The Enabling State: Collaborating for Success

Foreign &
Commonwealth
Office

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Summary

This report is both a comprehensive account of what makes for effective collaboration and partnership between and within organizations, and a contribution to the debate about how at a time of pressure on resources, governments, business and NGOs can do better for less. Collaboration is a simple idea, yet it is often much more difficult in practice.

The big prize is better performance and better governance: making savings through synergies, and involving the people most affected to feel part of the decision-making process, owning the changes rather having them imposed. If regulation is ultimately about how systems connect, and become self-supporting, this report argues that no changes in regulation will work unless we have also taken into account the human side of collaboration. Whatever policies are in place, the tough challenges that we face - climate change, fighting diseases such AIDS, tuberculosis and malaria - require institutions and citizens to work together.

Policy-makers need a framework in which independence, interdependence and dependence all co-exist, and have a part to play, or we risk tackling only part of the problem, and ignoring how the rest of the system responds, and acts on its own. A holistic approach is not just about seeing how a whole system functions, but also about how each of its parts interacts, and generates new problems and solutions, and how one system interacts with another. Organizations now have to respond to that reality rather than work on their own. The thinking and case examples in this report plug the gap between the rhetoric of closer collaboration and what it takes to make it real.

Anger and dissatisfaction with institutions must at some point give way to a more honest relationship and a shared sense of renewal. If governments are to reconnect with their citizens, they must focus both on what their policies are designed to achieve and how those policies are implemented. This means effective engagement with the issues and with others.

An enabling state collaborates for success. Efficiency, effectiveness and engagement are inextricably linked. Working to a common end which no one person or organization can achieve alone, collaboration requires advanced leadership and team-working skills and a change of attitude. We need to get much better at building collaboration and making partnerships work. The growing global role of the East only serves to remind many in the West how much many Asian cultures are built on the importance of relationships and the value put on trust and reciprocity.

Collaboration does not offer magic solutions and is often tough-going. But if done for the right reasons and in the right way, it can open up possibilities and deliver breakthroughs which traditional means of planning and control cannot produce.

Collaboration begets collaboration. There is a proverb used in reconciliation efforts in Rwanda: "to go fast, walk alone; to go far, walk together". In an

interconnected world, it gives us more choice in how we tackle apparently intractable challenges because it tries to tap more of the ideas, aspirations and concerns that are critical to successful delivery. In so doing, it builds legitimacy and commitment, and generates options. Whether the initiative begins at the top or on the front line, collaboration makes it possible to weave together different contributions. Power comes through effective interaction rather than from who operates which lever. The secret of effective leadership is to use one's strengths while not crowding out the strengths of other people and to create the conditions in which responsibility and credit are shared.

Key Conclusions

1. Collaboration is both prevalent and pervasive. It is becoming increasingly important as organizations work with others to build together what they cannot achieve alone. The quality of collaboration and partnerships varies greatly, whether in the private, public or non-profit sector. We are missing opportunities all the time. We use collaboration as part of implementation when we could also use it more strategically and involve others in the very definition of the problem we seek to solve. We use the term "partnership" as exhortation rather than working though what precisely effective partnership means.

2. Collaboration works. But it can work so much better if we treat it explicitly as a resource in which we invest time and energy and if we deal with the complexities of working in collaboration. Our investment in collaboration should carry a return for all those who contribute to it. It has costs, including opportunity costs, but thinking strategically about collaboration makes better use of resources in both the short and long term. Collaboration allows us to handle complex, fast-changing and emergent situations in which we can build intentions with limited knowledge, respond to unintended consequences and implement learning as it happens.

3. Collaboration changes the game. It can produce possibilities that cannot be delivered by conflict and negotiation. But we need to exploit what is changing and dynamic in situations rather than impose our own assumptions if we are to tap the potential of others' contributions. Collaboration can be with a narrow group or a wider network or sets of networks. It can be scaled to fit the nature of the challenge that needs to be tackled.

4. Collaboration changes how people and societies develop. Most social or organizational problems do not lend themselves easily to solutions, not because the technical means

to tackle them do not exist but because the political will and public engagement are not there to make the changes. Markets and hierarchies have their place but we need also to create and support collaborative working on issues that bring sectors, organizations and citizens together. Leadership is not enough; collaboration of all involved is also needed. Collaboration helps us to explore issues of power and explore differing agendas and intended outcomes.

Report structure

Chapter 1:
Understanding collaboration

Defines what collaboration is and the part it plays for governments, business and NGOs.

Successful collaboration integrates common purpose, participation, resources, teamwork and group dynamics. It works with difference (it is something less than complete integration or unification) and commonality (there is some shared goal which is the focus of collaboration).

Chapter 2:
Effective collaboration

Sets out what it takes to build effective collaboration, establish collaborative

partnerships and successfully implement strategy. Spelt out are the approaches, steps and techniques, particularly the relationship model and combining trust and task.

Key to success is value-focused collaboration, and understanding what value means to different people. When tensions are transformed into opportunities, what makes collaboration difficult is made easier and therefore more possible. This involves being firm about some things (such as ends) yet flexible about others (such as means).

Leaders have a crucial responsibility to develop meaningful conversations. The hallmark of an "appreciative conversation" is that people listen without judgment, not seeking consensus or compromise but sharing the sole purpose of continuing the conversation in order to sustain relationships of mutual respect.

Chapter 3:
Collaboration and its impact on organizations

Analyses what collaboration means for decision-making, group dynamics and organizational development. With QinetiQ and others, develops a collaborative partnership model to support organizations through the cycle of steady state, crisis, and recovery.

An organization that is fit-for-purpose should not have to reorganise itself

when it is hit by a crisis. Today's organizations are expected to have enough agility and resilience to respond to shocks. The extent to which an organization collaborates with others depends partly on whether the environment in which it operates is steady or turbulent.

Collaboration gives organizations an advantage in dealing with emerging or actual crises over organizations that do not collaborate. It can be seen as a temporary organization and transitional space in which to foster innovation and learning, essential for long-term survival.

Chapter 4:
Social collaboration: how it can work

Sets out what makes for effective social collaboration, showing how governments, business, NGOs and wider civil society can together make a difference.

Governments can put value as much on being architects and builders (shaping the conditions in which collaboration happens and delivering their part in it) as on being leaders (taking the primary responsibility for securing results). Governments can embrace their role as interested enablers – interested in achieving an outcome, yet open to what it takes to achieve that result. They need to treat others increasingly as equals rather than

adjuncts to governments. Corporate social responsibility is a means for companies to connect better with their stakeholders and customers as well as their own employees. NGOs can play a crucial role in delivering on social goals, particularly in development — but they need to build capability for the challenges that lie ahead. NGOs are an essential social investment.

Chapter 5:
Collaboration and its implementation

Promotes ways to improve our use of collaboration and develop collaborative behaviour – particularly to bring on high-performing teams and to engage better with the citizen. The final chapter demonstrates the link between increasing uncertainty about solutions to problems and the increasing requirement for collaborative resolution. Technologically, we have never been so able to connect. What holds us back is not the technology but the culture and behaviour that go with collaboration. The final chapter shows us how to think more analytically about developing collaborative relationships and to evaluate the impact of their decisions. It provides strong current examples of collaborative leadership across sectors.

Organizations can help empower. But what makes the difference is individual initiative and enterprise, and creating the conditions for mutual respect and trust.

I received the invaluable support of a core virtual team: Mannie Sher, Lorraine Dodd, Dave Marsay and other colleagues at QinetiQ, Alex Allan, Cabinet Office, Roger Miles, Tony Byrne, Michael Schluter and John Ashcroft of the Relationships Foundation, Professor Sue Richards, National School of Government, Su Maddock, Director, Whitehall Innovation Hub, Mils Hills and Jas Marrha of Analytic Red, Helena Memory, Kashmir Birk, Professor Peter Allen and Jean Boulton at Cranfield School of Management, George Eykyn, Andrew Campbell, Danny Rich, David Ferrers, Christopher Lomas, Steve Wells, Mikes Jones, Jeff Miles, Lawrie Siteman, David Rowling, Bev Ashton, Scott Gronmark, May Seitanidi, and Rod Crowhurst from FCO Communication Directorate.

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The British Academy of Management and British Library, funded by the ESRC, gave me a platform to use my work to develop policy on corporate social responsibility; and Cranfield School of Management and LSE, also supported by ESRC, allowed me to bring out the connections between collaboration and the expanding area of complexity science.

Appendices include references and bibliography, case studies and examples drawn from FCO and other organizations, and a survey of experience of collaboration and partnership in different countries conducted with the invaluable assistance of Booz & Co.

Introduction

*A character called Eric,
a postman, is having a bad
time in his life. At a moment
of despair, he wishes that
he could call on his football
hero, Eric Cantona, for advice.
Magically, Cantona appears and
they become friends. Eric asks
Cantona which goal was his
favourite when he played for
Manchester United. Cantona
replies, "It was not a goal, but
a pass." The postman thinks of
the unconventional pass to
Denis Irwin, who scored the
goal. But he asks, "What if he
had missed?" Cantona briefly
pauses, and says, "You have to
trust your team mates - always.
If not, we are lost".*

"Looking for Eric" (film on current release)

A time for collaboration

Collaboration is an idea right for its time. This report shows how. It brings together current thinking and practice on what makes for effective collaboration and partnerships, especially between governments, business and civil society. I wrote it when on special assignment for FCO between July and October 2008 and have recently refreshed it after working with 14 Whitehall departments and other interested organizations.

It draws on the experience of more than 120 organizations and 250 contacts, quoting from a range of sources across the world. It is a living document, aimed at helping people to think through for themselves what makes for effective collaboration.

The benefits of collaboration

Collaboration brings benefits when we invest the time and thought to make it work. I show that this investment can be made worthwhile by providing methods and techniques to achieve success in collaboration. The benefits are significant. Collaborative endeavours

- exploit synergy
- reduce duplication
- produce interaction.

This generates results that would not have been achieved if people had worked on their own. One big barrier that holds people back from fully exploiting opportunities to collaborate is the investment of time, energy and resources often required to make collaboration work. This report shows how we can be more resourceful in using collaboration and partnerships.

Creating a culture of collaboration is the main focus of Local Government Yorkshire and Humber. The Regional Improvement and Efficiency Partnership supports self-directing networks as its fundamental approach to driving improvement across boundaries. One such network is a self-initiated network of Drainage Engineers and others who are concerned with innovative responses to flooding and water management. The scale and nature of the floods in 2007 required a completely different response and so a Learning Alliance has been formed which will enable experience to be shared and will inform policy across the region.

The personal networks of the Drainage Engineers include Rotterdam in the Netherlands and provide new sources of innovation and practice. The creativity and passion of those involved is driving the development of new approaches and responses to the Pitt Review. Their experience and understanding is informing policy and strategy directly.

Carole Hassan, Chief Executive, Local Government Yorkshire and Humber, says, "Working on real issues that impact on people's lives brings an energy to the work and makes the policy and development process dynamic and based on real experience. Connecting the political directly to those delivering and engaging them together in developing policy and working on delivery issues creates a different policy process, more immediate and connecting of the whole system. Engaged leaders from across the region are creating a culture of collaboration based on trust and working on issues."

I draw on empirical research which indicates that the more teams are connected and the more they generate together, the more they achieve higher performance.

We are very good at spotting competition but less good at understanding the underlying collaboration that makes competition work. When a taxi driver exploits an opportunity to get past another driver in heavy traffic, such behaviour at one level is competitive if not aggressive. But, to avoid an accident, that taxi driver has to make a calculation about how the traffic normally flows and to assume that other drivers behave consistently.

Why collaborate?

Complexity science emphasises that the world is connected, whether or not one chooses to make something of the connection. We can either choose to enhance that connection or to work against it. This does not imply seeking consensus, trying to link everything to everything. It suggests working with the patterns and relationships as they emerge whilst keeping open the propensity to re-form and explore new links where there are none.

Complexity science also emphasises that the future is often unknowable, hard to predict, subject sometimes to fast and radical change. Essentially complex and uncontrollable, collaborative approaches can often help to share knowledge, to tease out the best judgments in the face of incomplete information and to weave intentions in a fashion that is engaged emotionally as well as cognitively.

If we accept the limits to making reliable predictions, collaboration has to pay attention not only to the strategy and planning stage but also to reviewing implementation. While a project is still progress, we should check what is working better than we thought as well as focus on what is less successful. There is less separation than we assume between planning and implementation, where implementation itself may illuminate other options or produce unintended consequences of actions which had not been considered.

Complexity thinking stresses the need for collaborative evaluation – where outcomes may be complex and matters of opinion as well as fact. It focuses on learning as opposed to planning, experimenting as opposed to optimising and on a portfolio approach rather than too great an emphasis on efficiency.

Such collaborative approaches will also need a live focus on issues of power and values and intentions. Adam Smith, when expounding the notion of "the invisible hand of the market", warns us that unequal or unexpressed power issues can distort the outcomes we desire. We must be alert to what our collaboration is for. Complexity thinking emphasises that what is there will play itself out. Collaboration is influenced as much by what is not expressed as well as what is; and choosing to disconnect or control will still play its part in the process, whether we intend it or not. The work of the Tavistock Institute of Human Relations is critical to better understanding group dynamics and what is hidden, implicit and explicit in group behaviour. Without such awareness we cannot tap the full potential of organizations, working on their own or with others. Working with Peter Allen and Jean Boulton at the Cranfield School of Management, and Mannie Sher at the Tavistock Institute, I have developed a cross-disciplinary collaboration to use new tools of policy analysis.

Collaboration and diversity

Complexity thinking, in line with Darwin's work on evolution, puts value on the critical importance of diversity — a necessary ingredient for adaptability and learning. To be effective, collaboration needs to support difference and not seek harmony at the expense of critical tension. It also needs to value difference of skill and perspective.

One's own actions can increase or decrease the likelihood that others will behave cooperatively. Critically, they depend on individual choices that are informed by how others are able and willing to cooperate. Whether or not one assumes self-interest

or altruism in others, collaborative behaviour over time makes it more possible to depend on others to achieve one's one objectives. The Relationships Foundation provides a model for assessing and developing effective relationships

Dr Bobby John, a leader in the global health sector, has used collaborative strategy to build coalitions to tackle malaria. He compares two types of partnership, "One is like joining two planks of wood: fitting two inanimate objects and ensuring they stick together. The other, more creative and fruitful, is like watching a team sky-diving: you can't predetermine the ultimate shape in a turbulent or dynamic setting and have to count on how individuals act on their own initiative to work together."

Collaboration makes more of others' strengths and makes allowances for their weaknesses, striking the right balance between telling people what to do and empowering them to use their own initiative. It relies on treating others as equals and builds more honest and supportive relationships that can only increase one's own performance. Collaboration by itself cannot shift the balance of power but it can mitigate its excesses and create opportunities for changing the balance of power. Collaboration takes the vague term "engagement" and gives it teeth: what do we want to achieve together as a result of our engagement?

Effective collaboration requires both an engagement with the issues and an engagement with others. This is based on understanding the other's needs, interests and values, whether or not there is agreement. When the future is particularly uncertain, collaboration builds endeavours that are agile and resilient because they encourage people to shape their challenging environment together. I develop a model that supports organizations through looming and actual crisis, putting them in a better position to survive a crisis provided they invest in learning and use it as an engine for change.

This report is aimed mainly at organizations but one of its underlying messages is better engagement with citizens on their own terms, particularly by governments. Human, political and social rights are not only important in their own right but essential for achieving open, transparent, accountable and responsive government. Governments cannot achieve social change on their own. Lifestyles and behaviours have to change, not just by enforcing compliance but giving people a stake in living their lives differently.

By making the links explicit between engagement, collaboration and complexity science, this report gives governments an opportunity to do policy differently.

We tend to concentrate on describing objects (trains, cars) rather than interactions (journeys, congestion, flooding). Traditional policy development is based on the notion that the past is a good predictor of the future, that outputs can be specified from an appropriate model containing clear and measurable data. This Newtonian view of the world is helpful in situations where the context is stable, where one policy is little affected by others, where little is likely to emerge that is unexpected and surprising.

However, as the world becomes more complex, interconnected, fast-changing and uncertain, the Newtonian, mechanical worldview is misleading and runs the risk of making policy decisions which are not only quantitatively inaccurate but miss whole substantive qualities and characteristics. Complexity science positions Newtonian thinking as a special case and brings to the fore the emergent, interconnected and unexpected developments in the context which policy makers need to consider.

Dealing with the downturn, and preparing for an upturn

The report is a mix of concept, practice and experience. It supports government, business and civil society in achieving their objectives by creating the conditions in which we can trust one another more to achieve our collective goals. Its real value will be in how it is applied to specific challenges during the economic downturn and how it helps us to make the most of the upturn.

When that upturn happens, we will find that, in many cases, "recovery" is not the right word. We will not want to go back to where we were but will need to look afresh at what we have to do. This could mean closer alignment of perspectives and interests, leading to common purpose.

The state becomes more, rather than less, important because it is more of a strategic enabler, as well as a provider. But governments have to trust business and civil society more because they bring expertise, credibility and resources that governments do not have.

Business, particularly banking and finance, needs a broader concept of the bottom line, one that not only takes into account profit but impacts on communities and environment (the sustainable development agenda) and makes best use of resources long-term (the resource productivity agenda, which encourages better choices from start to completion of product and service provision). But government needs to work effectively with business of every size and understand the differences.

Governments and business are ready to work with NGOs even more; but, in return, NGOs need to be even more business-focused and to demonstrate that they can give the best return on investment in areas where they better understand public needs. The best NGOs already do this. The question is whether the Third Sector can use the economic downturn to show that non-profit organizations can collaborate and make better use of resources to deliver public policy outcomes.

Collaboration is more than advanced negotiation

My model is based on a spectrum ranging from conflict at one end to collaboration at the other, with negotiation in between. Conflict essentially assumes that for one party to win another has to lose. Negotiation varies from combative (win-lose) to collaborative (win-win) but essentially assumes that any interaction is about managing trade-offs — even if, with advanced negotiation technique, deals are reached that preserve relationships. Collaboration takes advanced negotiation technique a step further and challenges the ground rules on which conflict and negotiation are based. Collaboration is about facing challenges with a generosity of spirit that invests in the potential of others. It adopts the maxim "If we could work together, then we would stand to benefit more than if we were to compete or work apart."

Collaboration is about assertion and cooperation. One without the other weakens any collaborative endeavour. Conflict when dealt with constructively is healthy and productive.

There are times when collaboration is wrong or inappropriate: sometimes we have to win a conflict outright, avoid it altogether or settle for a compromise. But let us not rush to such judgments.

Collaboration and negotiation are distinct. Collaboration involves not just identifying and securing interests but creating a transitional space for different people to interact and generate something innovative — and even sometimes to change the rules of the game. Roles and boundaries are themselves potentially re-negotiated. Organizations and institutions lose sight why they were created in the first place. We should not make the same mistake with collaborations and partnerships: their temporary nature is an advantage. Participants in a collaborative endeavour must both represent their sponsoring organizations and make the collaborative endeavour work in its own right. This is the big prize that exists at every level of an organization or society and we need to recognise its power and encourage people to use it.

Collaboration: higher performance based on difference

Collaboration is not about cosy consensus or messy compromise. It is about achieving the highest common denominator and it can be uncomfortable. If collaborations are to produce real value which would not be possible without different parties working together, what's needed is not only accepting but also appreciating that working with difference is critical for success. Difference can be tolerated, accepted, appreciated and even celebrated. Competition of ideas is healthy, provided that competition is not a proxy for building or defending egos. Effective collaboration means not only accepting that individuals and even organizations have egos but also going beyond egos and focusing on the benefits that collaboration brings.

High performance rises above compromise. It is not just the product of making the best choices but, crucially, avoiding the need to make unnecessary choices in the first place. The task is not to decide between competing objectives but to bring them together into effective performance on many fronts at the same time. For instance, sports teams stand a greater chance of winning the championship if players focus as much on improving their skills as they do on winning today's game.

One of my main arguments is that effective collaboration is based not on dissolving differences but on making them work. A culture of transparency and candour is the grit in the oyster that produces the pearl. Performance-driven organizations need both focus and inclusiveness. I challenge those who exclusively promote method and planning at the expense of spontaneity and those who believe that it is enough to be present in the moment and go with the flow. Neither, on its own, achieves long-term collaboration. Creativity has to be reconciled with collective discipline. In collaboration, roles and boundaries are themselves potentially re-negotiated — which can produce insecurity and anxiety that also need to be worked through.

Charting a course for collaborative entrepreneurs

We can follow the entrepreneur's example and be creative and resourceful in spotting and transforming opportunities. What entrepreneurs also do is question the ground-rules. Inspired by work done by the Tavistock Institute of Human Relations, I would urge people to treat organizational boundaries not as walls but as a space to re-negotiate. My work is a manifesto for "collaborative entrepreneurs", whether they operate in the private, public or non-profit sectors or in the spaces between. Michael Schluter of the Relationships Foundation, the think tank for a better

connected society, has done much to understand relationships as a way of supporting democracy and the market economy. My work is aimed at developing a cadre of people at all levels of an organization who create opportunities to make collaboration work, who invest the time and energy to work through the inevitable tensions that arise between people with different personal styles, interests and agendas, and yet who keep focused, inclusive and tenacious at extracting value from our collaborative endeavours.

Leaders and organizations benefit from making more explicit the scope and limits of collaboration and from becoming even more strategic about using collaboration and building partnerships. Involving others should be thought about much earlier in any decision-making process. Even in a crisis, one should make time to consider other perspectives. If problems are defined from a variety of perspectives, the likelihood is that more options will be generated and better solutions found.

The best way to plan for uncertainty is to increase one's options. Collaboration creates additional possibilities whether the problem is "tame" (that is, open to a solution) or "wicked" (not easily lending itself to a solution). But collaborations will not generate possibilities unless the group can function as a group rather than as a vehicle for the blind implementation of one set of interests.

Much is said about the value of leadership but not much is done to develop collaborative leadership. We do not want strong leaders whose strengths crowd out other people's strengths but strong, collaborative leaders who bring out the leadership potential of others. If we want people at every level to take responsibility, we need to encourage them to use their judgment and discretion to make the best decisions. If power is to be effectively devolved, authority and responsibility must follow it.

Su Maddock, Director, The Whitehall Innovation Hub, says that collaboration is a valuable but "under the radar" skill in government. The network form or organization has become accepted in the post-production age as an alternative to the closed, highly-structured organizations. Maddock highlights that networking and collaboration have slightly different reference points, "Collaboration is between people, whereas a network is an organizational form". Networks tend to have a business focus, and emphasise the "win-win" relationship between agreed goals, not necessarily challenging existing practice or imply the need for systemic change.

Collaboration and innovation

Collaboration provides the transitional space for innovation to flourish. It requires of leaders and teams that they take an imaginative leap, taking into account other perspectives and allowing something new or different to emerge that could not be achieved if they worked alone.

It is a test of interdependence and independence; and the challenge of innovation particularly draws this out. Innovation is about bringing ideas to market. However interesting the idea, the market has to be receptive. A good metaphor is a heart transplant. The operation cannot be judged successful until one is sure that the body's immune system has accepted the new heart. The even bigger challenge is effectively a collaborative one, bringing "old" and "new" together and understanding that changes have to be absorbed by the host body. The new and the old have to work together.

Collaboration delivers innovation by understanding what brings about successful integration. We need to achieve innovation not only in services but in systems and organizations. Collaboration provides the surest means to make a radical transformation that carries thebroadest support and will be properly owned and implemented. Laws, regulations, codes of practice, structures, systems and processes do not themselves deliver the judgment and initiative that we need to unleash to make changes work. My collaborative strategy gives everybody a framework in which to rise to a common challenge and play a unique role. There is a certain perspective that one can only get from being at a distance, and seeing why there is such a gap. In making collaboration work, one of the most difficult personal challenges is to try to step outside the system as a way of stepping back into it. We never really step out, and it is being so close and not far enough that is particularly challenging. The challenges are not just intellectual ones, but emotional and inter-relational ones.

Peter Senge and others last year published a far-reaching book, "The Necessary Revolution: How Individuals and Organizations are Working Together to Create a Sustainable World." It explores what it sees as already emerging: a world in which corporations are forming partnerships with environmental and social justice organizations to ensure better stewardship of the earth and better livelihoods in the developing world.

Senge says, "It is almost tautological that fundamental innovation rarely comes from the mainstream. Dominant incumbents in industries rarely pioneer radical new technologies or products. New social movements do not come from those in the centres of power. The same will hold true for much of the leadership required to create a regenerative society Look to the periphery, to people and places where commitment to the status quo is low and where hearts and minds are most open to the new." (p364).

His book was written just before the credit-crunch and the worsening economic recession, but is now even more relevant. The aim of my report is make the kind of arguments that Senge deploys urgent and important to the mainstream, so that the mainstream can lift its sights to want to innovate, and take certain risks so that it not only addresses the short-term, but builds for the long-term.

What is collaboration?

Collaboration involves individuals and organizations working together rather than going it alone. Although one can associate collaboration with big set-piece public endeavours that draw on the combined strengths of a range of organizations, the phenomenon of collaboration is just as likely to be small or unnoticed — often deliberately so. It can involve multiple parties working on multiple issues at multiple levels — but it can just as easily be focused on a single issue with just two players.

The simplest definitions are often the best. Since agreement on meaning is itself collaborative, I asked 50 contributors what they meant by "collaboration", "partnership", and "collaborative partnership". The most uncontested definition was the shortest: collaboration is two or more parties working together.

Beyond this definition, collaboration becomes more contentious. It is not necessarily about shared values, shared goals or even the same interests. There is something in common, but that "something" is not the same across all collaborations. Collaboration includes thinking and planning as well as action. And, invariably, collaboration is not just about working together but working through a problem or challenge. One management consultant with a background in psychology said: "I can't

collaborate with my exact replica. There has to be a difference between us on which we decide to focus and overcome — or at least work through."

One theme running through this report is that working with difference is essential to making collaboration work.

Meades and Schluter (2005) say that collaboration implies both difference (it is something less than complete integration or unification) and commonality (there is some shared goal or activity which is the focus of collaboration). "Collaboration is also about relationships – working together and not just alongside. It implies more than activities which overlap or interact in some way and would normally include some conscious interaction between the parties to achieve a common goal. However, an individual's actions may be interpreted by others as part of a broader collaborative endeavour whether or not the individual sees his or her contribution in this light." (Meades and Schluter, 2005, pp 16-20).

Meades and Schluter distinguish the functional and transformative purposes of collaboration, showing that collaboration is a rational strategy to achieve certain goals. The process of collaboration may change the participants, empowering individuals and communities and strengthening civil society. These development goals may be an important policy objective in

themselves — particularly in an international context.

Not surprisingly, collaboration can involve many complex, inter-acting collaborative endeavours. Meades and Schluter explore this with emerging public health networks where different interactions at strategic, executive, operational and technical levels can be discerned. Collaboration is required to ensure strategic coherence of goals and priorities. Such coherence needs

collaboration between executives of relevant agencies to create the organisational context for operational collaboration in the delivery of services. This has to be complemened by technical collaboration, in this case within public health networks where technical expertise distributed amongst a range of professions and organisations can be brought together for the benefit of a number of organisations. An individual may be involved in relationships at more than one level.

Figure 1.1: A taxonomy of collaboration
(Source: Meades & Schluter, The Case of Inter-Professional Collaboration in Health and Social Care, 2005)

Aspects of collaboration	Examples of their expression
Goal	Functional or transformational
Level	Strategic, Executive, Operational, Technical
Process	Co-operation, Co-ordination, Exchange, Sharing
Structure	Networks, Teams, Pathways, Partnerships, Area based initiatives, Merged organisations
Power and Influence	Participation, Empowerment, Co-option and control, Infiltration and subversion
Proximity	In time and/or space
Duration	Temporary task focused or longer term strategy
Complexity	Bi-polar or multi-polar

Collaboration, partnership: words that help, words that hinder

The terms collaboration, partnership, cooperation, alliance and coalition can all be used to describe the phenomenon we are discussing. It involves different parties coming together to use their combined strengths to secure their own interests; or the interests of somebody or something else; or both. The terms can either be a barrier to understanding or a lever to ensure joint working.

Sir Bob Reid, Chairman of ICE Europe, distinguishes between collaboration and co-operation. "In my experience, co-operation leaves the owner of the initiative with leadership. Progress depends on how easy it is to get people to help — and that is not always easy," he says.

"Collaboration starts from the point of joint ownership. The difficulty here is deciding what you actually own. This becomes more complicated when money inputs are concerned. This will be as relevant to government departments as it is to industry."

Collaborations can be understood as relatively neutral descriptions or as establishing a norm. In management research, the term is broadly neutral. Management researchers explore collaboration as something similar to, yet different from, negotiation.

In countries that retain deep memories of collaboration with totalitarian regimes, the term is best avoided unless carefully qualified. When I met government and civil society colleagues in France and Poland, we acknowledged the negative historical connotations that "collaboration" carried. Although in some other parts of the world it is still a derogatory term ("collaborating with the enemy"), it now generally has a positive meaning.

Some of my respondents question the wisdom of labelling their activities in this way because of the baggage associated with the term. But nobody had any difficulty with the concept of working together and co-operating to achieve results.

Looking back at the World Summit on Sustainable Development in 2002, itself a milestone in creating partnerships between state and non-state actors, one British government official responsible for setting up environment partnerships with civil society now wonders whether the term "partnership" has become unhelpfully loaded. "Partnership implies we want to hug one another, or should do. This can get in the way of dispassionately aligning interests and then taking the next step of exploring whether a deal is even possible. The presumption of partnership can be totally counter-productive, even if that's precisely where one wants to end up."

Do we need to use the term collaboration at all? Two recent examples of working with the media show the phenomenon of collaboration at work — though the term was not widely used.

At the recent WTO negotiations, some governments informally worked with the media to share information about progress and setbacks, policies and tactics. Were governments and media partners? Both would rightly reject that description. Were they collaborating? Up to a point; but what they did together was enough to make the collaboration worthwhile. It was aimed at exchanging information, which each could use for its own ends: the media to improve their reporting and analysis, the governments to check on what other governments were saying or not saying.

The agreement between the Ministry of Defence and media organizations not to disclose Prince Harry's presence in Afghanistan was a successful collaboration that produced benefits all round — though some journalists questioned whether a deal should have been done. Broadcast, national print and local print media covered different aspects of the story over three or four days.

Any breach of the agreement would have denied the media the story they had wanted because the Prince would not have been able to carry out his duties if his deployment had been made public at the time. The story did leak, but only after four months. During that period, as many as 4000 journalists were party to the private understanding.

Bob Satchwell of the Society of Editors, an organization that represents 450 regional and local newspapers, told BBC Radio 4 that the media had misgivings and the planning took time, "But at the end we had superb access. The public saw the Prince in a way they hadn't seen before." Jon Williams, editor of BBC World News, adds: "For media organizations to accept the arrangement, the Ministry of Defence had to make a compelling case. This was to protect the safety not just of one soldier, but a whole group of soldiers."

What forms can it take?

There can be a spectrum of collaboration, from specific time-bound alliances to longer-term genuine partnerships. The nature and form of collaboration are also affected by the number and type of organisations involved, including business, NGO,

government) Cropper at al (2008b) suggest that the relationship has three dimensions:

- content (flows of information and resources),

- governance mechanisms (such as the degree of trust, contracts and other controls); and

- structure (the diversity of relationships within a collaboration; the intensity and clustering of them).

Collaboration can be very public. But it may also take place in private between two institutions sharing similar goals though different profiles. One partner may not wish to be seen as active on the issue but may still hold the key to contacts and information.

The experience of the armed forces provides an insight into two levels of collaboration, operational and strategic.

Soldiers are trained to understand rules of engagement and apply that understanding to the needs of a particular situation. Members of a unit may have different roles and yet need to perform as a member of a team. To the extent that a particular member of the unit focuses on the task in hand, that task is de-conflicted from the rest of the operation. But it is likely that, even when focusing on a particular task, the individual's activities will have to be

co-ordinated with those of the rest of the team.

At a strategic level, the activities of a single team may be de-conflicted from the rest of the operation yet must also be synchronised with the effort of other teams. This can be summed up as: "Let them just get on with it; they know what they have to do."

The experience of optimising returns from supply-chains also highlights the value of collaboration. Toyota understood early on the need for wider collaboration with its suppliers. In an example he uses on the negotiating programme at Said Business School, Professor Leonard Greenhalgh shows that, in creating the field for rival suppliers to compete for its business, Toyota deliberately doesn't choose a single supplier but gives business to the two best companies.

The better of the two gets the majority of business, but the runner-up also benefits. It's in the interests of each company to work closely with Toyota and also to improve their performance in relation to the other company. Price matters, but so do other factors.

Because any deal with Toyota takes into account its implementation, it's in the Toyota and its suppliers need to work though all the key issues that affect performance and service. Over time, standards of other suppliers are also

driven up as they learn what makes the successful bidders effective. As business grows, Toyota develops a network of suppliers that have a share in its growth.

What these two examples share is a mix of the strategic and operational. Given that a concern for many organizations is turning strategy into delivery — one needs a good strategy, but great implementation — collaboration needs to be a more explicit part of delivering objectives.

The nature of collaboration

Collaboration inherently involves more than one person or group working with another person or group, usually but not always having the same interest or stake in the outcome. Governments work with other governments often in the hope that there will be common ground, though they do not always start from that position.

In their book Managing to Collaborate, Chris Huxham and Siv Vangen develop the concept of collaborative advantage, which refers in a broad sense to "achieving something that could not have been achieved by any one of the organizations acting alone".

Collaboration is more durable when the will to collaborate is persistent enough. It's not always a choice. In international institutions, a country can choose to collaborate and can

also be manoeuvred or forced into collaboration. Organizations receiving funding might want to collaborate — or be required to do so — as a condition of their support.

Collaborations may be voluntary or imposed by other participants — though some of my respondents argue that imposed collaboration is not collaboration at all. Whether the collaboration is coerced or voluntary, it is important to qualify the degree of choice and scope for discretion. Collaboration is about finding or creating common ground. If we want effective collaboration, we have to suspend our assumptions. I explore this further in the next chapter.

One of the big dangers that collaborations face is inertia. In Chapter 2, we shall look at what gives collaborations focus and momentum — and what causes them to get stuck, sidetracked, hijacked or polarised.

Collaborations are not a substitute for effective leadership. They happen because somebody wants them; a group sets them up and makes them work; others provide support; and people supposedly benefit. For any given collaboration, one can identify sponsors, participants, supporters and beneficiaries. Programmes and projects are collaborations. But collaboration can involve more than just programme and project management.

What grounds collaborations

Collaborations are a means to an end. They have a purpose, preferably a focus on a specific aim — a common cause which the collaboration is designed to achieve because of the combined involvement of multiple parties. General Sir Rupert Smith, who led the UN Protection Force in Sarajevo and other complex collaborations, argues that what he calls the "common end" — though important enough to hold the collaboration together — need not be very complicated.

Respondents differed as to whether collaboration is grounded in agreement or in relationship. The further east one travels, the less that collaboration involves working with a specific contract and the more it becomes a matter of developing a relationship over time. Islam specifically forbids "unfair advantage" in commerce; and this has an important effect on contracts.

Fiona Hammond, a leading contracts lawyer with twenty years of experience of the construction industry, distinguishes between the collaboration and the relationship that underpins it.

"The two should not be confused," she says. "What matters in a collaboration is what contributes to achieving an end or objective. What contributes is effective; what doesn't is ineffective."

Hammond suggests that contracts should be structured to share risk and enable solutions — so that they are not used competitively and defensively when things go wrong.

But however important the focus is on purpose, collaboration also depends on making relationships work. Resorting to the letter of a contract can only achieve so much. Far more important is the spirit in which an agreement is reached with partners, contractors, suppliers, one's own team, other teams and with employees. Despite good intentions, many contracts, mergers, acquisitions and political collaborations fail because insufficient focus is given to implementation.

Collaboration is more than negotiation

Collaborations are not usually one-off settlements. Collaboration is an integration of common purpose, participation, resources, teamwork and group dynamics — dealing at its most complex with multiple issues, multiple parties and at multiple levels. They are dynamic, responding to emerging changes over time. At their best, they become more effective in response to change. This means not only tolerating but embracing complexity, uncertainty and ambiguity.

Collaborations have this in common with sophisticated negotiations: while being clear about goals and what can and cannot be conceded, they create space and time for gathering information about interests. At the same time, those involved are building relationships, exploring options for possible agreement and achieving agreement with the confidence that it can be implemented.

Harriet Harman, when minister at the Department for Constitutional Affairs, commissioned a pilot campaign to boost electoral registration in London ahead of forthcoming local elections. The collaboration involved her own department (now the Ministry of Justice), the Mayor's office, the Greater London Assembly, the London boroughs, Operation Black Vote and the Electoral Commission. Its objective was to increase the number of registrations by reaching black and Asian youths in new ways.

The combined resources of those involved in the collaboration were critical to its success. Her department's financial contribution was ultimately matched five-fold — not through agreement at the outset but through interest and commitment inspired by the process of collaboration.

The framework of the campaign gave each partner opportunities to contribute more of their own ideas, skills and time.

A tough deal at the beginning of the process — "If you put X in, we'll put Y in" — might have set a minimum but could not have secured a maximum. Only the shared endeavour to build commitment and momentum inspired parties to give more.

Harnessing potential

What gives collaboration its focus and momentum is when it goes beyond superficial interests and taps the potential value that a venture can bring. Trust is what makes this possible. Professor Gillian Stamp of BIOSS thinks of trust not as a "warm fluffy" but as conscious regulation of one person's dependence on another. Stamp uses a tripod of "tasking, trusting and tending" as a way of thinking about the conditions for people to thrive.

This approach can be used to look at any relationship or set of relationships. Tasking involves clarity of intention and limits (for instance, of resource, time, quality) within which discretion can be exercised. Trusting means entrusting people with purpose and letting them use their judgment to use it. Tending is "the working that keeps things working", the mindfulness that keeps an eye on the interweaving of purpose, people and processes through time. In short, tending is the vigilant trust that actively manages risk. Vigilance is about having an eye for threat and opportunity.

Trust becomes not just a prerequisite for the effective conduct of business but a way of creating confidence in overcoming barriers. According to Stephen Winningham, managing director of the financial institutions department at Lloyds Banking Group, what gives his bank a competitive edge is its value as a trusted adviser, tailoring solutions to a particular client's requirements. This means having to understand the client's needs complex needs and building a relationship with that client over time.

"Every context is specific, whatever you've learnt in previous situations," he says. The clients need to know that you're trying really hard to understand them and do the best for them. This means concentrating on the relationship as a means to driving the business."

If an organization wants to be worthy of trust externally, it has to trust and be trusted internally. Organizations that are too focused on developing their top leadership miss a wider collaboration, tapping the potential for discretion and initiative in their ranks. Implementation is done not only by the middle ranks but led from the middle, through direct lines of reporting and interaction with other networks. One senior diplomat says: "We need to put more value on the middle and the front-line of organizations." Even organizations with strict and disciplined hierarchies realise that there is only so much that

"rank on one's shoulder or down one's arm" can achieve.

After four years' research into the private and public sectors and contact with 33 million respondents, David MacLeod and Chris Brady show in their book The Extra Mile that people who are engaged often go beyond the call of duty to increase quality, improve customer service or cut costs. They bring fresh ideas, and infuse their teams with their own energy and commitment. MacLeod and Brady argue: "You need people both engaged and aligned… And you need to make sure that everyone knows that engagement matters, to them and to the organization. Above all, the various foundations and pillars come down to one overriding principle: mutual trust."

Trust plays a pivotal role in the establishing and nurturing of networks. Whatever vision, strategy, processes and reporting-lines are in place, it is networks that get business done. Diplomats know the value of developing networks as a source of information, perspective and opinion — and as a way of identifying whom best to influence. Bob Metcalfe developed the formula that the value of a network is equal to the square of its membership. A ten-person network is worth 100 but a 20-person network is valued at 400. Alan Fox distinguishes between prescribed and discretionary trust to show that effectiveness and

fulfilment in work are intimately linked (Fox, 1974). A contract is an example of prescribed trust. As an individual progresses from simple to more complex tasks, decisions are required from him or her. These decisions require judgment — and therefore discretionary space. Collaborations expose organizations and those who work in them to greater degrees of complexity and discretion.

Elliott Jaques's work on organizations (for example Jaques,1990) identified different levels of responsibility for dealing with tasks, depending on their complexity. The lowest level involves the performance of a specific task; the level above requires supervision of a combination of tasks; and at the level above that there is oversight of a whole process. On this model, the higher levels require judgment to manage a set of processes and to decide how they might be improved. Collaboration and innovation inherently involve handling higher levels of complexity.

Empathy and understanding the other's perspective

Collaborative behaviour, though highly desirable, is not essential to the success of collaboration. To achieve results, a venture must focus on securing its objectives. Feelings of collaboration or partnership may hinder this effort. It is far more important to understand someone else's perspective than it is to show empathy for it — and the two

responses should not be confused. (Galinksy et al. 2008) That said, experienced collaborators and negotiators I spoke to said that demonstrating empathy can prove decisive when it prepares the ground for a breakthrough that would not be achieved just by deploying rational argument.

Stamp distinguishes between cognitive empathy (understanding the other's situation and their reaction to it) and compassionate empathy (not only understanding, but also taking account of, the other's situation and their reaction).

Because collaboration has a high element of uncertainty to it, in my view it is prudent to increase one's options and show both cognitive and compassionate empathy. To engage effectively requires both engagement with the issues and engagement with others. To be authentic, that engagement must be based on trying to connect with the other's needs, interests and values. But connection does not imply agreement.

Huxham and Vangen (2005) develop a model (Figure 1.2 below) to demonstrate that one needs to act in the spirit of collaboration (embracing, empowering, involving, mobilising) and with collaborative thuggery (by making things happen through manipulating the collaborative agenda and playing the politics). They go as far as to say

that "successful leadership seems to imply the ability to operate from both perspectives and to continually switch between them, often carrying out both types of leadership in the same act". This model reflects accurately the tension in collaboration between achieving a result and keeping the group together. But my own approach to collaboration will show that the tension can be turned into an opportunity to drive performance and ensure the fullest participation, where every party has a stake in making the endeavour a success.

Collaboration can be used to support different leadership strategies, with the nature of the problem determining the type of leadership style required. What's needed are the patience and persistence to engage; to manage the tensions and dynamics; to explore the options; and to secure real commitment.

Collaboration can nevertheless be understood through the lens of conflict management and resolution. Competitive behaviour gives rises to assertion without cooperation; compromise requires cooperation while

giving way on assertion (see Appendix: Thomas-Killman model). In principle, assertion and cooperation can go hand in hand if there is a commitment to face issues and deal with them. This challenges organizations that equate collaboration with consensus. If constructively managed, confrontation can reduce conflict.

In chapters 2 and 5, the approach developed — strategic pragmatism — takes these insights into account and makes the dynamics work through effective leadership, developing trust and embracing risk.

Drivers for collaboration

Collaboration has become more important because of four driving forces:

- globalisation
- changing environments
- changing boundaries
- strategy

Globalisation

Globalisation produces complexity and uncertainty, challenging boundaries that may be economic, political or cultural. We can see the possibility of tackling

Figure 1.2: The essence of leadership for collaborative advantage

(Source: Vangen & Huxham. Enacting Leadership for Collaborative Advantage. British Journal of Management, 2003, 14 (1) p.S74. Republished in Huxham & Vangen (2005))

From the spirit of collaboration …

EMBRACING — embracing the "right" kind of members

EMPOWERING — empowering members to enable participation

INVOLVING — embracing the "right" kind of members

MOBILIZING — mobilizing members to make things

The essence of leadership enactment for collaborative advantage

MANIPULATING THE COLLABORATIVE AGENDA making things happen

PLAYING THE POLITICS making things happen

… towards collaborative thuggery.

common challenges and exploring common opportunities; yet we are also more aware of how deep the differences are. These we might choose to ignore, overcome or accept and even appreciate. Collaboration can be both a symptom of complexity and a way of working though difference.

Uncertainty may make us more vigilant about whom we choose to trust or do business with. But this vigilance also obliges us to look as much for the opportunity as for the threat. And because we cannot control even most of the consequences, we have no option but to work with others. In stable environments, we can occupy ground, compete for it, reach accommodation with our competitors or destroy them. With the growth of globalisation, the world is changing at such a pace that it is more likely that we will have to work together. If the focus of organizations becomes what happens when they interact, collaboration will effectively become their centre of gravity.

Changing environments

There are other factors that make the environment more conducive to collaboration.

- connectivity, particularly the new ways in which the internet enables us to work together

- the multiplicity of 24-hour media channels, highlighting issues and crises as they develop

- the complexity of needs, wants, expectations that state and non-state actors respond to

- the greater importance attached by many governments and businesses to the more discerning and demanding consumer, and

- the speed at which information, and therefore decisions, may travel.

What accounts for the dynamic character of how organizations interact is their relationship with a changing environment.

The environment that organizations now inhabit is turbulent: the very ground on which they operate is in motion. In these environments, individual organizations cannot be expected to adapt successfully through their own direct actions. But they find a solution: the emergence of values that have overriding significance for all.

Common values provide a coherent framework in which to operate. The simplest value that all can accept is having an interest in an outcome; and, with it, the notion of advancing that interest. One shared interest might be to introduce some steadiness in an otherwise turbulent environment

(see the seminal paper written by Fred Emery and Eric Trist in 1965).

However little one can do to shape the bigger environment on one's own, collaborations provide an incentive to shape one's immediate environment — effectively creating a mini-ecosystem. As collaborations create a space in which boundaries are temporarily crossed, opportunities emerge to tap the greater potential of participants in different organizations and to shape environments.

Changing boundaries

Collaboration builders know how easily boundaries between organizations can be put to one side, putting at risk both the collaboration and the organizations that it is designed to serve. One of the dangers is that teams of collaborators may identify more with the collaboration than with the organizations that they represent. This may be a particular problem for the parent organization if people receive more affirmation from the collaboration than from their parent organization of their skills, their judgment, their creativity or of themselves.

But managing boundaries also presents opportunities for innovation and growth. A small example shows how collaboration can give birth to something potentially greater than itself. The United Nations Environment

Programme (UNEP) developed a finance initiative which made a slow start in the 1990s but which has gathered enomous momentum since 2000. It succeeded in creating funds for responsible investment by tapping a sizeable share of global equity markets.

Under a UN umbrella, it brought together banking and financial institutions under principles of responsible investment. But the initiative needed to be run by the financial institutions themselves. The GS Sustain framework, which was developed partly in response to UNEP's finance initiative, is now being used to analyse the performance of over 500 clients worldwide on environmental, social and governance factors as well as performance and value.

Strategy

Strategic planning is increasingly common among most organizations researched for this report. Having a strategy gives the leadership of organizations choices, rationale and support to make changes. Organizations have no option but to be more strategic in the face of greater competition, giving staff freedom to act within an agreed strategy. McDonalds told me that it attributes its continuing global success to the scope it gives its local branches to operate effectively in their immediate environment within an overall framework.

PricewaterhouseCoopers ensures that its businesses in each country function as national entities, consciously developing its leadership so that it is better able to connect with the local environment.

The principle of having a strategy is becoming more established. The bigger challenge is being strategic and turning strategy into effective delivery.

Some business managers in the oil and gas sectors and in pharmaceuticals told me that they were more strategic than government in some ways because they had to plan many years ahead. They also challenged the notion that there was a choice between competition and collaboration, "Depending on the opportunity, you have to do both. You can often collaborate with another company on one project and compete with it on another. Having to do both keeps you focused yet open to doing things differently."

With a more strategic mind-set, collaboration is seen as crucial to achieve goals, either in steady or turbulent environments. Because so few environments now are seen to be steady, some time and resource is put aside to plan for different scenarios and this quickly prompts organizations to think not just of their competitors but of potential collaborators. Behaving strategically in turbulent times is essential. Without the wider perspective, opportunities and

threats will be missed and short-term actions will prove unsustainable or even counter-productive. But, even in steady environments, collaboration gives government and business a way to tackle larger-scale challenges.

Shell International says it wants to increase its strategic relationship with civil society because it has to manage both the technical risk of oil and gas exploitation and the non-technical risk of ensuring that it operates with the support of local communities. Both International Alert and Living Earth Foundation confirmed to me that Shell had moved a long way, from dealing initially with some NGOs on an ad hoc and often reactive basis to a more strategic relationship. "In the 1990s, they tended to get in touch with us only when they got into trouble," said one civil society leader. "Now, Shell says it is in the company's interest to get an independent but informed perspective of whether a particular plan will work."

Collaboration between governments, business and NGOs

All governments researched for this report say they are witnessing more interaction between state and non-state actors, although they have different policies for engaging with business and civil society. Chapter 4 focuses on relations between governments, business and NGOs, exploring the scope for greater collaboration.

Government and business

In the UK, the relationship between government and business is particularly useful. This relationship exists between government as whole and representative bodies such as the CBI as well as between individual departments and business leaders.

In the UK, BIS (Department for Business, Innovation and Skills) and the Treasury have very close contact with business. However, other departments also work on shared challenges. For example, the Department for Energy and Climate Change and the FCO are working with business to assess the scope for innovation, linking the climate change agenda to building a high-growth, low-carbon global economy.

A senior figure at the CBI says the issue of climate change demonstrates how receptive business can be to the political leadership given by government. "But if government is genuine about greater collaboration with business on climate change," he says, "then it needs to do its bit to deliver on planning and other policies that create the conditions that allow business to take longer term decisions to develop a low-carbon economy."

To obtain first-mover advantage, companies are now competing in working out how to make money by developing a low-carbon economy.

But one government official believes that business should still take more account of the costs of not pursuing low-carbon alternatives.

The climate change agenda highlights the link made between collaboration and the difficulty of the challenge. It is precisely when it is most difficult to find a way through a problem that collaboration becomes most necessary.

Government and NGOs

Respondents say that governments and NGOs are thinking increasingly about the quality of their interaction. But this has yet to translate into systematic evaluation that would be useful to both parties. If governments are not careful, they risk going from sporadic contact to a scatter-gun approach which promises much but delivers little, either to governments or to civil society.

Many government officials and some NGOs remain sceptical of the type of random engagement that governments sometimes conduct, more geared at positioning government as open and engaged than at involving third-parties in policy design and implementation. If broader engagement strategies are pursued, they have to build on successful engagement on single issue topics. Chapter 5 includes some pioneering work by the British government, operating with civil society in policy areas as varied as pensions and

criminal justice. A crucial test for many NGOs is engagement on policy design and implementation while managing their own expectations of the influence that they can exercise.

