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# Collaborative Service Delivery: What Every Local Government Manager Should Know

**Cheryl Hilvert[1] and David Swindell[2]**

**Abstract**

Local government managers continue to face an array of challenges that have created the opportunity for new and innovative ways to achieve high quality and less expensive service delivery in their communities. Many such innovative efforts have emerged as part of some form of collaboration by the local governmental jurisdiction with private, nonprofit, or other public entities. This article provides a perspective to highlight important factors local officials should bear in mind in deciding which services might benefit from such collaborations, as well as which form of collaboration might be most likely to help a community achieve its goals.

**Keywords**

local innovation, collaborative governance, public–private partnerships, service delivery arrangements, manager tips

Local government managers, regardless of size or location of their community, are facing challenges that have necessitated changes in the way they do business. Whether constrained by reduced revenues, ever-increasing demands for services, maximized workloads, increasingly complex problems, or negative perceptions of ‘‘government’’ and its employees, today's managers are looking for new and innovative ways to deliver services to their communities.

For some communities, reducing or eliminating services seems to be the only answer to these challenges in a prolonged era of reduced federal and state support (intensified by the recession), and combined with tax limitation pressures. For others, technology has enabled managers to reduce costs in the delivery of services, allowing certain positions to be vacated permanently and for operating hours to be reduced. Others have invested in the personal and professional development of employees so they are better able to ‘‘connect’’ with the organization's mission, take ownership, and increase their engagement in the delivery of services. Still others have adopted private sector approaches such as Lean Six Sigma and other measurement/process improvement methodologies to eliminate waste and inefficiencies from their processes and systems.

Scholars and practitioners alike have been advocating for new ways to conceive of service

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delivery for decades (e.g., Barton et al. 1977; Ostrom, Tiebout, and Warren 1961; Salamon and Lund 1989; Savas 1988, 2000; Simon 1946; Wilson 1975; Yates 1982). New impetus in this search for improved government received a boost with the publication of Osborne and Gaebler's (1992) popular book *Reinventing Government*. The "ReGo" initiatives spread through all levels of government and helped popularize the emerging New Public Management (NPM) in public administration. NPM has since given way more recently to a focus on linkages between public sector individuals and their organizations in systems of "networked" governance, facilitated in large part by advances in technology.

An increasing number of local government managers have recently turned to collaborative arrangements for service delivery, reaching outside the traditional boundaries of their organizations and the physical boundaries of their communities. Cities, towns, counties, and special districts are learning to work effectively with other local governments, nonprofits, the private sector, and their own citizens to deliver quality services in a cost-efficient and effective manner while responding to citizens' ever-increasing demands for more services and enhanced quality (Rosenbaum 2006). While this approach is not appropriate for every local government or every project or service, it may be a viable option for local governments to consider when looking for cost reductions, enhanced service delivery, or the less tangible results of innovation or better relations with the community.

While collaboration can be an effective approach to service delivery for local governments, it comes with caveats. There are prerequisites and managerial challenges that collaborative service arrangements require to be successful. Furthermore, collaborations come in many forms. Some are more appropriate for certain services while other forms are better suited to other services.

This article offers information and guidance to managers considering collaborative service delivery. It illustrates the types of collaborations that other local governments have utilized successfully, suggests reasons to pursue collaboration, and highlights some of the pitfalls and barriers to collaboration effectiveness. This article concludes with a set of recommendations to help managers learn from one another, avoid pitfalls that have been evidenced by others, and continue to build upon the collaborative trend in local government service delivery.

## The Story So Far

Finding new organizational arrangements and methods to maximize on multiple (sometimes countervailing) goals such as effectiveness, efficiency, and equity has been a defining characteristic of the public administration field since its inception over a century ago. That challenge continues today with innovations and experiments at different levels of government and in jurisdictions around the world. Debates center on achieving cost savings, capturing economies of scale, and meeting ever-increasing demands for services by citizens who, incidentally, want those additional or enhanced services without increased taxes. Political and other philosophical motivations also play a role in motivating the development of many alternative service delivery arrangements.

In recent decades, managers and other public officials have developed a wide array of collaborative service delivery options in an effort to meet these goals. At the same time, a significant body of literature and empirical analysis has accrued around these types of arrangements.

