

Strong alliances with the ACES (Alliance Competences) card

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Summary

How can we enhance the performance of temporary alliances in regional development?

Among other means, by:

- paying attention to culture, the human resources and the organisational process
- analysing the strengths and weaknesses of the participating partners
- cataloguing the means that are available to each partner and their ability and willingness to attribute them to the alliance
- focusing these allied means towards achieving the shared goals.

We know from experiences in multi-disciplinary teamwork and from studies about mergers and acquisitions that the success of these forms of cooperation is highly sensitive to the attention that is given to process, culture and human resources management. Nevertheless this aspect is neglected many times when an alliance is being built. The shared geography, the shared goals, the shared ideology or ideals, the shared adversary sometimes, are then seen as a firm enough base for working successfully together. But, more than we want to admit, the success of these cooperations is influenced by interaction between passionate personalities, double agendas, competition, adversities and loyalties. This aspect can, and should, be analysed in order to be managed and so to contribute to the success of the alliance at hand. An idea for instrumentation is given in this paper: the ACES (Alliance Competences) card.

Can alliances really deliver?

Alliances have come to occupy a permanent place in governance and development of regions. Alliances are seen here as networks of very different organisations. These organisations have different means and goals, but join forces to reach a specific goal, mostly not very specifically defined, like supporting the regional economy, or establishing a natural landscape park. Some of these alliances operate on a short time schedule of several years, and are project-oriented. Others have a more or less permanent character and are more task-oriented.

This "alliance approach" is sometimes very successful, with surprising results. But not always and not everywhere, though we don't hear much about failures. We like to communicate about successes, not about failures. How robust are these alliances, these networks? Under which circumstances are they preferable to a more traditional top-down approach? Are they able to fulfil their tasks; are they up to meeting the high expectations? Decision-making within these networks is known to be very time consuming. Are means and goals balanced? Can't the goals be reached with less effort? Temporary alliances, horizontal networks are in general not very efficient. But who worries about that? Unlike institutional organisations, horizontal networks have - in general - no board member or HR department that oversees the competencies of the team members and management development.

Can alliances really deliver? (continued)

Many experiences in mergers between private or corporate companies show that most of the time they don't work. Extensive scientific research shows that 60 to 80% of the mergers finally create no value. Maybe cartels, within which the partners are 'playing ball', are more successful. Because they operate in the twilight of the economy we don't know well how they work and how successful they are. There are coalitions of the willing in international politics within which each partner delivers its agreed contribution. We can see their successes or failures in the press.

All these forms of cooperation are contracts between partners who are much alike in character and objectives. Usually there is also a solid base of extensive regulation and confirmed *modus operandi*. And these processes are rarely innovative; mostly they are very conservative, more directed at consolidation than at change. Consultants are available in abundance to accompany the partners. And yet we see only very modest revenue. These often used forms of cooperation seldom deliver. Then why do we think that "rural alliances", cooperations between very different partners, in a fuzzy, once-in-a-lifetime process directed at change, will be successful?

"Het Groene Woud" Rural Alliance

"Het Groene Woud" (The Green Wood), is a regional network in the Dutch province of North Brabant. It started fifteen years ago. In 2014 we made a network analysis in order to improve our strategy and our communication, internal as well as external. In this analysis a network was defined as a collection of people or institutions with interdependent relations. In literature several types are distinguished: personal network, social network, business network, expert network or a policy network. Concerning the networks agenda we can distinguish networks based on an initiative, or based on an ideology. Each type has its own characteristics.

At face value "Het Groene Woud" mostly appears to be a policy network. A policy network shows more-or-less stable patterns of social relations between mutually dependent actors who come together around policy-oriented problems or programmes.

In this network:

- there are multiple actors
- the actors need each other to realise their goals
- the actors are to a certain degree independent in their decisions and behaviour
- interactive processes between actors are known by interconnected goals and complex mutual relations
- relations and interaction between partners are durable as well as dynamic.

All these characteristics can be observed during the decision-making processes and meetings of the board of The Groene Woud.

