3 Roots of cooperation and routes to collaboration

Barry Quirk

The drive to encourage collaborative work in local government stems from the disappointments of the 'New Public Management'. For a while in the 1980s and early 1990s, it was thought that focused single purpose public sector agencies that adopted best private sector practice would most probably deliver more effective outcomes. However, this approach flew in the face of the developments in social planning which had increasingly identified the interconnected nature of social problems (the so-called 'wicked problems'[1]) and the need to adopt shared solutions across organisational boundaries to help solve these problems.

In the early 1990s a new stream of public management thinking developed in the USA around the two ideas of public agency collaboration and the production of public value. In 1992, John Bryson and Barbara Crosby published perhaps the seminal text on collaborative working in the public sector. In the introduction to their book, *Leadership for the Common Good*, they wrote:

> *We live in a world where no one is 'in charge'. No one organisation or institution has the legitimacy, power, authority, or intelligence to act alone on important public issues and still make substantial headway against the problems that threaten us all. . . . Many organisations or institutions are involved, affected or have a partial responsibility to act, and the information necessary to address public issues is incomplete and unevenly distributed among the involved organisations. As a result, we live in a 'shared power' world, a world in which organisations and institutions must share objectives, activities, resources, power or authority in order to achieve collective gains or minimise losses.*[2]

In the UK the response to shortcomings of the New Public Management paradigm used slightly different language. The debate focused more on how the incoming Labour government in 1997 could reform public services by a mix of investment and centrally driven performance targets. This resulted in a pluralistic approach that attempted to encourage New Public Management approaches where they were thought to be needed and networked,[3] joined up or holistic[4] where these made more sense.

A decade later, there is a widespread recognition that centrally driven targets have been overplayed and that public institutions need to be more responsive to customers and citizens. The UK government's approach to public service reform continues to place emphasis on centrally determined targets, competition and choice but it also gives fresh encouragement to 'bottom-up' collaboration.[5] The development of 'Local Area Agreements' – formal multi-agency agreements in local government areas to share goals such as reducing crime and improving health – has provided additional impetus to strategic collaboration at the local level.

Now with the review of local government's future by Sir Michael Lyons,[6] there is a formal recognition that the purposes of local government extend beyond being a service delivery agent for Whitehall. Councils are being encouraged by Lyons to become positive agents of collaboration – shaping places, convening public services and enabling citizens to come together to exercise choice about their future.

Collaboration to expand public value can already be found in a rich stream of practice at the local level. And the best of local government is at the centre of collaborative effort – linking communities together, forging alliances between local businesses, between local public agencies as well as convening public service management. It is a style of thinking and acting at the level of practice and operation. This does not come easily.

Collaboration and the cooperative spirit

In a world of action and achievement, cooperative working is often seen as an 'unnatural' activity for management – the antithesis of getting things done. Principles of market-driven efficiency have been internalised by many agencies, with the implication that competitive self-interest fuels innovation and progress and that, in consequence, single-purpose teams or organisations that focus their energies on achieving singular purposes are the most likely to succeed. According to this way of thinking, working in partnership with others may be necessary from time to time, but things get done when tasks are simple and separate. In a world that prefers 'do-it-yourself ', cooperation becomes a spirit to avoid not a spirit to embrace.

In several policy areas the UK government has introduced legislation that requires public bodies to 'cooperate' with others. In tackling crime and disorder several public bodies have a duty to cooperate with police authorities and local government – on whom prime responsibilities for public action are placed. And in the area of children's services and safeguarding children, again, some agencies are required to cooperate with local government. In both cases the imposition of these 'duties to cooperate' have been relatively successful – so much so that last year's Local Government white paper extended the duty to other agencies (schools and GPs, for example).[7]

However, something that was thought to be an emergent and organic act – cooperation – has become something planned and engineered by the state. The very act of legislating for cooperation in these areas perhaps indicates not just the complexity of the issues concerned but also the strength of the forces that counter cooperation.

Why are people so attracted to doing things themselves rather than working with others in a team endeavour? Perhaps there is some ancient barrier in our psychology to working in a cooperative way. Perhaps the second meaning of the word 'collaboration' – acting treasonably with the enemy – helps explain the inner problem. If I cooperate with you at work rather than someone else, I have changed the focus of my fidelity in my working life.

Maybe managers are naturally driven to dividing tasks and labour according to specialism and 'cooperation' is a word which, on face value, implies discussion and compromise rather than active execution. With all this lexical baggage it is hardly surprising that collaborative work is hard going. Some people seem dead set against it from the outset.

