

Critical Success Factors of Collaboration for Public Service

Different factors affect the performance of these collaboration projects. These factors are related either to the project's macro, meso or micro environments, to the partners involved, to the collaboration process, to the project development process, and to the governance methods used to organise and manage the project. We have grouped these factors into five dimensions represented in the conceptual model illustrated in figure 2. A sixth dimension should be added--the performance level of the collaboration and the service delivery program that it operates.

The following sections present each dimension and identify the CSF associated with each (2).

First Dimension: Political, Social, Economic and Cultural Environment

This dimension warrants inclusion is crucial given the international character of collaboration in public service delivery experiences and the obvious interest in importing or exporting solutions witnessed elsewhere. Successful transfer requires the specific identification of political, social, economic and cultural factors inherent to each country.

The past and current *political environment* of a given country impacts the environment (favourable or not) surrounding such collaborations just as it affects the institutional framework, its workings, and the programs set up to support or restrict such initiatives. The main aspects to take into consideration are as follows:

- **history** and more specifically certain milestone events such as wars, ideology, alliances, nationalism, implemented reforms, etc.
- **government in power** - its stability, adequacy of representation, legitimacy, dominant ideology, and its degree of centralisation or of decentralisation
- **institutions and public goods**, their nature and role
- **government policies** in social, economic, budgetary, technological and informational fields.

The social environment also includes some special features that will affect project selection and execution, as well as their relative success. They include, for example, the following factors:

- number of official languages and their distribution
- national average level of education
- population distribution in terms of age and territory
- social values: democracy, family, individual freedom, entrepreneurship and private enterprise, etc.

Some structural factors of the *economic environment* also impact directly the ability of government to operate collaboration projects at any given time. They are:

- employment and unemployment rates
- GDP, growth rate and inflation rate
- debt ratio and capital structure (debt and equity)
- level of modernisation and technical expertise, rate of penetration of ITCs and the national communication infrastructure

The cultural environment is closely linked to the three above-mentioned factors and would be difficult to present independently. A few aspects to take into consideration are:

distance between the citizen and the government, real or perceived

- social orientation - individualist versus collectivist
- roles of men and women within society
- Risk aversion in terms of social conservatism or liberalism
- Pace of life which provides an idea of the value given to time
- religious beliefs and practices

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These 18 factors associated with the macro-environment are significant in two ways. First, they shape the most immediate environment of collaboration projects by specifically identifying their institutional, industrial and technological frameworks. Further, these characteristics are the major differentiating elements among nations. Overall, they provide the opportunity to more efficiently identify those macro- environmental factors that enable or inhibit collaboration for public service delivery as they allow the identification of conditions for transferring specific projects to other countries.

Second Dimension: Institutional, Business and Technological environment

This dimension deals with the more immediate environment of the collaboration project associated with the institutional environment or regulatory framework, the project's sector of activity or industry and the specific features of the technologies used (for projects where technology is a central element).

The institutional environment includes the nation's overall existing regulatory framework (policies, laws, regulations, procedure and standards). It directly affects the nature of the collaboration and impacts the risk associated with a specific project. It determines the nature and the importance of government intervention in various sectors of activity. These laws, regulations, and programs consist of:

- trade laws relating to brands, competition, and foreign trade; antitrust laws and laws regulating technological transfers; contracts and business collaboration
- laws regulating property ownership, their character and governance as well as foreign ownership, intellectual property rights: patents, licenses and copyrights
- laws dealing with citizens' rights such as a charter of human rights, laws regulating interest groups, protection of private information, electronic document identification and authentication
- procurement laws or laws dealing with public contracts
- level of enforcement
- other types of government intervention, including taxes, regulations, policies, grants, reforms, etc.

The project's business environment refers to the sector of activity or industry in which the project operates. The following aspects of this business dimension should be taken into consideration:

nature of the sector, its size and potential for growth; available skills

- sector structure, main players, competitors, professional and community associations, the possibility of transferring some assets on the basis of barriers to entry
- available financing and level of risk
- public service provided, its nature, universality; quality standards and criteria; substitute service and delivery methods; targeted clientele.

