

# The Manager

MANAGEMENT STRATEGIES FOR IMPROVING HEALTH AND FAMILY PLANNING SERVICES

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## Case Scenario

*The Apumanchac District Health Partnership Assesses its Progress*

## Forming Partnerships to Improve Public Health

### Editors' Note

Partnerships between two or more organizations can be effective vehicles for achieving important public health goals. These goals might include reducing infant and maternal mortality and morbidity, increasing the use of modern family planning methods, improving access to primary health care for underserved groups, combating the HIV/AIDS epidemic, reducing teen pregnancy and alcohol and drug use, and providing cost-effective, high-quality, sustainable health services.

While there are many noteworthy partnerships among different government organizations at the national, state, regional, or local levels, the focus of this issue of *The Manager* is on public-private partnerships. The issue defines public-private partnerships, lists potential partners at different administrative levels, reviews the factors behind the growth in partnerships, looks at some of the benefits and challenges of partnerships, and offers thoughts on preparing for and implementing them. It also describes the steps involved in developing a contractual relationship and provides examples of several successful partnerships.

—The Editors

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# Understanding the Importance of Partnerships for Health

In some countries, the public sector, private nonprofit, and private for-profit health sectors have co-existed for decades, while in others the development of some of these sectors is more recent. The fact that these sectors co-exist does not necessarily mean, however, that they communicate or that they work in partnership. Establishing good communications between sectors and organizations is the first step in developing a partnership.

Today, managers are increasingly forming partnerships with other organizations to improve the public's understanding of health problems and risks, increase access to health services, improve the quality of services, and, ultimately, improve the health status of both individuals and populations. Catalysts for this change include:

- political and economic reforms, including health sector reform;
- reduced funding for health from both governments and donors;
- the rapid growth of nongovernmental organizations (NGOs) working in the health sector;
- the magnitude of health and social problems faced by communities in many countries, which requires that different organizations work together to find solutions and provide services;
- the recognition that partnerships can be effective vehicles for achieving important public health goals;
- the increasing awareness that an inter-sectoral partnership can be an economical way to deliver health services.

Many managers feel that forming partnerships is a strategic imperative in an increasingly globalized health and development community.

In many countries, political and economic changes have created an environment that supports the growth of the nongovernmental sector, resulting in an increasing number of public-private partnerships. For instance, Mozambique, whose 1990 constitution called for a free-market economy, has a growing number of private-sector organizations working in health alongside the publicly financed health delivery system. Romania has new nongovernmental and private for-profit organizations delivering health and family planning services, since the adoption of the new constitution in 1991. Bangladesh has many active NGOs working alongside or in collaboration with the national government and private for-profit providers.

The substantial growth in health services provided through the private sector means that in many countries the government is no longer "the only engine of development and main provider and financier of health services." (Newbrander and Rosenthal, 1999) As a partner with the private sector, however, governments often provide the partnership with needed public

health goals, funding, training, and quality standards. Partnerships between the public and private sectors can help ensure increased access to quality services by all segments of a population.

Because of the importance and critical value of intersectoral partnerships, this issue of *The Manager* focuses on public-private partnerships. It explains what these partnerships are and how they can be formed. It discusses the current impetus behind forming partnerships and their benefits and challenges. The issue also describes the steps that organizations should follow to prepare for, develop, and sustain a partnership, presents the steps involved in developing a contract for a partnership, and offers examples of successful partnerships.

The guest editors for this issue are Sarah Johnson and David Collins. Sarah Johnson is Senior Program Officer in the Family Planning Management Develop-

ment (FPMD) project of Management Sciences for Health (MSH). She has extensive experience working in public-sector and nongovernmental organizations in Latin America and the United States, where she has worked on contractual and non-contractual public health partnerships at the community, state, and national levels. David Collins is Health Financing Advisor to the National Department of Health in South Africa under the USAID/SA-funded EQUITY Project of MSH. He is the lead advisor on public-private partnerships to the Department of Health, and is responsible for developing policy and implementation guidelines and assisting provinces with the development and replication of innovative models. The guest editors would also like to acknowledge the contributions of Robert Northrup and Gerald Rosenthal, Principal Program Associates at MSH.

### Principal Sectors Involved in Partnerships for Health

**Public sector.** The public sector includes local, district, state, provincial, or national governments. Examples of organizations funded and administered by the public sector include national health ministries, national police or military hospitals, provincial or state health departments, district hospitals, and public health centers.

**Private sector.** Examples of private sector organizations include community-based organizations, NGOs, private businesses, private voluntary organizations (PVOs), and commercial sector firms. The private sector has two sub-sectors: the private nonprofit sector and the private for-profit sector.

- **Private nonprofit sector.** This sector includes organizations that do not have a profit-making motive. Nonprofit organizations in health typically use any surplus earnings to improve services; these earnings do not belong to individuals. Many nonprofit organizations are involved in development and humanitarian work, including health services. NGOs, PVOs, and community-based organizations are important parts of this sub-sector. In this issue, we use the term private non-profit and NGO interchangeably. Many NGOs directly undertake public education, advocacy, and the delivery of health services. Other NGOs serve as channels for financial, technical, and other support from other organizations. Examples of NGOs working in health range from large international and national nonprofit organizations and their national affiliates, to religious hospitals and grassroots organizations.
- **Private for-profit, business, or commercial sector.** This sector includes organizations whose motive is to make a profit. Private for-profit entities in the health sector include private physicians' associations, private hospitals, and the private commercial sector engaged in manufacturing and distributing drugs, contraceptives, condoms, oral rehydration salts, iodized salt, mosquito nets, and other health products.

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## Defining Public-Private Partnerships

In the strictest sense of the word, a partnership signifies a legal relationship between two or more entities contractually associated as joint principals in a business. More broadly speaking, a partnership usually involves collaboration between two or more organizations, each having specified rights and responsibilities related to their partnership. Partners tend to pool their resources, either technical, organizational, geographic, human, or financial. *For the purpose of this issue, our definition of a public-private partnership in health is a defined inter-sectoral collaboration, either non-contractual or contractual, between two or more organizations.*

A public-private partnership for health involves two or more entities from the public and private

sectors that engage in a joint endeavor to achieve common health goals and objectives. Potential partners must consider and discuss a number of things before entering into a partnership, including their goal, the type of agreement they work under, the length of time they expect the partnership to last, the resources they can commit to the partnership, and the client population they intend to reach.

Partnerships can be informal or formal, depending on the kind of arrangement under which the partners decide to work. Most partners formalize their relationship with a written agreement or a contract. Others have an informal understanding. It is best, however, to formalize the relationship in writing, whether the partnership is contractual or noncontractual.

### Key Factors in an Effective Partnership

The key factors in a partnership are:

- **Communication:** when organizations begin to talk to each other about their interest in creating a partnership;
- **Cooperation:** when two or more communicating organizations reach an understanding to assist each other;
- **Coordination:** when organizations combine their resources and strengthen their individual roles;
- **Collaboration:** when two or more groups already communicating work together to develop an activity, program, or policy that did not exist previously.

There is tremendous variety among the types of partners involved in public-private partnerships in health. The following table provides an overview of possible partners at different administrative levels, from

international to national, state, district, or community. A public-private partnership may bring together partners from only one level but often includes partners from several levels.