NGOs want an honest relationship with government. Talk of collaboration and partnership can sometimes mislead and may therefore be counter-productive. Tom Porteous of Human Rights Watch says that he regards the British government as an ally on rule of law but a target on human rights. He recognises that the FCO understands how to engage with NGOs on human rights but believes more could be done to address his concerns. "Human Rights Watch, unlike many other NGOs, could never be partners with government," he says. "We need to be independent, and to be seen to be."

NGOs say that if there is greater contact with government, people need to be persuaded of the benefits. Some NGOs also express frustration that building longer-term relationships is often made more difficult because of the size of government and turnover of officials. "It's in our interest to deepen a commitment to an issue on both sides," one says. "If a key civil servant moves on, particularly when there's no adequate handover, you have to start from scratch. This can be a tactical advantage, but over time it means the relationship is more superficial than it

need be." Other NGO leaders I spoke to were even more concerned about the problem of mobility and turnover of government staff. Public sector bodies might have very good policy or human resources reasons for moving staff, but this imposes costs on other organizations. One smaller NGO said that when their public sector contact moved, the project effectively ended, "We would think again about ever working with that organization. We had invested heavily in the relationship. There seemed to be no adequate handover or policy continuity when the new person took over."

Government, business and NGOs

Both governments and business recognise the need to engage more effectively with civil society. But a senior director in a multinational company articulates a recurring concern. "It's one thing involving NGOs in some of our activities: that's healthy and useful. But if it's about commercial risk, the company pays — and therefore there are real limits to how closely NGOs can be involved. We shouldn't set false expectations. That's bound to disappoint."

Government officials make a similar point, although they regard NGOs as there to inform policy decisions rather than to dictate them. One conflict-prevention NGO sees problems in this.

If governments are increasingly drawing on NGOs to deliver services on the front line, officials must still listen properly to NGOs when drawing up their plans. Otherwise, there is a risk that strategy will be divorced from experience. Ipsos-MORI's research in 2004 with NGOs, members of the public and experts in corporate social responsibility found that 86% of the 21 NGOs who took part had close working relationships with companies. A similar percentage felt that companies and NGOs should work towards more co-operative relationships in future. In 2005, when the survey was repeated, researchers found that 90% of NGOs were aiming to work with more companies "in the next year or two" (Ipsos-MORI (2005) p3).

Companies have various motives for collaborating with NGOs and government. An important one is the hope that companies will learn from their NGO and government partners and apply that learning to benefit their business as well as the partnership overall. (See, for instance, Journal of Management Studies special issue on inter-organizational knowledge transfer, June 2008).

Changing role of NGOs

The NGO role is not identical in every country and in every sector. Failure to see NGOs in their different roles is a

recipe for misunderstanding their interests and the value that they can bring to a relationship, whether it takes the form of collaboration, partnership or something else. Regardless of whether NGOs are large or small, global or local, they have at least one of five possible roles

- Advocacy: pursuit and promotion of policy objectives

- Delivery of services: complementing or substituting for government or other public services

- Enabling solutions, working with government or business

- Improving governance, the rule of law or transparency

- Harnessing existing or new markets in countries where NGO credibility helps business achieve local support.

If there is a single common denominator, it is the NGO's ability to make a tangible difference on a specific issue. Even though governments, business and NGOs all identify their respective roles in serving citizens, they each acknowledge that citizens' needs and concerns are a more important influence on their organizations. Collaboration with others is a better way of meeting citizens' expectations. When effective,

collaboration involving local communities can close the both the democratic and the delivery deficit.

The issue most frequently raised by governments and business is how representative NGOs are and how much they can find solutions to the issues they champion.

Le Grenelle de l'Environnement, President Sarkozy's comprehensive initiative to involve civil society on sustainable development policies, tries after years of disagreement to turn the achievement of working with 330 stakeholder representatives — NGOs, local authorities, trade unions and employers' association — into a specific legislative programme. French environment and development NGOs were sceptical at first about how much would be achieved by such a process. But a combination of political commitment (the initiative was driven by the Ecology super-ministry) and sophisticated programme management has enabled France to complete its first phase. This has given French NGOs greater confidence that they can be more involved in the design and implementation of future policies. Interestingly for the democratic process, the Grenelle — a term borrowed from the clashes of 1968 — was problematic for some French parliamentarians. They had to come to terms with a form of democratic engagement which,

depending on one's point of view, either competed with the legislature or complemented it: see Hudson and Anstead (2008).

The example of CTS Mexico shows that a NGO can fulfil a combination of roles. Working with the Mexican government and the city authorities to design new sustainable bus services, CTS's aim is to develop low-cost, accessible and environmentally friendly city transport as a cheaper alternative to underground trains. Asked what makes her organization different from a pure consultancy, its director, Adriana Lobo, says: "I have a social mission, and I use my technical expertise to achieve that mission." CTS Mexico is part of a network of similarly focused NGOs in India, Turkey, Brazil, and soon Andino.

The role of NGOs is evolving. NGOs themselves recognise that thinking more strategically about collaboration and partnership clarifies their role in adding value, raising finance and managing the expectations of its stakeholders. One leading figure in a development NGO says that it is time for a greater realism in the relationship between "northern" and "southern" NGOs. "Let's not pretend it's some cosy partnership of equals when some of the time it's effectively a commercial relationship between a client and a provider. It's none the worse for that. NGOs are also businesses."

Greater collaboration and the development agenda

Ashraf Haidari, political counsellor at the Afghan embassy in Washington, says there is a challenge of collaboration at every level. As well as arguing for more resources to establish effective government and security throughout Afghanistan, he singles out the need for greater strategic coordination among more than 70 countries, international organizations, and NGOs. "Of all the technical assistance, which accounts for a quarter of all aid, only one-tenth is coordinated among donors or with the government," he says. "Nor is there sufficient collaboration on project work — which inevitably leads to duplication or incoherence of activities by different donors."

Haidari also makes the links between collaboration on delivery and engaging Afghan citizens effectively. "Although a buzz-word of the aid community, local ownership of the rebuilding process — with Afghans in the driver's seat — is mostly absent. That is because most of the aid resources bypass the Afghan people and our government and goes to donor-related non-profit and private sector institutions."

Strategic communications provide a critical means for making the links between what is invested in Afghanistan, the commitment of

multiple stakeholders and the benefits for the population. Britain's ambassador in Kabul, Sir Sherard Cowper-Coles, says that strategic communications are integral in the counter-insurgency campaign. "Collaboration is essential, both within the UK team in Kabul and Lashkar Gah but also in and with London," he says. In his view, there also needs to be collaboration between the UK team and others such as the Afghan government, the UN public affairs team and the ISAF spokesmen.

A key test will be how the collaboration among all the international organizations working with the Afghan government and local communities can show Afghan citizens that reconstruction projects are sustainable. Simon Anholt, an independent vice-chairman of the FCO Public Diplomacy Board, visited Afghanistan last year and makes the point that what is needed are deeds rather than words. "Small power generators were issued to villages and were regularly attacked by the Taleban. Then the local people were charged for the generators. We found that, now they had responsibility for them, the generators didn't have to be replaced because they fought off the Taleban."

On the global development agenda, the US Government has entered into public-private partnerships (PPPs) for reasons that include project

sustainability, market development and the fact that private bodies bring resources that government can neither afford to purchase nor acquire through other means. A sound rationale for PPPs in international development is that private sector bodies are now on the ground in developing countries and their businesses are employing people, sourcing commodities and selling in these markets. As James Thompson, regional director at the US State Department, explains, "the private sector is being looked to as the ultimate answer to development challenges that foreign assistance cannot meet alone. But this is not to say that development aid is not needed: only that we need to think about how to use our development assistance to spur economic growth and to do so in coordination with the private sector."

For many developed countries, working in partnerships is crucial to foreign assistance goals and to maintaining those countries' interests. The Hudson Institute's work shows an increasing amount of private-sector investment in developing countries. In 1969, 70% of resource-flows from the US to developing countries came from the ODA and 30% from private sources. Data from 2005 show that private capital makes up more than 80% of flows to developing countries (USAID (2008)).

This is happening when the current US administration has more than doubled its foreign assistance budget from $9.9bn to $21bn (OECD/DAC statistics). But even as foreign assistance grows, it has been quickly over taken by private-sector investments, remittances from immigrants in the US and donations from foundations and NGOs. The UK has seen similar private-sector investments that are now at least equal to development spending.

We have no option but to get better at collaboration.

There has been much written on the why we need to create partnerships, rather less on how to do so and much less on governance and implementation. Groups such as AccountAbility and the International Business Leaders Forum are giving significant thought to these areas. But more needs to be written by practitioners.

Chapter summary

- Having clear and mutually understood aims is critical. But being realistic about what can be achieved, and considering the interests of each party, is just as important.

- Collaborations are not usually one-off settlements. Collaboration is an integration of common purpose, participation, resources, teamwork and group dynamics — dealing at its most complex with multiple issues, multiple parties and at multiple levels. They are dynamic, responding to emerging changes over time. At their best, they become more effective in response to change. This means not only tolerating but embracing complexity, uncertainty and ambiguity.

- To engage effectively requires both engagement with the issues and engagement with others

- Collaboration between business, NGOs and government is an increasingly common solution to complex challenges. When effective, it provides the basis for closing both the democratic and delivery deficits.

The Thomas-Kilmann Conflict Mode Instrument (TKI)

This model helps you identify which style one tends towards when conflict arises.

By understanding your instinctive style, and recognising how and when you may need to change it, you may be better able to adopt an approach that meets the situation, resolves the problem, respects people's legitimate interests, and mends damaged working relationships.

Assertiveness and co-operation are the two basic dimensions of behaviour that define five different modes for responding to conflict situations:

5 modes for handling conflict

1. Competing is assertive and unco-operative - an individual pursues his own concerns at the other person's expense. This is a power-oriented mode in which you use whatever power seems appropriate to win your own position - your ability to argue, your rank, or economic sanctions. Competing means "standing up for your rights," defending a position which you believe is correct, or simply trying to win.

2. Accommodating is unassertive and co-operative - the complete opposite of competing. When accommodating, the individual neglects his own concerns to satisfy the concerns of the other person; there is an element of self-sacrifice in this mode. Accommodating might take the form of selfless generosity or charity, obeying another person's order when you would prefer not to, or yielding to another's point of view.

3. Avoiding is unassertive and unco-operative - the person neither pursues his own concerns nor those of the other individual. Thus he does not deal with the conflict. Avoiding might take the form of diplomatically sidestepping an issue, postponing an issue until a better time, or simply withdrawing from a threatening situation.

4. Collaborating is both assertive and co-operative - the complete opposite of avoiding. Collaborating involves an attempt to work with others to find some solution that fully satisfies their concerns. It means digging into an issue to pinpoint the underlying needs and wants of the two individuals. Collaborating between two persons might take the form of exploring a disagreement to learn from each other's insights or trying to find a creative solution to an interpersonal problem.

5. Compromising is moderate in both assertiveness and cooperativeness. The objective is to find some expedient, mutually acceptable solution that partially satisfies both parties. It falls intermediate between competing and accommodating. Compromising gives up more than competing but less than accommodating. Likewise, it addresses an issue more directly than avoiding, but does not explore it in as much depth as collaborating. In some situations, compromising might mean splitting the difference between the two positions, exchanging concessions, or seeking a quick middle-ground solution.

Each of us is capable of using all five conflict-handling modes. But some people use some modes better than others and, therefore tend to rely on those modes more heavily - whether because of temperament or practice. Conflict behaviour is therefore a result of both an individual's personal predispositions and the requirements of the situation. The Instrument is designed to measure this mix of conflict-handling modes.

In today's interdependent world, problems are interdependent too. As Hauss suggests, it is nearly always more pragmatic to act co-operatively.

Chapter 2:
Effective collaboration

In this chapter:

- Approach to collaboration building: value-focused collaboration

- Drivers for success: 15 steps to take

- Common challenges: leadership, trust, risk and complexity

- Chapter summary

A rabbi is shown the difference between heaven and hell. He's taken to hell first. He sees sad, angry and frustrated people sitting around a pot of delicious-smelling hot soup. Nobody is eating. He asks why. "The spoons are too long," he is told. "When people try to use them, they miss the pot or drop the spoon." The rabbi is then shown heaven. Everybody is talking, laughing — and drinking soup. It's the same pot and the spoons are the same too. But here the people are using the spoons to help one another drink the soup.

Rabbinic tale.

This chapter provides a framework for designing and running collaboration, reflecting on the experience of practitioners. Whatever their scale, complexity or circumstances, collaborations share certain dynamics. The more these are understood, the better these collaborations can be handled. Although respondents think that collaborations and partnerships are increasingly common and can quote successful examples, their experience and expectations are mixed. But the breadth and depth of experience is rich enough to provide a basis for improving performance and participation, the two essential ingredients for success in collaboration.

Studies of optimists and pessimists (Seligman, 1991 and Wiseman, 2003) indicate that optimists achieve more than pessimists because they set themselves goals and overcome setbacks better. But pessimists tend to be more accurate. It is important to successful collaborations that the very people who are keenest to make them work show objective judgment at critical stages. As one experienced practitioner puts it, "extra doses of realism and imagination are needed", especially in relating the bigger picture of what the collaboration can achieve to the particular interests of all those who are part of it.

The skill is to combine the broad view with the specific. Part 1 therefore suggests an approach to drive collaboration building; part 2 sets out the specific steps to take; and part 3 tackles the most common challenges.

Collaborations make particular demands on leadership, especially in balancing and reconciling different interests. Since collaborations are designed to fill gaps that organizations do not resolve adequately on their own, they require political and social skills to drive a vision and respond to the needs of others.

> "Collaboration, by its very nature, means that traditional means of control — market and hierarchy — cannot be used to manage relations among participating organizations. Instead, it depends on the ongoing negotiation of relationships by individuals who are both participants in the collaboration and, at the same time, accountable to and representative of the diverse organizations and communities involved in, and affected by, it." (Hardy and Grant, 2005. Quoted in:
>
> Lotia and Hardy (2008) pp. 366-367)

Lotia and Hardy (2008) argue that collaboration is social to the extent that it requires the negotiation of relationships and tensions (Beech and Huxham, 2003); political in that it involves individuals playing a dual role as members of both collaboration and organization; and dynamic in that roles in collaboration emerge, evolve and change over time (Hibbert and Huxham, 2006). In referring to "tensions", Beech and Huxham mean that good practice advice can pull in different directions. My report refers more widely to the inevitable tensions that arise when people work together.

Collaboration and partnership are related concepts, as this definition by Paul Ekblom makes clear:

> "Partnership is an institutional arrangement that shades into a philosophy. It is a way of enhancing performance in the delivery of a common goal, by the taking of joint responsibility and the pooling of resources by different agents, whether these are public or private, collective or individual. The added value from such a collaborative approach usually stems from an enhanced ability to tackle problems whose solutions span the division of labour, and/or centre on a particular locality. The agents in partnership may bring with them conflicting or competing interests, and different perspectives, ideologies and cultures – so in democratic and legally-regulated contexts they seek to act together without loss of their separate professional identities, without unacceptable or illegal blurring of powers and interests, and without loss of accountability."
>
> (Ekblom, 2004).

Case for optimism

> "If we combine our efforts with other people's efforts, we can make our resources go further and achieve more impact."
>
> Steven Fisher, Deputy Head of Mission, British Embassy, Budapest

> "Whether you are a manager in the public or in the private sector, collaboration taps a source of value that includes, but goes so much further than, price: the value of what people can accomplish together if they really apply themselves and if organizations support and develop them".
>
> Verna Stewart, Strategic Relationship Director, Strategic Development Solutions, Lloyds TSB.

Governments, business, NGOs, and citizens all miss opportunities that collaboration can provide if handled well. Just as a single brain cell does not think and a combination of brain cells produces thought, collaboration is an emerging property of what we do together. The challenge is to turn an emerging property of human interaction — something we do for better or worse as a result of trial and error — into a form of energy for making a difference.

Collaboration is the technology for the knowledge economy. It gathers information to produce fresh choices, by creating fission – drawing out different perspectives and interests. But it also produces fusion – drawing in the parties to agree on the problem and then to agree and act on the solution. It pulls together people, resources and process in pursuit of a common end, joining up organizations and making them connect with their stakeholders and citizens. Because it holds out the promise of creating value where value did not exist before, it can expand the size of the cake and bring about agreement on the highest common denominator. It galvanises governments and multinational companies both to get business done and — by building legitimacy and public support — to ensure that the risks and benefits involve those who are most affected. It encourages NGOs and others in civil society — think-tanks, institutes, business schools, universities — to see themselves as part of the solution rather than as critics or

bystanders. As a catalyst, it brings about changes in disparate organizations to achieve focus and momentum.

Vision for diplomacy

For diplomats, collaboration complements and reinforces the achievement of negotiation. Effective negotiations turn not just on a deal being done but on the expectation that it will be successfully implemented. This also means that agreements have to be supported more widely by key stakeholders and citizens. What was true for diplomacy under the reign of Louis XIV of France is as true today: "The great secret of negotiation is to bring out prominently the common advantage to both parties of any proposal; and so to link these advantages that they may appear equally balanced to both parties." (de Callieres, 1983, p.110; first published in 1716).

But what has changed is that the theatre of diplomacy has expanded because of the multiplicity of stakeholders, the growth of the media and the rapid communication of information, privately and publicly. One seasoned international negotiator says: "It's a negotiation on an even wider scale, with a larger number of players with stakes in a decision." And those with stakes tend also to have power and

influence to support a negotiation or to undermine it.

This requires diplomats and their teams to acquire new skills of public diplomacy and strategic communication. The best already know this, and do it. One British ambassador says: "More time is now spent dealing with a range of stakeholders than in dealing with the host government. The bilateral relationship will always be important but, to be effective, you have to work with many different people on many fronts." They must be increasingly at tuned to enable meaningful dialogue with multiple stakeholders and citizens with different backgrounds, needs and aspirations.

Judging by the feedback received for this report from British embassies and other diplomatic services, Britain is seen as effective in the way it balances a range of public diplomatic activity. On some issues — climate change, for example — it is explicitly upfront; and not just in the 20 or so countries where the most difference needs to made to reach a deal in Copenhagen in December 2009.

British ambassadors make the issue a priority. However; they implement the priority within the political and economic circumstances of the country involved. In many countries where the need to tackle climate change is still

gaining acceptance, links with other, apparently more pressing, agendas — such as rising household bills and energy security — become the route into focusing on developing a high-growth, low-carbon economy. The British embassy's work with Poland on tackling climate change initially focused on the rising cost of household energy bills and wider concerns about energy security. The economic down turn makes it essential that the links between climate change and other agendas are articulated.

Where other countries are making the running, Britain's role may be as an effective partner, helping to shape the climate so that real progress is made over time. Take, for instance, Turkey's plan to join the European Union. Turkey's potential is worth developing because of its strategic geopolitical, cultural and economic importance. And Britain's public diplomacy reflects this.

On other issues, Britain sees itself as a supportive team-player. In Geneva, Britain is one of many players working for human rights, and workers' rights. Its role is to support better implementation across the world while having a voice in the reform of international institutions.

Britain's impact overseas is partly determined by the work of organizations such as UK Trade &

Investment (UKTI) and Visit Britain, which actively promote business and tourism. Their efforts are part of a wider collaboration with British government and business. The dozen or so UKTI local contacts whom I met in the course of my research have skills and attitudes that mirror those of the sector. These people are enterprising, knowledgeable and prolific at networking.

One can collaborate to enhance further collaboration or to strengthen competition. Promoting UK trade and investment involves both collaboration and competition. Collaboration and competition strategies need to be flexible enough to take advantage of what the other element brings. One UK Trade & Investment contact in India says how effective a British ministerial visit was precisely because the then minister, Lord (Digby) Jones, was candid about where other countries had a competitive advantage. For this reason, the minister was persuasive about what British companies could offer. This drew a better response than a narrowly competitive hard-sell.

The value to the FCO of the BBC World Service and the British Council is that their credibility, legitimacy and effectiveness are based on genuine independence — even though they receive government funding and must account for their spending.

The World Service and the British Council create a space in which others can enter into dialogue, whether they support British foreign policy or not. The pioneering work done by the British Council in Canada to give young children a better understanding of climate change could not have been done as effectively by a government department.

The FCO's partnerships with these two organizations, as well as its engagement with former holders of its Marshall and Chevening scholarships, serve to acknowledge that others can help achieve social policy goals because of their perspective and experience of the world. The FCO's engagement with a range of think-tanks and policy institutes — IISS, RUSI, Chatham House — is not a substitute for its own thinking but a way of broadening debate. The test now is to use the internet much more ambitiously in building wider engagement on policy design and delivery.

Diplomacy online

Much is made of the potential of the internet to connect different groups of people. But its full potential will not be reached unless the connection is meaningful. It is one thing to design and deliver the technology; quite another to use it imaginatively and productively. Collaboration gives us the conceptual framework to plan better

engagement using the web. For the web to be useful, it needs both to engage citizens on their own terms and to draw on those outside government who can best help design and implement a particular policy.

Collaborative strategy about web development shows that we do not need to make a stark choice between internal and external collaboration. Some ideas may be developed as "open-sourced innovation", inviting any contributions. An example is Tim Kruger's website www.cquestrate.com. Others may involve in "closed innovation" — such as an organization first tapping the ideas of its own employees — or in "semi-open innovation". An example of the latter is the report you are reading now, written in consultation with a number of contacts, external and internal. I involved more than 250 contacts across private, public and non-profit sectors in a private discussion before giving the report a wider internal circulation in Whitehall. It was more effective developing the arguments first in a smaller group than to go public right from the outset. Software programmes provided, for instance, by Ning, allow social networks to grow at their own pace with a degree of confidence that discussions can be limited to a chosen membership. This kind of protocol is invaluable in building trust and confidence in newer forms of technology.

Networks

It is useful to see collaboration as working with degrees of separation, either between collaboration partners and their supporting networks or between this universe and the wider world. This takes into account how power and influence are differently distributed in today's organizations. Understanding the organizational chart needs to be matched with a knowledge of networks and their contribution to making things happen. Not surprisingly, some of my respondents emphasised the role of networks rather than hierarchies as the basis of social and economic organization. They speak of the shift in big organizations from the centre to supporting the front-line. Collaboration builders need to work with a mix of organizational designs — some hierarchical, others based on teams or networks.

Putting a value on networks does not make an appreciation of hierarchy any less important. A single company can operate different degrees of centralisation and decentralisation depending on how it organises its functions. Business strategies can be a combination of the global and local, taking into account regional and local opportunities. Local connections are critical, as well as global and regional ones. In Chapter 1, we saw that McDonalds operates a policy of "freedom within a framework" to

emphasise the importance of the local connection. In many multinational companies, however, communication and marketing decisions may be taken at the centre to achieve economies of scale, standardisation and impact.

Social network analysis (SNA) theory shows that just because people are connected they don't necessarily deliver the same value to each other. Equally important are the ties that each "node" in a network brings and what gets communicated in one part of a network rather than another. So while it makes intuitive sense to exploit one's strong ties, such an approach has limits if one is trying to harness wider interest. The recommended approach is to tap weak ties because these will ultimately bring more value than one's limited network of strong ties (PFC Energy Consulting for Shell, unpublished report). It means we need to engage with weak ties so that they can then connect with their stronger ones. But SNA theory falls short when it comes to clarifying what conditions would produce ties of different strengths. Diplomats act as "channels" along which social infrastructure can naturally form. That then facilitates and encourages interactions – hence "networks".

This has important implications for governments, policy-makers and anyone who depends on networks to yield extra value. Ideas do not always speak for themselves. Policies have to developed,

not just presented, to connect in different ways with their target audiences. The "target audience" is, in a sense, an outmoded concept because the people whose engagement one wants will be communicating in their own way. The skill is to join their conversation or facilitate one that they will want to join. This presents a particular challenge for the new public diplomacy, as we shall see in Chapter 5.

Vision for business

Business, too, needs to change. Some of the world's biggest multinationals need a more strategic notion of collaboration to survive and thrive. Interviews with 20 managers at Shell International and some of their stakeholders showed the company to be highly strategic, both in its corporate policy and in its choice of staff to drive partnerships and collaborations more systematically.

It is not just what Shell does to achieve its aim, but how it does it: the company uses techniques aimed at enabling a better quality of dialogue to emerge. It separates the task of bringing different parties to the table from the next phase of framing problems, exploring options and agreeing solutions. It has learnt from experience about not engaging stakeholders early enough and its 20-30 year time-horizons oblige Shell to think and plan long. The politics of energy exploitation and production mean that

the organization has to work effectively with host governments and local communities, now and in the future. But Shell has also taken a policy decision to pay as much attention to what it calls "non-technical" risk as it does to technical risk. It has also brought in specialist advice in what it calls "social performance". Shell sees that what ultimately matters is the extent to which international oil companies are trusted as business partners — not just by host governments, but by local communities who stand to lose the most from the disruptive effects of exploration and production.

A strategic relationship between Royal Dutch Shell and the UK-registered charity Living Earth Foundation (LEF) demonstrates the importance of working in partnership to encourage sustainable development.

In 2006, members of the Living Earth Foundation made a visit to the North Slope of Alaska. They faced suspicion from local leaders, who asked if they were environmental campaigners — "enviros". LEF member explained the nature of their work and recounted some of their experiences in the field of education. This provided a platform on which trust could be built. LEF

were invited to talk to the local school board. From these early discussions they created an exchange programme for teachers, a programme that was seen by its participants as very helpful.

Although its primary role was to provide financial support, Shell was given the opportunity to listen to feedback from the programme and use it to inform the company's own strategies. For Shell and LEF, success is the perception by the participants of the contribution the work is making towards the development of social capital. In the words of Roger Hammond, Director of LEF, "It is not a Shell programme nor is it an LEF programme: it is locally owned."

Learning points:

- Shell would say that "locally owned" means that local people feel that the programme is theirs rather than Shell's or LEF's: they are involved and, indeed, in the driving seat.

- "Social capital" can include capacity building, social networks and strengthening the fabric of society. In general, it is also locally owned. Even if a Shell or LEF is involved initially, social capital is something that local people drive.

Case for caution

"You have to be tough-minded and have enough sensitivity to make collaboration work. It's not just people who have egos; organizations have egos too."

Diplomat at one of the NATO missions, Brussels.

Collaboration is a bitter-sweet experience for many, however necessary or desirable it is. In assessing the scope and limits of collaboration, what most of my 200 respondents felt was as important as what they specifically achieved.

Although this report helped organizations, teams and individuals to understand their achievements and reflect on what they would have done differently, little time is spent assessing the scope and limits of a particular collaboration. It gets managed but rarely thought about. Recurring challenges — complexity, ambiguity, uncertainty and difference — are mentioned, but not tackled systematically or structurally. We tend to live with these challenges rather than work through them.

Far from this being a "soft" management issue, it is a hard, leadership one. It makes all the

difference to whether collaboration actually happens, adds real value, secures and advances other interests and, critically, inspires others to spot and exploit opportunities for further political, commercial and social collaboration. In parts of the world where conflict or insurgency persist, effective collaboration between governments, business and civil society will decide whether lives will continue to be lost or whether livelihoods will improve.

A spirit of collaboration may be merely espoused rather than practised; and this will become most obvious when such ventures come under pressure or suffer setbacks. This is partly because the way self-interest is pursued is still largely on the basis of a zero-sum game and partly because, when we do genuinely strive for win-win solutions, we are clumsy at creating, claiming and delivering value in a way that feels right to all parties.

Some of my respondents in other governments say that they can see that there is a greater expectation that governments, business and NGOs will have to work together more. But that is more because the way we organise ourselves demands greater collaboration rather than because we are very good at it.

The collaboration-builder enters a world that draws heavily on partnerships but is often unclear what precisely it wants or expects; it may not be ready to manage the boundaries of what is acceptable in a collaborative venture. Sometimes the very ambiguity is what makes the collaboration possible. But failure to address the ambiguity and find common agreement on how to work with it can often erode any good work done by the collaboration.

Risk of muddling through

"Muddling through" rather than making the best use of collaboration risks reducing policy options and producing a vicious circle of disappointment, disillusionment and distrust. It is not only a matter of whether collaboration is attractive in principle and difficult in practice but also how we "get real" about collaboration so that it does not acquire a significance that distorts its real value. Studies on trust and goodwill (e.g. Fox, 1974) reveal the disturbing truth that, if trust and goodwill are exercised uncritically, collaboration can mask under-performance.

Parties fail to confront one another's failings or do not want to risk support for the collaboration, changing the indicators of success to justify continued under-performance. Nothing is more likely to give the nebulous phenomenon of collaboration and partnership a worse name. International institutions risk losing public confidence — as well as support

from government, business and civil society — if they fail to address what reduces their potential for effective collaboration.

One example given to me when I visited a number of national missions at NATO was the way in which the rules permit one country to block debate and therefore decision. One diplomat said wryly: "Even the European Union, for all its complexity and the need to work with 27 member states, can — and often does — put real pressure on some of its members if the broad majority wants to achieve resolution."

The experience of practitioners is not dissimilar to watching a rugby match where there is a struggle for possession for large parts of the game. Suddenly a breakthrough occurs, the line of sight is clearly in view and there's a dash to victory. Collaborations need focus and momentum; yet it is in their nature to meet resistance to both. One of the biggest dangers is collaborations getting stuck. Huxham and Vangen (2005) speak of "collaborative inertia". As well as stalling, collaborations risk being:

- sidetracked (the collaboration has momentum, but loses focus);

- hijacked (it has focus and momentum, but is not carrying everybody with it);

- polarised (momentum is cancelled out as the collaboration tears itself apart); or

- fragmented (focus and momentum are dissipated).

Value-focused collaboration: the key to success

Political or business leaders usually want something out of the contribution their organization makes. It's one thing establishing what the collaboration wants to achieve. But you also need to know that a leader will also have reasons to get involved: enhancing their organization's reputation, leaving a legacy. There's nothing wrong with this and it's important to work with it.

Sir Michael Lyons, Chairman, BBC Trust.

The key to success in any shared endeavour is value-focused collaboration. The focus of any collaboration or partnership is the value that it generates and delivers, so that any gains or losses are seen in relation to what overall is achieved. Success lies in finding or creating synergies, eliminating duplication and showing that the cost of not collaborating outweighs the cost of collaborating. Cost and value can be seen in strictly

economic terms; but can be seen more broadly in economic, political and social terms. Whatever the basis of evaluation, that a collaboration has to contribute real value is unarguable. Even if trade-offs and sacrifices are made, the collaboration delivers on what otherwise could not have been achieved. When tensions are transformed into opportunities, what makes collaboration difficult is made easier and therefore more possible. Value-focused collaboration has both a strategic and pragmatic side. Strategy on its own will not help navigate the changing conditions inside and outside the collaboration. Pure pragmatism will give a sense of coping with change; but ultimately it results in being swept along by the currents. This combination also helps keep some things simple, while not oversimplifying them.

It is a bit like navigating a ship at sea. Ships can be partly rebuilt at sea, but not if all the planks are removed at once. Their basic design sets limits on the captain and the crew, however experienced and enterprising they are. Whatever has to be managed on the surface can easily be changed by what is below the surface. And conditions may change, often suddenly and radically.

Strategic pragmatism, open minds and open eyes

Gillian Stamp and Lorraine Dodd are developing a model that helps leaders focus in their decision-making. The two variables are the extent to which leaders keep their eyes and ears open and the extent to which they keep an open mind. Leaders may choose to concentrate on some things and not others. But they need to be aware while their eyes are closed. They may want to think about a problem in a certain way — but they need to be aware that they have closed their minds.

Some private-sector respondents said that procurement in business and government could lead to systematic distortion of what is thought of as valuable. Contract specifications and procurement procedures can mean that value is seen only as price — when what business or government might find valuable is the assurance or innovation that a product, service or relationship brings.

I tested this requirement — to work with what emerges rather than what is predetermined — with a range of leaders in the field of collaboration. Sir Michael Lyons, Chairman of the BBC Trust, says: "Too much is made of the heroic efforts of one leader, because it's an easier and catchier story to tell. But if you look at what was achieved over time to make Birmingham the successful city it has become, it's a complex and broad collaboration by many people who've all made a contribution between them."

Baroness Neuberger, who advises the Prime Minister on the third sector, argues that value of what an effective collaboration can achieve is not always obvious until it has been given a chance to work. "It's in the interaction and chemistry that real potential arises," she said.

International Alert's Bill Yates — who has made a vocation of trying to bring peace to war-torn areas — has this warning: "What techniques you've learnt, you have to leave them behind and work with the people you're dealing with on their terms."

Strategic pragmatism balances the need to manage against working with the flow. In The Age of Paradox, Charles Handy argues that this paradox can be "managed" only in the sense of coping with it — which is what management had always meant until the term was purloined to mean planning and control.

According to Richard Farson in Management of the Absurd, the psychologist Carl Rogers thought that, at the point when a therapist thought that he or she could handle a client, it was the start of an invisible erosion of respect. To be truly effective, the therapist has to respect the client and be open to whatever might happen. Management is the ability to meet each situation, armed not with a battery of techniques but with the openness that permits a genuine response.

Some respondents are sceptical about how much governments can adapt to a true spirit of partnership because their relationship with the rest of society is too inflexible. Collaboration is a particular challenge for government, which has traditionally been in a parent-child relationship with its citizens rather than one that is adult-to-adult. If government wants to encourage a closer engagement with citizens, it will have to work hard to convince doubters. It will also have to be patient and demonstrate consistency in its actions.

British government has shown such innovation in the road safety campaigns developed by the Department for Transport. What was done to citizens and for them over the years is now increasingly done with them and by them. "For our more recent campaigns," says David Murphy the department's head of marketing, "we involve at the earliest stages the very people to whom any campaign would be addressed. If it's young people, we get their ideas of what will, or won't work, for them."

The process that the communication director and his team follow with stakeholders now has several stages of involvement. First, they sound out any concerns and ideas; secondly, they test concepts and strategies; and, finally,

they demonstrate products before they go public.

Value-focused collaboration acknowledges that actions speak louder than words in creating and sustaining an atmosphere in which trust and goodwill prevail. Because collaboration depends on deepening relationships over time, reciprocity prevails: trust gradually begets greater trust while distrust quickly begets mistrust. Over time, people come to share similar attitudes to each other. Technique can mask attitudes only temporarily.

However strong the collaboration is among its participants, for many collaborations — particularly between governments, business and NGOs — success turns on being able to motivate and mobilise a multiplicity of citizens whose choices and behaviour are shaped by a range of influences.

But even acknowledging the need to engage can reflect a narrowness of perspective. It is a top-down view of game-changing collaboration, attractive to the conventional policy-making mind-set: "If only we can work out what a rational solution might look like, we can produce a solution and find ways in which it can be implemented". The pure logic of the argument drives an optimism that might or might not have traction with others whose decisions may be driven even more by apparently irrational choices.

One key message for campaigns that are designed to enlist the support of partner organizations' contacts, networks and audiences is not to presume responses or to over-rely on partners' own assumptions. Such campaigns need to invest enough time in listening to feedback and acting on it. Insight into citizens' preferences and behaviours will not just affect marketing but also the design and implementation of policy.

Alan Bishop was until recently Chief Executive of the UK Government's Central Office of Information. He recalls the government decision in 2003 to give limited approval to the commercial exploitation of GM crops. It represented a watershed in how government engages and communicates on a most complex and contentious issue that cuts across departments. Defra — the environment, food and rural affairs department — developed and implemented a strategy over 12 months that enabled the government to give GM crops the go-ahead. This involved conducting reviews of the science and the economics and holding a public debate that was government-funded but at arm's length. The process came close to collapse because NGOs and environment

experts who had been sceptical of the government's intentions wanted more time and money to debate the issues. Government officials successfully won their trust and commitment to make use of the available resources and to meet the deadline. This was achieved by giving the independent board more opportunity to review and improve the design of the debate, by persuading ministers to accept changes and by managing public expectations. By giving responsibility for the conduct of the public debate to an independent chairman and board, the Government could show over time that the final decision to allow restricted use of GM crops was based on an informed and genuine debate about the arguments as well as a proper review of the scientific and economic evidence.

Learning points:

- As well as the formal public debate, there were many other dialogues that tested not only the government's reasons but its motivations. While the government wanted to be robust about the timetable and funds available, it had to show flexibility on other issues to ensure an effective collaboration.

- Ministers showed leadership both in creating a space in which these issues could be more openly addressed and in supporting civil servants and stakeholders to manage the design and delivery.

Work with rational assumptions, yet understand their limits

Roger Miles, King's Centre for Risk Management at King's College London, argues that the collaboration-builder needs to take a strategic view of risk. This goes beyond the many sectional interests and specialist definitions of risk management that are often used to justify professional intransigence: " A measure of modern leadership quality should be a willingness to rely on judgment, in self and others, rather than to seek justifications from risk-metrics." (Miles, forthcoming).

Much modern policy-making retains a weakness which perhaps reflects a lingering reluctance to abandon a comforting notion that command-and-control is the natural mode of government, with government cast in the role of parent and citizens as children. That weakness is a belief that a policy acts directly in the way that it alters behaviour in the targeted groups — a mindset described by Miles as "Newtonian optimism". The term comes from Newton's third law of motion, which says that an action produces an equal and opposite reaction.

In a forthcoming study of rule-bending behaviours among bankers, Miles identifies the real-life difficulties which have followed regulatory assumptions that rational structures will evoke rational responses. This study reflects a wider change of opinion in the academic community, rejecting former assumptions that humans make rational decisions in the face of complex risk information. A growing body of research now points to intuition, emotional response or simply mood at the time as having a greater impact on decisions than rational argument. As one analyst has put it: "Fear is more persuasive than logic" (De Becker, 1997, p76).

These findings add to understandings gained through Nobel-prizewinning work on cognitive heuristics. These are ways in which human decisions are influenced by mental "weightings" and "short-cuts" that are numerous and may often be misleading — such as how recently we last heard about the problem and whether we thought we knew anything about it already. (Kahneman & Tversky, 1979).

Two particular human behaviours will tend to frustrate the efforts of rational-school policymakers. An intervention which evokes a strong emotion-led response can rapidly find itself mobilising public anger or ridicule of government. Typically, this may concern a perceived denial of citizens'

rights — such as the right not to be criminalised for failing to carry identity papers, or eating beef on the bone or selling market vegetables by imperial units of weight. Secondly, when policymakers have convinced themselves that regulated groups will comply with a new intervention, they may have ignored the possibility of "gaming" responses which carry a perverse rationale of their own.

From among many possible examples of gaming reported in the media, we might select:

- ASBOs worn as a badge of pride by aspiring career-criminals;

- hospitals re-registering in-patients purely to meet throughput targets;

- diversity targets achieved by adding in employees' grandparents' ethnicity;

- police arresting children as a way to boost crime clear-up rates; and

- local authorities blowing their annual budgets in the closing weeks of the financial year in order to become eligible for more money next year.

Suspend assumptions while explaining them

"Conversation is a meeting of minds with different memories and habits. When minds meet, they don't just exchange facts: they transform them, reshape them, draw different implications from them, engage in new trains of thought. Conversation doesn't just reshuffle the cards, it creates new cards."

(Zeldin, 1998, p.14)

Rational assumptions are prey to criticism both by experts in cognition and by populist rule-bending. If applying a rational-optimistic model, one cannot presume understanding — let alone agreement — on anything that might turn out to be viewed differently by each of the parties and the people that they represent or can influence.

What makes for effective conversation is when all sides are prepared to listen to one another, are genuinely interested and are open to the possibility that they might be surprised or learn something new. But this does not mean that people have to change their minds and agree. So often in conversation, people do not listen to what the other has to say but use what they hear as the

trigger for what they want to say. This stifles the potential of conversation before it has begun.

For collaboration to work, it requires what Gillian Stamp describes as suspending one's assumptions while explaining them to the other. In part 3 of this chapter, I describe methods and techniques that can be learnt and applied to increase the chances of a meaningful conversation among parties who cannot immediately see what they have in common or how they could work together.

Bill Yates played a pivotal role in brokering peace efforts in conflict-torn Burundi in the late 1990s. He says: "You need to leave any preconceptions behind, and really try to understand the situation and the people you're dealing with. As a mediator, you need to make yourself as invisible as the situation requires — to be a fly on the wall or even a fly off the wall." Collaboration requires us to be present to the situation and maintain a commitment. Yates adds: "At one point I thought I would have to listen to seven million personal histories about the Burundi conflict. But that's the price one has to pay to build the right relationship over time and achieve any kind of breakthrough."

If one observes the editorial meeting of a television news programme team the start of a shift, a good test for an effective collaboration is the extent to which the quietest voice finds expression, is listened to and is acted on.

At BBC World news, in 1996, after a hostage crisis had ended swiftly at the Japanese embassy in Peru, the story the day-shift inherited from the night team seemed to have no new angles to report. But the team producing the lunchtime programme explored other possibilities at their 6.00 am meeting. One new member of the team, not herself an expert at managing hostage crises, asked what might have gone wrong. She was interrupted by another, more established, member of the team who said the authorities had followed text-book procedures and it had been a very effective operation. The programme editor nevertheless encouraged her to develop the idea and line up an expert for when the programme went on air at noon.

Five minutes before transmission, an official from the Japanese government briefed the media that, although everybody was relieved that the crisis was over, there were some concerns about the risks that had been taken. The example shows the value of the "Lieutenant Columbo" touch in collaborations, asking one more question that might provide a better way of going forward.

Studies of the decision-making process in the Challenger space disaster highlight the organizational and institutional pressures to reach consensus and closure. The decision to launch the next day was the product of a decision-making process involving key personnel who were all given the opportunity to express their views of the relative merits of either going ahead with the launch or delaying it. The engineers had serious concerns but ultimately agreed that it was a "management" decision and not just an engineering one. They therefore consented to the fatal launch.

Learning points:

- The team or collaboration-builder in the first two examples saw that creative solutions cannot be assumed but need to find expression. Effective intervention consists in identifying the barriers and levers, and clearing the path for others to make their journey (Covey, 1989).

- A leader can make a significant difference by setting the strategic "ceiling" — the point at which issues or angles can be discussed — high or low.

To produce value, collaboration must be anchored in both reality and possibility. It is about managing what can be planned and responding appropriately to what emerges. A range of respondents across governments and civil society were asked what this means for leadership. In pulling together their responses, I have drawn up some key drivers to guide collaboration.

To be effective, collaboration builders need to:

- See collaboration as part of a bigger picture. The collaboration must be aligned with a strategy to deliver the best possible outcome. Collaboration can be at the heart of plan and it can also complement and reinforce other plans. It has a beginning, middle and end.

- Achieve results with broad-based support. Collaborators must combine effectiveness with legitimacy. This is particularly important if the collaboration cannot deliver changes by itself and relies on the combined effort of others.

- Keep up the momentum and secure meaningful involvement from most partners. Collaboration builders must manage complexity, uncertainty and ambiguity, and invest time in the human side of common endeavours. At the same time, they must accept trade-offs to achieve a common end.

- Experiment, evolve and improve. Collaborators must adapt. The collaborative world is not about winning an argument but working together to do what is right.

We are not seeking a recipe for perfection, but can be better at playing our role in a collaborative endeavour. We can achieve more by being firm on some points and flexible on others. In this section, I identify 15 steps needed to implement any collaborative strategy, and provide a model for developing effective relationships. In part 3 of this chapter, I discuss the main challenges of collaboration: leadership, trust, risk and complexity.

1. Clarify the purpose

What purpose does the collaboration serve? The FCO faced two hostage crises in 2007: five British diplomats went missing in Ethiopia and 15 Royal Navy personnel were captured by Iran. In managing these challenges, the government was helped by having a simple strategic aim: to ensure the safe and early return of those held. This was understood and communicated internally and externally — both at the emergency committee, COBRA, and in all the supporting operations across government. The single-minded pursuit of an agreed strategic aim sets the conditions for working effectively with a high level of media interest. It was understood that no information

would be disclosed that might undermine that ultimate goal.

Focus on a strategic aim helps the collaboration builder to draw on commitment by establishing the limits of the potential collaboration. Chris Huxham's work shows how goals can be explicit, assumed or hidden — and still produce results.

Why have a collaboration? Whether to set up a partnership in the first place is often the most difficult question of all. Collaborations run risks that are similar to those of organizations. One consultant who advises charities told an organization assessing its purpose and role: "Remember that the Companies Act requires you to do some good for others, not to pursue your own good. You don't have an automatic right to exist."

What has to be decided is whether the collaboration will add value and, even if it does, whether it is worth the investment. Collaborations and partnerships can set back a cause if expectations are set too high and fail to materialise.

2. Aim high

Value-focused collaboration does not compromise on achieving a win-win outcome. Even more ambitiously, it may aim for the highest common denominator. That might include the

intangible value of any collaboration as well as more tangible elements. One needs to work out the dividend — political, economic, social — that collaborative activity will bring.

Pioneers of sustainable development speak of a triple bottom-line: economic, environment and social. We can see something akin to this when businesses seek ever-higher aims in the field of corporate social responsibility (CSR). This is about business performance as well as public relations. If there is a gap between rhetoric and reality there is spin. And spin is counter-productive.

Negotiations need not be about price. Nor have they always been. Saving money is always a driver in the public sector. Saving and making money are drivers in the private sector. But money need not be the only driver. It is possible to look at higher costs in terms of other costs or missed opportunities.

This is very pertinent to businesses that are seeking to move from to a low-carbon economy. Companies that can drive growth, increase revenues and reduce costs — while becoming more sustainable — will become more attractive to other business partners and the wider public. The tough economic climate gives companies an opportunity to reap the political and economic advantages of a longer-term commitment to reducing carbon emissions.

Aiming high in collaboration means raising one's sights. Collaborations are similar to negotiations in establishing interests and creating value. Simple negotiations will make assumptions of interest and potential value, concentrating on what it takes for each party to settle. More complex negotiations will go beneath the surface of stated interests or assumed value in trying to discover the real interests at stake or the other interests that could be taken into account to allow a deal to take shape. In this sense, collaborations are no different. More time spent on establishing real interests gives the collaboration better insight.

3. Strive for commonality of interest

Experienced negotiators see that negotiations can scrape through with neither side going below its bottom line or cutting across red lines. Sometimes the most that can be achieved is not losing rather than winning. But all the best negotiations aspire to what economists call the Pareto optimum — the point of agreement that favours each side equally, maximising gains and minimising losses.

Identifying the Pareto optimum is the first step. The second is to expand the size of the cake so that there is even more benefit for each side. Exploring the full potential of the deal at the outset has strategic advantages: it ensures continued interest and

commitment to a deal that lasts. Olga Edridge, who led the BBC's successful joint venture with Discovery from 1998 and 2004, refers to this as making sure that there is always plenty of meat on the bone. "Never cut to the bone," she says. "Give yourself and partners enough to chew on as the partnership progresses."

The third step is to see whether there is any value or interest, not already on the table, that can yield a latent dividend and enhance the original proposal. Economists call this addressing the externalities.

Increased participation by those who contribute ideas and resources will drive the value of collaboration. Ensuring that partners contribute as equals, whatever their specific assets, helps both achieve the best deal and to secure a longer-term commitment. The advantage of dominating any partnership carries the drawback of losing what the other might want to contribute if treated on more equal terms. This requires both parties to give up some power in return for an increased contribution and being creative about how contributions can be enhanced.

Most commercial mergers and acquisitions, strategic alliances and joint ventures — all examples of collaborations — either end up

being more difficult and costly than was foreseen or simply fail. Throughout the BBC-Discovery venture, Olga Edridge was acutely aware that as many as 70% of commercial joint ventures fail within two to three years. Each party needs to work at what it might gain through association with the other. This requires thorough preparation, and commitment from the top.

Edridge acknowledges that the stakes for both BBC and Discovery were so high that, right from the start, they were anxious to avoid the mistakes that are so commonly made. "We had to ensure that that it was a relationship of equals and therefore had to work at what each side might bring to the table," she says. "Discovery would provide the investment; the BBC would provide the brand, give Discovery first refusal on buying its programmes and offer co-production opportunities."

Learning point:

- Successful business deals involve longer-term thinking, being creative about tapping the potential of a deal and putting value on relationships.

4. Evaluate success

The FCO, in its public diplomacy work, has attached importance to developing ways of evaluating success. Academic research done on evaluating success in collaboration is in its infancy but provides some useful pointers. Huxham and Hibbert (2007) suggest that five elements can be broadly established:

- Substantive:
  achieving some level of output and showing one has done so. Social goals can be big or small. Success can be relative, either to that collaboration or to doing something else.

- Process:
  it is often said that process does not matter. But on some key aspects — for example, ensuring enough of the right kind of involvement — it is critical.

- Emerging milestones:
  whatever normal milestones are established for programme management purposes, practitioners acknowledge milestones that arise along the way. These can make a lasting impression: for example: "That report was a real milestone. Because we produced it, we can move on."

- **Recognition:**
  whatever is achieved, success is amplified by others giving recognition. Examples include invitations to follow up work, awards and enquiries by others who want to know something was achieved.

- **Pride:**
  when collaboration has been successful, individuals claim success, feel confident talking about it and even shout about it.

Interestingly, Huxham and Hibbert studied examples of "anti-success". Even though it is possible to identify success, some of those involved raise all sorts of caveats. In my view, exploring what success involves can motivate and serve as a reality-check. If others are not seeing the same reality, issues can be dealt with.

5. Create value - and demonstrate values

There is a link between creating value and having values. Business is under increasing pressure to act responsibly in the eyes of its own employees, shareholders, customers and the wider public. So part of any decision is aligning business strategy with values and reputation. Alan Murray, co-author of Corporate Responsibility: A Critical Introduction, says that busness on the whole has yet to prove that what it commits to doing in its corporate social responsibility programmes is matched by the core of the business. The banking and finance sector in particular, he says, has failed to show that all its business plans are costed and implemented with corporate social responsibility in mind.

Stanley Fink, one of Britain's private-equity leaders, used his time leading the Man Group to show how business can be innovative about reducing carbon emissions. Fink says that when he started reading about tackling climate change, he quickly saw that business could encourage investment in clean technologies rather than risk being taxed. Collaboration on drawing up policies for the business sector can often come about as means to pre-empt undesirable government decisions and reassure the public. Fink recalls: "When leaders in the private equity sector met to agree ways to be more transparent and regulate themselves better, this was the best way to give politicians and the public greater confidence in the management of the sector and demonstrate through our actions that the sector adds value."

In July 2008, BAE Systems decided to act comprehensively on Lord Woolf's report into the ethical practices underlying the company's business by implementing a far-reaching programme that will make demands all its staff — up to 100,000 in number. Anything less would risk further criticism of the company and the defence sector in which it plays a leading role. BAE Systems says that by adopting all 23 of Woolf's recommendations it wants to show that it can be recognised both as a high-performing company and as a global leader in standards of business conduct. It will bring in an external auditor to review progress in the implementation of a three-year programme.

