

# Partnerships, Collaborations & Networks — Lessons from NYC for Colombia ?

A series of horizontal lines in teal and white, located on the right side of the slide, extending from the dark blue header area into the white body area.

William Eimicke  
Columbia University  
2010

# Agenda

- Why should an organization partner with other organizations?
- What leads to successful partnerships?
- What are some examples of highly successful partnerships in NYC ?
- What other options are available to get work done more efficiently and effectively?

# Why should organizations partner with other organizations?

- What would you identify as a successful partnership in Colombia?
- Why was it successful?

# Why partner with another organization?

- Make more money
- Solve problems
- Do more with less
- Access new skills & new suppliers
- Globalize quickly
- Access new customers
- Provide new services

# What types of partnerships are there?

- **Joint financing-** of an asset beyond the means of one partner (satellite).
- **Joint venture-** product of one company marketing that of another (McDonalds and movie promotion).
- **Value-chain-** complementary skills brought together to serve the same customer (Dell and Microsoft).
- **Contract-** fee for service (nonprofit provides job training to public assistance recipients).
- **Memorandum of understanding-** task force or working group (multi-sector emergency response plan).
- **Professional Association-** establish code of ethics and standards of practice.

# What are the keys to successful partnerships?

- ***Information***- partners freely share information critical to a successful venture.
- ***Integration***- partners establish sop's to enable them to work smoothly in tandem.
- ***Institutionalization***- partnership has formal status, its own sop's and decision-making structure.
- ***Integrity***- partners treat each other with respect.

# What are the keys to successful partnerships?

- ***Interdependence***- Partners need each other to reach a key goal.
- ***Individual excellence***- Partnership not intended to cover a weakness of one partner.
- ***Importance***- Collaboration moves both partners toward a key goal.
- ***Investment***- Partners make tangible investments in each other.

## What is the state of Public-Private Partnerships (PPP) in Colombia?

- Major step toward PPP with the creation of the partnership to repair and operate the water/wastewater system in Cartagena
- Aguacar, combining the resources of the city's public works department and a major Spanish water firm
- Leaks reduced, pressure improved, and expanded coverage to most of the city's poor neighborhoods
- Economics of the system through more efficient operation and better tariff collection
- City retained 50% ownership and granted a 26 year concession; Aguacar received dividends & profit share

## What is the state of Public-Private Partnerships (PPP) in Colombia?

- Between 1996 and 2007 more than 40 water and sewer contracts were initiated across Colombia serving more than 7.3
- TransMilenio opened in 2000 serves more than 1 million passengers a day through a network of dedicated express bus lines connected to multiple feeder traditional bus services; public company owner, multiple private contractors for service provision
- State-owned Ecopetrol develops oil and gas reserves with BP and other private companies

# What is the state of Public-Private Partnerships (PPP) in Colombia?

- PPPs and privatization has also occurred in power generation and telecom
- Solid waste collection has been contracted out for many years
- Rural Productive Partnership Project, sponsored by the World Bank has helped small farmers upgrade and meet larger market standards
- Major innovations in education delivery through Confama and other private partners

# What is the history of Public-Private Partnerships (PPP) in Brazil?

- Innovation policy is fragmented among government levels with extensive decentralization to the states (good & bad)
- Drive toward university-business partnerships
- More focus needed on innovation as an organizing principle for PPPs
- Need for a coherent national innovation policy
- Also need for monitoring and evaluation of investments in innovation partnerships

# Partnerships are crucial for NYC

- NYC partners with:
  - Federal and State Government
  - Civil Society Organizations
  - Financial Institutions
  - Neighborhood groups
  - Other local governments
  - Influential individuals
  - Private companies



# NYC partners for many reasons

- Leverage funds
- Build political support
- Access special knowledge
- Get closer to citizen/customers
- Share responsibility/blame
- Access people/reduce headcount
- Create synergies
- Save money



# NYC Parks Partnerships

- Central Park Conservancy
- Parks neighborhood groups
- Corporate & Individual Donors
- Arts organizations & businesses
- Requirements contractors
- New York Yankees and Mets
- Welfare to work agencies
- Fleet maintenance companies
- Golf and ice rink operators



# NYC Housing Partners

- Private real estate developers
- Tenant associations
- Community based organizations
- Banks & government finance organizations
- NYPD
- HUD and DHCR
- Homeless and special needs agencies



# NYC Health Partners

- Doctors
- Private hospitals
- Insurance companies
- Drug companies
- State and federal government
- FDNY and private ambulances
- Vendors and suppliers
- Advocacy and community organizations



# FDNY uses many partnerships

- Construction Demolition Abatement Task Force
- Unified Call Taker
- EMS
- Wind-driven Fire Fighting Task Force
- Incident Command Agreement