Numerous scholars have suggested various types of classification schemes to describe alternative service delivery mechanisms in an effort to categorize like approaches together. One such example is the work of Savas (1989) who identified ten delivery options available to governments (from most to least in terms of government participation), including direct in-house production, government vending, intergovernmental agreements, government contracting, government grants, government-funded voucher systems, government franchises, leaving production to the free market, leaving production to voluntary groups, and leaving production up to individuals to do

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on their own. Other academic scholars have continued developing various categorization schemes for alternative service options and measuring their effects in terms of delivery, governance, citizen preferences, and citizen satisfaction over an array of services (see, for instance, Salamon and Lund 1989; Thompson 1997; Thompson and Elling 2000).

The pace of using such alternative service delivery options increased dramatically in the 1980s, but a watershed moment occurred with the publication of Osborne and Gaebler's (1992) *Reinventing Government* book. While they were not as concerned in the book with the specific types or common characteristics of service delivery arrangements, Osborne and Gaebler purposefully stressed the motivations behind such alternatives. They argued that governments should measure their performance, use market mechanisms, treat citizens as customers, partner with other public units as well as private and nonprofit entities, and promote competition.

In 1982, the International City/County Management Association (ICMA) began conducting a survey of city managers approximately every five years that tracked adoption of various alternative service delivery arrangements. Initially, it included four options: contracting, franchises and concessions, subsidies, and volunteers. But as time passed, managers were continuing to develop and experiment with more alternatives and the ICMA surveys adapted to try and reflect these changes.

The results clearly show the extent of new alternatives managers were attempting over the years. Generally, the 1988–1992 period saw a significant decline in the sole reliance on government employees across most of the sixty-two service areas included in the survey, as new approaches to service delivery were implemented. This leveled off for the most part in the 1992–1997 period, but varied by service as jurisdictions tried new approaches in additional service areas and, at the same time, brought previously outsourced services back in-house (Morley 1999).[1]

By 2007, the ICMA data indicated that the number of alternative service arrangements had grown, but again with variation in the mix of the arrangements and by various types of services as the rate of experimentation increased. As noted by Warner and Hefetz (2009), contracting with private sector firms for the delivery of public services peaked at 18 percent of service delivery in 1997 and was the most common alternative pursued. By the time of the 2002 survey, private contracting dropped and public delivery (in-house or in partnership with other public units) increased. Furthermore, during the 2002–2007 period, *intergovernmental* contracting grew from 17 percent to 20 percent and became the most common form of alternative service delivery arrangement. At the same time, approximately 22 percent of the local governments in the survey indicated that they had brought back in-house at least one service that they had previously provided through some alternative private arrangement.[2]

The results from the 2007 survey mark another evolutionary point in the experimentation with service delivery alternatives. Almost three of the five governments (58.0 percent) were actively studying the feasibility of private service delivery in 2002; this was down to 49.6 percent by 2007, yet still remained a large percentage of government exploring this form of collaboration. The level of governments reporting obstacles to engaging in private service delivery was relatively unchanged (around the 40 percent level). Warner and Hefetz (2009) suggest that these patterns illustrate how managers " ... have learned how to assess and manage contracts and no longer see alternative service delivery as 'new'" (p. 16). Further, they had begun to realize that some of the obstacles to private service delivery were lessened (while the benefits remained) with intergovernmental contractual arrangements for service delivery.

Not surprisingly, scholars working with practitioners also began to see the value not only in intergovernmental agreements but also in partnerships and collaborations more generally. Kitchen (2005) and Whitaker (2007) provided yet another classification of alternatives to reflect the rise in the use of these. They include the now-familiar option of contracting out a service (i.e., privatization), as well as

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service purchases from private or nonprofit vendors (for those easily ''packagable'' services), grants, franchises/concessions, and partnering.

## Why Pursue Collaboration?

Partnering is a different type of arrangement than those considered in previous years, the study of which has been clouded by inconsistent use of the concept. For instance, many public and private officials tout public–private partnerships for any number of activities, when in truth the relationship is contractual, a franchise, or the load shedding of some previously public service to a private or nonprofit entity. The more accurate conceptualization of partnerships is one in which both parties contribute to the service and both derive some future benefit/benefits from the joint activity (National Council for Public–Private Partnerships 2013).

There have been many successful examples of true public–private partnerships in recent decades, but many such activities described as public–private partnerships are nothing more than contractual relationships of one unit buying the services produced by another. The misuse of the concept of partnership has fueled much of the criticisms leveled at these alternative service delivery options, particularly those involving private sector firms (e.g., Fredrickson 1996; Milward 1996; Salamon 2002). These criticisms have also included research on declines in public sector full-time employment among those governmental units that contract out services, which has helped galvanize public sector unions against many of the alternative delivery systems discussed here (Fernandez, Smith, and Wegner 2006). Furthermore, critics cite research on the lack of sufficient competitive markets to generate the cost savings proponents might presuppose (Smith and Smyth 1996).

