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Making consortia work

An example of competing consulting firms in Ethiopia

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Introduction

“Please don’t work in a consortium. It takes so much extra time and effort”. But either I did not make myself clear or people just chose to ignore my advice.

CSSP¹, an Ethiopian funding organisation, had brought together three providers to design a leadership development programme for civil society organisations (CSOs). When we left them in a room for an afternoon to co-create a response to the terms of reference, they decided on a consortium approach. They believed that, by developing a common approach within the same overall proposal and then each implementing the programme in different regions, they would yield the best results. They suggested a consortium of equals with no lead agency but three separate contracts, one for each provider. I had recently finished an 18 month evaluation of a costly and challenging consortium of funders operating in Malawi (described in [Funder Collaboration: a compelling and cautionary tale](#)). I was deeply concerned – particularly because of the short time available – just a seven month pilot programme.

I had to eat my words. The pilot programme proved remarkably successful, not just with the leadership development itself, but also the way in which the three providers worked together.

This consortium has challenged my prejudices. This is my attempt to find out:

- Why the providers decided to work together?
- What positive difference did the consortium make?
- What were the costs of collaboration?
- What are the lessons learned about working in consortia?
- How should the consortium evolve into the next phase?

¹ The Civil Society Support Programme (CSSP) Ethiopia is a five year, multi-donor capacity development programme which provides support for Ethiopian people through the development of Ethiopian civil society organisations (CSOs). The programme is funded by six international donors, led by Irish Aid. As part of an implementing consortium including British Council and IDL, INTRAC has been providing technical assistance to the capacity development component.

So why did the provider opt for a consortia?

CSSP brought together three leadership development providers to co-create a programme for CSOs in Ethiopia. These three providers had been selected after a lengthy and rigorous process (including mapping all providers in Ethiopia; issuing a call for proposals; short-listing; visiting and interviewing). CSSP had enough confidence that each of them could independently deliver a quality programme. We therefore all assumed that each of these providers would do their own thing in a different region.

The three providers were left in a room for three hours to see what they could create together. During this time, as one respondent said: *“We realised we faced similar challenges and also had a lot in common in our approaches”*. They preferred the idea of a joint proposal whereby they worked together on design and on-going learning and improvement. Despite my attempts to put them off, members still *“thought collaboration would appeal to British Council”*.

Furthermore they felt that operating as a consortium *“might give us greater bargaining power with CSSP. If we were speaking the same language with one voice then we could have a stronger position in any negotiations.”* The two Ethiopian providers also realised that working with a recognised global leader like Center for Creative Leadership *“obviously helped our reputation as a local firm”*. One was honest enough to admit that: *“if we were to have a common fee rate, this would increase our normal charge”*.

Leadership development consortia members

Center for African Leadership Development (CALD) provides innovative and strategic human capital and OD solutions through its tailor-made training, consultancy, research and publications.
<http://caldafrica.com/>

Emerge Leaders Consultancy and Training develops leadership and management skills of individuals and organizations to inspire and influence their constituents in a time of rapid change.
<http://emergeplc.com/>

Center for Creative Leadership (CCL) advances the understanding, practice and development of leadership for the benefit of society worldwide.
<http://www.ccl.org/leadership/capabilities/europe/about/index.aspx>

What difference did it make?

All the stakeholders agreed that this consortium yielded benefits from:

- Improved design
- On-going learning
- Peer accountability
- Scale

Taking a joint approach and developing common content meant the three agencies had to design carefully together. They came with their own strengths and experiences. For example, one of the agencies was focused on appreciative attitudes and mind-set (as well as gender); another was extremely strong in concepts and tools; and the final one was most experienced in applying learning to the practical realities of Ethiopian CSOs. As they listened and discussed, they distilled the best from each and came up with a common and coherent approach.

Sharing each other's materials and tools resulted in a better quality overall design. As one respondent said: "*Our approach was enriched by their tools*". But this was not a straightforward process. It took considerable effort to achieve a "*creative abrasion of different skills and experiences*".

The consortium also improved the quality of the delivery of the programme because they established a rhythm of regular team meetings to capture and apply the on-going learning from experiences. Although the providers were operating in different regions and therefore different cultural and organisational contexts, they met regularly to reflect on experiences and learn from each other. They highlighted what had gone well and what could be improved and immediately applied that to planning the next interventions.