Nevertheless, in the constitution documents on which The Groene Woud network is based, it is called a "*uitvoeringsorganisatie*": an executive organisation, an implementation network. Because they are politically governed, it is impossible for the participating municipalities and water boards to officially delegate parts of their authority to a non-political alliance. So, in name, The Groene Woud is an implementation network. In practice, The Groene Woud is used for discussion and preparation of policy issues and decisions are formally taken in the governmental boards. Besides this policy-making, many activities of The Groene Woud are directed to realisation of physical, visible, tangible projects: from placing stimulating "toponiem" benches for walkers in the countryside, to supporting the reintroduction of the red deer which requires the fencing of an area of ca 300 hectares.

Managing culture

Which instruments do we have to manage this complex network of networks, alliance of alliances? We invest a lot of time, money, attention and creativity in the development of alliances on a local level as well as on a European level and everywhere in between. We expect a lot of these alliances, and rightly so, when we see some of the results. They can be very effective. But that doesn't guarantee that the growth process of an alliance is always optimal. Sometimes it is very slow, with bumps and jumps. Sometimes there is a serious fall-back after a quick start. Some alliances just hibernate after spending the external stimulus of a financial support.

There has been much research done in, and books written about, synergy in professional and commercial networks. In theory we know how to organise a merger between two companies and make this alliance successful. In practice it often fails. The main issue here is whether the cultures of the involved organisations will match or not. Can they integrate into a new culture with the good aspects of both, or will the bad aspects dominate? Or will it become a clash between them and will only the most powerful rule? We know that the culture of organisations is most important for success; at the same time, culture is very difficult to manage, especially in the short term.

Alliances that are based on voluntarism are highly influenced by culture in their functioning. Members don't have real power over each other. There are limited instruments to correct or direct partners, and there is less willingness to use correcting instruments. It is no simple decision to eliminate a less functional partner from your network. You can rarely switch partners. The overlap of goals exists, even when the available means per partner differs. Written contracts threaten to kill voluntariness. Culture is in fact all you have to make the team, the alliance, reach the same finish at the same time in a good spirit.

Maybe this dependency on culture, this awareness of the importance of culture is the real asset of alliances. *"When you want to go fast, go alone. When you want to go far, go together"*. This is said to be an African proverb, but applies to the European landscape as well.

Going together, voluntarily, requires skills and competences not everyone has by nature. They can't be found in standing orders. They are not taught in business courses. You can't learn them from books or in school rooms. They have to be developed in practice. It can be difficult, tiring and frustrating but also inspiring, promising and satisfying. Going together requires genuine, supporting leadership, based on trust and mutual respect. Culture needs serious maintenance.

This is no simple conclusion. In most alliances partners are participating on a part-time basis (and a very small part it often is). So the time and energy to discuss the internal processes are not available. People start working together and they assume that the mutually shared goal is enough of a guarantee for cohesion. But this attitude easily leads to contacts where talking about conflicting interests is suppressed. Doubts about loyalties are not spoken out in the open, but outside meetings. It is understood that you don't meddle in each other's internal affairs. You don't question each other's underlying agendas. But avoiding conflicts is not the same as mutual respect.

Culture is something you have to build carefully and maintain daily. And we should talk about our interests when the interpersonal relations are good and optimistic - at the start of an alliance; not when the frustration begins and mistrust sets in. Repair your roof when the sun shines.

Policy option: the ACES card

We can speak about culture in terms of sociology, psychology, even philosophy. Anthropology and ecology offer some very interesting points of view for describing processes of group building and leadership. Read the books of Frans de Waal about primates!

In the context of Rural Alliances a more down-to-earth approach is feasible. In this paper we focus on the relationships between organisations as part of an alliance; not on the relationships between individual persons. These personal relationships are nevertheless very important. We bear this in mind when coming to conclusions.

Forming alliances is a process between mutually dependent partners. In this process partners can seldom be demanding or insistent. You don't have much to choose between when there is only one water board or nature conservation organisation in your region. Beggars can't be choosers, so you have to accept partners for better or worse and hope for the best. You want to join forces, not to start a battle by discussing each other's fears and faults.