6. Understand the different contexts in which collaboration operates

Collaborations require their own blend of leadership and team skills, both to take advantage of an opportunity for collaboration and to make it work. General Sir Rupert Smith, who has led major collaborations throughout his career, says that leadership can choose to focus either on the external challenge to an organization or the internal one. The organization provides something from which to operate. But there is a context outside. The challenge is not only the leadership that one gives one's organization but also how one supports other leaders who have to operate in contexts outside the collaboration.

7. Use political intelligence

A grasp of politics is essential for leading or supporting collaboration. Collaborators understand the wider politics and political imperatives as well as the organizational politics. They appreciate others both as members of a group and as individuals with their own agendas. What are the political objectives of the players? What are the power relations between them? What are the alignments or deals that could bring them together?

An enterprise called e3g has done some pioneering work on difficult collaborative endeavours, such as climate change. It uses an approach that requires investing time in aligning interests before focusing on the political choice that is needed to bring about any possible agreement.

As one diplomat says, "all attempts to bring about difficult outcomes need to start with politics". This takes us to the importance of framing and language. Political parties understand this but, on the whole, governments do not. It needs to be understood if collaborative strategies are to work. The debate on climate change took a positive turn, from the point of view of those wanting to galvanise a wider spectrum of American opinion, when the evangelical right was seen as a potential ally by environmentalists. Solitaire Townsend, chief executive of Futerra Sustainability Communications, says that framing the challenge of tackling climate change as a matter

of "custodianship of the planet" established the right common ground. The split between political leadership and civil servants should not prevent each side from understanding of the other's drivers, barriers and levers. When the relationship works well, there is a creative dynamic between ministers and civil servants. One former permanent secretary says: "Civil servants have gone from being shock-absorbers of ministerial aspiration to gear-boxes. At our best, we offer strategic options, and think ahead about how we can deliver better or more innovatively."

Thinking should happen within the box — as well as outside it — to keep the delivery of objectives relevant and salient for our changing society.

Britain's ambassador in Bucharest, Robin Barnett, says that in countries like Romania, where civil society is relatively weak, the benefits of partnerships are less self-evident than one might assume. "Transparency has not been a part of the central and local government tradition," he reminds us. "NGOs have been circumspect about engaging too closely with officials for fear of somehow compromising their independence."

Barnett says that there have also been concerns about aspects of private-sector involvement, given the possible perception of influence-peddling,

"Even where partnerships have been formed, open sharing of ideas and information can take a long time to get off the ground."

Working in Romania has involved overcoming suspicion. Things are slowly changing and Britain has been involved in some effective partnerships. Two catalysts for success are sponsorship at a political level in partnerships involving central or local government and external involvement. If ministers or mayors are seen to back a particular partnership actively — rather than merely to accept it — then officials are immediately more open and frank. Similarly, the involvement of embassies and other external partners also gives an added impulse in the initial stages.

A good example is the Local Transparency Councils project, a partnership between the Romanian government, local authorities, NGOs, civil society and the British embassy. The embassy was able to act as a catalyst for introducing greater transparency in the workings of local government by using the power of positive UK examples and stressing the apolitical nature of such activities.

It pointed out that voters tended to reward best-performing councils and that NGOs and civil society could only gain from a positive dialogue with local authorities. There is more work to be done but these councils are on the right track in many municipalities.

Learning points:

- Political sponsorship acts as a catalyst. External scrutiny concentrates minds.

- Patience and persistence are political skills. Both recognize the body politic for what it is, whatever changes need to be brought about.

8. Show long-term commitment

The more difficult and complex collaborations need to be approached like a marathon, with all the focus, preparation and perseverance that this entails. The European Union summit of October 2008 failed to achieve a breakthrough on dealing with climate change, but Britain is standing by plans agreed in 2007. The Foreign Secretary, David Miliband, insists that Europe hits its 20% target for reduction in carbon emissions.

On corporate social responsibility, Sir Mark Moody-Stuart, Chairman of

Anglo-American, says: "Companies that do not transparently communicate their sustainability performance are running out of excuses." (PR Week, 17 October, 2008).

Worsening economic conditions are not a reason for companies to put CSR on the back burner. According to the Ethical Corporation Institute (2007), despite a 10,000% increase in companies reporting their CSR performance over the past decade, many are not reporting in an engaging way.

The German presidency of the EU was successful in establishing a long-term framework for tackling climate change. Since then, progress has been fraught with political and economic challenges. The work now involving the coordination of eight directorates-general at the Commission in russels shows that international institutions are beginning to close the democratic deficit by a more ambitious involvement of non-state actors and citizens in the delivery of social goals. Claus Sorensen, DG Communication, says that EU plans for dealing with climate change involve making closer connections with energy security and environment. "It's not just a wider,

but a deeper, collaboration," he explains. "Unless we work more collaboratively, we won't achieve the impact the EU needs to have to be globally effective."

Any deal on reducing carbon emissions which is sustainable — in both the conventional and the green sense — has to be an intricate web of mutually supporting agreements at global, regional, national and local levels. Governments need to be seen to deliver for business and civil society backhome, no matter how dextrous negotiators are at summits. Private engagement of state and non-state actors needs to be interwoven with public diplomacy.

The vast majority of issues were resolved at the WTO talks. But two of the 20 were unresolved and led to their collapse in 2008, showing that any collaboration or negotiation is only as strong as its weakest link. India's role is critical to determining the outcome of both sets of issues.

The WTO's Pascal Lamy visited India shortly after the collapse of the talks. The quality of coverage in India's media, one of the most established and fastest growing in the world, gives us an insight into

the collaborative challenge of achieving resolution on both climate change, and world trade. The talks were very widely covered and there was much factual reporting about which country

was taking which position. The Indian Government's position was reported to have been tough — particularly against the USA — but without ruling anything out. The Indian media took the view that their government was standing up for developing nations.

India's Ministry for Foreign Affairs has consciously integrated its public diplomacy activities to support the negotiating strategy of the government with domestic communication campaigns. Unless we all take into account the domestic dimension of any international negotiation, we miss not only vital information but also the opportunity to work more effectively with the very people whom we need to persuade.

Learning points:

- The pressure on negotiators will focus them on what they can achieve together — a difficult enough challenge. But they also operate on a bigger stage. In complex

negotiations, what's agreed at summits and ministerial meetings will also be determined by what negotiators can get agreed with their political overseers. All will in turn, be negotiating with — and influencing the opinions of — their own public.

- Climate change negotiations will shape how each society collaborates to achieve economic growth and reduce carbon emissions. So any investment in negotiation will be have to matched by an investment in strategic communication, using local, national or global channels to shape the political climate in which businesses and citizens change behaviour and expectations.

9. Use all four types of knowledge

Lorraine Dodd and Gillian Stamp drew my attention to the work of Larry Prusak, who explores the four kinds of knowledge differentiated by the classical Greeks (Prusak, 2000):

- Episteme:
  technical/practical skills. Episteme covers abstract generalisations, basis and essence of sciences; scientific laws and principles. It is developed by practice and repetition.

- Techne:
  teachable knowledge. Techne is technical know-how, being able to get things done, manuals,

communities of practice. It is developed by being taught in company of those who already know.

- Phronesis:
  experiential knowledge. Phronesis is practical wisdom, drawn from social practice. It can be learnt only by direct "felt" personal experience.

- Metis:
  conjectural knowledge. Metis covers the learnt capacity for handling complexity that combines flair, wisdom, forethought, subtlety of mind, deception, resourcefulness, vigilance and opportunism. It can provide the ability to anticipate, modify and influence the shape of events — which can be interpreted as canny.

We tend to be more familiar with how to impart the first two types of knowledge. Techne and episteme can more readily be taught and examined in order to appraise the degree and level of attainment. It is also relatively easy to assume measured links through to operational outcomes when operational settings are carefully controlled and bounded. Phronesis and metis are more deeply seated in terms of the learning effects and relate more to emotional intelligence than IQ. Metis is "what the flair, the knack and the bent of the successful politician is made of: a form of knowledge which is at the opposite end of metaphysics, with no quest of

ideal but a search for a practical end; an embodied, incarnate, substantial form of knowledge." (Baumard, 1994, p.2).

10. Establish common principles

Four questions keep collaboration focused:

1. What is the outcome that we want to achieve?

2. What is the deal for all parties?

3. What is the agreed strategy?

4. What do we all need to do/not to do/to stop doing to achieve success?

Aligned to these questions are three principles proposed by General Sir Rupert Smith:

1. Common end

2. Equity of risk and reward

3. Goodwill

In Smith's view, collaboration must have a common end. What united the Allies during the Second World War was their agreed aim: the defeat of the enemy and its unconditional surrender. Any other combination of objectives could not deliver the allied coalition. Relationships during the course of the war were strained and one role of national leaders such as Churchill

and Roosevelt was to keep their own people focused on the common end. Any collaboration carries risk: if one of the parties to the collaboration takes on disproportionately more risk than the others, it follows that their reward should be greater. Finally, collaborations need to draw on the goodwill of all the parties — not just to get started but also to keep going. Any leader must promote good will.

As General Smith observes, we love our differences. "When these differences take away from what the collaboration as a whole needs to achieve, they become corrosive, and run down the cracks," he says. "And in any collaboration, the cracks are always there."

11. Decide the timing

A collaboration builder needs to understand the timing of the collaboration, knowing when best to intervene and to put key strategic decisions. Key moments in strategic decision-taking are:

- whether or not to form a collaboration

- when and how best to start it

- choice of partners

- when and how to assess its progress and to continue to support it or change it

- whether it should continue in its present form when it seems to have achieved what it has set out to do.

When starting up, partners must be satisfied that there is enough of an opportunity to be exploited and that there is the right dividend for all involved. They will then make a choice on the basis of:

- confidence that a collaboration can make a difference;

- calculation that the complexity of the challenge and the means to over come it can be sufficiently managed to deliver a good enough solution; and

- commitment that the collaboration will be made to work.

In their article "Ambiguity, complexity and dynamics in the membership of collaboration", Huxham and Vangen (2000) observe a cyclical relationship between the nature of the participating organizations and the focus of the collaboration, with the participants defining the focus and the focus defining new participants. Each time a new participant is involved, the focus alters slightly and other organizations become relevant.

The oil and gas industry has produced guidance on designing and building partnerships. IPIECA, the International Petroleum Industry Environmental Conservation Association, was founded in 1974 following the establishment of the United Nations Environment Programme. Since then, it has designed practical tips for effective partnerships, including mapping the different stages of partnership.

I have identified seven of these stages, drawing on IPIECA's emphasis on taking time to identify the right organizations to work with and its suggestion that a systematic selection process can be used to help clarify what is required from each partner. IPIECA also recommends that there should be some early and concrete "win-wins" for the partners to maintain motivation and momentum within the partnership. There should also be time to renegotiate the terms of partner engagement if required.

When considering the cycle of collaboration, partners will want to balance the need to press ahead with the need to ensure that each step has been considered by all involved.

My cycle of collaboration has seven steps:

1. Identify, assess, and act on the opportunity to gain political, economic and social dividends.

2. Design collaboration, attract and select partners.

3. Convene: gather information and build relationships.

4. Frame challenge and opportunity; explore options and solutions.

5. Align interests, focus the choice.

6. Establish and require personal and organizational commitment.

7. Decide, implement, review and learn.

12. Manage the dynamics

Whatever specific goals a venture has set itself, effective leadership will mean managing three underlying dynamics:

• To create value and distribute enough reward to all parties contributing to the collaboration.

• To harness productively all the assets, tangible and intangible, that the collaboration has its disposal and obtain the right degree of cooperation from each of the parties.

• To deliver on the common end and adapt to any significant changes to the environment in which the collaboration operates.

For the collaboration to keep its focus and direction and adapt appropriately,

all parties will want to keep under review these questions:

1. What does the collaboration achieve overall? What is in it for each party? How much does each have to contribute? And why does it matter for all of us that the collaboration is made to work?

2. How do we have impact as a single entity and work constructively through our differences?

3. How is one to keep focus and momentum and yet respond to change?

I have drawn on two insights from Dodd and Favaro (2007). According to their research into the 20-year performance of more than a thousand companies, the central challenge for business leaders is how to achieve many objectives at the same time.

Of all the competing objectives, three pairs stand out: profitability as compared with growth; short-term as against long-term; and whole contrasted with the parts.

Central to Dodd and Favaro's case is the concept of a batting average — a measure of how often a company is able to achieve two performance objectives at the same time in a given year. A key finding is that a company with years of booms and busts in

profitability and growth — even many big boom years — is less likely to have high a share performance than a firm that reliably meets both objectives of positive profitability and real growth most of the time.

The relevance to managing collaboration is the emphasis that this puts on tapping the potential value it brings and driving performance while building participation. Leadership is required to achieve both. Great performance rises above compromise. It is not just the product of making the best choices, but avoiding the need to make unnecessary choices in the first place. The task is not to arbitrate between competing objectives but to reconcile them into great performance on many fronts at the same time. Sports teams stand a greater chance of winning the championship if players focus as much on improving their skills as they do on winning today's game.

The case Dodd and Favaro make for driving business performance can be applied to collaboration: "Organizations stand a greater chance of meeting their many performance objectives, without compromise, if they concentrate on strengthening the capabilities that help knit them all together." (Dodd and Favaro, 2007, p.vii).

13. Exploit creative potential

The emphasis in Chapter 1 was an "instrumental" view of collaboration. Looking at what collaboration was for, I adopted the perspective of collaboration as a means to an end, albeit conditioned by relationships. But, to make it work in practice, understanding what collaboration is about requires a wider and deeper perspective: seeing collaboration as instrumental, yet also as expressive and reflective.

Collaboration can bring out what was not obvious in the confines of a single organization because it is a new and transitional space. It can help people find a space to step back from their own organization and see what it could do differently or better. The aspirations and fears of participants can be expressed with more or less restraint and with greater or less formality, depending on how the collaboration chooses to work. Threats and opportunities that were dormant or just under the surface can be revealed, depending on the degree of openness and candour. Because collaboration can take people out of their normal roles or allow them to test the boundaries, there is the potential to reflect and learn.

The outbreak of foot-and-mouth disease in 2001 was devastating for the farming community. But however difficult it was for the UK agriculture

ministry staff to manage the crisis, one organizational benefit was the scope that it gave junior staff to step into more senior roles. The scale of the work to be done to get on top of the disease meant that government had to make even more use of the skills at its disposal and give people more responsibility.

14. Tap the undercurrents

Collaboration has to work at a human level to give of its best. "Stuff emerges" and needs to be worked through in real time, outside the comfort zone of each of the players. These problems cannot be resolved by offloading them on to some of the parties or by going out-side the collaboration. Normal coping strategies — fight or flight, waiting to be rescued — invariably do not address the issues.

When trust is high, the challenge should be manageable. Every party understands one another's contribution and there is a sense of making progress towards achieving the goal. Everything flows. Collaborations feel creative and meaningful, with real business being done. Leaders in the group rise to the challenge, as do their teams. Initiatives are taken at every level, supported and reinforced by the collaboration as a whole.

Collaborations are invariably more than the interests that the parties purport to represent. As well as the business in

hand, they can be exercises in the display and negotiation of power. This is often in the background, rather than in the spotlight. Collaboration builders go beyond set positions, focus on interests and find out what real issues are beneath the surface. They are attuned to the agendas and motives of others. Unless this tapping of undercurrents is done carefully, issues can fester and collaborations may stall or become derailed. When challenges of complexity, uncertainty, ambiguity and difference are ignored, they can gnaw away at the effectiveness of the group.

Success turns on probing beneath the formal organization to discover the informal structures beneath, as well as the informal networks and loose groupings that coalesce around established loyalties and mutual concerns.

Much activity in groups is performative: it is a form of performance acted out for the benefit of participants and those thought to be observing them. When we talk about a "show of force", a "punishment beating" or "token compliance", we are acknowledging that these are all performative activities.

Gillian Stamp uses the word "felt" to qualify other terms: felt accountability, felt leadership, felt strategy. In her experience, people are readier to commit resources of attention, time,

finance and so on once something is felt. She adds: "Perhaps it is that the leader must feel it for him or herself before investing the resources of the organization."

So what would make leaders feel the value of effective collaboration? Stamp says that what this involves is:

- Clarity:
  See the world as it is and not as one wants it to be;

- Humility:
  Acknowledge that one does not know what to do; and

- Openness:
  Be receptive to possibilities and to involving others.

One of the smallest units of collaboration at work is the team meeting. If it is approached consciously as a collaboration, all those taking part can think about what the meeting is designed to achieve, what business it needs to discuss and how each person's contribution is a good use of everybody's time. That can take the collaboration forward.

A one-dimensional approach will treat team meanings either as a production line or as a false

exercise in working with the personalities involved — playing up to their egos or giving the group an unjustified sense of security by producing an artificial consensus. A two-dimensional approach works both on the task and on the individual contribution of participants. A three-dimensional approach — used by teams who are more comfortable working together and by convenors keen to challenge the quality of a group's deliberations — is to take a step back during the course of the meetings and ask searching questions of the group. How much progress are we making here? Are we getting the main issues onto the table and working at them? Whom haven't we heard from? What haven't we heard?

Groups in full flow, made up of individuals who are self-aware, will know this instinctively. But a more structured approach, albeit with a light touch, may be needed.

Learning point:

- How much thought, preparation and follow-up go into the conduct of meetings at any level? As well as "getting through the agenda", and "ensuring that we hear from A, B, and C", how much is made of the

occasion to bring about the sharing of insight and to work with any emerging thinking produced by the meeting?

Counter-intuitive as it might seem, collaborations produce better results if confrontation is encouraged and consensus is genuine rather than passive. According to Hause (1999), confrontations actually prevent conflict. The skill is in making the confrontation happen constructively and letting parties feel that they will not be disadvantaged by voicing different and sometimes contrarian perspectives, especially under the pressure to make a decision or to work within constraints. The team as a whole — and not just the person who is convening the group — has a leadership role in shaping and maintaining the conditions for ensuring an effective collaboration.

A sense of unfairness and resentment breeds when a collaboration does not appreciate the contribution of each party. Equity of risk and reward is important, but only if a sense of "fair enough" prevails. What also breeds resentment is a collaboration that disproportionately benefits some and not others.

The FCO is ahead of the game in getting out and talking to communities in Britain. It has two programmes that promote face-to-face dialogue about foreign policy: "Bringing Foreign Policy Home" and an outreach programme involving visits to 20 cities. The format tends to be open and fluid so that FCO ministers and officials can hear what matters to people and be held to account for policies in areas where there are big differences of opinion. A team from the FCO took part in a "Living Islam" event in 2008.

Learning points:

- If the FCO is to counter radicalisation, it must work in contexts that are difficult. It must listen; it must be ready to be challenged and it must put the challenge back. Open disagreement is healthy, particularly if all sides can confront the issues and understand where others are coming from and why something is important. Long overdue, these are genuine attempts to engage on the issues that matter to communities, particularly young people.

- The group I saw in Manchester wanted to know whether this was the start of effective engagement and whether we would build on what we had learned and involve others.

15. Tap the talent

Organizations tend to work with one or more of three theories of managing people. Though quite sharply differentiated, these can co-exist to different degrees. I shall call these theories x, y and z, grounding them loosely ground them in the templates established in Plato's Republic, Aristotle's writings and more recently in postmodernist writers such Gilles Deleuze (Deleuze and Guattari, 2004).

Theory x takes a broadly static view of the talent at its disposal, organises it according to skills and experience and filters the talent so that it puts the right pegs into the right holes. Where there are more pegs than holes, it creates competition by developing the right people for the right jobs and by producing a human-resource equivalent of Darwin's survival of the fittest. It talks about "managing" people. It is attractive because it gives shape to managing talent. It plans and organises; it has winners and losers, but at least people know where they stand.

Theory takes a more dynamic view: everybody has potential, and an organization's role is to draw it out and develop it. With Theory x, one has to prove that one has potential. Theory y assumes it and tries to bring it out. It talks about "developing" people. In principle it is very attractive: in practice, it has to show the value of its investment in people and must manage expectations if it is not to disappoint.

Theory z doesn't make any presumptions: it believes every moment creates new challenges and new opportunities and that people reinvent themselves in the moment. Like Theory y, it sees talent as dynamic. But it doesn't focus on any person's particular potential. It creates opportunities for people to show what they are capable of. It talks about getting people out of their "comfort zones". It's exciting and innovative but high risk — and therefore of mixed appeal. Most hierarchies are comfortable with a bigger mix of x and, depending on how much they want to experiment or to compete for new talent, a smaller mix of y and z. Collaboration, by its nature, might work with organizations that are themselves hierarchies. But to go forward it should have a broader appreciation of managing and developing talent, particularly if it needs to empower people at different levels to take more initiative and responsibility.

The themes of alignment and engagement developed by MacLeod and Barrie in The Extra Mile — which I mentioned in Chapter 1 — confront collaboration builders with a challenge that is even more pressing for them than it is for leaders of individual organizations: how to draw on the

extra commitment and engagement of employees working for both the collaboration and their own organization. In an organization, there are explicit contracts, systems and processes to reward and encourage some behaviours and penalise or discourage others. Multi-level collaborations rely on participants giving the right kind of added value in the absence of explicit contracts.

"Tapping the talent" is an essential ingredient in the model of public diplomacy explored in Chapter 5. Governments will not achieve what they want if they rely on too narrow a view of skills and behaviours, either in their own employees or in the organizations whose support they need in delivering social change. Watching Futerra Sustainability Communications at work, I saw how the organization had to become even more business-like and disciplined to cope with its rapid expansion. But it was also clear that this was a company that had achieved what many other organizations long for: tapping the creativity of every single member of the team. Its people are highly motivated, creative and mutually supportive. The team is a good mix of very experienced communications professionals and less experienced interns integrally involved in the business. The team mingles in the course of the day in common areas, over lunch or some other social activity,

and regularly refreshes its ideas by contact with external speakers.

If greater collaborative working is expected between governments, business and NGOs, we all have to understand better how we each prefer to work and how performance is vaued. The understanding has to be in both directions. NGOs won't be able to build politically or commercially on the increasing trend by both governments and business to draw on their credibility and insight if they don't match the improvements in skill-set in government and business: for example, programme and project management.

Both business and NGOs need to understand that working in the public sector carries ever-increasing public accountability and visibility, not just by institutions, but their employees. So working to rules and procedures is not necessarily the dead hand of bureaucracy but part of giving the public confidence that standards are being consistently applied. Some countries can take for granted how much standards in public life are expected and presumed. Others know that this is still a real struggle and that already now, and in years to come, ethical principles and performance will differentiate a country not just in the eyes of foreign investors and tourists but in the eyes of a younger, more skilled and mobile generation who will

want to be rewarded on merit rather than on other grounds.

The original work on Theories X and Y was developed in 1960 by Douglas McGregor, in "The Human Side of Enterprise". McGregor differentiated between two management approaches, one directive (Theory X), the other empowering (Theory Y). The difference between the two approaches was for McGregor stark. I have adapted his model, so that it is more neutral towards Theory X, while retaining the essence. I have also adapted Theory Z which was originally developed by William Ouchi, in his 1981 book "Theory Z: How American management can meet the Japanese challenge".

A model for developing effective relationships

The drivers for success involve a number of steps to enable collaborative relationships to operate more effectively. These relationships the shape the nature of, and response to, the challenges of leadership, trust, risk and complexity. Ways of analysing relationships, identifying key areas of strength and weakness, as well as the factors that influence them, are therefore a vital element in improving collaboration.

Assessing relationships

Michael Schluter and John Ashcroft of the Relationships Foundation have provided a practical way of assessing, developing and managing relationships by acknowledging the preconditions for effective relationships. Their framework that does not presuppose a particular model of a 'good' relationship – this will vary according to the context, purpose and preferences of the participants. The framework allows both parties to the relationship to consider whether they are creating an environment which makes it easier and more likely for an effective relationship to develop and be sustained or whether they are creating an inhospitable climate for effective relationships. These preconditions do not, of course, guarantee an effective relationship. They are necessary, but not sufficient, conditions.

Figure 2.1: Relationships Foundation relational proximity model
(Source: Taken from 'Influencing, Assessing and Developing Relationships' Handout for Cabinet Office Strategy Unit seminar on 3 March 2009. See www.relationshipsfoundation.org)

Domain of Relationship	that are important require the preconditions of	Relational Proximity	in order to bridge the gaps so we can achieve and experience the benefits of these	Relational Goals	and	Outcomes
Communication	→	Directness: reducing the extent to which presence is mediated or filtered	→	Connectioness	→	Clarity and completeness of communication
Time	→	Continuity: Managing the gap between interactions	→	Meaning and belonging	→	Momentum and growth
Information/ Knowledge	→	Multiplexity: improving the breadth and quality of information	→	Being known and mutual understanding	→	Reading situations and responding to needs
Power	→	Parity: the fair use of power	→	Mutual Respect	→	Participating and investment
Purpose	→	Commonality: Building shared purpose	→	Unity	→	Motivation and synergy

Five domains

Communication
When we say that relationships are a series of interactions we mean that there is some contact between the parties. How people communicate, the media they use, and the skills they employ are fundamental processes by which one party to a relationship influences another. Intentions, hopes, desires, fears, needs, and information all need to be communicated in order to co-ordinate actions and generate desired responses. Without at least the potential for communication (even if only the potentially one way communication of relative to comatose patient) there is no relationship as the two parties become wholly disconnected. Wars can be won or lost, businesses thrive or go under, and marriages flourish or break up as result of successful or poor communication. Communication is shaped by external factors (for example the geography of the relationship including size and design of offices) as well as internal factors including both openness and communication skills.

Time
Defining relationships as a series of interactions introduces the time dimension to a relationship. This includes both the overall duration of a relationship and the way in which some things continue from one interaction to another, so enabling us to say that these interactions are part of the same relationship.

Time is the currency of relationships. We save, invest, and spend time. It is often our scarcest resource. It is time that allows relationships to grow, understanding to deepen, and trust to be built. Conversely the lack of time and momentum through interactions is a major limiting factor. The time dynamic of relationships is shaped by external factors such as the demands of other relationships as well as by such internal factors as commitment and loyalty that influence time allocation.

Information
We narrowed our definition of relationship to exclude purely contingent connections with unknowable entities. Part of what continues from one interaction to another is information. The conduct of a relationship is informed by what we know, and the accuracy and completeness of that knowledge. Misunderstandings and missed opportunities result when too little is known, or when knowledge is false. The nature, extent and quality of information about each party to the relationship is shaped by external factors such as whether there is the opportunity to meet in different contexts as well as the openness of disclosure and discernment.

Power

The capacity to influence other parties in a relationship raises the issue of power and the consequences of the way in which power is used. This has particular influence on the levels of participation and investment in a relationship either because of the rational calculation of fairness of return, or the more emotive response to feelings of being used, imposed upon or treated unfairly. There are many forms of power, each of which may be distributed and used differently by the various parties to a relationship.

Purpose

Purpose is often the reason for being in the relationship and informs the desired outcomes of the relationship. Purpose may be influenced by demands of and obligations to others, as well as being the more internally defined product of the things that motivate us. People have different objectives and priorities in a relationship: what matters is the degree of alignment of purpose and the extent to which different purposes can be accommodated.

Integrating the internal and external influences

In order to see how both internal and external influences on relationships come together within these five themes and start to create different outcomes, the Relationship Foundation introduces another set of concepts.

Present and direct

Why does face to face communication matter? Why are emails sometimes great – but sometimes not? The extent to which either party to a relationship is physically, intellectually or emotionally present effects what is communicated, how it is experienced and what is achieved. The nature and extent of presence is influenced by such factors as time, place and the medium of communication used as well as the communication skills employed and the degree of openness. It is this that enables both the sense of connectedness as well as the effectiveness of the communication process.

Continuity of the story

Teams break down if turnover is too high, but without change there is little growth. Most people prefer to see the same doctor, have the same person cut their hair, or repeat business with people who have served them well. It reduces risks and saves time, while the explicit or implied promise of continuity conveys security and belonging. It's certainly preferable to have confidence that your bank will continue to exist and that agreements made yesterday will still be valid tomorrow.

The way in which interactions string together to create a relationship that has meaning and momentum can be understood in terms of story or narrative. A key element of successful relationships is that they can build on previous interactions (though building on negative experiences can serve only to deepen the bitterness of a feud). Trust, understanding and information is carried through from one interaction to the next enabling more to be achieved. Time is not wasted, or the scope of what can be achieved limited, by having to start over again. The story of a relationship is adopted into the narrative of our life. It becomes part of the process of how we give meaning to events and see our place in the world and in other people or organization's lives.

Multiplex knowledge

The conduct of any relationship is informed by what we believe we know about the party. We use this knowledge to invite their contributions, assess their needs and interests, judge their character or interpret their responses. The completeness and authenticity of this knowledge is influenced by varied sources of information, or contexts for gaining it, as well as the degrees of inquiry and disclosure that describe the relationship. Although there are times when privacy is valued and important, or when knowledge can be used against us, the sense of being known is an important affirmation of our worth as well as bringing practical benefits.

Parity and fairness

Our sense of self is shaped, in part, by how others treat us. Our actions are influenced by our beliefs about how they will treat us. The distribution of the various forms of power, and the structures and processes that give rise to it, combine with the way in which people use power and respond to it, to influence the willingness to invest in and contribute to a relationship. Fear of being hurt or treated unfairly is a major disincentive. Confidence that there will be a positive return (whether in terms of finance, reputation, opportunity, pleasure, or in any other currency) encourages participation. The instinct for fairness is deeply hard wired into our make-up and a powerful influence on relational behaviour.

Alignment for commonality

People are different. Different purposes, identities, preferences or accountabilities all need to be managed in a relationship. Difference has many benefits: the variety is both interesting and also more creative. But difference that is poorly managed with very little alignment of purpose – in the sense of person to task, between persons, or between organizations – leads to conflict and friction. In a complex system this process of alignment can be both unstable and challenging, with actions in one relationship having knock-on consequences for others. Yet without successful management of difference any co-operative activity becomes fraught with risks. And without the contribution of other people, the scope of what we can achieve is severely reduced.

Leadership, trust, risk and complexity are the four challenges most frequently mentioned by the people I have spoken to. In particular:

• How best to lead

• To develop trust

• To manage risk

• To tackle issues involving complexity, uncertainty, ambiguity and difference

These strands interconnect, of course, and can be woven together into a single tapestry. What helps connect the strands are two guiding considerations: first, decide whether a fixed or flexible approach is needed; and second, try to understand others involved in the collaboration. In the discussion on complexity, I suggest a technique that helps inform this approach.

When I visited Manchester in October 2008 as part of a FCO engagement programme with the Muslim communities, I said that one of the main tests of collaboration and wider engagement was a genuine willingness to work with diversity. In ascending order, I set out the different degrees of interest and commitment: tolerance, acceptance and appreciation. One the leading city councillors added: "And celebration!" Dealing effectively with diversity has much in common with managing complexity in collaboration.

1. Leadership

The good leader is the one that the people adore; the wicked leader is the one that people despise; the great leader is the one people say, "We did it ourselves".

Lao Tsu (1996) p.9

If you want to raise a man from mud and filth, do not think it is enough to stay on top and reach a helping hand down to him. You must go all the way down yourself, down into mud and filth. Then take hold of him with strong hands and pull him and yourself out into the light.

Martin Buber (2002) p. 31

Leadership takes many forms. But whatever is right for a particular organization will need to be adapted for a group that is working together on a more equal, participative basis. Leaders will be working with other leaders; and their teams might work not only with other teams but with people at different levels of another organization. If the collaboration extends to involving other networks — or citizens who are agents in their own right — the term "leadership" will have to be qualified even more heavily. It might make sense

to speak of enabling or empowering leadership, rather than the more conventional command-and-control type of leadership.

What then is the leadership role of the collaboration itself? Is it there to drive others or to support them? Does it call the shots or influence? Is it to kick-start change or implement it? Is it driven from the centre or is it working from the edge of organisations? Is it altogether a more dispersed leadership? These questions are explored by Boxer (2008), among others.

Push or pull?
Even where collaborations are driven top-down, leadership can become more dispersed if everybody is working to a common end and with a shared strategy whose objectives and roles are all clearly understood. Some coordination is needed to ensure that efforts are integrated. Fiona Hammond, a contracts lawyer, believes that the form leadership takes in collaboration is more of the push-pull variety than, for example, leading a regiment whose troops march to the orders they are given. Depending on the work to be done, the heavy lifting might be done by a leader. This would be an example of "push". Alternatively, the work might be done by teams, with the leader intervening to support their efforts as needed. We would describe this as "pull".

Where collaborations are bottom-up, leadership is given to the front-line, or edge, of the organization. The role of the centre is not to lead from the front (leading the charge) or from behind (moving the pieces on the board) but to keep an overview of what is being achieved, spotting where more or less investment or intervention may be needed and supporting the flow of the collaboration. Leadership is more about timely and proportionate intervention.

Three other models of leadership might also be applied to top-down or bottom-up collaboration. In British broadcasting, programme production has been separated for more than 10 years from commissioning, scheduling and marketing. The channel commissioner specifies what would make a channel attractive to its audiences. Programme-makers, who compete to put up ideas, are then commissioned to make the programmes. The commissioner exercises artistic and business leadership; yet the programme-maker creates and produces the award-winning programme. So both are leaders. Commissioner and programme-maker negotiate or collaborate to ensure that the programme fits the channel remit and earns its place in the schedule. The programme team is responsible for delivering the right product.

Another model — very close to the broadcasting model — is procurement

of products and services. The organization that is responsible for procurement can become more or less involved in the generation of product or services. A contract specifies the requirement and, depending on the variables, account or relationship management tracks the delivery.

Modelling collaboration on a military or marketing campaign captures both the focus required to organise a result and the improvisation needed to exploit opportunities. Not surprisingly, many of the best marketing campaigns require a leadership that knows when to be directive and prescriptive — for example, applying the core brand consistently — and when to give scope to "letting a thousand flowers bloom" — for example, encouraging different participating organisations to apply the core brand to connect with their audiences.

Leadership and teamwork
Most of my respondents see the need for effective leadership, particularly in initiating collaboration and taking responsibility for its direction, progress and delivery. Leadership can take different forms and that it can be handed on to different participants at different points. One metaphor of leadership in collaboration that respondents found appealing was running a marathon, a sprint and a relay — with the baton being handed at different points to different

collaborating partners. Equally, they can see that everybody needs to show some leadership — to do the thinking and reflection as well as the heavy lifting — while being supported or supporting others depending on the work required in that cycle of the collaboration.

We need to look as much to teamwork as leadership to inspire social change and to encourage citizens to responsibility for achieving policy goals. The prospect of working in a team that includes not only one's immediate colleagues or neighbours but a whole town or community is the inspiration for campaigns and crisis response. We know how well this can work when small groups of people pull together and their effort is replicated and multiplied. But this is a model of distributed, dispersed leadership, with each cell knowing the goal and taking responsibility for achieving it — both for its own ends and to contribute to a wider effort. Networked-based organisations or collaborations driven by a multiplicity of different contributions — all focused on the same end — make a formal split between leaders and followers almost redundant. The "spark" of leadership has to be there at every level.

Leadership and value
One test is who decides on the value of what is created and where this leaves leadership, particularly in the public

sector and in public-private collaboration.

Many collaborative enterprises are judged by those who have a need for it, by those who set it up and run it and by those who gain or lose from it. In *Creating Public Value,* Mark H. Moore says the modern public manager is balancing his or her own conviction of what constitutes public value with reflection and feedback from overseers, clients and citizens.

The more that accountability and legitimacy matter, the more that success or failure in leadership is determined by a combination of what gets done and the support generated and received. Leaders of collaboration are in a particularly exposed position when the collaboration that they lead addresses difficult social issues. In *Leadership Without Easy Answers,* Ronald A. Heifetz poignantly captures this tension. "Leadership is a razor's edge," he says, "because one has to oversee a sustained period of social disequilibrium during which people confront the contradictions in their lives and communities and adjust their values and behaviour to accommodate new realities." (Heifetz,1994, pp-126-128).

Value is a mix of satisfying what is actually wanted and producing something that could be wanted over time. Moore says: "It is all very well for entrepreneurs to have a hunch about

what customers want; it is far better to know from the customers themselves what they desire. It is also important to recognize that consumers could change their minds about what they consider valuable not only through the provision of abstract information about products but also through experience." (Moore 2003, p66).

Gambling carries negative connotations. But if leadership is about the mingling of reality and possibility, it must be about risk-taking.

The broadcast and procurement models in commercial terms seem to give the commissioner or procurer Caesar-like powers to determine whether a product meets its specification. Failure to do so either requires changes or carries penalties. But the commissioner or procurer can argue that theirs is a delegated or proxy power: they are ultimately accountable to viewers and listeners — or shareholders and customers — for the decisions that they take on value.

Leadership and shared principles
Leadership is not just a matter of having principles, of taking them up and living them out; it is about making them work for all involved. This means creating an environment in which honesty and directness can be expressed freely. It means making space for creativity, assertion and even aggression, knowing how important it is for some people to

exercise that aggression as a prelude, or condition, for being understood. Both assertion and generosity of spirit need to be encouraged.

How does one get the best from people in an environment where commitment has to be earned rather than assumed? Persuasion is only part of the answer. One wants others to see the benefits and to make sacrifices for themselves. The end-game is not succeeding in getting them to change their minds — though this might be a means to an end — but for them to conclude: "This is right for me, because I think it, I see it, I hear it, sense it, want it."

If real leadership ultimately comes from the people whom collaboration is designed to serve, shouldn't questions about leadership be framed in terms of how we enable others to articulate and act on what they want? This is less to do with influencing them than inspiring them.

Where possible, commitment needs to be as symmetrical as possible between the parties — though one can live with lesser commitment from some partners if all that is needed is limited support or the delivery of some particular service or benefit. The level of commitment is proportionate to what that person can reasonably give. We don't often appreciate how a small commitment from one person or organization can actually be more stretching for them

than a bigger commitment from another person. This is very pertinent to how governments and business get the best from smaller NGOs. But if one person has committed more than the other in relative terms and taken on more risk, that person's rewards should, on the whole, be proportionately greater.

Leadership: Gillian Stamp's perspective

Leaders have a crucial responsibility to develop meaningful conversations. Paddy Coyne, who is responsible for leadership development at Shell, says that what leaders do is to "converse". In a collaborative context, this is of the highest priority.

Drawing on Geoffrey Vickers's work (Vickers, 1965), Gillian Stamp says that the hallmark of an "appreciative conversation" is that people listen without passing judgment and without seeking consensus or compromise, the sole purpose being to continue the conversation to sustain relationships of mutual respect. Appreciative conversations are of the essence where different value systems meet. The parties know they have to maintain their mutual relationship, even when their values appear to contradict each other. If the relationship loses mutuality, diversity is jeopardized and ideology takes over.

Stamp adds: "Appreciative conversation depends on listening with an attitude

to the other that begins with attention and communicates attentiveness. It is demanding because each of us knows what it is to be ourselves in a way in which we know nothing else; and our natural inclination is to talk rather than to listen.

"People and things are seen according to whether or not they serve particular purposes and not for their own sake. Attentive listening depends on 'wide attention' that wants nothing other than understanding and has no agenda to change, judge or control the other."

Appreciative conversation requires generosity of spirit and discipline to shape the hard work of listening and to remain serene whilst hearing views and ideas that could disturb or even distress. That kind of listening is possible only when people do all that they can to suspend their desire to judge, to control and to change the other person. This "appreciative conversation" of listening with openness and mutual respect is especially important at the moment when many world influences and events predispose to fragmentation, polarisation and stalemate.

In Chapter 1, we highlighted Stamp's tripod of work as a way of thinking about leadership. This model is particularly useful for collaboration-building, as it helps manage team dynamics over time to ensure high levels of performance and participation.

Tasking ensures that each level of work adds value by defining the limits for judgment. It

- shares intention;

- agrees objectives; and

- agrees a completion time and criteria for review.

Trusting ensures robust decision-making at each level by

- entrusting people with the purpose and the ethos of the organization;

- trusting them to use their judgment in forwarding the work for which they are accountable;

- evaluating and developing individual capabilities; and

- making sure that no one is either overwhelmed or insufficiently stretched by the challenges of their work.

Tending is the work that keeps things working; the continual mindfulness of purpose, people and process to keep them aligned. Tending ensures that:

- the work assigned is still relevant to the organization — especially important in rapidly changing circumstances and when culture is changing;

- processes and systems are monitored to ensure that resources are being used appropriately according to the current priorities;

- a sense of purpose and relevance for the work is communicated so that individuals have a context for their work, their initiatives and their judgment; and

- procedures are agreed beforehand that will be used if there are unresolved differences of view.

When tasking, trusting and tending are held in balance, there are three outcomes:

Tasking and *trusting* allow *judgment* to be exercised; tasking sets the limits, trusting encourages each person to use their judgment and makes sure each is "in flow" — neither insufficiently challenged nor overwhelmed by their responsibilities.

Tasking and *tending* ensure *review:* tasking prepares for review by establishing completion times, tending prepares for review by keeping systems, practices and people heading in the right direction at the right pace.

Trusting and *tending* ensure the *coherence* that people need to sustain their belief that the work is important. Trusting entrusts people with purposes,

tending keeps that understanding alive through communication. The outcome is a shared, coherent understanding of purpose, so that every detail and decision is an expression of it.

Developing future leaders
In Chapter 5, I set out the ends to which we could use effective collaboration, making the case that, just as collaboration needs leadership, collaboration produces a new type of leadership. I offer here three perspectives on developing the leaders of the future. Christopher Lomas is an enterprising chief executive who left a major bank in the City to set up a company focused on advising top business leaders on how better to work with young generations. Derek Wood has been coaching leaders for the past 25 years. With their colleagues, Mark Schofield, partner at PricewaterhouseCoopers and Julia Fell of Common Purpose have worked in partnership to bring on future leaders.

Perspectives: Christopher Lomas
"Paul Edwards, Professor of Communication at Stanford University commented in an IBM case study that nearly 50% of managers with experience in multiplayer online games said that being a game leader had improved their real-world leadership capabilities. Edwards said, "If I have the ability to lead a group online in Second Life or Grand Theft Auto; to discover, conquer and grow virtual economies;

o get products designed and made; and to achieve goals faster than my competitors, then I may just have the right skills needed to pursue a career in any industry offline too – searching for rare resources, getting to places faster and smarter than my competitors, using the skills of making rapid decisions with imperfect information, convincing others and ultimately winning!"

Perspectives: Derek Wood
"There has been an increased understanding of how changes in leader behaviour can impact performance."

The age of leaders as "hero" is waning and there is an increased focus on complementarity and working with a diverse team.

Senior leaders need to learn to collaborate with others who may be dispersed geographically and from different cultures. Often they have limited time to make an impact and need a greater understanding of what counts in influencing others — for example, the importance of generating warmth and support in creating a positive image in the minds of others.

There is a growing distinction between position and person. Merely being designated as a leader does not guarantee great leadership. In some ways this is a very old agenda, bringing into sharp focus the character of the leader.

In times of change, uncertainty and complexity, people need confidence in their leaders. Such confidence is built on their belief in the person's integrity (see Zenger & Folkman, 2002). Others judge this by how consistent the leader is in their day-to-day behaviour, how straight and direct the leader is in giving difficult messages, how much the leader follows through on declared commitments and how much they model the behaviours that demonstrate their stated values. Courage, determination and judgment also play their part. (Rath, 2007).

When working collaboratively, character — honesty and integrity — is the universal building block, enhanced by skills and flexible responses to others.

When coaching leaders, a number of themes continually recur:

- loneliness of leadership, and need to gain different perspectives

- importance of influence requiring a great understanding of individual differences

- need to maintain personal confidence in times of difficulty

- value of honest feedback in helping navigate the difficult path of leadership.

Leadership coaching has advanced substantially by linking organizational performance to leader behaviours and organisations are increasingly looking at the outcomes and shifts in behaviour achieved by coaching.

Perspectives: Mark Schofield, PricewaterhouseCoopers

"PwC's leaders work in complex environments where they often rely on their ability to influence as well as to direct. The Responsible Leadership Programme (RLP) gets to the heart of the challenge of what it means to lead beyond authority. RLP puts participants into third-sector organisations, into situations where they have no formal authority or mandate, and helps them to refine their skills — influencing beyond their formal authority and professional expertise with a view to achieving sustainable benefits for the host organization and a broad group of stakeholders across organizational boundaries.

"We do this in part because we believe that business has a key role to play in helping address the big, and not so big, interconnected challenges of the 21st century and partly to develop the leadership skills within our firm. The type of collaborative leadership development experience that our partners get on the RLP will enable them to work and succeed across boundaries and, in so doing, make our organization a better, and more sustainable, corporate citizen."

Perspectives: Julia Fell, Common Purpose

"All Common Purpose programmes are designed to create a collaborative environment, to provide the right conditions for authentic dialogue to be created. One example is a customised programme to develop a diverse group of professionals from all sectors involved in regeneration — ranging from developers, architects and planners to community leaders — for the North West Centre of Excellence, RENEW Northwest. The participants were a group of stakeholders seeking a shared outcome, coming together from organisations with different purposes, agendas and different ways of operating; and often in strong organisational cultures.

"We do this by both using a set of Common Purpose conventions and by encouraging different opinions to be expressed, understood and discussed in an environment that is challenging whilst also safe. The outcome is a more effective, inclusive and mutually agreed process for the way forward, where conflict is already explored. There is also a significantly improved understanding of the different roles people will play in bringing about the shared objective.

"As one of the leading international accountancy firms, PwC already had a strong reputation for developing its people and being both forward-looking and having an external focus. When we first started to discuss the development of a leadership programme for UK partners based on PwC's Global Ulysses — a global leadership development programme including partners from around the world working in mixed teams on projects in developing countries —we knew that there was a good "fit" between the two organisations. It took over 18 months to reach the point that both parties agreed that we would develop something together.

The condition that has made this work so well and that has helped us through the inevitable tense times is that there is genuine confidence in one another's expertise and an appetite to learn from one another as we each have different skills, competencies and knowledge. It has always been clear that PwC "owns" the Responsible Leadership Programme and has the final call in the event of disagreement. However, Common Purpose had established credibility in the field of experiential learning and a unique database of leaders in every aspect of the way society works that is local, national and international. The shared goal that guides the team of Common Purpose and PwC designers and facilitators is the desire for the participants to have a powerful and transformational experience."

2. Building trust

Contrary to what most people believe, trust is not some soft, illusive quality that you either have or you don't; rather, trust is a pragmatic, tangible, actionable asset that you can create – much faster than you probably think possible.

Stephen M.R. Covey (2006) p.2

Few dispute the value of trust in creating the possibility of working together and providing the basis for consolidating and growing relationships. Establishing trust is the cornerstone of effective engagement. The issues about trust are: how best to exercise it, what relationship it has with securing and advancing interest and what consequences result from demonstrating trust or a lack of trust. Francis Fukuyama is much better known for The End of History and the Last Man, published in 1992, than for Trust, a book published three years later. This made the simple yet essential point that free markets depend on a level of trust in order to function effectively. The crisis in the financial system also highlights a crisis in confidence in what, and whom, we trust in operating our financial markets.

Collaborations depend on trust and goodwill. However intangible it is, one can instinctively notice its presence or absence. The challenge is to engender it and keep developing it when the

primary task of the collaboration, or the goals of an organization or individual, are at risk. Trust obeys the law of reciprocity: over time, what goes round comes around. It is high-risk behaviour to breach a level of trust; and loss of trust is very difficult to restore. This cuts across all ages, all backgrounds.

Whether the relationship operates at a personal or working level, trust is expressive of the attitude that one person takes towards the other and a form of negotiation. It immediately sends signals as to whether one can work with others and in what respects; and how one is going to work with them.

Different perspectives on trust have emerged in doing this research. The range of views is well captured by reactions to Jonathan Powell's analysis of the government's negotiations on Northern Ireland (Powell, 2008). In a review of Powell's book, Lord Trimble said: "He was mistaken in his belief that the objective is to build trust, which is overrated and frequently misplaced. The issue in politics is, rather, can you do business with the other side?"

I put this to a former British Cabinet minister, an experienced negotiator, who said, "What's the difference? Trust and ability to do business go hand in hand."

Ipsos-MORI, Gallup and other public opinion research organisations have given us deep and long-term perspectives on the relative importance that citizens in different countries assign to trust. I draw from that research and my own experience this understanding of what trust involves:

• Accepting the accuracy, and importance, of what one is told

• Having the confidence in others to deliver what they say that they will

• Believing that others, even if they might not completely agree with you, are on the same side or on the same wavelength.

Effective public engagement turns on citizens feeling that all three levels of trust apply in working with governments, business and NGOs. On this model, one can see that many NGOs might be more trusted than governments as being on the same wavelength, not just in relation to their own supporters but to the wider public — either because government is seen as secretive and remote or because it has to balance so many different interests, it is not seen as promoting any one interest enough. The test for the more advocacy-driven NGOs is whether, having raised expectations about the issues that they champion, they can be trusted to deliver any change.

Collaboration between governments, business and NGOs opens up this possibility: together the collaboration can draw on the different levels of trust that each party brings to the table in terms of support and cooperation from their networks.

As part of leadership development, Shell International uses David Maister's trust equation (Maister, Galford & Green, 2000, pp-69-84):

Trust = C (credibility) + R (reliability) + I (intimacy, defined as the ability to relate to people one to one) all divided by S (self-orientation: the degree to which people put themselves first).

Credibility, reliability and intimacy can all increase trust, whereas self-orientation reduces trust. These four dimensions are a useful way to assess our own behaviour and that of partners. Are we instilling trust? Do we have integrity in our words, actions, emotions and motives?

To develop trust, Maister identifies five stages; engage, listen, frame, envision and commit (Maister, Galford and Green, 2000, p85). The process, described in the table below, usefully starts on engagement: are there issues to talk about and are these people worth talking to? But it goes beyond engagement and shows that, having listened properly, one earns the right to be with the other to frame the issues.

Having defined the problem one can make concrete a specific vision or choice. Only then, once the other understands in all the complexity what it takes to achieve the vision, can one determine to do what is necessary.

Maister's focus is what it takes for a "trusted advisor" to build the right kind of relationship over time with a client. But his insights can be applied to partners in any relationship where trust needs to be nurtured over time to yield greater dividends.

At the heart of this process is the notion of a meaningful conversation, which Maister, Stamp and others all highlight as essential in determining the quality of dialogue and the building of trust. Simon Anholt, who advises top leaders on how better to promote the distinctive identity of their country, uses a process that he calls a "conversazioni" to take leaders away from the hurly-burly of their jobs and talk through options. Anholt's work is discussed further in Chapter 5, when we explore the implications for public diplomacy.

Shell deliberately distinguishes two steps in a process — convening and framing. Framing explores the problem and possible solutions. But this can be started only after a successful convening stage where partners have got to know more about one another's interests and concerns. The term I have seen used elsewhere is NICE: Needs, Interests,

Concerns and Expectations. Experienced negotiators simultaneously gather information as they build relationships. A relationship of trust makes this process light-touch, transparent and respectful of boundaries.