The consortium enabled peer accountability and quality assurance. There was an implicit competitive pressure to deliver high quality service - "*We wanted others to do our stuff well*". By creating milestones together at meetings and regularly checking in on progress, the consortium also contributed to a fast-paced programme. As one said: "*We could not be the one that let the others down by missing deadlines*". Another pointed out: "*It was encouraging and inspiring to be moving so fast together with others*".

Most obviously the consortium also increased the scale of the pilot. No one provider could have worked in all three regions at the same time (let alone in the whole country during the next roll-out phase). There were simply not enough facilitator resources. So working in consortium enabled three times as much delivery.

What were the costs?

Collaboration always comes at a cost. This example was not exempt. The budget was higher because the extra time costs of collaboration were factored in and covered by CSSP. In the seven month pilot, each agency was paid for nine days to cover collaboration meetings. In addition, as a community of equals, each agency felt it was important to have comparable fee rates. This meant that those charging less increased their fees.

Furthermore, having three separate organisations also meant that there were fewer economies of scale. Management and administration overheads were proportionally higher. Each provider needed its own equipment too (though these capital costs were not significant).

As the work was being done by different organisations, there was a danger of less cross-fertilisation from regions. But perhaps because the providers recognised this threat, they intentionally worked hard to organise the joint reflection and planning sessions, so the danger was largely avoided. The lack of lead agency could have meant no one took ultimate responsibility but, in this particular case, they all did, so another potential danger did not materialize.

One agency highlighted the personal cost from the discomfort of working in a consortium: "*We had to open up a lot about our fees, our self-interests, our own agendas. We had to hold back our temptation to dominate the others and say 'we know more about this'*".

But overall, respondents universally agreed that the consortium benefits far outweighed the costs.

Why was it successful?

So why did this example succeed, when many consortia experience inordinate delays, major tensions and associated costs? The main factors that respondents highlighted included:

- Pre-existing relationships of trust and belief in each other's competence.
- Shared values and a common underlying approach to leadership development.
- A shared purpose and commitment to making it work.
- Investment in joint planning and learning.
- The particular chemistry between the individuals involved.
- Separate contracts enabling inter-dependence not co-dependence.
- A funder prepared to cover the costs of collaboration.

The human factor

Pre-existing relationships of trust (social capital) were a major asset. Many of the people involved had been part of a British Council leadership development programme some years earlier. Some had been on each other's courses in the past and had already collaborated together to a limited extent. The leaders of all three organisations were highly respected in the field. So there was a solid basis of mutual respect to build on. This underlying trust meant that new people from each organisation could be assimilated quickly. This trust also meant that the inherent differences could be used as creative tension, rather than something that delayed and caused dysfunction.

Shared values and purpose

The three providers had a lot in common. They were motivated by common values. They shared a core focus on leadership development and because they had a similar

understanding of how leaders changed, their overall approach was broadly similar. They also all believed in taking a values-based, experiential approach to leadership change.

They also managed to appreciate each other's differences and strengths. Rather than seeing difference as a threat, they chose to listen and learn from each other and design a process that reflected each organisation's particular strength. Each agency had to be open and generous enough to share what they felt they did well - despite the danger of sharing their secrets with potential competitors. They could only do this because they had a high degree of respect for each other's competence and integrity.

But it would be naïve to suggest that such differences did not cause any problems. As one respondent said: "*As a small organisation, this programme was the main thing for us and we wanted to learn. For the larger one, it was only one of many contracts they had so they gave the impression of wanting to move on.*"

It would also be wrong to pretend that the consortium was staffed by angels rather than humans. Some felt patronised at times by attitudes of superiority. Also as one said: "*There was a natural and subtle competition – we all wanted to shine in the discussions and prove to each other how good we were*". The level of openness and trust was not a given, they had to work hard to curb natural pride.

Commitment to success

Overall they managed to subvert their self-interest for the common good, because each of the three agencies was committed to the collaboration. As one said: "*We were determined to make it work*". It helped that the notion of collaboration was core to each of the agencies' understanding of good leadership – "*We all wanted to model*

good collaborative leadership. This is what we teach. This is a great opportunity to practice."

Furthermore, the providers were all acutely aware that given the short frame for the pilot, there was no time to waste in 'storming'. They had to get on and deliver high quality services if there was to be any chance of continuing into another phase - *"We knew we had a short time to deliver if there was to be a second phase post-pilot"*. There was a clear financial incentive for each organisation in the joint success of the consortium as *"a full-blown roll-out was dependent on how we performed"*.

