AN EVALUATION OF THE ATTITUDES AND PERCEPTIONS OF THE PRIVATE SECTOR TOWARDS PUBLIC-PRIVATE PARTNERSHIP IN THE NAMIBIAN HEALTH SECTOR

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**Abstract**

The Namibian government, in particular its health sector continues to face serious challenges in delivery equitable services, despite the government (GRN) investing many resources in its health sector since independence with the aim to revamp its fragmented health care and social welfare system inherited at independence. It is not always feasible for single organisations to produce all the inputs it requires on its own, therefore, the trend is to consider outsourcing, partnership, or strategic alliances with others in rolling out programmes. The trend for most governments is to consider PPPs in order to complement scarce resources, such as skills, finances and to get new innovations from private companies. MoHSS has been considering implementing PPP to benefit from the aforementioned gains. Attitudes and perceptions can have an influence on how PPP is seen and these can in turn impact on the success or failure of this programme and this study assessed the attitudes and perceptions of the private sector towards PPP of the Namibian health sector.

**Key Words:** Evaluation, Attitudes, Perceptions, Private Sector, Partnerships, Health Sector, Challenges, Outsourcing, Government

**Introduction**

The Namibian government, in particular its health sector continues to face serious challenges in delivery equitable services, despite the government (GRN) investing many resources in its health sector since independence in 1990 with the aim to revamp its fragmented health care and social welfare system inherited at independence. As a consequence, the Namibian health sector
continues to face many challenges that are hampering quality health care delivery to the nation (Health System Review, 2008:18). This state of affairs has prompted the health sector to look for innovative ways to improve the health care delivery to all. Given the resources at its disposal, the government of Namibia is not able to address the challenges facing the health and all other sectors by itself. The public-private-partnership (PPP) concept is increasingly used to good effect to address challenges facing governments, but also to involve the private sector in making meaningful contributions towards national development. While PPP is not new in Namibia, the pace at which it is implemented, particularly in the health sector leaves much to be desired. It is subsequently that the Ministry of Health and Social Services (MoHSS) has devised a PPP framework and invited the private sector to participate, but the response has been dismal to date. In the quest to investigate the reasons, this study was undertaken to assess the attitudes and perceptions of the private sector towards PPP in the Namibian health sector.

Objectives of the Study

The objectives of the study were provided as follows:

- To identify how the attitudes and perceptions are influencing private sector’s conduct towards the PPP of the health sector;
- To assess the extent of awareness and knowledge of the private sector of MoHSS health sector PPP;
- To determine the effectiveness of the guiding tools and policies in guiding and enhancing the PPP of the health sector; and
- To make recommendations to enhance coordination of MoHSS PPP for the health sector.

LITERATURE REVIEW

Introduction

Definitions of Key Concepts

Key concepts of recurrent nature have been used in this chapter and the study at large and it is apt that these are defined and contextualized in the following sections:

Attitudes

Kotler and Keller (2009:210) define an attitude as a person enduring favourable or unfavourable evaluations, emotional feelings and action tendencies towards some object or idea. People can have attitudes towards almost everything like, to religion, politics, clothes, music, food and business. Attitudes are thus central to a person’s disposition towards an object or another person and this study evaluated the attitudes of the private sector towards the PPP initiative from MoHSS.

Perceptions

A perception is seen as the process by which people select, organize and interpret information inputs to create a meaningful picture of the world (Kotler and Kelly, 2009:203). One person might perceive a certain person as aggressive and insincere while another may perceive the same person as intelligent and helpful. It is evident that the formation and maintenance of relationships
can be contingent on perceptions and this study evaluated the perceptions of the private sector towards the PPP initiative from MoHSS.

**Private Sector**

A private sector comprises those organisations and individuals working outside the direct control of the state (Raman and Björkman, 2008:79). A distinctive characteristic of the private sector is its orientation towards profit. Subsequently, the government, its offices and agencies and the not-for-profit and non-governmental organisations are excluded from the definition of private sector.

**Public Sector**

Raman and Björkman, (2008:79) submit that the public sector comprises of organisations or institutions that are financed by state revenue and function under government budgets or control. It can therefore be argued that they are pursuing the agenda of the government, which is social in nature.

**Public–Private Partnership**

The MoHSS (2013:3) describes PPP as a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies. From the health sector perspective, PPP is a means to bring together a set of actors for the common goal of improving the health care of a population based on the mutually agreed roles and principles (Raman and Björkman, 2008:77). This concept will be further elaborated in the coming sections.

**Health Sector**

World Health Organization (WHO) (2013:1) submits that the health sector is made up of people, institutions and resources that are arranged together, in accordance with established policies, whose primary purpose is to promote, restore and maintain health. It further explains that the health sector includes government ministries and departments, hospitals and other health services, insurance schemes, voluntary and private organisations in health and pharmaceutical industries.

**The Namibian Health Sector**

Namibia has a large surface area of 824,116 square kilometers but is sparsely populated with an estimated population of 2.2 million and an estimated population growth rate of 2.6% and the Gross National Product of U$2,990 per capita with a GINI-coefficient of 0.604 (which makes Namibia to be classified as an upper middle-income country) (MoHSS Health and Social Services System Review, 2008:21). Terwindt (2012:1) states that even though Namibia is ranked as an upper-middle income country, there are significant disparities in income and wealth distribution. Poverty is prevalent, with a third of the population estimated to fall below the poverty line, and 4% even considered severely poor (MoHSS Health and Social Services System Review, 2008:21). The review continued that a segment of the society enjoys considerable wealth, driving the national economy and that the consumption of the richest 10% of households
is estimated to be more than 20 times higher than that of the poorest 10%. It concluded that Namibia is one of the most unequal societies in the world and that these inequalities extend to the health sector, where health care is less accessible to rural and poorer sections of the population. In addition, WHO ranked the efficiency of Namibia’s health service at 189 out of 191 countries (World Health Report, 2000)? However, Namibia’s health care spending is ranked by the same report as at 66 out of 191. There is an evident anomaly in the spending and efficacy of healthcare and MoHSS has looked at innovative ways to address this and other shortcomings. The introduction of PPP is one such innovation, but the private sector has not been forthcoming to operationalize this concept.

At independence in 1990, Namibia’s health sector was based on a fragmented “direction-less” health service from various ethnic administrations (MoHSS, 2008:18). The MoHSS has inherited this fragmented health services and embarked on the process of formulating a policy framework on health and social services in 1998 for the country to move forward in unison, taking into consideration the various health needs of the Namibian population (MoHSS National Health Policy Framework: 2010-2020, 2010:2). The allocation of resources, such as, financial, physical and human resources were not aligned to the needs, resulting in concentration of infrastructure and services in the urban areas. These further entrenches inequalities in access to healthcare services. Furthermore, the focus of such services was more curative than preventative and the disparate healthcare systems were managed by second tier authorities (MoHSS, 2008:18).

In an effort to address these incongruities, the government has made significant investments in the development of an equitable and quality health care for the Namibian nation. Access to health services in Namibia has greatly increased as a result of these interventions, with the number of health facilities increasing from 246 in 1990 to 346 in 2012 (MoHSS Working Document on PPP, 2013) – see Figure 2.1. The investments in infrastructure included the construction of new health facilities and renovation and upgrading of hospitals, health centers and clinics.

Figure 2.1 Number of Health Facilities between 1990 and 2012

![Number of Health Facilities between 1990 and 2012](source: MoHSS Working Document on PPP (2013))
From Figure 2.1, it is evident that the processes of harmonization and rationalization have taken place to move the focus from curative to preventative. The hospitals and beds that are mostly used in the curative process have reduced while the primary healthcare facilities, namely the healthcare centers and clinics have increased. However, there are still challenges with equitable distribution of health services across the country as a sizeable population of the country still leaves outside the reach of health services. Also, health facilities remain under pressure to respond to the country's growing health needs and at the same time the human resource base of the health sector continues to lag behind the national health needs. These challenges hinder the MoHSS to attain its mandate of overseeing, providing and regulating public, private and non-governmental sectors in the provision of quality health and social services to ensure equity, accessibility, affordability and sustainability (MoHSS, 2013:2).