## Illustrative List of Types of Partners at Different Administrative Levels

Level	Public Sector	Private Sector
<b>International</b>	<ul style="list-style-type: none"> <li>• Multilateral organizations including United Nations agencies (UNICEF, UNFPA, etc.) and World Bank</li> <li>• Bilateral aid agencies, such as USAID, DFID, and CIDA</li> </ul>	<ul style="list-style-type: none"> <li>• International NGOs and PVOs</li> <li>• Sub-regional partnerships such as the East African Reproductive Health Network</li> <li>• Multinational corporations</li> </ul>
<b>National</b>	<ul style="list-style-type: none"> <li>• Ministries of Health</li> <li>• Public hospitals</li> <li>• Public universities</li> <li>• Elected officials</li> <li>• National public-sector organizations such as Centers for Disease Control and Prevention</li> </ul>	<ul style="list-style-type: none"> <li>• National NGOs and PVOs</li> <li>• Professional medical and nursing associations</li> <li>• Private for-profit health providers, including private hospitals</li> <li>• Religious organizations</li> <li>• Commercial-sector entities, such as large, multi-site employers</li> <li>• Trade unions</li> </ul>
<b>State or Provincial</b>	<ul style="list-style-type: none"> <li>• State or provincial health departments</li> <li>• Regional or provincial hospitals</li> <li>• Elected officials</li> </ul>	<ul style="list-style-type: none"> <li>• NGOs</li> <li>• Private businesses</li> <li>• Local branches of professional associations</li> <li>• Large, multi-site cooperatives</li> <li>• Community-based organizations</li> </ul>
<b>District</b>	<ul style="list-style-type: none"> <li>• District health departments</li> </ul>	<ul style="list-style-type: none"> <li>• NGOs</li> <li>• Community-based organizations</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Government health centers/clinics</li> <li>• Public schools</li> <li>• Elected officials</li> </ul>	<ul style="list-style-type: none"> <li>• NGOs</li> <li>• Community leaders and residents</li> <li>• Community-based organizations</li> <li>• Religious leaders or congregations</li> <li>• Private health providers, including physicians and traditional birth attendants and healers</li> <li>• Local businesses</li> <li>• Local chapters of professional organizations</li> </ul>

One example of a public-private partnership among several administrative levels is the partnership formed in Kenya under the Family Planning Private Sector (FPPS) program. FPPS is a partnership of the World Bank, the Kenyan private sector, Seventh Day Adventist (SDA) rural health services, and local communities formed to increase access to and utilization of reproductive health services in rural Kenya. The contributions of the FPPS partners include:

- funding and equipment for clinic construction and rehabilitation, provided by the World Bank;
- training and equipment, provided by the private sector;
- management of the service delivery process, provided by SDA rural health services;
- ten percent of the cost of clinic rehabilitation, provided by the communities;
- human resources (community-based distributors), provided by the community.

For a discussion of areas where NGOs can partner with public-sector organizations to enhance the delivery of quality services in decentralized health systems, please see two policy papers developed under MSH's FPMD project for the Latin American and Caribbean Regional Health Sector Initiative: "Public Sector/NGO Partnerships in Quality Assurance" and "Public/NGO Partnerships in Response to Decentralization," listed in the references.

## Why Public-Private Partnerships?

A number of factors are adding to the growing interest in creating public-private partnerships in health. One major factor is the complexity of the health and social problems faced by many countries and the realization that solving them requires collaboration among organizations from many sectors and at many different levels. Another factor is the growing awareness that an inter-sectoral approach to health service delivery is more efficient and cost-effective than separate, uncoordinated efforts.

Other factors behind the movement to form public-private partnerships include:

- political and economic changes;
- health-sector reform;
- increasing pressures on resources for health;
- interest in involving communities in health.

**Political and economic changes.** Many countries have experienced profound economic, political, social, and cultural changes over the past 20 to 30 years that have transformed their health sectors and created opportunities for the private and public sectors to partner. These changes include:

- the transformation from state-dominated economies to more mixed economies;
- the change from centralized government health systems to decentralized health systems involving the private sector;
- more open political processes;
- the growth of the private sector, both non-profit and for-profit.

In recent years, NGOs have assumed greater importance in international development. Many multilateral and bilateral donors have encouraged greater involvement of NGOs in the health sector and greater coordination between the public and private health sectors. The World Bank and the International Development Bank (IDB) have specific requirements for NGO involvement in their health care reform loans. Other donors have supported NGO growth and inter-sectoral collaboration, through funding and strengthening of NGOs and creating NGO networks.

**Health-sector reform.** Health-sector reform is the systematic redesign of the public-sector's role in organizing, providing, and financing health services. Many countries are already designing and implementing strategies and structures to implement

## In Support of Partnerships

The **Programme of Action developed at the International Conference on Population and Development (ICPD)** in Cairo, Egypt in 1994 acknowledged the important role of local, national, and international NGOs and the private sector in population and development. It called on governments and development agencies to integrate NGOs into implementing the ICPD Programme of Action.

The **World Health Organization (WHO)** has called partnerships one of the keys to successful implementation of Health For All in the twenty-first century. WHO has emphasized the need for partnerships among organizations at multiple levels and all sectors concerned with health. It encourages both formal partnerships for health and informal, community-based networks, saying that partnerships draw upon the energy and vitality of civil society, particularly NGOs, to develop environments that support health.

Dr. David Satcher, the current **Surgeon General of the United States** and former Director of the **Centers for Disease Control and Prevention (CDC)**, in reflecting on CDC's first fifty years of existence, wrote: "Success in public health work requires partnerships. We must seek partners at every level and from every segment of communities and neighborhoods, between the public and private sectors, between domestic and international bodies, between nongovernmental and community-based organizations and between religious organizations and population groups..."

Sources: IPPF, 1995; Satcher, 1996

these changes. Some of the goals of health-sector reform are to:

- meet unmet demand for services;
- increase client satisfaction with the quality, quantity, and timeliness of services;
- contain costs;
- reduce inefficiency in the public sector;
- improve the macroeconomic situation of a country.

Components of health-sector reform often include decentralizing health systems, reforming the civil service, improving the functioning of health ministries, finding new financing mechanisms, and working with the private sector in the delivery of health services. It is likely that, over time, health-sector reform will result in more intersectoral communication and public-private partnerships. With reform, the public sector's role may, in some countries, change gradually from one of providing direct service delivery to assessing health needs, developing policy, setting national public health goals, establishing norms or standards for quality, ensuring access by all clients to health services, and providing general oversight of the sector. One challenge for the public

sector will be to develop policies and strategies that can best meet public health goals.

**Increasing pressures on resources.** All countries, no matter how their health sector is organized, face increasing pressures on resources. Despite the worldwide effort to increase access to primary health care for people everywhere, coverage in some developing countries still does not exceed 30 to 40 percent of the population. NGOs can supplement government health services by ensuring access to services in areas or for groups that a government is unable to cover adequately. Private hospitals and physicians' associations can also work in partnership with the government and with large employers to provide services in underutilized facilities and thus ease pressure on public health resources. The private business sector can partner by manufacturing and distributing needed medicines, supplies, and equipment.

Contractual partnerships between health ministries, NGOs, private hospitals or physicians' associations, and private businesses can use public resources more efficiently, benefitting both client populations and the different partners in a number of ways, including:

- increasing the number of people receiving health services;
- conserving scarce public resources otherwise spent in building, staffing, and maintaining public-sector health facilities in certain locations;
- providing NGOs with a source of revenue at a time when controlling and reducing costs are essential;
  - providing new sources of revenue, new equipment, and refurbished facilities for public hospitals or other service delivery sites;
- ensuring the regular supply and delivery of contraceptives, medicines, or equipment.

**Interest in involving communities.** Finally, partnerships are not only a mechanism for enhancing

cooperation and collaboration among the public, NGO, and private business sectors; they are also a way to involve people from the community in the public health issues that affect them.

### Looking at the Possible Benefits and Challenges of Partnerships

Despite the many factors that favor partnerships, forming and managing a partnership requires managers to take on additional work and acquire new skills, such as negotiation and coordination. To succeed, a partnership may require a persistent effort. Managers must carefully weigh the benefits and challenges of a partnership before considering partnering as a possible strategy. The following table lists some of the benefits and challenges related to public-private partnerships from a public health perspective.