The technological environment plays a major role given the fact that projects included in the study use information and communications technologies (ITCs) as agents of change. The technological factors that should be considered are the following:

- nature of the technology, level of innovation, complexity, user-friendliness and reliability, maturity, strategic importance in terms of novelty and distance
- current level of ICT use in terms of availability and frequency of use
- existing technological infrastructure in government and industry as well as standards, compatibility, accessibility, etc.
- system security, integrity, confidentiality, authentication and pseudonymity, personal information

Together these 14 factors constitute the contextual elements that make up the "meso" environment of the collaboration project: the regulatory framework within which it will operate, the sector and the nature of the service provided, as well as the technology involved. Among other things, these elements help identify those activities and technologies that hold promise for partnership and set the conditions for successful transfer to other places or programs.

Third Dimension: Partners' Objectives and Characteristics

The third dimension establishes the basis for compatibility and complementarity of various partners by closely examining the objectives, motivations and characteristics of each.

The objectives and motivations of each partner, whether they are from the private or public sector or even service providers, will influence their involvement in the project and their expectations in terms of performance. The following factors carry some weight:

- nature of targeted objectives in terms of profit, strategic opportunities, risk reduction, cost sharing, training, service quality, economic development and public and general interests
- level of sharing of such objectives expressed in terms of psychological and strategic distance
- presence and participation of citizen-clients and interest groups that represent service recipients

The characteristics of each of the three types of partners involved in a collaboration project determine the nature and the intensity of their own participation and expectations vis-à-vis the project and its results. It is important to mention the following elements:

- organisational structure, culture and environment; the decision-making process specific to each partner
- partners' ability for adaptation, absorption, and basic skills
- organisational strategy and level of alignment of the project with this strategy
- leadership, relative power or partner's level of dependency
- past experiences with collaboration, involvement in business networks and networking
- partner's technological experience and skills
- differences in partners' profiles in terms of similarities and complementarity.

These ten factors provide the opportunity to draw each partner's profile and to verify compatibility in terms of their objectives, organisations, and past experience. Psychological, strategic, cultural and technological distance between partners exacerbates information asymmetry which can reduce effectiveness and aggravate problems.

Fourth Dimension: The Collaboration Process

The collaboration process develops in stages that each require the presence of specific conditions to ensure success. At each stage, the collaboration process evolves in such a way as to ensure a negotiation / decision / action / evaluation process that takes into account the degree of project completion and the evolution of relationships among partners.

Each *stage completed within the collaboration project* contains its own risk or success factors. Factors pertaining to each stage of the collaboration project are presented below:

Stage 1: Start-up

- initiator's role, its leadership and implemented strategies.
- nature of the project, clarity of its definition and objectives, level of innovation, its strategic importance and universal appeal
- scope of the project, its complexity, duration, costs, and its international, local or national character.

Stage 2: Search for partners

- research process, fairness, transparency and freedom of choices
- leadership demonstrated through the ability to adhere to a single vision .

Stage 3: Project creation and start up

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- number and type of partners selected
- complementarity of partners in terms of resources and expertise
- type and content of agreement, especially the formal role of each partner and measurable objectives to achieve
- leadership demonstrated through the ability to integrate the different perspectives.

Stage 4: Implementation

- presence of a "champion"
- support of upper management
- implementation team, its members, expertise, roles and powers
- communication with clients and their participation
- employee and union involvement
- training

State 5: Operation / management

- use of project management tools
- monitoring and co-ordination measures
- organisational and technical support

Stage 6: Termination of the project

- opportunities and conditions for withdrawal of a partner
- conditions for termination of agreement.

It is important to also take into consideration the factors related to the *negotiation / decision / action / evaluation process* that takes place during all the project stages as partners continuously interact and adopt appropriate co-management tools.