**Challenges Facing Namibian Health Sector**

The Namibian Demographic and Health Survey of 2006/7 (MoHSS, 2008:xxi-xxv) revealed that despite the noticeable gains in some key health indicators, challenges remain and are hampering progress of some key indicators. The MoHSS therefore resolved to use all available resources at its disposal to ensure improvements in the declining health indicators and to sustain the improvements made. The Minister of Health and Social Services, Honourable Richard Kamwi (2013:2) reiterated the challenges in his budget speech as infectious diseases, such as HIV/AIDS, tuberculosis (TB) and malaria which still remain major contributors to the burden of diseases. He further mentioned that health problems related to maternal and child health, increasing non-communicable diseases and a severe shortage of human resources and expertise in health as further challenges facing MoHSS. The Health and Social Services System Review (2008:5) reports that the public sector has a ratio of 2 health workers for a population of 1 000 – this is below the WHO benchmark of 2.5 health workers for a population 1 000. This mismatch results in chronic staff shortages amongst frontline workers, such as doctors and nurses.

Other challenges facing the MoHSS have been highlighted by the Health and Social Services System Review (2008:35) and these are:

- **Infrastructure:** the public sector cannot adequately respond to the needs for certain specialized services due to new and advanced technologies that are not available within the public sector. In some cases, MoHSS opts to send patients to neighboring countries for treatments that are not available in Namibia. This intervention is costly, resulting in only a limited number of patient benefitting from a long list, resulting in a backlog;

- There is a lack of routine and systematic maintenance of health facilities leading to a general degradation and reduction in the life of the current estate with a negative impact on the quality of health care services and the long term sustainability of the services and value of the assets. Furthermore, there are serious challenges related to the functions and competencies of different authorities within the government, for example, moveable and immovable properties of the government are owned by the Ministry of Works and Transport, who was also, until recently responsible for the maintenance of the same. The maintenance responsibility was recently assigned to the line ministries, but the previous arrangement created serious management challenges;

- The Ministry developed a huge backlog in the replacement of medical equipment during the last 15 years, when health care resources were mostly allocated to urgent needs in service
delivery and staffing. Thus, MoHSS could not cover such requirements from its operational or development budgets and maintenance of equipment were neglected;

- Ambulance services: there is no coordinated system to regulate the use and management of ambulance services. Additionally, only a few ambulance drivers have basic emergency care skills;
- Decline of donor funding is a challenge and also an opportunity. It is an opportunity for improved efficiencies in resource allocation and opportunities for innovative funding mechanisms including leveraging private sector investments, such as PPPs;
- Unavailability of accommodation facilities for health professionals, particularly in rural areas and in settlements which are not as yet proclaimed as towns; and
- Service delivery: the National Health Policy Framework of 2012—2020 (MoHSS, 2010:3) recognizes overcrowding and congestion at public facilities as one of the service delivery challenges.

The Presidential Commission of Enquiry into the Ministry of Health and Social Services (2013:3) also reiterated the same challenges and made recommendations, of which PPP ventures have been identified as a form of smart partnership in addressing the challenges. It was therefore necessary to undertake this study to evaluate how attitudes and perceptions of the private sector impact on MoHSS PPP initiative for healthcare.

Types of Public–Private Partnerships

There are suggestions that the use or the application of PPPs is limitless. Mouraviev and Kakabadse (2012:266) submit that PPPs can fall into various domains, such as a policy tool, an organisational and financial arrangement or as performance, risk allocation and critical success factors tool. Sedjari (2004:299) have also categorized PPPs under the following:

- Sector partnerships;
- PPPs limited to certain sectors or projects;
- PPPs at city-level; and
- PPPs with regional impact.

Furthermore, Sedjari (2004:298) have also suggested that PPPs can be classified on the basis of initiation (that is, whether initiated by public sector), private sector or appointed PPP (a mixed economy company created to provide essential services). Partnership can take different forms, such as Build Operate Transfer (BOT), Build Own Operate Transfer (BOOT), Leasing, Joint Ventures or Operation and Management contracts (Zou et al., 2008:124). Based on the Australian PPP experience, Wilson et al. (2010:208) identified three types of PPPs:

- Type 1: A department project uses a departmental structure, usually within a project management/delivery group (or the use of a “public works” or equivalent organisations);
- Type 2: A sub-set of a department (an agency, which is “arms-length from the parent department”) or a dedicated PPP project team is used which move from project to project; and
- Type 3: New authority is created as a new separate authority (with its own board and management structure).
Contrary to the above, Chew, Storr and Casey (2007) in Javed, Lam and Zou (2013:6) divide PPPs for infrastructure facilities into two major categories; namely economic infrastructures, including those facilities where users are directly charged for using the services by the concessionaires (such as, toll roads, railways, power stations, water treatment plants, telecommunication) and social infrastructures PPPs, including those facilities where a government makes payment to the concessionaires (such as, schools, hospitals, prisons, justice facilities, policing, etc.) for use of their assets and services. Wojewnik-Filipkowska and Trojanowski (2013:334) have also categorized PPPs under:

- Construction or renovation of buildings;
- Provision of services;
- Execution of tasks, in particular increasing asset value; and
- Other services connected with asset maintenance or management (the asset is used to execute a public-private project or is related to it).

Keating and Keating (2013:180) distinguish Australian PPPs between two types, namely the type where core public services (such as health, correctional and educational services) are delivered by government agencies with associated ancillary services delivered by a public private consortium. The second type is based on the infrastructure model (such, as toll roads, utilities, ports, etc.). Under the first type, the government assumes the risk, guarantees a minimum revenue stream and directs funds to the service entity and deducts if the consortium does not meet specified performance standards. While under the second type, government transfers revenue risk to the consortium with no direct government revenue guarantee.

**RESEARCH METHODOLOGY**

**Target Population**

A population is the full set from which a sample is taken (Saunders et al., 2007:133) and a target population is the population to which the researcher would like to generalize the findings of the study (Welman, Kruger and Mitchell, 2010:126). This study was conducted from the perspective of the public sector; in particular the MoHSS and it targeted respondents from the private sector to evaluate the attitudes and perceptions of the private sector towards PPP of the Namibian health sector. Therefore, the target population consisted of Namibia’s private sector.

The findings were analyzed in terms of descriptive statistics and graphs have been used to enhance presentation. Descriptive statistics summaries the general nature of the data obtained, for example how certain measured characteristics appear, how much variability exist among different pieces of data and how closely two or more characteristics are interrelated (Leedy and Ormrod, 2010:30).

**Limitations of the Study**

While an attempt was made to use both quantitative and qualitative approaches in this study, there was more bias towards quantitative as most questions were of quantitative nature. Only explanatory research design was used as opposed to a possibility of a mixed design. Furthermore, this study was limited in terms of time, financial resources, word length and the number of test
items that could be included in the questionnaire. In addition, the sample size was limited to a manageable size of 104.

RESULTS, DISCUSSIONS AND INTERPRETATION OF FINDINGS
Section A: Knowledge and Awareness of Public-Private Partnerships in Namibia
This section dealt with the respondents’ knowledge and awareness of PPP in Namibia. The questions used were awareness of PPP in Namibia, knowledge and understanding of how PPP works; whether Namibian private companies are involved in PPP; whether the government of Namibia has provided a framework to guide PPP in the country; whether the private sector was involved in the development of the framework, guidelines and procedures of PPP and whether the respondents were aware of any such guidelines, frameworks or procedures regarding PPP. The findings of these questions are presented and discussed in the following sections.