Benefits and Challenges of Public-Private Partnerships	
Benefits	Challenges
<ul style="list-style-type: none"> <li>• Provide opportunities for looking at health in a comprehensive way, joint planning, and rational delivery of services.</li> <li>• Build on the strengths of each organization, allowing them to pool resources, avoid duplication, and maximize impact.</li> <li>• Encourage the involvement of communities in their health care.</li> <li>• Enhance the partners' political clout.</li> <li>• Focus attention on neglected health problems.</li> <li>• Attract new resources and use them efficiently.</li> <li>• Establish standards or norms for both sectors for service delivery quality, and improve quality of care.</li> <li>• Fill service gaps and increase access to services for underserved groups.</li> </ul>	<ul style="list-style-type: none"> <li>• May require additional effort by managers and staff, particularly in the start-up phase.</li> <li>• May make less powerful partners feel that other partners control the partnership.</li> <li>• May concentrate resources at the central level rather than at the local level.</li> <li>• May affect a partner's ability to carry out its other activities.</li> <li>• May result in loss of identity for some partners.</li> <li>• May contribute to corruption.</li> <li>• May cause a partner to feel stifled by another partner's direction of policies, staffing, and reporting requirements, and/or close management of activities.</li> <li>• Disperse responsibility, allowing one partner to blame another if the partnership falters.</li> </ul>

## Building on the Strengths of the Partners

In many areas of the world, partnerships are allowing the public sector to focus more on developing health policy, strategies, or standards, and assessing health problems, in addition to providing services. As the examples in the following table reveal, the benefits of a partnership can outweigh the

related challenges. The examples also show that a partnership often builds on the strengths of partners from different sectors and at different administrative levels, allowing them to pool their resources, reach new clients, avoid duplication, or encourage community involvement in health.

### Public-Private Partnerships: Selected Examples

The following examples briefly present instances where governments, donor agencies, NGOs, and private businesses have formed partnerships to increase access to health services, increase the availability of health products, involve communities in health, and improve quality of service delivery. The Bolivian and World Health Organization examples are non-contractual partnerships. The others are contractual.

- The Government of Bangladesh wanted to increase access to family planning and maternal and child health services for the country's large rural population. The government passed legislation and adopted a national population policy that encourages NGOs to supplement and complement the national family planning and maternal and child health (FP/MCH) program. In partnership with the government and bilateral funding agencies, Bangladeshi NGOs and private clinics now provide FP/MCH services for approximately 25 percent of the country's eligible couples.
- In a worldwide effort to advance the goal of Health For All in the year 2000, WHO has promoted the Healthy Cities movement, whereby people in cities work together in a participatory fashion to increase access to health care, improve services, build environments that are healthier to live in, and prevent disease. Municipalities, NGOs, community organizations, and community residents in cities worldwide take innovative action to promote equity, sustainability, a supportive environment, community action, and healthy lifestyles. There are Healthy Cities partnerships in many countries.
- The Bolivian Ministry of Health sought to increase the availability of oral rehydration salts (ORS) beyond the ministry's limited distribution system. First, the Ministry of Health (MOH) convened a task force to look at national ORS use and infant mortality rates, and identify private-sector partner candidates. As a result of the task force findings, the government removed prescription restrictions on ORS. The partnership, which includes the MOH, two private-sector firms, the Pan American Health Organization, UNICEF, and USAID, has launched two new ORS products.
- In Brazil, where the government has decentralized health services' management to the municipal level, municipal secretariats of health now work in partnership with the Sociedad Civil Bem-Estar Familiar do Brasil (BEMFAM) to provide health services in 12 Brazilian states. BEMFAM and 900 municipalities have formalized their partnership through contracts. In addition to providing services, BEMFAM is building the capacity of municipal health workers to provide family planning and other reproductive health services.
- In El Salvador, the MOH wanted to increase access to primary health care services in 90 rural communities and achieve 87 percent coverage in priority communities. The MOH signed contracts with NGOs to provide primary health care coverage in these communities. The MOH also incorporated into the partnership the 240 NGO health promoters of a bilateral development project. The partners are the MOH, local NGOs, and USAID.

## Preparing for a Partnership

Partnerships hold great potential for benefitting the community and the participating partners. However, they also require rigorous planning, clear negotiation, investment of time and resources, commitment, monitoring, and careful nurturing to succeed. Three important questions you should consider when preparing to engage in a partnership are:

- What are the needs of your client community, and what problems do you wish to address, based on their needs?
- What potential partners could best help you address these problems?
- What do you need to know about the sector in

which your potential partners work, if it is different from yours?

### Identifying Community Needs

You will need to learn what people in your community are saying about their health needs. You can use data from surveys, vital statistics, local rapid assessments, focus group discussions, or other assessment methods to identify and prioritize these needs. Consider whether your organization can satisfy them on its own. If not, consider which priorities or problems you can best address through a partnership.

Once you have identified the problems you wish to address, you can prepare your organization for forming a partnership.

## Preparing Your Organization for a Partnership

**Get your organization in order.** Begin to consider whether you are ready to partner with another organization. Is your organization programmatically, administratively, and financially sound? Can you offer anything attractive, such as special expertise or access to a particular group, to your potential partner? Who in your organization could maintain an active role as the partnership representative, and who will take over the responsibilities of the staff involved in partnership activities when needed? Be aware of how your organization's capacity might limit your ability to partner.

**Think strategically.** Do you have a strategic plan that clearly states your organizational mission? Some important questions to ask are:

- What types of projects and partnerships are compatible with our mission and capacity?
- How can partners add value to our organization and how can we add value to their organization?
- What resources could another partner provide?

**Learn about the environment for partnerships.** Your country, state, or community may have laws or policies that are friendly or hostile to public-private partnerships. Approach organizations already working in partnership in a similar environment to yours. What has been their experience? What are the attitudes of the potential partners, donors, community members, and the government toward partnerships?

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## Getting to Know Your Potential Partners

Before entering into a partnership, it is important to make an honest and comprehensive assessment of your potential partners and identify organizations that have the capacity to provide resources that complement those of your organization.

Determine which organizations might benefit from a partnership with you. Take into consideration tangible resources, such as funding, goods, services, and legal authority. Also consider intangible resources, such as information, knowledge, and moral, religious, or traditional respect in the community. Keep in mind that sometimes smaller organizations have substantial experience in implementing public health activities and have prestige at the community level.

Consider also the reputation of your potential partner. A partner that does not have the respect of the community or government authorities could have a negative impact on your organization as well as on the partnership. It does not help your credibility to form an alliance with a partner whose mission or business practices are incompatible with yours.

Some questions to ask when considering potential partners are:

- What is their reputation?
- How long have they worked in your community, state, province, or country?
- What are their achievements in the community they serve?
- Are their philosophy, mission, and goal compatible with yours?
- Do they have good management practices?

## Learning about the Other Sector

When thinking of engaging in a partnership, you need to learn about the sectors in which your potential partners work. You should take an objective look at the programs, skills, resources, activities, mission, and client populations served by the sector.

If you work in the public sector and are thinking of partnering with organizations in the nonprofit sector, try to find the answers to such questions as:

- What is the history of NGOs in your community and your country?
- What populations are NGOs serving and what services do they provide?
- What are their greatest contributions to health and what innovations have they introduced?
- What laws support the incorporation of NGOs?
- How are the NGOs funded?
- Are there regulations and policies that support contracting of NGOs?
- Is there an NGO health network in your country?

You should also increase your understanding of how NGOs work. To do this, you could invite an NGO executive director and a board member to visit your organization and make a presentation to the staff about their NGO and what it does. Conversely, if you work for an NGO or in the private for-profit sector, you could invite someone from the health ministry at the central, regional, or local level to speak to you and your staff and present the work they are doing. Ask questions about ministry programs, such as:

- What services do they deliver through their clinics, hospitals, and other facilities?
- What has happened to their budget in the last three to five years?
- Does the country have a national health plan and national health objectives?

If you work in either the public or NGO sector, learn about private providers, the commercial sector, and other private businesses. The private commercial sector may be very useful as a producer or distributor of health products such as oral rehydration salts and condoms. Other possible partners in the commercial sector include banks, corporations, and advertising firms, which often make large funding or technical contributions to public health partnerships.

Once you have prepared yourself for a partnership by analyzing community needs, identifying potential partners, and learning about them, then you can begin to think about the kind of partnership that will best help you meet your community's identified needs and the needs of your organization.