Gillian Stamp combines the tripod (trusting, tasking and tending) with appreciative conversation to work through what needs to be done, what discretion and scope is given to the other and to attend to the issues that need to be dealt with. In their paper "Ambiguity, complexity and dynamics in the membership of collaboration" (Huxham and Vangen, 2000), Chris Huxham and Siv Vaugen argue that the implication for practitioners and policy makers is "nurture, nurture, nurture".

"Achieving collaborative advantage for all but the simplest of collaborative tasks requires major resource investment, together with significant managerial skill and patience from each of the individual participants" (Webb, 1991).

Maister warns that one mistake more commonly made than all the others combined is jumping ahead in the trust process to drive action before completing the other steps (Maister, Green & Galford, 2000, pp139-148). The interesting point for Maister is not the fact that we jump too soon to commitment and action but why we do so. The reasons include: the human tendency to focus on ourselves; the belief that we're selling only content; the desire for tangibility; and the search for validation. Part of being effective in building trust is managing one's own emotions.

3. Managing risk

> Chi gioca solo non perde mai — If one plays alone, one never loses. Sicilian proverb. (Quoted in Maister, Green & Galford (2000) p147).

If leadership is about the mingling of reality and possibility, it must be about risk taking. Not just calculated risks, but taking risks in the absence of information; or despite, rather than because of, the information available. Unless this barrier is crossed, risk is domesticated rather than seen for what it is: wild and uncertain. The risks that collaborations run cannot be mitigated by a tick-box exercise in judging risk on the basis of past experience alone or by the risks being made somebody else's problem. Contingency planning exercises are useful — but not if they give false comfort.

One of the most important developments of British civil service reform in recent years was the initiative led by Sir David Omand in chairing the government's Risk Group drawn from

Table 2.1: Trust process
(Adapted from: Maister, Green & Galford (2000) p86).

Trust Process Step	Action taken	What the client feels	What the advisor gains
1. Engage	Attention becomes focused	"It may be worth talking to this person about…"	Earns the right to tell and hear truths.
2. Listen	Ears bigger than mouth; acknowledge and affirm	"I am being both heard and understood…"	Earns the right to suggest a problem statement or definition.
3. Frame	The root issue is stated clearly and openly	"Yes, that is exactly the problem here…"	Coalesces issues to move forward.
4. Envision	A vision of an alternative reality is sketched out	"Could we really accomplish that? That could be a really interesting outcome"	Makes the vision concrete; generates clarity of objectives.
5. Commit	Steps are agreed upon; sense of commitment is renewed	"I agree, I understand what needs to be done. I'm with you, let's do it."	Allows problem resolution to begin.

permanent secretaries of Whitehall departments. This group deepened the understanding of risk across all departments to show that it was to be managed rather than avoided. It also made the links between risk and responsibility, internally and externally.

Communicating risk to the public involved raising awareness of risk and being clear that, though governments have a pivotal role, responding effectively to risk is a shared responsibility.

Transparency and engagement were essential well before a crisis broke out to make the public "alert, but not alarmed". In effect, this approach to risk management in public policy terms assumes that systemic crises have to be dealt by systematic and methodical planning and coordinated action — collaboration on a massive scale. The vital element is to continue acknowledging that there is a limit to what planning can achieve and to keep alive and channel a constructive anxiety in organisations and in wider society.

The media are strategic partners in helping the authorities build a more resilient society. The Media Emergency Forum, founded by Mike Granatt then chaired by myself and Howell James, brings together all the main news organisations in British media. Among other things, it produced a report into the implications for communication after 9/11, drawing on the collective effort of media organisations, government and emergency services. The media must keep their editorial independence in holding those in power to account; yet they need to see that they shape the conditions in which information flows and is interpreted.

All organisations have to manage risk; and the more strategic ones build risk management early on into their plans.

A situation or decision carries both a downside (threat) and an upside (opportunity). Risk may be individually shouldered, shared, passed to others or disengaged from. Collaborations bring their own risk – not merely aggregating the risks which each party brings to the table but producing new risks of their own.

As research done by Roger Miles and others shows (see Appendix: Risk and Regulation), collaboration adds a new dimension. For example, there will usually be some form of external orative enterprise and the motive each member has for joining in. External observers are naturally curious about the extent to which each collaborator may be — or at least may seem to be — motivated by the common good or by self-interest. What individual trade-offs may be expected for each participant who takes a seat at the collaborative table? Clearly, participants will also bring their own understanding of, and management approach to, risk; and one might expect this to be a subject for early discussion by all partners.

Risk management, in its modern forms, is a popular structure for balancing enterprise with pragmatism in public and private sectors. However, the elaborate structures devised to report and manage risk have tended to allow concealment of a perverse consequence. Strict risk-metric

scrutiny of leaders' decisions can suppress creativity in leadership. Unfortunately, risk-aversion can be the most tempting default option in an era when public scrutiny of officials' decisions has never been greater. Citizens of the modern "risk society" take their own counsel on risk acceptability and regard it as their democratic right to demand that leaders justify a risk decision. Leaders are now challenged, to an unprecedented extent, to justify their decisions before a sceptical public and news media, whose perspective of hindsight often labels any less-than-perfect outcome as failure.

It is well documented that modern media amplify public perception of risk. Small wonder, then, that a common pragmatic response is risk-aversion. This results in an arguably greater failure – that of impoverished ambition.

There are at least two good reasons why collaborators should resist the call of risk-aversion. First, truly strategic leadership should already have the vision and confidence to challenge socially-amplified risk perceptions, presenting relevant facts clearly to support decisions based on a balanced view of relevant risks. This strategy does not mean that public "misunderstandings" should be ignored; in the complex virtual

landscape of reputation risks, some of the largest and most volatile objects are *affective* — various public anxieties which may have no obvious rational origin. As already noted, the policy legacy of the command-and-control era is a tendency to patronise; or, in Eric Berne's famous *Games People Play* analysis, to address the electorate in the tone of an adult upbraiding a child.

When confronting reputation obstacles erected by *affect*, the collaborative partners should consciously work to maintain everyone's capacity for empathy with the values and beliefs of those "outside the tent". This is essential to protect against the onset of group-think – the tendency of expert groups to delude themselves that their views and decisions are invariably right, without pausing to consider that a lay outsider might find them irrelevant, misguided, alarming or merely ridiculous. Some social enterprises fail in this way – as we see when a well-intentioned plan collapses under a weight of public ridicule.

Secondly, a leader seeking to engage participants in the public and private sectors should know about anticipating and overcoming biases in the cultures of risk inherent in each side. However neutral the framework for decision-taking, one must avoid inadvertently prompting colleagues to play to their latent biases by invoking

it. According to some observers, public servants tend to interpret the concept of risk as "hazards to be avoided", inferring support for a precautionary approach. By contrast, it's argued that the commercial sector regards risk as primarily as a source of potential profit.

Collaborations are, then, unusually vulnerable to competitive and reflexive responses to risk. Their endeavours may be perceived, perhaps irrationally, as failing by disregarding public anxieties, by delivering insufficient perceived value or by apparently having preferred the interests of one partner over another. The terms of any contract to collaborate, whether formally or informally expressed, are therefore of core importance. Any understanding should explicitly support collective problem-solving if things do go wrong. But it should also encourage all the partners in the collaboration to thrive on the creative energy that disruptive challenges so often release. Above all, the collaborative enterprise should seek to anticipate and overcome the risk that its efforts will be rejected by a sceptical public.

In relation to this area of risk, Miles applies the pithy phrase current in Hollywood: it's the "What just happened?" factor, referring to the felt experience of participants perplexed by what exactly went on at the meeting that they have just attended. An effective meeting taps any concerns when all are present, and finds a way of addressing those concerns without leaving anybody exposed or vulnerable. Better to understand and manage the risk collectively than to ignore it. The chances are that what is risk for one person may well be a risk to another, particularly if it's not made explicit. The challenge for the chair of the meeting and the whole team is to hold the anxiety that discussing risk produces, so that the anxiety can be used constructively to focus the group's efforts, and in so doing, build the group as a mutually supporting team.

4. Managing complexity and other challenges

The final quarter of challenges, complexity, uncertainty, ambiguity and difference can produce a cacophony when not understood or appreciated. How then to turn the noise into music? The default is to live with them or ignore them. The better way is to work with them, and get the best from them.

Einstein once said, "Keep it simple — but not simpler". Making a collaboration work is about getting the mix right between planning and adapting; controlling and giving discretion; giving direction (pushing) as well as helping out as others take the lead (pulling); orchestrating and maintaining alignment of interests and efforts;

yet "letting a thousand flowers bloom." It is like navigating a ship, working with both external changes (steady or turbulent waters) and internal ones (if rebuilding a ship at sea, one aims to replace the planks without losing direction or sinking).

One insight taken from physics is the working of entropy. A state of order or disorder is said to be stable if the overall appearance is intact. So a very tidy desk has low entropy because any slight adjustment — moving a pen or piece of paper — is immediately noticed. A messy desk with piles of papers and books can tolerate more adjustments and additions without the overall appearance seeming to change: it has high entropy.

The key disruptive moment is when microscopic disorder affects the macroscopic order; that is, it changes the overall appearance.

A similar test can apply to collaboration. Are there not some issues where one needs low entropy and others where one can tolerate high entropy?

Here are some examples of where one might expect low entropy:

• a commercial collaboration has to deliver a certain financial return, an increase in revenues, a reduction in cost or increase in market share;

• a political collaboration has to have all its partners committed to the same goals and sending the same messages;

• a new brand identity for an organization needs a consistent application of its logo.

And here are some examples of where one might expect high entropy:

• a commercial collaboration can tolerate its different partners using their resources in their own way as long as they make an effective contribution to the overall result and support one another;

• a political collaboration can allow its partners to achieve internal buy-in in the way that works best, provided any internal issues don't undermine the overall integrity of the collaboration;

• a brand campaign can have a core visual identity and key common messages yet allow partners the flexibility to tailor the brand to reach their own audiences, as long as any variation enhances the overall campaign.

The collaboration-builder will therefore want to achieve enough shared understanding and purpose from the group of what makes for a mutually

acceptable, informed, stable entropy; how much variation can be tolerated; and, if there is disruption that risks threatening the integrity of the collaboration either in relation to the task or to the functioning of the group, how parties may best intervene to ensure overall stability.

One reason why an equally-weighted tough argument between two or more parties is healthier than one party dominating the argument — or a group avoiding any argument at all — is that the apparent disorder drives up the overall performance of the group and gets it to better manage what is unstable. Confrontation on the right issues at the right times is the grit in the oyster that produces the pearl.

This approach therefore puts a premium on capturing and assessing signals and exercising judgment at the appropriate level on what reinforces the focus and momentum of a collaboration and what detracts from it. It puts responsibility on every level to use its discretion to relate the local picture to the big picture and to feel empowered and supported to give and expect feedback.

Any collaboration is only as strong as its weakest link. Chronic difficulties can fast turn into acute ones because collaborations rely on interdependence and information being exchanged and used to inform ongoing decisions.

To quote The Hitchhiker's Guide to the Galaxy, "only one thing travels faster than the speed of light — and that's bad news" (p.11). Crucial to any collaboration is agreement on the flow of relevant information and how partners support its retrieval and dissemination for the benefit of the group as a whole. In Gillian Stamp's tripod of tasking, trusting and tending, part of effective tending is being given relevant information and knowledge.

5. Collaboration builder: the person

In summary, the collaboration-builder needs to be strategic about ends and pragmatic about means:

- Assertive about the strategic aim and the interests that need to be secured and advanced: creative at exploring the range of options for possible collaboration and resourceful in finding common potential value: commercial negotiators can make for very effective collaboration builders because of their ability to discern what's really important for different parties and to re-package different combinations of interest.

- Attuned to the cultural, organizational and human dimensions of any interaction: respond appropriately to what emerges in and through collaboration, and

- Action-oriented: shape or at least try to influence the conditions in which collaborations have to operate, lead "outside the comfort zone" and know how to improvise.

Collaborator's choices – including the Collaborator's Gambit

Finally, the need to make choices gives the collaboration-builder the opportunity to shape the conditions and direction of any endeavour. What at first seems like a choice might on reflection not necessarily have to be one. The insight of Dodd and Favaro on achieving a batting average over time reminds us not to get trapped in unnecessary trade-offs but to make progress on seemingly competing objectives.

A good example is the choice between centralisation and decentralisation. Dodd and Favaro quote Lord Browne of Madingley when he was running BP: "When there's a performance crisis, centralising is the immediate response; and when things are going very well, uncontrolled decentralisation is the response. You have to be in the middle... If you can pick the things you are tight on and what to be loose on, and stick with it, that's the answer." (Dodd and Favaro, 2007, p149).

The authors say that BP goes to great lengths to define what the company will be tight on and what it will be loose on. It delegates "powers and limitations"

to its business units. BP is tight on corporate reputation, the brand, financial targets and standards of behaviour — but loose on much else. Most successful centralisation will be one with much concurrent decentralisation.

At the root of managing competing objectives is the idea that managers should manage the relationship between objectives, not the objectives themselves. Dodd and Favaro take the relationship between spouse or partner, child or parent, friend or colleague, "To make compatible the two objectives in tension, each objective must 'look through the eyes of the other' and each must 'act in the interest of both'" (p170). Applied to a business context, this could mean that growth is managed for profitability and profitability for growth; today's performance is managed to increase tomorrow's performance and vice versa. "If objectives are managed as relationships, they can often be avoided as choices or things to be balanced." (p170)

The advice is neither to balance nor to prioritise between objectives but to prioritise between tensions. Leadership teams should debate and carefully pick the right lead tension.

I explored with some of my respondents the idea of a "collaborator's gambit" — what it takes to give collaboration an

advantage in achieving its common aim. Sometimes a bold or original move can break the deadlock, put the enterprise back on track or restore more productive working relationships. Key to an effective intervention is working with the leadership group to break patterns of behaviour that take the collaboration away from its intended goal and to take a calculated risk that action is required. Any intervention is likely to arise from tensions in one of these four areas:

- Ambition or Realism: set and maintain the benchmark for what will constitute success; yet respond to emerging, unforeseen setback or success. There might be good reasons why targets are not met; but this is not a reason to lose them or to revise them if over time they help the collaboration achieve the best results possible. The next chapter explores the relationship between collaboration and the context in which it operates. Whether an environment is steady or turbulent will determine the shape of the collaboration.

- Strategy or Tactics: raise the strategic ceiling early, in terms of what can be raised and discussed at all levels; decide on some key strategic partnerships, work to plans, yet adapt them because collaborations are dynamic; tackle issues head-on,

knowing that collaborations can invariably lose focus and momentum; turn tensions into opportunities for strengthening the collaboration; earn and engender trust, taking action on what erodes it; push the boundaries of people's roles, yet remember what the collaboration is for, and who wants what from it.

- Direction or Empowering: better a lead than no lead: no enterprise succeeds without the right degree of initiative and risk-taking. But, over time, it is better that initiative and risk-taking are shared, provided it is rewarded and supported.

- Give or Take: collaborative behaviour is harder to maintain than competitive

or defensive behaviour. If the collaboration begins to show signs of people turning inward, suspicious or opportunistic, this is a challenge to be tackled constructively at the right time, in the right way. Part of the gambit is to "give to get" if we want to ensure that the collaboration taps its potential.

Chapter summary

- Collaboration is the technology for the knowledge economy. It gathers information to produce fresh choices, by creating fission — drawing out different perspectives and interests; yet also producing fusion — drawing in the parties first to agree on the problem, then to agree and act on the solution.

- Collaboration, by its very nature, means that traditional means of control — market and hierarchy — cannot be used to manage relations among participating organizations.

- Key to success is strategic pragmatism. When tensions are transformed into opportunities, what makes collaboration difficult is made easier and therefore more possible. This involves being firm about some things (ends, for example) yet flexible about others (such as means).

- Because collaboration is so much about managing something dynamic and evolving, planning and control need be matched with the ability to be present and to respond to fresh challenges and opportunities.

- Leaders have a crucial responsibility to develop meaningful conversations. The hallmark of an "appreciative conversation" is that people listen without judgment, not seeking consensus or compromise but sharing the sole purpose of continuing the conversation in order to sustain relationships of mutual respect.

Chapter 3:
Collaboration and its impact on organizations

In this chapter:

- Crisis: applying the collaborative partnerships model

- Organizational culture

- Organizational design

- Group relations

- Chapter summary

Every institution is vulnerable, no matter how great. No matter how much you've achieved, no matter how far you've gone, no matter how much power you've garnered, you are vulnerable to decline. There is no law of nature that the most powerful will inevitably remain at the top. Anyone can fall and most eventually do.

Jim Collins, How the Mighty Fall – And Why Some Companies Never Give In (2009) p8.

Collaborations and partnerships are like the Romans in Monty Python's Life of Brian asking what did the Romans ever did for us — apart from building aqueducts, giving us roads, producing wine, and the rest. If they do anything good, the organizations that set them up claim all the credit. If they fail, or don't deliver what you want them to, they are blamed for everybody's ills.

Official in a Geneva-based international organization.

Anybody who has ever coordinated a complex collaboration of different stakeholders will instantly know the feeling. It seems that the collaboration is at the crossroads of all the problems and unmet demands. Far from being a solution, collaboration becomes part of the problem. The very challenge that the enterprise was meant to address seems more distant and even more intractable. The collaboration builder goes from having a sense of freedom and empowerment to feeling trapped and subject to competing interests. Sometimes collaboration provides so much freedom that participants feel outside their comfort zone and long for their old set ways. This chapter points a way through this existential crisis. It focuses on both the external challenge (the extent to which the environment in which collaboration takes place is changing) and the internal challenge (the extent to which a group is self-aware).

Collaborations change the way that people relate to one another, and to the environment in which they operate. The collaboration shapes the participants and the participants shape the collaboration. If a collaboration gets stuck, this is because it is not adapting to the challenges of the wider environment, not dealing with its own internal tensions or not demonstrating that its response is the best way to tackle the problem.

In chapters 1 and 2, I demonstrated that collaboration is increasingly part of how business is done between organizations and within organizations; and that thinking strategically can help

organizations to become more effective at spotting and exploiting opportunities for collaboration. This chapter takes the argument a step further, examining the context and environment in which collaboration could become the main way in which we shape our efforts. Formal organizations do not disappear — they may become even more important as they deliver their part of the bargain in any collaborative enterprise. But they may need to adapt, becoming more fit-for-purpose as part of a wider collaboration.

This has implications not just for what work gets done, but how it gets done. If we want organizations with a stronger sense of their own needs and priorities — organizations that are better able to engage with other stakeholders, with younger people and with those from different cultures — then we need to look at how our organizations are equipped to respond and adapt.

I want to examine three areas where collaboration can make an impact on organizations: crisis, culture and organization design.

1. Collaboration and crisis

Crisis provides a way of rethinking the purpose and design of an organization. I am defining "crisis" for this purpose as a situation that is likely to get much worse unless immediate and decisive action is taken.

We think normally of crisis in its acute form: but it is also useful to think of crisis in its chronic form. Chronic crisis can easily turn into acute crisis if the underlying challenges are not addressed. According to Jean-Francois Bureau, an Assistant Secretary-General at NATO, an organization that is fit-for-purpose should not have to reorganise itself when it is hit by a crisis. Today's organizations are expected to have enough agility and resilience to respond to shocks.

The extent to which an organization collaborates with others depends partly on whether the environment in which it operates is steady or turbulent. Steady environments are based on solid foundations. Turbulent environments are ones in which the ground keeps shifting.

I shall demonstrate that collaboration gives organizations an advantage in dealing with emerging or actual crises over organizations that do not collaborate. That advantage depends on the extent to which those responsible for contingency planning and business continuity have taken the involvement of multiple stakeholders into account. I shall also show that, in listening to what its stakeholders tell it, an organization can learn and change.

Applying the collaborative partnerships model

President John F. Kennedy once famously remarked that the word "crisis" in Mandarin is made up of two parts: "danger" and "opportunity". Working with the QinetiQ team at Malvern and others, I have designed a way in which collaboration can be used as a way of adapting to changing environments — and, in particular, to an emerging crisis.

We can see the value of collaboration if we draw a graph of a growing crisis plotted against time. It looks something like the letter N — rising first, then starting to dip, falling and finally resuming its climb (see Appendix: Collaborative Partnerships Model v0.3).

The graph shows the different environments in which collaboration can occur, moving from steady or turbulent and, ideally, back to steady again. Zone 1 shows a steady rise. After approaching a ceiling (zone 2), the graph falls in zone 3 before recovering in zone 4.

As the crisis becomes greater, collaboration becomes ever more necessary. By understanding what stage an organization has reached, its leadership teams are better able to plan and time their responses.

At present, some organizations are not choosing to follow this collaborative model. Those that do collaborate have a better chance of riding out the storm. Those that don't are at the greatest risk from future turbulence.

Working through the four zones

Zone 1 shows steady and predictable growth; zone 2 still shows growth, but it is more uncertain; zone 3 is the crisis point at which a trend must be arrested; and zone 4 shows an organization emerging from a crisis — which may return if the necessary action is not taken.

A topical example might be the rise of house prices in Britain and US that ended in 2008. There is a ceiling above which the economy will not tolerate any further rises — because no economy wants to spend all its money on housing. But this model works for any other indicator of value. Early intervention can shift the trend from its default position.

In steady times, organisations manage their environments. When times are turbulent, the best they can do is to respond to changes in the environment. They must adapt — or fail.

Let's begin with zones 1 and 3, where the contrast is clearer.

Zone 1: a steady environment

In zone 1, the environment is steady. The organization may need to compete in order to increase its market share and generate revenue. But it can also collaborate to become more efficient or to cope better with demand from the market. In making their strategic choices, organizations must decide how much they wish to invest in innovation and collaboration. The greatest success will result from taking the longer view.

In this steady environment, collaborations are generally complementary to the main focus of an organization. They become more necessary as the scale of the challenge increases.

A good example is the aerospace and defence sector. Here, collaboration is essential in financing, designing and implementing a programme. The sector is innovative because this is the only way to provide governments long-term with the capability that they might need. The sector's immediate environment is steady because it relies on long-term investment and high-technology development.

But, in a steady environment, long-term investment and significant innovation are sometimes seen optional for the sector as a whole. There is innovation and growth, but only at product level and in particular companies. The

prevailing mood should be: "Things are going well but we can always do better."

Zone 3: a turbulent environment

In zone 3, the environment is turbulent. No matter how efficient or effective the organization was in zone 1, it now faces challenges from the area in which it operates. There is a limit to what can be done by improving productivity or cutting costs. The very nature of the organization is vulnerable to further disruption. The dominant sense is: "Things are going wrong, and unless decisive action is taken they will get worse."

This, typically, is an organization in crisis. The crisis may be acute, demanding immediate attention. Or it may be chronic — less obvious, although all the signs of deterioration are present. In my experience, a vigilant, agile and resilient organization is one that is attentive to the signals — assessing them and taking timely and proportionate action, either on its own or working with others in related areas. If the environment is contributing significantly to this malaise, the chances are other organizations are also vulnerable.

With this increased and widening vulnerability, organizations can become even more competitive, gaining marginal, yet crucial, advantage over others. But the scale and complexity

of challenge from this changing environment should make each organization realise that it cannot manage on its own.

At this point, collaboration becomes essential — whether it is driven by visionary leadership or by sheer necessity. It maximises the prospect of different actors using their combined strength to respond positively to changes in the environment, even if they cannot manage them directly. Looking back on my own experience, I cannot think of a crisis in which an organization or group of organizations had not benefited from creating and cultivating a broader network of stakeholders in advance. The effectiveness of an organization is largely determined by the quality of the relationships that it maintains and develops over time.

Crisis and the opportunity of collaboration

A turbulent environment also provides opportunity. To survive, an organization must adapt. But if it can become more effective than it has been, it may also thrive. Collaboration gives it a way of achieving what would not otherwise be possible.

In that way, collaboration can becomes an engine of change. Innovation becomes a greater priority. By investing now, organizations can increase their

options in the future. Once the immediate challenge of a crisis has been grasped, there are usually opportunities — not just to reflect on what went wrong and how it could have dealt with differently but also to look ahead and explore ways of regaining an advantage.

Organizations are faced with a choice between resuming old habits and operating differently. If they collaborated to survive, it is likely that the relationships they developed during the crisis will be the basis for future activity.

Zones 2 and 4: not so steady?

Zones 2 and 4 are both apparently steady environments. But there are crucial differences. In zone 2, the dominant sense is: "Things look good, but it doesn't feel good." In zone 4, the sense is: "It looks as if everything is back to normal, but can we count on that?"

We see a sense of uncertainty in both zones that can increase awareness of both threat and opportunity, making collaboration an even more important option than it was in zone 1. The graph provides for a range of options for organizations emerging from zone 3, depending on the choices they took along the path from zone 2.

For policy-makers and managers, the challenge is to respond early enough to signs that things are deteriorating,

mitigating the crisis by taking joint action with others. By collaborating, their joint action will have greater impact. Taking the right decisions ahead of a trend will give organizations an advantage over those that do not act.

Foot-and-Mouth Disease, 2001

The foot-and-mouth epidemic of 2001 was Britain's biggest single civil-contingency crisis since the Second World War. Looking back, one can see how the changing environment presented organizations with opportunities for collaboration. The crisis engulfed not just the former Ministry of Agriculture, Fisheries and Food (MAFF), but most of the government; not only farmers, but the rest of the rural community. The more these bodies were caught up in the crisis, the more their stakeholders needed to act in concert (see zone 3). The consequences for so many different parts of the rural economy meant that a more coordinated and collaborative approach became necessary.

After the initial crisis broke, MAFF began to widen its range of internal and external stakeholders — not just when handling the crisis, but

also in developing options for recovery.

Defra, the new department created in June 2001, adopted an ambitious programme to widen its stakeholder base, based on a commitment to values of openness, engagement and customer focus. All this happened before the inquiries into the crisis reported in 2002. On the graph, this takes us further into zone 3.

Success in eradicating the disease gave increased momentum to recoery work that had started during the crisis. In the spring of 2002, Defra and the Department for Culture, Media and Sport led 70 organizations in a campaign to persuade people to visit the countryside. The aim of the campaign was to boost tourism and business. But its collaborative nature meant that government and a wide range of NGOs that were committed to opening up the countryside could rebuild relationships that would support other initiatives. By this point, we had reached zone 4.

Such was the severity of the crisis and its damage to the government's reputation that we

can still learn lessons from decisions taken at the time. In 2004, a major contingency-planning exercise was carried out over two days to check that the recommendations of the inquiries had been implemented. A further outbreak of the disease in 2007 was quickly contained, demonstrating how far Defra — and the network of organizations it worked with — had come.

Crisis, Collaboration and Decision-Making

When a crisis involves a number of organizations and networks, it may lead to wider turbulence in the system. That poses particular problems for individual organizations.

Analytic Red is a specialist consultancy with a distinctive approach to collaboration. The founding partners – Jasvinder Mahrra and Dr Mils Hills — were previously the government's only dedicated business-continuity testing unit in the Cabinet Office

They use highly participative exercises, either to explore what would happen if an event occurred or to learn lessons from a real incident. Exercises like these require much preparation and careful management on the day.

The consultancy immerses participants in exercises that require them to make major decisions. Those who can perform well are more likely to be resilient in a crisis. What's required is an ethos of collaboration, across boundaries and up through a hierarchy. To succeed, participants must rise above normal ways of operating and embrace methods that are different or radical.

Analytic Red has built its approach around the concept of networks. Although networks are often highly effective at providing the commodities and infrastructure that companies need, they are inherently prone to problems that spread with great speed. Stability may be illusory and undermined by minuscule change.

In building the resilience of public and private sector organizations, Mahrra and Hills develop what others describe as mere "business continuity" by examining risk across an enterprise. They highlight the need for both staff and structures to be collaborative. Individuals must work in a way that does not expose others to unnecessary risk; the strategic machine must sense and respond to unanticipated risks, both from within and without the organization.

Research by Analytic Red has characterised the characteristics of crisis conditions.

Figure 3.1: Characteristics of crisis conditions

Normal Business	Crisis Conditions	Consequences	Solution
Most events scheduled and prepared for with access to appropriate power	An event that hasn't been scheduled or prepared for occurs, or the event prepared for has actually happened. A feeling of powerlessness in the face of events and actions of others	Shock and surprise of expected risk occurring or emergence of unexpected event	Agile organizations strive to seamlessly move into alternative state of operating Managing the transfer from the tempo of normal business life to that of handling disruption: need to know what aspects of normal business life are disposable / and for how long
Majority of actions allow some time for consideration of response even under pressure	Immediate response required or it will be too late to make a difference	If start conditions are imperfect, this may degrade subsequent response	Ensure immediate response capability fully briefed on first actions
Generally predictable and manageable volume and velocity of decisions	High volume and velocity of decisions required	A blizzard of decisions requiring attention can disorientate or defeat the organization's strategic response	Intercept and direct decisions to the appropriate level of exercised organizational response
Strategic decision-makers keep strategic focus	Strategic level risks being caught in detail of operational response	Distraction from the big issues; flight to engagement with comforting detail.	Clear thresholds between Strategic-Operational and Tactical roles and responsibility
Clear where distinction between strategic, operational and tactical levels lies	Breadth and depth of crisis means that distinction between levels can be blurred	Levels of authority and responsibility can be compromised. Legal liabilities may accrue to those un-involved in the actual decision	Exception reporting to strategic level of issues for resolution.Principle of subsidiarity and mission command to resolve issues at the lowest possible level.

Collaborative processes are essential, both in anticipating consequences — which require the re-focusing of organizational strategies — and responding to events. Not all organizations are prepared to invest in propagating, rehearsing and embedding the collaborative ethos in advance of a crisis. However, collaboration is neither a commodity that can be acquired nor a resource that can be activated only when needed. Commitments are needed to ensure that collaborative working is effective, both in day-to-day business challenges and, in particular, when problems arise.

Collaboration across the decision-cycle

Under crisis conditions, priority decisions must be taken quickly. To ensure that the right decisions are taken in the right order, structural ("hard") systems and staff ("soft") systems must be capable of sustainability and extension.

Figure 3.2: Five fundamentals decision-making process
(Source: Analytic Red)

Common Needs

Information-Gathering	Assessment of the situation	Decision-Making	Action and Monitoring	Communication
Acquisition and processing of information	Development of a comprehensive SitRep	Timely, proportionate and sustainable decisions	Execution and tracking of decisions and their effects	Key information to internal and external stakeholders

Each of the five elements of the decision-making cycle is enabled and supported by hard and soft systems and technologies.

Key questions asked are:

Can people and information-gathering systems rise to the challenge of a crisis?

Can the strategic, operational and tactical levels of administration collaborate at and between their levels?

Do the organization's structure and working practices ensure that decisions which need senior management's consideration/sign-off escalate?

Can the senior level effectively act and communicate its intentions?

Are there barely-acknowledged dependencies on vulnerable key staff and technologies and are planning assumptions flaky?

Collaboration and decision-quality

High-quality decisions can come about only from collaborative practices, that are valued, that have been in place for some time and that run horizontally and vertically through an organization.

For example, an organization that wanted to service its key client under the most demanding circumstances — from an underground car-park immediately following an attack on its HQ building — knew that its senior management team was already a tightly-knit and effective decision-making body; that it had the experience to function under these circumstances; and that it would have access to key information from dedicated staff supported by a combination of both new and resilient technology — in this case digital communications and traditional flip-charts.

Finance, complexity and collaboration

The recent turmoil in world financial markets illustrates how a successful outcome to a crisis often depends on an organization's ability to maintain confidence in its reputation, integrity and powers of command and control. These events have reinforced the view that "understanding the dynamics of the control points within [...] networks will be increasingly important for companies that wish to anticipate, if not influence, external change" (PFC, 2007, p.3).

According to Mahrra and Hills, the disruption to world financial markets underscored the fact that institutions and others had collaborated in the exchange and investment of products whose risk had not been rigorously assessed. The liabilities resulting from these products were re-bundled and sold on by brokers who marketed them as reliable risks. An analogy is the freelance journalist, or "stringer", who places a good but unreliable story in the local press. National media organizations want to believe stories like these are true and so give them much wider coverage without sufficient fact-checking.

Networks enable information to spread with great speed. The challenge for governments and organizations is to ensure that this information is reliable. Collaboration and openness

For collaboration to add maximum value to an organization, it must become integral to the way in which all business functions operate. For example, the organization must be alert to early warnings both of threats and opportunities, actively probing for undesirable behaviour or uncontrolled risks. Similarly, those responsible for policy and strategy should learn from the people with whom they collaborate.

We can sum up the qualities required of an organization in this context:

- Personal mastery. The discipline which continually clarifies our personal vision and allows the capacity to grow and see reality objectively.

- Mental models. They represent our view of the world, the way we see our organization, our market and our competitors.

- Shared vision. The building of commitment of all stakeholders.

- Team-learning. The ability to engage in dialogue with other members and develop a collective intelligence which is greater than the sum of individual members.

- Systems thinking. This is the discipline that links all the others. It is the ability to look beyond personalities and events and understand the underlying patterns and structures that shape the organization as a whole. (Adapted from Senge, 1990).

Enabling decision-taking through collaborative exploration

Scenario-planning techniques can be used to explore options for dealing with potentially uncontrollable risks. Figure 3.3 shows a model which, if used correctly, can prepare an organization for disruptive events and offer options to address them:

This model shows how support for collaborative decision-taking can be enhanced and losses limited by exploring the courses of action available. These options are generated through the use of scenario thinking. Some are taken forward when triggered. Others may be piloted to see whether they deserve additional investment.

Taking into account the "five undamentals" model (Figure 3.2), decision-makers must absorb new information and decide whether their existing options need to be halted, modified or swapped. Since information is always incomplete and inconsistent, the challenge to management is to ensure that the "least worst" options are in play at any one time. Scenario planning can be used to improve the confidence of decision-takers so that they can anticipate consequences and know when and where to turn for help. The ability to plan ahead and sustain effort is crucial to maintaining collaborative or competitive advantage.

Figure 3.3: Decision-taking through collaborative exploration model
(Source: Analytic Red)
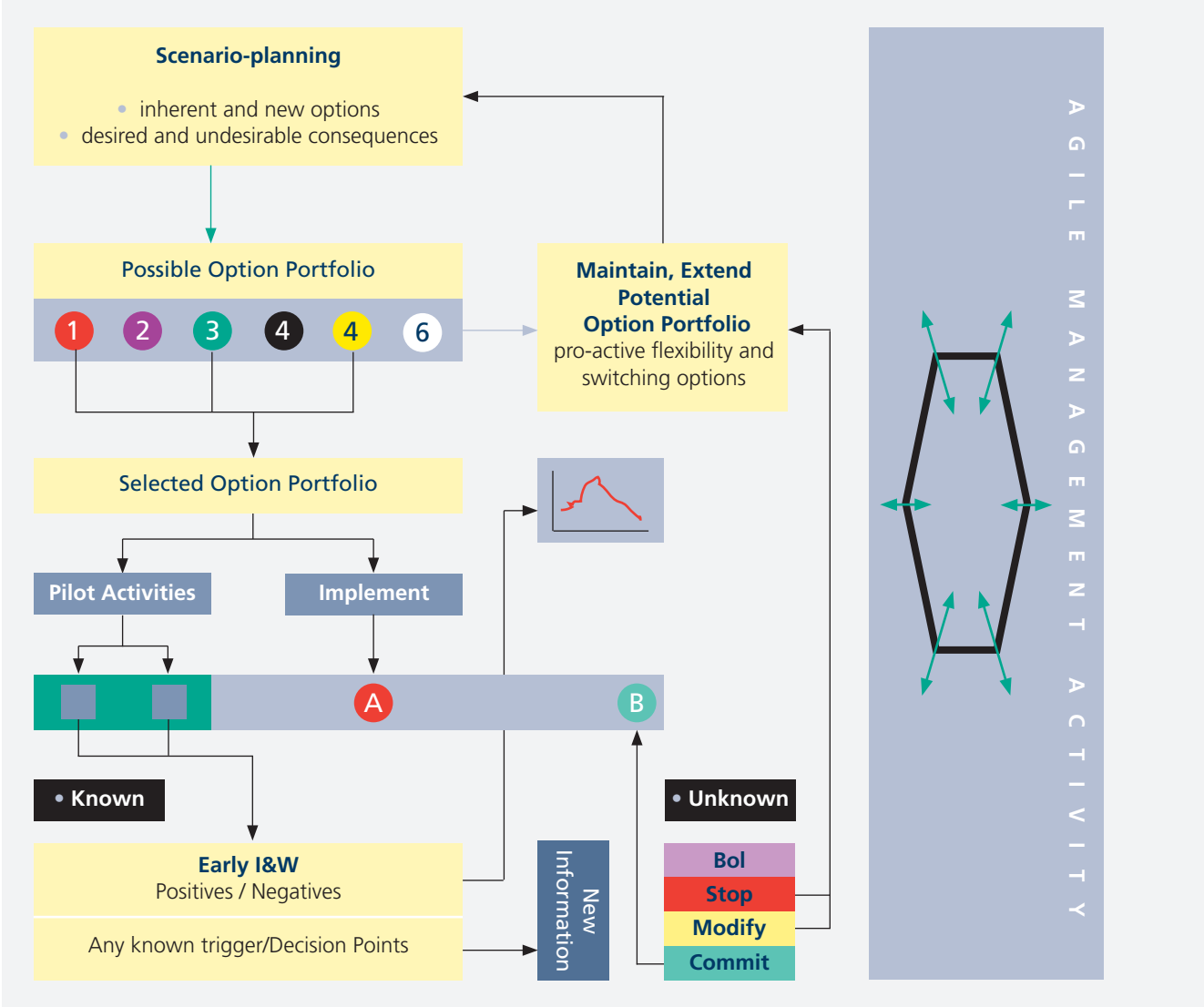
To "manage change" is wishful thinking, implying as it does that one not only knows where to go and how to get there, but can persuade everyone else to travel there. To "cultivate change" is something different, suggesting an attitude of growth, of channelling rather than controlling, of learning not instruction. A changing organization is one that uses differences to grow better, that treats politics as a bonus and people as individuals who are rightly different and usefully different.

Charles Handy (1999) p.292

Two of the strongest arguments that I have read in favour of greater collaboration are the impact that it has on knowledge creation, transfer or sharing in organizations (Huxham and Hibbert, 2008) and on creativity in multicultural environments (Lung et al, 2008).

Knowledge creation and transfer
Learning among partners contributes to the stability or otherwise of collaborations, and also allows partners to use that learning in their own organizations. If the collaboration involves organizations mingling their people and processes, then learning comes about as partners get to know how each other works; as they negotiate the ways in which they work together; and as they adapt.

Attitudes to learning in collaboration are unlikely to be entirely selfish, sharing or sidelined. These motivations sometimes conflict with common-sense presumptions of competitive or collaborative behaviour in any sector — private, public or non-profit.

Huxham and Hibbert (2008) identify a spectrum of attitudes:

- Selfish acquisition of knowledge from a partner, exclusively for an organization's own use, thus exploiting the partner.

- Sharing knowledge with specific partners, in a relatively controlled way, thus exchanging with them.

- Sharing knowledge in an open way with a range of partners, and exploring innovative solutions to problems collaboratively.

- Sidelining any consideration of learning, formally excluding it from the collaborative agenda.

Table 3.4: Basic attitudes – generic characterisations
(Source: Huxham and Hibbert (2008) p. 511)

Basic attitudes	
Sidelining	Knowledge outflow and acquisition are passively not considered. *Learning from or with partners is not something we think about.*
Selfish	Unidirectional knowledge outflow from a partner and acquisition only by the attitude-holder are actively preferred. *We take from you without giving to you.*
Sharing — exchanging	Bi-or multi-directional knowledge outflow and acquisition are actively appreciated as sources of value in their own right. *We take from you and we give to you; you take from us and give to us.*
Sharing — exploring	Bi-or multi-directional knowledge outflow and acquisition are actively preferred as necessary vectors in supporting the possible creation of new valuable knowledge. *We take from you and we give to you; you take from us and give to us – and we learn together to create knowledge*

Huxham and Hibbert argue that giving is far from simple if collaboration is going to work for all involved.

A starving stance that restricts knowledge is not untypical, for instance, if a business is understandably concerned about giving away its intellectual property, or if a government department wants to hold some knowledge back, uncertain what advantage is gained from putting it in the collaborative domain. But there are also instrumental and unilateral sharing stances. The instrumental stance can often carry a degree of selfishness: "we give to you to get back for us". And it can be manipulative: "When it helps us to manipulate a third party, we give to you". The unilateral sharing stance can sound, in theory, like giving. But without careful thought, it might reveal that the value of what is given is imprecise.

Creativity and multicultural experience

Relevant to collaborative working between organizations drawn from different cultures is recent scholarship on how multicultural experience enhances creativity. In April 2008, Angela Ka-yee Leung of Singapore Management University and her co-authors produced the first article to demonstrate empirically that exposure to multiple cultures can itself enhance creativity (Leung et al, 2008). They found that the range of multicultural experiences is related to both creative performance (insight learning, remote association, and idea generation) and creativity-supporting cognitive processes (retrieval of unconventional knowledge, recruitment of ideas from unfamiliar cultures to expand on ideas). Their concept of culture includes ethnic diversity, but they also define culture as a set of loosely organised ideas and practices generated by a network of interconnected individuals. What makes the biggest difference is deep immersion in another culture, rather than travel.

Opening one's mind to foreign cultures and actively thinking about differences between home culture and foreign culture can boost the creative benefits of multicultural experience. But those benefits are weakened by time pressures, the need for firm answers and a preference for order over ambiguity.

In chapter 5, I develop my argument about effective engagement. Diplomats have long understood that what is foreign can be exotic or an object of analysis; but nothing is more powerful in building a relationship than treating the other person with respect. This approach sustains any engagement, whether or not one has much in common with the other side.

Collaboration as a temporary organization and transitional space

Collaborative partnerships are not, by themselves, a solution to organizational challenges. But, if thought about strategically, they can be used to throw light on an organization's potential for growth and change. Collaboration can be seen as a temporary organization, with the limits that this entails. If it becomes too fixed, it challenges the organizations that have given it scope to operate or perpetuates its own existence at the expense of the purpose for which it was set up. If it is not designed as an organization, it loses

direction, authority and accountability. The challenge is to be aware of both risks and to navigate between the extremes.

A collaborative partnership also occupies a transitional space in which business is done between parties who delegate their powers to others. It can provide a space in which experiment can take place if expectations are managed and risk-taking is supported. As Samuel Beckett wrote, "Try again. Fail again. Fail better." In these conditions, effective collaborations will drive internal performance as well improve external partnerships.

The work of the psychoanalyst Donald Winnicott is particularly instructive for collaborative effort in a climate of creativity and experiment. For Winnicott (1992), play is the opposite of coercion, not of work. Play is crucial to a child's development. He argues that the development of independence depends not on the continuation of the infant's experience of omnipotence but on a continuation of the capacity for creativity. This involves an individual in spontaneous action, in play, which takes place in what he calls the "potential space" between the individual self and the environment. In these conditions, playing leads to a mature capacity for participation in and contribution to the world.

Planning and control need therefore to be carefully balanced against adaptation, improvising and spontaneity. Project-management skills can be usefully applied, giving collaborations a beginning, middle and end. The benefits of effective collaboration are produced as much by what emerges as by what is agreed at the outset. When we look at establishing value, it is important to take into account the intangible assets that collaborations bring.

Collaboration builders will be more successful if they treat collaboration as if it were a technology to be invested in and managed. The corporate world already well understands that much of the value of a company lies in its intangible assets, its brand and reputation. We now know that most of the cost of a mobile phone goes to pay for intellectual property and software applications, not for manufacturing the phone itself. Collaboration with partners and suppliers lies at the heart of the deals that make a commercial proposition viable.

Collaboration can hasten the transformation of an organization into a learning organization by making it more attuned to feedback and more prepared to reflect on how it can do things differently or better. Whether at a one-to-one level, or as a group, an organization can ask another, "You've

seen us at work. How we compare with other organizations? What do we do well? What could we do differently? How can we be even more effective working together?"

Change programmes have the opportunity to achieve even greater impact if they address issues of organizational design and the balance between hierarchy, team-based and network-based collaboration. Which of these models best suits what the organization needs to be? Effective collaboration can provide a way of asking these more difficult questions by focusing on the insights that collaborative activity produces for individuals and organizations. Without directly challenging the status quo, it has in its gift to change how organizations engage.

Anthony Alston draws a distinction between single loop and double loop learning. For single loop learning, the metrics used to control the process are fixed and are not affected by the environment in which the process sits. In the current financial crisis, this could be seen as the traders and bankers being allowed to regulate themselves — setting controls that suit the way they want to work without any consideration of their impact on the global economy.

The second loop in the double-loop learning concept monitors the controls

of the inner (single) loop and changes them if either they have an adverse impact on the environment or if they are not reacting appropriately to changes in that environment. In the financial example, the second loop would be a regulatory body that has the power to change the controls of the inner loop, based upon its perception of the global economy. Pumping money into the inner loop to stabilise the situation without changing the regulatory mechanisms is not double-loop learning: there is no outer (double) loop.

In this example both single and double loops are collaborative in nature. The outer, regulatory loop requires the world governments and national financial institutions to agree on appropriate controls. The inner loop requires the traders and bankers to collaborate, both to work within the controls applied to them and to self-generate agreed controls - the more autonomy that traders and bankers are given, the greater the emphasis on the second of these inner-loop collaborations.

3. Collaboration and organization design

In The Necessary Revolution, Peter Senge and his co-authors argue that current organizational structures have evolved in response to the imperatives

of the past and will need to change to support new visions, strategies and goals. When strategy and design are aligned with the current business environment, performance can be exceptional. When the external business environment changes, strategy and organization design no longer fit. Often a new strategy is formulated but the organization design has not changed and the company lacks the core capacity to implement the new strategy. The main question for leaders is: what new organisational design is required and how is it to be achieved?

An organization's agility and resilience can be improved if it thinks more strategically about collaboration. In general, recent advances in what is known as complexity science tell us that organizations that are too lean and too well organised for one environment will fail under another. Professor Peter Allen, of the Complex Systems Research Centre at Cranfield School of Management, says: "The difficulty then is to build organizations and capabilities that are sufficiently effective in the short term, but which still retain the capacity to adapt and transform themselves in the longer term."

A good example of this tension is one I heard discussed at the international symposium for influenza pandemic preparedness held in Portugal in September 2008. An issue for

manufacturers of syringes — and therefore one for governments and public health authorities — is the pressure on manufacturers to operate more efficiently, producing on a "just-in-time" basis rather than on the basis of what crisis planning might require (a "just–in-case" basis). The collaborative nature of effective contingency planning across different organizations and sectors allows these issues to be addressed, but only if strategic decisions are taken to invest in this process.

The National Health Service and Britain's growing health sector provide a strong example of the challenge - and opportunity - collaboration presents. "Evolution, not revolution" is how Steve Wells, a consultant who specialises in the health sector, describes the current situation with regard to collaboration between the pharmaceutical industry and NHS. "My research has suggested that while there is increasing rhetoric about private and public sector collaboration in health, there is still a long way to go before both sides fully embrace a truly collaborative business model," he says.

There are a number of factors converging to establish a positive environment supportive of collaboration in the health sector.

The tension within the healthcare system between the cost of delivering

care, the quality of care delivered to patients and the engagement of patients, carers and the public is one such factor. There is a growing realisation that no one organization has the skills, knowledge or resources to develop a solution alone. The economics of the healthcare sector points clearly too increasing scarcity of resources for both public and private sector players. At the same time, there is active governmental encouragement for NHS organizations to collaborate.

Most major pharmaceutical companies have adopted account management as a conduit to develop longer term relationships with NHS customers. It is often through these roles that the companies offer and provide skills, capabilities, expertise and funding to complement those available to local NHS organization in order to implement health initiatives designed to bring better, more effective and efficient outcomes to patients. An increasingly important element to the discussions through the initial contracting process is the system wide benefit of drug intervention; e.g. effective drug therapy now to prevent acute admission to hospital later.

Despite apparent investment by pharmaceutical companies in new organizational structures and customer-facing roles, some scepticism remains about the pace and scale of transition to a more collaborative business model.

Companies make pronouncements of strategic intent to become, "partner of choice with NHS customers" and yet challenge their customer-facing teams to meet traditional operational sales or market share targets. A more innovative approach might be to align account managers' incentive programmes with the NHS customers'; for example in diabetes care, the average HbA1c (blood sugar) levels across a local population.

At the local level, and often under the radar, companies and Primary Care Trusts (PCTs) – or more accurately individuals within both organizations – form a relationship on the back of which they work together often informally at first, to jointly identify an issue and design a solution. These partnerships work because of the motivation of the individuals concerned and not necessarily because of an institutionalised perspective on collaboration; effective internal support and performance management.

Conducting some work with members of the Futures Analysts Network – a network of futures practitioners facilitated by the Foresight directorate's Horizon Scanning Centre – Steve Wells concludes: "Leadership, organisational attitude to collaboration remain significant hurdles to partnering in futures work to support policy development."

Futures work in the context of government policy development is subject to significant consultation and co-ordination, but limited partnership. The difference here concerns how information is sourced, addressed and used. There are numerous examples of where one team will seek technical information from another, as a source of valuable content. But the engagement does not tend to include joint "sense-making" of the information in the context of the current exercise. Not only that, true partnership would have the stakeholders working together to determine the questions that they both want answers to.

Operational collaboration seems much more common; "I couldn't do my job without collaborating with colleagues in other departments because of my own resource levels," is not uncommon feedback. Of course, here again the direction of travel is set before collaboration is sought.

Participants in the inquiry confirmed their belief of a need to collaborate more; citing the increasing interconnectivity, complexity and uncertainties in the external environment. But they also suggest that attitudes within their own organizations and those of potential partners need to change to make increasing collaboration a reality.

A number of challenges to effective collaboration were identified. The control of the collaboration and futures content and process was discussed, in part reflecting a reluctance to willingly "give something up" in order to work collaboratively, or a lack of trust in the partner's ability to maintain resources either in terms of technical competence or people and funding. Revised operational priorities are seen as a major risk here. When surveyed about good collaborative working practice, collaboration process and collaboration behaviours received the lowest scores, perhaps suggesting a capability gap. Feedback about the process suggests that formal co-creation of a collaborative initiative; the review and where necessary revision of a previously agreed contract during collaboration and a review of the collaboration's performance against mutually agreed objectives is not common practice. In terms of behaviours, responses suggested that sharing assumptions about partners with partners is not common practice and that there could be more clarity about the facts known and assumptions held about partners.

