

Public Private Partnerships (PPPs) in Collective Governance of Information Education

Hu Daojiu

Business School of Shanghai University of Electric Power, Shanghai 200090

Abstract: Currently, information education in China is lacking in efficiency especially in rural place due to government-centered governance system. As an integrated hybrid governance system, PPPs enjoys high efficiency of governance via collective efforts of multi-agents involved. In order to promote the governance quality of information education, it is of importance to harness the advantages of integration of PPPs Governance in Information Education. This essay firstly briefly outlines the profile of PPPs, which illustrates the essentials of good PPPs governance in information education. Finally, it draws the conclusion that how to ensure the efficiency of PPPs in collective governance of information education.

Keywords: public-private partnerships (PPPs); collective governance; information education

1. Introduction

Currently, a broad array of both pure and hybrid information education governance strategies are being practiced. In recent years the potential of the Public-Private Partnerships (PPPs) model in enhancing quality of information education governance has been emphasized. PPPs are often advocated as a tool for efficient governance in promoting the quality of information education. However, for PPPs to fulfill their potentials as sustainable and efficient tools, both a favorable governance environment and main aspects of 'good governance' need to be in place and functioning.

The last 20 years have seen the rise to power of public-private partnerships (PPPs) as a means of crowding in investment and expertise from the private sector to the delivery of public information education.[1] Widely utilized because of their efficient advantages derived from integrated power of multi-agents which meet the increasing various demands from information education context.

Nowadays, information education in China is lacking in efficiency especially in rural place due to government-centered governance system. As an integrated hybrid governance system, PPPs enjoys high efficiency of governance via collective efforts of multi-agents involved. In order to promote the governance quality of information education, it is of importance to harness the advantages of integration of PPPs Governance in Information Education. Considering PPP as an important tool in information education governance, this essay firstly briefly outlines the profile of PPPs, which illustrates the essentials of good PPPs governance in information education. Finally, it draws the conclusion that how to ensure the efficiency of PPPs in collective governance of information education.

2. Profile of PPPs

PPPs, in general terms, could be defined as a long term contractual relationship between a public and private sectors, which is usually characterized by having features such as bundling of functions, exchange of resources, shared responsibility, risks and rewards, and is arranged with the aim to provide a public goods and sustainable development.

2.1. Definition and Essence of PPPs

In the world of global changes any organization (private, public, NGO or IOs) involved in information education can predominate as long as it is open to interaction with its environment. Political, economic, and social changes make organizations constantly review their vision, mission and renew adapting to environmental changes.[2] To enhance their significance they are forced to reallocate tasks and missions among organizations. Therefore, in dynamic environment partnership serves as a means to adopt and implement reallocated tasks and missions considering social, political, economic, and sustainable context.

Public-private Partnerships (PPPs) is a funding model for global public projects (education, medicine, environment, infrastructure etc.).The public partner is represented by the government at a local, state and/or national level. The private partner can be a privately-owned business, public corporation or consortium of businesses with a specific area of expertise. PPPs is a broad term that can be applied to anything from a simple, short term management contract (with or without investment requirements) to a long-term contract that includes funding, planning, building, operation, maintenance and divestiture. PPPs arrangements are useful for any information education

that serves the public development. PPPs involves hybrid authority, which enable the public sector to harness the expertise and efficiencies of multi-agents involved. Different models of PPPs funding are characterized by which partner is responsible for owning and maintaining assets at different stages of the project. Partnership is seen as purposeful and balanced use of unique natures, competences, resources and capacities of separate sectors with the aim of solving problems concerning information education governance. The essence of PPPs, it is noteworthy that it is a NPM theory that can be realized in practice –contractual, time-defined means of interaction among multi-partners capacitating consolidation of resources to reach an integrated quantitative, qualitative and efficient level.