## Identifying Key Elements of Partnerships

All organizations that are planning to form a partnership must consider and agree on several key elements of the partnership if it is going to function well and achieve its objectives. These elements include the:

- goal of the partnership;
- type of agreement that the partners develop (either non-contractual or contractual);
- population(s) they want to reach;
- geographic area the partnership is targeting;
- roles and responsibilities of each partner;
- human, financial, and technical resources needed by the partnership and their source;
- length of time the partnership will exist.

**Goal of the partnership.** Often, organizations join in partnership to address a specific public health problem, such as the spread of HIV/AIDS or high infant mortality. They may also focus on multiple health problems affecting a particular group of people, such as refugees displaced by war or famine. The goal of the partnership has an impact on the types of partners and the length of time the partnership exists.

Partnerships typically focus on three areas:

- Providing information to the community on health problems and risks through research results and epidemiological data;
- Working with the community to mobilize health resources;
- Ensuring the availability of quality health services.

**Type of agreement.** There are two basic types of partnership agreements: non-contractual and contractual. For non-contractual partnerships, the partners usually sign a formal agreement, sometimes called a Memorandum of Understanding (MOU). Under a partnership with a formal agreement but not a contract, the partners may agree to contribute funding or in-kind support to a specified activity, for example, rehabilitating rural health clinics. Forming a partnership does not require that the partners sign a formal agreement. However, it is recommended that all partnerships have a written document, agreed to and signed by all partners, that specifies each partner's roles and responsibilities and the partnership's goal and objectives. Under a partnership with a contractual agreement, the contracting partner pays the contractee partner to carry out a specific activity or set of activities. Examples of activities include providing preventive, clinical, or outreach services, or producing a product, such as iodized salt.

**Clients or target populations.** Organizations involved in a partnership in health also differ in the types of clients to whom they provide services, so that together they can reach a greater range of people in a more coordinated way. Organizations may also form partnerships specifically to reach previously underserved populations. Some of these underserved populations include rural communities, adolescents, pregnant women, mothers, children under five, the elderly, and people at high risk of acquiring HIV/AIDS. (For information on reaching underserved populations, see "Bringing Services to Hard to Reach Populations," *The Manager*, Volume VI, Number 4, Winter 1997/98.)

**Geographic area.** Sometimes a national or international organization joins in partnership with a local organization in order to gain access to a geographic area through an entity already established there. A geographic area can be small or large, national or regional, urban or rural, a village, a neighborhood, or even a refugee camp.

**Roles and responsibilities.** Partners must discuss and agree on their roles and responsibilities in relation to the partnership. These can be specified in a formal agreement or contract, or in a partnership work plan. Examples of roles and responsibilities include providing funding, oversight, training, transportation, labor, raw materials, products, or services; planning and organizing coordination meetings; printing and disseminating reports; and handling liaison with the community, other funding sources, or the media.

**Resources.** The type and amount of resources needed by a partnership depend on its activities. Types of resources include financial, human (volunteers, drivers, service delivery personnel, and staffing for the partnership), equipment, transportation, technical, and organizational. Local organizations seeking funding for new or ongoing activities sometimes reach out to national or international partners in order to gain access to financial or other resources not otherwise available.

**Duration of the partnership.** Partners may join together on a short-term basis (often to address a natural crisis, such as a flood or an earthquake), or for two to five years or more. Some organizations form a partnership with the expectation that it will exist for the foreseeable future, with periodic adjustments based on regular monitoring and coordination.

## Implementing a Partnership

There is no single model for implementing a partnership. Instead, the enormous diversity of public-private partnerships provides numerous implementation models. What works in one country (with its particular traditions, cultures, resources, regulations, politics, capacities, and strengths) may not work in another country. What works on the national level may not work on the local level. But all partnerships must be built on trust, equality, and open, clear communication.

Despite the adjustments you must make when implementing a partnership, there are some basic implementation steps to follow. These steps are the same regardless of whether the partnership is large or small, national or local, or focused on one or several health issues. These steps fall under two broad areas:

- laying the foundation of a partnership;
- implementing partnership activities.

## Laying the Foundation

The steps involved in building a partnership are similar to the steps involved in beginning any new project, program, or activity. They are complicated, however, by the fact that a partnership involves two or more organizations or groups that have joined together to create a new entity.

Many public- and private-sector organizations, in their hurry for impact and results, ignore the importance of the process of building the partnership. One of the most important steps in this process is to create from the very beginning an environment that is conducive to working together. Establishing the environment involves communicating regularly, creating a culture of respect, and encouraging participation by all partners. The following box discusses the steps in building an effective partnership.

## Lay the Foundation for an Effective Partnership

**Convene planning meetings with potential partners.** In your first meetings with potential partners, you should discuss your potential collaboration openly, without making any commitments. Share relevant information on the background, current activities, possible opportunities, interests, and capacity of each organization, and discuss your strengths and needs. Look for shared interests, mutual gain, and above all, community benefits. You may need several meetings, and partner representatives will need to discuss meeting results with others in their organizations.

**Seek additional information about what needs to be done.** Even if you are well prepared for your initial meetings, you may need more information about the health problem you seek to address or about the interventions you are proposing. Revisit the data that exist about the health problems and risks in your client community. Find out who might already be working on these problems. Look at the health facilities and resources that already exist in the communities where you plan to work. If you need more data, consider carrying out a rapid assessment or other special study, seeking funding if necessary.

**Assess the opportunities and constraints.** What are the opportunities for success for a partnership? What are some of the constraints? Conduct an environmental analysis and look at the social, demographic, economic, financial, technical, political, legislative, regulatory, educational, and professional trends that could affect the partnership. Analyze these trends together. Consider how the potential partners could address potential challenges and capitalize on opportunities. In essence you will be conducting a SWOT Analysis—an assessment of **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats, often used in strategic planning. (For a discussion of a SWOT analysis, please see Chapter One of *The Family Planning Manager's Handbook: Basic Skills and Tools for Managing Family Planning Programs*, Kumarian Press, 1991, also available on MSH's web site at [Http://erc.msh.org/fpmh/english/](http://erc.msh.org/fpmh/english/))

**Obtain support and commitment for the partnership.** The top leadership and senior staff in each partner organization must commit to the partnership before you can progress any further. You will also need to obtain community support and commitment.

**Develop clear goals and objectives for the partnership.** Developing goals and objectives involves several activities. First, in your planning meetings, discuss a vision for the partnership and create a mission statement that defines the purpose of the partnership. Discuss possible activities and strategies, the roles and responsibilities of each partner, and the resources that the partnership could require. Establish how you will communicate and the kind of structure the partnership will have. And finally, discuss possible goals and objectives, making sure that they are SMART—**S**pecific, **M**easurable, **A**chievable, **R**ealistic and **T**ime-bound.

**Develop a joint work plan.** Choose strategies and activities that will accomplish your goals and objectives while supporting the development of all partners. Develop a work plan that sets time lines, allocates resources, and assigns responsibilities.

**Establish governance.** Discuss a governance and communication structure. In a true partnership, the partners share authority and decision making. With participation, the partnership belongs to everyone.

**Develop a budget.** Determine the resources that each partner has available for partnership activities. Discuss planning and operational activities, such as preparing budgets, filling out travel expense reports, or preparing proposals. Decide who will be in charge of the partnership's finances and the

protocols you will follow to keep track of your costs and revenues. Discuss how the partnership might obtain resources from outside sources and who could initiate contact and follow up with potential funding sources.

**Summarize the partnership plan in writing.** Prepare a written partnership plan that specifies the mission, goal, objectives, strategies, activities, roles, responsibilities, and financial responsibilities. Distribute the document among the partners. Have each partner representative discuss this document in his/her respective organization. Discuss and revise the document as needed, based on comments from all partners.

**Formally constitute the partnership.** Formalize your partnership through signed letters of agreement from the relevant authorities of each partner organization, after they have agreed to the partnership plan. Other formal agreements include an MOU or a contract. Plan a start-up activity that will publicize the launch of the partnership and its joint efforts.

