Public Private Development Partnerships

A PARTNER’S GUIDE

In Partnership With

UNIDO  Sida  FESTO  SCANIA  VOLVO
Developing a PPDP Project

**Version Note:** This document provides an initial concept and method for approval by the Project Steering Committee and is based on the lessons of the initial stages one project at this stage.

The document is intended as a general ‘how to’ guide on establishing PPDP projects based on lessons and practice of the partner organisations. The advice and guidance here is based on common sense and logic; for the most part this is simple and straightforward. This guide is a living document that is refined as more lessons become available.

For the purpose of this document, projects have been considered as having seven stages. These stages are listed below. To the left is a visual interpretation of project scoping and the development process.

1. Pre-Project - Scoping
2. Definition.
3. Initiation.
4. Planning.
5. Execution.
7. Closure.

**STEP 1: Project Scoping**

**Promote an awareness of the PPDP Approach:** Individuals involved in developing solutions within an organisation need to be aware of the PPDP approach to facilitate the screening of suitable projects down this route. If appropriate, developing a partnership strategy would provide a strong foundation and an agreed framework in which to facilitate such partnerships; for example in terms of prioritising projects, approval and decision making authorities, governance structures and so forth.

**Have a PPDP Focal Point:** If feasible, a single ‘expert’ or business unit should be assigned who has a good awareness of and understands the concept of the PPDP and its application within the organisations’ context, to develop in-house expertise. This will facilitate support to those other members of the organisation saving time, improving the efficiency and effectiveness of such projects at all stages and provides for a more concise overview of the organisations’ activities in this respect. PPDPs are a relatively new model and having in house expertise may be very useful in preventing project issues encountered with unfamiliarity with the process and key risks.

**Identifying partner organisations:** Depending on their role, identifying partner organisations can be done at different stages of the project development process. Doing this earlier will help to promote a better sense of ownership (and subsequently facilitate better sponsorship) and the more likely the project is to fit with the partners’ objectives without risking a need to review and revise completed work.

Where possible, identify partner options from those with the strongest and best matched drivers behind the requirement. Additionally, when looking for private partners, those with well developed sustainability, social responsibility and environmental strategies may be more understanding and receptive to the benefits of the PPDP concept, having already demonstrated a capacity and drive for responsible business practices.
While it may not be an option, having a strong and capable focal point within the relevant department of the partner organisations (esp. relating to private businesses) is important to success. This can be easier to request and develop when holding initial discussions as one can ask to be directed to a ‘relevant’ department (e.g. Training, Aftersales and Parts, Sustainability Branch, etc.).

**Pitching the concept:** If it is necessary to promote a PPDP concept to potential partners, an effective method has proven to be (i) establish an initial contact point and discuss ideas informally, (ii) refine these into a formal documented concept note, and (iii) support this with a face to face presentation to the prospective partners’ senior management including context, past success and aligning this to relevant goals.

It’s important to establish an initial focal point within the company who can support the initial stages of engagement.

Documents should be presented in a business friendly format limited in academic prose; where possible the use of standard business templates supports a clear and defined outline. A concept note should be tailored to the target audience so that it is framed within a familiar and understood context.

Where possible, a presentation of the concept should be given in person as this facilitates discussions and better understanding. This should involve senior figures in the potential partner organisation and thus facilitate a strong support and a high level of visibility.

**STEP 2: Project Definition**

**Clearly defined roles at the earliest stages:** Allocate tasks and roles based on a partner’s actual competencies and not linked to status quo or pre-conceptions. Identifying the roles at an early stage will support the planning; roles can be refined as necessary at later stages.

**Develop a link with potential partners at the earliest opportunity:** Not all partners may have been identified in the scoping stage of developing the PPDP concept. Having partners buy in at an early stage is important to helping inform the projects development and aligning synergies where these exist.

**Identify relevant partner competences and past experience:** The focal points for each organisation (whether the organisation’s PPDP ‘expert’ or not) should identify within their organisation past experiences, strengths or value that can be applied to build on for the PPDP. This should be applied to the development of a project as well as its execution.

**Set expectations, be open and transparent:** Given the complexities of multi-party projects, it’s important that the partners have a firm grasp and understanding of each other’s expectations, the drive behind the project and to understand each other’s methods and approach. This is important to not only facilitate a smooth design and implementation phase but to build trust that may be necessary between the partners for ultimate success.