Collaboration is a major component of leadership thinking and was recently identified as a key element of 17 public sector leadership challenges. And yet when a number of futures practitioners with an interest in collaboration joined Steve Wells in a seminar, the

participants collectively failed to take the opportunity to lead in exploring the collaborative working material available.

4. Collaboration and group relations theory

Development of ideas in the early years of the Tavistock Institute of Human Relations ranged from the micro to the macro: the primary group; the family; organizations; the larger society. Different system levels were integrated via over-arching theoretical approaches. The source concepts which gave rise to the socio-psychological perspective are psychoanalytic object relations theory of Klein, Fairbairn, Bion and Winnicott; Lewinian field theory; Von Bertalanffy's general systems theory and the personality-culture approach of Miller and Rice.

At the time, Object Relations Theory represented the most advanced body of psychological knowledge then available. Miller (1993) and Rice (1965) describe how our understanding of groups and organizations, resting, in part, on open systems and psychoanalytic conceptions, when taken together, allows a construct of a very useful model. The inner world of the individual includes experiences, emotions, attitudes and skills of which he is largely conscious and which, through the ego function, can be appropriately mobilised or suppressed in the service of whatever goal he is pursuing and role he is taking. The

inner world can also be conceived as being populated, as it were, by a set of 'objects' and 'part-objects' which are the residual representations of earlier – including infantile – experiences of relations with others (Klein, 1959).

Mannie Sher is Principal Consultant, Organizational Development and Change, at the Tavistock Institute of Human Relations. According to Sher, the subject of collaboration should pay attention to object relations theory, because of its connection to Bion's theory of the disruptive power of group forces. Collaboration necessarily involves a number of irreducible dilemmas. Organizations cannot collaborate without entering a process that overthrows, if only temporarily, vital achievements of maturity. The very nature of the task of joining together in a mutually agreed task demands a regressive immersion in primitive levels of experience that sets aside our highly developed capacities for discriminating object relationships as well as threatens our differentiated identities. To collaborate is to regress. This raises a second point. Collaboration requires a form of leadership that is capable of stemming regressive processes and defending against anxiety. In collaboration, leadership is a creature of the collaborating organizations. It survives only because it serves the collective's purpose and only as long as it does. This is very much the opposite of conventional wisdom, not to mention

our own often cherished beliefs in the power of our or others charismatic leadership ability. We foster the value of leadership; we neglect the role of follower.

Object Relations theory centres on the presence in every subject (individual, couple, family, group, organization, society) of "internal objects" that seek relationships with "external objects". To put it another way, if the 'internal object' of an individual or an organization, is of a rescuer, others will be perceived as and related to as needing rescuing. This is commonly thought of as the source of motivation of people in human service organizations. In other words, the "internal object" of rescuer seeks relationships with "external" objects needing rescuing, and usually, if others refuse to take up that role, they are either coerced into that role or the 'rescuer' withdraws. There is a similar basis in the dynamic relationships occurring between groups and organizations. The implications for "collaboration" between organizations should be clear, except that regressive tendencies that occur in groups may turn the ideal of collaboration into fault-finding, blame and conflict.

Isabel Menzies (1959, 1961, 1970, 1988), a researcher consultant at the Tavistock Institute of Human Relations during the 50's, 60's and 70's discovered that the way work was organised in hospitals and nursing structures, raised rather than lowered the levels of anxiety among nurses. Her study revealed that the nature of the nurse's task, in spite of its obvious difficulties, was not enough to account for the high levels of anxiety and stress. Menzies attempted to understand and illustrate the nature of the methods the nursing service provided for the alleviation of anxiety – its social defence system – and considered in what aspects it failed to function adequately. She concluded that the social defence system represented the institutionalisation of very primitive psychic defense mechanisms, the main characteristic of which is that they facilitate the evasion of anxiety, but contribute little to its true modification and reduction.

The defense system (the way work is organised) affects the efficiency of task-performance, in turn leading to the inefficiency of the nursing service as a whole, for example, retaining high staff-patient ratios, significant amount of bad nursing practice, excessive staff turnover and failure to train students adequately for their future roles. The high levels of anxiety in nurses adds to the stress of illness and hospitalization for patients and has adverse effects of recovery rates. Recovery rates are directly connected with the morale of nursing staff. Thus the social structure of the nursing service was found to be defective not only as a means of handling anxiety, but also as a method of organising its tasks. Menzies concluded that these two aspects could not be regarded as separate. The inefficiency is an inevitable consequence of the chosen defense system. This is the significant proposition put forward by Tavistock social scientists – that the success and viability of a social institution are intimately connected with the techniques it uses to contain anxiety. An understanding of this aspect of the functioning of a social institution is an important diagnostic tool in facilitating social change. Attempts at achieving organizational and social change must understand and work with social anxieties if social defenses are to be restructured. Recommendations and plans for change that seem highly appropriate from a rational point of view are ignored and fail in practice because they do not sufficiently take into account the common anxieties and the social defenses in the organizations concerned, nor provide for the therapeutic handling of the situation as change takes place.

According to Mannie Sher, the nursing and policing services present these difficulties to a high degree, since the anxieties are already very acute and the defense system is both primitive and ineffectual. Efforts to initiate change are often met with acute anxiety and hostility which conveys that people feel very threatened, the threat being of nothing less than social chaos and personal dislocation and breakdown. To give up known ways of behaving - and embarking on the unknown- is felt to be intolerable.

In terms of Object Relations Theory, nurses' 'external objects' are actual damaged, cut open, bleeding, festering bodies of their charges. These 'external objects' "meet up" with their 'internal objects' i.e. the pictures-in-their-minds of damaged, ill, disintegrating and dying parents. Nurses' attraction to the profession of nursing, Menzies claimed, was based on their hope that by attending to external objects in the form of patients, nurses psychologically hoped to "repair" their 'internal objects, i.e. their ill and dying parents. Menzies concludes that the obsessive functionality of nursing procedures in hospitals, the impersonalisation of the nurse-patient relationship, i.e. the chosen social defense structure, fails young nurses in their attempts to cope with their damaged "internal" objects, and ultimately leads large numbers of young nurses abandoning their training. Similarly, in policing, young men and women seek to deal with their "internal objects" of violent, mentally ill, abusing or chaotic parents by externalising those dynamics onto society, crime, disorder and mental illness, and rely on policing institutions to do so safely and in a civilized manner.

Chapter Summary

- Depending on context and environment, collaboration can become even more important, and the main way in which organizations shape their efforts.

- Collaboration provides a way of achieving what is not immediately achievable, particularly in a turbulent environment. It can become the engine for change and renewed growth.

- Collaboration can be seen as a temporary organization and transitional space in which to foster innovation and learning, essential for long-term survival.

Appendix :
Collaborative partnerships model
(Source: Hudson, Dodd, Marsay, Stamp & QinetiQ, 2008)

Indicator value

STEADY collaboration complementary to main focus of organization

Upper limit

CRISIS collaboration essential

UNCERTAIN collaboration even more of an option

NEW STEADY STATE? collaboration an option

Natural 'floor'

Time

Zone 1:

"Things are going well, and we can always do better"

Zone 2:

"Things look good but it doesn't feel good"

Zone 3:

"Things are going wrong, and unless decisive action is taken they will get worse"

Zone 4:

"Things are better, everything feels back to normal but we count on that"

Chapter 4:
Social collaboration: how can it work

In this chapter:

My model for talking to the students about the power of coalitions [of state and non-state actors] is to use that "stone soup" fable in which the traveller comes to a village and proclaims his ability to make soup from stones. He boils a cauldron of water with a few stones in the bottom, and remarks to various curious villagers that stone soup is even better if you drop in a few herbs... some vegetables... a few potatoes... a little meat — and at each suggestion a villager donates the ingredient. Eventually a collaborative soup is produced which all share.

Dr Nicholas Cull, Professor of Public Diplomacy, University of Southern California.

Cull's story shows it is the vision (or what he calls the "cheek") of the facilitator that achieves the result, not his own resources. The fable is pretty widespread in Europe, with the inert ingredient sometimes given as an axe or nails, but it seems apposite to the challenge addressed by this chapter. Who casts, in this sense, the first stone? Who contributes other ingredients? Can collaborations between governments, business and wider civil society actually work? Governments need to be clearer about their own role, as I explain in part 1. They must understand better the perspectives of business (see part 2) and NGOs (part 3) before deciding how best to engage with business and NGOs (part 4). The next chapter picks up on the "cheek" that we need leaders to show if they are to get the cauldron boiling.

1. The role of Government

Quite apart from the political leadership that governments can give, effective social collaboration turns on inspiring leadership across society.

In the broad context of achieving social goals, governments should think as much about their role as architects and builders (that is, shaping the conditions in which collaboration happens and delivering their part in it) as about their role as leaders (that is, taking the primary responsibility for achieving results and taking the credit or blame for failure to deliver). As my analysis of "tame, wicked and critical problems" in the next chapter will demonstrate, there are clear reasons why government should provide leadership and why that leadership style will depend on how the problem is constructed. But it is counter-productive to presume that all that matters is leadership, especially a narrow view of it.

Combined teamwork makes the difference. Other roles exist for all actors, including the citizen, and we miss opportunities to exploit the potential of collaboration if we do not go in with what Kant called this "enlarged mentality", achieved by

looking at problems from the point of view of all concerned before reaching a judgment.

Although he is best known for The Wealth of Nations, Adam Smith wrote in The Theory of Moral Sentiments: "Though our brother is upon the rack, as long as we ourselves are at our ease, our senses will never inform us of what he suffers. They never did, they never can, carry us beyond our own person, and it is by the imagination only that we can form any conception of what are his sensations." (pp 3-4).

An enlarged mentality, based on realism and imagination, provides a useful perspective for both strategic and tactical reasons: governments cannot, or don't want to, deal with social problems on their own. The way to address some problems is not to assume leadership but to see the bigger picture and understand others.

Three questions need to be addressed first:

1. What is the nature of the problem or opportunity?

2. What is the range of solutions?

3. What could be done by whom, and with what degree of risk, commitment, skills, resources and success?

Only then can we answer the fourth question:

4. Who has to do what to get the task done?

For society as a whole, there is yet another question to consider. Quite apart from what needs to be done and who is best placed to do it, who should take the lead?

This approach helps ensure that the designing a policy and communicating it are two sides of the same coin. Only when these four questions have been answered does it make sense to ask what the strategic communications or public diplomacy strategy should be. The reason for bringing in communications at the outset is not just to present the policy better but to establish what the policy is an appropriate response to.

Others — businesses, civil society, ordinary citizens — are delivering social change with little or no government help. The same is true in some developing countries, where governments could usefully play a greater role; instead, NGOs and local communities are finding their own way of addressing social problems, often with assistance from international donors. Even in these cases, everybody realises that local initiative is critical if contributions are to be significant and sustainable. So the third-party role is an

enabling one: it might start off as "taking the lead" but over time it becomes "what help do you need, and how can we provide it?"

That sort of language is increasing used by governments. But is their strategic aim to provide support? Or is it to control, regulate or influence? Governments will always have interests, but their actions vary according to whether those interests need to be promoted, protected or merely taken into account. It may sometimes be in our own interests to put the interests of others first.

Interested enablers

This does not mean that the only intervention possible is that of an honest broker. There may be an explicit or implicit interest present that is neither aggressive nor self-promoting. This strategy comes some way between that of a disinterested facilitator and an evangelical advocate. It is one that we should be more open about.

Many multinational companies in developing countries are aware of the risks of giving host governments the impression that they have a blueprint for commercial exploitation of that country's resources. Whether they take a strategic or tactical stance, those companies achieve their ends by adopting the approach of an interested enabler. For example, sharing expertise

and knowledge is not just offering a gift but also part of building a rapport. Without being heavy-handed, these companies want to show that they are willing ready to do business. In investing time and interest in another government, they need to show a return.

Talking about roles is important; both in terms of defining the task to be achieved but also in making clear what is expected of whom. Many issues are not properly addressed because of presumptions about the role an individual is taking and that person's power to change its scope.

The "interested enabler" role is one taken by governments acting through their embassies abroad. With the publication of its four policy goals, Britain is explicit about what it sees as the main challenges facing the world. It believes tackling those challenges together will benefit us all.

I had a useful discussion at our mission in Geneva about the range of roles that Britain plays in securing its objectives. In some cases, it is as an honest broker. Usually, though, the aim of hosting an open discussion with third parties is to focus on the issues and ways in which they may be resolved. "Open" does not mean "open-ended". The facilitation is part of a more directed strategy. Participants need to know where their contribution fits, what's expected of

them, what they expect of their hosts and how the group as whole can take any discussion forward. Many of our ambassadors — and, increasingly, our political and commercial counsellors — chair such discussions with a light touch combined with focus and momentum.

Interested enablers will invariably be looking for common ground. But it is often difficult to reach that point until they have created the conditions for participants to establish a commonality of interest — rather than merely common interest.

The FCO's strength will clearly be in delivering a strategy, using its knowledge, know-how and networks. It will be this rather than a specific agenda that will engage others, according to businesses, NGOs, think-tanks and others I have spoken to. Ideas capture people's imagination, but can also distance them. It is the quality of the relationship keeps the dialogue going.

This is why I asked Christopher Lomas of Naked Generations what he thinks "Generation Y" wants and how governments and business could engage better with younger people (see Appendix: Naked Generations). Many of the points Lomas makes are essential to understanding why those in authority don't connect as well as they could with the rest of society. In Chapter 5, I explore his arguments for engagement.

Relationships with host governments and multiple stakeholders are needed not just to keep bilateral relationships in good repair but also to provide an opportunity to explore different perspectives. As one diplomat put it, "The policies might be the fuel in the tank. But knowledge, know-how and networks are the oil in the engine."

Speaking the local language is regularly mentioned as one of the skills that give our diplomats an advantage. Ambassadors of foreign governments told me that their diplomatic services could do more to encourage envoys to learn about a country before working there. Those who return to a post after having served there earlier in their careers have an advantage over others, even if much has changed in the meantime — because they realise how they have yet to adapt

Example: Hungarian National Climate Strategy

The British Embassy in Budapest sponsored a series of interdisciplinary workshops which contributed to the drafting of the Hungarian national climate change strategy. These workshops, which were chaired by Hungary's environment ministry, discussed background studies, collected missing information and formulated a consensus.

Our ambassador was not driving Hungary's policy. He was simply making sure that these workshops were operating transparently and with the widest possible cross-section of stakeholders. But the project also provided an opportunity for our own government to put its views direct to the Hungarian drafters.

This shows what can be achieved if one player facilitates meaningful consultation and acts on direct feedback. Somebody needed to take the lead and ensure that the process got under way. But the initiating party was not seen to dominate the scene.

Experience from posts abroad

One reason why partnerships between government, business and NGOs often fail is that government does not see the need to seek input and consult stakeholders. Another problem is that government often fails to acknowledge feedback or tell those who make comments how their suggestions were taken into account.

One diplomat said: "Simply posting working documents on ministry websites for comment is not enough. The lack of any feedback on how these were considered is de-motivating and

even annoying for the other party. This confirms the impression that the whole public consultation process was a futile exercise. It alienates those who have spent time, energy and resources working up a study or analysis."

If governments were more proactive, there would be two main advantages:

- It would broaden the scope of respondents beyond the self-appointed and regular commentators, leading to more balanced sampling.

- It would build up in-house expertise in assessing how a proposal would be received by those affected. As a diplomat said, it would benefit policy-making and could dispel the administration's image of being out of touch with real life.

2. The role of business

What is the evidence that outsiders want to work with government or with international institutions such as the United Nations?

Two major reports demonstrate increasing collaboration as a source of business success. The first, in 2005, was a UN report on partnerships. The work of the Global Fund provides a strong example of what a non-profit international foundation can achieve.

The 11th Annual Global CEO Survey, conducted by PwC in 2008, was based on contacts with more than 1150 company leaders and government officials from 50 countries. It shows collaboration at work in everything from the pursuit of talent and technological innovation to organizational dynamics and regulatory harmonisation.

Tackling climate change is identified by the survey as a global concern needing a collaborative approach. A growing number of CEOs support government-led action. 82% of CEOs "agree" or "agree strongly" that governments should lead the effort to address the environment. 90% of Asian CEOs are convinced that governments should take the initiative. 73% "agree" or "agree strongly" that there needs to be greater collaboration among businesses in mitigating climate change.

Though the survey was conducted before the financial turbulence of 2008/09, economic downturn was already the global risk that CEOs regarded as their greatest concern. Despite potential risks from competitors, they still valued increased collaboration. The key to getting the most out of collaboration is deciding how to balance it with competition and how to infuse collaboration with traditional management discipline.

"More than ever", according to PwC's CEO Samuel DiPiazza, "executives are being challenged to evaluate whether their companies are fully exploiting the power of their global networks." (PwC, 2008, p.i).

More than half of all CEOs (57%) believe that collaborative networks will play a major role in the way that companies will operate in the future. Only 17% "agree" or "agree strongly" that the costs and risks of networks currently outweighs the benefits. Asia Pacific CEOs are particularly convinced about their value: 83% of Indian CEOs are open to the idea that "collaborative networks will be a defining organizational principle of business". Chinese CEOs are less convinced but are close to the global average, indicating that a history of central planning does not preclude a willingness to collaborate.

Stone soup: more than stones?

The survey evidence highlights challenges. Networks are used mainly to achieve "soft" goals — such as advancing learning and sharing best practice — rather than enhancing products and services. 37% still regard the establishment of networks as a secondary activity, suggesting that they have yet to exploit the full potential of collaboration. Although many CEOs recognise the value of collaboration, they have not embraced the concept

in practice, particularly when it directly affects the bottom line. Most companies are still using collaborative networks on an opportunistic basis. Although CEOs report that it is relatively easy to recruit people who can collaborate, they regard lack of collaboration across functions as a major organizational barrier to managing change.

"Public-private collaborative ventures can founder on a lack of understanding of each other's respective objectives, Richard Wakeford, Director General of Environment at the Scottish Government told PwC researchers. "They depend on respect by the private sector of legitimate public goods, and sensitivity by regulators to the needs of business."

But the PwC survey concludes that a more strategic approach will emerge, and that tomorrow's networks will increasingly be initiated at a senior level rather than developed to take care of a company's immediate needs. CEOs are more enthusiastic about "soft" networks. Networks for creating and sharing knowledge are seen as a "quite effective" or "very effective" by 75% of CEOs; and networks for sharing best practice are seen in the same light (70%). Even though most CEOs see development of networks as a secondary activity, the research also shows that companies in the technology and media sectors are already collaborating with multiple

stakeholders to develop or refine business models. As experience with networks grows, their use in all industries is likely to increase.

Public-private partnerships: UN experience

The UN Report on Partnerships (2005) shows how much the Millennium Development Goals and the World Summit on Sustainable Development in 2002 have been catalysts for public-private initiatives. More than 200 partnerships were agreed at the World Summit.

The early evidence shows that all sides need to learn to exploit the potential of partnership. Partnerships are seen to contribute significantly to outward focus and impact. But many partnerships are not "mainstreamed" in the rest of the organization. There is a lack of incentives and capabilities and not enough evaluation. The UN Report notes that most partnerships are driven globally, not locally driven or owned.

On the other hand, three-quarters of businesses say that partnerships will become more and more important. 81% see brand value as the most important asset that partnership brings while 73% see it as legitimacy. Nine out of 10 say that the incentive to demonstrate good corporate citizenship is the main driver.

On the negative side, these are some typical comments from businesses:

- Lack of coordination

- Difficult to build partnerships

- Bureaucratic structures and thinking

- Lack of speed in delivering on commitments

- Suspicion of business

- Take-it-or-leave-it approach to business

Both reports suggest that collaboration and partnership are a growing trend. But there are still many hurdles to more effective joint working.

Rise of Corporate Social Responsibility (CSR)

One way of understanding how business can become more involved in partnerships with a social goal is to track the importance they give to Corporate Social Responsibility (CSR). In a 2005 poll, 81% of executives said that corporate responsibility was essential to their business. They disagree about what the term means but the majority believe that business should serve as a steward in society and that it has a duty to investors, employees, consumers, communities, and the environment.

Increasing numbers of companies publish their social and environmental performance.

Alan Murray, lecturer in accounting at Sheffield University Management School, says that individual companies find themselves under social and competitive pressures. They are subject to new levels of transparency, whether in response to changes in corporate governance, to public concerns on environment or to consumer rights. Adverse disclosure threatens shareholder confidence, brand reputation, production stability, employee trust and other corporate assets.

Challenges are being also seen as opportunities. In Corporate Social Responsibility: A Critical Introduction (2008), Alan Murray and Michael Blowfield describe the twin spheres that CSR has to embrace. It must deal with "capitalism's Achilles heel" (Baker, 2005), within which are intertwined capital, poverty and inequality. And it must promote capitalism as a solution to the key social and environmental issues of the age. Definitions of CSR include Starbucks' approach that responsibility is gauged by how companies respond to stakeholders' concerns and the Pricewaterhouse-Coopers view that responsibility involves balancing profit maximisation and stakeholder needs. For PwC, stakeholders include employees,

customers, demographic groups and even the regions that companies serve.

Studies of CSR going back to the 1960s and 1970s show that different societies have specific and complex expectations of the role of business, which go beyond paying taxes and following the law. Carrol's framework is the benchmark for understanding CSR, and identifies four types of responsibility: economic, legal, ethical and discretionary (Carrol, 1979). Ethical responsibility goes beyond legal compliance, and discretionary responsibility refers to voluntary responsibilities, such as philanthropy, which companies can take on even if there is no clear-cut expectation from society.

Just as some brand attributes can go from being seen as differentiators for a company to being seen as something that everybody does, expectations of responsibility can also evolve. Safety has always been a differentiator for Volvo, but which automobile manufacturer does not now want to be seen producing safe cars? What has been achieved on safety is what governments and the vehicle industry will have to achieve on carbon emissions. The opportunity now exists for car manufactures to be distinctive by being innovative about tackling climate change.

One result of involving a wider array of stakeholders in thinking about the role

of business in society is that attention is drawn to long-term corporate performance. "The test of a business-and-society-based model is whether it leads companies to use their power and resources for the long-term benefit of society, even if there are short-term costs to the company." (Blowfield and Murray, 2008, p22). If businesses see tensions as opportunities (see Chapter 2, Part 2), they will want to get performance right as a way to maintain public confidence. Companies that don't work in this way will eventually find themselves in the minority.

Motivations

Businesses have three main motivations for pursuing partnerships. They provide another way of implementing traditional company-led community relations and development programmes; a compelling business rationale – for example, access to new markets, avoidance of litigation or an opportunity to improve image; and a response to the trend towards civil regulation, the requirements imposed by civil society.

The corporate failures that started in the 1980s show the continued need for vigilance to ensure that business uses its resources for proper purposes. There must also be an expectation that those who run companies act honestly. This is not only to enhance shareholder value and to ensure the financial viability of

companies but also to take account of the impact on other stakeholders — including employees, customers, suppliers and communities. This principle was accepted by the Toronto Stock Exchange in 1994.

But just as strategy cannot be divorced from implementation, rules and regulations are not enough on their own. Laws need to be matched by effective collaborative frameworks to ensure a shared understanding and commitment to implement the spirit of corporate responsibility and, in particular, sustainable development. What is required to complement and reinforce agreed mechanisms is the effective joining-up of traditional and non-traditional actors, a "suture", or sewing together of the fabric, that makes a society, an industry sector or a specific company function with agility, resilience and integrity.

Following Enron's collapse, Samuel DiPiazza of PwC developed a revised model of corporate disclosure, stressing not just transparency but also accountability and integrity. In the UK, the Institute of Directors has pioneered the qualification of chartered company director, developing a keen sense among business leaders that taking the wider strategic view is a boardroom requirement. DiPiazza's work clearly identifies the need to work on three tiers: global, generally accepted accounting principles;

industry-based standards; and company-specific standards.

The significance of the current banking and financial turmoil still needs to be more fully assessed. But if the learning in this report holds, especially in being more strategic about risk and opportunity, business leaders need to develop partnerships as a way of better connecting their organizations to society's concerns and aspirations. The insights developed in Chapter 2 provide a way of making that implementation come alive, particularly in managing risk, building trust and embracing complexity.

Tri-sector partnerships

Partnership in a corporate-responsibility sense is different from the type of public-private partnerships that governments promote to deliver public services. But one can also see emerging elements of both in what are called "tri-sector" partnerships between government, business and civil society. Warner and Sullivan describe this kind of partnership in the context of the mining, oil and gas industry: "Tri-sector partners are, in essence, a new form of strategic alliance… [a] voluntary collaboration to promote sustainable development based on the most efficient allocation of complementary resources across business, civil society and government." (Warner and Sullivan, 2003, p17).

Leveraging partnerships for enlightened self-interest

James Thompson, Regional Director at the US State Department, provides the simplest rationale for the increasing importance of partnerships between businesses and others. It is enlightened self-interest.

There are global challenges so complex that no government, no private enterprise, no single team of experts can effectively tackle alone. Public-private partnerships are not new. There have been numerous examples of joint projects where government agencies and individual companies team up to support educational initiatives, deliver healthcare or increase environmental conservation.

Why would The Coca-Cola Company, the largest beverage company with the most extensive distribution system in the world, invest millions in an alliance between the US Agency for International Development (USAID) and local bottling facilities in Africa, Asia and South America to conserve water resources?

And why is Starbucks Corporation working with Verde Ventures, Calvert Foundation, EcoLogic

Finance, Conservation International and USAID to finance more than $12 million in loans for rural entrepreneurs in Latin and Central America?

How does MTV justify its commitment to provide technological resources to a $13 million alliance between USAID and the MTV Europe Foundation to increase awareness about and prevent the trafficking of women and children for forced labour and sexual abuse?

The reasons behind these investments are straightforward: self-interest. Companies that rely on the natural resources and human capital of emerging markets are investing and instituting sustainable development practices and education initiatives in partnership with the US government because both government foreign assistance programs and companies alike are dependent on the global economy. Because of this reliance, both the public and private sector are motivated to act.

Thompson and I have been in regular correspondence in connection with

this report. I asked him what was most needed to get partnerships with business to work the way he wanted.

"You need to have some detailed planning prior to the implementation of the partnership," he said. "Goals need to be set, performance indicators identified and agreed upon, and a documented detail of what each partner is going to contribute to the partnership. There also needs to be some flexibility as the conditions on the ground can rapidly change."

And how do governments and international institutions need to change?

"Both governments and international institutions need to plan for partnerships and build in flexibility in their procurement processes for partnerships," he said. "There is still a tremendous amount of institutional culture-change that needs to take place, so that staff now plan activities and think about new approaches that bring in private-sector knowledge, technology and creativity."

The following tables show how one can map contributions (Figure 4.1) and outcomes (Figure 4.2) from different stakeholders. Good practice in managing partnerships (Figure 4.3) is based on the importance of partnership exploration, building and maintaining.

Figure 4.1: Stakeholders' complementary contributions to partnerships
Source: Blowfield and Murray (2008). Adapted from Warner and Sullivan (2003); UNEP et al. (2005).

Government contribution	Business contribution	Civil society contribution
Strategic co-ordination through local development plans	Job creation	Local knowledge
Access to budgets in public sector	Knowledge of procurement and supply chain management	Mobilisation of community participation
Regulatory provisions	Building local infrastructure	Independent monitoring
Brokering of capacity-building roles	Capital equipment, technical skills and logistics	Local and international credibility
	Performance-led work ethic and access to international best practices	

Figure 4.2: Partnership outcomes for different stakeholders – examples from mining
Source: Blowfield and Murray (2008). Adapted from Warner and Sullivan (2003).

Outcomes for business	
Enhanced licence to operate because communities affected by operations will be satisfied that the business unit is responsive to their concerns	Availability of new social capital for the business
Reduced community dependency on the business unit (e.g. owing to empowerment of communities to manage their own development)	Becoming 'company of choice' in the yes of governmental authorizing agencies and removing political objections to future ventures
Basis for resolving local disputes that might delay financial approval or operations	Reduced risk to marketing, sales, and share price associated with negative image of social and environmental performance

Outcomes for local communities	
Additional resources for community development	Ensuring that those affected by operations have an equal or greater level of welfare, income, subsistence and security
Fairer settlement/compensation for community assets	Access to the technology, finance and markets needed for new assets; and skill sets that can be transformed into sustainable livelihoods
Improved infrastructure and capacity to manage it	

Outcomes for the public sector	
Agreed revenue distribution mechanisms before commencing operations	Increased legitimacy with local populations
More equitable distribution of revenues across government, and between government and communities	Exposure to new ways of working and international good practice
Enhanced tax and skills base	Empowerment of local communities

Figure 4.3: Principles for managing partnerships
Source: Blowfield and Murray (2008). Adapted from Warner and Sullivan (2003); CCC (2005c).

Partnership exploration stage	
Find the most practicable strategy	Involve stakeholders in design
Be purpose-driven	Set realistic expectations
Be willing to negotiate	Be prepared to say 'No'
Consult	
Partnership building stage	
Appreciate the importance of perceptions	Accept that differences of interest will arise
Integrate cultural values and priorities	Encourage joint problem-solving
Build trust, confidence and respect	Identify the important voices, rather than the loudest
Be willing to negotiate	
Partnership maintenance stage	
Recognise reciprocal obligations	Adapt to internal and external events
Have clear work plans	Measure added value
Maintain internal and external communications	Do not be a slave to business value
Be willing to negotiate	Instigate continual learning

3. The role of NGOs

In Chapter 1, we began to examine the wider range of NGO functions and how the potential of civil society could be better exploited. Many in government limit their perspective of NGOs, seeing them either as advocates — and therefore as potential adversaries, allies or targets — or as deliverers of services, complementing or replacing government functions.

NGOs have advantages that governments and business do not necessarily enjoy: credibility with certain networks and often with the wider public, as well as specific expertise and contacts. This credibility is often buttressed by single-mindedness in commitment, knowledge of the subject and first-hand experience. In Latin America, according to one DFID contact, NGOs understand the problems of social inclusion far better than the overseas government and are often better placed to tackle the challenges.

But there are inherent problems. One civil servant working with some smaller NGOs expressed both her delight in tapping the skills and knowledge of the NGO and her utter frustration at implementing a project with their help. "They don't seem to understand that we just want to see a brief implemented," she said. "Not every project is a reason for opening up a policy debate. There's a time and a place for that, and NGOs need to get much more business-like."

Many NGOs, particularly those that have longer-term relationships with government and business, understand the scope and limits of other organizations. They know whom to lobby and when to push their arguments. But there is a challenge for governments, business and NGOs. Each member of this trio must appreciate each other's perspective and find common ground on which to collaborate more effectively. Baroness Neuberger, who advises the Prime Minister on the third sector, says that government needs to put greater value on the independence and perspective that NGOs bring.

A broader perspective of the NGO role

However, seeing NGOs only in terms of advocacy and delivery is limiting — both for them and for wider social collaboration. The role of NGOs is changing, not just for their benefit but for that of government and business. The most effective NGOs are very adept at picking up on emerging issues, championing them and putting pressure on governments and business to change their policies. But they also add value by helping to inform and frame the public debate. New ideas and perspectives can emerge that NGOs did not think of when they first started lobbying.

One contact gives as an example a US government-initiated project to provide schoolchildren with multi-vitamin tablets. The cost amounted to $5 million.

"The students threw out the pills and refused to take them. The government then spoke to some of the civil society to better understand the problem. The reasoning was easy: there was no awareness about what the tablets were for and rumours spread across the country that the tablets were designed for birth control."

My contact suggests that a simple way of dealing with the problem would have been greater advance consultation with the civil society, as well as direct contact with people in the communities.

Another contact highlights the role that NGOs play as a bridge between the community and the authorities in terms of communication and conflict resolution. As President Sarkozy immediately saw when he took office, issues raised with NGOs, particularly those interested in the environment and development, can trigger wider public engagement and shape new legislation. The very process of engaging with 330 stakeholder representatives and 17,000 people in 19 regional meetings resulted in agreement on a five-year plan with 268 recommendations.

For NGOs, a key challenge is how they can best use their assets with partners or potential partners, enhancing the quality of relationships with other NGOs as well as governments and business. None of this detracts from their need to pursue wider goals or maintain their independence. One colleague in the French government said that many NGOs needed to be clearer about what an ideal relationship with government might be; what a possible relationship could be if everybody found made compromises; and what the actual relationship might be if nobody made changes.

The Carbon Markets and Investors Association (CMIA) is a trade association representing service providers to the global carbon market. It was formed to represent businesses in the services sector, working to reduce carbon emissions through the market mechanisms of the UNFCCC. The CMIA represents an estimated three-quarters of the transaction value in the global carbon market, which is expected to grow to $1 trillion by 2020. "If the strategic aims of government are predominantly aligned with that of an NGO then collaboration will more than likely bear fruit. This has frequently been the case with the Carbon Markets & Investors Association and the UK Government, as both seek to encourage the development of carbon emissions trading and low-carbon technology financing in new regions and to promote the City as a leading provider to this market.

This role positively encompasses the strategic remit of at least four government departments, the Climate and Energy department DECC, Treasury (HMT), Business (BIS) and Environment (Defra) – making the collaboration more deep-rooted in UK government policy and the providing more chance of success; inter-departmental policy wrangles can limit scope for fruitful

collaboration with single issue NGOs. However, even when successful, the operating limits of such relationships need to be understood.

In my experience one important factor for smooth running is that the NGO must expect, and be satisfied, to take a junior role to the government agency or department for the relationship to be effective — even if this means bureaucratic delays to a collaboration which can be frustrating for fast-running private sector NGOs. There is no doubt that governments are getting better at dealing with private sector NGOs and are seeing them as useful adjuncts to their policy strategies and roll-outs, acting as a bridge between government policy and the "real world".

Adam Nathan, Director, Public Affairs, Carbon Markets and Investors Association

Feedback from the Chevening Network

One of the networks that I drew on was the FCO's network of Chevening contacts, which identifies and supports future leaders. They reflect a contemporary perspective on the relationship between governments,

business and NGOs in emerging economies. Their detailed insights, drawn mostly from personal experience of working with NGOs, show what effective collaboration can achieve on a participatory basis while demonstrating the need to be realistic about the challenges of bridging different perspectives.

A contact who works with an Indonesian-based NGO says: "NGOs have used an 'ideal' perspective to create their policy and campaigns. But government and business use a 'business-as-usual' perspective. Both sides need to bridge their perspectives, and that requires compromise."

Much of the feedback stresses that collaboration must be based on the equality of all parties, on "mutual benefits", "a win-win" or on "symmetry". Government might have "administrative power" but "should never be superior to its partner in cooperation". Another contact says that governments must show flexibility in how they deal with NGOs: "The approach can be top-down or much more participative."

A further contact says: "Government should see NGOs as partners rather than rivals or opponents; and must be more open and prepared to show empathy." Another says: "NGOs that cooperate with governments must maintain their

independence, particularly of operation."

A contact who is not in a NGO, but who understands the sector, explains why independence is intrinsically valuable: "My bank is not a NGO, but we cooperate closely with governments in financing the development of infrastructure, investing in education and medical care facilities, and in supporting the government's upgrading of industry policies. In my bank's cooperation with local governments, we can make independent lending decisions. The governments can recommend projects to us, but we make an independent project-appraisal, conduct due diligence, and make our own lending decisions… Independence is important and makes the collaboration sustainable in the long run."

One NGO contact from Cambodia who specialises in improving environmental awareness and the management of natural resources says that it is important to understand the dominant culture, particularly among government officials: "NGOs always use a participatory approach, while government uses a top-down and output-orientated approach. We therefore have to consider how the two approached can be balanced."

As well as getting right the rules of engagement with NGOs, it also helps to agree the right processes and outcomes. A contact from Jordan says NGOs could be even more effective if: government involved them earlier and gave them more time to implement projects; if the private sector took a wider view of their role; and if NGOs had more of a say in donors' discussions about funding. Another suggests a more business-like approach: clarity of roles; agreement on timeframe for implementation; agreement on performance indicators; and financial accountabilities.

A Malaysian contact says that what is needed are: "NGOs which are sensitive to social change and demonstrate in their long-term goals that they possess the quality of good "business" partners for companies. They need to create value and strategic benefit for corporate social responsibility." One Guyanan contact, mindful of the gap between rhetoric and delivery, says: "Do the due diligence, maintain sceptical oversight, and don't be swept by the hype!"

Top tips for government and business working with NGOs

Following a suggestion by Blake Lee-Harwood, a former Greenpeace campaigns director and, more recently, a strategic communication adviser for the FCO, I asked my Chevening contacts to suggest "top tips" for effective working with the NGOs. There was a range of responses, which I have organised under two categories.

Design tips

Selection
Choose the right NGOs, not your friends or the ones who have a soft opinion in what you want to avoid doing. Choose the strong-minded NGOs that work seriously in the sector and can advise you on long-term solutions — even though you may disagree with their advice. Strong NGOs will get their opinion across to the public and so you are better off working with them to improve your policies rather than disregarding them and having to face them in the media.

Engagement
Engage NGOs throughout the process: design, planning and implementation. Have the NGOs write a business plan/strategy – even a short one. You and they need to be clear how they intend to achieve their goals, no matter how celebrated the cause. Have the NGOs state their terms of reference and management structure. Ensure activities are monitored, and commission reports and minutes.

Accountability
Secure agreement on key deliverables, timeframes and financial management accountabilities. Have clear ownership and accountability for the project. Spend enough time consulting NGOs and ensure NGOs have enough time to consult local communities. Ensure participation of local communities to give establish ownership.

Sustainability
Assess that objectives have a last effect. Make sure that collaboration is organised as a serious sustainable consultative process and is not just for show.

Implementation tips

Integration
Integrate plans and processes with government plans.

Evaluation
Ensure activities are monitored, and commission reports and minutes. Have clear key performance indicators.

Communication
Consult through workshops and regular meetings to ensure that there is shared understanding as well as the building of relationships. Ensure effective communication, both vertical and horizontal.

NGOs: new ways forward

NGOs are growing in importance and impact. In the course of my research, I saw two very different examples of the contribution that NGOs can make. Each shows that, whether the initiative is top-down or bottom-up; whether it is the result of global or local leadership; the many problems to which social

collaboration is a solution are, in fact, glocal — a mingling of the global and local. By the time a campaign or an operation takes off, it's the interaction of global, national, regional, and local initiative that delivers an overall result.

NGOs are still evolving, but these examples show their potential.

Global Fund: building partnerships to tackle AIDS, tuberculosis and malaria

Founded with a strong mission to address directly three pandemics, the Global Fund provides a strong example of a strategic focus on partnership, performance-based funding and country ownership. A not-for-profit international organization based in Geneva, the Global Fund has become the largest multilateral funder tackling AIDS, tuberculosis and malaria since it was set up in 2002.

The Global Fund was set up as a partnership between governments, civil society, the private sector and affected communities in response to calls from Kofi Annan, UN Secretary General at the time, and the G8 group. On the fund's international board, donor and beneficiary countries have equal voting rights with members of civil society, people suffering from the diseases, the private sector and private foundations. As a public-private foundation, the fund

is must "attract, manage and disperse resources" to make a sustainable and significant contribution to the reduction of infection, illness and death. In so doing, it must also contribute to the reduction of poverty. The Global Fund has tried to establish a new model for development financing, combining country-level ownership of programmes with institutional efficiency and effectiveness. And it has advanced the concept of public-private partnership, in both its founding principles and its governance structures.

This model of multi-stakeholder participation is reflected in a public-private partnership at country level to design proposals, implement and maximise the impact of grants. Multilateral and bilateral agencies are important partners, assisting with development proposals and implementing of grants.

When the Global Fund was created, it faced enormous public pressure to act fast. The lives of millions of people were at stake and there was considerable scrutiny by civil society activists and the media. This has resulted in a sometimes-chaotic process, with ng resources being made available before the necessary structures were in place.

One can also question some of the assumptions on the fund was created. It was assumed that countries could

implement successful programmes provided they received additional financial resources. This was wrong. Governments and their partners in civil society needed significant capacity-building and technical assistance. For this, the Global Fund depended on partner organizations that were not ready yet to step in. The fund was upsetting a system of development assistance and it took a few years to adapt.

But it is now shifting the model of development assistance: from defined by donor requirements to one that is demand-driven and country-led. We now see participation by sectors not traditionally involved in making decisions on disease control at national levels — such as civil society, those affected by the diseases and the private sector.

An evaluation commissioned by the fund found that it had made significant contributions towards its original aims over a six-year period. It has attracted nearly $18 billion from a variety of sources both government and private, achieving an exceptionally rapid start-up and making available $10.7 billion to 136 countries by June 2008.

This achievement represents a major advance in the partnership approach to development aid, providing a new model for a global public-private health

partnership. The Global Fund has played a major role in moving the world from a situation of severe resource scarcity in fighting the three diseases to one of much greater resource availability.

But the evaluation also sets some tough challenges for the fund. These include "mission creep" — an occupational hazard for collaborations and partnerships, not least in the international development arena. The fund needs to be clearer about how it combines its financing responsibilities with a growing policy and development role.

Where there is ambiguity in the organizational role or the financing intent of the Global Fund, the report says, this compromises the ability of international partners to mobilise resources. The main elements of the partnership model do not yet have a well-functioning system for the delivery of global public aims.

This lack of clarity about partner roles has resulted in varying expectations about the support countries need; about which partners are to meet them; and about financing this support. The evaluation warns the Global Fund that its partnership model requires a dynamic approach to developing, nurturing, and sustaining partnerships; and one that recognises that the different stages of partnership.

Global Fund/(RED) partnership: using brand innovation to achieve social goals

A good example of innovative partnership between an independent, non-profit foundation and business is the partnership between the Global Fund and the enterprise known as (RED). This was created in 2006 by the rock star and activist Bono to generate additional funding for the fight against AIDS, tuberculosis and malaria as well as raising public awareness of HIV and AIDS in Africa.

In exchange for permission to use the (RED) trade mark on their products, companies contribute a portion of their profits from these products to programmes financed by the Global Fund in Africa. Current partners include American Express, Apple, Converse, Dell, Armani, Gap, Hallmark and Microsoft. It's the first time that leading companies have made a joint commitment to direct a percentage of their profits to assist in the fight against the AIDS pandemic. And it is very successful: between 2006 and the end of September 2008, (RED) raised more than $112 million which the Global Fund used for grants to fight HIV and AIDS in Ghana, Lesotho, Rwanda and Swaziland.

This success is based on the strengths of the partners and what each brings to the partnership. The (RED) organization is about marketing, branding and advocacy; the Global Fund — an unknown brand to many consumers — is about achieving results and monitoring the effective use of funds. The partners have synergy, complementarity and converging interests. And consumers can see a clear connection between what they contribute and the benefits produced by the partnership. In a relatively short time, the Global Fund/(RED) collaboration has established itself as a highly effective business model for harnessing resources from the private sector, becoming one of the largest consumer-based income-generating initiatives by the private sector for an international humanitarian cause.

Fairtrade movement: harnessing markets globally and locally

The Fairtrade movement started when Mexican coffee farmers asked NGOs to find a new way of promoting coffee produced by small farmers on fair terms, following the collapse of the international coffee agreement in 1989. The only way the NGOs could achieve this was by taking a business approach to building up consumer demand for products and delivering a better deal to producers. They mobilised their own networks, encouraging them to visit local shops or write to retailers.

An example was Christian Aid's supermarket campaign. Consumers sent till receipts to their favourite retailers as evidence that they wanted fair-trade products. As support for the campaign increased, companies began to respond.

Today, Fairtrade remains a partnership between producers, traders and NGOs. Producers from Asia, Africa and Latin America sit on the Fairtrade board, alongside people from Oxfam, Solidaridad, trade unions and company traders.

In the UK, the Fairtrade Towns movement now has 385 supporters, with an estimated further 200 local campaigns. It began in Garstang when the local Oxfam group and the manager of the local Co-op store were trying to get more businesses involved with their campaign. They came up with the idea of Garstang working to become the world's first designated "Fairtrade town".

Barbara Crowther of the Fairtrade Foundation says her colleagues needed some persuasion, as the Fairtrade trade mark is primarily a product certification rather than a town endorsement. But the foundation worked with Garstang and other towns to develop the key principles of the Fairtrade Town initiative. These have since been extended to other non-profit campaigns involving religious bodies, universities and schools.

Collaboration at a local level is the lynchpin of these campaigns. A multi-stakeholder campaign steering group must involve representatives of the local council as well as community groups — for example, churches, social groups, local businesses, educational institutions, the local branch of Oxfam and other NGOs such as Friends of the Earth and WDM. The very strength of this movement is in its diversity, with each member playing to its own strengths. The Co-operative Group has proved to be a particularly strong company partner, promoting the campaign to its own local membership and sponsoring local initiatives.

These partnerships are invaluable in helping to exploit local knowledge and expertise in, for example, global trade policies, local business knowledge or the ability to speak to a class of six-year-olds. Many of the companies licensed to use the Fairtrade trade mark are involved in local campaigns, while others build partnerships around key events such as Fairtrade Fortnight by providing product samples, venues and staff support. A local campaign might publish a directory of locally available Fairtrade products, distributed free and supported by Fairtrade advertisers. During Fairtrade Fortnight, companies often invite their producer partners to the UK. By combining visits to trade clients with participation in local community events, the Fairtrade

Foundation ensures that the maximum advantage is gained.

As Crowther says, "The important thing for any of these partnerships is to be very clear on the objectives you have as an organization, to find the common ground in what you want to achieve and to know where your own boundaries lie."

4. Towards a better engagement of government, business and NGOs

How would we all need to change to make social collaboration work even better? James Thompson of US State Department says of government's role: "Both governments and international institutions need to plan for partnerships and build in flexibility in their procurement processes for partnerships. There is still a tremendous amount of institutional culture change that needs to take place, so that staff now plan activities and think about new approaches that bring in private sector knowledge, technology and creativity."

This report has tracked three areas of learning on social collaboration: specific initiatives, sector-led work, and work done by countries over time.

Initiative: Hungary promotes social enterprises

The Hungarian Telehouse Association provides various services of public benefit under contract from government departments. This outsourcing provides the necessary financial stability for the NGO and provides for a more efficient service delivery. This has helped the Telehouse Association to become the driving force behind the European — and now the world-wide — telehouse movement (www.euta.hu). The network provides a platform for many new government, business and civil-society initiatives. The key was to establish a constant income for the telehouses through a carefully selected service portfolio.

Telehouses have now become self-sustainable. They function like social enterprises, serving the local community but charging for some services to avoid being over-dependent on state funding.

Learning point:

- This shows the growing importance of collaborations between governments, business and NGOs in generating their own funding.

Initiative: Lloyds TSB and NHS share commercial practices

Recently the government sponsored a scheme that encouraged partnerships between NHS Foundation Trusts and FTSE 100 companies. One company that took part in the scheme was Lloyds Banking Group. The aim of this initiative was to share commercial practices with NHS trusts while also allowing managers in companies such as Lloyds to understand a different working environment.

One person involved in the scheme was Stuart Cheetham, now Managing Director of the Lloyds Banking Group in Tokyo. He worked closely with one foundation trust and believes that both organizations achieved some success. For example, they shared experience in areas such as operational efficiencies, performance management and executive decision making.

What was learned from this initiative? "Getting people involved was never a problem," says Cheetham. "There was a real desire from both organizations. For Lloyds staff, being involved in a project that focused on benefits for a non-commercial organization was a clear motivator. For the NHS trust, they had the opportunity to meet and discuss issues with senior leaders and functional specialists in one of the UK's largest banks.

"In an increasingly competitive and changing world, the ability to think out of 'organizational silos' and challenge the norm helps people to deliver better-informed and balanced decisions. This, in turn, will lead to greater effectiveness and ultimately improved results", Cheetham says. "All organizations work in silos: it's human nature. The understanding of different industries and practices will help break down these mental and cultural barriers. This type of initiative facilitates this learning to happen."

"The experience demonstrated that, when building new relationships, it's important that both parties understand the mutual benefits to working together. Some benefits maybe intrinsic and difficult to measure but that doesn't mean they are not powerful. For example, in this case Lloyds managers benefited from improving their understanding in a different industry and in a non-PLC organization. It also takes time to build trust and understanding, and this can be increasingly different as all parties still have day jobs to manage. However, investing this time will lead to a stronger relationship and a greater chance for success".

Learning point:

- One crucial lesson for Stuart Cheetham is that people need to take a step back and invest time to understand how they can work with different organizations.

Initiative: Vodafone provides banking services to Kenya's population

M-PESA is a mobile phone-based payment service which enables customers in Kenya who don't have bank accounts to make simple financial transactions. It was developed by Vodafone and its network operator in Kenya, Safaricom, with seed-funding from DFID's Financial Deepening Challenge Fund (FDCF).

The DFID funding was critical because it enabled the companies to go ahead with what was seen at the time as a potentially risky project, allowing them to spend more time on assessment in the development phase so that the product would fully meet user needs. Through FDCF, the project was also able to take advantage of expertise in the financial deepening sector and to gain the support of stakeholders such as the World Bank, the Kenyan government, Microsave Kenya as well as specialist organisations such as Coffey and Frontier Economics.

Their support was vital in assisting with regulatory conditions as well as with the risks and benefits of the project.

The regulator, the Central Bank of Kenya, was also involved from the earliest stages. M-PESA was launched in October 2005 and has seen massive customer up-take, indicating pent-up demand for simple financial transaction services. The M-PESA collaboration was also a pathfinder for developing financial services in other countries lacking a developed infrastructure for telephony and banking.

Learning points:

- A combination of DFID money and Vodafone and local partner enterprise produced this result.

- Effective participation ensured that the right regulation was in place and supported.

DFID's funding of civil society organizations

DFID provides more than £329m a year to international civil society organizations. The principal centrally-managed schemes are the Partnership Programme Agreements (PPA), the Governance and Transparency Fund (GTF) and the Civil Society Challenge Fund (CSCF).

Partnership Programme Agreements were established in 2000 to provide unrestricted funding to civil society organizations with which DFID has a significant working relationship, a common ethos and a strong match in priority areas.

Currently DFID has 26 PPAs running with UK and non-UK organizations. The PPA budget is around £100 million per annum.

How do PPAs work?

Partnership Programme Agreements last from three to six years. The funding is core and not tied to any particular project or programme. Monitoring is based, as far as possible, on the agencies' existing processes. All PPAs have monitoring frameworks with indicators for internal review and external evaluation.

Entry to the PPA scheme is based on a range of criteria including:

- sufficient consistency between civil society and DFID priorities

- high standards of corporate governance

- extensive reach to build public support for development; and

- significant engagement in DFID policy formulation.

Corporate governance checks are carried out before funding to ensure that the organization is corporately sound.

How PPAs are monitored

Unrestricted funding is provided based on a range of strategic objectives and SMART indicators, agreed with DFID, against which the organizations are held accountable.

DFID and the 26 PPA organizations have recently agreed strong individual performance frameworks, consisting of strategic objectives and SMART indicators. This allows DFID to gauge impact of the PPA funding scheme.

