STRUCTURING PPPs: Where’s the Sweet Spot?

JIFSAN Advisory Council
2018 Annual Symposium
Harnessing Public-Private Partnerships to Improve Food Safety & Nutrition Outcomes

Andrea E. Stumpf
Structured Partnerships
October 18, 2018
What the world needs now is ... more partnership.
This is not a kumbaya conversation. PPPs take effort.

- It takes effort, engagement, cost, and compromise.
- It involves individual, varied, and asymmetrical giving.
- It means contributing a piece of yourself in return for something greater.
Why Do It?

$1 + 1 = 3$

The total is greater than the sum of the parts.

$\text{TOTAL} > [\text{part} + \text{part} + \text{part} + \text{part} + \text{part} + \text{part}]$
This is not fake math.

The total is greater than the sum of the partners.

$$\text{TOTAL} > [\text{part} + \text{part} + \text{part} + \text{part} + \text{part}]$$

WHEN DONE WELL, \text{PARTNERSHIP} IS THE MULTIPLIER EFFECT.
What is the X factor?

There’s no one answer – it’s all contextual.

Lots of options – topic, participants, level of formality, duration, politics, resources, etc.

Lots of business decisions – informed views, clear vision, agreed terms, etc.

Lots of room for good choices or poor choices and missed opportunities.

© Andrea E. Stumpf 2018
• organic
• deliberate
• iterative

like rock, like water
Partnership Life Cycles

deliberate direction (rock) / iterative dialectic (water)

**CONTENT**
pilot | results | review | revise | results | repeat | scale-up | etc. | exit
evidence-based, ground-truthed, and reality-checked

**STRUCTURE**
creation | establishment | ops | reporting | review | adjustments | ops | etc. | exit

THE GREAT FEEDBACK LOOP

© Andrea E. Stumpf 2018
PARTNERSHIP LIFE CYCLE

creation | establishment | operations | reporting | review | adjustments | operations | etc. | exit

THE GREAT FEEDBACK LOOP

THREE THINGS:

1. ORGANIC: Have the whole life cycle in view as you create.
2. ROCK: Articulate terms to ensure common foundation.
3. WATER: Leave room for change, and make it easy.

© Andrea E. Stumpf 2018
1. Be clear.
2. Be clean.
3. Be modular.
4. Be flexible.
5. Be comprehensive.
6. Be balanced.
7. Be contextual.
8. Be ready.
9. Be (a)ware.
10. Keep it simple.

MY TEN TRIED AND TRUE TIPS

Details in my forthcoming book. 👍
Scylla
too much rock
• Too formal – like a straight jacket
• Too asymmetrical – like a leaning tower
• Too high level – like pie in the sky

Charybdis
too much water
• Too diffuse – not enough center
• Too undefined – lots of definitions
• Too unsynergistic – unmet potential

You have to navigate between the shoals.

like a river
like rock, like water
like life
LOOK FOR THE SWEET SPOT

symbiosis and synergies = from the Greek, living / working together

aligned and balanced

mutualism, mutually beneficial, mutually reinforcing
The Skein:
Find the Lead

The Huddle:
Get Together

The Combo:
Divvy It Up

© Andrea E. Stumpf 2018
Structure the Symbiosis to Max the Synergies

Have a vision
Convene your partners
Structure the engagement

1. PARTNER INTELLIGENCE

Corn is the upstream input
Beans are the support glue
Squash is the downstream output

2. COMPARATIVE ADVANTAGE

KNOW YOUR GOALS

KNOW YOUR ROLES

© Andrea E. Stumpf 2018
Partnerships are voluntary.

<table>
<thead>
<tr>
<th>motivations</th>
<th>incentives</th>
<th>benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>see the benefits</td>
<td>sustain the participation</td>
<td>validate the engagement</td>
</tr>
<tr>
<td>drivers</td>
<td>combined effort</td>
<td>shared goals</td>
</tr>
<tr>
<td>skill sets</td>
<td></td>
<td>shared results</td>
</tr>
</tbody>
</table>

- Everyone has their own motivations.
- Partnership is where incentives and benefits converge.
- It has to work for everyone. It shouldn’t hurt.
- Benefits belong to the whole partnership.
“Let’s Take FSMA

“At its core, FSMA makes it clear that the food industry has the primary responsibility for food safety.”

Government agencies should make sure that the benefits of their regulations outweigh the costs.

Costs will be high if regs are too unclear and unwieldy.

Compliance will be low if regs are too unclear and costly.

Compliance-cost calculus: Y’all have to work together.

© Andrea E. Stumpf 2018
Motivations
Specific Interests
- Increase sales
- Manage reputational risk
- Improve brand

private sector

public sector
- Ensure safe food
- Avoid market failure
- Benefits > costs

Incentives
Shared Interests
- high compliance
- efficient application
- standards
- verification
- training
- prevention
- harmonization

Benefits
Realized Interests
- safe food
- no spill-overs
- strong market

Find the sweet spot as partners.

© Andrea E. Stumpf 2018
Collectiving gets you from content to impact.
Collectivizing

Partnerships are collectives. They can “collect” around various things:

- **Decision making:** governing body, working groups
- **Admin support:** secretariat, legal entity, program head
- **Knowledge / info:** website, knowledge platform
- **Activities:** work plan, results framework
- **Lessons learned:** symposium, papers
- **Funding:** pooled funds, trust funds
- **Reputation:** brand, perception, reality

» more or less collectivized
» more or less structured
» more or less synergized

CONTEXTUALIZE YOUR COLLECTIVIZING.
KEEP CALM AND COLLABORATE, CONTEXTUALIZE AND COLLECTIVIZE
FSMA is a market-driven regulatory framework – the public-private dialectic is already built in.

• Food safety is not optional; either the market steps up or regs get stepped up.

• Food safety is not a competitive issue; everyone is interested in a preventive approach – fewer lives lost.

• Sharing is essential for effective training, environmental monitoring, managing false positives, compliance and best practices.

• Agencies have standards, companies have data – how can they be leveraged for the common good without creating selective bads?

• Can we say: Mandatory rules correct market failures, but voluntary tools create market advantages?
THE GREAT FEEDBACK LOOP

Data sharing
- PPP
- Industry training
- Regulatory framework
- Data review

Zone of vulnerability
Last mile is always the hardest

Safe zone for sharing
Transparency without exposure

Strategic alignment around standards
Incentives for sustained sharing

FSMA Phase 3 M&E

Safe Food

TURNING RISK INTO REWARD

© Andrea E. Stumpf 2018
Consider the

Regrets or resolve?

(Campfire or conflagration?)
Now consider

• Regulators can interact more collaboratively and less prosecutorially.
• Industry can interact more preventively and proactively.
• Compliance goes up, costs go down.
• Consumers get safe food.
• The SDGs are met.
• Happy world.
• For us all.
• Amen.
KNOW YOUR GOALS
KNOW YOUR ROLES
FIND THE SWEET SPOT
CONTEXTUALIZE
THANK YOU!

STRUCTURED
PARTNERSHIPS

© Andrea E. Stumpf 2018