1 WHY INTER-ORGANIZATIONAL RELATIONSHIPS MATTER

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1.1 INTRODUCTION

The government believes that genuine partnerships between poorer countries … and the donor community are needed if poverty is to be addressed effectively and in a coherent way.

We shall:

• Work closely with other donors and development agencies to build partnerships with developing countries to strengthen the commitment to the elimination of poverty, and use our influence to help mobilize the political will to achieve the international development targets.
• Pursue these targets in partnership with poorer countries who are also committed to them.
• Put in place new ways of working with the UK private and voluntary sectors, and the research community, towards the international development targets.

(DFID, 1997)

In its 1997 White Paper on International Development, the British Government’s Department for International Development (DFID) makes extensive use of the language of partnership and co-operation. This language has become the hallmark of policy and practice in development and social policy circles internationally – as is apparent in print, online and in the buzz of discussions at workshops and meetings. High hopes are being pinned on the capacity of different groups and organizations to work together, co-operatively and in partnership, in the name of human development. But what does this all mean?

As the statement quoted above indicates, the discourse of co-operation implies some commonality of view can be, and indeed may already have been, reached. There is an implicit assumption that a shared perspective about the purposes and processes – about the ‘what’ and ‘how’ – of development exists, which in turn enables partnerships and concerted action in the name of common goals.

The international aid business, an organizational arena which has in the past tended towards practices which could be referred to as serial monogamy,
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has been indulging in more complex and polygamous behaviours. One-off and private relationships between bilateral donor and government department are developing in many places into forms of concerted donor action around commonly agreed approaches. This can be seen as a shift from aid-based to rules-based development, which requires the involvement of many parties and in which skills of negotiation become more significant. The emphasis on aid projects and disbursement of aid funds has not disappeared, but has taken more of a backseat as donors, governments and increasingly, other ‘partners’, turn their attention to defining sector-wide programmes and stimulating macro-level change. In inter-organizational terms, this might be described as a move from interaction generated by operational needs and requirements, to attempts to build more enduring relationships stimulated by an appreciation of more strategic issues.

Major challenges lie in making sense of the politics which underly the rather cuddly notion of co-operation, the real conflicts of interest and agenda which persist in all areas, and the processes through which both self-interest or short-sightedness, as well as genuine conflict over values, are constantly being managed.

1.1.1 DEFINING THE INTER-ORGANIZATIONAL ARENA

In setting out to make sense of the inter-organizational arena, this book is underpinned by particular understandings of three linked concepts:

• development;
• development management; and
• public action.

In the first case, we understand ‘development’ to mean – following Amartya Sen – the expansion of capabilities. In other words, increasing the possibilities for more people to realize their potentials as human beings through the expansion of their capabilities for functioning. According to Sen’s ‘capability approach’, development should be about the enrichment of human lives, not in the sense of ‘having more things’ particularly, but rather of having the freedom to choose between different ways of living. Human life is seen as

… a set of ‘doings and beings’ – we may call them ‘functionings’ – and … evaluation of the quality of life [is related] to the assessment of the capability to function … Capability reflects a person’s freedom to choose between different ways of living. The underlying motivation – the focusing on freedom – is well captured by Marx’s claim that what we need is ‘replacing the domination of circumstances and chance over individuals by the domination of individuals over chance and circumstances’.

(Sen, 1990, pp. 43-4)
‘Development management’, then, as Alan Thomas has argued (Thomas, 1996), is distinctive as a type of management because it is about the management of interventions aimed at external social goals. These goals are themselves directed at the expansion of ‘capability to function’, and thus of freedom – in contexts which are characterized by value-based conflict and multiple actors (Thomas, 1996). The key aims of development organizations and of development action are externally directed to the public sphere rather than, as in most organizations, being principally internal. They are goals which have to do with the quality of people’s lives rather than simply with production or profits. ‘Value-based conflict’ is inevitable, therefore, because different people have at least somewhat different values and aspirations. There has to be negotiation between these people and around their differences – rather than the imposition of one particular set of values and goals – in order to achieve the best possible outcomes for everyone.

