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Building and Sustaining a Successful Public-Private Partnership

Public-private partnerships (PPPs) integrate public sector entities with private sector management strategies and/or financial support. The partnerships encourage input from diverse stakeholders who leverage leading practices from their respective fields of expertise. By diversifying funding sources, distributing risk and reward effectively, and bringing expertise from all sectors, PPPs allow governments to efficiently expand and improve their services, generating buy-in from all stakeholders.

Simply having public and private partners collaborate, however, does not guarantee success. Over the past 20 years in the US alone, PPPs worth over \$21B have ended in failure. In light of these challenges, Accenture identified six leading elements for building and sustaining successful PPPs.

Six Leading Elements for PPPs

1. Realistic and Measureable Common Goals

Many PPPs fail because partners have over-ambitious goals or cannot align on the targeted outcomes necessary to achieve the PPP's vision. For example, a deal for a proposed 75-year, \$12.8B PPP failed due to misalignment on expected financial returns among the different parties involved in structuring the deal. Conversely, Central Piedmont Community College and Siemens managed to successfully align on common goals by developing an innovative workforce training program. The partnership now has the potential to impact 2,500 students, helping Siemens to identify qualified candidates and Central Piedmont Community College to provide valuable real-world experience for its students.

2. Detailed Business Plan

Successful PPPs have a clear business plan that defines the PPP's purpose and how it will be funded, its operating model, a governance plan, an implementation plan—along with clearly outlined risks and benefits for all partners who participate. This business plan ensures that all partners understand the key success factors in the PPP's implementation, and that the PPP is prepared to address all challenges that may arise during its development.

3. Broad Stakeholder Engagement

Leading PPPs thoroughly understand the important influencers, funders and competitors that are active in their specific field. Fostering an effective ecosystem enables leading PPPs to:

- Leverage the unique expertise possessed by different partners.
- Partner with organizations involved in complementary work.
- Distinguish themselves from other organizations contending for similar partnerships and contracts.

The Vaccines and Medications in Pregnancy Surveillance System (VAMPSS)—a national surveillance system designed to monitor the use and safety of vaccines and asthma medications during pregnancy—effectively leveraged the contributions of stakeholders from across the healthcare community in its internal operations and governance structure. This broad participation and support allowed VAMPSS to effectively evaluate multiple safety risks for a wide range of pregnancy exposures.

4. Transparent Organizational and Governance Structures

The most efficient PPPs create strong organizational/governance structures that:

- Ensure transparency of all PPP operations and governance activities.
- Establish policies and procedures for overseeing the PPP's design and implementation.
- Engage stakeholders and funders to ensure broad stakeholder input and representation.
- Communicate important progress updates to relevant stakeholders.

For instance, Accenture helped an innovative public health PPP design a governance committee comprised of representatives from diverse backgrounds and areas of expertise which played a critical role in the PPP's efficient launch. This committee helped ensure the PPP addresses the needs of those stakeholders impacted by the PPP in both the short and long-terms.

5. Sustainable and Diversified Revenue Streams

To achieve financial sustainability, successful PPPs:

- Attract funding from a broad set of stakeholders.
- Obtain funding in a manner that is equitable and fair to all contributors.
- Provide compelling value propositions tailored to each stakeholder group's interests and needs.

Leading PPPs also pursue alternative revenue streams and funding models, including co-investment and parallel investment models (given the limitations of strictly donation-based funding).

6. Public Sector Champion

Recognized public figures serve as spokespersons and advocates for leading PPPs, playing a critical role in championing the PPP's value to the public. For example, an established international financing institution helped connect Accenture and a US-based multinational corporation with local Ministers of Health, which proved critical to implementing a new public health PPP in each country.

While PPPs can be powerful tools to address complex challenges in public health, poverty, education, economic development and infrastructure, many lack some or all of these crucial elements. Leveraging these six elements helps PPPs improve the impact and effectiveness of their partnerships—and distinguish themselves as leaders in this emerging field.

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