**Design a monitoring plan.** Discuss how and when you will monitor and evaluate your joint work, and decide on the indicators that will be evidence of your success. Monitoring is important throughout the life of the partnership. Some of the questions that your routine monitoring plan should be designed to address are:

- Is the partnership achieving its stated goals and objectives?
- Is each partner fulfilling its role?
- Is the partnership carrying out its activities within its budget?
- Is the community satisfied?
- Are the partners satisfied?
- Are partners adhering to the agreed-upon time line, or are there reasons to make changes in the time line?

(For guidelines on developing plans and budgets, please see “Developing Plans and Proposals for New Initiatives,” *The Manager*, Volume II, Number 4, July/August/September 1993.)

## Implementing Partnership Activities

The next stage of the partnership occurs when the partners begin to carry out concrete activities and monitor and refine their activities along the way. To increase the likelihood that the partnership will achieve its goals, you should:

- adhere to the agreed-upon rules for partner interaction, behavior, and productivity;
- exercise leadership;
- focus on the clients and the community;
- maintain full involvement by all partners;
- communicate and collaborate;
- undertake a feasible scope of activities;
- keep the long-term in view;

- monitor partnership performance;
- be willing to re-design an aspect of the partnership, if necessary.

**Adhering to agreed-upon rules.** During planning meetings, the partners develop rules for partner interaction, behavior, and productivity that they formalize in their written agreement or contract. Adhering to these rules is essential to the success of the partnership. The partners may find it necessary to adjust the rules during implementation.

**Exercising leadership.** Successful partnerships require effective leadership and skilled staff. Exercising leadership will ensure that the partnership has a clear and fair decision-making process, plans its activities well, and shares information. Other leadership responsibilities include communicating effectively with

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relevant parties outside the partnership, putting things in writing, and following administrative and technical guidelines, procedures, and systems.

**Focusing on the clients and the community.** The target community of the partnership is people, whether they are residents of a rural community or an urban neighborhood, or clients in a hospital or health center. When possible, include community members in design and implementation activities, share information and results with them, and treat them with fairness and respect.

**Maintaining full involvement by all partners.** Sometimes the more powerful partners may dominate a partnership, causing other partners to lose interest and become less active. It is important for stronger partners to be alert to this potential and to make an effort to promote and maintain the full involvement of all partners.

**Communicating and collaborating.** Partners must work consciously to increase their level of communication, with collaboration as the ultimate goal.

**Undertaking a feasible scope of services and tasks.** Sometimes partners plan in a grandiose, impractical fashion. It is better to start small and grow later, when the partnership matures and shows results.

**Keeping the long term in view.** Partnerships require dedication—participating in meetings, implementing activities, informing funding sources of progress, involving and informing the community, evaluating results, and making adjustments. Obstacles may arise, such as scarcity of resources, conflicts among partners or with outside organizations, political opposition to partnership activities, and difficulties in addressing some health problems. Partners must be patient and persistent in implementing the activities in the annual work plan while maintaining a long-term view of the work to be done.

**Monitoring partnership performance.** Regardless of whether partnerships are large or small, they are still accountable and must show results—to community residents, current and potential funding sources, board members, program directors, and others. The partners should follow their monitoring plan, keeping careful track of progress toward desired results and using indicators to determine whether results have been achieved.

**Being willing to redesign an aspect of the partnership.** If some aspect of your partnership is not working, you should adjust your agreement, contract, work plan, or implementation activities to address the problem. All partners must consider and agree to any change or modification, and the community should also provide input.

## Forming a Partnership Agreement

Having a clear partnership agreement is critical to the success of a partnership. Partnerships can be either non-contractual or contractual, depending on the needs of the partnership, its objectives, and the context in which the partners are working together. In a non-contractual partnership, no resources are transferred between partners. Instead, the partners agree to use their own resources toward a common goal. In a contractual partnership, resources are transferred from one partner to another, or between partners. Organizations should always enter both non-contractual and contractual partnerships with care and preparation.

### Formalizing a Non-Contractual Partnership

Many public-private partnerships are non-contractual. These types of partnerships are commonly formed to address public health problems, such as high rates of infant or maternal mortality, drug abuse, teen pregnancy, HIV/AIDS, community and domestic violence, cancer, or other public health issues affecting the entire community.

Various partners may agree to work together and may record this agreement in the minutes from partnership meetings, in a formal agreement (such as an MOU), or at a public event. A local, community partnership might last a year or longer, and perhaps the only paper that would pass between the partnering organizations is a Minister's letter requesting participation.

Formalizing even a non-contractual partnership with some kind of jointly signed agreement or MOU is important as a means of clarifying roles and responsibilities and expressing the commitment of all parties and the mutual goal of the partnership.

The following box contains a model for a sample partnership agreement. This sample agreement is in the form of an early-stage MOU, which is not a

legally binding document. Legal documents must be drawn up in accordance with national legal frameworks.

## Sample Partnership Agreement

### Partner Organizations

Name of organization(s), with contact details, contact person, and description of organization(s) (with registration details, if any).

### Common Objectives and Statement of Intent

We, the undersigned, acknowledge a common concern about/commitment to...

By working together as partners, we see the benefits and added value each of us can bring to address this concern/fulfill this commitment.

Specifically, we expect each partner to contribute to the project/program in the following ways: (Partner A, Partner B, Partners C, all partners).

### Structures and Procedures

[This section should specify partner roles and responsibilities, administration, working group(s)/committee(s)/advisor(s), decision-making process, and accountability.]

### Resources

We will provide resources in the following ways: (core resources, project/program resources).

### Review/Audit and Revision Arrangements

In recognition of the importance of transparency, we agree to make all relevant information relating to this partnership available to the partners and stakeholders in the following ways: (...)

We will review the partnership itself every (...) months in the following ways: (...)

An independent audit of the financial arrangements of the partnership and any projects or programs resulting from it will be undertaken on at least an annual basis in the following manner: (...)

We will make adjustments to the partnership, including rewriting this agreement, should the reviews and audits indicate that this is necessary.

### Caveats

This agreement does not permit the use of copyrighted materials (including logos) and dissemination of confidential information, or allow staff of any of the partner organizations to represent the other without prior agreement.

This agreement does not bind partner organizations or their officers to any financial or other liability without further formal documentation.

### Signed

..... (date) on behalf of Partner A

..... (date) on behalf of Partner B

..... (date) on behalf of Partner C

## Forming a Contractual Partnership

Many partnerships require a contract, which is a written agreement between two or more parties, enforceable by law, that specifies something provided, such as services or products, and something

received in return (payment for the services or product). Because of the complicated issues related to forming a partnership based on a contract, the rest of this issue of *The Manager* focuses on contractual partnerships.

### A Glossary of Contracting Terms and Definitions

**Request for Proposal (RFP):** A document published by a contracting agency (public- or private-sector) requesting proposals for the procurement of a specific service or product. Procurement policies in the United States require an open, competitive bidding process in the public sector. In the RFP, the contracting agency specifies the services they want to procure, the time line of the project, performance indicators and goals, and the due date for proposals, among other things. This type of procurement may be referred to as a Request for Response (RFR), Request for Quote (RFQ), or Request for Application (RFA).

**Bidders' meeting:** A bidders' meeting, sometimes called a bidders' workshop, is an open meeting to provide information to organizations interested in bidding on an RFP. These meetings allow the contracting agency to answer questions from all bidders or applicants in a public setting, which helps to ensure that all bidders receive the same information. In some cases, a contracting agency may also conduct training workshops to explain to bidders, prior to the release of a bid, the agency's contracting mechanism and public-private contractual partnerships. In training workshops, topics might include proposal writing, public-private relations, public health problems, public health best practices, and the role and primary functions of the public sector. Training workshops are not associated with a specific RFP, and the contracting agency should never discuss any future RFP in a training workshop.

**Contracting agency:** The agency purchasing the service or product through a contracting relationship. It is the responsibility of the contracting agent to specify the services that the agency wants to purchase, the desired results, and the indicators that they will use to determine whether or not the contractor has achieved the desired results.

