

Action Learning Diploma in Strategic Leadership and Executive Management of Public Private Partnerships (PPP)

Institute of Leadership and Management (ILM) and Commonwealth Business School (CBS)

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Introduction

The governments of many developed and developing countries have either introduced PPP programmes or are committed to doing so. Nearly all such governments have acknowledged that they have too few officials who have the competence to manage and deliver these programmes effectively and efficiently. There is a similar shortage of experienced individuals in the many private sector firms and companies who want to respond to government requests for proposals to deliver and manage the public infrastructure necessary for economic and social development.

Many of those working in the PPP arena would like to get a PPP qualification. Far too few do so because they feel it entails examinations or they think it would take them away from their day job. Our work-based/action learning programme enables participants to achieve the ILM/CBS Diploma, an internationally recognised mark of excellence, without leaving their workplace. In fact, the *workplace* becomes the "laboratory of learning" where candidates, whilst working towards this qualification, make a measurable contribution to their effectiveness and that of their own organisation through achieving employer-approved, company/ministry-based tasks.

The Basic Approach and Outcomes

Many leaders of PPP and other programmes are failing to deliver. There is a lack of understanding of what leaders should *do* and what competencies and characteristics they should possess. This is particularly true of leadership and management of the introduction of PPP in many countries. The process of defining and implementing PPP-based projects has to be improved radically. PPP procurement is designed to introduce private sector funds *and* to improve the effectiveness of service delivery. Both these aims have to be built into project strategy and delivery.

Our part-time, 12-month, work-based learning Diploma is designed specifically to achieve these aims. It is customised for those individuals who are charged with designing and implementing PPP-based projects to meet the needs of organisations in the public and private sectors. This is not a traditional classroom-based training programme. It does feature workshops on the latest approaches to PPP, but it focuses on solving real business problems and building personal and technical competencies.

While individuals are taking action to solve problems associated with PPP they learn how to improve their own performance. It is *learning by doing* in the workplace. Participants learn from reflecting on their own performance, from each other via constructive feedback and from reference to best practice.

We present technical PPP content with leadership content *together* in the context of the participant's current work responsibilities. This is different from other providers. The expected outcome from this approach will be a measurable improvement in the leadership of PPP project development and delivery in both the public and private sector. Projects will be prepared better before being released to the market; the pipeline of projects will be better organised; the structure of projects will be more acceptable to private sector providers and financiers; and more private sector firms will put in better bids and be more effective in delivering good quality infrastructure and long term operations and maintenance services.

One outcome will be improvement in the performance of Government Ministries and Agencies and private sector firms and companies in the delivery of specific projects. This results directly from the strengthening of individual and organisational management capability, the capturing of learning from each project and the transfer of such learning to subsequent projects.

The outcome for participants is that they can work confidently towards their further learning and Diploma status through the alignment of their day-to-day work with the competencies required to meet ILM and CBS requirements. This is done with an expectation of success and without being away from the workplace, except for five short workshops.

How the Programme Works

The programme is made up of four elements: individual projects, group projects, personal development plans (PDPs) and workshops.

- **Individual projects** These are designed to improve how each participant delivers their part of a PPP project. The programme director, supported by the team of PPP experts within the CBS faculty, will supervise individual project improvement plans (PIPs) which will focus on solving the technical and managerial implementation problems being experienced by each participant. The programme director and faculty experts will encourage each individual to implement their PIPs and to focus on learning from their experiences, not only about PPP but about their own managerial and leadership style and competence. Particular attention will be placed on ensuring that the learning is written up in a form that can easily be used in subsequent projects. This will not only contain technical material but will also refer to the leadership needed to ensure that projects are defined and delivered in the most effective way.
- **Group projects** An essential part of action learning is to work in small groups on solving common problems and from this experience to learn about group dynamics and how effective teams are created, led and sustained. Participants will work on solving critical problems identified in the design and implementation of PPP projects. They will be encouraged to

introduce the results of their group work on their particular PPP projects and in their individual organisations and to document the learning. Again, particular emphasis will be placed on leadership at each stage of the project life cycle.

- **Personal Development Plans (PDPs)** The programme will begin with each individual doing a Professional Development Audit (PDA). This is a reflective assessment of their experiences, competencies, education and learning achieved prior to beginning the programme. A technical and managerial expert working in the PPP field will then match this PDA with the competencies that are required. The development of necessary competencies will be the subject of a PDP to be completed during the programme. The PDP will be achieved through a series of learning contracts which each individual will agree with the programme director.
- **Workshops** The programme will include five three-day workshops which will cover best practice in the areas of leadership and PPP. These interactive workshops will be conducted by experts in PPP, leadership and management and will be reinforced by on-line distance learning material. In the workshops participants will learn about international best practice. Using this knowledge they will identify major obstacles that they face in project delivery and what actions need to be taken to remove these obstacles. During these workshops Faculty experts will impart knowledge and good practice across the project life cycle. This will be customised to participants' work through discussions and group work in and between the workshops. This will enable participants to internalise best practice and to devise appropriate implementation plans.