# SIPA depends on partnerships

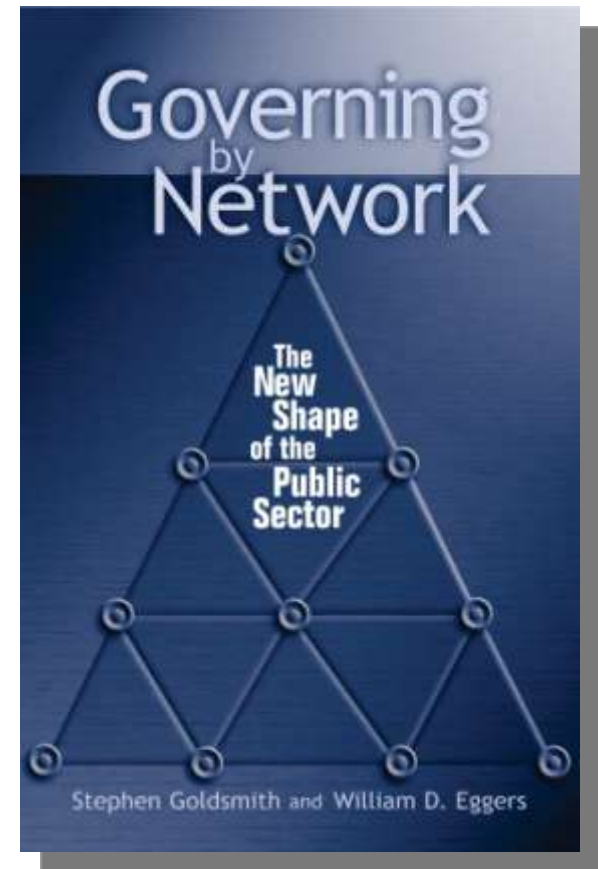
- Recruitment fairs are organized and held with partner schools
- We work with other Columbia schools to provide a wider choice of faculty and courses
- We globalized by partnering with NUS, LSE, Sciences Po, Peking University, Externado, and other schools at various levels, including joint degree programs, executive education, research, student and faculty exchanges
- We are partnering with NYS Attorney General to help NYS local governments with consolidation plans

# Partnerships and collaborations may be better than privatization

- Economy and efficiency may not be most important objective for many public services, such as education, justice, safety and health care.
- Privatization policy affects the economy—employment, distribution of income, supply of goods and services—macro-economic negatives may outweigh the benefits of the individual transaction.

# What are networks?

- 1** Government **can't solve complex horizontal problems with vertical solutions**, nor by simply accomplishing bureaucratic activities better.
- 2** The **role of government is being transformed** from direct service provider to generator of public value.
- 3** We won't get the results taxpayers deserve until we figure out how to **better manage a government** that does less itself and more through third parties.



# How are networks different than partnerships?

- Network partnerships is more intense, involving complete integration of SOPs, billing, customer relations and communications
- Network partnerships may be invisible to the customer and the best ones often are
- Network partnerships take a long time to build and as long to disengage
- Network partnership work flows must be carefully synchronized

# What makes a network successful?

- Wal-Mart and Proctor and Gamble built a computer network that enables P&G to monitor the inventory at Wal-Mart's distribution centers and sales at checkout counters and ship the proper amount of product "just in time".
- Invoicing and payment is automatic
- Customer service, efficiency and profit are all maximized.



# What makes the P&G and Wal-Mart network so successful?

- Common set of measures of success
- Measures are easy to define and track
- Problems are usually obvious and easy to fix
- Overall outcomes are shared, only fair share of the costs and benefits require negotiation

# Why are public and non-profit networks more difficult?

- Services are more difficult to coordinate among multiple suppliers than products
- Measures of success are more difficult to measure and outcomes may take decades to emerge
- Partners often have different objectives and measures of success—education, job training, welfare, environmental protection or even public safety—making money is not a common metric

# How can you hold networks accountable?

- Example: Explosion of the space shuttle Columbia.
- Who was responsible?



***Columbia* explodes during re-entry due to damage done to left wing caused by broken foam.**

**Boeing advised  
NASA that foam  
not a risk**

**NASA ignored its  
own engineers**

**Lockheed-Martin  
built the shuttle**

# Partnerships may be better than networks

- Establishing a less integrated relationship is much easier
- Accountability is much easier to allocate
- A greater number of members is possible
- The degree of involvement can be less
- Shorter timeframes are possible, making disengagement less disruptive
- There are more successful models to copy

# What have we learned?

- Partnerships can leverage the resources and impact of any organization.
- Partnerships are complicated and the work is on-going.
- Many NYC agencies could not function without partnerships.

# Readings

- D. Osborne and T. Gaebler, *Reinventing Government*, Reading, Ma: Addison-Wesley, 1991.
- S. Goldsmith, *The Power of Social Innovation*, San Francisco: Jossey-Bass, 2010.
- S. Goldsmith and W. Eggers, *Governing by Networks*, Washington, DC: Brookings Institution, 2004.
- S. Cohen and W. Eimicke, *Tools for Innovators*, San Francisco: Jossey-Bass, 1995.
- S. Cohen and W. Eimicke, *The Effective Public Manager*, SF: Jossey-Bass, 2008.
- R. Behn, *Democratic Accountability*. Washington, DC: Brookings Institution, 2001.
- P. Drucker, *Management Challenges for the 21<sup>st</sup> Century*. NY: Harper Business, 1999.
- E.S. Savas, *Privatization: The Key to Better Government*. N.J.: Chatham House, 1987.
- Eliot Sclar, *You Don't Always Get What You Pay For*. Ithaca, NY: Cornell University Press, 2000.
- J. Kamensky and T. Burlin, *Collaboration: Using Networks and Partnerships*. NY: Rowman and Littlefield, 2004.
- M. Christopher, *Logistics and Supply Chain Management*. NY: FT Prentice-Hall, 2005.
- D. Kettl, *Sharing Power: Public Governance and Private Markets*. Washington, DC: Brookings Institution, 1993.
- J. Welch. *Winning*, NY: Harper Business, 2005.