Because of this conceptual confusion of the term ''partnership'' as it has been used over the years, many scholars have come to use the term ''collaboration'' in an attempt to clarify the nature of these kinds of alternative service delivery arrangements (O'Leary and Gerard 2013; Rosenbaum 2006; Zeemering 2009). Collaboration better captures the cooperative nature of the interactions between/among units.

As with the previous forms of alternative service delivery options, scholars expect the benefits from collaborations will include cost savings, economies of scale, increasing demands for services, and better meeting improved service delivery. In addition, collaborative arrangements with other governments may help reduce political opposition from outsourcing delivery to private firms (Baker Tilley Virchow Krausse, LLP 2010; Childs, Pederson, and Puccinelli 2011; Hawkins 2009; Zeemering and Delabio 2013). However, there are often other reasons for collaboration that are less obvious, including the need to stimulate innovation, the desire to improve working relationships with other jurisdictions, the difficulty in solving problems that are multijurisdictional in scope, past internal successes, and observations of success by others (Childs, Pederson, and Puccinelli 2011; Hawkins 2009; Zeemering and Delabio 2013).

In their recent ICMA survey of local government managers, O'Leary and Gerard (2013) defined collaboration as the ''... means to work across boundaries with two or more organizations to solve problems that cannot be solved or easily solved by single organizations. Collaborations can include the public [sector]'' (p. 57). Using this definition, they then asked those managers indicating they engaged in collaborations their reasons for choosing this approach. The reasons fell into five categories: (1) it is implicitly mandated, (2) it improves outcomes, (3) it improves the problem-solving process, (4) it builds relationships and credibility, and (5) it is explicitly mandated.

Feiock's (2013) recent work recognizes the importance of maintaining a cooperative spirit between organizations that are participants in a collaborative service effort. His ''institutional collective action'' framework directly addresses the challenges that arise when one governmental unit faces a situation in which cooperation with other public units could yield benefits in excess of the risks and transaction costs involved in such joint coordinated

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actions. As with any cooperative endeavor, the challenge is to keep all participants committed to the joint outcomes while discouraging "free riding" (where one organization free rides on the efforts of other organization/organizations to acquire the benefits of the activity without contributing fairly to the production of those benefits).

He and his colleagues have noted two decision stages that local governments navigate to participate in a collaborative arrangement, each with its own set of decision constraints (Kwon and Feiock 2010). In the initial "consideration" stage, local governments decide whether to consider entering into some form of collaboration with another unit. This decision is bounded by the extent of demand by citizens, the costs to the unit for the engagement (e.g., political pushback from elected officials and/or employee unions), and the array of potential partners with whom to collaborate. Assuming the unit decides to engage in collaboration, they enter the second stage decision point on how to implement such an arrangement. Second stage decisions are constrained by additional agency costs (dealing with different kinds of council systems, managers versus mayoral systems, and local government employment patterns), negotiation and enforcement costs, and any previously established working relationships with the potential partners (good or bad previous joint endeavors; see also Entwistle and Martin 2005).

These streams of managerial experiences, combined with both empirical and theoretical analysis by a large array of scholars, present decision makers with a much stronger foundation upon which to approach collaborative service delivery decisions. The remainder of this article focuses on recent collaborative arrangements through a series of illustrative cases that highlight the motivations behind collaborations, the types of collaborative arrangements available to managers, benefits participants perceived, and barriers to achievements.

## Examining Collaborations

Before discussing the illustrative cases, this section defines an array of characteristics that can help decision makers facing an opportunity for collaborating (Kwon and Feiock 2010). These characteristics form a framework into which a series of case studies are classified to illustrate the utility of this approach. Decision makers can apply these characteristics to their own situations to help guide and inform their deliberations before moving forward on any collaborative arrangements.

### *Examine the Rationale behind Collaboration*

Collaborations do not emerge in a vacuum. Rather, they represent one possible response to a situation that has arisen or an opportunity that may confront a jurisdiction. Much of the literature on alternative service delivery (prior to the focus on collaboration) highlights the factors that support the study of alternative approaches. As O'Leary and Gerard (2013, 57) note: "...most public challenges require a response that exceeds the capabilities and resources of any one department, organization, or jurisdiction, and collaboration, including multijurisdictional partnerships, provides a way to stretch resources, and accomplish more with less."

