THE GOVERNANCE OF PARTNERSHIPS
–
SOME ASSUMPTIONS

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Abstract

This paper presents a theoretically informed discussion about how public governments can influence on partnership arrangements. The main argument says that the selection of management strategies must be based on the type of partnership in question, and it identifies three distinct roles public government may take vis-à-vis partnerships: Negotiator, Tempter and Facilitator. The paper ends in two main hypotheses about failure in partnership arrangement.

Keywords: Partnership, governance

WORK IN PROGRESS!
1. Introduction

City governments today increasingly find themselves competing for business activities and citizens, much as a result of a more globalized economy with fewer national regulations. The operational answer to these partly new challenges typically has been different kinds of collaborative arrangements allowing stakeholders rooted in public sector to interact with market as well as civil society actors. In the literature various conceptualizations of these collaborations exists, for example co-governance, networks, regimes and partnerships. To some extent we may see these concepts as parallel discourses; dealing with much of the same issues, though by different concepts, and to some extent separated by differing academic discourses and communities.

Taking partnerships as one of several possible conceptual entries into contemporary governance, we may define partnerships as structures containing two or more principals operating on behalf of someone, with a certain duration, stability and formalization, where actors exchange resources and where there is some sort of shared responsibility for outcomes (Peters 1998:12-13; Ysa 2007:36). Building on these definitional characteristics, we can observe different kinds of partnerships operating in different parts of society. Some partnerships involve public sector only, for example a group of municipalities acting together through common service production or coordination of public policies. In the field of sport and culture, a large amount of partnerships involving public sector and civil society can be found, for example relating to the running of sport facilities, arenas or festivals. Still, most well recognised probably are the public-private partnerships, functioning as a bridge between public government and business life. In fields like transport, road construction, building construction and planning, in most European countries numerous of these exist.

These different partnerships arrangements have important common characteristics. In all, a lack of clear cut hierarchy exists, and there is no obvious command system in place of the type commonly associated with public sector. What is gathering the different actors is some kind of common interest, purpose or common aim. Likely, the goal of a partnership can not be reached by each and one participant acting alone, therefore some kind of interdependency acts as the glue, binding the participants together.

These characteristics contradict the classic perception of public sector and public government as a system of organizations ranked in a well defined hierarchy, placing elected representatives on top, and where every action in principle is anchored in a decision made by democratically elected leaders. In a partnership, the link to representative democracy is weaker than when public governments act alone.

Still one can argue that every partnership arrangements unfold in a shadow of hierarchy (Scharpf 1994), meaning that in the very end, public government do have the capacity and power to overrule a partnership if its production of public value is unexpected, unwanted or contradict to the public will. But since partnerships are based on voluntariness and
independency among the involved actors, this is a strategy which comes with a price. To apply public power likely means to terminate a partnership.

Therefore, in everyday life, there is a tension between the production of public value through partnerships and representative democracy. The more we expect representative political leaders to govern, the less likely it is that partnerships will develop. And the more we allow partnerships to unfold, the less will representative leaders govern.

Yet a more pragmatic approach to this tension is not to discuss ‘this’ or ‘that’, but rather to ask how urban governments, in a world where partnerships and representative democracy do exist side by side, still can have a hand on the wheel. How can governments govern partnerships? Even if this is, as indicated above, a question of crucial importance, it seems to have received less attention compared to various institutional aspects of partnerships, participation and outcomes.

The aim of this paper is to enter such a discussion by bringing together two existing theoretical typologies, one distinguishing between different kinds of partnerships, and one defining different kinds of public steering in a setting where hierarchical relationships are weak. The very basic assumption is that several types of managing strategies are available, but their effectiveness and appropriateness will depend on the type of partnership in question.

In the following, I will first present a theoretical founded typology of partnerships, understanding partnerships in relation to different modes of governance. This typology includes both the traditional modes of hierarchy and market, but also the newer notion of networks. Partnership can be rooted in all these three modes, implying that a particular type of motivations, interdependency and control will dominate the relationship between the actors involved in a partnership. On this ground, the paper first defines three general types of partnerships: exchanging (market-based), co-opting (hierarchical based) and institutional (network based).