The basic task of all managers is to bring about the kind of co-ordination of activities and co-ordination between people – who themselves have different or only partially overlapping goals – which is necessary to achieve their own objectives. But for development managers the task is especially challenging because the external, social ends which they are trying to realize are particularly complex. This view of development management is based on an understanding that it is necessarily a complex and contested process which is influenced by a multiplicity of interests, both within the state and outside it.

The process of negotiation over development lies at the heart of the idea of ‘public action’. Public action is understood to mean more than just action by the state:

Public action is not … just a question of public delivery and state initiative. It is also a matter of participation by the public in a process of social change.

(Drèze and Sen, 1989, p. 259)

Mackintosh (1992a) builds on this notion of public action, suggesting that it needs to be broadened to incorporate action of behalf of sectional interests. Public action is, then, collective, purposeful manipulation of the public environment by a range of actors, including state, community, non governmental organizations (NGOs) and private commercial agencies. This book uses this conception of public action in place of the more familiar idea of ‘collective action’.

All of this means that the management of interactions between different organizations, and between different types of organizations, can fairly be seen as the essence of how development takes place. The multiple actors involved have at least partially differing values; usually no single individual or organization can control the process; nor can the outcomes be very clearly set in advance.
1.1.2 EXPLORING INTER-ORGANIZATIONAL RELATIONSHIPS

This book sets out to explore the policy and practice of development cooperation. Its argument is essentially a question:

How can relationships between organizations be managed so as to build the public action and outcomes desired from development interventions?

This is an action-oriented question which arises from the fundamental philosophical, value-based and ethical issues that public action processes contend with and seek to address. These are captured in questions like:

Who does what for/with/on behalf of whom? Why and how do they do it?

Managing in the multiple-actor contexts which confront development managers involves:

1. considering when and how to choose between various possible inter-organizational strategies, such as collaboration, advocacy, direct opposition, or organizational growth in order to achieve development ends; and

2. developing the practical skills for working with competitive, co-ordinated, or co-operative strategies for dealing with inter-organizational relationships.

1.2 COMPETITION, CO-ORDINATION AND CO-OPERATION

The starting point of the book is that there are three ‘ideal types’ or modes for structuring inter-organizational relationships – using the sociologist Max Weber’s term for a theoretical construction which emphasizes certain traits of a given social item which do not necessarily exist in reality. ‘Ideal’, here, does not mean ‘what is most desirable’ but rather something like a ‘pure form’. ‘Ideal types’ are tools for thinking with. What we are suggesting is that there are basically three ways in which people or groups relate to each other, though in reality all sorts of different combinations exist. Referring to the ‘ideal types’ of competition, co-ordination and co-operation (the 3Cs) will help us to make sense of more complex realities, and to make judgements about how best to manage in different situations. These ideal types are the currency of international policy debate, research and ideology, and are proposed as different institutional frameworks for addressing the problems of public action.

Each ideal type is explored on three levels, being commonly associated with particular: institutional frameworks (guiding sets of norms, values, rules and practices); ways of organizing (forms of interaction); and organizational types (see Table 1.1).
### TABLE 1.1 COMMON ASSOCIATIONS OF COMPETITION, CO-ORDINATION AND CO-OPERATION

<table>
<thead>
<tr>
<th>Institutional framework</th>
<th>Ways of organizing</th>
<th>Organizational type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition</td>
<td>Market</td>
<td>Suppliers and consumers through price mechanisms</td>
</tr>
<tr>
<td>Co-ordination</td>
<td>State</td>
<td>Government and citizens through voting mechanisms hierarchy; rule-based administrative control</td>
</tr>
<tr>
<td>Co-operation</td>
<td>Civil society</td>
<td>Voluntary initiatives and social movements through identification of common goals, values and needs</td>
</tr>
</tbody>
</table>

There are various and often contradictory definitions of the terms used to describe inter-organizational relationships. There are also a wide array of terms which are applied, including words such as conflict, collaboration, and coercion. In the rest of this section we establish the ways in which we use the terms competition, co-ordination and co-operation in the book. These are only a starting point, however. What is of greater interest is the complexity of practice, the ways in which the three forms or ‘ideal types’ combine in different institutional and organizational arenas.