In the 2002 and the 2007 ICMA surveys, by far the most common motivation behind investigating the feasibility of service delivery with *private* firms was "internal attempts to decrease costs of service delivery" at 88.2 percent and 86.7 percent, respectively (Warner and Hefetz 2009). The next closest motivation was "external fiscal pressures including restrictions placed on taxes" at 49.6 percent and 50.3 percent respectively. By 2007, no other motivation reached the 16 percent level.

In the recent years that ICMA has been studying the *collaboration* topic specifically, the reasons that managers have examined this type of service delivery have moved away from "reducing costs" or "pressure to deliver services with fewer tax dollars." They have moved to other reasons such as "better outcomes," "relationship building," and "a managerial belief that it is 'the right thing to do'". The special 2012 ICMA survey indicated five prominent

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motivations: the right thing to do (86 percent), levering resources (84 percent), better outcomes (81 percent), relationships (77 percent), and better processes (69 percent; O'Leary and Gerard 2013). The other reported motivations dropped off significantly past these five stated reasons for implementing a collaborative approach to service delivery.

Local government officials should carefully examine the rationale behind a collaborative effort. Understanding this will help to achieve results that will better meet the needs of the participants and work to capitalize on strengths of the relationship as well as address goals of the proposed collaboration.

## Consider the Type of Collaboration That Should Be Pursued

Collaboration is "the linking or sharing of information, resources, activities, and capabilities by organizations to achieve an outcome that could not be achieved by the organizations separately" (Bryson et al. 2009, 78). While researchers have developed various models for classifying different types of alternative service delivery arrangements over the past twenty-five years and while there exists an array of collaborative arrangements, this article focuses primarily on two popular forms of collaboration: public–private arrangements and public–public arrangements (Kitchen 2005; Whitaker 2007).

Public–private arrangements would include collaborations involving a public agency and either a private firm or a nonprofit organization. As noted, the concept of public–private partnerships is often misapplied in many situations by practitioners, elected officials, and academics alike. Most arrangements that are touted as partnerships are in reality a simple contractual relationship between a customer and a producer. For instance, a town might contract with a private vendor to undertake street snow removal services. The town would not own the equipment nor would it employ plow drivers. A true partnership, however, requires both parties to have a role to play in the delivery of the service. For instance, a community that has its own wastewater facility could opt to work with a private or nonprofit vendor to undertake the management operations of the facility while the community maintains ownership of the infrastructure and responsibilities over maintenance. Such arrangements require interactions between the partners on an ongoing basis. This is a strength of collaborations, but is also a cost.

Public–public arrangements would include collaborations between at least two units of government, and these units would not have to be the same type or level of government. Kitchen (2005) goes further to distinguish two kinds of public–public collaborations: vertical and horizontal. Vertical arrangements involve collaborations across different levels of government (i.e., a state-county arrangement). Horizontal collaborations would involve at least two units at the same level of government (i.e., city–city).

Kamensky (2007) notes that horizontal collaborations and networks have been emerging along three general lines. First, due to advances in technology, there have been new arrangements involving multiple governments delivering shared services through a "virtual agency" that does not truly exist except as a partnership through a web portal or social network platform. Second, groups of agencies could come together in a more traditional sense to form a physical presence in a new agency to deliver the shared service/services of interest to the partners. Kamensky's third horizontal type is the nonroutine collaboration that only comes together on shared delivery situations on an as-needed basis. Moynihan (2009) provides a good example of these types of collaborations in the area of emergency response to large-scale disasters (e.g., disease outbreaks, terrorist attacks, etc.). His work has highlighted the need for mixing some degree of hierarchy into a network in order to facilitate coordination during an event that activates the network. This temporary hierarchy and established practices from predetermined planning is a means of preserving institutional knowledge in the network though the individual members might change over time.

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Public managers need to be aware of the types of collaborative arrangements that are available to them when faced with the opportunity to change their delivery method. They can then pursue the type of arrangement that best meets the needs of the particular situation, goal, or problem at hand.

## Determine the Correct Number of Partners

Another element to consider in determining if, and how, to proceed in a collaborative service effort is the number of potential partnering organizations with which to join. The minimum number required to form a collaboration is obviously two. But the upper limit of organizations that can collaborate is not a fixed number and will likely vary by the type of service being pursued, as well as the number of jurisdictions in physical proximity to one another. Returning to the collective action approach of Feiock, the logic also suggests that there may be optimal numbers of partners in a network, but that too many will increase the opportunity for individual partners to "free ride" on the efforts of others and be able to "hide" among a larger number of participants.

