Chapter 110
Paradox of Service Delivery

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ABSTRACT

This chapter reviews the literature on the paradox of services as a cause for the necessity of PPP. First, the chapter discusses why governments pursue PPPs form the perspectives of both the private and public and how this has brought about the urge for PPPs throughout the world. Second, the chapter reviews the principles of PPP from a current development and management perspectives. Three core elements are crucial for PPP to thrive, and these are finance, skills of the private sector and risk sharing are reviewed. This chapter analyses papers, case-studies and reports concerning the challenge of service delivery provision in the current and concludes that, from a practical perspectives, it is proper that governments ought to rethink their mode of service delivery provision, and that PPP seems to be the right answer in the scenario.

Reality is that which, when you stop believing in it, doesn't go away. - Philip K. Dick

INTRODUCTION

After more than dozen decades of wanting public service provisions and dismay, the inclusion of the private parties has finally taken off. Now, we are witnessing the first signs of evidence of what might become the explosion of private parties’ involvement and interplays that will be shaping service delivery provision of the future. Similar to the public collaborations in service delivery provision, the new ‘marriage’ will become more relevant in the face of dwindling public finances. Within the cistern of development discourse, the urge and desire for public private partnership (PPP) in the paradox of service delivery is very real, alive and kicking. The clearest reality is that the prospects of actionable course either ‘conventional’ or ‘non-conventional’ ought to be undertaken as a noble approach to tackle the twin evils of scarce resources and insatiable human quests for more and more quality services. Thus Governments and PPP practitioners as active initiators and implementers of PPP projects respectively may leverage the unending quests for more and more quality services are examples of a ‘conventional

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case’, while the citizens/populace with high ‘value-added’ demands for quality services would be one of a ‘non-conventional’ case. This chapter will discuss the different perspectives corrugated in the paradox of service delivery. It specifically tackles individually the perspectives of the private, public, and a combination of public and private under the umbrella of a partnership. It will also deal with the core elements necessary to exist for the partnership strategy in handling the paradox of service delivery become of relevance. A summarized version of the chapter shall together with a conclusion end the chapter.

PUBLIC AND PRIVATE PERSPECTIVES

No one, Diana (2014) contemplates can dispute the immensity with which the demand of quality services has tripled and duly engulfed the whole world. By the turn of the 21st century, the demand for quality services has reached a disproportionate level in terms of resources which could be used to provide those services (Garcia, 2014). Its continual enragements will even the more see dwindling scarce resources yet there would continue to be an explosion of fuller exploitation of available resources (Eggers & Macmillan, 2013). Numerous examples could be mentioned: new products, content produced and individualized spent-thrift consumptions, productivity application in line with continual technological advancement, or health and physical solution to increase quality of life (Robinson, 2015). Every human being now yearns for personal enjoyment to harness inner quests for good life as sole point of inspiration.

In the main, Government that traditionally has a role and primary function of providing services to the citizens/populace finds itself in an awkward position (Marty & Voisin, 2005). As the demands of the citizens weighs it down, similarly inadequacy of resources are also taking their toll at the same time. Many of the new challenges will require access to finances in an orderly and meaningful manner. This means governments must concerns themselves with purely their financial health indicators. Garcia (2014) suggests that the indicators are majorly three: sustainability, flexibility and vulnerability. By sustainability indicator, its meant “… the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the relative debt or tax burden on the economy within which it operates” (p.364). By flexibility, its meant “… the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others” (p. 364). And by vulnerability, its meant “…the degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others” (p.364). In the conclave of financial crunch, the government finds itself in a compromising position such that these indicators bedeviled the government into a paradox of service delivery (Ringold, Holla, Koziol & Srinivasan, 2012).

Currently, the vulnerability financial health indicator of government functioning has become a bedrock of all activities in both developed and developing countries (Abels, 2007). This is because there are lots of risks involved in whatever undertaking the government might want to, so as to meet the demands of the citizenry. Overcoming these risks, which are already gateways to failure in meeting assigned obligations- public value and good-, has seen governments taking steps that has previously been ignored generally (Akintoye, 2008). It has created a paradox which will therefore become (is already becoming) the mean to reach appropriate content and applications of development strategies, and to provide additional