4.3.1 Aware of Public-Private Partnerships
While the concept of PPP is not new to Namibia, many people are still not aware of its existence and its modus operandi. This lack of knowledge or awareness can hamper effective utilization of the concept, hence this question wanted to determine whether the respondents were aware of PPP. The findings are presented in Figure 4.1.

Figure 4.1 Aware of PPP

The findings in Figure 4.1 show that a combined 8% of the respondents disagreed, 4% remained neutral, 82% agreed and 6% indicated that they did not know that they were aware of PPP. Luicio and Stuart (2002:252) opine that the lack of awareness of a partnership can isolate staff and result in them not participating or supporting the programme. In advancing the importance of awareness, Babatunde et al. (2012:214) submit that the successful PPP requires that goals must be clearly defined and communicated. The MoHSS has been using PPP in many of its community interventions for many years, for example, in its numerous immunization outreach programmes. It is therefore not surprising that the majority of respondents (82%) indicated awareness of PPP. However, PPP continues to be used on an ad hoc basis and there is a need to intensify its use to benefit from an ongoing partnership. Also, it will be good if the remaining...
18% of the respondents can be made aware of PPP as this will further enhance the chances of a successful PPP.

**Know and Understand How Public-Private Partnerships Works**

Awareness of a concept has no real consequences, whereas knowledge and understanding of the PPP concept is important as it requires commitment. With the requisite knowledge and understanding, the chances of increased beneficiation are improved. The MoHSS has worked on a PPP-framework; however there seems to be no interest from the private sector and this question wanted to determine if there is adequate knowledge and understanding. The findings are presented in Figure 4.2.

Figure 4.2 Know and Understand How PPP Works

![Figure 4.2 Know and Understand How PPP Works](image)

The findings in Figure 4.2 indicate that a combined 9% of the respondents disagreed, 17% remained neutral and 69% agreed that they know and understand how PPP works. The remaining 5% indicated that they did not know and understand how PPP works. Knowledge and understanding of a concept are important precursors for the success of any project. Armistead and Pettigrew (2004:579) indicate that a clear understanding of the PPP process and its outcomes are critical to the success of the project. It is evident that more respondents are aware of PPP (82% in Figure 4.1) than those that know and understand its workings (69%) and that MoHSS has to do more to broaden understanding and knowledge of PPP. This may contextualize the concept and lead to positive attitudes and perceptions from all sectors, particularly the private sector which is currently showing poor interest in the health sector PPP.

**Involvement by Namibian Private Sector Entities**

The PPP concept is constituted by private and public sector organisations and the absence or the lack of (enthusiastic) involvement by one of these parties will result in failure. Since this study assumed the position that the public sector is willing to engage the private sector in PPP, this
question wanted to determine the extent to which private sector organisations are involved in the health sector PPP. The findings are presented in Figure 4.3.

Figure 4.3 Involvements by Namibian Private Sector Entities

The findings in Figure 4.3 to reveal that a combined 31% of the respondents disagreed, 24% remained neutral, 25% agreed and 18% indicated that they did not know that Namibian private sector entities are involved in PPP. It is concerning that more respondents have either disagreed or remained neutral than those who agreed. The parties in a PPP are from the public and the private sectors (Jamali, 2004:414) and their wholehearted involvement is required to ensure success. Therefore, the limited or the lack of success in Namibian PPP can be explained against the poor private sector involvement. These findings can also influence the perceptions and attitudes of private sector towards MoHSS PPP initiative in Namibia.

GRN Provided Framework to Guide Public-Private Partnerships

Any programme or activity that is aimed at achieving intended objectives must operate within a framework which sets parameters. A framework can be equated to a charter, context or the policy of the PPP and it is natural that GRN should initiate it as it is the “client-partner” in the relationship. This question wanted to establish whether GRN has provided a framework to guide PPP in Namibia. The findings are depicted in Figure 4.4.

Figure 4.4 GRN Provided Framework to Guide PPP
In Figure 4.4, 16% of the respondents disagreed, 19% remained neutral, 47% agreed and 18% indicated that they did not know that the GRN provided a framework to guide PPP in Namibia. The private sector considers PPPs as investment opportunities and requires a conducive environment. Jamali (2004:419) argues that a regulatory framework provides assurance to the private partner that his/her “interest is protected from expropriation and that arbitration of commercial disputes, respect for contract agreements and legitimate recovery of costs and profits proportional to the risks will be undertaken.” The lack of enthusiasm in the Namibian PPP can be as a result of the perceived absence of regulatory framework from GRN to guide the process. Given that only 47% of the respondents agreed to this statement, there is a possibility that the findings can have a negative influence on the attitudes and perceptions of Namibia’s private sector towards the health sector PPP initiative.

Private Sector Involved in Development of PPP Framework, Guidelines and Procedures

Although GRN has the main responsibility as client-partner to initiate PPP agreements, it is duty-bound to involve the private sector (as an affected and involved) partner in the development of the PPP framework, guidelines and procedures. This question wanted to determine if this is indeed the case. The findings are shown in Figure 4.5.

Figure 4.5 Private Sectors Involved in Development of PPP Framework, Guidelines and Procedures
The findings in Figure 4.5 indicate that 16% of the respondents disagreed, 21% remained neutral, 27% agreed and 36% indicated that they did not know that the private sector was involved in the development of PPP framework, guidelines and procedures. The level of agreement is the lowest from all the statements dealt with thus far. Akintoye, Beck and Hardcastle (2003:3) argue that PPP should be conceived as a cooperative venture between the public and private sectors for the delivery of a public service through appropriate allocation of resources, risks and rewards. Also the role of the government must changes from a regulator to that of a skilled partner (Scharle, 2002: 245). The lack of private sector involvement in the development of PPP framework, guidelines and procedures can be ascribed to the lack of private sector interest and the concomitant attitudes and perceptions towards MoHSS health sector PPP.

**Aware of PPP Guidelines, Frameworks or Procedures by Public Sector**

It is important that there is adequate awareness of PPP guidelines, frameworks or procedures issued by the public sector as they set the boundaries within which the partnership has to operate and should serve as an indication on whether private sector wants to be involved. The findings are shown in Figure 4.6.
Figure 4.6 Aware of PPP Guidelines, Frameworks or Procedures by Public Sector

The findings in Figure 4.6 indicate that 12% of the respondents disagreed, 27% remained neutral, 35% agreed and 26% indicated that they did not know that they were aware of PPP guidelines, frameworks or procedures by public sector. Ramani et al. (2007:162) opine that a legal framework acceptable to all the partners is a prerequisite for the success of PPPs. Also, Pongsiri (2002:490) argues that the presence of a transparent and sound regulatory framework is required before private sector can participate in the PPP. With only a third of the respondents agreeing to this statement, it can be argued that the majority of private sector members were not aware of PPP guidelines, frameworks or procedures and that this can influence their attitudes and perceptions towards the health sector PPP initiative by MoHSS.

Section B: Attitudes and Perceptions towards Public-Private Partnerships

This section wanted to assess the attitudes and perceptions towards MoHSS PPP. The questions inquired the hesitancy of private sector to partner public sector in improved service delivery, whether private sector’s need for profit compromises its engagement in PPP, whether conflict of interest between private and public sector in relation to PPP hamper success, whether PPP in Namibia is influenced by political interest, whether resources are accounted through PPP arrangements; whether PPP projects only benefit the public sector and whether the public health sector has adequate human resources with necessary skills for PPP. The findings of these questions are presented and discussed in the following sections.

Private Sector Entities Hesitant to Partner Public Sector in PPP for Improved Service Delivery

The essence for PPP is to overcome individual weaknesses by combing individual strengths. This can only happen when parties are of the view that they can derive benefits. Public sector needs to provide essential services, but needs the capital and the expertise of the private sector (Joyner,
However, the Namibian private sector has been hesitant to participate in the PPP initiative of the health sector and this question wanted to affirm such hesitancy. The findings are shown in Figure 4.7. 