2.2. Benefits and Disadvantages of PPPs

The appropriately constructed PPPs entail the advantage of delivering better value for money compared to the traditional procurement approach. Delivering projects on time and on budget set are two of the most important advantages

Potential Benefits of PPPs mainly as follow: (a) Value for money: Utilizing private sector skills and technology to deliver projects in a more efficient manner, resulting in either lower costs or a superior product for the same investment. (b) Optimization of the design and operation: Using outputs based specification allows room for and promotes innovative solutions from the private sector on the design, operation and maintenance aspects of the project, with the intention of improving effectiveness whilst reducing costs over the whole life cycle. (c) Quicker delivery of project: Private sector capacity and flexibility are seen to be superior to the public sector, and PPPs therefore allow projects to be finished more quickly and on schedule than those attributed to public sector provision. (d) Risk transfer: Project risks (e.g., finance, timeframe, planning permits, community consultations) are transferred to the party best equipped to deal with it, both in terms of expertise and costs, to the stability and benefit of the project. (e) Increased investment in public infrastructure: Governments are able to implement projects more frequently and on a larger scale because the private sector finance element reduces its need to raise or budget additional funds, as is the case in standard procurement. (f) Improved service delivery: Allows both sectors to operate within their sphere of expertise, the government in policy and governance, the private sector in the technical aspects of design, construction, operation, and management. (g) Whole of life cycle approach: Because the design, construction and operation are often undertaken by the one consortium there is a greater integration of the different elements and more coherence to the final product. (h) Political and sustainable advantage: There is political and sustainable leverage to be gained from PPPs agreements in terms of public perception and financial management credentials, as projects are delivered on time with less impact on the budget and environment and provide superior quality, sustainable infrastructure or services. (I) Private sector growth and stability: PPPs provide the private sector with access to reduced risk, secure,

long-term investment opportunities that are underwritten by government contracts. [3]Such agreements ensure private capital flows, provide investment opportunities, and stimulate local industry and job markets.

Potential Disadvantages mainly as following: (a) Reduced competitiveness: High tender and transaction costs, along with complicated and long-term contracts reduce the pool of private sector companies with the capacity to apply for certain projects, reducing the government's choice and competitive tender processes. Exclusivity agreements award to winning companies lock them into guaranteed profits and, in reality, creates monopoly markets, reducing competitive pressure to reduce costs and enhance services. (b) Complicated and lengthy tender process: PPP contract and negotiation periods are often more complex and protracted due to the nature of the multi-party, financially intricate, and long agreement terms inherent in the relationship. (c) Rigid/inflexible/long contracts: In order to provide stability and security over time, long contracts can become rigid and inflexible, reflecting point-in-time circumstances and then locking them in over the contract period. (d) "Double taxation:" The general public may perceive user fees as a form of "double taxation" whereby they are paying for services they feel their taxes should be providing or already have paid for. (e) Less accountability/transparency: project transparency is weakened under the PPPs model because of the difficulty in accessing private sector information, now considered of commercial value or commercial-in-confidence by the consortium. [4]Whole of project evaluation becomes problematic for similar reasons, as data is spread over numerous sources, compiled differently, and not always available for public scrutiny.

3. Good PPPs Governance in Information Education

Good PPPs governance in information education requires appropriate measures and mechanisms that contribute to effective information education governance. Effective information education governance refers to multi-stakeholders, political institutions, regimes and non-governmental organizations at all levels of public and private policy making that are collectively responsible for managing information education affairs.

Good PPPs governance in information education requires the coordinated and integrated efforts of multi-actors in various fields regarding information technology corporations, the state bureaucracy, local communities and NPOs. The active and successful participation of multi-actors could be converted as best practices in information education governance. Good PPPs governance in information education requires Governments should put into place the enabling institutions, procedures and processes surrounding PPPs in order to fully benefit from PPPs. This means will also help governments to play a critical role in the process and involving citizens as well as other stakeholders. Many governments, regional, international organizations and NGOs now recognize the importance of PPPs governance for information education development.