Each of the 3Cs (competition, co-ordination, and co-operation) is generally attributed with certain characteristics which distinguish it from the other forms, and which appear to make it more or less suitable for tackling different types of collective problem. Thus, the state tends to be seen as the ideal form for ensuring legal systems and law and order. However, practice is more complicated than the ideal type suggests. Often there are significant overlaps between what might be considered state, market and voluntary organizations. It is not always clear what the differences are. And there are numerous situations in which different types of organization are working together in various arrangements, to resolve collective problems. For example, in the case of law and order, the government system may be responsible for the creation and management of laws (through legislative bodies, the judiciary and the police system), but private security systems of various kinds may also exist (including registered security firms and informal processes of justice).
1.2.1 COMPETITION

Compete: ‘to strive for something together with another’.

Competition: ‘the action of endeavours to gain what another
endeavours to gain at the same time; the striving of two or more for
the same object’.

(Shorter Oxford English Dictionary)

At its simplest, competition as a way of organizing is based on the use
of price criteria, by both suppliers and consumers of goods and services,
to determine their behaviour. The common organizational type associated
with competition is the firm, which maintains competitiveness (survives)
through price competition. The institutional framework for organizing
competition is provided by the market. Thus, one of the principal
proponents of competition as the basis for development, the World Bank,
puts it this way:

In most circumstances … the primary objective of public policy
should be to promote competition among providers – including
between the public and private sectors (when there are public
providers), as well as among private providers, whether non-profit
or for-profit.

(World Bank, 1993)

In its positive connotations, the market provides a desirable institutional
framework for organizing public (collective) action because it enables the
exercise of choice by individuals. On the negative side, competition is
often associated with conflict over scarce resources. For example: ‘in com­
petition people believe their goals are negatively related, so that one’s
success interferes with the others; one’s successful goal attainment makes
others less likely to reach their goals’ (Thompson et al., 1991).

Why might we choose competition as a way of organizing inter-
organizational relationships?

Competition has become the dominant ideology about ‘how to do devel­
opment better’; but in development practice, there are numerous instances
of conflict over resources, either head-on or through duplication. Our use
of the term competition in the book is broad. Not only do we use it in the
sense of ‘competition for scarce resources’ but also to reflect competition
over ideas, constituencies, values and definitions of needs. Market-led,
competition-based reforms of state structures have important implications
for inter-organizational management; but we should remember that there
may still be inter-dependencies between organizations, even when they
are in competition with each other.

1.2.2 CO-ORDINATION

Co-ordinate: ‘to place in the same order, rank, or division; to place
things in proper position relatively to each other and to the system
of which they form part; to act in combined order for the production of a particular result'.

Co-ordination: ‘the action of co-ordinating; harmonious combination of agents and functions towards the production of a result’.

(Shorter Oxford English Dictionary)

The most common notion of co-ordination is as rule-regulated and hierarchically organized, generally associated with the state as a legitimate controller and coercer. This view of co-ordination has strong resonance with traditional views of management where the role of the manager is seen as being ‘to plan, to organize, to command, to co-ordinate and to control’ (Fayol, 1916).

In its positive senses, co-ordination by the state is based on the notion of a liberal state deriving its legitimacy through systems of elected representation. The state promotes the concepts of national unity and universality, the protection of which justifies its central role and that of other publicly accountable bodies in co-ordination of an array of social and economic activities. Co-ordination is a way to bring together disparate agencies to make their efforts more compatible (in the interests of equity, effectiveness and efficiency). Without co-ordination, the danger is of lapsing into chaos and inefficiency.

However, co-ordination, generally associated with hierarchies, is a relationship of power (which can be used and abused) and the co-ordinator (be it the state or other agent) can be monolithic and coercive against the wishes of those being co-ordinated.

Why might we choose co-ordination? Co-ordination has been a key form for organizing development practice: co-ordination between government, NGOs and donors has been important for a long time. However, the context in which co-ordination occurs has been changing. The role of the state in development has changed, from that of the state as the all encompassing provider, to that of the state as regulator. This change has implications for the areas in which the state can legitimately be seen to have a co-ordinating role.

