in different policy fields including housing, welfare, and employment services.

In practice partnerships tend to work more effectively when underpinned by voluntary trust-based relationships.

## **Key findings**

- Most organisations are involved in multiple forms of partnership. This complexity makes it very difficult to identify the costs and benefits of different partnership forms, or to isolate the impacts of one partnership initiative from others that are carried out simultaneously.
- Although in theory there doesn't have to be a conflict between competition and collaboration as forms of relationship between organisations, in practice partnerships tend to work more effectively when underpinned by voluntary trust-based relationships - rather than imposed mandated partnership forms or competitive arrangements that undermine trust.
- Differences in culture were in several cases highlighted as a barrier to change, either within an organisation or between partners particularly between partners from different sectors. However, blaming culture may sometimes cover other underlying tensions (eg, between efficiency and responsiveness). There is clear evidence of organisational learning as experiences from one partnership are taken into the next (eg, engaging board members in the process and looking for quick wins to build support).
- The voices of service users were generally excluded from both setting partnership objectives and monitoring impacts and outcomes. This suggests that despite the increasing emphasis on service outcomes, civil society partnerships are still largely driven by managerial concerns – often shaped by financial constraints and external pressures.
- There is a marked lack of evidence around outcomes from partnership working. This is partly because a partnership is a single, time-limited event in an organisation's life cycle, and over time other events will claim the management's attention. In addition, it becomes increasingly difficult over time to track the impact of a specific partnership in a complex multiple-partnership environment.

- A common tension in partnerships is between scale and local responsiveness. In several cases there was a gradual increase in emphasis on scale at the expense of responsiveness with a progression from alliances to group structures to single integrated organisations. However, an alternative path involving economies of scope rather than economies of scale was identified in which local horizontal integration of services can create significant advantage for civil society organisations.
- Partnerships take a variety of forms, and there is no single inevitable path towards larger scale working. There were instances of organisations leaving partnerships or resisting full integration of back office functions, for instance to preserve a 'brand' or to maintain a degree of independence/autonomy or relationships with service users and localities.

## Policy relevance and implications

- Voluntary trust-based partnerships seem to be far more effective than mandated partnerships and imposed competition. This needs to be recognised in the Government's desire to contract for specified outcomes and to minimise public expenditure.
- The design of national programmes is dominated by economies of scale, employing payment by results, prime contractors and supply chains. However, economies of scope should be given greater consideration to promote long-term efficiency.
- There needs to be an explicit focus on outcomes that reflect the perspectives of service users. Otherwise these perspectives will continue to be crowded out by the outcomes determined by managerial considerations, the public purse and incentives for investors.
- To promote more effective partnerships, commissioning arrangements should be less prescriptive, give greater recognition to multiple outcomes and allow for more relational approaches to contracts.
- The relationship between civil society compacts and concordats and the procurement and commissioning of public services needs to be re-balanced. Too often the principles of these two policies are at odds in practice, incentives are loaded towards statutory agencies contracting with large scale private sector suppliers, rather than civil society organisations or small/mediumsized enterprises.

### **BRIEF DESCRIPTION OF THE RESEARCH**

The TSRC Partnership working research report has explored partnerships with and between civil society organisations in public service delivery. The research was based on stakeholder interviews and five case studies of organisations and sectors involved in public service delivery, and looked at different types of partnership, strategic alliances and mergers, and lessons from partnership working in the houisng, welfare and employment fields in England and Northern Ireland.

James Rees, David Mullins and Tony Bovaird: Partnership working

(Third Sector Research Centre Research Report 88)

Web: www.tsrc.ac.uk/LinkClick.aspx?fileticket=w0%2fl6k ImW7o%3d&tabid=500 (PDF)

### **FURTHER INFORMATION**

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