A "synoptic logframe" is currently being drafted to map PPA partner objectives against key DFID priorities and provide

at-a-glance information on all countries and themes covered by the PPA funding mechanism. This overarching logframe will be useful for many areas of DFID and, equally importantly, it will allow all PPA partners to be more aware of possible linking and synergies between them.

What are the advantages of PPAs?

The PPA provides flexible funding to a range of organizations, allowing them the ability to provide funding and resources when required. PPAs are analogous to budget support for government.

Feedback from NGOs

DFID compiled these responses from partners on the benefits of flexible funding:

- Flexible funding allows us to reorient work to a fast-changing external environment, for example in allowing us to address climate-change issues. *WWF.*

- Greater continuity of funding, thereby facilitating greater continuity in development programming. *Oxfam*

- In general, the PPA helps to enable activities across the organization. The PPA has certainly contributed to Christian Aid's impact through its

core funding to the organization, supporting grants to partners and work on development awareness. *Christian Aid*

- The PPA makes a significant contribution towards strengthening impact and accountability, encouraging and enabling us to develop new approaches to assess the impact of our work and to use these assessments to improve the quality, effectiveness and value-for-money of our programmes. *Save the Children*

- For many organizations, the strategic nature of the funding is vital to its success. This provides flexibility and allows creativity and responsiveness from NGOs at a time when such funding is difficult to attain. *Progressio*

- The primary benefit of the partnership is poverty-reduction, based upon shared values in development and development awareness, collaboration overseas and in the UK, capacity-development of government and civil society to achieve pro-poor change, shared priorities in pro-poor basic services and geographical alignment. The second benefit to VSO is the long-term nature of the PPA funding mechanism that enables VSO to

continue to develop as a highly effective development agency. The flexible and long-term nature of funding allows for successful innovation. *VSO*

- One of the most valuable aspects of the PPA is its flexibility, allowing us to use it wherever it is needed in the organization. We have supported a wide range of discrete activities within country programmes, in regional management units and head offices. At field level, the PPA has supported some stand-alone projects but is more generally used to build extra dimensions onto existing work and ongoing processes; for example, a deeper learning and reflection process around a large project or analysis to inform strategic plans and organizational change processes. *Care International UK.*

- Through the PPA we have been able to have the ability to take risks to support innovative, emerging organizations. *One World Action*

- High-value, flexible funding provided through the PPA is of immense value to Wateraid, enabling it to plan for and respond to real needs in a timely and strategic way and to undertake important and significant work that might otherwise not attract project-specific funding. *WaterAid*

Sector-led work: Oil and gas industry promoting sustainable development through partnership

The oil and gas sector recognises that individual companies can better achieve sustainable development goals by working with others. Companies are increasingly collaborating with a wider range of stakeholders — including other companies, government agencies, NGOs, community-based organizations and academic research institutes. IPIECA, the International Petroleum Industry Environmental Conservation Association, provided a case studies of 32 companies and six industry-wide partnerships, highlighting work in the areas of biodiversity production, climate change, air quality, oil-spill response, health care, education and community capacity building.

Guy Sebban, secretary general of the International Chamber of Commerce, says that business, governments and NGOs must cooperate. "NGOs and governments are often the only organizations on the ground in least developed countries which have credibility and in-depth local understanding. Business is often the only source of technological and managerial know-how, with financial means and access to a supply chain. Rebuilding after the 2004 Asian tsunami is a case in point."

As a contribution to IPIECA's review, Ros Tennyson of the Prince of Wales International Business Leaders Forum says that the extractive industries are leaders in the field of partnership innovation. "It is rarely easy for partners to work with non-traditional partners," she says. It requires some radical re-thinking on all sides, considerable investment of time, some changes in behaviour and a willingness to take risks when meeting old challenges in new ways.

The first few years of partnerships in the oil and gas sector show that there is scope to streamline and therefore speed up the setting up of partnership arrangements. IPEICA has produced useful guidance on evaluating the success of partnerships, agreements and exit strategies. Few partnerships seem to measure their actual impacts, at least not very precisely. Partners could benefit from agreeing a set of performance indicators in the early stages of the relationship and from assessing the lessons to be learned from the partnering process.

The oil and gas sector distinguishes between partnering agreements and contracts. A partnering agreement is voluntary, sharing shares risks and implementation on terms that are jointly decided and renegotiable. By contrast, a contract is legally binding. Collaborative projects in this sector

have room for both a contractual and a partnership approach. But to move from a contract to a partnership requires a significant cultural shift. Shell International believes that it is making that shift by choosing to have some strategic partnerships with NGOs.

Whether the approach is contractual or relationship-driven, partnerships need clear accountability for the delivery of specific pieces of work. In my view, it is also worth making it an explicit requirement for partnerships to have integrity. Partnerships need to do the right thing and be seen to be doing it.

The IPEICA study notes that many of the partnerships it examined were launched without a clear understanding of how the experiment would end. One danger it highlights is that, because closure is not planned at the beginning, moving on is often interpreted as failure. In reality, the disbanding of a partnership after a task has been completed can be a significant indicator of success.

Country-led efforts to build civil society

My visits to Mexico and to countries in the new Europe including Poland, Hungary, Romania and Bulgaria highlighted the extent to which building civil society is both difficult and potentially very valuable. The meetings hosted by British Ambassadors with

business and civil society were some of the most illuminating that I took part in.

The theme of collaboration provided a way of opening up a dialogue on how best to accelerate the process of reform and modernisation while appreciating the history and politics of each country. This allowed different interests to be raised while we tried to construct a shared picture of the challenges and possible solutions. A collaborative mindset also provided a way of making sense of past, present and future, as well as allowing us to think practically about what was needed to tip the balance in favour of reform.

Mexico

The relationship between civil society and the Mexican government prior to this century was driven by one-party rule. With the growth of democracy, civil society organizations have sought to transform their relationship with the state. They looked for the explicit recognition of their rights and responsibilities within a new legal framework.

Drafting of a Federal Law for the Promotion of the Activities Under-taken by Civil Society Organizations (FLPACSO), began in 1990. In December 1989, the Cámara de Diputados (House of Representatives) imposed the same income tax on civil society organizations

as on business corporations. This action prompted several organizations to coordinate a group in order to change their relationship with government.

Because of a combination of political leadership and continued pressure from NGOs, the federal law was finally brought into force. It was a major breakthrough in reinforcing the relationship between civil society and government and represents state recognition of civil society's work in promoting the social interest. Among its achievements is defining the activities of civil society organizations that should be promoted. It also reduces arbitrariness in the relationship between organizations and the Federal Public Administration through the establishment of reciprocal rights and responsibilities.

The adoption of the law is itself an experience of collaboration. It is an example of the capacity of bodies with different interests to cooperate in such a way that everyone benefits. Hence, the "enacting coalition" in this process was solid and large. According to the Mexican government, the subject of the legislation — the civil society organizations themselves — were the main promoters. But, critically, other public actors agreed to assume their responsibilities to legislate, regulate and apply the legislation.

Hungary

Civil society in Hungary is less prominent than it was immediately after the transition. Although the Ministry for Foreign Affairs told me that there are 40,000 active NGOs (and 60,000 registered in all), only a tiny minority are geared up to get involved with public policy at the highest levels. Membership of interest groups has increased, as these figures show, but the focus has moved away from cutting-edge issues. NGOs and business remain keen to engage with government but do not see their contributions translated directly into policy and fear being associated with initiatives with which they do not agree.

For the British Embassy, the anti-corruption issue is a good example of how collaboration with non-state parties can work in practice. Embassies representing the big foreign investors have worked with chambers of commerce and individual businesses — together with Transparency International, the media and the Hungarian government — to get this issue onto the agenda. There is some way to go in terms of creating a better business environment. But the habits of working together on contentious issues have evolved in the process and provide a model for future collaboration.

Social collaboration: future challenges and opportunities

Accenture Development Partnerships is a separate business unit within Accenture that provides consulting services to non-profit organizations, NGOs, foundations and donor organizations on a non-profit basis. This has the potential for radically changing how governments, business and NGOs work together. Development collaboration depends on private, public and civil society organizations becoming increasingly aligned towards addressing the complex challenges of poverty, education, health and climate change.

Gib Bulloch, director of Accenture Development Partnerships, believes that NGOs must play a crucial role in the future of the development landscape, although he says that many are ill-equipped for the challenges ahead. Their weaknesses include organization and governance; systems and technology; knowledge management and human capital; and often, basic business acumen. This leads him and others to call for major transformational change within the majority of non-governmental organizations.

His analysis is that change comes in "waves of evolution". Many NGOs are moving from an earlier, foundation wave — in which they rethink their strategy and become increasingly aware of how investments in technology can contribute to the success of the organization — to a transformation wave, where organizations and the whole non-government sector address their entire approach. This will require organizations to significant investments in human capital and training. The third wave, which Bulloch calls the collaboration wave, looks to a new era where governments, business and NGOs work together seamlessly. In this wave, there is greater collaboration within the NGOs as a sector and in new structures within the NGOs themselves.

Developing world: opportunities for greater collaboration at all levels

Developing countries and emerging economies are not just catching up with the developed world. They are possible catalysts for a new way of looking at the partnership between what is global and what is local; and between governments, business, NGOs and local communities. Some of Britain's toughest challenges in Afghanistan and Iraq provide an opportunity for a shared collaboration within governments; and between governments, business, NGOs and the local population.

The security challenge, when combined with those of development and reconstruction. gives us practical opportunities for a better understanding of the risks and responsibilities in delivering an integrated social strategy. The theme of effective engagement of local communities keeps recurring in feedback — not only from those on the ground but also those who work in international institutions such as NATO and the UN.

Afghanistan's international engagement, in which 40 countries are involved, is a positive achievement that provides lessons to help us tackle other challenges. So are the European Union's successful enlargement and NATO's de facto partnerships with a third of the United Nations. We now need to address issues of effectiveness and legitimacy in the relationship between state and non-state actors as well as how to ensure that governments and local communities to take greater responsibility for their own affairs. The proposal in the next chapter sets out how a more collaborative approach can bring together policy design and implementation and engagement. But this will mean taking a broader and longer view of leadership.

Chapter summary

- In the context of achieving social goals, governments can think as much about their role as architects and builders (shaping the conditions in which collaboration happens and delivering their part in it) as about their role as leaders (taking the primary responsibility for securing results).

- Despite evidence of increasing collaboration as a source of business success, the full potential of collaboration has yet to be reached.

- Companies find themselves under social, as well as competitive, pressure. They are subject to new levels of transparency, whether in response to changes in corporate governance or to public concerns on environment or consumer rights.

- Corporate social responsibility is a means for companies to connect better with their stakeholders and customers as well as their own employees.

- NGOs can play a crucial role in delivering on social goals, particularly in development — but they need to build capability for the challenges that lie ahead. NGOs are an essential social investment.

Chapter 5:
Collaboration: and its implementation

In this chapter:

- Leadership: a broader and longer view

- Strategy: problem types, and leadership response

- Engagement: public diplomacy and collaboration

- Delivery: collaborative approach to implementation

- Chapter summary

Leadership exists when people are no longer victims of circumstances but participate in creating new circumstances.

Peter Senge.

It is far easier to massage ideological erogenous zones than it is to cultivate a new sense of possibility. But the leaders who end up being remembered generations later are the ones who have glimpsed, and served, a possibility rather than the status quo.

Geoff Mulgan, Good and Bad Power (2006) p223.

Wonder also means being able to see one's own position, assumptions, perspectives as strange, because it has been put in relation to others. Respective listening thus involves attentive and interested questioning. But answers are always gifts. The transcendence of the other person always means that she can remain silent, or tell only part of her story, for her own reasons.

Iris Maria Young, "Asymmetric Reciprocity" (taken from Ronald Beiner and Jennifer Nedelsky, Judgment, Imagination and Politics: Themes from Kant and Arendt (2001) p223).

In drawing together the strands of this report, my final chapter opens up possibilities for how collaboration and partnerships could be used to improve the design and implementation of policy. It takes forward the FCO's work on public diplomacy and suggest how organizations could make even better use of the talent they have available both within and outside. My first four chapters were about how best to operate in collaboration. This chapter is about exploring what collaboration could be better used for.

At the heart is a proposal based on four objectives:

1. Leadership:
   take a broader and longer view of leadership and teamwork;

2. Strategy:
   use collaborative thinking before decisions are taken on problems, solutions and responses;

3. Engagement:
   connect more strategically, whether it is with one stakeholder, with a group or directly with citizens; an

4. Delivery:
   apply collaborative processes to improve policy implementation.

None of this precludes limiting or qualifying the type of collaboration that one chooses to set up or to join. Nor does it preclude deciding not to collaborate or collaborating to compete. But it suggests that a collaborative approach should inform our choices rather than merely emerging from a course of action.

Most of the social policy challenges that we face are systemic in origin and require a collaborative solution. This may apply to one's own immediate sphere of operation or more widely. The collaborative challenge works as much at a personal level as collectively. The means are there. Technologically, we have never been so able to connect. What holds us back is not the technology but the culture and behaviour that go with collaboration.

One way of fostering such behaviour and addressing the factors that undermine it is to identify a range of preconditions for collaborative relationships. The Relationships Foundation has assessed and supported the development of inter-agency and inter-professional relationships in both criminal justice and health sectors in the UK, as well as assessing commercial relationships. Their model of "relational proximity", discussed at the end of Chapter 2, part 2, offers one way of exploring how policymakers, organisational leaders and those directly involved in service provision can think

more analytically about developing collaborative relationships and evaluate the impact of their decisions.

We can change the way we interact by being as explicit about the value of collaboration as we are about competition. Collaborative working on the web is indicative of how we might work more generally. This report could have been produced by using only the contributions of others to test a particular line of argument. Instead, I had a series of wider discussions that developed a number of perspectives. It is the interaction — rather than the assertion of any one point of view — that produced the result.

I focused on organizations, governments, business and NGOs because they provide the structure and direction for achieving social goals. But just as important is to look at what people in any organization can do together, whether or not organizations support them or hold them back.

1. Leadership: a broader and longer view

Part 3 of chapter 3 showed how leadership can take different forms. Collaborations can be more effective with changes in the leader and in the type of leadership. In looking for examples showing varieties of leadership and teamwork, I was as interested in the person as in the

organization. In these cases, it's personal commitment that produces the spark of leadership or the first stone in Cull's fable of the stone soup. Organizations empower; but what makes the difference is individual initiative and enterprise.

Example: Philip Parham, leading partnerships to support Tanzania

Philip Parham, Britain's Ambassador in Dar es Salaam, has played a pivotal role in supporting collaboration on General Budget Support (GBS) for the government of Tanzania. The collaboration group was traditionally run by Heads of Co-operation and their technical staff; ambassadors did not tend to get involved. Because of the challenges that had to be met, this changed. Supported closely his DFID colleagues, Parham took up the chair himself. In the spirit of acting collaboratively, he led the effort from May 2007 to May 2008 and then passed leadership of the group to the Danes.

Fourteen partner organizations provide GBS funding to support the government's poverty reduction strategy — the World Bank, the African Development Bank, the EC and eleven national governments including the UK. In common with many such large-scale funding schemes, the GBS partners faced the challenge of showing that development money had been well spent.

Since January 2008, the GBS group has improved its effectiveness in several ways:

- through closer collaboration between Heads of Mission and Heads of Co-operation;

- by engagement of Heads of Mission at strategic policy level;

- with stronger leadership from the lead partner in each area;

- by developing the personal r elationship between lead and relevant minister(s);

- with less focus on process, more on outcomes.

Better engagement with the government of Tanzania and others has delivered progress and a confirmed GBS commitment for 2008-9. The GBS example is seem within the wider Development Partners Group as offering clear lessons for enhancing the development dialogue with the Tanzanian government in other areas.

Example: Alex Plant, working in partnership to provide more housing

Alex Plant is Chief Executive, Cambridgeshire Horizons — a not-for-profit company set up by the local authorities, English Partnerships and the East of England Development Agency

to develop new communities and infrastructure in the Cambridge sub-region. Cambridgeshire Horizons is a partnership organization, which can only achieve its vision by working with and though others.

Plant describes the challenge: "We are trying to deliver many new homes. We are one of the highest-stressed housing areas in the UK: demand far outstrips supply. We have big problems on affordability. This has consequences for labour market flexibility and for transport, schools, hospitals, community facilities to match."

"Get it right and we can enhance quality of life for people already here and those who may move to the area, show how we can deliver housing and population growth whilst also dealing with climate change mitigation and develop vibrant new communities with high levels of social cohesion. Get it wrong and we'll deliver gridlock, unsustainable new developments, increased social tension and ruin what is currently a beautiful city and a pleasant county."

Cambridgeshire Horizons was set up because no agency or authority acting on its own could expect to achieve the kind of outcome that the government and local authorities wanted. Creating a body able to work with agencies, local authorities and central government — as well the private sector and voluntary

sector — was seen as making the most the most of the chances of delivering growth to the highest possible standards.

Plant says that the solution to his challenge is greater partnership working. "How does one do that when you only have a small team? The company is about 20 people. Though we control the Housing Growth Fund for the county — we got about £14m for this year — we need to get a whole group of people to align their actions and investment decisions in the right way. That's all about effective partnership and using shared goals as a means of driving behaviours in that wide team of people."

Example: Debbie Gupta, rethinking policy on pensions

Debbie Gupta works for the Department for Work and Pensions (DWP) as Director of Benefits Performance, making the best use of taxpayers' money in delivering high quality services to customers. The department has around 100,000 staff paying over 17 million customers around £126 billion of benefits each year.

Gupta's appointment reflects a greater willingness to deploy stakeholder management and communication skills across the full range of government business. In recent years, government

departments have brought in trailblazers from the NGO and charity sectors to help them connect better with social change and to draw up policies to reflect citizens' needs. Gupta's achievement is in focusing both on what a policy is designed to achieve, and how it is implemented.

Building on her achievements in the non-profit sector as Director of Public Affairs for Stonewall, Debbie Gupta was brought into the Government's equality unit to broaden the equality agenda to encompass discrimination, equality and human rights in the round. The setting up of a new Commission for Equality and Human Rights and a new anti-discrimination legislative framework are some of the legacies of those efforts.

This experience proved useful in supporting the Government's rethink on pensions policy. Informing its strategy was the realisation that government alone cannot solve the long-term challenge of a population that lives longer and saves less. Policies had to be developed that anticipate demographic changes and help individuals plan for their retirements required attitudinal, behavioural and legislative change.

In 2006, DWP had organised a National Pensions Day across England, Scotland and Wales — an exercise in deliberative consultation involving over 1000 members of the public. Delivering events on

what many would view a relatively "unsexy" subject was a conscious strategy to collaborate with citizens. The process helped Government test policy options but also to build personal awareness amongst participants of the risks and choices they would need to make if they were to plan effectively for their retirement. Individuals were asked to consider the trade-offs between raising taxation, "permitting" pensioner poverty and taking personal responsibility. Polling at the start and end of the event enabled government to track how information and understanding affect the trade-offs that individuals are prepared to make.

Governments in Britain have had public consultation on policy initiatives for some time. Gupta is keen to take this principle a step further. She wants to explore opportunities to develop consultation activity as part of the policy development process. She hopes this would allow government to nurture public understanding and build an "engaged and involved" audience. Such an audience could make the traditional consultation processes more meaningful for government and the public.

Example: Jane Cordell, Polish disability rights reform

Over the last two years, under Charles Crawford and now Ric Todd, the British Embassy in Poland has been supporting the Polish government's reform of

disability rights legislation alongside Polish NGOs. At the centre of Britain's effort has been Jane Cordell, first secretary. Cordell manages a large policy portfolio. This issue is also personally important to her as she herself is deaf.

Early on, the embassy and UK provided much of the input. But then the Polish side developed its own ideas and started to determine what it needed — for example, a speaker for a conference or a study visit in London for MPs. The UK's role became more strategic — suggesting, for example, e-voting technology as a way of quickly gauging levels of support for reforms. This was based on electronic techniques used recently at the FCO's leadership conference and in the former Department for Constitutional Affairs in 2005.

It has been important for embassy officials to monitor responses from the Polish government and NGOs. Being realistic about the challenges in getting a fair deal for disabled people in the UK and avoiding any impression of "preaching" have also been important.

The British also incorporated work on implementing the UN Convention on Disability rights and provided a disability expert to discuss access issues in Poland's preparations for Euro2012.

Progress since the first joint conference in 2006 has been impressive:

- A coalition of 20 Polish NGOs dealing with disability was formed in 2008 to liaise with Poland's government. It includes representatives from NGOs dealing with physical and mental health problems as well as the Church and an employers' organisation. To avoid any disadvantage to smaller NGOs and to promote diversity, each NGO has one vote.

- The coalition has produced a draft law on disability rights with the blessing of the country's parliament. It is based on UK legislation.

- Poland's prime minister has declared his support for enabling disabled people to play a full role in society,

- The Polish minister responsible for disability issues, Jaroslaw Duda, promised to put a draft law to the government by the start of 2009 and to get it passed into law by 2010. He also wants to increase the percentage of disabled people in employment from 17% to 24% by that time.

It took the UK over 30 years to develop its disability legislation. Poland, benefiting from the UK experience, is likely to achieve the same work in less than five. If the Polish government achieves this, it will help around two million people with disabilities to live independently and develop their potential. Britain's co-operation has

given our embassy unparalleled access to the Polish government's thinking on a party-neutral topic.

Example: Solitaire Townsend, US cap and trade initiative

Solitaire Townsend, Chief Executive of Futerra Sustainability Communications, is running the communication campaign for the US Regional Greenhouse Gas Initiative, a collaboration of 10 states working with the energy sector to regulate power generation through auctioning tradable permits. "This is very ambitious," says Townsend. "The politics can change as we are working with different governors and different political parties; and the industry is very sceptical about regulation in a sector in a real state of flux."

The other challenge is how the market will respond to the changes such a regime brings into effect. Will industry bear the costs or will they be passed onto the consumer? The economic model is based on the industry either trying to avoid higher costs of pollution or, if it pollutes, paying the price to government for energy efficiency and renewal. The collaboration assumes that if citizens end up with more expensive energy they will use less of it.

Example: David Ferrers, supporting management victims of the recession

David Ferrers is an independent business and performance coach. In January 2009 he set up The Executive Support Network (ESN) to provide practical and emotional support for managers who become victims of a recession that is causing severe disruption to so many careers. The objective is to help redundant executives who have limited financial resources to manage the feeling of being alone and to provide hope in a market bereft of opportunities. The strategy is to provide multiple layers of support through a collaboration of David's coaching skills and Steven Holmes's CV writing skills overlaid by a number of senior executive mentors from different sections of the business and public sector communities.

This is the way that the process works. David picks up the new "client" as soon as they join the network. He coaches them to come to terms with their situation and to develop a plan of action. Steven then helps the client rewrite their CV to ensure it reflects both their personality and their work capabilities. Finally, a mentor is appointed to provide an insider's link into the "real world of work." David continues to work with the client to stimulate their thinking, encourage them to collaborate with their own networks so that members of their network support one another to

maintain their morale. The next phase will involve further collaboration between the (ESN) team to identify more innovative methods of marketing individuals. The aim is to encourage ever-increasing collaboration at all levels so as to build networks within networks, all of which support the individual and increase their chances of success. Apart from the CV writing service all the support is provided without charge and has already produced positive results.

Example: Kamel Hothi, promoting links with Asian communities in Britain

Kamel Hothi, Asian Markets Director, Lloyds TSB, is behind the Lloyds Jewel Awards, a strong example of how an organization can connect better both with its own employees and its customers. I attended the 2008 awards and saw successive examples of how business success is driven by people motivated to support their families and to serve their communities. Hothi says: "The Jewel Awards is the epitome of a successful sponsorship. It celebrates the business success of Asian communities in the UK."

Since 2002, when of Lloyds first became involved, its recognition in the UK Asian market has improved by almost a third.

The bank has also launched products tailored specifically for the Asian

community, including Islamic business accounts and sharia-compliant mortgages.

Hothi explains: "First, we needed to build a framework on a sound business case that demonstrated how it added value to the bottom line. I feel this was crucial to winning hearts and minds of the staff. Second, by really understanding what the barriers were to doing business with the Asian community and appreciating the challenges my colleagues faced when reaching out to the Asian community, [they] helped kick-start what was needed."

These findings formed the foundation of a bridge between the bank and entrepreneurs who were hungry to gain access to lending. By training over 500 front line staff on how to do business when faced with cultural differences, the bank helped people reach out and make contacts.

Hothi adds: "It made me proud to witness over a 50-strong Lloyds TSB team working the Jewel Awards event, making connections and strengthening relationships. This can only help everyone to succeed and encourage greater engagement across other diverse groups. If I can start with only a small number of contacts some three years ago to now over 2000 connections, I feel anyone can build this network if they really went out of

their way to understand the community they serve and the challenges faced by those serving them."

These examples highlight that collaboration generates more leadership, distributed between different people and not limited to a single person. It also produces better leaders who encourage others to be leaders themselves. They are better able to work with uncertainty and complexity because they can improvise and adapt to changing circumstances. They are ready to take risks and make mistakes, and learn from those mistakes. If organizations want to develop strong, collaborative leaders, rather than just strong leaders, they must be supportive of a more diverse group of people taking initiative and responsibility. Where collaboration is needed, a focus on efficiency and effectiveness must go hand in glove with the ability to engage with others.

2. Strategy: problem types, and leadership response

We miss opportunities by not exploring how collaboration could be used before we draw up our strategies and define our response. Acting collaboratively will often be neither possible nor desirable. But thinking about how collaboration could work pays dividends.

Thinking collaboration

Unless there is an acute emergency and no time other than to think and act fast, there are few problems that don't benefit from taking this broader approach.

Sometimes problems are so stubborn that they don't go away. But they are not necessarily what they first seem. It's easy to confuse the stimulus that a problem provides with how we might respond. Many problems look familiar and demand familiar responses. But, consciously or not, we are also interpreting the problem, its relevance and its importance. Is it indeed a problem in its own right or a signal for something else?

Leadership, especially in collaboration or partnership, involves more than just reacting. At each stage, we can ask: is there only one perspective, or possibly more? If there is more than one perspective, do we connect with others? If so, with whom and to what extent? Is it to acquire information, to involve others or to integrate their thinking into ours? In thinking about the problem, are we making it our own, somebody else's or one that is shared?

This approach makes explicit that problems and how to tackle them can be linked to decisions about who to engage, on what basis and to what end.

Defining problems and appropriate leadership responses

For Keith Grint, problems can be viewed in one of three ways: is the problem tame, wicked or critical? (Grint 2005, Rittell and Webber, 1973)

A *tame* problem may be complicated but can be solved through unilinear acts. It is likely to have occurred before. There is only a limited degree of uncertainty and it is therefore associated with management rather than leadership. The manager's role is to provide the appropriate processes to solve the problem.

Examples include: timetabling the railways, building a nuclear plant, training the army, planned heart surgery and enacting a tried and trusted policy for eliminating global terrorism.

A *wicked* problem is complex, rather than just complicated. It is often intractable with no unilinear solution. There is no stopping-point. It is novel, any apparent solution often generates other problems and there is no right or wrong answer, merely better or worse alternatives. There is a huge degree of uncertainty involved and it is associated with leadership. The leader's role with a wicked problem is to ask the right questions rather than provide the right answers because the answers may not be self-evident and will require a

collaborative process to make any kind of progress.

Examples that Grint gives include: developing strategies on transport, energy or defence, devising a national health system or an industrial relations strategy and developing a strategy for dealing with global terrorism.

Grint also identifies a *critical* problem. In a crisis, the problem is presented as self-evident in nature, providing very little time for decision-making and action. It is often associated with command (Howieson and Kahn, 2002; cf.Watters, 2004). There is virtually no uncertainty about what needs to be done to provide the answer – at least in the behaviour of the commander, whose role is to take the required decisive action.

Grint's article explores how leaders can frame problems along the lines of what they want to be seen to responding to. I think that there is a limit to how much we can construct reality; but it is an interesting perspective. An attractive part of his argument is that what counts as legitimate authority depends upon "a persuasive rendition of the context and a display of the appropriate authority style" (Grint, 2005).

Success is anchored in persuading followers that the problematic situation is either one of a critical,

tame or wicked nature and therefore that the appropriate authority-form is command, management or leadership, with the role of the decision-maker being, respectively, to provide the answer, to organise the process or to ask the question.

Does leadership determine context or context determine leadership? Without exploring that debate, the point about collaboration as a form of leadership is not to underestimate the extent to which the situation is actively constructed by leaders or decision-makers. Grint argues that leadership involves the social construction of the context that both legitimates a particular form of action and constitutes the world in the process. If that rendering of the contextis successful – for there are usually contending and competing renditions – the newly constituted context then limits the alternatives available such that those involved begin to act differently.

Types of problem, and uses of power

Keith Grint links insights into types of problems with the ongoing debate about hard and soft power. In his book Soft Power: The Means to Success in World Politics, Joseph Nye has suggested that we should distinguish between power as "soft" and "hard" (Nye, 2004). Soft does not imply weak

or fragile but rather the degree of influence derived from legitimacy and the positive attraction of values. Hard implies traditional concepts of power such as coercion, physical strength; or domination achieved through asymmetric resources rather than ideas. An oversimplification would be that the military tend to operate through 'hard' power, while political authorities tend to operate through ideological attraction – soft power. But the military has to win hearts and minds and this can be only through soft power. Politicians may need to authorize coercion – hard power.

Grint argues that the limits of using an analysis based on hard and soft power might be transcended by considering Etzioni's alternative typology. Etzioni (1964) distinguishes between coercive, calculative and normative compliance. Coercive or physical power is related to total institutions, such as prisons or armies. Calculative compliance is related to rational institutions, such as companies. Normative compliance is related to institutions or organizations based on shared values, such as clubs and professional societies. More than forty years on, one can see the extent to which normative compliance has grown in importance as means to change behaviour.

This compliance typology fits with the three types of problems and makes the link to collaborative resolution. Critical

problems are often associated with coercive compliance, tame problems are associated with calculative compliance and wicked problems are associated with normative compliance. Grint produces a table (see figure 5.1) which shows the relationship between increasing uncertainty about solutions to problems and the increasing requirement for collaborative resolution. As Grint notes, not all wicked problems are rooted in complex issues that also

embody the opportunity to delay decisions. For example, President Kennedy's actions during the Cuban missile crisis were often based on asking questions of his civilian assistants that required some time for reflection – despite the pressure from his military advisers to provide instant answers (Grint, 2005, p1473). If we accept that, even in crisis, we need time to think, collaboration can emerge as a preferred policy or even as an insurance policy.

Figure 5.1: A typology of problems, power and authority.
(Source: Grint, K. (2005) p.1477)
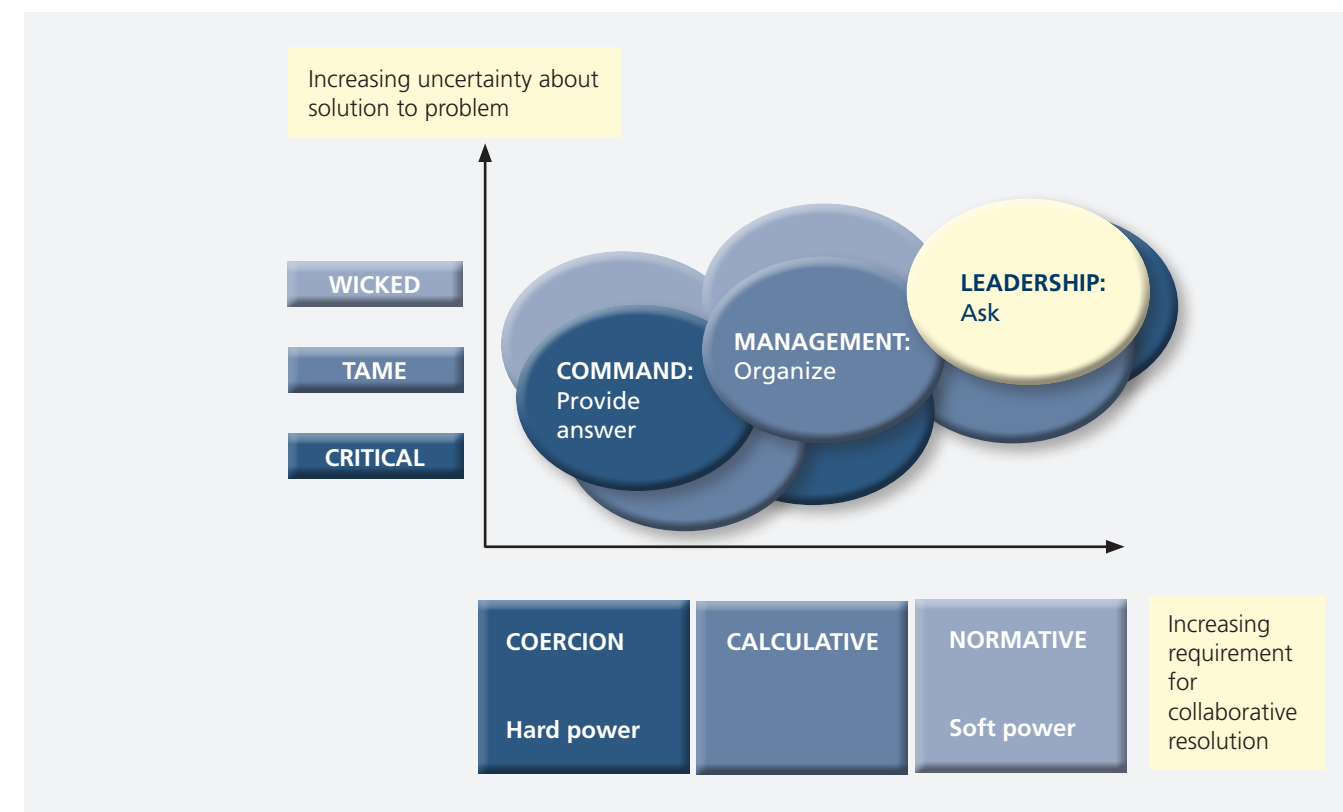
In principle, we can ask whom else we want to engage and whether we are looking for information, support or active involvement from others.

Engagement: public diplomacy and collaboration

Building on Grint's insight, collaboration provides a broader-based leadership the opportunity not only to respond more effectively to what might appear as a given context but to frame the problem and the solutions to it, thereby helping to shape the context.

This also means that, in making collaborations work, we have to set and manage expectations about what problems that they are designed to tackle and what form of leadership is therefore expected. This perspective effectively allows us to show that communications and public diplomacy have to be seen as a strategic tool and not only as part of the implementation.

Thanks to a growing body of study and practice, we are now better placed to see the scope and limits of public diplomacy activity (Welsh and Fearn, 2008). There is much that we can now go out and do rather than agonise about. But we need to adopt a strategic perspective and not assume that our perspective is the same as others or is just about louder and more pervasive communication of messages and narratives, however important these are as part of a delivery process.

If we want our public diplomacy to work, we need to grasp the strategic challenge as organizations and institutions of those we include and exclude in our engagement on policy and to be clear about the rules for involving others. Not all our engagement needs be public. But thinking about engagement should not start when there is a decision to bring in the cameras.

Thinking strategically about engagement

At the core of this approach is to ask on what basis we are connecting with others.

There are three levels of connection:

- Inform: acquire and exchange information

- Involve: encourage participation, where contributions inform but don't dictate our own decisions

- Integrate: take another's contribution properly into account and build it into our own thinking so that decisions, though our own, fully reflect others' perspectives

In thinking about how we connect, we can ask strategic questions:

What is the point of engagement over time, where might it lead and what are the consequences? Are we genuinely open to ideas and feedback and will we take the needs and interests of others properly into account and respond realistically to them or just use an engagement process to show we are more outward-facing? In which spheres of our decision-making are we receptive to the perspectives of others: on the frontline, in our planning, or in our strategic intent and corporate values? When we hold a conversation, what are we each expecting of it? How narrowly or broadly defined are its parameters? Are we just influencing or are we ready to be influenced? Is it to address a short-term problem or longer one? What impact does engagement in one area have on engagement elsewhere? What signals are we sending about a decision to engage or not engage? When we give others responsibility to engage with others, what authority do we also give them?

Principles of engagement

The novelty of engagement wears off unless it is back up by a commitment to build relationships in greater depth over time. It is to this extent better not to engage — or to engage only on narrowly defined business — than it is to set expectations that one cannot meet.

If we were asked to specify the principles that govern our engagement, what might these be? This report suggests four:

- clarity with any interlocutor about what, in principle, we can and cannot discuss and how any contribution might be developed;

- curiosity about other perspectives, ideas and possibilities;

- commitment to make a process of engagement work; and

- courage to take the risk of reaching solutions, including taking personal responsibility for one's part in building the relationship.

None of this cuts across a policy or business decision to say yes, no, maybe or not now. But it's taking the courtesies of private conduct between people who know and trust one another and turning them in principles of engagement between state and non-state actors, between organizations and the communities they serve.

In part 2 of chapter 3, we saw that attitudes to learning in collaboration were unlikely to be either purely selfish or sharing (Huxham and Hibbert, 2008).

The sharing/exploring attitude is: "We take from you and we give to you; you take from us and give to us – and we learn together to create knowledge." As Huxham and Hibbert say, "while we would not question the presumption that partners' relative levels of knowledge affects their mutual bargaining power, [this also] presumes that partners' perceptions of each other's attitudes to mutual learning affect the process of interaction between them". (Huxham and Hibbert, 2008, p523).

Taking public diplomacy forward

Looking ahead, we need to weigh up the relative advantages and disadvantages of pure advocacy on the one hand and facilitative dialogue on the other, shaping our public diplomacy strategies appropriately. In the last chapter, I described the increasing role of "interested enablers", enablers with a stake in the outcome or the process and therefore having the power to make a difference. In the light of Grint's distinction between the types of leadership response produced by different kinds of problems, this role allows practitioners to work with any leadership.

Public diplomacy is at a turning point in its effectiveness at supporting diplomacy. It needs to be flexible enough to support different leadership

responses. If it is an instrument of policy, it must be able to change shape and adapt to what is required of it at different times and different contexts.

The work of Nicholas Cull, Simon Anholt, Alex Evans, David Steven and Ali Fisher provides a timely focus for the debate is on public diplomacy and where, in the light of this report, one could take it. The Wilton Park conference helped confirm that the collaborative approach supports both the strategic and operational requirement to make public diplomacy an integral part of a government's work. It does this by working through how we get the best from others, privately and publicly.

One lesson that Cull draws from the history of public diplomacy is that "public diplomacy is not always about you: once liberated from a narrow obsession with national image, the new public diplomacy holds the potential to address a wide range of global issues. It is one of the few tools available to the state or any other international actor wishing to establish an interface with the international public — who hold the fate of the earth in their hands as never before." Welsh and Fearn eds, (2008) p26.

Anholt's four types of public diplomacy

In working with diplomatic posts and other governments, I have drawn on Simon Anholt's four types, or stages, of public diplomacy.

1. Promotion – Information provision on foreign policies
2. Persuasion – Influencing foreign policy attitudes
3. Image management – Influencing national image overseas through some engagement with foreign publics
4. Instrument of policy – Bringing about a change in view and behaviour through engagement on social issues

Anholt points out that although one could trace an evolution over time of types or stages of public diplomacy, these aren't really chronological and there are good reasons why some countries might want to be practising several variants simultaneously. Anholt and I also use the phrase "collaborative public diplomacy" to mean different things. My focus is on collaboration between public, private and other sectors. What Anholt means is "multilateral public diplomacy" i.e. countries working together on joint public diplomacy aims.

Anholt's sensitivity to the different uses of public diplomacy demonstrates that the "new" public diplomacy will have both innovative and conventional features. My last section, on applying collaboration, supports the view that part of being effective is managing the dualities of continuity and change. Public diplomacy is no exception. Borrowing an approach from McDonalds, operating globally and locally — "glocally" as one might call it — means "freedom with a framework". Any strategy must be adapted to a specific immediate context as well as a wider one.

Example: Nicholas Colloff and Vitaliy Kartamyshev — Health Care Access in Russia

When the Global Call to Action against Poverty (GCAP) was launched at the World Social Forum in 2005, no one quite expected the impressive impact that the coalition would have. In less than twelve months, GCAP had grown into the world's largest anti-poverty alliance, whose organizations represented more than 150 million people and ran national campaigns in over 80 countries.

One of these was Russia. Oxfam's launching of GCAP Russia could have been seen as a quixotic venture in a context where civil society organizations are underdeveloped and collaboration

between organizations is rare. Though many Russian NGOs provide good-quality services to their constituencies, their experience of effective and sustained advocacy and campaigning is limited — especially when the topic at hand is as broad as poverty at home and abroad.

Despite these difficulties a small group of organizations — of diverse outlooks, areas of work and means of support — did come together to try and build a coalition. Some of the early meetings were long and exasperating, more akin to "herding cats" than coalescing to common purpose. At one moment of high frustration, participants at a training session on advocacy and campaigning were challenged to say why they were there. To this, one participant replied: "Because Vitaliy [Oxfam's policy officer] is very persuasive and Nicholas [Oxfam's Country Director] has a charming smile."

Two catalysts transformed this situation. The first was the need to host common events ahead of the G8 St Petersburg Summit in 2006. St. Petersburg coalition members devised a series of popular mobilisation events to draw people's attention to the summit and its importance in addressing poverty globally. The practical focus of actual events gave people the experience of working together for simple, measurable outcomes. Confidence was reinforced by their success.

The second catalyst was modest financing from the British Embassy for a series of workshops to enhance the ability of GCAP members to interact with their clients, to understand their needs and build from these evidence-based advocacy campaigns.

Rather than make this an exercise in theoretical education, participants worked on a selected theme: access to health care for disadvantaged groups such as homeless people, people living with disabilities and women in prison. They conducted qualitative and quantitative research in the regions and across sector groups to produce compelling evidence on access issues.

With national experts, they shaped this into a compelling national report with key recommendations that was submitted to the state duma committee on health reform, to relevant Ministry of Health officials and the Minister of Health herself.

Backed by media coverage and a subsequent open letter to the minister, one of the key recommendations — abolishing the need for people with permanent disabilities to register their status every year — was immediately adopted, announced and enacted. This removes them from a time-consuming, costly and often humiliating process. Its early success has immeasurably strengthened the coalition's self-confidence and sense of mission.

Finally, there have been two critical factors in the coalition's success. First was the coalition's relative lack of financial resources. This has focused decision-making on what is critical and meant that members of GCAP are value-driven, not simply fulfilling activities of an external donor. The second was maintaining an informal network with no organizational overheads. This meant each organization offering the "sweat equity" they could. Critically, organizations were not immersed in time-consuming conversations about who ought to occupy which "official role" in the organization.

Engagement, what type of engagement?

What kind of engagement do we want? This report highlights some choices. Engagement strategy wrestles with the same issues as collaborations and partnerships. Involving others might be necessary or desirable but it is neither easy nor without consequences. The perspectives of Alex Evans, David Steven and Ali Fisher throw light on some of the tensions that any new public diplomacy has to manage. Evans and Steven demonstrate that policy goals can be pursued through distinct public diplomacy strategies that sit on a continuum that runs from consensual and open at one end to covert and controlling at the other (Welsh and Fearn eds (2008) p56).

Engagement on this model is one of four strategies, the others being shaping, disruptive and destructive. Evans and Steven say that a shaping strategy can take a conversation and give it resolution, allowing public diplomacy to take on a campaigning guise.

The difficulty for engagement strategy, in my view, is that for it to have credibility —particularly traction with those whose engagement we seek — it needs to be clear about the signals being sent if government is pursuing other public diplomacy strategies. In the example of the UK GM public debate given in Chapter 2, for the public debate and the government reviews to be taken seriously the government genuinely had to be of the view that it is was neither for, nor against, commercial exploitation of GM crops. So a commitment to engagement as facilitation of dialogue is not necessarily neutral nor without broader implications. It is a sign of intent to acknowledge the other on his or her terms.

Ali Fisher of Mappa Mundi consultants, who was director of Counterpoint, the cultural relations think-tank of the British Council, argues that the development of new technology has spawned different ideas and new approaches to engaging with people around the world. One such development is the ability to approach

public diplomacy based on the methodology employed in the production of open-source software. This approach provides the means to engage with communities of other concerned actors, communicate through human voices, place emphasis on understanding lessons from previous initiatives and engage on the basis of the interests of those communities. Ideas can no longer be seen as owned by a country; mass communication provides the means to see beyond national claims of unity. Recognising this and embracing the means to engage with communities that are defined by ideology rather than physical borders provides the potential to make public diplomacy initiatives more relevant to the target audience and ultimately more influential.

For Fisher, this goes beyond creating communities of chosen hierarchies to engaging on a genuinely symmetrical, peer-to-peer engagement aimed at engaging in collective effort with groups that were previously largely only considered as part of the target audience. In the contemporary context, these collective efforts would be thought of in terms of decentralised or peer-to-peer networks. However, the methods required to create successful collaborations in this environment have a long history amongst diplomats. They are known as "facilitative" or "niche" diplomacy.

Fisher makes the point that this type of diplomacy stresses is not merely about persuading people to adopt one's own goals. Facilitative or niche diplomacy is about achieving your goals through helping others to achieve theirs.

According to Fisher, successful collaboration — whether as part of facilitative diplomacy or contemporary decentralised networks — can best be approached by asking what others are trying to achieve and how one can contribute. In centralised networks, the central hub has the authority to decide who is in and how is out, whether through acting as gatekeeper to a negotiation process or through issuing the invitations to an event. Decentralised or facilitative approaches do not give that level of control; they work on the basis of engaging through the interest of others.

Whether we adopt one of the Evans/ Steven public diplomacy strategies or see in the new public diplomacy an opportunity to develop decentralized or facilitative approaches, thinking strategically about collaboration requires us to be clear about the basis on which others are involved.

Losada's model of high-performing teams

One of the strongest arguments for optimising collaboration is that the more a group connects, the better it performs.

Marcial Losada is the founder and executive director of Meta Learning, a consulting organization that has worked in developing high-performing teams at several major corporations in the United States as well as Europe and Latin America. As director of the Center for Advanced Research in Ann Arbor, Michigan, he developed an innovative approach to studying working teams. This allowed him to develop the meta-learning model, which shows the dynamic patterns achieved by high-, medium- and low-performing teams. The variables in the meta-learning model are positivity/ negativity, inquiry/advocacy and internal /external orientation. The control parameter of the model is connectivity.

Losada's findings can be summarised as follows: If a team is highly connected, it will tend to maintain equilibrium between internal and external orientation as well as between inquiry and advocacy. It will also keep a positivity/negativity ratio above 2.9 (see Losada line) but not higher than 11. If connectivity is low, the team will be more internally focused, it will advocate strongly and its positivity/negativity ratio will be below 2.9. Losada found that high levels of connectivity lead to high performance in business teams (Losada, 1999; Losada & Heaphy, 2004). Performance is defined by three criteria: profitability, customer satisfaction and 360-degree evaluations.

External/internal relates to the orientation to team itself, and to the context. Positivity/negativity relates to the tone of interactions.

Inquiry/advocacy is worth expanding. Research indicates that inquiry tends to produce decisions of higher quality. Inquiry generates multiple alternatives, fosters the exchange of ideas and considers a variety of options and people who then work together to discover the best solution. People have their own interests but the goal is not to persuade the group to adopt a given point of view but to come to agreement on the best course of action. Inquiry encourages critical thinking and conflict. It may be intense but is seldom personal.

The implicit assumption is that a solution will emerge from a test of strength among competing ideas rather than from duelling positions.

In the advocacy approach individuals or groups with special interests advocate particular positions and see decision making as a contest. Their goal is to make a compelling case, not to convey an even handed or balanced view. Participants are passionate about their preferred solutions and therefore stand firm in the face of disagreement. They often find it very difficult to remain objective, limiting the capacity of the team to give attention to opposing arguments. Advocacy is often about gaining resources.

Positivity/negativity has echoes of the work of the mathematician, John Gottman. His work has been with life partners. He has developed an accurate means of predicting whether or not a relationship will last. The key indicator is whether or not one partner shows contempt for the other. If that happens, the likelihood of the relationship lasting is considerably diminished. Gottman's ratio is 5:1, meaning that for every negative interaction, five are needed to restore the balance.

Losada's 2.9 ratio for connectivity and high performance

If we want groups to connect, to generate and therefore to reach high performance, we can look to Losada's research a way of being more aware of our part in team inter-actions and the overall balance of the team's contribution. For Losada, the optimal ratio of inquiry to advocacy is 2.9 (likewise external/internal orientation, and positivity/negativity). This suggests that for every demonstration of advocacy we need to see almost three demonstrations of inquiry for that group to connect and generate.

The difference in the ratios offered by Gottman and Losada may be to do with the fact Gottman looks at relationships between two people whilst Losada studies groups at work.

Barbara Frederickson has used these findings to take Losada's research in the direction of what constitutes "flow". She uses the terms "flourishing" and "languishing" to describe groups. Gillian Stamp, Lorraine Dodd, Mark Round and QinetiQ are building on this work. Whatever further empirical studies are needed, these insights can be used by practitioners to encourage greater collaboration and make collaboration work.

Emerging challenge for social collaboration between governments and other organizations and between organizations and citizens

If we want engagement to be the start of a longer term relationship, we can use that engagement to lead to framing of problems, exploring of options, a measure of agreement and a commitment to act. It doesn't mean we forego our own interest.

Pressing for an outcome reveals an interest and therefore the approach discussed in Chapter 2, part 1, about suspending assumptions while explaining them, can be used.

One issue that this highlights is conveying government's multiplicity of roles, making this more transparent so that others know how best to work with government, to give it what it needs, to get what they need from it

and make constructive use of any contact. But, for others to interact, government needs to be more self-aware, more honest about its reasons for wanting others' involvement and more patient in working out the basis for a more productive relationship. The government's interlocutors need to do the same and to manage their expectations of their relationship with government.

One lesson is not to presume the space that one works in, or wants to work in, is the same as others' space, whatever they volunteer or not. If we are striving to find common ground, we need to balance this with working our way backwards and get into others' frames of reference, building up a picture that we and they both recognise. Stamp's phrase is worth recalling: "Before getting into the shoes of others, it helps to take one's own off first."

Understanding others and keeping up a regard for them has to balanced against the pursuit of one's own interest. What is important in building up relationships is not just the space you let yourself and others occupy but the regard in which each is held by the other.

Governments have to be particularly attuned to ensure that, consciously or inadvertently, they do not give signals such as "we are the parent, you are the child" or "we're in this together, so

how can we all help one another and each take responsibility for effort and risk involved?"

Advocacy and engagement working in combination

Effective engagement can complement advocacy by anchoring it in the appropriate context. Regina Saffa, a PhD student at Reading University's graduate institute of politics and international studies, worked with DFID in Sierra Leone, Uganda and Tanzania.