- planning and dividing up tasks
- characteristics of project team, its size, representativeness, power, experience, expertise, culture, and turnover of members
- collaboration management tools such as decision-making processes, problem resolution, co-ordination, formal and informal communication, monitoring tools and IT utilisation
- risk management tools such as lobbying, consultation with experts and use of external resources
- evaluation of goal achievement, negotiation cycle, goal updating and the nature of these evaluations
- climate of trust and equity

The 27 critical success factors listed above refer to project operations per se and to the collaboration process that supports such operations. Efficient management of relationships among partners and effective project management promote a climate of trust that can only contribute to the smooth running of the collaboration project.

Fifth Dimension: Models of Collaboration

At this stage, it is important to identify the specific features of the implemented collaboration model. It is defined by its mode of governance (which determines the power structure), by the very nature of the collaboration in terms of sharing responsibilities and benefits among partners and by the organisational methods or measures used for co-operative management.

The governance method refers to the power structure that governs collaboration among partners. The following factors need to be taken into consideration:

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- governance structure, description, degree of formality, level of centralisation and flexibility, and division of tasks
- environment, culture and relations among partners
- degree of citizen-client, employee and other interest groups' participation.

The nature of the collaboration determines the purpose of the collaboration and the sharing of responsibilities among partners. There are a number of crucial factors including:

- nature and scope of activities associated with the project: *Design, Build, Own, Operate, Lease, Transfer (DBOOLT)*
- sharing of political, legal, judicial, financial, ethical, environmental, commercial, managerial, liability and residual value risks
- sharing of direct benefits (revenues) and indirect benefits (savings) and expertise (training, showcase, future development)
- sharing of resources in terms of direct and indirect costs, and ownership rights
- relevance and equity

The organisational method defines the nature of the arrangements implemented to manage the collaboration project. The following factors need to be considered:

- financing method
- location of management team and service centre
- business and technological planning and monitoring measures
- monitoring and management process evaluation, performance, rewarding, performance incentives
- means of communication and utilisation of ITCs to co-ordinate efforts

These factors define the particular method of governance chosen to implement and manage the collaboration project. In some cases, it involves a repetition of the factors listed in the previous dimension pertaining to the collaboration process. This dimension provides the opportunity to capture the uniqueness of the public service delivery method.

Performance of the Project and of the Collaboration Model

The performance of any collaboration project must be evaluated in two ways. Evaluating the performance of the collaboration model itself provides the opportunity verify if the method of governance was conducive to a spirit of collaboration and of trust resulting in turn in a feeling of satisfaction among all partners. Evaluating the performance of the service delivery focuses attention on the outcomes of the service program itself.

The collaboration model will be deemed effective if it meets the expectations of all the partners and of the citizen-clients. The following criteria or performance indicators need to be taken into consideration in order to perform this evaluation:

- compliance with government interests
- achievement of initial objectives of each partner achievement of project objectives in terms of costs, deadlines, and quality of service
- equitable division of risks, benefits and resources
- respect of agreements among partners
- relationship of trust and reciprocity
- added value created for the partners
- partners' overall satisfaction

In terms of service delivery, clients and partners consider some criteria to be particularly significant:

- quality of service, reliability, responsiveness, appearance, cleanliness, comfort, friendliness, communication, courtesy, competence, accessibility, availability, speed and safety
- service costs flexibility in terms of volume, speed, specifications and evolution capacity

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- efficient use of resources and productivity
 - innovation
 - respect for public interest in terms of democracy, equity, accountability, transparency and accessibility
 - global satisfaction of service providers

These various indicators allow for the assessment of collaboration project results in terms of achieving objectives as well as the satisfaction of each partner involved in the process.

Clearly, the factors listed herein under the five first dimensions of the conceptual model are not all equally important. Some context-dependant factors either encourage or repress the use of collaboration and help define, at least in part, the adopted mode of collaboration. Other factors, including those presented together in the 3rd, 4th and 5th dimensions directly impact the success of the collaboration project and the satisfaction of public and private partners as well as the satisfaction of citizen-clients, users or payers. We trust that this research project will help identify the critical success factors common to all methods of collaboration and as well as those that are specific to particular methods.

(2) References have been omitted throughout this section for the sake of conciseness; however, they are available from the author.