But that doesn't mean that you can't be explicit about one another's strengths and weaknesses. Why not make a SWOT analysis at the start? This prepares the alliance for bumps along the way and can enhance the strategy.

Such a SWOT analysis can be based on the following seven aspects:

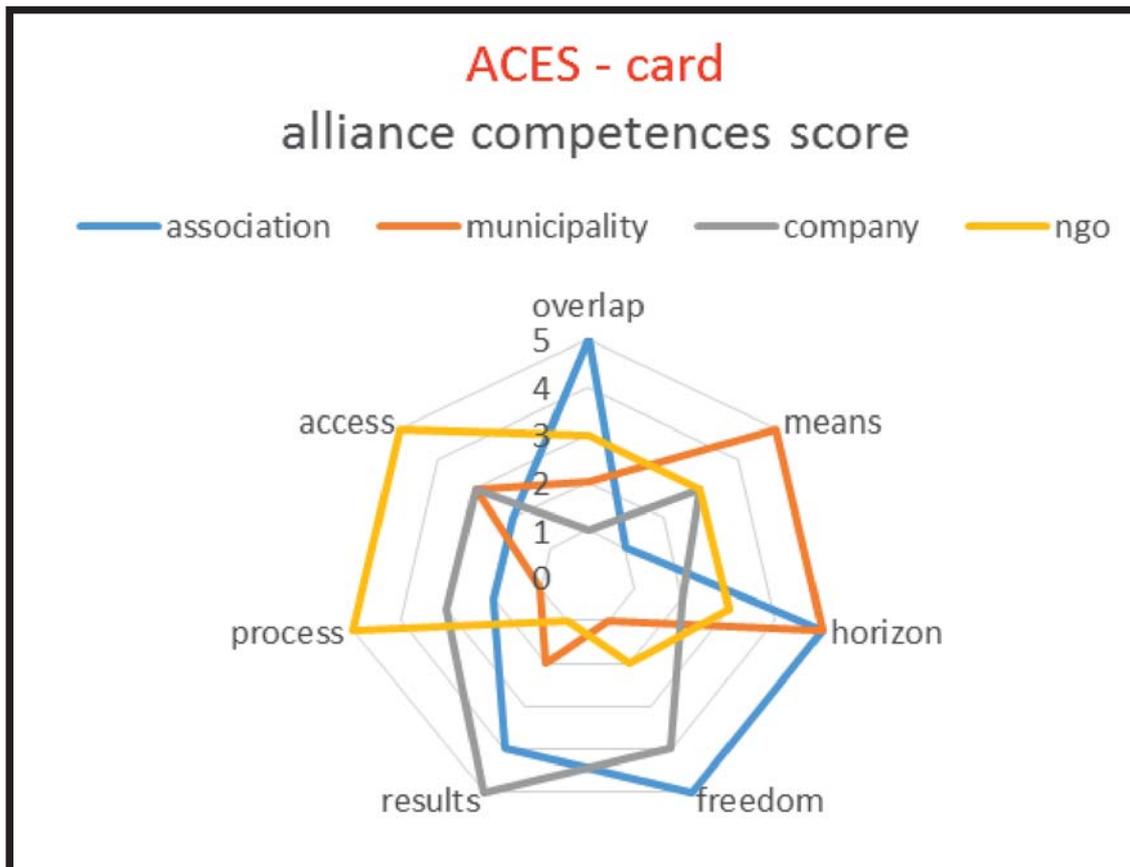
1. Extent of **overlap** between alliance goals and your own goals
2. Available **means**: money, knowledge, competences
3. Time **horizon**
4. **Freedom** to operate
5. Sensitivity to **results**
6. Feeling for **process dynamics**
7. **Access** to process management.

The choice for these seven aspects is based on a long period of experience in cooperation between NGO's, companies and governmental organisations and is inspired by literature on mergers and team-building. They characterise the scope of the alliance and the role of each partner. They can illustrate how strongly each partner is committed. Of course they should be tested and discussed.