**Maintain good communications:** Communicating well is essential for PPDPs which are partnerships between public and private partners, typically involving multiple and disparate stakeholders. Communications need to be effective at both the inter-partner level and within the partner organisations and will impact at all the stages of a project’s lifecycle.

Regular calls between the partner’s focal points, even when there is little progress to discuss, can help to facilitate further ideas, develop the
working relationships between individuals and provide reassurances that things aren’t stagnating “on the other side”. Being in a position where you can “pick up the phone” and talk helps to facilitate a good working relationship; developing individual relations with counterpart focal points can facilitate more insightful communications and a ‘feel for’ than could be achieved on conference calls with multiple participants.

**Commercial and sensitive information:** Trust is important, but so is having the right arrangements in place to protect any sensitive information. Defining this at an early stage sets a good precedent and demonstrates a competent attitude towards handling other partners’ valued assets. It also helps the partners define what they each consider sensitive information so as to avoid any inadvertent disclosures. Non-disclosure agreements and especially private partner’s sensitivities in respect of their information should not be seen as a lack of openness or trust, but a framework in which to operate, such practices being a business norm. Proprietary information may be a company’s most valuable asset and safeguarding it (and demonstrating willingness to) should not be underrated.

**Capture relevant information from the outset:** Particularly in respect of costs, decisions and learning; this information will be valuable for supporting future projects and facilitating evaluations.

Typically, a donor agency may not take into consideration the initial costs to the partners in developing a PPDP when evaluating applications for funding (as in Sida’s case). However, what may be a significant investment in developing a project does go some way to demonstrate a level of commitment that such sponsors would look for and might take into consideration. This is also useful information for developing future projects, understanding the returns on investment, validating business cases, etc., and is information that the LKD Facility would like to capture.

Lessons and decisions should also be captured as this information better informs future activities and again is information that the LKD Facility would like to capture.

**STEP 3: Initiation and Planning**

**Promote a well developed awareness of the project within the necessary individuals across the partner networks:** This is pivotal on good communications within the partnership teams. It’s likely that the planning stages will require the inputs of wide and diverse groups of individuals from across the organisations and their delivery networks. While a leading global corporation is likely to hold a firm grasp of their market environments, advanced sustainability strategies and an easy awareness of the opportunities presented by a PPDP, this doesn’t mean it is inherent across their delivery network where, for example, a family run distributor may have a different and less developed understanding. Identify these resources at an early stage to foster a better understanding within these groups and to ensure an awareness of their required inputs.

If the project concept and its definition have not been fully grasped by these individuals, it is likely to have adverse effects on the planning process in terms of delays, inefficiencies, additional costs (extended business trips etc), the wrong information feeding into planning cycle and so forth. This should be a clearly defined role of the responsible project managers.

**Bring stakeholders together:** Provide an opportunity, such as in a workshop, to bring the key individuals together, face to face, to align expectations, scope, agree timelines, delivery modalities, roles and responsibilities, etc. This provides an ideal forum for the team to meet and establish a working relationship for moving forward.

**Align project methodologies:** The partners should develop an understanding of the approach and method of each towards developing and implementing a project; agreement should be made (and authorized by management) on any “compromises” or changes to the approach that are necessary to align the partners. Any adaptation of one partner should be based on the expertise of the other within that field so as to

---

1 The alternative would be for the LKD Facility to implement a standard and widely accepted project methodology that all partners would adhere to.
maintain the best practice that can be applied from the partner’s collective experience.

**Project development funding:** Ideally, there should be a simple, clear and straightforward process for the organisations to allocate and release funds for developing new PPDP projects. Perhaps less of an issue for private sector partners, this is important particularly for contracting organisations (e.g. such as UNIDO) as it will allow for these expert organisations to apply knowledge and support the partners in undertaking planning activities (GAP analysis, planning workshops, etc.) at this crucial stage to deliver a stronger and better project plan.

**The sustainability component:** Although it may not be well defined at this stage, and may be subject to development as part of the project’s execution, sustainability is one of the most important considerations for success and the plans for ensuring this element should be clearly outlined. Being prepared with an outline plan will also help reassure financial sponsors and any relevant approving authorities as well as the other partners. Provide past examples of success in this respect would be valuable.

**Patience and team continuity:** PPDPs typically have longer development stages than traditional projects; especially where stakeholders are unfamiliar with the approach. Patience and commitment to team continuity are important to the eventual success of a project. Where the project team, especially key figures, change between the project planning and project delivery stages, there is increased handover risk and a higher likelihood of delays and cost increases.