**Performance-based contracts:** A contract that focuses on measuring the results or changes that have occurred as a result of the contract, such as improvements in immunization rates. Payment may be tied to performance benchmarks rather than strictly to cost reimbursement.

**Prequalification and accreditation requirements:** The requirements a contractor may be required to fulfill in order to be eligible to submit a bid or proposal. Prequalification requirements might include proof of the organization's legal incorporation and tax exempt status, a financial report, a list of the organization's board members, and information about its services or products. Some contracts, especially those related to the delivery of clinical services, may require the contractor to be accredited by a recognized accreditation body.

**Conflict of interest:** A conflict of interest may occur when the personal interests of someone reviewing bids conflict in some way with the public interest. One example might be if a reviewer has a family member who works for one of the companies submitting a bid; another, if the reviewer would gain financially if the contract were awarded to a particular organization or company.

**Preparing the environment.** Before you can begin to take steps to “contract out” services, the environment for contracting must be prepared. Several things must be in place, including supportive legislation and regulatory authority for contracting, procurement policies, and a prequalification and accreditation process. Potential bidders must understand contracting mechanisms and contractual partnerships. Both the public and private sectors must have sufficient training and management capacity to handle contracting, information and financial systems, supervision, and monitoring. Preparing the environment for contracting is primarily the responsibility of elected and public-sector officials.

**Contracting steps.** There are seven basic steps related to contracting for public-private partnerships. The table that follows lists these steps, the elements of each step, and the sector responsible. Some of these elements would hold true for non-contractual partnerships as well as contractual ones. For example, in Step 6, the second element for a non-contractual partnership would be “Implement the services in the scope of work.” In Step 7, the element for a non-contractual partnership would be “Monitor performance of the partnership through periodic review of progress.”

<b>Elements of Contracting for Public-Private Partnerships</b>		
<b>Steps</b>	<b>Elements</b>	<b>Responsible Sector</b>
<b>Step 1: Determine Community Needs and Priorities</b>	<ul style="list-style-type: none"> <li>• Involve the community in discussing service needs and priorities</li> <li>• Review vital statistics, epidemiological, and other data</li> </ul>	<ul style="list-style-type: none"> <li>• Public and private sectors and the community</li> </ul>
<b>Step 2: Design the Service Bid</b>	<ul style="list-style-type: none"> <li>• Determine the services to be contracted, the scope of work, and available financing</li> <li>• Specify the contract details</li> <li>• Determine whether single or multiple contractees will be selected</li> <li>• Prepare the solicitation of bids (RFP)</li> </ul>	<ul style="list-style-type: none"> <li>• Public sector</li> <li>• Public sector</li> <li>• Public sector</li> <li>• Public sector</li> </ul>
<b>Step 3: Issue a Bid for Services</b>	<ul style="list-style-type: none"> <li>• Publicly announce and issue the RFP or bid for services</li> <li>• Conduct a bidders’ workshop</li> <li>• Provide information to bidders as needed to help potential contractees prepare their proposals, and share all information provided with all bidders</li> </ul>	<ul style="list-style-type: none"> <li>• Public sector</li> <li>• Public sector</li> <li>• Public sector</li> </ul>

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<b>Elements of Contracting for Public-Private Partnerships</b>		
<b>Steps</b>	<b>Elements</b>	<b>Responsible Sector</b>
<b>Step 4: Evaluate Proposals</b>	<ul style="list-style-type: none"> <li>• Establish evaluation criteria and a committee to review proposals, avoiding at all cost conflict of interest</li> <li>• Evaluate proposals using an evaluation instrument that has preferably been made public to bidders</li> </ul>	<ul style="list-style-type: none"> <li>• Public sector</li> <li>• Public sector</li> </ul>
<b>Step 5: Award and Negotiate Contract</b>	<ul style="list-style-type: none"> <li>• Issue award and rejection letters</li> <li>• Conduct negotiations between the contracting partner and contractee, and sign the contract</li> </ul>	<ul style="list-style-type: none"> <li>• Public sector</li> <li>• Public and private sectors</li> </ul>
<b>Step 6: Implement the Contract</b>	<ul style="list-style-type: none"> <li>• Carry out joint planning</li> <li>• Implement the services in the contract's scope of work</li> <li>• Provide training and technical assistance during implementation and communicate regularly</li> </ul>	<ul style="list-style-type: none"> <li>• Public and private sectors</li> <li>• Private sector</li> <li>• Public and private sectors</li> </ul>
<b>Step 7: Monitor the Contract</b>	<ul style="list-style-type: none"> <li>• Monitor performance of the contract through periodic review of progress on performance objectives and program activities, spending, and results</li> </ul>	<ul style="list-style-type: none"> <li>• Public and private sectors</li> </ul>

When following these contracting steps, public-sector managers should keep a few points in mind. First, involve NGOs and the private, for-profit sector in non-contractual activities, such as policy development and planning, instead of limiting the relationship only to the contract. Allow for some creativity and experimentation on the part of contractees. Supervise service delivery sites regularly, using a facilitative approach that emphasizes problem solving. Take corrective steps when the contractee is not carrying out its work according to the agreed-upon work plan. Communicate regularly and often.

Managers working in NGOs and private, for-profit organizations also must keep a few points in mind when submitting proposals and implementing contracts. First,

make sure that the government is not your organization's only source of revenue. Having diverse sources of revenue will allow you to continue to fulfill your organization's mission and will help you safeguard against revenue shortfalls if the government does not renew your contract. Engage in activities that the government may not be willing or able to finance. Avoid agreeing to work over and beyond the defined scope of services and allotted budget. And lastly, comply with reporting requirements and provide the public sector with feedback on a regular basis.

The following Working Solution provides an example of a state government agency contracting with NGOs or community-based organizations to deliver public health services.

## Contracting Out Public Health Services

The United States has a long history of public-private partnerships, both contractual and non-contractual. This working solution discusses the process that the Department of Public Health (DPH) of the Commonwealth (state) of Massachusetts goes through in contracting with private, nonprofit community-based organizations and NGOs.

The mission of the DPH is to preserve, protect, and enhance the health and well-being of the residents of the state of Massachusetts. DPH's core public health functions include assessing the public's health, developing policy, and assuring the delivery of health services. DPH has contracted out services for years, although it also continues to operate some hospitals and other programs. DPH contracts with community-based organizations to deliver HIV/AIDS prevention and education services, substance abuse prevention and treatment services, primary health care, family planning, and screening for breast, cervical, and prostate cancer, among other services.

Before competing for a contract to provide public health services, a community-based organization must "pre-qualify" to become a vendor for the state. The prequalification process involves submitting documentation, including certification forms, a copy of a recent financial statement, a federal identification number, an organizational chart, and a list of board members. Community-based organizations offering clinical services must also be accredited by the state. The prequalification and accreditation processes help the state to ensure that community-based organizations interested in competing for contracts are fiscally and organizationally sound and are able to provide high-quality services to state residents. Once pre-qualified and accredited, a community-based organization can submit a proposal when the DPH issues a competitive bid for services, also called an RFP.

Once DPH has released a bid, interested community-based organizations attend a DPH bidders' workshop to learn more about the services being bid and ask questions about the program requirements, performance objectives and indicators, performance standards, and application instructions. Community-based organizations generally have six to eight weeks to prepare and submit proposals, which are judged by a review committee.

When the DPH selects the winning proposal, the community-based organization and the DPH must sign a contract that specifies the responsibilities of both the contracting partner and the contractee. Various DPH departments are responsible for contract management and monitoring, with an emphasis on results. The duration of most DPH contracts is five years.

## Looking to the Future

One of the biggest challenges facing public-sector organizations, private nonprofits or NGOs, and private business organizations is the rapidly changing health sector environment. As discussed in this issue, forming partnerships is a way for organizations in both the public and private sectors to maximize benefits to the community and develop new models for delivering and financing health services. Partnerships strengthen the

practice of public health, stimulate new forms of integration among organizations, and contribute to ensuring better access to health services and better health outcomes.