Managers should understand why they wish to collaborate and then best determine the approach to achieving the goals of all the partners in the effort. This will involve fully understanding the approach to service delivery and deciding which partners, and how many, will lead to the best service provision.

## Determine the Value of Asset Specificity in Examining the Potential for Collaboration

One important aspect that both drives and constrains collaboration, or any other form of alternative service delivery, is the nature of the service being delivered. One of the primary reasons governments deliver certain services is because free markets cannot (Musgrave 1959). If a private producer cannot package and withhold the benefits from those who do not pay, or cannot produce benefits for a price consumers are willing to pay, then the producer cannot make a profit and it will fail. If society deems that service to be important and the private sector cannot or will not produce it, then society will assign the production responsibility to a government agency.

This model of public goods is the foundation of public finance in the United States today. But as the efforts to develop new delivery models illustrates, the management of these public goods has changed and public officials have realized that certain elements of public goods may be better delivered by private or nonprofit partners, while other elements remain in-house with the government agency. The challenge is determining which pieces are best kept in-house and which can be delivered through alternative means.

Warner and Hefetz (2010) used two measures to identify those services that might be more likely to achieve the goals of alternative service delivery in terms of efficiencies and effectiveness. This first is "asset specificity," which is the degree to which infrastructure or technical expertise required for a service is specific only for that service. The more specific the infrastructure or technical expertise needs, the less likely there will be an abundance of suppliers in the market. A supplemental survey by the ICMA to local government managers in 2007 asked respondents to rate each of sixty-seven services on a scale of specificity from a low of one (1) to a high of five (5). The mean score on asset specificity in the ICMA survey was 3.36 and ranged from a low of 1.87 for parking meter maintenance/collection, to a high of 4.49 for sewage collection/treatment.

Managers need to understand the degree of asset specificity for services being considered for alternative service delivery as this is a determining factor in whether the product or service is readily available or requires special technical or infrastructure support to produce. The cases described later in this article illustrate the types of services that yield a range of scores that appear amenable to collaborations.

## Assess the Difficulty Involved with Contract Specification and Management

A second characteristic Warner and Hefetz recommend to identify which services might be

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more suited to an alternative service arrangement is how difficult it would be to manage a contract for such a service (2010). Those with more difficult monitoring requirements or those that are more challenging to specify in contractual language due to the nature of the service, tend to be delivered less often through alternative arrangements. Again, the special supplemental survey by the ICMA in 2007 solicited ratings from managers on the sixty-seven services that ICMA tracks and asked them to score contract specification and monitoring on a five-point scale from easy (1) to difficult (5). The average over the sixty-seven services was 2.89. They ranged from a low of 1.94 for street/parking lot cleaning, to a high of 3.92 for the operation/management of hospitals (Warner and Hefetz 2010).

### *Identify the Barriers*

As part of the effort to understand which kinds of services are amenable to various types of collaborative arrangements, the cases attempt to illustrate some of the barriers confronted in their execution (either at the contemplation stage or implementation stage). The regular five-year ICMA surveys have commonly included questions of managers about the obstacles they have faced when attempting to develop an alternative delivery model involving the private sector. These have fluctuated slightly from 2002 to 2007, but the top three remained in each of those surveys: opposition from local government line employees (55.7 percent and 46.6 percent, respectively), restrictive labor contracts/agreements (32.4 percent and 39.5 percent, respectively), and opposition from elected officials (43.8 percent and 39.3 percent, respectively; Warner and Hefetz 2009).

The special survey conducted by ICMA in 2012 turned the focus on the challenges associated with collaborations more generally, not just with private firms. As O'Leary and Gerard (2013) note, there were four such challenges that managers reported at levels notably higher than other challenges: turf wars (79 percent), political culture (75 percent), reaching consensus/buy-in (73 percent), and lack of mutual trust (68 percent). The problem with these surveys is that the responses from managers were not in reference to specific services, but were more global in nature relative to any collaboration initiatives on any services they might have been contemplating prior to the survey. Even the case study approach here is limited in that those reporting the cases are by nature biased toward the success of the endeavor and barriers are downplayed (or completely unaddressed); however, information is included where available.