Workshops

The five three-day workshops will be separated by six to eight weeks. Each workshop will cover a particular stage in the PPP procurement process.

At the beginning of Workshop One, the programme director will describe the action learning process which will act as an envelope to be put around the technical content built into each customised workshop. At the beginning of all but Workshop One, there will be a review of the project work done since the previous workshop including the application by participants of their learning day-to-day project management and learning from experience.

After these introductory elements a Faculty expert will deliver technical PPP elements relevant to each workshop. On the final day of Workshop One participants will spend time with the action learning programme director to define the scope of the group and individual projects and the PDPs, with special focus on the role of appropriate leadership in project execution. On the final day of Workshops Two to Five the group project teams will be given another group project. During these group project sessions, the programme director will work with the groups in scoping the project thus helping them develop into high performing teams. The programme director will also help individuals with their PDPs. Individual tutorials may also be given at this stage, focusing on how participants are developing implementation skills and producing outputs from their work.

Between workshops, the teams will meet regularly to complete their group project. They will also spend time helping each other with their individual projects and their PDPs to supplement the help given by each participant's line manager. They will be entitled to call on the help of the Faculty experts to prepare the technical content of their individual or group projects. These experts will be mandated to pass on their knowledge and skills to the programme participants. These inputs will include presentations on issues of leadership pertinent to the delivery of the projects.

The output of each workshop will be documentation which can be used by participants' employers on current and subsequent PPP projects. We ensure that, to maximise the organisational benefits, all documentation will be customised to the precise needs of each project situation. The documentation for each stage of the PPP process will include leadership and management issues relevant to that stage. Participants will be expected to tutor their own staff and other team members. They will also continue to develop their PDP.

The workshops will cover the following:

Workshop One - the initial stage of a PPP programme

- Determining priority projects and scoping them to meet Government strategy and objectives, including reviewing any standard project documentation.
- Creating and managing a multi-disciplinary team.
- Completing necessary activities before bringing a project to market.
- Ensuring that the right legal and financial governance is in place.
- Specifying outputs/outcomes which the private sector has to deliver.
- Developing performance measurement and incentives.
- Producing a public sector comparator.
- Calculating and identifying source of funds for any central government financial support.
- Preparing a communications strategy.
- Soliciting local and international market interest.

Workshop Two – preparation of documents for procurement

- Understanding the components of a fair and transparent procurement process that will maximise national and international interest.
- Specifying the bidding requirements using best practice from the experience of countries with a developed PPP market.
- Drafting terms of reference for external advisers.
- Procuring and managing advisers.
- Drafting output specifications and the payment mechanism, in particular how to link outputs to performance monitoring and the payment mechanism.
- Developing bid documentation based on best international models including draft project agreement and other contractual documentation, termination and dispute resolution/arbitration procedures.

- Ensuring provision for flexibility to allow for future changes in policy that affect services provided under the contract.
- Managing an effective procurement.
- Making effective decisions.

Workshop Three - the procurement process up to selection of preferred bidder

- Conducting a fair and transparent procurement whilst avoiding dispute.
- Managing procurement documentation.
- Negotiating skills during the procurement process.
- Using financial, legal and technical advisers.
- Evaluating expressions of interest and offers from a short list.
- Selecting a preferred bidder.

Workshop Four - the procurement process from selection of preferred bidder to financial close

- Negotiating the solution, not the price.
- Managing final design development envisaged by the procurement strategy.
- Understanding the financial model provided by the preferred bidder.
- Obtaining approvals.
- Producing the final business case.
- Preparing for commercial and financial close.

Workshop Five – the period between financial close and the end of the operating period

- Managing post financial close communication between the government and the private sector partner over any changes that might be proposed by either party.
- Understanding the independent certifier role in certifying that the asset is available for use in accordance with the project agreement.
- Understanding substantial completion and what this means for the start of the operational phase.
- Preparing for commissioning and opening the asset.
- Making preparatory arrangements for ongoing monitoring of the performance of the operator.
- Developing the communication strategy, in particular with the public, the press and trade unions.
- Monitoring the operation phase.
- Developing a protocol for communication between the government and the private sector partner over any changes which either party might propose.
- Preparing for performance measurement of the operator.
- Operating the payment mechanism.
- Operating termination procedures in the event of force majeure, operator default or ministry default.
- Managing pre hand back procedures to ensure that the asset will be able to be used for a number of years without major expenditure being incurred.
- Understanding end of contract issues.