Figure 4.7 Private Sector Entities Hesitant to Partner Public Sector in PPP for Improved Service Delivery

The findings in Figure 4.7 show that 20% of the respondents disagreed, 17% remained neutral, 40% agreed and 23% indicated that they did not know that private sector entities were hesitant to partner public sector in PPPs for improved service delivery. According to Grimsey and Lewis (2002:108), a PPP is an agreement where the public sector enters into long-term contractual agreements with the private sector entities for the construction or management of public sector infrastructure facilities by the private sector entity, or the provision of services (using infrastructure facilities) by the private sector entity to the community on behalf of a public sector entity. When a notable percentage of the private sector entities are hesitant, in this case 40%, the objectives of the PPP are worthless. Subsequently, the opportunity to combine private capital, private project execution, and the delivery of public services and facilities will be missed (Wojewnik-Filipkowska and Trojanowski, 2013:332). When these findings are read in conjunction with the previous findings, it is evident that the attitudes and perceptions of the private sector towards the health sector’s PPP are not positively inclined and that this can influence their stance towards MoHSS PPP.

The elaboration by respondents on this question is summarized as follows:
PPP is not clarified; private sector focuses on efficiencies while it is not the same in the public sector and the bureaucracy of public sector can hamper effective service delivery and success of PPP; perception that public officials will only enhance PPP efficiency if there is a personal gain; delayed payment for services rendered or goods delivered; private sector is more interested in
making a profit rather than improving service delivery; no guidelines in place to implement PPP; private sector entities do not have funds to finance PPP projects; clash of values; private sector lacks knowledge of what happens in public sector; no opportunities for PPP; GRN fears losing authority and makes little effort to promote PPP; GRN thinks that private sector lacks necessary skills to implement PPP projects and private sector hesitant to partner GRN because of perceptions of corruption; little capacity to adequately craft win/win frameworks.

Private Sector’s Need for Profit Compromised by Engaging in Public-Private Partnerships

Private entities are in the business of making profits through the satisfaction of customer needs and wants and they will select opportunities through which they can achieve the profit maximization objective. This is contrary to government’s objective, which is of a social nature. In spite of these divergent objectives, the public and the private sector entities have to work together, for a common good in a PPP concept. This question wanted to establish whether the need of private sector to profits from their endeavors is compromising its participation in PPP. The findings are depicted in Figure 4.8.

Figure 4.8 Private Sector’s Need for Profit Compromised by Engaging in PPP

In Figure 4.8, the findings indicate that 46% of the respondents disagreed, 22% remained neutral, 27% agreed and 5% indicated that they did not know that the private sector’s participation in PPP is compromised by its need to make a profit. In Scharle’s (2002:230) view, private sector engages in PPP arrangements with the view to make good investment returns. It can therefore be argued that there is a general acceptance that private sector has to make profit from engaging in PPPs, however, the level of expected profit can cause problems as governments are driven to PPPs to achieve cost-efficiencies and savings (Pongsiri, 2002:489). The fact that only 27% of the
respondents agreed to this statement suggests that there are other underlying factors which influence the private sector’s attitudes and perceptions towards MoHSS PPP initiative.

Conflict of Interest between Private and Public Sectors in Relation to Public-Private Partnerships

A conflict of interest is bound to take place when entities of divergent interests are working together on a project, such as in a PPP. Unless clear boundaries are set before the commencement of the partnership, each of the parties would want to advance personal interest at the expense of the partnership and these may jeopardise the chances of success. This question wanted to determine whether conflict of interest is a stumbling block in the health sector’s PPP initiative. The findings are depicted in Figure 4.9.

Figure 4.9 Conflict of Interest between Private and Public Sectors in Relation to PPP

The findings in Figure 4.9 show that 40% of the respondents disagreed, 23% remained neutral, 29% agreed and 8% indicated that they did not know that conflict of interest between private and public sectors in relation to PPP hampers participation in health sector’s PPP initiative. Many partnership initiatives have fallen through because of claimed conflicts of interests and it is important that this aspect is addressed before the commencement of PPP agreements. In an effort to avoid conflict of interest or at least to address such in the event of occurrence, Armistead and Pettigrew (2004:579) urge PPP participants to take time for pre-planning and establish clarity of roles. Based on these findings, it can be argued that the conflict of interest do not have a large influence on the attitudes and perceptions of private sector’s participation in the health sector’s PPP initiative.
PPP in Namibia Influenced by Political Interest

When things stall, politics are usually blamed, but when things progress, other factors, except politics is credited. Politics are interwoven into the fabric of societies and as such cannot be avoided from things pertaining to life (both personal and business). The decisions of public sector, which is seen as the client-partner in a PPP, is taken by politicians and this question wanted to establish if political influence plays any part in the implementation of PPP in Namibia. The findings are presented in Figure 4.10.

Figure 4.10 PPP in Namibia Influenced by Political Interest

The findings in Figure 4.10 reveal that 20% disagreed, 28% remained neutral and 46% agreed that PPP in Namibia is influenced by political influences, while 6% indicated that they did not know. The fact that more respondents (46%) agreed as opposed to those who disagreed (20%) or remained neutral (19%) indicates that there is a belief that politics influence PPP in Namibia. Sturchio (2008:486) illuminates that successful responses to the challenges faced by societies require political will on the part of government leadership. However, such should not be misconstrued with political interest which is to advance the interests of a political ideology as such will cause a conflict within the PPP. Roumboutsos and Chiara (2010:241) found that political factors can influence the outcomes of a PPP. These findings suggest that there are strong perceptions that the PPP in Namibia is influenced by politics and the unwillingness of the private sector to participate in the PPP of MoHSS can be explained against this background.

Resources Accounted Through Public-Private Partnerships

Accountability is an important element in partnership, particularly in a PPP project, where both the public and private sector have to commit resources to a common project. This question wanted to establish if the respondents were of the view that resources are accounted for through PPP. The findings are presented in Figure 4.11.
The findings in Figure 4.11 indicate that 15% disagreed, 19% remained neutral and 45% agreed and 21% indicated that they did not know that resources are accounted through PPP. Many partnerships came to a premature end because of the inability of partners to account for resources. UNECE (2008) argues that the assurance that value for money has been obtained and fair incentives to all parties and fair returns for risk takers as critical success factors. Also, Hardcastle et al. (2006:79) opine that transparency in the procurement process, competitive procurement process, good governance, well organized and committed public agency, social support, shared authority between public and private sectors and thorough and realistic assessment of the cost and benefits are critical success factors for PPPs. While the findings may suggest that most respondents agreed, the numbers of those who remained neutral or did not know are a cause for concern as they; together with those who disagreed can have a negative impact on the attitudes and perceptions of private sector, which can negatively influence their stance towards the health sector’s PPP initiative.

Public-Private Partnerships Projects only Benefit Public Sector

As partners in a PPP are sharing in the risks, there is a common expectation that they must also share in the benefits. However, when partnerships are seen to benefit only the one partner, there is likely to be problems. The principles of PPP should be mutual risks and mutual benefits and this question wanted to determine if the respondents were of the opinion that only the public sector benefits from the PPP projects. The findings are indicated in Figure 4.12.

In Figure 4.12, 61% of the respondents disagreed, 16% remained neutral, 15% agreed and 8% indicated that they did not know that PPP projects benefit only the public sector. It will be a sad day when majority of respondents agree to this statement as it will spell the end of private sector involvement in any PPP project. The fact the majority of the respondents disagreed with this statement is in concurrence with Jamali (2004:417), who submits that the private sector is looking for investments to make reasonable profits and to expand its business interests. Zou et al.
(2008:124) assert that return commensurate with their risks and credit enhancements factors create an enabling environment for private involvement. However, it is still worthwhile to sell the mutual benefits of PPPs to those that have remained neutral, disagreed or did not know, as such can influence their attitudes and perceptions towards PPP initiative from MoHSS. Both partners must accrue benefits from a PPP arrangement; the public sector should benefit from the end product while the private sector should benefit from the return on investment.