One of the barriers managers commonly face when considering collaborations is the coordination costs, especially in horizontal arrangements in which multiple cities are voluntarily working together. Such coordination costs can be high in terms of time and money (e.g., legal costs in developing the contractual agreements for joint service delivery). Further, if one or more partners in a collaboration free ride on the efforts of the other partners, this can lead to a failure of the collaboration. In such circumstances where the likelihood of such a free rider problem might emerge (e.g., where the partners have no experience working together), the collaboration might better be structured as a vertical arrangement in which the two cities also partner with the overarching jurisdiction (i.e., a county) that can enforce the agreement between the cities (Zeemering 2009). Many scholars have recognized the less formalized horizontal arrangements as networks of participants with shared interests. The challenges these scholars have observed with such networks include how they can learn, how they create institutional memory for the network, and how a network can actually govern (Agranoff and McGuire 2003, 2006; Moynihan 2008; Provan and Kenis 2008).

### *Identify the Benefits*

Unlike the barriers, those reporting the benefits for the cases below are much more forthcoming about the outcome of their efforts. Celebrating the benefits from their actions is often easier than focusing on challenges or failures. Data

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from the 2012 special ICMA survey on collaborations highlight a range of benefits that managers see from their participation in the collaborations specifically. The top five include economic benefits (84 percent), better public service (82 percent), relationship building (72 percent), more and better ideas (64 percent), and synergy (63 percent).

However, other studies have indicated that communities engaged in collaborative efforts or other forms of alternative delivery generally do not do an adequate job in terms of monitoring and managing these arrangements once they are in place so as to document the benefits and challenges of collaboration properly. For instance, in 2002, only 47.3 percent of managers involved with private firms as delivery partners reported that they evaluate that service delivery. By 2007, that was down to 45.4 percent (Warner and Hefetz 2009). Performance monitoring is a general concern from these surveys and in the scholarly criticisms of these arrangements.

## Case Studies

The ICMA's surveys have provided many years' worth of useful quantitative data that provide a general overview of trends in how local governments are pursuing alternative delivery options. But a limitation of such an approach is the loss of the rich detail that is unique to each individual instance of collaboration. Thankfully, researchers and professional organizations have for years been collecting numerous case studies that illustrate examples of the various alternative service delivery arrangements as they rise to popularity and are implemented in new places or for new services. Case studies provide a wealth of nuanced details that can help decision makers better understand the trends from the survey data and the variations that exist in those trends. This in turn should help them be more sensitive to the specific context of their communities when considering the likelihood that a collaborative arrangement is best for a given service delivery opportunity.

This article utilizes several such case studies in an effort to illustrate many of the characteristics managers should be aware of as they contemplate undertaking a collaborative service delivery arrangement. The cases come from several sources including the ICMA's vast collection, those collected by the Alliance for Innovation, academic sources, and from personal experience working with local government managers on these arrangements. While each case is rich is detail, there is limited space available here to include all the specifics and nuances. The next section presents a summary of the case studies according to the characteristics of the framework presented previously. Those readers interested in additional details can find a link on the journal website to supplemental materials related to this article. Those materials include overviews of the cases and multiple links to additional sources detailing the cases in greater depth.

Each case was examined in light of the characteristics defined in the framework. In situations where the information for the framework was not clear from the sources available, we augmented the information with additional insight from conversations with principles involved in the case. Other aspects of each case were easily determined. For instance, the asset and contract specificity scores were taken directly from the ICMA survey results. But certain details, particularly involving the barriers, often required follow-up with individuals involved in the decision-making process.

## Results

The cases in this study illustrate a range of issues that drive and confront potential collaborations. But as with all case studies, these must be interpreted with some caution. These cases do illustrate that benefits may be realized through alternative collaborative arrangements. Many tout specific cost savings or measureable improvements in service delivery as a result of the collaborative efforts. Further, as the summary in Table 1 illustrates, there are some aspects of the cases that comport well with expectations from the literature and previous

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**Table 1.** Summary of Case Studies.