Assessment

All four of the above elements will be worked on during and between the workshops and will be supplemented with inputs given by the programme director. The aim is to ensure the programme dovetails into each individual's day-to-day work. The projects and the PDP are written up by the participant and marked by the programme director and faculty experts. Each participant is assessed during a viva voce. Satisfactory completion will lead to the award of a Diploma in Strategic Leadership and Management of PPP, awarded by ILM and CBS. This award carries 90 credits and constitutes the first part of a Masters degree. Individuals can proceed to a further period of study (usually 1 more year) which can lead to an MSc awarded by several universities with whom CBS have collaborative arrangements.

Benefits – Organisational and Individual

Organisations will achieve the following measurable return on their investment of sponsoring participants.

- Team leaders who are better able to identify and solve problems associated with the design and implementation of PPP projects.
- Well-researched and precisely-documented material which is thoroughly customised to individual and organisational needs. This material will describe the lessons learnt and how these lessons may be transferred to subsequent projects. These lessons and new ideas can be spread into the whole organisation beyond those individuals who are involved in the programme.
- Better understanding of “the other side”. This will be invaluable for the public sector in developing good quality PPP programmes and projects, and invaluable for the private sector in bidding for and implementing PPP projects.
- Increased knowledge of best practice in defining and implementing PPP projects and an understanding of how to keep this knowledge up to date in a knowledge bank.
- High-calibre staff who understand PPP and who can lead and manage PPP programmes and projects more effectively and efficiently.
- A cost-effective learning programme which avoids the costs associated with key personnel being absent from work for extended periods; which does not waste money, time or resources; and which focuses the learning activity on organisational-valued outcomes.

Participants will have developed the following competencies which are in short supply but increasingly in demand throughout the world.

- Increased knowledge of the theory and practice of defining and implementing PPP projects worldwide.
- Ability to apply best PPP practice to their own situations and thereby improve their own performance and that of their PPP projects.
- Ability to produce a project improvement plan and to implement it.
- Increased self-confidence through being more decisive and having more personal drive, job satisfaction and motivation.
- Ability to create high performing teams, chair meeting effectively and solve organisational problems.
- Improved management and leadership competence.
- Ability to develop a coherent framework for self-development.

Entry Criteria

Entry to the Diploma in Strategic Leadership and Executive Management of PPP does not require the completion of an accredited first degree. Any participant with suitable experience and desire to learn about PPP may join the programme, subject to interview.

More about Work-Based Learning

The pedigree of work-based learning may be traced back to Lewin's (1946) action research approach, the organisation development approach of Maslow (1954), Herzberg (1959) et al and the experiential learning of Argyris and Schon (1974) and others. In the UK the above approaches were encapsulated in the action learning methodologies of Revans (1971, 1980). The key concept is to get practising managers to *reflect* on their experiences, their successes and mistakes made in their normal working lives and to learn how to improve their performance and that of their organisations by comparing their performance against best practice and taking action to close the gap. That is, to take action and learn. Clearly the best place to practise action learning is in the work place.

The Commonwealth Business School (CBS)

CBS is an innovative business school that specialises in action learning, in-company, organisational development programmes. Its parent body, the International Centre for Organisational Development (ICOM), has delivered 65 customised in-company programmes in major private and public sector organisations throughout the world over the past 25 years. ICOM's faculty are the faculty of the CBS.

CBS is committed to programmes that add value and whose output is measured in business performance terms. Their aim is to create a critical mass of leaders able to deliver a renaissance in performance in their organisations in emerging and other markets. The renaissance was a time of radical change, creativity and insight. Today's globalisation of markets and technologies requires similar responses from organisations and individuals. The intention is to offer programmes that develop organisational excellence and produce innovative and creative leaders who are committed to

continuous performance improvement, and delivering clear sustainable competitive advantage. This Diploma programme will deliver the above objectives.

CBS is delighted to collaborate with the ILM in delivering this uniquely innovative programme, which is designed to enhance the performance of those people who are responsible for developing and delivering PPP programmes and projects in organisations critical to the success of national economies. Participants will be able to register as a studying member of ILM. ILM studying membership entitles participants to a selection of services including online materials, reading lists and study guides.

The Institute of Leadership and Management (ILM)

ILM formed in November 2001 through the merger of the Institute of Supervision and Management (ISM) and NEBS Management (National Examining Board for Supervision & Management) and is the UK's largest management body combining industry-leading qualifications and specialist member services.

ILM is founded on the principle that skilled managers and leaders hold the key to creating productive workforces that deliver organisational and economic success. Our qualifications and membership services combine to drive up the standards of leadership and management and improve individual and team performance.

Last year 90,000 people enhanced their leadership and management skills with an ILM qualification, while over 30,000 ambitious management professionals secured increased professional recognition and support through ILM membership.

The ILM Level 7 Diploma in Strategic Leadership and Executive Management has been designed to give practising managers the widest choice for their formal development in this role. The qualification develops a comprehensive range of strategic leadership and senior management skills, assisting participants in gaining the knowledge required at this level. By completing the Diploma, participants can expect to develop skills such as: informed decision making, analysis of personal management practice, critical thinking and research, and the development of autonomy and self-direction in learning.

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