Figure 4.12 PPP Projects only Benefit Public Sector

Public Health Sector has Adequate Human Resources with Necessary Skills for Public-Private Partnerships

Good initiatives and policies are futile without the necessary human resources with appropriate skills to implement such. The Namibian public sector, particularly the health sector is hampered by the lack of critical skills in certain areas and these are in turn placing a damper on the implementation of key public sector programmes. This question wanted to assess whether the public health sector has adequate human resources with necessary skills to implement the PPP initiative. The findings are presented in Figure 4.13.
Figure 4.13 Public Health Sector has Adequate Human Resources with necessary Skills for PPP

In Figure 4.13, 58% of the respondents disagreed, 12% remained neutral, 22% agreed and 8% indicated that they did not know that the public health sector has adequate human resources with necessary skills for PPP. The fact that the majority (58%) of the respondents disagreed to this statement is an indication that there is a belief that the public health sector has inadequate human resources with the necessary skills for implementing the PPP initiative. Zou et al. (2008:124) opine that relevant skills and capabilities are required to ensure success in PPP projects. Armistead and Pettigrew (2004:579) also submit that appropriate skills, competencies and behaviours are essential for PPP project success. While the findings indicate that the public health sector may not have adequate necessary skills for PPP, it is further compounded by the need for the public sector to play a different role; namely that of a partner and facilitator instead of the implementer. It is not known whether such skills are available within MoHSS.
Section C: Challenges and Stumbling Blocks for Public-Private Partnerships in the Health Sector

In this section, the effectiveness of the current PPP coordination, the challenges relating to the coordination and facilitation of PPP, the role of public sector capital in the involving private sector in PPP, the role of mutual trust, transparency, dialogue and guiding tools are assessed.

Effectiveness Rating of Current Public-Private Partnerships Coordination in Namibia

Coordination is an important performance area in PPPs as diverse interest and responsibilities of two separate entities and their subcontractors have to be managed in a seamless manner. It can be argued that the ability of the incumbent who is responsible for the coordination of PPP in Namibia will determine its success or failure. This question had the intention of rating the effectiveness of the current PPP coordination in Namibia. The findings are indicated in Figure 4.14.

Figure 4.14 Effectiveness Rating of Current PPP Coordination in Namibia

In Figure 4.14, 41% of the respondents disagreed that the current PPP coordination is effective, 22% remained neutral, 22% agreed and 15% indicated that they did not know. While no overwhelming majority disagreed, the number of respondents that agreed are almost half (22%) of those that disagreed. Coordination is an important tool in the success of a project or a programme which is receiving inputs from various sources. In a PPP arrangement, inputs are coming from both the public and the private sectors and their various contracted suppliers. As indicated numerously, the partners in a PPP have divergent interests and these results in different cultures, which can impact on performance. It is subsequently that Jamali (2004:421) advises that the diverse interests of participants must be skillfully negotiated and packaged by the leader or coordinator. Armistead and Pettigrew (2004:579) also submit that leadership is important to provide meaning for the purpose of the partnership, to ensure and facilitate interest of all partners involved and to establish ground rules of the partnership. The poor rating on the effectiveness of
the current PPP coordination in Namibia will surely cause negative attitudes and perceptions towards MoHSS PPP initiative.

Key themes of the responses for this question are summarized as:
Damage control must be undertaken by MoHSS to restore public confidence; budget allocation must be reflected in outputs; attitudes of public officials towards the public needs must change; there is not enough information and therefore no trust; coordination lacks between Ministry of Health, Finance and Attorney-General; create forums for collaboration; facilitate inter partnership exchange programmes to allow public sector to understand the private sector and vice versa; create curriculums in tertiary institute to encouraging PPP-related studies; improve communication with private sector; get expertise in project management and procurement; improve capacity of department and monitor performance; not many are aware of its existence; policies and guidelines must be in place and people must be empowered on how to deal with it; improve image of MoHSS to attract prospective PPP partners; assure private sector of financial returns and clear coordination with terms of reference and account for resources.

Existence of Challenges Relating to Coordination and Facilitation of Public-Private Partnerships

Organisations and programmes/projects are surrounded by environments on which they exert influences and which are in turn impacting on their operating environments. A prominent challenge faced by all is that of resources, that is, unavailability and the levels of quality and quantity. The rationale for PPP arrangement is that the parties are coming together to eliminate their weaknesses through the combination of their strengths. This question wanted to establish if there are challenges relating to the coordination and facilitation of PPPs. The findings are shown in Figure 4.15.

Figure 4.15 Existence of Challenges Relating to Coordination and Facilitation of PPP

![Existence of Challenges Relating to Coordination and Facilitation of PPP](image-url)
In Figure 4.15, 10% of the respondents disagreed, 3% remained neutral, 83% agreed and 4% indicated that they did not know that challenges relating to the coordination and facilitation of PPP exist in the health sector. The overwhelming agreement points to the reasons why PPPs are not working in the Namibian health sector and is also supporting the poor ratings on the effectiveness of PPP coordination in Figure 4.14. Furthermore, these findings are also supporting the assertion that governments’ are ineffectiveness and must look to the private sector for improved service delivery (Pongsiri, 2002:489). The poor performance of the health sector’s PPP and the lack of interest from the private sector, coupled with the negative attitudes and perceptions can be the causes of challenges relating to PPP and the inability to solve them.

A number of shortcomings have been summarized as lack of platforms for dialogue, clarity, information and knowledge; trust, financial resources and skills, competent staff, performance management, accountability, communication. Other challenges are red tape limited project leadership and expertise, communication flow and poor planning, political interference, nepotism and perceptions of corruption. It is therefore suggested to solve the issues of ownership and control, create a dedicated directorate for PPP in MoHSS to broaden the human resources; accord people representing GRN with appropriate decision making powers and improve the image of GRN.

**Lack of Capital in Public Health Sector Impedes Private Sector Involvement in Public-Private Partnerships**

The premise for private sector’s involvement in a PPP is that it will have the opportunity to use its skills, expertise and resources for the benefit of government (public sector) and that it will be rewarded. There have been claims that the lack of capital has impacted on government projects and programmes, particularly after the recent economic crisis. This question wanted to know if the lack of capital in public health sector impedes private sector involvement in PPP. The findings are indicated in Figure 4.16.

In Figure, 4.16, 48% of the respondents disagreed, 15% remained neutral, 33% agreed and 4% indicated that they did not know that the lack of capital in public health sector impedes private sector involvement in PPP.
sector involvement in PPP. Most respondents (48%) disagreed as opposed to those who agreed (33%) and this is encouraging as the expectation that the public sector should provide capital for the success of PPP is wrong. Public sector engages in PPPs, primarily motivated by its lack of capital and it is expected from the private sector to arrange the required finances, technology and skills to make the PPP arrangement a success. Governments cannot finance their needs and are making use of PPPs (Wojewnik-Filipkowska and Trojanowski, 2013:329). However, governments must provide guarantees (Zou et al., 2008:126). It is encouraging to note that majority of the respondents do not think that lack of capital hampers private sector’s involvement in MoHSS PPP.

Lack of Mutual Trusts Prohibits Private Sector Involvement in Public-Private Partnerships

Trust is an important element for a partnership. Not every aspect of the partnership can be reduced in writing or covered by a contract nor can partners monitor every activity or an operation pertaining to the partnership and trust is thus supposed to give assurance for these areas. This question wanted to establish if the lack of mutual trusts prohibits private sector’s involvement in PPP. The findings are indicated in Figure 4.17.