| Case | Rationale | Type | Partners[a] | Asset Specification[b] | Contract Specification[c] | Barriers | Benefits |
|---|---|---|---|---|---|---|---|
| 1. Troy | Fixed cost savings | Public–private | 2 | 2.94 | 2.45 | Personnel laid off or reallocated | Significant cost savings achieved |
| 2. Columbus | Operational cost savings | Public–private | 2 | 3.30 | 2.83 | Some resistance from council | Reduced operating deficit |
| 3. Sandy Springs | Establish new city | Public–private | 2 | n.a.[d] | n.a.[d] | None identified | Lower city operating costs than projected |
| 4. Centennial | Public works cost savings | Public–private | 2 | 2.70[e] | 2.37[e] | None identified | Cost savings and expanded service |
| 5. Washoe County | Efficiency gains; service improvements | Public–nonprofit and Public–public | 4 | 3.10 | 2.69 | Referendum action; high negotiation costs | Lowered animal shelter costs, lower euthanasia rates, and increased citizen satisfaction |
| 6. Westlake/Keller | Community infrastructure; economies of scale | Public–public | 2 | 4.45 | 3.50 | Coordination costs and building of trust | Construction and maintenance savings; minimized environmental impact |
| 7. Bayside | Consolidate dispatch; economies of scale | Public–public horizontal virtual | 7 | 4.28 | 3.64 | Coordination costs and building of trust | Capital cost savings; improved service; regional communications |
| 8. MPI | Coordinating shared services | Public–public horizontal physical | 18 | n.a.[d] | n.a.[d] | Coordination costs and building of trust | Multiple cost savings over several shared service areas |
| 9. Monterey/Seaside | Protecting economic development | Public–public vertical virtual | 3 | 2.94 | 2.45 | Coordination costs between levels of government | Maintenance cost savings; protected military bases and employment |
| 10. eCityGov | Coordinating shared services | Public–public horizontal virtual | 39 | n.a.[d] | n.a.[d] | Coordination costs and building of trust | Lower net operating costs for cities and customers |
| 11. East valley | Developing comparable data | Public–public horizontal virtual | 12 | 3.75 | 2.91 | Coordination costs and building of trust | Growing trust; still in process |
| 12. ARC | Regional environmental protection | Public–public horizontal physical | 38 | n.a.[d] | n.a.[d] | Operational and coordination costs; building of trust | Progress on remediation; state law recognizing alliances (facilitating greater trust) |
| 13. San Antonio | Health care access for underserved populations | Public–nonprofit | 2 | 3.66 | 3.60 | Logistical and financial; suspended expansion | Exceeded outreach targets |

[a]The number of partners includes the lead governmental jurisdiction.
[b]The asset specificity score comes from the 2010 ICMA survey average for that service; mean for all services = 3.36 (Warner and Hefetz 2010).
[c]The contract specification score also comes from the 2010 ICMA survey average for that service; mean for all services = 2.89 (Warner and Hefetz 2010).
[d]These are groups of various services represented in one case for which individual scores would not be appropriate.
[e]This was a general contract covering many public works responsibilities. The score included in the table refers to snow plowing/sanding specifically.

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studies. For instance, the public–private collaborations appear to have lower asset specificity and easier contract specification scores (as expected). The public–public collaborations (cases 6, 7, and 11) have higher scores. The higher scores suggest those services are more difficult to deliver through contracts with private firms. But these represent examples of successful alternative service delivery via collaborative arrangements with other public agencies. This indicates that public collaborations may be an attractive alternative for more challenging and harder to contract services, while the easier services may still be good targets for partnerships with private and nonprofit firms.

The benefits and barriers reported here should also be considered cautiously for two important reasons. First, as Warner and Hefetz (2009) note, most managers do not actually monitor these collaborations in a rigorous or empirical manner. As such, the barriers and other costs associated with the collaboration are not systematically quantified or monetized. Without such information, a true accounting of whether costs (including the transaction costs) outweigh the value of the benefits achieved is not possible. Second and somewhat related, there is some selection bias here. These are cases about which information is available. By definition, that means they were at least somewhat successful. Those who celebrate these successes often fail to provide details on the challenges or any unintended consequences that arose in the course of the collaborations (e.g., lawsuits, layoffs, union tensions, etc.). And failed attempts at collaboration rarely are highlighted at all. While these are certainly important caveats for managers to keep in mind in reviewing the information here and contemplating collaborations of their own, the results are encouraging in that they conform in large part to previous empirical studies.

## Discussion

Based upon the academic research and case studies of both public–private and public–public collaboration examined for this article, there are clear benefits that can be achieved from such service delivery relationships for some local governments. Collaborations, if approached correctly, can result in the opportunity for cost savings, enhanced service quality and effectiveness, and additional technical skills/expertise that are not available within the government on its own.