Saffa says that advocacy involves engagement at state and grassroots levels using different approaches. "Partners often are often so state focused that they risk poorly developed links between advocacy and grassroots activities and fail to build strong alliances. International NGOs have access to funding information and strong connections with donor agencies which gives them the competitive advantage but not the expertise."

Saffa adds, "There is nothing wrong with choosing partners that share one's common interests — but it is worth selecting those with practical experience in the area of intervention. Local NGOs need to be taken seriously and their analyses must not be ignored. Their competitive advantage must be enhanced building their capacity to engage in policy dialogue and advocacy."

3. Delivery: collaborative approach to implementation

There are two critical political issues for collaborations dealing with social issues: establishing enough agreement on the kind of problem to which collaborative leadership is a solution and being aware that problems such as climate change, terrorism, and conflict require governments not only to ask questions but to be seen to do something.

Leadership is both about asking the right questions, and ensuring that we get somewhere. It does not mean that the leader has the answers but that everybody, including the leader, does enough to make a difference. Because social problems are multi-faceted, leadership needs to balance the highlighting and framing of a problem, the exploring of solutions and the driving of agreement, commitment and implementation — which is the basis of effective collaborative practice.

Hybrid problems

Is dealing with climate change a wicked or critical problem? Or is it a tame one? It is a wicked problem in some respects and a critical one in others, with some scope to make many of its problems tame. Unless leaders demonstrate that it is possible to take effective action, they will not build up enough momentum for people at all levels of society to take responsibility for the changes needed

to reverse the trends. Small steps are needed — like recycling waste — as well as big steps such as decisions on energy policy.

In taking the debate forward, it is not just a matter of understanding the context but producing a convincing explanation of the problem and the solution to it. So a global financial crisis or economic slowdown does not automatically mean that tackling climate change is a lesser, or competing, priority — provided the links are made between short and long term economic stability.

The framework set out above has implications for the domestic sphere as much as it does for issues at the international level. Involving people in constructing their own account of the problem is a highly effective way of ensuring that they identify the opportunities and threats, listen to alternative perspectives and think through their role in helping to meet the challenge. By opening up a discussion on policy options for the future, Britain's Department for Work and Pensions provided an opportunity for members of the public to work out choices for government and for themselves.

Example: Mark Napier, Centre for Public Innovation, and tackling alcohol abuse

A domestic issue that represents a particularly wicked problem is alcohol

abuse and its related disorders. According to Mark Napier, "The response to the issues presented by excessive alcohol consumption has tended to reflect the concerns of individual agencies or organizations, each taking a partial view of a much broader picture. Police seek to tackle anti-social behaviour and violent crime, primary care trusts have promoted issues around public health, hospitals have dealt with the most apparent effects of ill health and treatment providers have focused on detoxification, abstinence or controlled drinking." One of the main challenges is that each party's efforts have been frustrated by the framing of the problem within too narrow a context rather than in a more holistic one.

Napier's view is that the problem is seen in terms of what any given organization can offer. By exploring issues around alcohol through the lens of a collaborative approach, it may be possible to begin to unravel what has to date often been seen as an intractable problem. A collaborative approach may help to explore the problem from the perspective of all relevant partners, thereby reframing the terms within which the issue should be tackled. Given the ongoing debates in society about acceptable levels of drinking and the role of the state in advising on drinking levels, a collaborative approach may also foster dialogue that would help frame the

problem as well as shape the context within which new solutions could be found – taking the public with changes rather than being seen to work in a contrary direction.

Example: Beverley Ashton, Kent Police, and collaboration between forces

Beverley Ashton is Head of Development for Kent Police and has been leading the programme management for the Kent/Essex collaboration for the last year. She sees the challenges collaborative working can bring.

Ashton says, "Unless the engagement strategy enables leaders to use collaboration in the most effective way to solve their problems, you will most likely develop resistance to change. Working with others requires negotiation, compromise and effort that will always seem to outweigh the anticipated benefits of collaboration unless the objective behind doing it is clearly understood."

This understanding is critical to implementing short-term change and sustaining it in the longer term because the effort to maintain the relationship is a continual process, not a one-off engagement. Where collaboration is the obvious solution to a performance/ service problem, it is much easier to gain commitment than when the driver

is related to cost reduction and the outcome is for the benefit of the organisation as a whole while being to the perceived detriment of the department concerned.

Kent and Essex police forces initiated a collaboration in 2007 that has developed into a significantly productive working relationship during 2008/09. By working collaboratively across a broad range of initiatives and projects, the two forces have delivered financial savings, increased resilience in high risk areas of business and opened channels of communication, while spreading best practice to improve service delivery. The strength of the first full year of collaboration has led to the commitment to a three-year business plan, placing the thought process of choosing collaboration options in decision-making clearly at the fore of leaders' minds.

Police forces are used to working together with other agencies for emergency planning/scenario testing. Now, though, a new form of organizational collaboration is developing. This is intended to meet the challenge of difficult financial settlements and increased public expectations of service delivery in an environment where public services have to become more business-focused and provide the most effective and efficient use of public funds. This is a relatively new concept in policing and the term

collaboration is largely linked to merger following the national police-force merger debate of 2006.

The collaboration between Kent and Essex enables a much broader outcome than merely merging departments. Declaring a "preferred partner" status allows collaboration to be used innovatively as the solution to a range of issues, from simply sharing best practice to radically re-engineering how a service is provided.

The benefits do need to include cash and efficiency savings. But by collaborating the forces have also demonstrated reduced risk, increased resilience/capacity and capability and improved performance in service delivery. The forces maintain a strong independence and stay competitive. But they also see that service delivery can be improved by working collaboratively.

Success factors include leadership and governance. There needs to be a mix of day-to-day champions to provide the short-term impetus and shared ownership through more formal oversight arrangements to ensure longer-term continuity and sustainability when key individuals move on. This governance, provided by a Joint Statutory Committee of Chief Constables and Police Authorities, has provided the bedrock of success for the Kent/Essex collaboration.

The collaboration needed a framework to benchmark services that enabled self-interest to be overcome and traditional delivery methods to be challenged. The programme manager built on a model devised by the National College for School Leadership that evolved into a process combining empirical data, bottom-up staff engagement for developing options and challenge through the use of a "provocateur". The Organizational/Operational Support Review process identified over £3m of savings during 08/09 and has been expanded to cover areas of core operational policing and performance as well as productivity and efficiency during 09/10.

Ashton stresses that trust is also important – but parties need not share the same views and motivations. What is crucial is recognition that each party has their own agenda and this is "out in the open". The Kent/Essex collaboration is a partnership of equals and the honest nature of the relationship allows for collaboration to take place where it is the right thing to do while permitting participants to work separately or with others if the benefits are greater elsewhere.

Integrated solutions: policy, implementation, and engagement

Strategies need to be adapted to the operational context while collaborative

processes ensure that that the concerns and aspirations of key players inform the implementation.

Implementing a strategy needs to be matched with the right degree of involvement and ownership at every level. Building on Losada's research, the focus and momentum of a project can be enhanced by greater connectivity — with the group looking outside itself, being of an inquiring mind and drawing on other networks and citizens themselves. Britain's criminal justice system has already seen big advances in better coordination between police, prosecution service, courts, prisons, probation, offender management and youth justice services with the National Criminal Justice Board and local criminal justice boards. Through an innovative approach to engagement with the local community, community justice aims to make courts more responsive to local people and to solve the causes of, and problems caused by, offending in the local area.

Greater collaboration is effective, whether the challenge is to act on behalf of others or to move from doing things for people to working with them and supporting them to take responsibility. In either case, a collaborative approach to delivery is important. Alex Plant, Chief Executive of Cambridgeshire Horizons, served in a number of policy posts in Whitehall,

including the Treasury. "It is critical to use collaborative thinking before decisions are taken," he says. "But often the problems I see in public policy generally are a slip 'twixt cup and lip, between policy design and policy implementation. What is essential is an effective and open feedback loop between policy-makers and on-the-ground deliverers — all part of an ongoing collaborative process."

Practical solutions to challenges in fragile or at risk states

In fragile states, at risk economically or in terms of security, a collaborative approach is needed to stabilise and rebuild countries. Collaborative working is very much part of the solution, not just the funding.

Our own mission at NATO, bringing together in the same office civilian and military staff and the Netherlands mission, emphasised the value of integrated strategy on the ground. It drew on collaboration between civilian and military effort, between international governments and other organizations and between the international effort, the host government and the involvement of the local communities. Effective engagement of the local population is part of a wider collaboration. Simon Anholt's telling example in Chapter 1 about local power generators in

Afghanistan brings home the difference that local ownership makes.

We are already seeing how greater collaboration is the catalyst for tackling shared problems. What's needed for effective joint working is:

- Use of the "fusion cell" approach on the ground – a group in which all government bodies, agencies and actors are represented; with clear strategic direction, internal and external communications, and lines of command; open sharing of information between all involved on a trust basis, even when government is still working on departmental lines.

- Common IT problems – secure video conferencing facilities and telephony are a real advantage.

- In-country co-ordination between all external actors, donors and international organizations. If practicable, layers of co-ordination within that group and between that group and the host country authorities.

- Maximum profile for the UN.

To build confidence and encourage businesses and NGOs to operate in areas that are making a transition from being insecure to not yet completely secure, one of my respondents stressed:

- Realism: no over-selling of opportunity or down-playing of risks.

- Consistent messages from all parts of government.

- Mechanisms to consult and inform partner organizations and representative bodies both in UK and locally.

- Consistent behaviour in support of agreed strategy — for example, a broad cross-government agreement towards developing the market in question.

- Layered advice and help available for larger and smaller companies and investors: the largest will only need strategic guidance; the smaller will need more practical help during first visits.

Interventions to stabilise post-conflict societies no longer just interpose troops between combatants and negotiate a peace agreement. Instead, they engage in far-reaching efforts of institutional and society transformation to prevent a relapse into war and to encourage a sustainable peace. As Domink Zaum and Christine Cheng argue, "although the usefulness of corruption in ensuring short-term peace remains contested, there is no doubt that corruption ha dire economic and political consequences in the long run." (Cheng and Zaum (2008)

"Introduction - Key Themes in Peacebuilding and Corruption", International Peacekeeping, 15:3, pp301 -309).

Early emphasis on transparency and the rule of law is seen as crucial to making arrangements work. This is why we need to continue to see the value and challenge of the role that NGOs play in better governance.

But if we are to draw on NGOs more, governments need to recognise how important it is for many NGOs to be — and to be seen to be — independent. Some respondents think this is already too late. Others believe that we could try harder to preserve a space in which NGOs operate and are not seen as adjuncts of governments. Effective collaboration is just as much about respecting differences in roles as it is about respecting difference in perspectives.

Collaboration and "war amongst the people"

In his discussion about Iraq, Grint quotes W. Andrew Terrill, a professor at the US Army's War College Strategic Studies Institute. He says: "I don't think you can kill the insurgency . . . The idea there are x number of insurgents and that when they're all dead we can get out is wrong. The insurgency has shown an ability to regenerate itself because

there are people willing to fill the ranks of those who are killed." (Grint (2005) p1488)

Without getting into a discussion about Iraq or a particular conflict, the insight is clear: our paradigm of war and conflict is changing and it has a strong collaborative dimension. In an interview by Toni Pfanner, Editor-in-Chief, International Review of the Red Cross, General Sir Rupert Smith argues that in recent decades we have lived through a shift in the way we frame war. In the past, in what he calls "industrial war", one sought to win a trial of strength and thereby break the will of the opponent to finally dictate the political outcome.

Increasingly, in a "war amongst the people", one seeks to change the intentions of the opponent and the people amongst whom one operates to win the clash of wills and thereby win a trial of strength. The essential difference is that military force is no longer used to decide the political dispute but to create a condition in which a strategic result is achieved. Wars among the people are, for Smith, "timeless". In his view, "military objectives are not strategically decisive, with the result that you have to hold your position by military means… until such time as you find the political solution." (International Review of the Red Cross, December 2006).

Non-state actors are participating in conflicts. "Both confrontations and conflicts are conducted by multinational groupings and non-state groupings… The theatre or operational level is more and more important because of these alliances. They are frequently formed in the theatre – the geographical area containing in its military and political totality an objective the achievement of which alters the strategic situation to advantage."

Can a "war amongst the people" ever be won? "Yes … In this confrontation you are trying to win the population from your opponent to a greater or lesser degree in order to isolate the opponent," says Smith. "This is what the West did to the Warsaw Pact to win the Cold War, which was a confrontation: it never became a conflict. It was the revolt of the people of the Warsaw Pact satellite states, and then the revolt of the people of Russia against their government, that marked the end of the Cold War, not a military adventure at all."

Collaboration: using new tools of policy analysis

Understanding how groups relate and complexity works can help make collaboration work better.

Group relations relies on the concepts of the 'work group' and the 'basic assumption group' and their conscious and unconscious interactions. Mannie Sher of the Tavistock Insitute of Human Relations describes the proposition: "All groups (three people sunning themselves on a beach or hundreds of thousands of people running a health service) are simultaneously work groups and basic assumptions groups. A basic assumption in group relations terms is an assumption made by members of a group, usually based on unconscious anxiety, that they are gathered for a different purpose to work. The unconscious purpose of the gathering (the gathering may be actual or virtual, e.g. membership of a profession or race) is emotional, e.g. to enjoy togetherness, fight, triumph, gain recognition, protection, etc."

Crucial to the approach advocated by this report, effective leadership involves holding the balance between satisfying the group's emotional basic assumptions and holding the group to 'work' (identifying task [strategy], managing boundaries [leadership], achieving clarity of roles [organisational theory], knowing where sanction is derived [intuition, common sense], exercising authority [values, honesty, justice], spotting markets, garnering resources [being outer directed], ensuring methods of production [operations, skills], prioritising and rewarding - practical and emotional [social

contract or covenant; personal and role contract], and working in conditions of uncertainty).

Ultimately, group relations will focus on what is not known as much as on what is known. This is the rub. According to Sher, a collusive dependent "mythologizing" occurs in which the public and public servants 'assume' that the experts 'know'. Can the experts accept emotionally that they may not know, may have huge gaps in their knowledge and still claim the cooperation of the public that wants them to 'know', on the basis of shared values? (The public are also prey to 'basic assumptions').

The group relations approach involves planning in conditions of uncertainty, willing to take risks, taking action in conditions of incomplete knowledge and capable of tolerating disappointment on the basis that failure is an opportunity for learning, not blaming.

Group relations approaches place great importance on internal 'mindsets' of both leaders and followers in addition to acknowledging the place of external sources of motivation and behaviour. It focuses on the dynamic interaction between the 'mind' of leadership and the 'mind' of followership – something akin to the aphorism that the universe is full of thoughts in search of thinkers

– or 'characters in search of a play'. This is complex, but I also believe that there are practical ways in which we can plan for such complexity.

Professor Peter Allen and Dr. Jean Boulton at the Cranfield School of Management are leading efforts to bridge complexity science and planning in conditions of uncertainty. Complexity science presents a different worldview about the way the world is and therefore how we have to behave. The traditional 'scientific, 'professional' worldview is that the world is predictable and controllable - and therefore we are safe. Complexity science presents a view of the world as inter-connected, prone to shifts in regime, not entirely predictable, new things can emerge. This requires a big shift emotionally for people and takes away a sort of safety and security.

This report should fuel interest in how to engage with people to explore the ideas of complexity. The journey is as much about inner fears as it is about intellectual ideas, and therefore necessarily involves addressing the human side of collaboration.

Complexity science gets to grips with issues of uncertainty and particularity in ways that other disciplines do not. Whilst the past is a reasonable predictor of the future when the context is relatively stable, situations can change rapidly and radically, triggered

sometimes by events or shifts in issues regarded as 'background' and unimportant. These shifts in regime are almost impossible to predict - both in terms of when they will happen and what will emerge as a result.

Many experienced leaders understand this instinctively – the challenge is to make such approach work at all levels of an organization, and between different organizations, so that it becomes part of the working culture.

The related concept from complexity points to the fact that history tends not to repeat itself - that situations and the way they unfold are unique, triggered by the interplay between the detail of a particular situation and the relationships and patterns between factors currently established. This focus on particularity and the importance of detail is an evolutionary perspective which complexity thinking embraces.

This is consistent with the approach that I developed at the beginning of Chapter 2: strategic pragmatism. According to Boulton, these two factors then, change the role of modellers and planners. The advice is:

- Still plan, still model, but hold your plans and models lightly. They may miss key factors and subtle detail which tip the balance.

- Review outcomes more regularly and look for deviations from plans and models; consider what else has become important, what other factors are starting to play a part, what unintended consequences there have been *(collaboration between strategists and implementers, wider steering groups)*.

- Cast your net more widely in looking at context *(collaborate in sharing knowledge, vision)*; use scenario planning, do futures work, notice what works better than expected, what blocks expected outcomes.

- Pay more attention to cross-overs between policy areas *(collaborate in policy development and policy implementation)* - where are there conflicts, how can these be addressed, allow room for local variation - identify required outcomes and values and principles but allow more space for local variation in implementation and seek common standards by encouraging learning rather than dictating the 'how' *(collaboration between implementers to share learning and with policy makers to learn from practice)*.

Leadership role for business

Business has a pivotal role to make collaboration work in achieving social goals.

In January 2008, a group of prominent World Economic Forum business leaders issued a call to their peers to join collaborative efforts to strengthen public governance frameworks and institutions as a core element of their approach to corporate citizenship. Fourteen global CEOs and chairmen, representing a range of industries and regions, signed a statement calling on businesses to engage in public-private partnerships to strengthen public policies and institutional capacity at the national, regional and global levels. This was part of the Forum's Global Corporate Citizenship Initiative in partnership with lead partner Business for Social Responsibility (BSR), as well as AccountAbility, Harvard's Corporate Social Responsibility Initiative and the International Business Leaders Forum. Signatories of the leadership statement include the chairmen or CEOs of Ayala Corporation, Diageo, Merck & Co, Microsoft Corporation, Pakistan State Oil Company, Tata Industries, The Coca-Cola Company and the big four accounting firms, Deloitte, Ernst & Young, KPMG and Pricewaterhouse-Coopers.

The outcome of the project, called "Partnering to Strengthen Public Governance – The Leadership Challenge for CEOs and Boards" is a CEO-signed leadership statement and supporting report. It provides a roadmap for business leaders seeking to work with governments and other stakeholders

to improve the enabling environment for sustainable economic growth and development. "Public governance is a global issue. No longer can businesses, governments or non-governmental organizations afford to act independently of each other — the stakes are just too high," said John Connolly, chairman of the global board at Deloitte. "Only through a combined effort can we achieve economic growth, sustainability and create an opportunity for a better life for people everywhere."

The paper acknowledges the key role that partnership plays in advancing the global agenda and the need for business to take on this agenda based both on its capacity and legitimacy. Business engagement in promoting effective governance is most effective, and most credible, where it reflects key principles including transparency, dialogue and respect for the unique role of public institutions and puts value on working with civil society organizations.

Even before the recent financial turmoil, PricewaterhouseCoopers was arguing in its 11th Annual Global CEO Survey (discussed in Chapter 4) that business can play a much greater role in shaping regulation, "National governments have to walk a fine line. They have to develop and implement regulations to achieve specific policy aims, often involving the correction of market failures, while avoiding unintended consequences. And they have to do so not just

nationally, but within the context of other national governments and supranational entities, each with their own agendas." (11th Annual Global CEO survey, p60).

Many of my respondents in the banking and finance sector say that the sector has no option but to be more strategic if it is to maintain confidence and remain competitive. But this requires even greater collaboration within the sector, as well as with the authorities, to ensure that regulation delivers.

PwC argues that mutual self-interest is a powerful starting point for successful collaboration. The survey findings, and its own experience, suggest that many CEOs have still to appreciate the influence they might have on the regulatory process (11th Annual Global CEO Survey, p61) PwC's recipe for effective collaboration between business, governments and regulators includes:

- Taking a strategic, long-term view of the regulatory framework in which business operates;

- Creating an effective dialogue between the regulator and those regulated;

- Recognising that the languages of business and regulation can be different and making the effort to understand those differences;

- Allocating time and resources to collaborating on the co-design of regulations;

- Investing in the development of the personal relationships and mutual trust that are necessary to achieved shared objectives.

The work done for this report by Christopher Lomas of Naked Generations highlights the gap that governments and business have to close in engaging with younger generations (see Appendix: Naked Generations v0.2). Governments and businesses that seek collaboration must provide a focused context or subject matter around which to base discussion. They should operate in the spirit of "ask, don't tell".

Heledd Straker from Naked Generations believes trust to be the key prerequisite for any form of collaboration, particularly within an organization. "In order for organizations to be successful in the long term, it is essential that they design and implement an effective trust-based culture into which a collaborative mindset is ingrained," she argues.

"To build such a culture, a solution can be found in Generation Y and its relationship with social media. Generation Y enhances its physical world with the virtual, using social networking sites and online games to

build strong bonds of trust in multiple and overlapping communities all over the world."

Straker says that a social media platform linking staff of a multi-national organization would improve communications, breaking down cross-cultural and cross-generational barriers and using such differences to produce fast yet creative results. One example is the pharmaceutical company Pfizer, which has launched a networking site enabling employees across the globe to share ideas and collaborate.

In Robert Hayes's far-reaching paper for the International Public Relations Institute, "Public Relations and Collaboration", Robert Grupp, its president, says "CEOs today play a leadership role on the global stage and they expect public relations and its linked disciplines to play a key role. Do we have the skills, knowledge and moral will to move into this position? Ultimately, successful business diplomacy depends on a very special cadre of people who have the experience, the communication skills and political savvy to work successfully in the space where the goals of corporations, governments and civil society converge. This type of collaborative diplomacy is not just good public relations; it's good business!" (Grupp, in Hayes (2008)).

Business can see the reputational advantage of corporate social responsibility, but most of my respondents remain unconvinced that CSR is enough of a priority. For some, the term "social" both motivates and confuses. One business contact says, "business needs to act responsibly. It's as simple as that."

Philip Bobbitt's recent book *Terror and Consent* is as much about re-forging the links in society between strategy and legitimacy as it is about dealing with terror. Bobbitt acknowledges that UN agencies are already beginning to outsource operations and to cooperate with NGOs on problems such as public health and rural development. If "the health of any society is only as secure as the medical conditions of the worst-off society, whose infections can circle the globe in hours," he says, "there must be ample reason for GlaxoSmithKline or Pfizer to join with the World Health Organization to improve preventive care and early warning systems in the poorest countries." (Bobbitt (2008) p509).

Bobbitt adds: "International NGOs do not have that basis in legitimacy that is provided by democratic processes. What is needed is greater transparency in the operations and funding of NGOs. Among the most important NGOs, although we don't think of them this way, are multinational corporations. Just

as governments in the era of the market state will have to learn the business methods of wealth creation, so businessmen — however much they dislike it — will have to learn the methods of winning public consent, for they have truly global interests." (Bobbitt (2008) p509)

Running this through this report is the emphasis that I have put on creating value and delivering it. Unless collaboration is geared to achieving an end, it will not be an imaginative and productive use of time. A business focus, particularly the entrepreneurial spirit, makes any collaboration more efficient and effective because it obliges any venture to be outward- and forward-looking. It also stresses ownership and responsibility.

Sir Ronald Cohen's book *The Second Bounce of the Ball* is not only the story of a distinguished career building a successful global private equity business but an insight into leadership, especially when it comes to embracing risk and opportunity. Partnerships can frustrate a sense of ownership that every entrepreneur finds fulfilling, "It is not uncommon for partnerships to be negative in their effect, especially if the partners have similar skills, similar roles and an equal voice," Cohen says. "There can be too much consensus, too much hiding behind the collective authority of the group. The partners

have interesting and well-informed discussions, and possibly even come to the right conclusions more often than not. But because none of them is acting like an entrepreneur there is no one in charge, no leadership, and none of the decisions leads to decisive action. There is insufficient follow-through, insufficient execution." (Cohen, with Terry Ilott (2007) p137)

Collaboration builders can learn from successful entrepreneurs in spotting and exploiting opportunities, and seeing that uncertainty has an upside, as well as a downside. Entrepreneurs create and do not just find opportunities, and have the courage to change the rules of the game. They see how a disparate elements can be combined together to produce a solution, focus on the most important challenges, and persist in implementing their vision of success. They are alert to emerging opportunity and threat, have the skill to focus on what is essential, and harness their resources to make the greatest impact. What resources they do not have, they find. They build productive relationships, and are not afraid to confront issues.

Britain has exercised leadership during the recent financial crisis. Crisis calls for leadership. But, as the United Nations reminds us, many chronic problems do not go away with the economic downturn. Any leadership in collaboration with partners will have to

rise to Cohen's challenge. I believe that it can be met if we encourage others to take greater responsibility and give them authority to act; and if we see collaboration as a combination of assertion and cooperation. If we want trust to work, this means that the human element of collaboration is a vital part in an organization's capability. We need to ensure that we treat it explicitly as an important asset, invest in it, develop and evaluate it; and expect a return. Vigilance is having an eye on the opportunity, as well as the threat.

Collaboration is becoming a new and important source of competitive advantage. We need to rethink the way we manage innovation. In their Harvard Business School study of business innovation and competitive advantage called Innovation through Global Collaboration, Alan MacCormack and his colleagues show that traditional approaches, based on the assumption that the creation and pursuit of new ideas is best accomplished by a centralised and collocated research and development team, are rapidly becoming outdated. Instead, innovations are increasingly brought to the market by networks of firms, selected for their unique capabilities and operating in a coordinated manner.

MacCormack argues that firms develop different skills: in particular, the ability to collaborate with partners to achieve

superior innovation performance. He found that many firms mistakenly applied an "outsourcing" mindset to collaboration efforts which, in turn, led to three critical errors. First, they focused solely on lower costs, failing to consider the broader strategic role of collaboration. Second, they did not organise effectively for collaboration, believing that innovation could be managed much like production and partners treated like "suppliers." Third, they did not invest in building collaborative capabilities, assuming that their existing people and processes were already equipped for the challenge.

MacCormack's paper quotes as a strong example of these dynamics Boeing's development of its 787 "Dreamliner" aircraft. Boeing builds the most complex commercial products in the world. The levels of capital investment required and the increasing breadth of technologies that must be harnessed – from digital cockpit design to new lightweight materials – have led Boeing to look at new forms of organization. The aim is to share risk with partners while exploiting the unique technical expertise that each brings to development. Boeing's approach to the 787 was the epitome of global collaboration. The project included over 50 partners from over 130 locations working together for more than four years. In the view of MacCormack and his colleagues, Boeing's source of

competitive advantage is shifting: it is less and less related to the possession of deep individual technical skills in hundreds of diverse disciplines. While the company still has such knowledge, this is no longer what differentiates it from competitors. Boeing's unique assets and skills are increasingly tied to the way the firm orchestrates, manages and coordinates its network of hundreds of global partners.

Example: Ghanem Nuseibeh, and collaboration in the construction sectorGhanem Nuseibeh, Director, Cornerstone Global Associates, is a project manager in the construction industry. The sector is continuously evolving and is open to new ideas on management. The project team involved in the design and construction of a building traditionally consisted only of architects, structural engineers and building services engineers. The role of project manager has changed. Once performed by architects, it is now increasingly done by specially-trained project managers. Project managers are now an integral part of the construction project teams. They have trained as quantity surveyors, civil engineers or more recently graduates of construction management courses.

Nuseibeh anticipates another evolution in project management. Conflict resolution on projects often involves an adjudicator, arbitrator or mediator,

depending on the size of project, nature of dispute and type of contract. With more emphasis being put on life-cycle costing and sustainability, requiring ever greater collaboration between the designers, the developers, the contractors and the end-users, the introduction of a new project responsibility, "collaboration management", will solve the problem of where responsibility for life-cycle costing and hence sustainability falls. Such a step would require leadership from within the construction industry as well as collaboration of the different professional institutions that deal with the industry.

Sustainable buildings often involve higher initial costs that are offset by cheaper running expenses. In otherwords, "life-cycle costing" is the economic justification for making buildings more sustainable.

As buildings are required to be more sustainable, the construction industry, and designers in particular, find themselves required to be more innovative in terms of building systems used as well as adopting new design standards that are continuously being updated. In many situations, practitioners in the construction industry find themselves outpaced by the rapid evolution in sustainable building design (partly due to the faster dissemination of experiences and new techniques in

other countries brought about by the "shortening of time", resulting from technological progress). Non-designer stakeholders are having more say in the design of buildings, particularly when life-cycle costing is used to assess a particular project.

The result is inevitable misunderstandings and mistakes that may not be adequately covered in the traditional contractual framework the construction industry is accustomed to. In Nuseibeh's view, those misunderstandings can be resolved before they occur by ensuring collaboration between the different stakeholders, some of whom do not come from the construction industry and who are increasingly important, partly due to the increasing prominence of life-cycle costing. This early collaboration should continue throughout the design and construction stages of a project. It needs to be facilitated by an "unbiased" new team member, who can represent the interests of the developers, financiers, designers and contractors. A traditional "project manager" will not be able to undertake such task due to the inherent bias she or he may have. A "collaboration" manager will therefore be able to ensure inter-disciplinary interaction helps avoid contractual problems in the rapidly evolving construction sector.

Example: David Rowling, business improvement and building cross-functional teams

David Rowling advises companies on using IT to improve their business. Business improvement projects are most successful when a cross-functional team is engaged and the value of effective communication is built into every stage of the process. The members of the team should be made up of managers who can expertly represent their functional specialism yet who also can positively conceive of new ways of operating the business. The team should spend time understanding the current operation and gain insight into the current strengths and weaknesses. The team then will define a strategic vision that will deliver a set of goals defined by senior executives. It is common for the team to be facilitated by an external consultant during this phase. The external consultant brings knowledge of alternative ways of operating businesses from a number of different industry sectors. Through facilitation by the consultant and free thinking by the team the creative spark is struck and fanned to form concepts.

The formation of a cross-functional team working within the same physical space within facilitated workshops encourages the discussion of innovative ways of working. At all times the environment has to be positive and encouraging of new ideas. Rowling

believes that the external consultant has to create the conditions for effective collaboration: to guide the discussion and to inject ideas from other industries when things flag a little. Once the strategic vision has been agreed, the detailed work of the design of new business processes, ways of working and new technologies can begin. The team needs to co-operate during this phase to ensure that the needs of each function are met through the new business model.

The cross-functional team and project manager have an additional vital role. All areas of the business relevant to the improvement have to buy into the project. Rowling's building blocks for success include: steering board with executive representation from each function; cross-functional team with representatives from each function; communications strategy so that all stakeholders are communicated with relevant and timely information. It is common to use newsletters, forums and ask for feedback during major change initiatives in order to take most employees along with the project. Broad support from senior executives, managers and employees is essential.

4. Conclusion

Collaboration is the right idea for our times. Systemic problems need collective and concerted action by different actors

participating increasingly as equals and committed to working in long-term relationships across organizational and other boundaries. Collaboration does not offer magic solutions, and is often tough-going. But if done for the right reasons and in the right way, it can open up possibilities. It builds on a commitment to engage with others by agreeing to work with them.

Working to a common end which no one person or organization can achieve alone, collaboration requires advanced leadership and team-working skills and a change of attitude. Many of the challenges that we face as societies cannot be adequately addressed by a trial-and-error approach to building collaboration. The growing global role of the East only serves to remind many in the West how much many Asian cultures are built on the importance of relationships and the value put on trust and reciprocity.

Most of our most intractable problems require greater collaboration. Where collaboration is most difficult, it is often most necessary. There are real dividends — political, economic and social — that we are missing because we are not tapping our combined strength as a society. But we won't achieve the wider goals of collaboration without addressing others' needs first, and showing our commitment to their resolution.

Research shows that the more teams are connected and the more they generate between them, the higher their performance. Effective collaboration operates in a space where traditional means of control no longer work. It is about driving both performance and participation, trusting others to take initiative and responsibility, appreciating different perspectives, and working through complexity. It also involves being more strategic about risk. If trust is a conscious regulation of one person's dependence on the other, risk requires leaders to rely on judgment — their own, and others'. We have no option but to treat others more as leaders in their own right, at every level.

This report has been about collaboration, and an exercise in collaboration. The learning that it has produced for me and others who gave contributed is that in the very acts of soliciting, capturing and aggregating others' responses, we cannot help but make assumptions of our own and reveal preferences — such as what to include and exclude, how best to translate from concept to practice or from individual case to working hypothesis.

What makes collaboration so challenging yet potentially so rewarding is that it can help redefine not only our interests, but also change our perspective, and even our position. One of the more challenging lessons

is that sometimes the best way to influence is to let oneself be influenced. If we want more of a dialogue, we have to be prepared not just to listen but to want to listen and to accept the limits of engagement. Just as we cannot give way on an issue, others will not. Yet we can still work on the relationship and even deepen it, whether we agree or disagree.

Chapter summary

- The first four chapters were about how best to operate in collaboration. This chapter outlined what collaboration could be better used for.

- Leadership: take a broader and longer view of leadership and teamwork;

- Strategy: use collaborative thinking before decisions are taken on problems, solutions and types of leadership response required;

- Engagement: connect more strategically, whether it is with one stakeholder, or a group of them, or directly with citizens; and

- Delivery: apply collaborative processes to improve policy implementation.

- Collaboration and innovation go hand in hand: we need to invest in collaborative capabilities to gain sustained advantage.

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Appendix: **Compendium of collaborative partnerships**

This appendix lists short case examples of collaborative partnerships. These have informed and provided evidence for the report. They are included here as an inspiration as to what can be achieved.

Environment/Climate Change

Clean Air Initiative for Asian Cities

The Clean Air Initiative for Asian Cities is a multi-stakeholder network that promotes and demonstrates innovative ways to improve the air quality of Asian cities through partnerships and sharing experiences. Air pollution is a major issue in a number of Asian cities, with motor vehicles identified as major contributors to the problem. The Clean Air Initiative partnership was established in 2001 by the World Bank and the Asian Development Bank to address air quality issues. The partnership includes government agencies, NGOs, research institutes, international organizations, and private sector firms. As a non-legal entity, the Partnership is a forum for urban air quality management and focal point for country and regional networks. Because it is complicated for governments to join a legal entity, the formation of the Partnership enables national and local government agencies to maintain their involvement in the Clean Air Initiative. Shell joined in 2002 with a focus on coordinating the stakeholder groups responsible for setting air quality specifications.

Better Environmental Performance at Gatwick Airport

Gatwick airport needs the consent of local communities in order operate and does this by controlling its impact on these people by lessening noise and improving runway occupation, sticking to approved routes and a continuous decent approach on the flight paths to the airport used by airlines before landing. Community groups, Gatwick airport operators and chief training pilots of airlines form the Flight Operations Performance Committee.

The approach taken to achieve better environmental performance was not based on punishment but by sharing best practice in track-keeping (sticking to approved routes), continuous decent approach (flying in a long smooth approach rather than a series of steps down), noise (recordings over monitors) and runway occupation (the time taken on the runway during landing and the use of the optimal rapid exit taxiway). Instead of financial incentives and penalties it played to partners pride and professionalism and resulted in an improvement in track-keeping performance without any reduction in safety. It allowed joint thinking and action between highly

competitive players, without damaging their competitive positions. It also led to creative thinking on rewriting Flight Management Systems.

Green New Deal

75 years after President Roosevelt launched a New Deal to rescue the US from financial crisis, a new group of experts in finance, energy and the environment came together in 2008 to propose a 'Green New Deal' for the UK to confront the potentially disastrous combination of climate change, high inflation and economic slowdown.

As in past times of crises, disparate groups have come together to propose a new solution to an epochal challenge. The Green New Deal Group, drawing inspiration from the tone of President Roosevelt's comprehensive response to the Great Depression, propose a modernised version, a 'Green New Deal' designed to power a renewables revolution, create thousands of green-collar jobs and rein in the distorting power of the finance sector while making more low-cost capital available for pressing priorities. International in outlook, the Green New Deal requires action at local, national, regional and global levels. Focusing first on the specific needs of the UK, the Green New Deal outlines an interlocking programme of action that will require an ambitious legislative programme backed by a bold new alliance of industry, agriculture, labour and environmentalists.

Fight against Dynamite Fishing

In Tanzania, some fishermen use the damaging practice of throwing a stick of dynamite into the sea in order to kill all fish in a 10-20 metre radius. This also permanently scars the coral reefs and undermines the local tourist industry. A number of organizations have an interest in stopping the use of dynamite in fishing: investors in tourism facilities on the Tanzanian coast, environmental NGOs, Tanzanian Ministry of Natural Resources and police. However few of these organizations were in touch with each other. There was an email contact group of NGOs and tourism investors to keep track of explosions. But no interface with the Tanzanian Government.

The British High Commission helped establish links to the Tanzanian government fisheries department and the national and marine police. They set up a task force between all these organizations, which organized a national conference on dynamite fishing attended by senior Tanzanian politicians, and has supported police

enforcement actions and awareness raising in the local communities. It brought together various sectors in a way that hadn't happened before in Tanzania.

Bus Rapid Transit

The Centre for Sustainable Transport CTS-Mexico was established in 2002, with financial support from the Shell Foundation, to introduce and promote Mexico City's first Bus Rapid Transit (BRT) line as a means of reducing the city's green house gas emissions. The Hewlett Foundation became a source of institutional support from 2004, and Caterpillar Foundation in 2006. Project support has also been received from DEFRA.

The BRT in Mexico City, Metrobus, was taken from concept to implementation between 2002 – 5, working in partnership with the institutional supporters, World Resources Institute, EMBARQ - a global network of sustainable transport NGOs, Mexico City authorities and public transport providers. Metrobus - which functions like an above-ground subway in which large buses travel in dedicated lanes and stop at special stations - already carries more than 260,000 passengers each day along Mexico City's Insurgentes Avenue, one of the longest and busiest streets in the world. It has resulted in a 50% saving in average commuting times for passengers and a 38,000 ton annual reduction in carbon dioxide. Mexico City's Major Ebrard has publicly committed to creating an additional nine Metrobus lines over the next five years, extending the network from 20 to 220 kilometers and creating one of the largest BRT systems in the world. Construction has already begun on an extension to the existing Metrobus line, as well as on a second route along the important thoroughfare known as "Eje 4." CTS-Mexico also carried out a diesel retrofit pilot project for Mexico City's bus fleet in 2004-5 using ultra-low sulphur diesel and particulate traps, which has resulted in particulate emissions being reduced by 90%. The next stage is to work with Mexico City (and three other cities in Mexico) to implement an integrated transport system. Two major challenges are to better integrate the BRT system with other transport modes and fare prices, and to incorporate cleaner technologies into urban transport systems.

Recycling in the Emirates

The British Embassy in Dubai collaborated with the Emirates Environment Group (EEG) to improve recycling in the Emirates. This involved the funding of a "Green Truck" to collect items for recycling from schools etc and targeted media work in Dubai and Abu Dhabi to publicise this.

The collaboration came out of an ongoing relationship with the EEG. HSBC bank co-sponsored. It helped that all three organizations shared the same objectives and worked in similar ways (focused and well organized). Although this was a self standing initiative, it was part on an ongoing relationship with EEG and HSBC. The key to making this sort of relationship work was regular contact and having the initiative led by people with energy, enthusiasm and time. The latter is a key point as busy Posts are increasingly pulled in many different directions and just don't have the resources to do everything they (and sometimes FCO London) would like.

Changing Public Debate and Policy on Climate Change

Changing the nature of public debate and policy on Climate Change in Brazil (the second half shared only partially by the host Government participants!) was the challenge of the collaboration. To do this the British Embassy sponsored a detailed report on the Economics of Climate Change in Brazil (a 'mini' Stern report), to stimulate and underpin public and policy debate. The strategy was for the Embassy to be the initiator, but for Brazilian institutions - some public sector, some private - and individuals, to own the work and to give it credibility. Also to involve so many main actors that the Brazilian Government had to buy in, although they were suspicious initially.

The programme and partnership is still underway, but has already had a major impact on thinking, and been adopted as underpinning the National Climate Change Plan that is being prepared. There is a need to move forward more quickly to advance Brazilian Government thinking on climate change in the approach to Copenhagen (December 2009), bringing to bear the weight of scientific and popular opinion in Brazil. The British Ambassador stimulated the partnership through personal contacts. The Embassy is the sponsor. The participants are government and private institutes and individuals, representatives of social organizations, Government officials etc, supported by the whole climate change community.

The key was that the Ambassador and Embassy acted as a catalyst, in favour of a cause many participants think important, but had not been able to co-operate on themselves; bringing funding, good personal relationships, and leadership from those we asked to head the programme.

The most significant challenges were getting the leaders to work with each other harmoniously and bringing the Brazilian Government on board - the risk being that they would walk away. It took time, perseverance, personal leadership - and a bit of luck - to set up this successful partnership.

Keeping it going is much more time consuming than the Embassy had thought - a constant task; managing people's egos and people's and institutions' expectations was hard work; choosing the right people to lead and co-ordinate was crucial - they needed good interpersonal skills as well as expertise. Personal networks with those centrally involved, their bosses, funders etc was very important to keep the show on the road. Constant contact and communication amongst all participants was crucial.

CEO Forum on Climate Change

In 2006, the British Consulate General in Los Angeles collaborated with the California State Government, the NGO - Climate Change Group, BP and other major companies to create a CEO Forum on Climate Change at Long Beach, attended by the then British Prime Minister Tony Blair and Governor of California, Arnold Schwarzenegger.

Tony Blair was to visit USA to sign an agreement between California and the UK to collaborate on climate change issues. That agreement was proposed by the British Consulate General in Los Angeles and the idea was initially greeted with some scepticism by colleagues elsewhere in USA and by DEFRA. The key to overcoming this was the commitment from the Prime Minister's Office to make it happen. Constant personal involvement by the Head of Post was then necessary to deliver the right event and the extraordinary publicity it achieved.

Expectations were high and were more than achieved. The agreement, between a state and a country, was unusual if not unprecedented. That got attention. Follow-up has required a lot of work by the two British Missions in California and by others such as DEFRA, the British Embassy in Washington and the Foreign Secretary's adviser on climate change, John Ashton. It has ultimately worked very well.

Accountability

National Taxpayers Association, Kenya

The National Taxpayers Association (NTA) is a national, independent organization formed by civil society, private sector and faith-based organizations focused on supporting good governance in Kenya through strengthening citizen to government accountability, and citizen-to-citizen accountability. The focus of the NTA is on improving the delivery of essential government services and the management of funds across Kenya. By demanding greater accountability from managers of government services and funds, the NTA aims to realize annual financial savings for the Government of Kenya (GOK) of 10 percent of the total money allocated to devolved funds. Based on the 2005/06 national budget the projected savings for the GOK are KShs 3.43 billion (US$48.9 million) over three years. This compares with the total cost of establishing the NTA in 60 districts, which is KShs 380 million (US$5.5 million).

The NTA is an intervention that has a very high socio-economic value in terms of the return on investment for both the GOK and citizens. The NTA is developing a transparent and rigorous performance monitoring and impact evaluation system to demonstrate the annual savings for the GOK and citizens in the pilot phase districts. For the first three years of operations the NTA aims to secure financial support from the GOK and Development Partners. After three years the NTA aims to secure sustainable funding through an Act of Parliament.

General Budget Support in Tanzania

A group of 14 partners – World Bank, African Development Bank, European Commission and eleven national governments – provide 12.5% of the Tanzanian government budget through General Budget Support (GBS). The UK and the World Bank are the two largest providers. The UK has been strongly convinced of the rationale for GBS, other partners are on varying points of the spectrum of commitment and confidence in it. The quality of engagement with the Tanzanian government had not been great: annual reviews and progress against benchmarks had not been rigorous.

In addition a number of serious corruption allegations had been brewing, clearly having a bearing on GBS, with the result that partners were unable to make new commitments for 2008/9.

Key challenges faced:

- How to keep the GBS partners together

- How to improve the group's engagement with the Tanzanian government, to encourage the right conditions for the continuation of GBS.

Approach agreed by the GBS collaboration:

- Private contacts between the Chair of the GBS (UK High Commissioner) and the Tanzanian Finance Minister, a partnership with the shared objective to maintain the GBS

- Swift reporting to and frequent meetings of the GBS

- Monthly frank meetings of the GBS' troika with the Minister of Finance and other relevant senior officials, with carefully prepared agreed lines to take, and communication with the Minister afterwards, and the maintenance of confidentiality within the group.

The Tanzanian government moved forward on the corruption allegations, the GBS' engagement with the government, and insistence on progress before commitments, pushed the government forward when it might have slipped back. GBS partners collectively confirmed commitments for 2008/9.

Extractive Industries Transparency Initiative

Some 3.5 billion people live in countries rich in oil, gas and minerals. With good governance the exploitation of these resources can generate large revenues to foster growth and reduce poverty. However when governance is weak, it may result in poverty, corruption, and conflict. The Extractive Industries Transparency Initiative (EITI) aims to strengthen governance by improving transparency and accountability in the extractives sector. EITI supports improved governance in resource-rich countries through the verification and full publication of company payments and government revenues from oil, gas and mining. The EITI is a coalition of governments, companies, civil society groups, investors and international organizations.

The initiative works by a government agreeing to implement EITI, working with civil society organizations and companies on implementing the transparency and accountability measures, leading to published audited accounts of revenue information. EITI has support from international organisations (World Bank, IMF, OECD), companies (including Anglo American, BP, Shell), industry associations (including International Organisation of Oil and Gas Producers), 71 investors and NGOs (including Transparency International).

The collaborative process leading to a country implementing EITI has seen many results. For example, the Government of Nigeria increased revenue collection by USD 1 billion as a result of EITI. And some of the most corrupt countries in the world, including Azerbaijan (137th on Transparency Corruption Perception Index) and Nigeria (152nd) have published audited reports of revenue collected from the extraction industries.

Improved Multi-Stakeholder Governance

Two global health partnerships, the Global Fund for the fight against AIDS, TB and Malaria, and the Global Alliance on Vaccines and Immunisation, both employ multi-stakeholder governance to allow a wider band of actors to demonstrate responsibility and to sustain commitments, necessary to restore public and political confidence in major international institutions and to ensure a more effective delivery of services. The Global Fund established an effective public-private-civil society partnership, which includes seats on the Fund's Board for NGOs representing communities affected by AIDS, TB and malaria; for technical partners involved in the delivery of interventions, as well as the private sector and grant-making foundations.

The Global Alliance on Vaccines and Immunisation started as an informal alliance in 1999 between WHO, UNICEF, the World Bank and the Gates Foundation. As a result of its successes and rapid growth, the Global Alliance has grown into a partnership institution in its own right, with donor constituencies on its Board serving alongside private and technical partners.

The two organizations have found that engaging non-state actors has led to genuinely innovative multi-stakeholder partnerships. The global public health sector has been a trailblazer among international organization reform.

Transparency in the Business Environment

The aim of the collaboration was to achieve more transparency and reduced corruption in the business environment in Hungary. The strategy was to get the issue onto the agenda in that country, leading to better legislation, implementation and enforcement.

Businesses operating in Hungary identified the problem. Embassies representing the main Foreign Direct Investment providers then got together with Chambers of Commerce and Transparency International to clarify the issues and produce and finance reports that set out recommendations for action. These were launched at media events and were promoted in speeches, interviews, and meetings. The relevant Embassies were targeting key players. The challenge was to get everyone speaking from the same script and being blunt where necessary about the problems. Close coordination and regular meetings meant that the collaboration was successful in raising the profile of the issue dramatically - communication was the key to success.

A problem was that some stakeholders were more proactive than others. But it was clear that where collaboration happened, the sum was much more powerful than the parts. However, not all Embassies/Chambers of Commerce saw the value of speaking to civil society organizations. The biggest challenge, of moving from words to action, still lies ahead.

Health/Social Reform/Human Rights/Democracy

The Mega community

A major challenge confronting governments, businesses and NGOs is complexity: the growing density of linkages among people, organizations and issues across the world. Solutions require multi-organizational systems that are larger and more oriented to multilateral action than conventional cross-sector approaches are. In such systems the winners are those who understand how to intervene and influence others in a larger system – a "mega community" - that they do not control. The mega community is a public sphere in which organizations and people deliberately join together around a compelling issue of mutual importance. An example of a mega community was the 200 professionals that met in New Delhi, India in October 2003 to establish a coordinated approach for combating HIV/AIDS in India.

Businesses included PepsiCo, Lafarge and the Tata Group. Civil society leaders came from major global donor organizations, like the Gates Foundation, as well as the Heads of local NGOs, the groups that worked in the cities and villages in India. From the Indian Government came health officials and military officers. International players included the World Bank, USAID, United Nations and WHO. Community workers represented people living with HIV/AIDS. Through a strategic simulated HIV/AIDS crisis, organized by Booz & Co., in which each individual was assigned to a stakeholder – community, government official, businessperson, donor, activist, journalist – the professionals started to understand the linkages and collaboration that would be necessary to reverse the crisis. After the simulated work, real collaboration started. Eight major companies expanded their workplace and community activities to encourage HIV/AIDS prevention and treatment programmes. An Indian pharmaceuticals company announced a HIV/AIDS drug attainable for less than US$1. These organizations formed a mega community whose enterprise against the spread of HIV/AIDS continues today.

Romanian Orphanages

The plight of children in state care in orphanages has been an issue of international concern following the overthrow of communism in Romania in 1989. Post 1989 Romanian governments, aided by international organisations from the largest such as the UN to small charities arranging the transport of clothes and toys, have been addressing this issue. The UK's main bilateral assistance was delivered through DFID in the form of a £1.8 million project to create a National Authority for Child Protection and Adoption. All the large orphanages are now closed and there are fully functioning state institutions in this sector.

All this happened without a formal collaborative partnership, not least because the domestic NGO and business communities were in their infancy. That situation has now changed. A collaborative partnership led by the British and Romanian Prime Ministers, endorsed by the novelist JK Rowling, and supported by NGOs and businesses, is now working to assist disabled children in Romania, with many signs of success.

Implementation of EU Racial-Equality Law

In 2000 the EU passed a directive outlawing discrimination on the grounds of race or ethnicity in employment, education, social benefits and advantages, housing and access to places and services available to the public. The 2003 (2004 for new Member States) deadline for transposition of the directive into national law, let alone effective implementation, was not met by many EU Member States.

The European Commission and the FCO awarded project funding to an international NGO – the European Roma Rights Centre (ERRC) – to establish partnerships with parliamentarians, judges and lawyers, and NGOs in EU countries in order to help them implement the directive. This was achieved by arranging round-table discussions between EU law experts, parliamentarians and key officials (these discussions often brokered by the local British Embassy); training lawyers and judges in the legal aspects of the law; and training NGOs to lobby, form partnerships and monitor implementation of the race-equality legislation.