As argued above, some governance of partnership arrangements is important in order to ensure coordination and anchoring in representative democracy. But bearing in mind that these types of partnerships differ in terms of the motives and incentives that bring the actors together, it is likely that the conditions for public government to intervene or influence on these partnerships also will differ. In order to build a platform from which one can formulate some assumptions about management strategies and partnerships, the typology of partnerships is followed by a typology over management strategies. This typology distinguishes between the influence on content, on process and on the partnership structure.

After having introduced these two typologies, I will relate them by pointing to some basic public government roles ascribed to each partnership model (negotiator, tempter and facilitator), and based on these formulate some assumptions about governance and
partnerships. The paper ends in a brief conclusion presenting two main hypotheses about sources of failure in partnership arrangement.

2. Types of partnerships
Classic political science theory distinguishes between public governance and governance by the market as the two basic alternatives confronting political decision makers. When governance is public, the governance process is based in hierarchy and chain of command, expecting political leaders to provide necessary resources for public action, and public administration to provide the services themselves. When this is left to market, political leaders are still expected to provide resources (Savas 1987), but in this case the organization and production of public services is taken care of by market actors, for example a private company paid by government to run a hospital.

In later years, these two classic modes of governance have been supplemented by networks, commonly seen as a separate model. Networks, it as argued, are neither private or public, but represents a hybrid form (Kickert and Koppenjan 1997; Koppenjan and Klijn 2004). As a mode of governance, networks involved in providing public services are rooted in interdependency among different kinds of actors, who adjust their behaviour to one another, who negotiate within a certain framework, and the network itself is kept together by trust and common beliefs (Sørensen and Torfing 2005; Rhodes 1997).

Applying these modes to the Norwegian setting, and likely also to most European countries, one can find numerous examples. In Norway, most of the welfare state is organised as public governance. But in the technical sectors, like road construction, building construction, etc., the market and private sector makes an important part of the governance model (Andersen and Røiseland 2008). Governance by networks is empirically expressed by a growing number of collaborations of various organizational form where the government are only one of many stakeholders (Røiseland 2010).

These modes of governance are generic forms. Partnership is a more specific construction that can depart from each and one of these modes, and can bear characteristics rooted in these three modes. In other words this typology invites us to separate between three distinct types of partnerships. In the following, I will refer to these types as Exchanging, Co-opting and Institutional partnerships. All these partnerships typically include both public and private actors (Ysa 2007:38), but they differ in the sense that the basic logic for action, the way actors are linked together and the conditions for public government to influence on the partnerships, are different.
Starting with *exchanging partnerships*, these are rooted in the market mode. In this case exchange is a keyword, and the partnership as such is organized as an exchange mirroring the exchanges taking place in a market. But in a partnership, these exchanges typically are more complicated and long lasting. Partnerships making exchanges operate in for example public infrastructure or public service, in fields where one has to develop some formal structures for the exchange to take place. These types of partnerships are common in the transportation sector, and also in urban planning, and to some extent in the welfare sector. A Norwegian example is the funding model for physical infrastructure in housing estates. Local government is formally responsible for local roads, pavements, parks etc., but are legally allowed to pass parts of these costs on to the site owners when developing new housing estates. This is a type of exchanging partnership in the sense that site owners pay a share of the costs, whereas local government do most of the ground work. Furthermore, in the welfare sector exchanging partnerships have a long history in Norway. Well before the modern welfare state developed, there were hospitals and nursing home run by voluntary organizations. These institutions are still owned and run by voluntary organizations, but today typically full funded by the public. As examples of exchange based partnerships, they illustrate how public money is exchanged for hospital services and care in a long lasting relationship.

*Co-opting partnerships* represent something else than the above mentioned partnerships. Co-opting partnerships are rooted in the notion of public governance, and their deepest aim, at least seen from the government perspective, is to reassert public control. The building of alliances to private or civil actors works as a strategy to increase public control. There are

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1 The figure is much influenced by Ysa (2007), even if the terminology differs. Ysas "symbolic", “instrumental” and “organic” is here replaced with "co-opting”, exchanging” and "institutional”, respectively.
some interesting examples of these partnerships in the governance of Internet, which has developed at an arms length of European governments. Today, having in mind the huge strategic importance of Internet, public governments in Europe tries to strengthen their control over internet by building alliances to the different private authorities and companies that once formed the Internet (Christou and Simpson 2007). In most European countries, this is typically done by limited companies or foundations, comprising many different actors, but increasingly public governments have manoeuvred into a stronger position than they had few years ago.