Figure 4.17 Lack of Mutual Trusts Prohibits Private Sector Involvement in PPP

In Figure 4.17, 20% of the respondents disagreed, 19% remained neutral, 53% agreed and 8% indicated that they did not know that the lack of mutual trusts prohibits private sector’s involvement in PPPs. More than half of the respondents (53%) agreed to this statement and this can point to an underlying reason for the lack of enthusiasm for the health sector’s PPP initiative. While some may argue that trust has no place in business, Spackman (2002:292) posits that a trusting relationship between the contracting parties, based on a shared vision is imperative for the success of a PPP. There are a host of factors that can lead to the current level of trust in
MoHSS PPP initiative and appropriate actions are required to bolster trust. Key among such is the changing of the current negative attitudes and perceptions towards health sector’s PPP.

**Lack of Transparency in Public Sector Hamper Effective Public-Private Partnerships for Health Sector**

Public sector operations should be characterized by transparency and openness as such is advocated in most service charters, however, many governments are shrouded by suspicions of secrecy. Corporate governance requires that that issues pertaining to the operations of partnerships or businesses must be open and transparent to the parties involved and the broader stakeholders. This question wanted to ascertain whether the lack of transparency in public sector hampers effective PPP for health sector. The findings are depicted in Figure 4.18.

**Figure 4.18 Lack of Transparency in Public Sector Hamper Effective PPP for Health Sector**

In Figure 4.18, 22% of the respondents disagreed, 20% remained neutral and 48% agreed and 10% indicated that they did not know that the lack of transparency in public sector hampers effective PPP for health sector. In literature, the most cited requisite for a successful PPP is transparency (Zou et al., 2008:126; UNECE, 2008; Babatunde et al., 2012:220; Wojewnik-Filipkowska and Trojanowski, 2013:331 and Hardcastle, et al., 2006:79). Pongsiri (2002:490) emphasizes the requirement of a transparent and sound regulatory framework before private sector can participate in PPPs. It is therefore important that all efforts must be made to ensure that transparency is reflected in all facets of the PPP. Therefore, the agreement rating of 48% is high for this aspect and can be attributed as an impediment in the success of MoHSS PPP.
Lack of Dialogue between Private and Public Sectors Hamper Public-Private Partnerships Effectiveness

A dialogue provides a platform to the prospective partners in a PPP to voice their concerns and to make inputs so that the outcomes can reflect a negotiated settlement. While government assumes the client-partner role and is entrusted to initiate the necessary PPP framework, guidelines and policies, it is duty-bound to engage the private sector in a dialogue to ensure that a conducive environment is created. This question wanted to determine if the lack of dialogue between private and public sectors hamper effective PPP effectiveness. The findings are indicated in Figure 4.19.

Figure 4.19 Lack of Dialogue between Private and Public Sectors Hampers PPP Effectiveness

In Figure 4.19, 9% disagreed, 9% remained neutral, 76% agreed, while 6% indicated that they did not know that the lack of dialogue between private and public sectors hamper health sector’s PPP effectiveness. The level of agreement to this statement should be an indicator on how the lack of dialogue can contribute to the current disinterest in the health sector’s PPP initiative and the possible negative attitudes and perceptions. The public and the private sector should have symbiotic relationship in which the public sector creates an enabling environment (through its regulations and policies) and the private sector avails its skills and capital for the common good of the PPP project and the country at large. Such a relationship requires effective dialogue, before, during and at the end of the PPP. Samii, Van Wassenhove and Bhattacharya (2002:1004) argue that intensive dialogue, alignment of cooperation learning capability and converging working cultures are some of the cornerstones of an effective PPP. The findings, where majority
(76%) agreed, suggest that dialogue lacks between the public and private sector and that this hampers effectiveness of the health sector PPP initiative.

Lack of Proper Guiding Tools from Public Sectors is a Challenge for Public-Private Partnerships

The public sector (government) is entrusted with regulation and the provision of the required guidelines. However, governments do not operate in isolation and must consult the interested and affected parties to ensure that the ensuing guiding tools are proper and relevant. This question wanted to determine if the lack of proper guiding tools from public sectors is a challenge for MoHSS PPP. The findings are shown in Figure 4.20.

In Figure 4.20, 8% of the respondents disagreed, 10% remained neutral, 72% agreed and 10% indicated that they do not know that lack of proper guiding tools from the public sector is a challenge for MoHSS PPP in Namibia. Jamil (2002:419) opines that the public sector should provide the regulatory framework for the PPP. While both public and private sectors benefit from the PPP, the relationship should be initiated by the party in need of the services or the infrastructure, that is, the public sector. However, the failure to provide proper guiding tools will result in undesired outcomes and dissatisfaction.

Figure 4.20 Lack of Proper Guiding Tools from Public Sectors is a Challenge for PPP

It is therefore of great concern when majority of respondents (72%) agreed that the lack of proper guiding tools from the public sector is a challenge for PPP in Namibia. As this study was instigated by the lack of private sector’s interest in the PPP of MoHSS, this finding suggests that
the provision of proper guiding tools from MoHSS can attract interest from the private sector in the MoHSS PPP.

**Recommendations for Enhancing Effective PPP Coordination**

The following suggestions have been made to enhance effective PPP coordination:

- Accommodate inputs or recommendations from private sector;
- Consultation process leading to guidelines must be inclusive of all stakeholders involved in administering or running health institutions;
- Create awareness and workshops to provide more information on PPP framework;
- Define policies, procedures and regulation, legal framework and targeting of specific sectors including capacity building;
- Regular monitoring of the intended goals;
- Regular feedback to the public for the sake of accountability;
- Use management by objectives and Balance Score Cards;
- Strengthen human resources;
- Strengthen dialogue between private and public sectors in order to improve PPP for health;
- Create awareness platforms on PPP;
- Improve communication/strengthen advocacy;
- National conference to discuss possibilities of PPP and its advantages;
- Learning from other countries;
- Inter-Sectoral collaboration in developing PPP guidelines;
- Training of interested PPP sectors;
- Transparency in the use of resources for PPP;
- Involvement of SME’s in PPP;
- Appoint competent technocrats not politicians;
- Put legal framework in place to guide the implementation of PPP in Namibia;
- Establish a forum for coordination and clear lines of accountability;
- Encourage attitude change among staff;
- Strict and effective monitoring and evaluating methods; and
- Budget control mechanism.

**Descriptive Statistics**

These describe the body of data and are usually with the point of central tendency, amounts of variability and the extent to which different variables are associated with one another (Leedy and Ormrod, 2010:265). The statistics relevant to this study have been summarized in Figure 4.21.
Figure 4.21 Descriptive Statistics

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<th>No</th>
<th>Test Items</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Dev.</th>
<th>Variance</th>
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<td>1.615</td>
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<td>3</td>
<td>1.418</td>
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<td>6</td>
<td>Private sector entities are hesitant to partner in PPP for improved service delivery</td>
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<td>7</td>
<td>Need to make profit by private entities compromise them engaging in PPP</td>
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<td>1.424</td>
<td>2.027</td>
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<td>1.552</td>
<td>2.409</td>
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<td>PPP in Namibia influenced by political interests</td>
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<td>4</td>
<td>1.290</td>
<td>1.664</td>
</tr>
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<td>3.00</td>
<td>1</td>
<td>1.552</td>
<td>2.409</td>
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<td>11</td>
<td>PPP in Namibia influenced by political interests</td>
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<td>4.00</td>
<td>4</td>
<td>.936</td>
<td>.877</td>
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</tbody>
</table>

CONCLUSIONS AND RECOMMENDATIONS

Findings from the Study

The findings of the study are discussed under findings from the literature study and findings from the primary study in the following subsections:

Findings from the Literature Review

The key findings of the literature study are presented as follows:

- Kotler and Keller (2009:210) define an attitude as a person enduring favourable or unfavourable evaluations, emotional feelings and action tendencies towards some object
or idea and a perception is seen as the process by which people select, organize and interpret information inputs to create a meaningful picture of the world;