As a form of practice, co-ordination tends to involve relationships based on hierarchy. However, this hierarchy can be either imposed or constructed voluntarily, where one actor is given the task of leading. This is highlighted for example, by the distinction made between co-ordination of a recipient by aid donors and co-ordination, by the recipient, of aid donors (Wield, 1997). These two arrangements imply very different things about the use of power and resource, about who controls agenda-setting and management, and about who is accountable to whom.

Our use of the term in this book is to describe relationships which are ordered by the exercise of authority through hierarchy and rules, rather
than by the ‘hidden hand’ of competition or by solidarity based on trust and reciprocity.

1.2.3 CO-OPERATION

Co-operate: ‘to work together; act in conjunction with another person or thing, to an end, or in a work’.
(Shorter Oxford English Dictionary)

There are few common understandings of the term ‘co-operation’ beyond a rather broad notion of voluntarily working together based on consensus, camaraderie or solidarity, community or compromise. Even then, the differences in the philosophy and practice of co-operation are immense. For example, the US ‘communitarian’ movement and the European co-operatives both invoke the importance of community and co-operation, but do so in different ways. In political terms, forms of co-operation are advocated both by the reactionary right-wing, defining ‘community’ to exclude others, and by the radical left wing, advocating solidarism (which can, in its way, be equally exclusionary).

Co-operation tends to be associated with voluntary organizations, as non-hierarchical and with all parties involved on an equal basis with each other. In this sense, it can be distinguished from co-ordination on the basis that co-operation assumes power based on knowledge, expertise, and/or contribution, rather than power derived from role or function in a hierarchy. Co-operation is also often seen as the opposite of competition. On its positive side it is seen as a process of consensus-building and sharing in public action. However, as already indicated talk of co-operation frequently disguises power relations in the name of equality. In George Orwells’ exposition of the practices of radical socialism, Animal Farm, we are reminded that ‘All animals are equal, but some are more equal than others’. Terms commonly associated with co-operation, such as community or partnership, can in practice be little more than a smoke screen for many other kinds of relationship.

Why, then, might we choose co-operation as a strategy for building inter-organizational relationships? For many people and organizations, their philosophy or vision leans in this direction, for example those interested in the notions of ‘participation’, ‘process management’, and ‘learning organizations’. Co-operation is also a potentially strong device for managing diverse interests. Rather than leaving these interests to compete in the financial, political and social ‘markets’, or seeking to homogenize and consolidate these interests through co-ordinated action, co-operation as a concept offers the possibility for diverse interests to be brought together and to be built into a whole new idea or approach. In practice, co-operative processes have often assisted organizations to move from crisis to vision-building to problem-solving by stressing the common ground and interdependencies rather than the differences.
1.3 DESCRIBING INTER-ORGANIZATIONAL RELATIONSHIPS

We started this chapter with a quote from the UK’s Department for International Development which stressed ‘partnership’ as the way forward for international development initiatives and for the alleviation of global poverty. Questioning the widespread use of the term in current development discourse was the initial impetus for writing this book. Our interest (and disquiet) was centred on the ways that language can take twists and turns over time which can either enlighten or obfuscate our appreciation of real world events and processes. In compiling this book, our intention has been to take a more nuanced approach to the language of development and to the importance and variety of ways in which development organizations relate to each other.

A short discussion here of the language of ‘partnership’ and ‘co-operation’ serves to illustrate the broader purpose of the rest of the book. Even such a brief review of language and the way in which the relationships between organizations are described, underlines what we have said about their importance. It also clarifies the ideas behind the three ideal types from the complexities and the confusions of language.

The idea that development interventions involve relationships between development agencies is not particularly novel. Relationships have formed the substance of action and debate since the era of ‘modern’ development intervention began in the post-war years. Such relationships include those between:

- governments (donor agency and recipient government);
- northern NGO (NNGO) and southern NGO (SNGO);
- NGO and ‘community’;
- central government and local government;
- bodies within the UN system.

These relationships have long been described using words like ‘partnership’ and ‘development co-operation’, a term which, for example, has been used to describe the European Commission’s aid programme for a number of years. Similarly, for NNGOs, many of which have built their activities around support for international solidarity movements such as anti-apartheid groups and women’s rights organizations, ‘partnership’ has become a standard part of their vocabulary:

Fighting poverty through partnership: … Save the Children is working to fight poverty on all fronts from the UK to Africa, Asia and beyond. Support is rarely a simple question of finance. It involves building long-term partnerships and programmes which bring lasting improvements to children’s lives.