One more example of co-opting partnerships mentioned in the literature is private-public partnerships for town centre management in the UK. These partnerships developed in mid 1990s, and some of them managed to get funding from the business sector. These partnerships developed in field previously dominated or “owned” by local government, and they can be understood as a local government strategy to gain more control in a time when “local governments were forced to take a more subtle approach in their relations to central government” (Ysa 2007:44).

Likely there are also numerous examples of co-opting partnerships in modern city planning. Even if a (Norwegian) city government do have an overall responsibility for city planning, their plans need to become real through actions taken by private entrepreneurs and developers. Likely, many partnerships are developed with the aim of strengthening the influence of city government vis-à-vis private actors, following the well known saying that if you can’t beat them, join them.

Lastly, institutional partnerships mirror the logic of network governance, and represent partnerships where the actors are interdependent in relation to a given need (Ysa 2007), but where few hierarchical relations can structure their actions. More than the two other types, institutional partnerships will need to be based in actors will and skills in order to develop trust and common perspectives (Pierre 1998; Bogason 2000). This type of partnership is common in fields where problems are complex or contested, and where there is no obvious answer to the questions one deals with, but where one believes the most effective response requires participation from many different stakeholders. Some Norwegian examples of institutional partnerships can be drawn from sectors like environment and local business development. After the Rio-conference on environment and development in 1992, every local community world wide were expected to develop a local, long-term action plan called “Local Agenda 21”. In Norway, as elsewhere, these planning processes, at least in principle, took the form of institutional partnerships comprising many different actors with an open mandate. Some of these partnerships operated for several years, and they developed local plans that were substantial different from one place to another. Similar partnerships can also be found in business development, where many local governments have initiated standing groups, networks and companies comprising local business representatives, aiming to develop local economy and business.


<table>
<thead>
<tr>
<th>Source of governance mode</th>
<th>Exchanging partnerships</th>
<th>Co-opting partnerships</th>
<th>Institutional partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of relationships in partnership</td>
<td>Competitive</td>
<td>Command and control</td>
<td>Trust</td>
</tr>
<tr>
<td>Typical examples</td>
<td>Local roads, parks, hospital, elderly care</td>
<td>Internet, city planning</td>
<td>Local Agenda 21, business development</td>
</tr>
</tbody>
</table>

Figure 2: Types of partnerships

These types of partnership are not static, as a given partnership may develop from one model to another. Institutional partnership may for example develop into co-opting partnership if they fail to deliver, or exchanging partnerships may develop into institutional partnership if they are operating for a long time (Ysa 2007:48).

3. (Meta-)Governance of partnerships
The conditions for public government to influence on partnership arrangements, and thereby to ensure an anchoring in representative democracy, is not among the most discussed topics in the literature dealing with partnerships. Browsing the literature on network governance, however, one will find many contributions and several well developed frameworks for this type of governance.

Among the various conceptualizations we find e.g. “steering governance” (Stoker 2000), ”network management” (Kickert, Klijn, and Koppenjan 1997), “governance of governance” (Peters 2006; Jayasuriya 2005) or ”meta-governance” (Jessop 2002). In the following, I refer to the latter concept. According to Jessop, meta-governance is the process whereby governments can “modify the relative weight and targets of exchange, hierarchy, and networking in the overall coordination of relations of complex interdependence” (2004:62). Or, as put by Peters (2006:14) to establish parameters for action, rather than determining those actions.

Considering the possible extent of meta-governance, one needs to have in mind that despite arguments about growing complexity of public policy making and implementation, governments still have a monopolistic position over some policy instruments. Few have so far questioned the government’s role in lawmaking, although legislation may have changed from specific rules to more framing regulations. And governments still have large public budgets at disposal. Although both law-making and budget allocations are influenced and limited by international law and e.g. EU’s common market rules, governments still have much room for maneuverings. One can also argue that the state still is the main actor on the international
scene. Based on such observations, several have argued that we should not understate the capacity of states to govern (Pierre and Peters 2000; Pierre 2000:5; Goetz 2008).

Even in typical partnership contexts, having power spread among a number of different kinds of actors, some argue that governments can have strong influence on both contents in policy processes, the processes itself, and the relationships between interacting actors. This is the mode of governance I will discuss below, following the contribution of Koppenjan and Klijn (2004), discussing thoroughly if and how structures like partnerships can be managed by public authorities.