Good PPPs governance in information education involves some key principles.[5] Good PPPs governance in information education is open to much interpretation but overall six core principles have become widely accepted: (a) Participation: the degree of involvement of all stakeholders; (b) Decency: the degree to which the formation and stewardship of the rules is undertaken without harming or causing grievance to people; (c) Transparency: the degree of clarity and openness with which decisions are made; (d) Accountability: the extent to which multi-actors are responsible to society for what they say and do; (e) Fairness: the degree to which rules apply equally to everyone; and (f) Efficiency: the extent to which limited human and financial resources are applied without waste, delay or corruption or without prejudicing future generations. (g) Institutions: Institutional ‘certainty’ moreover is critically important in success of good governance of PPPs in information education governance.

Good PPPs governance in information education should take into account the following objectives. Taking these elements we can say that good governance objectives in PPPs refer to the following: (a) A fair and transparent selection process by which governments develop partnerships; (b) Assurance that value for money has been obtained; (c) An improvement of essential public information education services especially for the socially disadvantaged, and adequate training for those to be involved in the new partnerships; (d) Fair incentives to all parties and fair returns for risk takers, combined with the achievement of commercial success; (e) Sensible negotiation of disputes that assures continuation of services and prevents the collapse of information education projects and consequent public failure; and (f) Enhanced security in the face of the new threats and for a general improvement in the quality of information education provided under PPP arrangements.

Good PPPs governance in information education needs Cross-Scale Governance. [6]The multi-scalar character of information education problems—spatially, socio-politically, and temporally—adds significant complexity to their governance. Socio-politically, cross-scale information education problems affect and are affected by institutionalized decision-making at local, state, regional, national and transnational levels. A common prescription to address the multi-level character of information education problems is to design governance mechanisms across levels of social and institutional aggregation. [7] Multi-level governance is intended to counteract the fragmentation that is characteristic of sectoral based decision-making, or indeed, of decision-making that is organized by territorial, social, and political divisions. The involvement of public-private hybrid networks in multi-level governance in information education is aimed to enhance the representation of the diversity of interests that may be affected by information education problems. Hybrid actors both introduce innovative tools and mechanisms and positively shape power relations within the information education governance arena.

4. How to Integrate PPPs into Information

Education

The point I would like to make here is not that PPPs and information education Governance are incompatible, but there is a need to better understand how PPPs and information education Governance fit together. It will enable us to make a tentative understanding of how to Integrate PPPs into information education Governance Effectively? Effective approaches of integrating PPPs in information education Governance mainly describe as followings:

4.1. Reinforcing Social Capital

An important approach to facilitate effective PPPs governance in information education is to reinforce and accumulate the social capital among local communities, where the interventions/projects are sited. Social capital encompasses the integrity, trust, norms and networks among communities that facilitate collective information education actions. Strengthening social capital would make social organizations more resilient, as it is the least affected and less damaged of all the forms of capital.

Though incorporation of social capital into information education governance has been very difficult, studies have demonstrated its effectiveness. The government, NGOs, IOs and the private sector can facilitate the enhancement and coordination of social networks; and it can also enable them to learn about past mistakes in devising effective programs.[8] Be it information education governance, one of the major challenges in PPPs is that stakeholders who are not traditionally involved in decision making come together. The essential component is integrity and trust between multi-stakeholders in information education governance. This can be true even when attempts are made to lift the local community networks. Moreover, the promotion of social capital also leads to the balancing of hybrid powers involved.

4.2. Guaranteeing Accountability

Accountability is referred to as the ability to call public officials, private employers, or multi-service providers to account, requiring that they be answerable and responsible for their policies, actions, processes and utilizing of funds. In a broader sense, accountability is concerned with being held responsible for one's actions. Studies in PPPs governance have argued that accountability within PPPs are less straight forward, particularly due to hybrid partners at different level and the time duration required for any impact to be felt.

It is also noticed that it is a steep challenge to hold partners in information education accountable, for there are few standards and sanction mechanisms that can be applied to respective partners. One of strong recommendations in enhancing accountability has been to countervail power structures in asymmetric power situations.[9] Measures such as public participation and scrutiny, social audits, complaints mechanism, electoral procedures and legal actions are suggested in this context. In addition, it is argued that invoking human rights can be an additional source of countervailing

power. In this regard, (a) right to information, (b) access to laws and impartial justice, and (c) transparent fiscal management could ensure greater rights-based accountability.