The partnerships helped speed up the process of passing national equality laws, and trained some 1,000 judges and lawyers. NGOs in the project countries were left with the skills to form similar partnerships. As a result of this activity, ERRC was asked by a number of new EU Member State governments to carry out further training of their judges after implementation of the directive.

De-mining in Colombia

The aim of the collaboration was to organize de-mining training in Colombia, which has the worst record of civilian and military casualties from landmines in the world. The Government has signed the Ottawa Convention, but the guerrillas continue to sow mines extensively. Specifically the project was to set up a de-mining training centre in Colombia along the lines of the one the British Government sponsored in Kenya

The strategy was to build commitment to de-mining within Colombian military and government circles. After that to broaden this commitment to include other donors. The next stage, now starting, is to increase civilian involvement and buy-in to the project, promoting trust, dialogue and cooperation between the donors, the Colombian Government and civil society.

The results so far: training was successful. The G24 has ownership of the project, under the current Japanese chairmanship, and a wide range of NGOs are involved. The biggest initial challenge was to educate public opinion (not least among a number of NGOs who were initially suspicious) that humanitarian de-mining was

different in kind and intention to military de-mining and that this was a process designed to benefit civilians rather than enable Government troops to prosecute their campaign against the guerrillas more effectively. De-mining techniques traditionally employed were so rudimentary that many of those involved were killed.

There is now widespread buy-in for de-mining as a national priority. But significant challenges remain. Not the least of these is ensuring that those injured by mines receive the treatment and help to which they are officially entitled. The mechanisms theoretically exist, but rights get lost in the bureaucratic jungle: continuing and sustained pressure by civil society will be essential in making a difference. This is an on-going project in which the focus has evolved significantly since its original relatively narrow base. The input of the Embassy was key to sustaining the momentum, especially in the initial stages. Over rigid bureaucracy by some other potential donors meant that building alliances took time and in some cases proved impossible. The British Embassy's good relationship with the Colombian Government was critical in getting the project off the ground and ensuring that the necessary resources were made available. The Embassy would have liked to involve civil society more fully earlier on in the project, and with the benefit of hindsight this probably could have happened; but first the Embassy concentrated on dealing with suspicions about the real intention of the programme. The Embassy also needed to secure access to more funding than the UK alone could provide to ensure sustainability, and this has now been achieved through the G24 mechanism.

Burma

The British Embassy in Rangoon's collaboration with the (repressive) Burmese government is limited, but extensive with all other players. Sustained and personal engagement with lobby groups and NGOs in the UK and on the Thai /Burma border has resulted in a significant improvement in the dynamic of the UK government/ lobby relationship and a wealth of pro-democracy collaboration in Burma.

The Embassy engages with a range of players - the strong parliamentary caucus, the Burma Campaign and with a wide spectrum of human rights and humanitarian NGOs, the objective being to increase understanding, and to pull everyone behind a strategy that maximizes the chance of success. The key factors: sustained personal engagement from ministers and the ambassador on the ground, openness, being clear about limitations and red lines, and personal credibility. The key challenge was the diversity of views. One can't please all parties. Another was the active hostility of the Burmese regime - the fine line that has to be tread on a daily basis: pushing

the limits of what the Embassy is doing in-country to meet humanitarian needs and foster the conditions for democracy, yet not going so far that they shut the whole lot down.

The experience raised a number of intangibles about successful collaboration: you can do the mechanics of engagement very easily, yet far more difficult is understanding what makes it work in some contexts and not in others, and the role of personal chemistry and credibility. Outreach can often appear forced or insincere, and can actually damage one's objective. The key in the Burmese case was creating a balance, admitting mistakes, developing key relationships and not asking them to believe the unbelievable. And that's much more difficult to define and capture, but you know when it works and when it does not.

Investigative Journalism in Jordan, Syria, Lebanon and Palestine

The task was to improve the standards of investigative journalism in Jordan, Syria, Lebanon and Palestine.This was aimed at improving the quality of democratic debate and accountability, as part of political development towards more responsive and rights-based government. In turn, this served the objectives of conflict prevention and de-radicalisation.

The context was very poor standards of journalism, in a media environment emerging from a long tradition of state control and censorship, and held back by very poor leadership from senior editors. The programme to improve this has the strong support of the King of Jordan, and more generally of enlightened political modernisers in all four countries. The sponsor was the British Embassy, the training was delivered by the Thomson Foundation, the participants chosen by their editors in the print. radio and TV media, and links made to a parallel local NGO with the same goals.

The partnership worked smoothly, and the quality of trainees and their output has improved year on year (over the past four years of the project's existence). The Embassy extended it in 2008 to cover Iraq for the first time. Feedback from the trainees was highly positive. They find it frustrating though that their editors continue not to give them real opportunities to exercise their skills, and pay in the sector remains so low that the more talented leave journalism altogether. The blogosphere however offers more scope. We are continuing the partnership, but we recognise that there are wider solutions required, and that our limited resources on their own will not make a decisive difference.

Defence

Arms Trade Treaty

Irresponsible arms transfers foment violent conflicts, perpetuate poverty and underdevelopment and contribute to countless violations of human rights and humanitarian law. Yet there is no universally-agreed standard to guide the trade in arms. In 1995, Dr Oscar Arias started work with a group of fellow Nobel Peace Laureates on an International Code of Conduct on Arms Transfers. This evolved into the Arms Trade Treaty initiative, headed by a coalition of NGOs (including Amnesty International, Oxfam and Arias Foundation) and legal experts (such as the Lauterpacht Centre at Cambridge University). A Framework Convention on International Arms Transfers was drafted in 2000 that would be legally-binding on States. It would require States to authorize arms transfers by issuing licenses. NGOs engaged governments, sometimes in separate public campaigns that had similar goals – such as Control Arms campaign and Million Faces, to gain support for international arms trade legislation.

In December 2006, the UK, Australia, Argentina, Costa Rica, Finland, Kenya and Japan introduced a UN Resolution calling for work towards a global Arms Trade Treaty. 153 governments supported the proposal, 24 abstained and one voted against. Since then 100 States have submitted their views on the Treaty to the UN, a record number. The FCO is working with a broad coalition of other governments, NGOs and the UK defence industry to ensure that views are considered in the work leading up to an Arms Trade Treaty agreed and ratified by a great majority of the 192 member states of the UN.

Business Growth and Anti-Corruption Policies in the Defence Sector

The UK aerospace and defence industry is a worldwide leader with a reputation for first-class quality and innovation. However, corruption poses the single biggest threat to that reputation.

In 2006 the Areospace and Defence Industries Association of Europe developed the Common Industries Standard as a benchmark of anti-corruption measures. The (UK) Defence Manufacturers Association and the Society of British Aerospace Companies took the initiative to promote the Standard to UK companies. In partnership with government - UKTI, and a NGO - Transparency International, a 'Tools to Grow Your Business in a Changing Ethical Environment' booklet was designed. This cross-sector partnership worked together to plan and speak at a conference designed to help companies introduce effective anti-corruption policies.

Economic Development

M-PESA

The growth in mobile telephony in developing countries created the potential to deliver new financial services through mobilephone networks. Vodafone and Safaricom, Kenya, with DFID funding, launched M-PESA, a mobile phone-based payment service that targeted customers in Kenya who didn't have bank accounts.

The lack of infrastructure in Kenya in fixed-line telephony and in banking, ensured strong growth of pre-pay mobile telephones and the possibility to use them as a means to transfer money. DFID funding enabled the companies to spend more time on a 'needs assessment' in the product development phase than would have been possible in a normal time-constrained Return on Investment process, brought in expertise in the financial deepening sector and gave the project a high profile. Stakeholders (Kenyan government, NGOs, International Organisations and private sector) have assisted with regulatory buy-in to the M-PESA service.

Massive customer up-take in the project's first year gave an indication of the pent up demand for simple financial transaction services in emerging markets.

Tourism Industry Emergency Response

The 7 and 21 July 2005 terror attacks in London had the potential to deter visitors from travelling to Britain and London, and severely impact the tourism industry. Britain's visitor economy is worth £74 billion and employs 2.1 million people. In 2001 the combined effects of the Foot and Mouth outbreak and the 9/11 terror attack in USA cost the tourism industry more than £3 billion and highlighted the fragmented structure of the industry. To address this, VisitBritain, the national tourism agency, established the Tourism Industry Emergency Response (TIER) group with over 10 industry representatives.

- Following the bombings of 7 July 2005, TIER went into action to:

- Provide accurate, consistent information to reassure and inform visitors

- Promote a clear 'business as usual' message in UK and international media

- Ensure media worldwide and UK Government are given consistent messages from Britain's tourism industry

- Limit speculation as to the possible financial impact of 7 July and provide the authoritive impact assessment

- Leverage opportunities to demonstrate consumer confidence and kickstart recovery.

The greatest measurement of success of this communications campaign was the lack of sensationalist headlines and stories on the impact of the bombings on Britain's visitor economy, very different to the media reaction in 2001. Although there was a downturn in visitors immediately following the bombings, this was short-lived and overall visitor figures for 2005 show a record year.

The TIER campaign effectively brought together in a collaborative arrangement Britain's vast and fragmented tourism industry to communicate with one voice.

UK/China/DRC Collaboration on Social and Environmental Impact Management

Both the UK and China are helping to rebuild the transport infrastructure in the Democratic Republic of Congo (DRC). China is bringing much needed investment in infrastructure. The UK has been working with the Government of DRC and the World Bank to develop a national roads programme.

The shared aim of the collaboration between the UK, China and DRC was to help the Chinese minimise the negative impact of the infrastructure work and maximise the positive, ensuring that the poorest and most vulnerable also benefit from the development process. The DRC Government agreed that:

- UK would support DRC identify the environmental and social standards that they want companies building roads to abide by

- UK would provide expertise to work alongside Chinese engineers doing feasibility studies

The project, still underway at the time of writing, represents a significant opportunity for collaboration between DRC, China and UK to reduce the potentially negative social and environmental impact that opening roads can bring, yet improving the sustainability of economic growth from a better transport infrastructure.

Justice

Criminal justice: Simple, Speedy, Summary

The aim of a collaboration between the judiciary, courts, police, Crown Prosecution Service, probation services and defence solicitors was to bring defendants in magistrates' courts to justice more quickly. By working together more effectively, the collaborators created a simpler system that balanced speed with fairness, while eliminating unnecessary delays and adjournments to cases. An example is grouping together all cases where defendants are likely to plead guilty, so that large numbers of cases can be dealt with in a session.

Figures show a 22% reduction in adjournments to court hearings since 2006/7 and that, on average, cases are being dealt with more quickly.

Community Justice

Through a fresh approach to engagement with the local community, Community Justice aims to make the courts more responsive to local people, and to solve the causes of and problems caused by offending in the local area by working with local agencies and services.

Allowing the new courts the freedom to initiate local solutions to local problems has led to a range of innovative practices. For example, in Middlesborough holding 'unpaid fines sessions' in a community centre in partnership with providers of benefit, welfare and addiction advice to help offenders deal with the causes of their offending. Another court has worked in partnership with the children's charity Barnardos to offer parents attending court support with parenting skills.

Community Payback

Community Payback is a collaboration between the Probation Service, local authorities, mayors and community members to raise the profile of unpaid community work projects carried out by offenders and to give local people the chance to decide what projects the offenders work on.

Probation Service staff invited mayors in their area to sponsor a Community Payback project – one of their own choosing or one already planned which appealed to their communities. They were encouraged to engage local residents by seeking their suggestions through local media or town hall communication channels. Most projects had an environmental theme, bringing back derelict areas into public use.

The scheme has been enthusiastically welcomed by participating mayors. Local communities have benefited from millions of pounds of unpaid work (£6 m in 2007). People can see the projects completed and know that offenders have done something to pay back for their crimes. And unpaid work is seen as a credible sentence for those who have committed public order, assault, theft or driving offences.

Victim Support Plus

Funded by Government, the national charity Victim Support contacts victims of crime by telephone and conducts a structured needs assessment, and then arranges for support services to be delivered to the victim, based on their particular need. Victim Support then provides continued one-to-one contact with the victim to help them through their experience and collate feedback on whether the victim was satisfied with the approach taken and the service provided.

Support can take the form of advice on personal safety, emotional support from a volunteer with specialist training, or practical support such as the installation of new locks on the victim's home.

Building Democracy Innovation Fund

The Building Democracy Innovation Fund is a collaboration between the Ministry of Justice and community organisations to get more people participating in democracy and getting their voices heard.

The Fund offers community organisations grants of up to £15,000 to support initiatives that seek to engage people with their local and wider communities, and involve them in addressing public issues and influencing government policy. The Fund is promoted through a weblog where ideas can be posted and debated, allowing groups to link up and pool ideas and resources.

Winners have included Speakers' Corner Trust, which established a speakers' corner and held a day of debate in Nottingham; and the FixMyStreet website, which allows people to tell their local authority and others about issues like grafitti or inadequate street lighting.

Corporate Alliance for Reducing Re-offending

A national strategy in partnership with the Ministry of Justice, Prison and Probation Services and businesses, to bring together companies which see the value of employing ex-crime offenders and believe that these ex-offenders can provide a solution to business needs. Programmes aim to develop the skills and employment opportunities for ex-offenders and provide them with the possibility of a secure job with the company on successful completion of training and release from prison.

For example Wessex Water have been running a training and employment programme with prisons in the south west of England for three years. The training is run by Wessex Water staff over 12 weeks before the offender is released from prison. The offender has to show commitment to complete the course. A mentor is appointed to help the offender during the course and through the transition into working life. Over three years, Wessex Water has interviewed 40 offenders and based on business need accepted 16 people onto the training programme. All who completed the course were offered employment on release.

Administration of Justice in Mexico

The project took the form of a collaboration between the British Embassy and Mexican central government and state authorities (as well as British Council) to explain how the oral, accusatory system of administration of justice works in the UK, as well as the alternative forms of justice that accompany it.

There is a widespread lack of confidence in the Mexican legal system, resulting in high levels of unreported and unresolved crime and uncertainty for investor and

businesses. In collaborating with the British Council, the British Embassy worked with the Mexican Federal Presidency, the Federal Academy of Penal Science, state governments and judicial authorities to deliver a series of visits, workshops, simulations and training events. The partnerships were particularly successful both because of the high level of engagement by influential Mexican authorities and because the Embassy was able, through the use of multipliers, training the trainer, event and regional conferences to achieve an impact well beyond the immediate audience. Media reporting of project activities was particularly important as, of course was significant funding from FCO.

Once established, the partnerships developed a momentum of their own and led to a range of requests from other potential partners. It was important to keep a broad strategic vision of the project. This formed part of a wider effort to help the Mexicans handle a dysfunctional justice system, reduce impunity and improve legal certainty and security for businesses and investors, as well as to create a firmer basis for Mexico's transition to a fully fledged democracy and emerging economy. It is generally recognized that the Embassy's input played an important role in the adoption by the Mexican congress of a major package of justice reforms in 2008.

Other Partnerships

Programme Partnership Arrangements

A key component in DFID's support to international civil society organizations is Programme Partnership Agreements (PPAs), some £100 million per annum from the £329 million DFID provides to civil society organizations.

PPAs provide unrestricted funding to civil society organizations with which DFID has a significant working relationship, and shares a common ethos/vision and a strong match between DFID and the organization's priorities. The money is not tied to any particular project or programme and can be used to do much of the vital research and capacity development work not provided for by short-term project-specific funding. DFID has 26 PPAs running with both UK and non-UK organizations, as three to six year agreements.

PPAs are seen as more than just funding arrangements. They are viewed as partnerships between the organizations and with DFID, facilitating a better policy dialogue and exchange of ideas/ sharing of information.

The concept has now been extended to Latin America, with DFID making additional resources available to 12 existing PPA partners with programmes in Latin America to deepen and expand their work in that region.

Common Purpose/PwC Leadership Programme

PricewaterhouseCoopers (PwC), the international accountancy firm, and Common Purpose, a not-for-profit leadership development organization, collaborated to evelop a leadership programme for the UK Partners of PwC.

PwC already has a strong reputation for developing its people, in the same way that Common Purpose has in the leadership development and experiential learning fields. However, despite the potential 'good fit' between the two organisations, it took 18 months to agree to work together.

The condition that made this work was the genuine confidence in one another's expertise and an appetite to learn from one another, as each organization had different skills, competencies and knowledge to bring to the collaboration. They agreed joint responsibility, so that there was no blame for things that didn't work, instead creating ground rules about truthful feedback and keeping information flowing between the two organizations. With a shared goal guiding both organizations: participants on the programme should have a powerful and transformational experience.

The collaboration is now well developed, with continued learning a joint responsibility.

FCO/DFID Sudan Unit

When it was set up in 2002, the FCO/DFID Sudan Unit was regarded as an innovative Government structure. As well as the two lead Government departments, it secured good buy-in from MoD and agencies of government. The Unit increased the scope for and effectiveness of its outreach to parliamentarians, NGOs and churches, almost all of whom started as hostile to the Government's Sudan policy but wound up as supporters and partners. The Unit also drew on the expertise of outsiders for short-term assignments as well as less conventional contacts with key foreign influencers on Sudan issues.

Lisbon Treaty Ratification

Throughout ratification of the Lisbon Treaty, the FCO worked closely with a number of stakeholders to strengthen parliamentary support for the treaty. The aim was to generate supportive information for Members of Parliament (MPs) and press articles from trusted and credible organizations. In return, the FCO briefed organizations on the Treaty and regularly updated them on the parliamentary process.

Civil Society umbrella groups, aid/development NGOs, voluntary organizations, the Green Alliance and children's charities briefed MPs on how they would benefit from the Treaty. This was welcomed by MPs.

FCO worked to secure public backing for the Treaty from business too. A Global Europe event in January 2008 attended by the Prime Minister, Foreign Secretary and leading business figures attracted positive media coverage. FCO also worked with Business for New Europe, a pro-EU business group who lobbied MPs and issued supportive press articles, and Think Tanks like the Centre for European Reform.

Appendix: FCO Survey of Heads of Mission on collaborative partnerships

Fourteen Heads of Mission, the sample having a global spread and covering large to small missions, completed a survey on their Post's role in collaborative partnerships.

The results show that all Posts are actively participating in networks of government, business and NGOs, publicly advocating for closer engagement and actually themselves engaging in partnership with these sectors. All were sponsoring partnerships, although not quite as frequently as their engagement and participation. Fewer were entering into large-scale multi-year support to partnerships.

All Heads of Mission were actively encouraging staff to work together with the host government, business and NGOs and themselves participating in the partnerships. Many were often or sometimes initiating the partnership, and they were being seen as a leader of local partnerships. Fewer recorded their involvement in partnerships in internal reporting.

Partnerships were most often entered into on the FCO goal of promoting a low carbon, high growth, global economy. The next most popular goal for partnerships was preventing and resolving conflict. Third was the goal of countering terrorism and weapons proliferation, closely followed by developing effective international institutions. Nearly half of the respondents rarely or never entered into partnerships to counter terrorism, closely followed by effective international institutions.

The answers to the questions:

How does your Post work together with combinations of the host government, business, NGOs or local communities?

Actively participate in networks of such organisations - 5 said 'always', 8 said 'often' 1 said 'sometimes', nil 'rarely' or 'never'.

Publicly advocate for closer engagement between government, business, NGOs - 5 said 'always' (and not the same five as the previous question), 8 said 'often', 1 said 'sometimes', nil 'rarely' or 'never'.

Engage in partnership with government, business and/or NGOs on initiatives in the host country - 4 said 'always', 9 said 'often', 1 said 'sometimes', nil 'rarely' or 'never'.

Sponsor partnerships between government, business and/or NGOs on initiatives in the host country - 2 said 'always', 7 said 'often', 5 said 'sometimes', nil 'rarely' or 'never'.

Make large-scale multi-year commitments of support to initiatives in the host country 2 said 'always', 3 said 'often', 3 said 'sometimes', 4 said 'rarely' and 2 'never'.

What is the role of your Head of Mission when your Post works together with the host government, business and/or NGOs?

Head of Mission's commitment to working with the host government, business and NGOs is recorded in internal reporting - 4 said 'always', 7 said 'often', 2 said 'sometimes', 1 said 'rarely'.

Head of Mission encourages staff to work together with government, business and/or NGOs - 12 said 'always', 2 said 'often', nil 'sometimes', 'rarely' or 'never'.

Head of Mission participates in these partnership initiatives - 5 said 'always', 9 said 'often', nil 'sometimes', 'rarely' or 'never'.

Head of Mission initiates the partnership with the host government, business and/or NGO - 2 said 'always', 5 said 'often', 7 said 'sometimes', nil 'rarely' or 'never'.

Head of Mission is seen in the host country as a leader of local partnership working to tackle a global issue - 3 said 'always', 7 said 'often', 4 said 'sometimes', nil 'rarely' or 'never'.

For your Post, have you worked together in partnership with the host government, business and/or NGOs to support the FCO goal of counter terrorism, weapons proliferation and their causes?

2 said 'always', 4 said 'often', 2 said 'sometimes', 4 said 'rarely' and 2 said 'never'.
For your Post, have you worked together in partnership with the host government, business and/or NGOs to support the FCO goal of preventing and resolving conflict?

1 said 'always', 6 said 'often', 4 said 'sometimes', 3 said 'rarely', nil 'never'.

For your Post, have you worked together in partnership with the host government, business and/or NGOs to support the FCO goal of promoting a low carbon, high growth, global economy?

5 said 'always', 4 said 'often', 4 said 'sometimes', nil said 'rarely' and 1 'never'.

For your Post, have you worked together in partnership with the host government, business and/or NGOs to support the FCO goal of developing effective international institutions, above all the UN and EU?

Nil said 'always', 6 said 'often', 3 said 'sometimes', 4 said 'rarely', 1 'never'.

Appendix: Risk and Regulation Reference Material

In the professional research world, science is continuing to broaden our understanding of some related aspects of human co-operation and the regulation of behaviour. With this in mind, Roger Miles of the King's Centre for Risk Management has compiled a brief review of some topical positions and debates among academic analysts of risk management, behavioural and political science.

We apologise to any citees mentioned who might object that the brief format of this precis traduces their work.

Core proposition / findings	Exponents	Research fields
People's responses to rules (and to hazardous situations) can seem perverse. This may be because responses are informed by **risk perception**, which incorporates simple cognition of facts as they appear but also more complex cognitions, notably including "heuristics" (the short-cuts our brains use to make sense of complex new data). Subsequent actions may flow from **rational** response (what seems most logical) and/or from **affect** (what feels best to do at that moment).	1, 2	A, B
We now live in a "**risk society**" in which individuals assemble their own view of which risks are acceptable, based on private experience, perception and affect. Personal views may be held to be true whether or not objective evidence supports their validity (i.e. "because I say so"). Adamantly held views based on misapprehensions are a typical outcome when public risk perception has **amplified** by, for example, lurid media coverage.	3, 30	A,C
Organisational cultures: The way a structured group of people behaves rather depends upon members' various motives: Members joining the group from different points of origin will have different views of what worthwhile work actually is. Public-sector ("unitary") types look for shared interests and objectives, harmony and loyalty; commercial ("plurealist") types are more driven by local allegiances, creative conflict and the urge for change.	4, 5, 6	D,E

Core proposition / findings	Exponents	Research fields
Closely co-operating groups, especially of senior professionals, are prone to various delusional and deviant behaviours, the most commonly noted being: **group think**, whereby members want to self-comfort by supporting other group members' (possibly ill-conceived) efforts; and **normalisation of deviancy**, where the group decides that certain external rules "needn't apply to us", typically because "we know better".	7, 8	D,E
In the event of crisis, highly organised groups of people, in attempting to **make sense** of rules which offer no specific help, may respond in deviant and even self-destructive ways.	9	D,E, J
Deviant behaviour is only defined as such by other people's response to it. Communities tend to forgive "unethical" behaviour as long as some greater communal good is perceived (e.g. pop stars are "allowed" to take drugs; bankers are "allowed" to exceed their trading limits as long as they make a profit).	10	F
The creation of rule-books, and reporting compliance with the rules, are **expressive or performative** activities (i.e. done for effect more than for outcome), in which government, regulatory agencies and regulated communities knowingly adopt gaming strategies. All three sides have an interest in maintaining the regulated system in an apparent equilibrium. To do so requires an absence of embarrassing failures of control – which may sometimes encourage deliberate overlooking of suspected failings by any or all three parties. "**Fantasy documents**": Many public reports, regulations, and crisis-response plans are the "rhetorical" product of a need to demonstrate that "something is being done". The function of these artifacts is more expressive than instrumental.	11, 12, 13, 23, 24	E, G, I, J
Instrumental conditioning: Where a regulated worker breaks a rule and is perceives neither punishment nor harm following this behaviour, this experience encourages them to go on breaking rules in general.	14	E, G

Core proposition / findings	Exponents	Research fields
Obedience: Most ordinary people are content to carry out perverse instructions for as long as they are unwilling to question the authority of the person giving them – or as long as they perceive that that person has authority.	15, 16	H
Formal and informal organisations: When setting up any collaboration or system of control, one should be aware that the formal ("organogram version") of organisation is not a reliable guide to "whose word really counts there". A formal (published) guide to the organisation's structure is of no value as a predictor of how it will respond to any initative you might be about to impose there. Informal organisations (loose, self-organising groups of like-minded individuals) carry the true power to support or frustrate most initatives.	17	E
Enforced self-regulation may be the most effective strategy for controlling complex industries, because regulators will always lack the audit resource to exert full direct control.	18, 19, 20	C,I
Compliance is – far more than is recognised – not a matter of simple obedience v. disobedience. Between the extremes of "highly conformist" and "deviant / fraudster" is a subtle range of responses to attempts at control. Midrange responses include: - legitimate **coping** (e.g. auditors allow for a "materiality" factor which allows them to ignore minor errors) - "**situational morality**" ("we ignored the rules because we were busy managing a crisis") - opportunist **gaming** ("we can meet this performance target if we just change the definition of what it's measuring") - **strategic ignorance** (see below)	12, 21, 22, 25	E, G, J

Core proposition / findings	Exponents	Research fields
Designers of regulatory policy may cynically incorporate "air gaps" which enable deniability in the event of crisis. By adopting this approach, **agnotism** (designing-in "ignorant spaces"), policymakers can insure against the reputational fall-out following systemic failures. Prearranged structural gaps in control allow for junior functionaries to be punished and/or removed while insulating strategic managers from blame. It could be argued (though I wouldn't) that the FSA's non-regulation of bank liquidity was just such a gap.	25, 26	G
Newtonian optimism: A long-term systemic weakness of regulatory policy. Much regulation is prepared in a naïve spirit of optimism anticipating a high degree of "spontaneous compliance". This relies upon the fallacy that regulation is like a lever acting directly to modify the behaviour of the regulated group. In reality, compliance is a much more complex, multi-headed beast; whilst the drafting of regulation rarely appears to reflects any knowledge of the science of behavioural response	27	D,E,J
Regulatory **capture**: Where government, state agencies and commerce co-operate to produce rules or guidance on acceptable risk, there is a systemic hazard: Powerful commercial interests may form associations which dictate the rules on terms preferential to themselves (invoking arguments about the importance of enterprise, employment, tax revenues, etc.) It is not hard to spot the relevance of this to any commercially powerful interest.	18, 19	G,I
Inflexible regulation based on the setting of fixed numerical targets is An unsound mechanism for driving behavioural change. **Regulatory unreasonableness** is likely to encourage perverse consequences such as gaming responses, which render the original target measure meaningless (and invite public ridicule). More generally, over-zealous and/or inflexibly applied regulation invariably provokes dissent. This may take various forms ranging from outright rebellion, through falsified reporting, to tacit subversion.	19,20,21	E,G,J

Core proposition / findings	Exponents	Research field
Public administrations which address regulated groups in a "**Parent-to-child**" manner merely encourage these groups to self-exclude from regulatory controls.	28,29	F,J,K

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Key: Research fields
A   Risk perception
B   Decision science
C   Social science
D   Organisational behaviour, psychology
E   Management science
F   Criminal psychology
G   Regulatory theory
H   Experimental psychology
I   Law
J   Political science
K   Social psychology

Appendix: **Naked Generations**
Collaborative Partnerships – Sourcing wisdom through online environments

Audience

This document has been written as a specific contribution to the Foreign and Commonwealth Office report exploring Collaboration between Business, Government and NGOs[1]. It will be read by collaborating government departments and businesses.

[1] NGOs – Non Governmental Organizations

Brief

The British Foreign and Commonwealth Office (a part of the British Government) sent Naked Generations the following brief:

- How can we best to engage with the younger generation

- How should organizations adapt to better connect with their own employees and publics.

- How can we use collaboration as a tool for moving from hierarchy based to team, service and network based organizations

- Use a combination of concept, and practical evidence.

Key Terms defined

Baby Boomer – the generation born between 1946 and 1964
Builders – the generation born between 1925 and 1945
Generation X – the generation born between 1965 and 1978
Generation Y – the generation born between 1979 and 1995

Structure

The structure of the document is divided into three parts, addressing each of the three topic areas requested in logical order: (1) Engaging with the younger generation; (2) How organizations generally can adapt to better connect with their

2 Pricewaterhouse-
Coopers 11th Annual
Global CEO survey
2008 – source:
www.pwc.com

3 'MMORPGs' –
Massively Multiplayer
Online Role-Playing
Games is a genre of
computer role-playing
games (CRPGs) in
which a large number
of players interact
with one another in
a virtual world.

own employees and publics; (3) How collaboration can be employed as a tool for moving from hierarchy to team, service and network-based organizations.

The document concludes with a summary and five challenges to organisations and leaders of business and government.

Preface

Why is collaboration important? In a recent study (PwC Annual Global CEO survey 2007[2]) of Global CEOs by PricewaterhouseCoopers, 87% of them responded that the 'Ability to Collaborate' was top of their agenda – 'Creativity and Innovativeness' was a close second (85%). By participating in a global report about collaboration, Naked Generations shows its commitment to understanding the need for collaboration in next-generation leadership companies. The ability to create effective networks of human capital that trust each other and are willing to co-create is a fundamental operating behaviour we see in MMORPGs[3] and will be a defining core skill of next-generation leaders. Companies that know this have long since created Alumni networks that will keep create networks of past and present employees (e.g. KPMG, Goldman Sachs, IBM).

How best to engage with the Y(ounger) Generation

Ask, don't tell. This might sound counterintuitive and to most of the Baby Boomer generation it is. However, if companies and Governments are seriously going to engage with Generation Y (born 1979-1995) it is, initially at least, by seeking their opinion. Why has this necessity come about? Generation Y has been stimulated from birth with a parenting system that has sought to affirm them and tell them that they are valuable and loved. When they are 'told' they will themselves be denying the very essence of their upbringing and parenting. Diametrically opposing this is the 'traditional' command and control forms of authority and management – led by power, influence and force. Stephen Covey in the

'8th Habit' says that we are moving to a 'Knowledge Worker Economy' and that this new economy is driven by 'Empowerment' and 'Release' (Covey: 2004)[4] .

Expect push-back. Generation Y are groomed by school and university education to find fault or a better way to do what you told them to do. Generation Y has been brought up, in the UK especially, under an education system that has shifted for late Generation X-ers and all of Generation Y. Since the publication of the Plowden report (1967)[5], in which emphasis was placed on the elements of self-discovery and critical analysis, education has shifted from the teacher-centric ('telling truths') to pupil-centric models ('discourse and debate'), according to Nick Pollard (Pollard: 2006)[6]. School essays are no longer, 'tell me everything you know about x', they are: 'author X makes this contention, what do you think?' and the essay will be spent giving a critical analysis of the author's view, backed up by sources. This is also a sign of the philosophical times in which Generations grow up. At the start of the century 'Builders' (born 1925-1945) were guided by Modernism – the aim: to use the collective body of people present or available, to find answers for the collective, in order that the greater good of a nation state or company might be realised. This philosophy has shaped much of the Baby Boomer (born 1946 – 1964) expectations and cultural environments of Government and Business today. Today we live in (arguably, a post-) post [sic] modernistic society. This philosophy assumes that everyone has a truth and none is greater than the other, or truer. This is intensely frustrating. Furthermore the commercial and political imperatives stare citizens and employees of nations and companies (respectively, or both,) in the face. We must find new truths. Realising the joint challenge and opportunity that is before us, as leaders, we must actively be asking this Generation Y to find new answers and concrete routes forward, and not just to criticise.

This generation is growing up using 'mash-up' leadership structures (fast assimilation of teams, in order to achieve a goal and then dissolving the structure and joining with

4 Covey, S., (2004)
The 8th Habit: From
Effectiveness to
Greatness Free Press:
New York

5 Plowden, B., (1967)
'The Plowden Report',
London: HM
Stationary Office

6 Pollard, N. (2006)
Teenagers: Why do
they do that?, Milton
Keynes: Damaris
Books

[7]Lomas, C., (2008) 'Shifting Environments' www. nakedgenerations. com/blog

others to form new teams). They are stimulated through goal-oriented objectives, where they receive 'immediate compensation for successful completion of a project' (Reeves, Malone and O'Driscoll: 2008). From our research, PricewaterhouseCoopers are particularly good at employing these tactics in their approach to strategy project work. The increase in the uses for, and speed of, Technology has inevitably been a major factor in driving a shift towards a culture of immediacy and heightened expectations. These are the 'Generation Y'-ers that are coming into global businesses around the world that are being asked to operate under old paradigms. In these situations there can be a distinct mismatch between expectations and reality (Lomas: 2008)[7] .

In order to meet the same objectives but with different means: provide the brief and set the challenge, within relatively tight timescales, for the Generation Y to return to its leadership team with recommendations – this will give them a heightened sense of ownership. In itself this is not enough, however. If this information is never used the enthusiasm will wane and the Gen Y-er will lose interest and respect. This can be extremely detrimental to an organisation or government. Especially since Generation Y are particularly skilled in the art of online communication – and we intuitively know that the combined effect of 'speed' and 'scale of influence', provided through the medium of the internet, has given this generation an immensely powerful tool to collaborate information resultant in the creation of virtual 'opinion share-prices'. Generation Y are interested in the challenge of sifting and producing the content, but also in understanding how they make a contribution to the greater 'whole' (or Context). They need purpose. For clarity, this doesn't always relate to providing some greater good effect through CSR schemes, or trips to help 'the disadvantaged'. In some cases this draws in the more socially conscious, but on the whole this generation is as interested in capitalism, socialism, liberalism and the environment, as the ones before – it's just that

organisations that were previously seen as limited in financial resources (the charities, NGO's and other relief worker organisations) now also have access to the free medium of publication – the web – allowing them to create greater awareness.

How do organisations need to adapt to connect better with employees and publics?

Having said all of the above specifically about the differences between the generation in management positions today and the younger generation in business and government, what are some of the *opportunities* that are presented by new technologies and environments present for collaboration between government, business and NGO's? Specifically, how should (or rather, could) organisations adapt to better connect with their own employees and publics?

It is worth prefacing all of the following with a simple statement: Baby Boomer and Builder generations will naturally be 'Digital Immigrants' (those that have adapted to many of these new technologies during the course of their lifetime) and X & Y Generations are 'Digital Natives' – that is to say, they have grown up with technology around them, and already use many of these tools as a 'given'.

There is a trend for the most technologically advanced businesses and governments to employ collaborative and *User-Generated Content (UGC) mediums* that encourage 'participation' (e.g. Lego ID[8], and Ask the PM[9]) to raise and solve topical issues.

Technology and the WWW[10] together have offered an opportunity to create, share, and discuss vast reams of, previously only physically published, paper documents in a format that Next Generation Producers, Leaders and Collaborators will understand and warm to.

[8]http://messageboards. lego.com/en-US/show postaspx?PostID= 1000602147

[9]http://www.number 10.gov.uk/ communicate/ask-the-pm

[10]'WWW' – World Wide Web

[11]http://www.
youtube.
com

[12]http://.wikipedia.org
[13]EMarketer, "User
Generated Content:
Will Web 2.0 Pay its
Way?" June 2007

There is much evidence to suggest that 'Co-creation' and UGC is vastly popular amongst Generation Y (evidenced in YouTube[11]; MySpace; Facebook; and Wikipedia[12]). These sites are not only popular they are also creating a valuable revenue stream for themselves from advertisers: In 2006, UGC sites attracted 69 million users in the United States alone, and in 2007 generated $1 billion in advertising revenue. By 2011, UGC sites are projected to attract 101 million users in the U.S. and earn $4.3 billion in advertising revenues[13] .

Going beyond the phenomenon of individuals being able to create and discuss, and into the value to government and business, the conversation must turn to 'usability'. Functionally, the vast creation of content has inevitably led to scepticism about its value – if *anyone* can create.

Collaboration should be differentiated from 'Blogging' or 'Casting' *per-se*, although they may take these forms. Governments and Businesses that seek collaboration must provide a focused context or subject matter around which to base the discussion. 'Noise' is an unwanted bi-product of any form of unfocussed collaboration – which will not yield the desired results if the outcome is more than pure thoughts or opinions. Secure environments in which to collaborate will further limit noise (but also breadth of contributions). Naturally, the quality of the people asked to contribute will determine the output too. Finally, in the 'Long Tail' of the organisation of ideas through online means, there will still be a trade off between getting the majority of ideas down quickly, whilst perhaps missing the brilliance of 'the one' that is muddled in the middle of the noise.

Practically this can be achieved in three ways: 'Peer-peer' collaboration assumes the form of smaller groups of individuals, which lead to defined answers or definitions of issues and are where the process or outcome may be shared through closed wiki's (which may eventually be shared); 'Crowd Sourcing' in which companies take a problem to

a group of individuals and leave them to come up with the answer through the combined wisdom – in this model there is sufficient incentive in the kudos of solving the problem for the individual to participate. Where the end result is displayed or used by the public the thirst is for the 'identity' of being the products creator. This takes the traditional role of members of a product team in an organisation and outsources it to the general public; 'Crowd Casting' is the third way where collaboration assumes that the consumer is often the best inventor. Say, Seely-Brown and Hagel: *'Rather than treating producers as passive consumers whose needs can be anticipated and shaped by centralized decision makers, pull models treat people as* networked creators even when they actually are customers *purchasing goods and services. Pull platforms harness their participants' passion, commitment, and desire to learn, thereby creating communities that can improvise and innovate rapidly*[14]'. These audiences are often stimulated by prize money or a share of the revenue from the product.

Companies such as Amazon and Google have also made significant head-way into the issue of mass UGC creation and have stated their ambition to '*Organise the World's information*[15]'. If this seems bold, you should know it goes way beyond the 'online'. They are doing this using 'rating' systems and filters. Amazon.com[16] is a particularly good example. Amazon.com will recommend books that are 'most read' or 'most purchased' by others who also read or purchased whatever you are reading or buying. This requires collaboration through rating and recommendation. It also enhances the opportunity for 'narrow-casting' – the ability to target a specific group of online viewers/ collaborators for product sales, or indeed for requesting insights, opinions or innovations. It is immensely valuable information that most would expect to pay people for, but these organisations are able to get it for free. Put (too) simply: people enjoy giving their opinion.

[14]Seely-Brown and
Hagel,. "From push
to pull: The next
frontier of
innovation"
(McKinsey Quarterly)
2005, #3

[15]Economist (2008):
Google's vision is to
'organise the world's
information' http://
www.economist.com/
books/displaystory.cfm
?story_ id=12253015&
fsrc=rss

[16]http://www.amazon.
com

[17]http://www.pres.
investorrelations.
lloydstsb.com/
seminars/
announcement/
webcast.asp

[18]Moore, G., 2002.
Crossing the Chasm.
HarperCollins: London

[19]Surowiecki, J.,
(2004) 'The Wisdom
of Crowds: Why the
Many Are Smarter
Than the Few and
How Collective
Wisdom Shapes
Business, Economies,
Societies and Nations'.
Anchor: Canada.

What does all this mean for business, NGOs and government? They are able to get Collaboration in many cases for free (or certainly less than FTE product teams)! Furthermore, in this triangle of organisations, internal conversations can be established on wiki's blogs and through video-and pod-casts in a way that will engage the y(ounger) demographic to participate – because it is intuitive to use these means to them anyway. Getting value from this content is dependent on both focussed objectives, and rating systems that will filter highly rated products or conversations to the fore.

Are people able to comment with as much insight as those at 'the centre'? Increasingly so. Board room conversations and political announcements that were previously the reserve of the few, are now public. BBC parliament is streamed to the world and is accessible through online mediums. Corporate takeover conversations and strategies are publicised on video casts (e.g. Lloyds TSB acquisition of HBOS[17]). This all points to a more 'transparent' and 'honest' future, in which organisations do collaboration.

For many this sharing of information and needs beyond the walls of corporate offices will be a 'disruptive and discontinuous behaviour' (Moore: 2002)[18], making it counterintuitive to adopt. Therefore, by using those within the younger demographic to implement these strategies, not only will it build a lasting culture within the business, but it will also be owned. That is not to say that older generations cannot or should not strive to adopt these practices – rather, some 'reverse' mentoring up the traditional hierarchical chain may need to occur, which will add confidence and trust about these systems. This challenge will engage Generation Y.

Moving from hierarchical to team based and network organisations.

Following the 'Wisdom of crowds' (Surowiecki: 2004[19]) in which Surowiekci describes how groups of people can form

[20]https://docs.google.
com

networks of trust without a central organising system controlling their behaviour or directly enforcing their compliance, more and more organisations are following this trend and using freeware provided by Corporations such as Google (Google Docs site[20]) in order to achieve the ends described above. Custom made applications can be costly in start-up and 'beta' phases. Proving the principles of collaboration for free in the online can be a good motivator for change.

To provide an example, in 2008 our own organisation (Naked Generations) started up a Google Intranet online. Registering was very simple, and free. Within minutes we had uploaded our own logos and branding on to the site and created a number of folders we could start to populate. Immediately we were moving folders and documents that were taking up space on our hard drives on to the Google servers. Not only were we freeing up space, but by moving our documents in to a collaborative, wiki-style, environment we ensured that everyone had access to the latest versions of client files.

We operate a 'networked organisation' (meaning we work remotely more often than we operate from a centralised location) and everyone is able to contribute through the intranet to client work and in gathering intelligence. Partners in the business all have their own blog and can publish and search content at any time, 24 hours a day.

We were able to create permission and access levels for clients too, so they can see parts, but not all the information we publish, keeping 'Chinese walls' for confidential or sensitive information. This enforces the view that everyone has a contribution to make towards projects and we operate a very linear reporting structure to project work. Like in online worlds and video games, different leaders will take charge for different challenges in the organisational challenges – the 'CEO' isn't always the one in charge! Projects are run according to expertise not titles.

Conclusions: Five trends to watch

What are the challenges and opportunities for Governments, Businesses and NGOs in online collaborative worlds?

Knowledge Transfer is of paramount importance to organisations today. We are on the edge of an unprecedented mass 'crew-change' as Baby Boomers retire and Generation X and Y are filling their shoes. There is a plethora of wisdom contained in the retiring generations. Organisations at all levels will be left embarrassed and ill-informed in the future if they do not capture this intelligence over the months and years to come. By creating cultural values that encourage online collaboration, more data will be captured to ensure wisdom (defined as 'Knowledge + Experience') is shared and that businesses see revenue succession.

The future is more honest: Content sharing, access to information and a desire to collaborate will lead to blurred boundaries between public and private information, this has implications for businesses on two levels. First in reputation: 'virtual opinion share prices' drive very real economic share values (as we have seen evidenced in the BBC Business Editor, Robert Peston's, announcement of the British Banks seeking financial support from the government in the downturn of 2008); second in knowledge ownership – a currency for online content is required. Seeing return on investment from published content and tracking where information has come from will increase the incentive for online collaboration.

There is a risk that nothing gets done. By increasing collaboration organisations involve more individuals than would most likely have been previously. Time scales must be tight and clearly communicated – thus encouraging high levels of activity in smaller spaces of time.

Ultimately, collaboration reduces cost on three levels: First, by using individuals to collaborate internally it is possible to see benefits in operating freeware systems that reduce the time it takes to transfer information, and to which everyone has the ability to contribute; Second, by collaborating with those external to the organisation business and government can encourage consumers/ citizens to have a real influence on innovation of policy and product, that doesn't require internal product teams; third, innovation and contributions to these projects are generally made outside of '9-5' – that is to say, non-chargeable. A '24/7' global workforce exists driven by kudos.

Finally, a cultural issue. Business and government ought to recognise that as with all new behaviours, current leaders may be resistant to change. 'Big Business', appropriately, recognises that mistakes are costly and virtual worlds are not tools that come naturally to most senior leaders today. In virtual worlds (such as 'Second Life') and in MMOPRGs the Next Generation of leaders has adopted a different model of gathering information and testing ideas. They are able to experiment and create in a way not previously possible: virtually, and for free – thus they aren't bound by the 9-5 timescale, but when they feel creative (even in the middle of the night); and there is no cost, so it is very accessible. Their appetite for experimentation is greater too. 'Online' users are able to create avatars to protect their real identity and in most cases these environments are 'non-critical', as you can 're-start' a game. And yet, these skills and abilities they learn are valuable and useful in the real world too (if indeed there is still a boundary). Harnessing an ability to use online networks to naturally crowdsource or crowdcast is invaluable to a government or business wanting to do market research, for example.

Paul C. Edwards Professor of Communication at Stanford University, Byron Reeves, commented in an IBM case study, that nearly 50% of 'managers with experience in multiplayer online games said that being a game leader had improved their real-world leadership capabilities', and Naked

Generations has commented before, elsewhere: 'If I have the ability to lead a group Online, in 'Second Life' or Grand Theft Auto, to discover, conquer and grow virtual economies, to get products designed and made, and to achieve goals faster than my competitors, then I may just have the right skills needed to pursue a career in any industry offline too – searching for rare resources, get places faster and smarter than my competitors, using the skills of making rapid decisions with imperfect information, convincing others, and ultimately winning!

In closing, about implementation: these technologies in themselves don't call for a top-down approach. It is much more likely to work at grass-roots levels. Using digital natives to implement and drive these strategies will be the difference between success and failure – it will create ownership, and in successful implementation situations 'Identity' too – which is what this Y(ounger) Generation is motivated by.

Appendix: **Group relations**

Group relations is a method of study and training in the way people perform their roles in the groups and systems to which they belong. Therefore an understanding of group relations theory can help us understand the dynamics that influence the behaviour and performance of individuals and organizations, and the multiple parties to any collaboration. These insights can help us become more effective leaders and builders of collaborations, because they help us analyse factors that can have a big impact on success or failure.

The basis of group relations theory is that groups move in and out of focusing on their task and a number of different defensive positions based on unarticulated group phantasy.

To summarise the main research very briefly, Bion (1961) found that groups operate on two levels - the work level where concern is for completing the task, and the unconscious level where group members act as if they had made assumptions about the purpose of the group which may be different from its conscious level – the basic assumption group's primary task is to ease members' anxieties and avoid the painful emotions that further work or the end of the group situation might bring. Bion identified three types of basic assumption: dependency, pairing, and fight-flight. Turquet (1974) added oneness – where members of the group seek a feeling of unity from their inclusion in the group, and/or the group commits itself to a cause outside the group as a way of survival.

Group relations training consists of experiential events, because the most powerful way of learning about it is to experience it oneself. In his paper "Mirror, mirror on the wall", Phil Swann, until recently Director, Tavistock Institute, shares one example: "The consultant explained that the purpose of the exercise was to learn about inter-group dynamics. He said that five rooms were available for the event, four of which had a consultant present. He then left the room.

We assumed that we had to split into five groups, one of which would not have access to a consultant. We discussed how we could divide ourselves up for nearly 40 minutes. A variety of suggestions were floated, discussed and either rejected or put to one side. Then one member, a tall male, said that he was bored and frustrated. He was going to go to room one and anyone who wanted to join him was welcome to do so. At that point there was literally a stampede out of the room. A number of people were physically jostled as most of the participants rushed to get out. The switch from rational debate to an irrational rush for the door, the stampede, took seconds."

In organizational life, and collaborations, the switch from the rational to the irrational, knee-jerk shifts to new positions, and ill-judged rushes to action, can be seen all too often. An understanding of group relations can help us to step back and make better, more rational decisions, which help our collaborations achieve more than may otherwise be the case.

Lucian J. Hudson

Lucian Hudson innovates and implements important initiatives. He is a senior communications and change director with experience of working in government, broadcasting and commercial sectors, and chairs a collaborative strategies network bringing together leaders and advisers in private, public and voluntary sectors.

Now back at the Ministry of Justice providing strategic consultancy, he is implementing the findings of the report that he produced for the FCO on what makes for effective partnership and collaboration, especially between governments, business and non-government organisations (NGOs). He has worked closely with ambassadors in 25 countries, and involved more than 120 organizations globally, including 20 governments, and 10 international institutions, including UN, EU, NATO and the Global Fund to Fight AIDS, Tuberculosis and Malaria.

From September 2006 until June 2008, Lucian was the FCO Director of Communication. He led for the first time in the FCO's history a single communication directorate, and a global network of 200 communicators. This drew together strategic communication, public diplomacy, media, internal communication and stakeholder engagement. He led the first change programme to mainstream communication across the FCO, overseeing a £20 million programme to upgrade FCO websites.

Previously, Lucian led the UK government's Media Emergency Forum, and co-chaired a Cabinet Office working group involving government departments, emergency services and media representatives to agree and implement new rules of engagement after 9/11. He was the chief communications adviser to the government's Risk Group, and oversaw implementation of the Freedom of Information Act across government communications.

Between 2004 and 2006, he was Director of Communications, DCA (now Ministry of Justice), a member of the National Criminal Justice Board, chaired the department's crisis management team and led its sustainable development strategy. Between 2001 and 2004, he was Director of Communications and Chief Knowledge Officer at the Department for Environment Food and Rural Affairs (DEFRA). Lucian was seconded to the Ministry of Agriculture, Forestry and Fisheries (MAFF) to run media operations at the height of the foot and mouth crisis in 2001 from his post as the government's first Director of e-Communications, also known as "Webmaster-General"! He launched the UK government's first web portal, and established the first UK online marketing strategy.

Before joining the Civil Service, he was editorial director of a dot.com following a 16-year career with the BBC and ITV, as a television executive, programme editor and producer. Lucian's BBC career included: Head of Programming for International Channels, Chief Editorial Adviser at BBC Worldwide, and Editor of BBC World's Newsdesk and Newshour programmes. He had responsibility for more than 70 live events and breaking news programmes, including production of the first six hours of coverage of the death of Diana, Princess of Wales. Lucian was on the BBC's Nine O'Clock News for five years, first as producer, then as senior producer, specialising in economics, politics and social affairs. He planned and supervised 50 royal obituary and emergency exercises.

For seven years, Lucian led two not-for-profit organizations, the Tavistock Institute of Human Relations, and the Rory Peck Trust. He is an Officer of Liberal Judaism, and facilitates for the Institute of Directors and other professional bodies.