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PARTNERSHIPS: FROM PAIN TO PROFIT

Ipsos MORI survey finds that executives believe that partnerships can transform our ability to meet business and social goals - but that the relevant leadership capabilities are lacking.

Public private partnerships are an increasingly significant part of the UK economy (HM Treasury reports £46Bn already spent with £26Bn more to be invested by 2010) but historically the management of these projects has been beset by stories of conflict and overrun. Ipsos MORI have recently carried out a survey (commissioned by Socia) to question Directors of organisations who are involved in these partnerships to find the lessons that must be learned from their experience and so reduce the danger of wasting public funds.

The survey headlines are surprising. Despite the well publicised examples of difficult projects, nearly 90% of those questioned think that partnerships have the potential to transform our ability to meet economic and social goals and a similar proportion believe that the benefits of partnership outweigh the costs. There was remarkably little cynicism, with only 1 in 5 viewing partnerships as a 'necessary evil'. This apparent confidence is significant because more than two thirds of those questioned expect partnership activity to increase over the next five years.

Alex Cameron Director of Socia said: *"The Treasury tells us that these partnerships are here to stay consuming 10% - 15% of total public sector investment. We need to listen to the business leaders whose experience can help us avoid the mistakes of the past."*

But the survey also highlights some warning signs for UK PLC.

First and foremost you've got to get the planning right. Almost 9 out of 10 of those questioned said that more careful set-up and planning would have helped them avoid later operational problems. But you've got to plan in the right areas. Leaders acknowledge that their traditional focus on contracts/governance is not where the major gains are to be made. Over three times as many think that in future they should focus on Behaviours rather than Governance to realise additional value. However the issue is that many organisations lack the skills they need in this crucial area. Relationship Management and Collaborative Leadership came top of the list of capabilities that executives wanted more access to when setting up a partnership.

The hardest of these issues is one of control - particularly for those steeped in a civil service culture and held to account by the media. Partnerships demand that organisations share control, but over two thirds of public sector senior managers questioned said that the process of giving up direct control was difficult for their organisation.

David Archer said: *"Clearly the ability to manage partnerships is an increasingly significant part of the role of leaders in the public and private sector. The implication of this survey is that unless we create a generation of truly collaborative leaders we are at risk of repeating the mistakes of the past. Put that in the context of the NHS IT programme or the 2012 Olympics and you see the scale of the challenge."*

Notes for editors

Socia is a Partnering Consultancy, which specialises in working with leaders in the public and private sectors to make business partnerships work. Over the last five years they have facilitated numerous partnerships, collaborating with private sector contractors and central and local government, on significant infrastructure projects in transport, health and IT.

Ipsos MORI's Business Partnerships Survey was produced in January 2007 on behalf of Socia. Ipsos MORI interviewed 92 director level UK executives across the public and private sector by telephone in November and December 2006. All respondents had been involved in establishing or managing long term collaborative business partnerships in their organisation.