A successful public-private partnership requires hard work and a relationship built on mutual trust. Often the relationship between these sectors is instead undermined by sector isolation, lack of knowledge, or suspicions, even when the visions, goals, and activities of the sectors

may be similar. While not a quick remedy, public-private partnerships change the ways in which government and the private sector interact in communities.

It is the responsibility of the sectors to create a supportive environment for partnerships and to implement partnerships that are accountable to the community. From creating policies and legislation that encourage partnerships, to operating with timeliness and transparency in project implementation and producing impacts or results, all partners have a responsibility to work openly, with mutual respect, and with a commitment to the communities they serve.

Putting these building blocks in place will make the potential for developing public-private partnerships that improve quality of health services, increase access to care for all segments of the population, increase cost-effectiveness, and respond to client and community needs a reality.

The following working solution provides an example of a public-private partnership that has effectively put these partnership building blocks in place to increase access to more cost-effective care. This partnership between a public hospital and a physicians' group has benefitted the public and private sectors and the community.

## Working Solutions—South Africa

### Sharing Public and Private Resources

In 1996, the public hospital and surrounding clinics in Uitenhage, an industrial town in the Eastern Cape province in South Africa, were short of doctors and their infrastructure and services were beginning to deteriorate due to constraints on government funding. Many of the hospital's fee-paying, insured patients had shifted to nearby private hospitals, and revenues had fallen considerably. At the same time, a large factory in the town was concerned about the large and rapidly increasing cost of providing health coverage for its employees and was seeking a less expensive, more sustainable health care package.

In response to these factors, a private group of local physicians approached the public hospital and proposed creating a partnership in which they would renovate one of the hospital's underused wards and provide services there for members of a new health plan. Under the arrangement developed by the physicians and the hospital, the physicians' group agreed to:

- renovate a 25-bed ward, including painting, repairing the bathroom, and providing bed linen;
- refer and treat members who required inpatient care, and private patients referred by other physicians, under other health plans;
- pay the standard Department of Health fee-per-service to the hospital, which passes it on to the government treasury;
- in addition, pay 30 percent of fees into a trust fund for improvements to the hospital and nearby public clinics;
- provide services at nearby public primary health care clinics associated with the hospital at no charge to the Department of Health;
- provide on-call coverage after hours for both private and public patients at the main community health center in the town.

Under the arrangement, the hospital agreed to provide nursing care, food, diagnostic and operating room services, maintenance and cleaning, and administration at the same level provided for public patients.

The group of physicians then approached the factory and offered them a health plan under which employees and dependents would receive comprehensive health care for a fixed monthly fee that was significantly lower than that of the other health plans offered by the employer. The employer offered to share the monthly fee with its employees on a 50/50 basis. The majority of employees joined the new plan.

### **Benefits**

The public sector and the community both have benefitted from this partnership in the following ways:

- the public sector has recovered some of its costs and has been able to improve services for public patients;
- there is improved access for public patients to quality health care through local primary health care clinics;
- pressure on hospital outpatient services has diminished;
- a public Rape Crisis Center has been established at the hospital.

The private sector has also benefitted by making a profit, and factory employees and their families have benefitted by having a more affordable health care plan.

### **Factors Contributing to the Success of the Partnership**

Several factors have led to the success of the partnership, including the ability of the physicians' group to invest in upgrading the ward, the large supply of potential health plan members, and the availability of skilled hospital administrative staff who could handle registration, records management, and billing for the physicians' group.

**Built-in incentives to keep health care costs low.** Because the plan's members pay a fixed monthly fee and do not pay for individual services, the physicians' group bears the financial risk for the care of the plan's members. This risk has provided an incentive for physicians to control costs by using low-cost preventive and ambulatory care, minimizing use of hospital inpatient services, limiting hospital stays where possible, and using lower cost public hospitals. Keeping costs low will help ensure that the monthly fee for the plan remains affordable.

**Large number of potential members.** The factory employees provided a ready supply of potential members for the health plan. The fact that the physicians were already well known in the community increased the employees' willingness to join the plan. Having a large number of members has provided the plan with an important financial base, which has allowed the group to spread the risk, recoup its initial investment, and keep administrative costs low.

**Willingness of the physicians' group to invest in the partnership.** The physicians' group was willing and able to invest in upgrading the hospital, a necessary step in providing services under the plan. Furthermore, the group had the management skills necessary to develop and implement its side of the partnership, including developing procedures for managing care, such as using an approved drug list, and controlling costs.

**Existing skills and systems at the hospital.** The expertise of the staff of the hospital and its efficient patient registration and billing systems have contributed to recovering revenues in a timely and cost-efficient manner.

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**Willingness of the hospital union to participate.** The hospital workers' trade union participated in joint discussions with the community and factory trade union representatives about the plan. The union's initial opposition was overcome when it became clear that the partnership's intention was to strengthen public services, not to privatize them, and that the community supported the initiative.

**Leadership.** The leaders of both the physicians' group and the local government health department trusted each other, were committed to the partnership concept, and were willing to take risks and be flexible.

### **Modeling the Partnership**

The Uitenhage partnership is now serving as a model for the development of other partnerships in South Africa. Each new partnership is different, varying according to local circumstances, but they all seek to bring together complementary resources and to benefit public patients.

*This working solution is a brief description of a partnership initiative of the South African Department of Health supported by the Equity Project, which is funded by USAID/South Africa and managed by Management Sciences for Health.*

## **Reviewers' Corner**

*A forum for discussing additional applications  
of the concepts and techniques presented in this issue*

**On the importance of communicating . . .** *One reviewer suggests, "Establishing an honest and open relationship with our partners has helped us to solve problems before they developed into a situation that could have jeopardized the partnership."*

**On meeting with partners regularly . . .** *One reviewer explains, "Quarterly joint partnership meetings have helped us to resolve problems with our partnership in a timely and open way."*

**On forming a partnership agreement . . .** *One reviewer comments, "Even for non-contractual partnerships we have found it useful to have a written agreement, to avoid misunderstandings in the future."*

**On seeking partners from other sectors . . .** *One reviewer warns, "Historically the government provided all social services for free to the entire population. Now the government is seeking to form partnerships with NGOs and other private-sector organizations to provide services. In our country, we are finding that the capacity of the NGO sector to implement partnerships successfully is still limited."*

**On resistance to a partnership from employees . . .** *One reviewer states, "We have found that the tremendous disparity between the salaries of employees from the private and the public sectors has made it difficult to convince public employees to get involved in the same activities as private-sector employees."*

**On the benefits of a partnership . . .** *One reviewer says, "Forming partnerships has helped us increase cost-effectiveness, improve sustainability, increase the impact of our services, and reach communities that were underserved before."*

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## Checklist for Forming Partnerships

- Create a list of the possible benefits and challenges that a partnership might have for your organization and the community.
- Assess your clients' and your community's health needs, and consider whether these are needs your organization can satisfy on its own. Consider what problems you might wish to address through a partnership.
- Prepare for partnering by getting your organization in order, assessing whether a partnership is compatible with your mission and capacity, and learning about the environment for partnerships in your country, state, or community.
- Make an honest and comprehensive assessment of your potential partners. Identify organizations that have the capacity to provide resources that complement those of your organization.
- Learn about the sectors in which your potential partners work. Take an objective look at their programs, skills, resources, activities, mission, and the client populations served by the sector.
- Involve the community in your public-private partnership from the start.
- Lay the foundation of your partnership on trust, equality, open communications, and shared hard work. Create an environment conducive to working together from the very beginning.
- Begin to develop your partnership by holding planning sessions, seeking additional information about what needs to be done, and assessing opportunities and constraints.
- Obtain support and commitment for the partnership from the top leadership and senior staff in each partner organization. Develop clear partnership goals and objectives, and a joint work plan and budget. Summarize the partnership in writing and design a monitoring plan.
- Formally constitute the partnership by signing an agreement, whether the partnership is non-contractual or a contractual. If your partnership is contractual, follow the recommended contracting steps.
- In implementing partnership activities, adhere to agreed-upon rules. Maintain leadership, full involvement by all partners, and a focus on the clients and the community. Keep the long-term in view and monitor partnership performance. Be willing to redesign an aspect or a component of the partnership, if necessary.