(Save the Children, Annual Report, 1995-6)
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World Vision is an international partnership of Christians seeking to facilitate and empower the poor and oppressed … World Vision Tanzania consults with and co-operates with other development agencies working in the area to avoid both duplication and conflict. (World Vision Tanzania, promotional brochure)

As a number of commentators have noted:

The idea of ‘partnership’ has been knocking around in the development business for years … [It] stems from the 1970s … In the 25 years since then, the term has been used and abused as a blanket covering all sorts of relationships between all sorts of development agencies. Not only has this eroded the usefulness of the term, current trends towards contracting in the aid system are turning NGDOs [non governmental development organizations] away from the concept …

(Fowler, 1997, p. 107)

Fowler points to a phenomenon which exhibits aspects of both the old and the new: old in the sense that this language has indeed been used for years, and often inappropriately applied, masking relationships which would be better described using other terms (such as co-ordination). This has been noted by critics:

Northern NGOs are becoming locked into a private world of discourse with its own ‘development dictionary’ (‘empowerment’, ‘process’, and ‘animation’) … And ‘partnership’, that polite myth so obtrusive in NGO rhetoric, often disguised Northern manipulation of Southern NGOs.

(Tandon, 1990)

and, with reference to donor aid giving to developing countries:

… assistance is given to make the partnership look plausible, but as it is worked out, the proletarian countries get poorer and the technological gap widens.

(Ake, 1978)

But there is something new in the sense that this language is being used more widely, and in areas where it has not been heard before, for example, through the inclusion of business in development partnerships (Tennyson, 1998). Fowler refers to NGDO disquiet when the term which they have become so uncritically comfortable in their own circles, now acquires rather sinister connotations because it is applied to their relationships with donors, which are increasingly based on contracts. The word ‘contract’ does not convey the sense of intimacy, understanding and equality that is commonly associated with the term – if not the practice of – ‘partnership’. It is no doubt for this reason that there is a preference for talking about
‘public–private partnerships’, a term which somewhat sanitizes the fact of crumbling and/or dismantled government services and the increased reliance on private provision of social services:

Private Health Care providers (both for-profit and not-for-profit) are now PARTNERS rather than opponents or competitors for the demise of each other.

(Government of Tanzania, 1994, p. 8)

The range of contexts across which this language of partnership and co-operation is now being applied, gives the impression of a new consensus. This apparent consensus is expressed through the sharing of a vocabulary across diverse development agencies, which have in the past tended to reveal their differences through their different ‘development dictionaries’.

This is a common vocabulary around:
1. the desirability of ‘partnership’ as a focus for development intervention and support; and
2. the purposes of that partnership; and
3. the nature of the relationship.

1.3.1 THE FOCUS ON PARTNERSHIP

Over time there appears to have been a shift in emphasis from a focus on aid giving to that of development partnership. This is clearly captured by a 1996 report produced by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development:

The record of the last fifty years, from Marshall Plan aid to the network of development partnerships now evolving, shows that the efforts of countries and societies to help themselves have been the main ingredients of their success.

(OECD, 1996)

The report sets out goals for development to the year 2015, and identifies the strategies for achieving those goals as being: ‘partnership in support of self-help efforts, improved co-ordination and consistent policies’:

To give substance to our belief in local ownership and partnership we must use channels and methods of co-operation that do not undermine those values. Acceptance of the partnership mode … is one of the most positive changes we are proposing in the framework for development co-operation. In a partnership, development co-operation does not try to do things for developing countries and their people, but with them. It must be seen as a collaborative effort to help them increase their capacities to do things for themselves.