If we are to be convinced of the benefits of collaboration perhaps we need to demonstrate that cooperation is natural, runs with the grain of social and economic life and is central to a democratic society. We need to overcome the thinking that cooperation is an unnatural activity that is attempting to reverse the realities of competitive self-interest that make open-market societies flourish. Thus to follow collaborative routes it may be necessary to have an appreciation of its roots in theory. What are the sources of cooperative effort given the apparently all-pervasive competitive individualism in human nature, in society, in the economy and in the political sphere?

In fact, the lessons and advantages of interpersonal cooperation have been identified in a range of disciplines and fields of enquiry. In particular, the lessons that have been learnt in the distinctly separate spheres of biology, economics (both influenced strongly by 'game theory') and political philosophy are cogent and strikingly relevant. They all demonstrate that cooperation is not only possible, but also in many senses quite natural.

The cooperative gene

In biology, significant developments in evolutionary theory over the past 50 years have recast the understanding of how animals successfully evolved. The existence of widespread cooperative behaviour between animals – across species or within species – was witnessed for many hundreds of years but never really understood. But the sheer extent and degree of cooperation between animals seemed to fly in the face of the supposed 'tooth and claw' survival instinct.

Therefore, cooperative behaviour in animals, enacted without the benefit of (human) conscious intention, is not now seen as somehow anomalous to a dominant pattern of selfish behaviour and instinct but rather as a central feature of species' successful evolutionary strategy.

Of course, this may have little bearing on human evolutionary development where cooperative behaviour arose first through conscious and intentional 'group selection' mechanisms;[8] and then second, through the relatively more recent development of intergenerational cultural pressures of custom and tradition blended alongside the march of technological progress and the ever extending intellectual reach of reason. Nonetheless, it can be said that in a very real sense cooperation has its deepest roots in genes.

Cooperate to win

In economics, ideas about cooperation have their roots in arguments about the benefits of market exchange and specialisation as well as, again, in game theory. The Nobel prize-winning economist Kenneth Arrow expressed the first of these arguments simply and elegantly:

> *First, individuals are different and have different talents; and second, individuals' efficiency in the performance of social tasks usually improves with specialisation. We need cooperation to achieve specialisation of function. This involves all the elements of trade and the division of labour. The blacksmith in the primitive village is not expected to eat horseshoes; he specialises in making horseshoes, the farmer supplies him with grain in exchange, and both (this is the critical point) can be made better off.*[9]

Of course, this form of cooperation is spontaneous in character and emerges from market exchange rather than from some form of central or strategic plan. But in the economy, cooperation arises both within and across businesses. Companies develop management strategies to encourage cooperation internally while also adopting management strategies to collaborate with other companies for mutual benefit. Indeed, the development of market economies, based on successful companies that produced substantial wealth and value, is predicated on staggering degrees of voluntary cooperation between people working within these companies over extended periods of their working lives.[10]

Once again, collaboration in the real world appears to contradict the theory. There is a school of classical economics that argues that collaboration is in some ways unnatural – that rational individuals slavishly pursue their own short-term self-interest even when collaboration might deliver a better outcome. This is sometimes illustrated through the 'prisoners' dilemma', where two prisoners are incapable of cooperating for mutual benefit.

However, Robert Axelrod's famous examination of the results of many thousands of games of 'the prisoner's dilemma' found that, in repeated games, cooperation was actually the most successful strategy.[11] This led him to conclude that the basis for cooperation lay in the existence of stable and durable relationships (where reciprocity could flourish). Of course, in government, most 'games' are repeated. Certain circumstances, he argued, help cooperation emerge:

1. 'Enlarge the shadow of the future' – mutual cooperation is stable if the future is sufficiently important relative to the present.

2. Change the 'payoffs' so that non-cooperation is more heavily penalised.

3. Teach people to care about the welfare of others.

4. Teach people about the benefits of reciprocity.

5. Improve people's abilities to recognise the pattern of other people's responses so as to sustain long-run cooperation.

Other theorists argue that cooperation is more likely to occur where groups are small, which increases the visibility and predictability of individual's actions (increasing size would diminish the willingness of team members to contribute their discretionary effort) and where rules of engagement and sanctions are clear and accepted.[12]

But the evidence is that ever larger teams and companies have survived and thrived in the global economy. Moreover, there are very many related management strategies that encourage cooperation between companies. These collaborative strategies fall short of conventional mergers or acquisitions. But they include alliances between companies in complementary sectors, horizontal alliances between companies with different specialisms or complementary resources operating within broadly similar sectors, and involve various companies in ever deeper vertical supply chains within the same sector. In addition there are several companies, particularly those within the consultancy and outsourcing sectors, that specialise in collaboration and that market themselves as collaborative experts.[13]

Traditionally, most inter-company collaborations involve setting up and managing joint ventures. But the past two decades in the UK corporate sector has witnessed the growth of 'strategic alliances' which, compared with joint ventures, are characterised by the following:

- They have greater uncertainty and ambiguity.