According to Koppenjan and Klijn (2004), governments and their representatives have a number of management techniques at hand in order to influence on partnerships. These techniques can be sorted into three main strategies, aiming to influence on contents, processes and partnership, respectively.

Managing content
The intention when managing content is not by definition the creation of consensus, but rather to improve joint image building, cross frame reflection and develop interesting and appealing solutions that generate support among the involved actors (Koppenjan and Klijn 2004:245). These are all efforts to establish a common ground from where further negations and actions can take place, including efforts to introduce a common language in the partnership. And since governments are considered to be centers of information in modern societies (Sbragia 2000), they do have an opportunity to introduce input of experts, research and science to partnerships, in such a way that learning processes between stakeholders are supported (Koppenjan and Klijn 2004).

Managing process
The management of process intents to improve interaction between participants in a partnership. Basically, this is a question of steering strategies that aim to integrate the various perspective and perceptions among the actors (Klijn and Koppenjan 2000:140). The management of process includes for example the selection and activation of actors, which governments to some extent are able to empower and equip with resources. Governments can also make temporary organizational arrangements in order to support certain partnership activities, and they may introduce certain procedures and arrangements in order to improve information flow, coordination and mutual learning (Koppenjan and Klijn 2004:248).

Managing partnerships
By managing partnerships, one intends to form or change the partnerships themselves. According to Klijn and Koppenjan (2000:141), this type of management can be implemented by at least two different strategies. The positions of actors can be changed, and new actors can be introduced in the partnership. Second, rules of the partnership can be changed, by those
who are in a position to regulate access to a process. Often, governments do have substantial influence here, since these regulations typically follow from law and formal rules.

*Practicing meta-governance – tailored approaches?*

Complex policy problems are characterized by a large number of actors directly involved or indirectly influenced by the various actions that may take place. Different actors may have their own perception about the nature of the problem, and often, there is no mechanism in place that allows us to see one perception as the authoritative one. In these cases we cannot define the effectiveness of management strategies based in the content of the problem in question. Likely, there is no simple and standard prescription for selecting management strategies facing a partnership. However, this does not mean that nothing sensible can be said about the selection of strategies. According to Koppenjan and Klijn (2004:251), a *strategic-contingent approach* should be applied in the selection of strategies. This approach means that strategies must fit the characteristics of the processes of problem solving, and the effectiveness of these strategies is limited and influenced by the institutional context in which the partnership itself and its managers operate. Put in other words, it is likely that the appropriate set of management strategies, i.e. the governance of partnerships, will vary with the type of partnership in question. I therefore move on to discuss what these different management strategies will mean in each of the three partnership type, and what kind of role public government needs to take.

4. **Roles of public government in the governance of partnerships**

*Exchanging partnerships*

When managing *partnerships* themselves, for example to select the participants, this will often be given by the aim of an exchanging partnership. For example, if a public harbour authority enters into a partnership in order to develop the harbour, likely they will form the partnership with some private actors already present in the harbour, like shipping companies or property companies. However, sometimes public government may have to make choices among different possible participants, and formal regulations may interfere in these processes. Following the regulations of public procurement in EU, often public government will not be allowed to enter into a partnership with one single among several private companies.

Managing *content* in an exchanging partnership basically will be a question about the contract regulating the activity. This contract will define the exchange taking place, following the logic that every participant will gain from the collaboration. Typically, this contract is set up in parallel to the creation of the partnership, but there may be points along the road allowing the participants to re-negotiate the contract.
When managing the process in exchanging partnerships, this will normally take a rather formal form, in that the contract defines the partnership and its aim. Still one can imagine that partners meet from time to time to coordinate and to deal with minor issues not directly regulated by the contract.

All in all, the role of public government vis-à-vis an exchanging partnership is to be a negotiator, and the better one is to negotiate, the more successful will the partnership become seen from the perspective of public government.

Co-opting partnerships
When managing a co-opting partnership, i.e. to select its partners, it is a challenge that private partners must be willing to lose some control, and accept more public control. Few partners will probably do this, except if they may gain in a longer run. Managing partnerships therefore means to find relevant partners that see their own interest in a greater setting.

When managing content in a co-opting partnership, public government will have to create incentives, making the short term loss of control attractive to private actors. These incentives can take the form of e.g. funding, or various promises or commitment about future gains.