- A PPP is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies (Sturchio, 2008:482);

- From the health perspective, PPP is a means to bring together a set of actors for the common goal of improving the health of a population based on the mutually agreed roles and principles (Raman and Björkman, 2008:77);

- The efficiency of Namibia’s health service is ranked 189 out of 191 countries while its spending is ranked at 66 out of 191 (WHO's World Health Report, 2000). The MoHSS inherited a fragmented health services at independence and has embarked on the process of formulating a policy framework on health and social services (MoHSS National Health Policy Framework: 2010-2020, 2010:2). Since independence, access to health services in Namibia has greatly increased with a number of health facilities increasing from 246 in 1990 to 346 in 2012 (MoHSS Working Document on PPP, 2013). However, numerous challenges hinder the MoHSS to attain its mandate of overseeing, providing and regulating public, private and non-governmental sectors in the provision of quality health and social services to ensure equity, accessibility, affordability and sustainability (MoHSS, 2013:2);

- The challenges facing the MoHSS and highlighted by Health and Social Services System Review (2008:35) are relating to infrastructure, lack of routine and systematic maintenance of health facilities, backlog in the replacement of medical equipment, lack of coordinated ambulance services and relevant skills for personnel, decline of donor funding, unavailability of accommodation facilities for health professionals and service delivery challenges. Hence, the MoHSS realized the potential to mobilize the private sector to collaborate in meeting its objectives and this has given birth to the Health Policy Framework Strategic Agenda, which among others calls for the establishment of PPP for in-country provision of support towards health service delivery through specialized services and promoting innovations and management in the health sector (MoHSS National Health Policy Framework – 2010 to 2020, 2010:4);

- PPP, a western concept was pioneered in 1950’s in the United States of America (Nangolo, 2013:11) and its usage has steadily increased. Thus, Sturchio’s (2008:482) asserts that private sector can boost public programmes through their involvement. The growth of PPPs can be attributed to the inability of governments to finance their essential investments (Wojewnik-Filipkowska and Trojanowski, 2013:331) and offering innovative options within the evolution of the public sector (Keating and Keating, 2013:177);

- PPP can help catalyze and boost public health programmes (Caines and Lush (2004:5). The objectives of PPPs include, access to new sources of capital, accelerated development of infrastructure assets, risk sharing opportunities, maintenance or improvement of service levels, access to skills in planning, management and service delivery, realization of the value of under-utilized assets and greater value from economic development opportunities (Babatunde et al., 2012:215). Wojewnik-Filipkowska and Trojanowski (2013:332) submits that the objective of PPPs is to combine private capital, private project execution and the delivery of public services and or facilities by bringing together diverse entities, namely public and private sectors;
Mouraviev and Kakabadse (2012:266) submit that PPPs can fall into various domains, such as a policy tool, an organisational and financial arrangement or as performance, risk allocation and critical success factors tool. Also, Sedjari (2004:299) categorizes PPPs under the following: sector partnerships, PPPs limited to certain sectors or projects, PPPs at city-level and PPPs with regional impact. PPPs can also be used for construction or renovation of a building, provision of services, execution of a task, in particular increasing asset value and other services connected with asset maintenance or management (Wojewnik-Filipkowska and Trojanowski, 2013:334);

- The appeal of PPPs can more generally be explained in terms of their expected benefits, including access to private finance for expanding services, clearer objectives, new ideas, flexibility, better planning, improved incentives for competitive tendering and greater value for money for public projects (Spackman, 2002:284 and Nijkamp et al., 2002:1869);

- Jamali (2004:417) argues that both public agencies and private organisations can derive advantages from PPPs when the agreement is characterized by trust, openness, fairness and mutual respect. However they are also suffering from shortcomings as Hodge and Greve (2005:9) opine that the claimed PPP benefits are debatable. Armistead and Pettigrew (2004:579) submit that undesired behaviours in PPPs are among others, insincerity, aggression, self-interest, not listening to others viewpoints, stereotyping, and lack of respect, dishonesty, unpredictability, bulldozing, and personal gain;

- Babatunde et al. (2012:212) argue that an effective PPP is underpinned by putting in place the required enabling laws to facilitate and regulate implementation. Roumboutosos and Chiara (2010:241) found that political factors can influence the outcomes of a PPP. Government should set standards through a framework and guidelines and monitor products safety, efficacy and quality and establish systems whereby citizens have adequate access to the products and services they need (Jamali, 2004:419). It is argued that laws that are better structured are conducive to better partnership agreements and may contribute to a more reliable, transparent and efficient investment process (Wojewnik-Filipkowska and Trojanowski, 2013:331). Jamali (2004:421) posits that complementary strengths and weaknesses must be identified and that requisite time, energy and resources are commitment to ensure project success. Spackman (2002:292) also suggests that a trusting relationship between the contracting parties based on a shared vision is imperative for the success of a PPP. Nijkamp et al. (2002); Spackman, (2002); Scharle, (2002); Sussex, (2003) and Zouggari, (2003) provide principles and guidelines that are worth considering in PPP arrangements, such as, careful consideration and precise articulation of the purposes of the partnership, clear delineation of targets and goals, timely and transparent mapping of all costs, revenues and profitability aspects of a PPP, clear insight into the planning of projects parts, the risk profiles involved and the ways in which various partners are involved, clear boundaries, measurable output performance and transparency, specific reporting and record keeping requirements, strong central structure at the level of central administration, using private sector expertise to promote and guide policy implementation, provisions for contract renegotiation and for adjusting contractual terms, an appropriately designed legal framework, consideration of environmental, safety and health responsibilities and close monitoring of monopolistic situations;
UNECE (2008) submits that the governance principles for an effective PPP are fair and transparent selection process by which governments develop partnerships, assurance that value for money has been obtained, an improvement of essential public services (especially for the socially disadvantaged), and adequate training for those to be involved in the new partnerships, fair incentives to all parties and fair returns for risk takers, combined with the achievement of commercial success, sensible negotiation of disputes that assures continuation of services and prevents the collapse of projects and consequent public waste, and enhanced security in the face of the new threats and for a general improvement in the safety of services provided under PPP arrangements;

Factors that can generate a success in PPP projects are among others, high degree of communication, clear understanding of outcomes and performance targets, participants having the courage to challenge partners’ assumptions, clear pre-planning and clarity of roles, shared language and understanding of the complexities of the process, shared responsibility for each stage of the process and outcomes, trusting judgments of partners, attention to detail and sharing knowledge, co-location and a sense of fun and genuine exploration (Armistead and Pettigrew, 2004:579);

As, risk is endemic to all projects and requires to be managed, Nikolaidis and Roumboutsos (2013:276) assert that PPP contracts are highly exposed to exogenous risks. Common risks associated with PPPs are illuminated by Zou et al. (2008:135) as legal, political, financial/market, project cost, interest and exchange rates, currency inflation, traffic volume, toll fee levels and adjustment, economic, social and public acceptance risks, construction and geological risks, technical and technology risks, health and safety risks and management risks; and

Attitudes and perceptions towards PPPs can be influenced by mistrust among partners; private sector feeling that there is a lack of transparency in public sector, unclear communication from public sector, unilateral decision making by the public sector, lack of proactiveness by the public sector and the absence of legal framework (Itika et al., 2011:20).

Findings from the Primary Research

These findings are presented under the three main sections of the questionnaire:

Section A: Knowledge and Awareness of PPP in Namibia:
- Aware of PPP - majority of respondents (82%) indicated awareness of PPP;
- Know and understand how PPP works - 69% of the respondents know and understanding the workings of PPP;
- Involvement by Namibian private sector entities - only 25% of the respondents indicated that Namibian private sector entities were involved in PPP arrangements;
- GRN provided framework to guide PPP - 47% of the respondents agreed that the GRN provided a framework to guide PPP in Namibia;
- Private sector involved in development of PPP framework, guidelines and procedures – a mere 27% of the respondents agreed that the private sector was involved in the development of PPP framework, guidelines and procedures; and
• Aware of PPP guidelines, frameworks or procedures by public sector - 35% of the respondents agreed that they were aware of PPP guidelines, frameworks or procedures by the public sector.