(OECD, 1996)
The Department for International Development (DFID) in Britain, endorses these views; a recent speech by Clare Short, the Secretary of State for International Development, charts the history of development assistance in a similar way:

Priorities in the early 1960s … focused very much on support for … infrastructure that had been developed in the colonial period. There was a significant shift in the mid 1970s, spearheaded by Robert McNamara at the World Bank … towards support for the poorest people in the poorest countries … There was a further shift in 1980 when the last government said it would take greater account of political and commercial factors in taking decisions about the allocation of aid resources … Now is the time for another major shift … I am very impressed by the approach outlined in the report of the DAC ‘Shaping the 21st century’… The report proposes measurable targets … It suggests that developing countries, international financial institutions and donor countries agree on openly prepared partnership plans for meeting these targets … Our role is to support and complement – and not to do so in such a way as to suggest that we have all the answers … We must share the lessons we learn and this must be a two way process … Partner governments must be committed to the creation of the right economic and political environment – which includes dealing with corruption – if sustainable development is to thrive.

(Short, 1997a)

1.3.2 THE PURPOSES OF PARTNERSHIP

Statements such as those above indicate some agreement over the purposes of partnership – what development intervention is about. It is not about giving aid, but about building capacities and local ownership – doing things with people not for them. It is about helping to create the ‘right economic and political environment’.

The ostensible purpose of development partnerships in the late 1990s is ‘institutional development’ or ‘institutional transformation’, two more key terms in the current shared development dictionary. This is based on the idea that institutional weakness or decay is the main obstacle to the achievement of the development vision. Commissioner Pinheiro, in UK discussions on the future of European Union–ACP (African, Caribbean, Pacific) relations says:

… closely connected to the theme of reviving growth, is the question of institutional change and development. There is increasing evidence that growth prospects are seriously impaired by weak, ineffective, unpredictable and arbitrary administration and by governments which have no will to tackle the sources of inefficiency, waste and corruption, to confront problems, to practice
sound management in public finances and to achieve results. *As a large and significant partner in development the EC can help to strengthen government’s political will to reform* … Institutionally strengthened governments are in much better shape to tackle the fundamental development problem of reducing poverty. (Pinheiro, 1997; emphasis added)

This is a view shared by the World Bank amongst others:

An effective state is vital for the provision of the goods and services – and the rules and institutions – that allow markets to flourish and people to live healthier and happier lives … Many said much the same thing fifty years ago, but then they tended to mean that development had to be state-provided. The message of experience since then is rather different: that *the state is central to economic and social development, not as a direct provider of growth but as a partner, catalyst, and facilitator.* (World Bank, 1997, p. 1; emphasis added)

### 1.3.3 THE NATURE OF THE RELATIONSHIP BETWEEN ORGANIZATIONS

The language of partnership and co-operation is also intimately connected with language used to describe how agencies work with each other. The *World Development Report* (World Bank, 1997) suggests that the state’s role is to act as a partner, meaning as a catalyst and facilitator. Similarly, in other extracts used above, there is talk of donors supporting governments, helping them to strengthen their political will. This language suggests that everyone is now participating in a common enterprise – partnerships are being built through facilitative networks of development organizations, this process itself producing synergistic complementarities and enabling environments. The language of this last sentence, however, may mean different things to different people – or nothing at all to some!

In short, the language of ‘partnership’ often masks a complex reality, which is that relationships take many different forms, and that these vary widely in terms of the ways in which power, interests, substance and so on are organized.

### 1.4 THE IMPORTANCE OF INTER-ORGANIZATIONAL RELATIONSHIPS

As the quotes in the last section indicate, there is a strong message that development agents and organizations should be working more closely and with common purpose. However, there is a range of views on what this means. Some appear to take it as a given fact that agencies are doing so already; others are more explicit about the practical difficulties; and still others are advocating or discussing relationships between certain groups in order to challenge the agenda of others.
The central concern of this book, as we stated earlier is

How can relationships between organizations be managed so as to build the public action and outcomes desired from development interventions?

This question assumes that inter-organizational relationships do matter. They particularly matter when it comes to working towards broader, collective outcomes and they require conscious nurturing or ‘management’. Such assumptions are not exclusive to development interventions. For example, the significance of relationships between organizations is now recognized in the practice and research around business or commercial organizations. These relationships are explained in a variety of ways, depending on the perspective of the observer. Some of these explanations could be characterized as in Box 1.1.

**BOX 1.1 SOME PERSPECTIVES ON WHY INTER-ORGANIZATIONAL RELATIONSHIPS MATTER**

*Evangelism*: collaboration is a ‘good thing’, which should be aspired to for that reason. A view particularly strong amongst those concerned with community organizations (for example, NGOs, with experience of working at the ‘grassroots’; or proponents of communitarianism in the US).