When managing process, in this case one need to pay a special attention to the greater setting that the partnership belongs to, since a vision or future expectation is crucial in order to motivate the private partners to give up some of their present control. This may require intensive and long term contact between partners.

All in all, when managing co-opting partnerships, public governments fill the role as a tempter, since they need to convince and attract partners whose in a short run have more to lose than to gain from the partnership. The more successful tempting, the more successful will the partnership become, seen from the perspective of public government.

Institutional partnerships
Institutional partnerships typically deal with complex problems where few obvious answers exist. When managing the partnership in terms of setting up a set of partners, one will have to search for a balance. On the one side, one has to select partners relevant to the aim and problem one tends to solve, on the other side one has to select partners that share a common understanding of what the problem is, and a willingness to take action. Actors not understanding the issue as a problem probably should be avoided in such a partnership.

When managing content in an institutional partnership, a starting point needs to be that there is no obvious solution to the problem, and the partnership itself has a role in searching this solution. For public government this means that it is important to allow each partner to contribute to the solution.
Since institutional partnerships are dealing with complex problems, and based in trust, it goes without saying that managing *process* is a crucial task. Institutional partnerships need many and frequent meeting points, and the building of trust presupposes that actors spend much time together.

All in all, when managing institutional partnerships, public government fills the role as a *facilitator*, and the partnership will become successful only if public government manage to be a successful facilitator.

<table>
<thead>
<tr>
<th>Managing:</th>
<th>Exchange based partnership</th>
<th>Co-opting partnership</th>
<th>Institutional partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership structure</td>
<td>Selection of partners in relation to aim, limitations in competencies and legal framework</td>
<td>Selection of relevant partners, partner must be willing &quot;to loose to gain&quot;</td>
<td>Selection of partners must balance between policy problem and problem perception among actors</td>
</tr>
<tr>
<td>Content</td>
<td>Negotiations, contract, re-negotiations</td>
<td>Create incentives for partners, make their loss attractive</td>
<td>No given solution, important to allow participants to contribute</td>
</tr>
<tr>
<td>Process</td>
<td>Meetings, coordination, re-negotiations</td>
<td>Need to focus on a greater setting, consideration about future</td>
<td>Need intensive process, building trust and confidence, many meeting points needed</td>
</tr>
</tbody>
</table>

**Figure 3**: Example of management strategies in the governance of partnerships

### 5. Conclusion

The increase in partnership arrangement over the last generation is well discussed in the academic literature. The theoretically informed discussion above took departure in the claim that there is a conflict between representative democracy and partnership arrangement. Even if this conflict is fundamental, one can still imagine some mechanisms narrowing the gap between partnerships and representative democracy. In the above text the governance of partnerships, i.e. the extent to which public government are able to influence on partnerships, was understood as one such mechanism.
The main argument says that government do have several possible strategies in order to influence partnerships, but these strategies must be selected on the basis of the type of partnership in question. In this text, these types were defined as exchange based, co-opting and institutional partnership. Different public government roles can be ascribed to these partnership types, so the question for public government do take the form of which role they are to play vis-à-vis a partnership: Negotiator, Tempter or Facilitator?

Forming a partnership itself is no guarantee for success, and examples of unsuccessful partnerships are numerous. There may be many different reasons why partnerships fail, of which a large number have not been mentioned in this paper. But based on the discussion above, and the relation between partnership types and management strategies, we may formulate two hypotheses about partnership failure:

1. **Divergent governance style:** When public government take on an unexpected role compared to the typology above, this will reduce the chance of success in a partnership arrangement. If for example public government take on a negotiating role in a partnership bearing the fundamental characteristics of an institutional partnership, this will reduce the open search for possible solutions to the problem in question. Or if an institutional partnership is governed by a type of tempter role, some participants will act and behave on wrong premises.

2. **Indefinite models:** If different partners have different perceptions of the partnership they are involved in, this will reduce the chance of success. Private partners, for example, may see a partnership as institutional, whereas public government see and act as if the partnership is based on exchange, or they see it as a co-opting strategy. In both these cases, there is a huge risk that the partnership will dissolve as soon as the different actors’ real motivation becomes visible through their actions and behaviour.

To further exploring these frontiers between partnership types and governance arrangement obviously call for empirical data. However, this needs to be understood as a next step.....
References