Section B: Attitudes and Perceptions towards PPP:
• Private sector entities hesitant to partner public sector in PPP for improved service delivery - 40% of the respondents agreed that private sector entities are hesitant to partner public sector in PPP for improved service delivery;
• Private sector’s need for profit compromised by engaging in PPP - a mere 27% of the respondents agreed that private sector’s participation in PPP is compromised by its need to make profit;
• Conflict of interest between private and public sectors in relation to PPP – only 29% of the respondents agreed that conflict of interest between private and public sectors hampers participation in health sector’s PPP initiative;
• PPP in Namibia influenced by political interest - 46% of the respondents agreed that PPP in Namibia is influenced by political influences;
• Resources accounted through PPP - 45% of the respondents agreed that resources are accounted through PPP;
• PPP projects only benefit public sector – a mere 15% of the respondents agreed that PPP projects benefit only the public sector; and
• Public health sector has adequate human resources with necessary skills for PPP – only 22% of the respondents agreed that the public health sector has adequate human resources with necessary skills for PPP.

Section C: Challenges and Stumbling Blocks for PPP in the Health Sector
• Effectiveness rating of current PPP coordination in Namibia - only 22% of the respondents agreed that the current PPP coordination is effective;
• Existence of challenges relating to coordination and facilitation of PPP – an overwhelming 83% of the respondents agreed that challenges relating to the coordination and facilitation of PPP exist in the health sector;
• Lack of capital in public health sector impedes private sector involvement in PPP - 33% of the respondents agreed that the lack of capital in public health sector impedes private sector involvement in PPP;
• Lack of mutual trusts prohibits private sector involvement in PPP - 53% of the respondents agreed that the lack of mutual trusts prohibits private sector’s involvement in PPP;
• Lack of transparency in public sector hamper effective PPP for health sector - 48% of the respondents agreed that the lack of transparency in public sector hampers effective PPP for health sector;
• Lack of dialogue between private and public sectors hamper effective PPP - 76% of the respondents agreed that the lack of dialogue between private and public sectors hamper effective PPP for the health sector; and
• Lack of proper guiding tools from public sectors is a challenge for PPP - 72% of the respondents agreed that the lack of proper guiding tools from the public sector is a challenge for PPP in Namibia.
Conclusions on Findings

While many respondents are aware of the existence of healthcare sector’s PPP, there is a need to increase knowledge and understanding of the concept to increase private sector’s participation. GRN, with the involvement of the private sector must provide clear frameworks, guidelines, policies and procedures to guide PPP implementation in Namibia. There are misconceptions and perceived fears on the modus operandi of the PPP in Namibia, particularly, the PPP for the healthcare sector and these hamper participation.

Human resources are considered as a critical success factor in the implementation of PPPs, but there seem to be a lack of appropriate skills and competencies, particularly in the areas of coordination and project management. Accountability of resources, transparency of the process and dialogue between contracting parties are also identified as important for success.

Recommendations

The following recommendations, stemming from the literature and empirical findings are offered in keeping with the last objective of this study, namely to make recommendations to enhance coordination of MoHSS PPP for the health sector:

- Efforts must be made to increase awareness of PPP frameworks, guidelines or procedures among private sector, as the lack of such can influence attitudes and perceptions towards the health sector PPP initiative by MoHSS;
- There is an urgent need to involve the private sector in the development of PPP framework, guidelines and procedures as the current lack of interest from the private sector and the concomitant attitudes and perceptions towards MoHSS health sector PPP can be attributed to this reality;
- Create correct perceptions to result in the supporting attitude for the PPP as there might be incorrect perceptions, leading to negative attitudes toward the concept;
- It is recommended that both the public and private sector must take time for pre-planning and establish clarity of roles and vested interest as this may avoid any future challenges, such as conflict of interest;
- Clear frameworks, policies and procedures regulating PPPs must be issued as such will prescribe the roles to be played by all stakeholders, including the politicians;
- To increase accountability of resources used in PPP arrangements, performance and service level agreements must be included in PPP agreements;
- There is a need to share correct information on the concept of PPP in the healthcare sector, particularly the benefits to be accrued by both partners as the misperception on beneficiation will impact negatively on participation;
- The public sector must ensure that it has necessary human resource skills and competencies, particularly in the areas of coordination and project management;
- The expectation that the public sector should provide capital for the success of PPP is wrong as the reason for it engaging in such an agreement is primarily motivated by its lack of capital, hence the private sector should be the one arranging for the capital required to make the PPP a success, while government provides the necessary guarantees. It is evident that there is a lack of understand which may have led to this wrong perception and a programme of action must be launched to correct such;
To increase enthusiasm and involvement in the PPP of healthcare, it is important to create an environment for mutual trust through dialogue; Also, through dialogue, efforts must be made to increase transparency in the public sector as such may change perceptions and attitudes towards the healthcare PPP; and Public sector must provide proper guiding tools as the failure in this regard will result in undesired outcomes and dissatisfaction and the disinterest from the private sector may persist.

**Action Plan**

The following actions are suggested to improve efficacy of healthcare sector’s PPP

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>Person</th>
<th>Time frame</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve perceptions</td>
<td>Have open dialogue with private sector on PPP objectives</td>
<td>Management</td>
<td>3 months</td>
<td>N$0</td>
</tr>
<tr>
<td>Streamline PPP activities</td>
<td>Create directorate of dedicated project team for PPP</td>
<td>Management</td>
<td>1 year</td>
<td>unknown</td>
</tr>
<tr>
<td>Improve PPP facilitation and</td>
<td>Capacitate those working with PPP with requisite skills</td>
<td>Management</td>
<td>Immediately</td>
<td>N$200 000</td>
</tr>
<tr>
<td>coordination</td>
<td>and competencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Set operating parameters for</td>
<td>Clear guidelines, policies and procedures for PPP</td>
<td>Management</td>
<td>6 months</td>
<td>N$0</td>
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<tr>
<td>PPP</td>
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</table>

**Areas for Further Research**

This study adopted the positivist philosophy and could not understand how the existing attitudes and perceptions were formed and a phenomenological study of the same research topic is therefore proposed. Since the staff of MoHSS is important in the success of PPPs, it is recommended that their attitudes and perceptions are assessed to ensure that same are aligned to the needs of PPPs. It is also important that the target population and the research sample are enlarged to include more businesses.

**Conclusion**

The aim of this study was to evaluate the attitudes and perceptions of the private sector towards PPP in the Namibian health sector by focusing on the following objectives: to identify the attitudes and perceptions that are influencing private sector’s conduct towards PPP of the health sector; to assess the awareness and knowledge of the private sector of MoHSS healthcare PPP; to determine whether the guiding tools and policies will be effective in guiding and enhancing PPP of the health sector and to make recommendations to enhance coordination of MoHSS PPP for the health sector.

It is evident that the GRN will not be able to implement all its programmes or deliver the required services owing to the variety and severity of the challenges it is facing. PPPs are therefore viable options to achieve these objectives; however, the current PPP for the health
sector is beset by challenges. The PPP concept, in particular the aspects that are influencing its efficacious operations, including the role of attitudes and perceptions have been illuminated in this study. Both the literature and empirical studies were undertaken and the findings lead to conclusions and offering of recommendations for the improvement of the facilitation and coordination of the health sector’s PPP. It can therefore be argued that this study has been successful in meeting the objectives and answering the research questions.

Bibliography


European Construction Institute, Loughborough University, Loughborough, pp. 7-12.