PPPs should never be constituted away from social reality. The role of accountability in information education governance needs to be fully explored and understood, and accordingly reinforced. [10] Partnerships with the private and public actors need to be participatory in nature and accountability has to be ensured. For, public participation, accountability, and transparency are essential features of good PPPs governance in information education governance.

4.3. Ensuring Agreeable Institutions and Communications

To Integrate PPPs into information education effectively, an agreeable political, legal and administrative environment is notably needed, this encompassing: consistent and stable policy; legal form of PPP contracts: concerning (a)concession; (b)public procurement and agreement (c)civil law contract regulations (franchise, management or service contracts, etc.); furthermore integrated institutional unit.

The essential support of the efficient hybrid partnerships in information education is communication. Communication can either contribute to or ruin an information education project. [11]Communication can help: solve problems related to conveyance of the society and opinion-making; identify possible risks and eliminate them on time; ensure dissemination of timely information between partners. PPPs communication should be directed to disclose project reality and utility. Bearing in mind PPPs practice, communication cannot be primitive carried out by mere messages; it needs a definite beginning and ending; it involves total process and multi-stakeholders. [12]The strategy of communication must include clearly defined objectives, the list of which by all means shall indicate: meeting with the multi-stakeholders – to render good or improved information service; in mass media – create positive image of information education project implementation; in dimension of partnership – enhance reciprocal understanding in core issues.

5. Conclusion

Our review of the changing terrain of governance has emphasized the hybrid, collective, multi-level, and cross-sectoral nature of emerging forms of PPPs governance in information education governance. As an integrated hybrid governance system, PPPs enjoys high efficiency of governance via joint efforts of multi-agents involved. In order to promote the governance quality of information education, it is of importance to harness the advantages of integration of PPPs governance in information education. Considering PPP as an important tool in information education governance, this essay firstly briefly outlines the profile of PPPs, which illustrates the essentials of good PPPs governance in information education. Finally, it draws the conclusion that how to integrate PPPs into Information Education so as to ensure the efficiency of PPPs in collective governance of information education in the coming future.

References

- [1] Abou-bakr, A (2013), *Managing Disasters Through Public-Private Partnerships*, Georgetown University Press.
- [2] Barlow, J., Roehrich, J.K. and Wright, S. (2013). *Europe Sees Mixed Results from Public-Private Partnerships for Building and Managing Health Care Facilities and Services*. *Health Affairs* .2(1):146-154<http://www.ncbi.nlm.nih.gov/pubmed/23297282>
- [3] Brewer, B. and M.R. Hayllar. 2005. 'Building Public Trust through Public-Private Partnerships.' *International Review of Administrative Sciences* 71(3):475-492.
- [4] Burnett, M. "PPP – A decision maker's guide", *European Institute of Public Administration*, 2007
- [5] Comptroller & Auditor General. (2011). *Lessons from PFI and other projects*, National Audit Office, HC920. London.
- [6] *European PPP Expertise Centre (EPEC)*. (2011, July). *Procurement of PPP and the use of competitive dialogue in Europe*. Luxembourg.
- [7] Heinz, W. (2006). *Public Private Partnerships: Principles, opportunities and risks*. The Occasional Papers, Berlin: German Institute for Urban Affairs.
- [8] *Millennium Eco-system Assessment, Ecosystems and Human Wellbeing: Wetlands and Water Synthesis*, (Washington DC: World Resources Institute), 2005.
- [9] S.S. Raju (2011). "A Successful Indian Model". *The Hindu Survey of Indian Industry* 2011.
- [10] Virginia Tan (Allen & Overy) *Public-Private Partnership*, (Advocates for International Development, June 2012)
- [11] *UNECE [United Nations Economic Commission for Europe]*. 2008. *Guidebook on Promoting*
- [12] *Victorian Department of Treasury and Finance*. (2010, January). *National PPP Guidelines: Partnerships Victoria Requirements (Version 2)*. Melbourne.