- Value is created and captured by partners in more emergent ways.

- The relationship is harder to predict.

- Today's ally may be tomorrow's rival.

- Managing the relationship over time is more important than the partnership's formal design.

- Success depends more on adaptability to change.[14]

Those business commentators who have focused more specifically on how companies develop their capacity to collaborate have discovered that it centres on companies' desire for partnership, the ease of coordination across activities and services and the capability of management to partner across organisations.[15]

Corporate alliances hold the prospect of increased profits or decreased costs for companies but they also contain potential pitfalls. Any formal collaborative effort (where, say, budgets are pooled and strategies conjoined) requires considerable forethought and planning. Basic financial foundations need to be agreed and in place, while legal issues need to be thoroughly worked through in considerable detail.

It is very common for these foundational finance and legal issues to dominate concerns about collaboration between companies. Fears of cost-shunting or unfair burden-sharing crowd into this aspect of the agenda.

However, very few collaborative efforts fail because of poor financial and legal frameworks. Many more fail because insufficient effort has been paid to aligning management strategies. More fundamentally, failures due to strategy misalignments are themselves principals fail or become damaged over time.

From 'favours beget favours' to promoting cooperation

Within political philosophy, concepts of cooperation have lengthy, complex and interwoven roots in moral teachings and in political theory. For some, cooperation was seen to arise freely from people exercising their rights and freedoms to associate with each other in common cause. For others, cooperation was seen to be more evident in the working of the state – marshaling collective action in the context of society's broader competitive individualism.

The moral aspect of cooperation is best illustrated through the famous 'golden rule' that finds expression in all the great world religions and which has been deeply influential for many centuries among people of very diverse cultures. The golden rule is best interpreted as saying: 'Treat others only in ways that you are willing to be treated if you find yourself in exactly the same situation.' It can be said to underscore a moral approach to reciprocity which governs social life and lubricates cooperative endeavour.

Despite its resonance with much religious teaching, the golden rule's cooperative sentiments may not be fuelled by compassion and sympathy but instead reflect a restricted reciprocity based on a 'favours begets favours' approach. This was perhaps best outlined by David Hume in his 1739 *Treatise on Human Nature* when he wrote:

> *I learn to do service to another, without bearing him any real kindness, because I forsee, that he will return my service in expectation of another of the same kind, and in order to maintain the same correspondence of good offices with me and others. And accordingly, after I have served him and he is in possession of the advantages arising from my action, he is induced to perform his part, forseeing the consequence of his refusal.*[16]

But political philosophy is arguably less concerned with the degree of cooperative behaviour between citizens and more with the role of the state in respect of its citizenry. And at its simplest, the state's role has grown commensurate with the growth of the rule of law (regulating and enforcing promises to cooperate) and growing complexity in the protection of liberty and free association.

The liberal philosopher John Rawls argues that a core function of public officials (whether elected or appointed) in an open democratic society is the promotion of public reason. In a representative democracy citizens vote for representatives and not for particular laws. Therefore those elected (or appointed) need to explain how they exercised justice in the performance of their duties. And he says that they need to do so within a 'criterion of reciprocity'. By this he means: 'When terms are proposed as the most reasonable terms of fair cooperation, those proposing them must think it at least reasonable for others to accept them, as free and equal citizens, and not as dominated or manipulated or under pressure caused by inferior political or social position.'[17]

Thus according to Rawls a key feature of the purposes of public institutions – and hence the purposes of those elected and appointed to serve the public – is the promotion of civility and the fostering of cooperation between people. In short, cooperation underscores the very essence of public purposes in democratic societies. Cooperation is therefore not an 'unnatural activity'. It has real roots in genes and in evolution itself; it has roots in the background fabric of trust and reciprocity which enables the market economy to flourish; and it has roots at the very centre of how liberal democratic governments function.

Local collaboration

People cooperate with people they know, with people whom they meet. Perhaps it is not surprising then that the site of most cooperation is local. And perhaps it is not surprising that the source of most collaborative effort between organisations is found at the local level.

In each and every locality people are working within and across organisations for collaborative advantage. It is plainly the case that public agencies can increase their effectiveness and efficiency through better collaboration. But two other aspects are equally clear.

First, that collaborative approaches can be used by public agencies in their work of building value with their customers (through coproduction).

Second, councils can use collaborative approaches in their work with citizens – through the promotion of civicism and cooperation among their citizens generally. After all, the highest purpose of local government is to enable its communities to live together in harmony and peace. As such, the tools of alliance and coalition building and the techniques of establishing consent while enabling dissent are as relevant to the sphere of politics and community as they are to the sphere of management and organisation. A three-dimensional approach to collaboration at the local level is as follows:

1 Collaborating within an organisation:

- •collaborative working within any team focused on achieving any common objective (say, street wardens in a town centre attempting to reduce crime and anti-social behaviour)

•collaborative working across different functional teams to achieve any common objective (say, all employers from different professional disciplines and operational areas seeking to improve the quality of experience in a town centre).

