

Twitter Thread by Simon Wardley



Simon Wardley

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X : Thoughts on private companies being on the boards of ICS (integrated care systems).

Me : Conflict of interest question? Supplier determining needs?

X : Yes

Me : It's ok, as long as

a) you have effective spend control

b) those private companies are JVs which Gov owns 51% of.

X : What if they are not 51% owned JVs?

Me : Ah, that's a bad idea. You really want your boards to have your interests at heart.

X : What about experience, partnership?

Me : Those are advisors and you take it with a pinch of salt and as much as possible use critical friends.

Suppliers will always tell you that they want to be your partners, to build a relationship, to be your friends, to find the win/win in much the same way a second hand car salesperson wants to be your buddy ... but their interests are not yours and never can be.

X : Critical friends?

Me : Occassionally you can find critical friends. People that we willing to tell you the truth as they see it regardless of the consequences. They are not very common and it normally requires a deep sense of duty that exceeds any loyalty to others.

X : Can the relationship be symbiotic?

Me : Rarely but that depends. If the organisation has a core overriding principle of focusing on the customer need and I don't mean lip service to this but absolutely embedded into its very core then yes i.e. places like Amazon, Alibaba etc.

But most organisations, even those that talk about "focus on customer need" won't sacrifice their own self and their own well being in order to pursue that customer need. They will tend to fall back on self interest in hard times and become parasitic.

"Symbiosis" and win/win are very easy when the times are good, however the real measure of any commercial relationship is when the times are hard.

X : Why spend control?

Me : You always need an independent mechanism of challenge (outside the department and contract but within Government) to provide challenge through expertise and to spread situational awareness across many contracts. An intelligence function.

X : Why?

Me : People make mistakes, they can be trapped by context, they don't understand the wider landscape, it's a point of learning ... so many reasons. Also, sometimes you get the revolving door between public / private that you want to counter.

X : Intelligence function?

Me : Yes. An effective spend control function including pre and post mortem challenge should also build up your understanding of the landscape, the supply chains, the interconnectedness of components. That would have been useful in Brexit, in Covid and in a host of other spaces.