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# The Manager

## CASE SCENARIOS FOR TRAINING AND GROUP DISCUSSION

### The Apumanchac District Health Partnership Assesses its Progress

“Welcome,” said Dr. Javier Sanchez, District Officer, of the Ministry of Health, to the partner representatives assembled in his office. “As all of you know, we joined together 13 months ago to establish our ‘Building Healthy Children’ partnership with the goal of reducing the percentage of low birth-weight babies in Apumanchac District. The partners are the Ministry of Health, the non-governmental organization Healthy Babies, the community-based Mothers Alliance organization, and the St. Agnes district hospital.

“A recent analysis of data has shown that a high proportion of babies born in our district have low birth-weight, which is associated with infant mortality and morbidity. Our analysis also shows that few mothers in the district obtain prenatal care.

“Our partnership, which we formalized in a written agreement, adopted three strategies to reduce the risk of low birth-weight. First, to assure continual access to prenatal care throughout the district by offering prenatal care at all health centers. Second, to use community volunteers to stay in touch with women during their pregnancy, remind them to go for their prenatal checkups, educate them about self care, and tell them about other community resources. And third, to train service delivery personnel in referring high-risk pregnant women to St. Agnes.” Dr. Sanchez turned and gestured to the woman sitting next to him. “Dr. Leonora Urman of Healthy Babies will now tell us of our progress toward our first year goals.”

Dr. Urman rose to address the group. “As scheduled in our annual work plan, I conducted an assessment of our progress during the first year of our partnership,” she said. “The good news is that in some communities the percentage of women going to their local health centers for prenatal visits has increased by about 15 percent. In addition, referrals from health centers to the district hospital have increased by 5 percent.

“The bad news is that we have not met our first-year targets. The number of prenatal visits and the percentage of women receiving care in the first trimester are both lower than the targets we set, and the percentage of low birth-weight babies born in the district has not dropped significantly. I would like us to brainstorm together on reasons why our progress has been slow and what we can do to further our progress. I encourage you to continue our partnership policy of open communication and honesty. Who wants to start?”

Nurse Morgana Arturo, manager of a health center, spoke first. “Many women come for a first appointment, though often quite late in their pregnancy, and then we don’t see them again unless they have an emergency during their delivery. Are the community outreach workers regularly reminding pregnant women to come to the health center for prenatal checkups?”

“We are having trouble persuading women to return to the centers,” said Sra Laura de Castro, director of Mothers Alliance. “They say they don’t have time to

## Case Scenario: A Health Partnership Assesses its Progress

wait. They say they feel fine and think that they should only come for prenatal care if there is a problem.”

The hospital director raised his hand. “The Ministry contracted with us to provide training to health center staff in identifying and referring high-risk pregnant women. But often when we go to the centers to train staff, they do not attend the training sessions.”

“We have never been consulted about the timing of these training sessions,” said Nurse Arturo. “Often, they are offered at times when our providers cannot travel or are giving clinical care. Also, money from the Ministry for per diem is not being provided on a timely basis.”

“This is all very helpful,” said Dr. Urman. “It sounds as if we have identified several problems. Many women are not getting all their prenatal checkups. This may be because the waiting time at health centers is too long, or because the women do not recognize the need for prenatal checkups, or both. Also, the attendance by health center staff at training is low. The timing of the training sessions may be inconvenient, and providing per diem funds for the trainees on a timely basis may be a problem.” She paused. “We may need to do some research on the concerns you have raised, but let’s talk about possible solutions, since we are here together. Who will start?”

Dr. Sanchez spoke up. “We have not been receiving the per diem requests from health centers, so we have not been able to process them. Do health center staff need training in filling them out?”

The hospital director raised his hand again. “If there are times when staff cannot attend training sessions, then

we need to know this. Could we set up a coordinating meeting to determine the best times to offer training?”

“We would like to know more about how we can reduce women’s resistance to going to the center for their prenatal checkups,” said Sra de Castro.

“I agree that the waiting time at some centers is too long,” said Nurse Arturo. “I would like to carry out a client flow analysis. Is that something that any of the partners could help me with?”

Dr. Sanchez spoke again. “I think we need to do research in the community on why women are not going to the health centers for all their prenatal checkups. I would like to have a better understanding of the barriers to access and utilization of prenatal care services.”

“Now let’s summarize the solutions suggested so far,” said Dr. Urman. “District staff should provide training for health center staff in filling out per diem forms. The hospital and the district health office should coordinate to determine the best times to offer training. Community-based research may provide information on why women are not getting all their prenatal checkups. The community-based outreach workers would like training in reducing women’s resistance to going to the center for their prenatal checkups. A client flow analysis might help us learn more about waiting times at clinics.”

“These are all good suggestions,” said Dr. Sanchez. “Let’s take a break. When we return, we can prioritize the problems we identified, discuss research activities that would help us learn more about them, and revise our work plan so we can implement our research and other activities.”

## Case Discussion Questions: A Health Partnership Assesses its Progress

1. **What organizations working in the Apumanchac district have formed this partnership? What is the goal of their partnership, and what strategies have they used so far to achieve this goal?**
2. **What are some of the formal and informal guidelines the partners have established for their work together?**
3. **How did the partners identify some of their problems and some possible solutions? What problems and solutions did they identify? What are their next steps?**

## Case Analysis: A Health Partnership Assesses its Progress

### **1. What organizations working in the Apumanchac district have formed this partnership? What is the goal of their partnership, and what strategies have they used so far to achieve this goal?**

The partners working together in this district are the Ministry of Health, the nongovernmental organization Healthy Babies, the community-based Mothers Alliance organization, and the district hospital, St. Agnes. Their partnership is called Building Healthy Children.

The goal of their partnership is to reduce the percentage of low birth-weight babies born in Apumanchac District. The strategies they have used so far are:

- assure continual access to prenatal care throughout the district by offering prenatal care at all health centers;
- use community volunteers to stay in contact with women during their pregnancy, remind them to go for their prenatal checkups, educate them about self-care, and tell them about other community resources;
- train service delivery personnel in identifying and referring high-risk pregnant women to St. Agnes hospital.

### **2. What are some of the formal and informal guidelines the partners have established for their work together?**

This partnership has used several formal and informal guidelines in working together:

- The partnership has a formal, written agreement;
- The partnership also has an annual work plan, which planned for an assessment of their progress in one year;
- The partners have a policy of open communication and honesty, as seen in the brainstorming session;
- The Ministry of Health has a contract with St. Agnes district hospital to train health center staff in identifying and referring high-risk pregnant women.

## Case Scenario: A Health Partnership Assesses its Progress

### 3. How did the partners identify some of their problems and some possible solutions? What problems and solutions did they identify? What are their next steps?

The partners used a brainstorming session with partner representatives to identify problems and possible solutions. The problems they identified are:

- Many women are not getting all their prenatal checkups;
- The waiting time at health centers may be too long;
- Some women do not recognize the need for prenatal checkups, and community-based volunteers are having trouble persuading women to return to the centers for their checkups;
- Attendance by health providers at training sessions in referring high-risk pregnant women is low;
- The timing of the training sessions may be inconvenient for health center staff;
- The Ministry is not providing per diem as agreed to, but the problem may be that health center staff are not submitting their per diem forms.

The solutions they identified during their brainstorming session are:

- Health center staff may need training in filling out per diem forms;
- The hospital and the district health office should coordinate to determine the best times to offer training to health center staff;
- Community-based research could provide data on why women are not going to the health centers for all their prenatal checkups and increase the partners' understanding of the reasons for this problem;
- Community-based outreach workers may need training in overcoming resistance;
- A client flow analysis at health centers in the district could be useful in providing more information about waiting times.

The partners' next steps are to prioritize the problems identified, discuss research activities, and revise their work plan in order to implement solutions and monitor any changes resulting from these activities.