2 Collaborating between organisations:

•collaborative operational working between like organisations in the same locality doing similar things but with slightly different capabilities (such as is found in school collaborations on curricula, facilities and management overheads and in collaborations that can be seen across GPs surgeries)

•teams from two or more different public agencies operationally focused on achieving any common objective (say, education and social care professionals, probation officers, police officers and public health officials attempting to reduce risks to children)

•strategic agreements between public agencies to align their goals, strategies and resources to achieve commonly agreed purposes (such as section 31 agreements between local government and the health service in respect of services for people with mental health problems).

3 Collaboration with the community:

•collaborative working between groups of citizens and local agencies to design and/or deliver local public services for community benefit (such as occurs with some community groups running leisure facilities for wider public benefit and usage)

•collaborative work between citizens or communities that generates public value and which improves public life in an area (such as with neighbourhood watch schemes or with interfaith groups that seek to generate inter-community liaison and dialogue).

In this three-fold approach collaboration is less a management strategy and more a way of thinking and acting. If the local state was more collaborative by pursuing simply the first two dimensions, councils would focus more on achieving public objectives through better team working and through sharing goals, strategies, resources and priorities with others.

This might make them more able to enhance public goods and services in their localities and their customers might be more satisfied – but agency does not stop at the door of the state. Citizens need to be collaboratively engaged with public agencies or else the collaborative state could simply promote passivity.

From this perspective our approach to collaboration should be wide and not narrow. Yes, there are substantial benefits to be gained in collaboration across public organisations – to build public value as well as to reduce costs. But the management agenda of sharing service costs, aggregating demand and supply and reducing overheads does not describe the totality of the possible. A wider civic purpose pervades democratic local government. Councils will attain the position marked out for them in the Lyons report only if they collaborate in 360 degrees – with their citizens, with local businesses, with suppliers and service partners, and with their own staff.

Councils should adopt a collaborative approach not because it enables their objectives to be more readily delivered, but because it is more likely to widen their horizons beyond their own narrow institutional imperatives and encourage more cooperative and more civil approaches among local citizens.

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Notes

1 The term 'wicked issues' or 'wicked problems' has been used for several years – its uses stem from an academic paper by H Rittel and M Webber, 'Dilemmas in a general theory of planning', Policy Sciences 4 (1973).

2 J Bryson and B Crosby, Leadership for the Common Good: Tackling problems in a shared-power world (San Francisco: Jossey-Bass, 1992).

3 W Kickert et al, Managing Complex Networks: Strategies for the public sector (London: Sage, 1997).

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5 Prime Minister's Strategy Unit, The UK Government's Approach to Public Service Reform: A discussion paper (London: HMSO, 2006).

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7 Communities and Local Government, Strong and Prosperous Communities: The Local Government white paper (Norwich: TSO, 2006), available at www.communities.gov.uk/index.asp?id=1503999 (accessed 12 Mar 2007).

8 E Sober and D Wilson, 'Unto others: the evolution and psychology of unselfish behaviour', in LD Katz (ed), Evolutionary Origins of Morality: cross-disciplinary perspectives (Thorverton, UK: Imprint Academic, 2000).

9 K Arrow, The Limits of Organisation (New York: Norton, 1974).

10 P Seabright, The Company of Strangers: A natural history of economic life (Princeton, NJ: Princeton University Press, 2004).

11 R Axelrod, The Evolution of Cooperation (New York: Basic Books, 1984).

12 For information about pressure groups in US politics see, for example, M Olson, The Logic of Collective Action (Cambridge, MA: Harvard University Press, 1965).

13 For an example of a company marketing itself as a collaborative exemplar see www.capgemini.com/collaboration (accessed 10 Mar 2007).

14 YL Doz and G Hamel, Alliance Advantage (Boston: Harvard Business Press, 1998).

15 D Lambert and M Knemeyer, 'We're in this together', Harvard Business Review, Dec 2004.

16 D Hume, A Treatise of Human Nature: Being an attempt to introduce the experimental method of reasoning into moral subjects (first published anonymously in 1739), available at http://etext.library.adelaide.edu.au/h/hume/david/h92t/ (accessed 12 Mar 2007).

17 J Rawls, The Law of Peoples (Oxford: Oxford University Press, 1999).

Our Collaborative Future

Working together to transform public services

Edited by
Simon Parker
Niamh Gallagher

2007

DEMOS