*Pragmatism*: in recognition of the fact that the world is becoming both smaller and more complex, and that societies and organizations are increasingly interdependent. A good example of this is the spotlight which has been turned on NGOs working in emergency or relief situations, and the need for them to work more closely together. International concerns over the environment, too, have brought diverse organizations together in negotiations.

*Market imperatives*: as the world of business organizations has become increasing specialized (characterized in the move from Fordist production models to the Japanese model), inter-organizational arrangements are seen as key to efficiency and competitiveness (co-operation for competitiveness).

*Synergy*: the idea that working with other organizations enables an organization to better achieve its objectives; that is, the achievement of the whole is greater than the sum of the parts. It strongly informs advocacy networks and also efforts to build NGO ‘sectors’ in developing countries.
Whatever the specific justification, the prevailing notion is that ‘interaction is best’. Although the language is not all new, current development discourse assumes that

- interagency collaboration is key to the success of development interventions;
- building such collaboration will produce new and more desirable (read ‘effective’) institutions; and
- this can be achieved through facilitation and support of a variety of relationships or arrangements between agencies.

Despite the positive story which is widely repeated about the benefits of inter-agency collaboration, discussion about the policy and practice of such relationships is limited. There is seldom consistent policy from development agencies which sets out what they mean by words like ‘co-operation’ or how they intend to promote it in practice. Nor do they describe the contexts and circumstances in which ‘co-operation’ is likely to be more efficient, effective and accountable than ‘co-ordination’ or ‘competition’. There is perhaps even less systematic treatment of the issues which are involved in attempts to implement and manage the inter-organizational arena. Yet it is recognized by many practitioners that this area is very difficult. This book aims to address these gaps.

1.5 STRUCTURE OF THE BOOK

The book treats the three ways of organizing and managing inter-organizational relationships in what appears to be a linear way, rather as if there were a continuum from competition to co-operation. However, this structure is intended only as a way of organizing material and arguments, and throughout, the complexity and overlap in real life is drawn out. This is one of the main arguments of the book: no particular form of inter-organizational relationship is inherently ‘better’ than any other. ‘Co-operation’ is not necessarily more desirable than ‘competition’. Both popular debates and policy discussions are often set up in such simplistic ways. We believe that it is important to challenge the assumptions which are rather commonly made – whether about the inherent virtues of competition and of market organization (which has been a central tendency in debates over international development in the last decade and more) – or about the virtues of co-operation (which have often led would-be ‘community developers’, for example, wildly astray). We also want to challenge the idea that competition, co-ordination and co-operation are alternatives; real organizations will often display elements of all three forms.

The book is in five parts. The first part introduces some of the conceptual and discourse issues relating to organizations and the divisions of roles by setting out conventional thinking around our three ideal types and by
examining some contemporary thinking about inter-organizational relationship. The next three parts address the 3Cs (competition, co-ordination, and co-operation) in turn, setting out:

1. *Theory, concepts and definitions:* commonly associated with each ideal type and their alternative, more complex definitions.

2. *Inter-organizational arrangements and forms of practice:* using case studies, examples and interview material, to introduce the types of inter-organizational arrangements which emerge around each institutional form, and the issues (of values, efficiency, effectiveness and accountability) that arise.

Each of the parts has a short concluding section which draws out from the material some of the implications of each form for practice: how inter-organizational arrangements emerge or maintain themselves or change; who are key actors; how they are managed. The types of critical question include:

- What arguments are used when people promote one institutional form – competition, co-ordination or competition – as being most desirable for public action?
- What types of inter-organizational arrangements are commonly associated with each institutional form? How do the three forms overlap and interact?
- What are the implications of each type of arrangement in terms of values, efficiency, effectiveness and accountability?

The final part of the book provides two different types of conclusion.

Chapter 13 is a case study of inter-organizational relationships which reflects on the real world implications of concepts used throughout the book.

Chapter 14 explores ways of putting ideas in the book into practice, emphasizing certain generic skills that may be useful to practitioners and managers of inter-organizational relationships.