Considered planning

Yet despite the time pressure, the agencies did not rush the planning. They invested considerable time at the start, which CSSP were prepared to finance. This meant *"we prepared well so that everyone was on the same page"*.

The considerable consultation resulted in authentic co-ownership and higher quality plans: *"When we sat together and discussed plans, they became clearer"*. During the implementation, however, the consortium realised that they had to be more flexible than they had initially thought. As one respondent said: *"One of the key success factors was having freedom to adapt. We allowed each other the space to do things differently in different regional contexts"*.

The chemistry between the particular individuals involved, also had a significant influence on the performance of the consortium. While at the start, *"it took quite a lot of energy to work with some people"*, as the CEOs had the courage to delegate responsibility to their teams, those remaining were less used to being in charge and getting their own way. While members obviously had different personality types, they were all *"sociable and good natural communicators"*.

Consequently as one said *"We are friends. We like each other"*. This further deepened the trust that was already there.

Consortium structure

The consortium structure contributed considerably to its success. Because CSSP were prepared to issue three separate contracts (and budgets) within one overall proposal this meant that the three agencies could operate inter-dependently. If one agency had held the whole budget and became the *de facto* lead this may have led to a co-dependent, dysfunctional relationship. This multiple contracting allowed the consortium to be a genuine community of equals. This did not mean, however, they had exactly the same roles or budgets. Different members took responsibility for different elements. CSSP reinforced this by being prepared to accept the three agencies charging the same fee rates, rather than having one rule for an international and another for an Ethiopian firm.

Funder support

Clearly the way that the funder CSSP supported the process made a difference. In particular, they held a space for the three providers to co-create something themselves rather than CSSP designing something first and then asking providers to bid for the contract. CSSP and INTRAC accepted that these locally-based providers know best what will work in Ethiopia.

Furthermore, CSSP were prepared to cover the extra financial costs of the process of collaboration, unlike many funders who advocate collaboration, but are not prepared to pay the price.

How might the consortium evolve into the next phase?

The consortium functioned well in a particular situation – the pilot programme. Now that Phase 2 of the project is starting, the consortium will need to evolve to fit this changing reality. It is important to maintain as many of the benefits as possible, while also allowing greater flexibility and adaptation to different regions and contexts. Just because it is no longer a pilot, the pressure and commitment to succeed as a consortium, should not fade away.

Now that the collaborative design has been done and the proposal for the roll-out phase approved, there is a temptation to sit back as a major element of the collaboration (joint design planning) has been completed. The financial incentives and co-creation benefits of working together are front-loaded, whereas the time costs of collaborating are paid throughout the programme duration. There is therefore the risk that members will now pay less attention to the consortium itself and focus simply on the delivery of their individual aspects of the work.

This risk may be exacerbated because members are aware that the consortium will need to be “*loose enough to not interfere and become rigid*”. During the pilot, members learned they had to adapt to fit the different regional and organisational contexts. Now that the overall programme structure has been developed and, as the programme spreads to the whole country, this flexibility to adapt materials and methodologies to fit their particular context becomes even more important.

While some aspects should become looser, others need some tightening up. It will be helpful to have more standardized monitoring and evaluation methodologies so that each consortium member can conduct assessments independently.

But although the consortium in Phase 2 may evolve into more of a ‘community of practice’, its role is just as important. The emphasis and investment in joint reflection on experience, learning and on-going adaptation and improvement is essential. There is still a need to meet regularly as a full team to share experiences and plan for the next activities.

They will need to work harder to be accountable to each other for individual commitments, as the financial incentive for a successful pilot is not as powerful as before. They will also need to maintain the practice of setting joint milestones and holding each other to account for their mutually-agreed targets.

The particular individuals involved in the consortium will change. Some will move on. Thus the consortium will need to work hard and continue to invest in the individual relationships which generated the level of trust that proved pivotal to success. They cannot take this trust for granted or assume that it will be automatically passed to new people.

Again the “*creative abrasion*” and challenge that the consortium enjoyed in the pilot phase will need continued cultivation. Providing and receiving feedback is always uncomfortable and the consortium should build on its good start to deepen this aspect of its work. It should give even more opportunities for feedback and constructive outlets for any frustrations.

So the story continues. What will the next chapter of this consortium hold?

This consortium is well-placed to rise to the new challenges, but they will need the same level of commitment, creativity and trust to maintain the inspiring standards they have set.