While there are many benefits that can be achieved through collaboration, there also exist many barriers and potential pitfalls that often make the consideration of, and participation in, partnerships difficult for local governments. These include such things as "turf" protection, lack of trust, lack of a common vision, lack of political will, and perceived differences in service needs from jurisdiction to jurisdiction (Baker Tilley Virchow Krausse, LLP 2010; Childs, Pederson, and Puccinelli 2011; Zeemering and Delabio 2013).

Employee opposition is also a barrier to the concept of collaboration due to the fear of competition and job loss. In cases where the local government contracts for service, it is faced with the inevitable task of terminating employees or reassigning them to open positions in other parts of the government. Union contracts can make these options difficult as can the size of the organization which affects its ability to absorb employees from contracted areas. In some states, such as California, unions have proposed legislation which would limit cities' abilities to outsource services.

While many scholars call for greater attention to establishing explicit measures of performance, outputs, and outcomes, this rarely happens. And when such measures are established, data on those measures are not always collected or collected consistently in a manner that would help inform future contract negotiations. In addition to the performance measures, managers and analysts who want to understand completely the value of such collaborations must be cognizant of and take into consideration the transaction and oversight costs to the public jurisdictions relative to the cost savings of moving the service production out from in-house.

Finally, one of the common concerns raised in the public administration literature relative

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to public–private collaborations generally is the danger of losing control over the production (and perhaps provision) of public services. With the increased integration of private firms into the public service delivery, jurisdictions facing political pressures and budgetary constraints may feel that oversight of contracts is not a high priority. Combined with the superior bargaining position of private entities in the negotiation process for public contracts, there is the potential for an erosion of accountability between citizens and their service producers.

## Conclusion

Robert J. O'Neill (2012), Executive Director of the ICMA states that "the next decade will be a time in which the fiscal woes of federal and state governments will leave local and regional governments on their own, struggling to balance the need for innovation against the necessity of making tough choices . . . it will also be a decade in which local government will lead the way in developing creative solutions to extraordinary problems. There are a number of reasons to be optimistic about this coming decade of local government." Collaborative service delivery is one tool that should be in the local government manager's toolbox that can, with the appropriate awareness, approach, and structure, assist in meeting this challenge. If local governments are interested in exploring collaborative service arrangements, we offer the following suggestions to managers in their analysis of this delivery option:

1. These opportunities can take many forms, including outsourcing of single services, full-scale public–private partnerships, partnerships with other public sector entities on a small and regional scale across levels of government. Managers should not forget that opportunities also exist with nontraditional partners—like the military, nonprofits, schools, other special districts, and even their own citizens and community groups.
2. When structured properly, these relationships have demonstrated benefits including cost savings, enhanced quantity and quality of services, as well as less tangible benefits such as addressing community needs, enhancing trust between participating entities, and increasing citizen support.
3. Attempts at public–private collaboration can be problematic if not approached through formal transparent bidding/request for proposal processes and formalized agreements to begin the collaborative activity. Managers should also recognize that there are inherent differences between the public and private sectors, including the presence of sunshine laws and open records requirements that can create an unfair advantage for the private sector in negotiations as private firms can easily acquire documents related to a government's financial position as well as strategies for the collaborative effort. Public–public partnerships can also be difficult given the different approaches, styles, interests, and politics of the communities involved. Negotiating these terrains will vary by locality and partner. Managers need to develop the skills or the talent on their staff to strengthen the public jurisdiction's ability to engage in such partnerships in order to protect the balance in the partnership and the citizens they represent.
4. The terminology associated with collaborative service delivery can be confusing and perceptions of the value of collaboration can vary due to negative accounts by media and other sources. The manager's job is to navigate through this confusion to find the model that best suits his or her jurisdiction and service needs, and then to communicate effectively the opportunities, rationale, and results of efforts considered and undertaken by their community.
5. Managers need to work with staff and elected officials to create a supportive environment for collaboration that includes effective leadership, trust,

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strong project and change management skills, support for the effort by senior management and elected officials, good communications, a focus on customer service, and measurement of results.

6. Managers who choose to undertake collaborative service delivery should commit to document the results of the partnership in order to provide quality information to the public and their colleagues in the form of performance measurements, cost savings, and customer feedback to ensure the opportunity to learn from successful—and unsuccessful—attempts at collaboration. Only with this additional step of measuring performance can managers provide the needed evidence to insure truly improve service delivery.

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## Notes

1. The number of services included in the ICMA survey grew from sixty-two to sixty-seven between the 1997 and 2002 iterations of the survey.
2. Unfortunately, as of the time of this writing, the 2012 survey results are not fully available to determine the effect of the recession on pursuing alternatives.

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