A prototype for a questionnaire is given in Addendum 1 (see Page 8).

Each aspect can be scored on a five-point or seven-point scale. The results can be presented in a simple spider's web diagram and you can discuss the strength of the alliance and the potential contribution of each partner in a transparent way.

In this way we can develop an alliance-specific **ACES card!** (see the example on the next page)



In this situation you can visualise potential strengths and weaknesses:

- The “association” is most involved, but has the least means.
- Partner two, the “municipality” has most means, but is less involved in the whole process.
- The private “company” wants results, but is not fully committed.
- The “NGO” has most influence and skills to manage the process, but will meet problems with its intrinsic policy when a certain change in strategy is needed.
- The allied competences of the four partners are rather complementary, which is good. Each competence point has a lead person, with seconds nearby. When the partners in this alliance are able to accept the differences and grant each other the specific role and help each other to fulfil this role, then it might be a great success.

You can imagine other scores, giving a less balanced web. That can lead to a search for new partners, or develop new competences in existing partners. In The Groene Woud we are looking to enhance the “means” by interesting more private companies, outside the recreation sector. But it is difficult to find the overlap of the Groene Woud goals with the company's goals. At the same time we see the interest of municipalities decrease. Some are shifting to a more short term, result oriented position. With this instrument of the ACES card these shifting positions can be discussed in a more transparent and respectful way. And solutions can be discussed how to restore the balance in the network.

Recommendations

In order to make an alliance successful, the culture of an alliance, based on the different cultures of the partners, needs permanent and professional attention and care - at the beginning as well as in periodic evaluations. The board members should feel it as a shared responsibility.

To realise this care in an efficient, lean and mean way, the alliance could:

1. Assign one of the board members responsible for this portfolio
2. Involve a professional partner in the alliance who is more interested in the cooperative process than in the content
3. Make a SWOT analysis when designing or evaluating a strategy
4. Discuss, eventually adapt and use the ACES card as part of this SWOT analysis
5. Discuss the results in an open, respectful setting
6. Enhance the strengths and repair the weaknesses by developing complementary skills or finding a complementary partner.

This process is rather comprehensive, especially when a great number of partners is involved. In that situation the method can be used by a small group of insiders who are able to draw a map of the whole network and discuss it later with the other partners.

For more information

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Addendum 1: Prototype for a questionnaire to assess alliance competences scores

ACES Alliance Competences Score

Cooperation in an alliance is stimulating and complex. The better partners know each other, the better results they will reach. Try to answer the following questions and fill in the score for your organisation on this five point scale. Exchange and discuss the scores.

1. Overlap

What part of the strategic goals and activities of the partner are covered by the alliance? Is it a small, marginal part or is it a big, critical part? Would you name it proudly in your annual report or is it just a footnote?

high overlap - - - - - low overlap

2. Means

Are you, as a partner, rich, in terms of money, knowledge or competences? And is a substantial part of these means available for the alliance?

wealthy, powerful - - - - - lean and mean

3. Horizon

Are you interested in short term or long term results and relations? Which has priority?

long term - - - - - short term

4. Freedom

Some partners are operating in a strict framework of regulations and control mechanisms. Others have more freedom to operate according to passion.

Do you have to operate in long procedures or can you decide today?

free to operate - - - - - restricted

5. Results

A governmental organisation likes to present results every election year. A corporate company reports to shareholders every three months. One is more interested in the process, another just wants "boter bij de vis" (cash down).

Are you more process-oriented or result-oriented?

process-oriented - - - - - result-oriented

6. Process dynamics

Is there experience in cooperation processes? Are you active in more alliances? Is it a learning organisation? How dynamic is the internal organisation of the partner? Do you welcome "change" or do you want to keep things stable?

change - - - - - status quo

7. Access

It is important to be able to influence the working processes. But only one can be the manager, the chairman. Do you have access to the "top", are you well informed? Do they ask you for advice?

leading - - - - - following