NGO Briefing Part 3: Long-term relationships - How to get along

Posted by Oliver Balch [1] on May 5, 2011

Partnerships between business and NGOs often run into challenges and sometimes end unhappily. However, there are some tips to follow to avoid partnerships souring

Businesses and charities operate in different realms and under different rules. Finding a natural fit is by no means straightforward. Language, organisational culture, vision and – above all – values can often clash.

So selecting the right partner for your company is a vital first step. But it's a multi-stage process. Above all, the company must be clear about why it wants to enter a partnership.

In partnerships, as in marriage, motivation is key. Altruism, like love, is a worthy driver. But it's not the only one. Mitigating risk, building reputation, influencing policy, improving staff retention, building morale – all are frequent and acceptable reasons for entering a charity partnership.

With that straight, a company must resolve what issue it wishes to address. Again, the options are multiple. It could be social, environmental, ethical or a combination of all three.

The best corporate partnerships work because they tie in with a company's core strategy and skills. Either directly (by improving business efficiencies or opening new markets) or indirectly (by satisfying key stakeholder demands), they help meet a business need.

Take O2. The UK mobile telecoms group could commit to save the panda. Or it could choose something close to home (and its business), like developing a voluntary eco rating for phone handsets. It opted for the latter, teaming up with environment charity Forum for the Future on the way.

A warning note: what works strategically for a business may not always work for its employees. Getting staff on board is critical for the ongoing success of any charity partnership. Their views should therefore be canvassed ahead of time.

If a fit cannot be found, then the company needs to develop a "package" of measures that enables employees to support their preferred charities. These could take the form of give-as-you-earn, matched giving or volunteering schemes, suggests Klara Kozlov, senior advisory manager at the Charities Aid Foundation.

Ban blind dates

With your rationale and issue decided, it is time to narrow down the possibilities. A search of organisations with relevant experience, skills and knowledge should result in a shortlist. A rigorous due diligence exercise should see that list shortened further.

Two additional decisions await companies: are they better placed with an international or local NGO, and with a service-delivery or campaign group? All have their pros and cons. The individual company must decide.

Businesses need not struggle alone in the matchmaking game. Independent brokers exist to help. The International Business Leaders Forum (IBLF), for instance, has seen more than 240 accredited brokers pass through its Partnership Broker Training programme. IBLF's suite of services also includes "fit to partner" assessments of companies.

Once a shortlist is finalised, it is time for companies to get frank. Be realistic, CAF's Kozlov advises.

"Talk to the charity upfront about what is its capacity and what it envisages the company can help with," she says.

Likewise, don't disguise what you are. Sue Adkins, international director at Business in the Community, says: "Whatever business you are, you are still a business." So don't pretend it's all about doing good. And don't shy away from spelling out your business case either.

Clarifying respective roles, establishing mutual goals and hammering out the rudiments of a working relationship upfront will all prevent problems down the line. And don't omit to set it all down on paper. Think of it as a pre-nup.

Keeping on course

A thorough selection process and scoping exercise should avoid many habitual conflicts. Add to that honest communication and a delivery focus, and the road ahead should lie mostly smooth.

Expect some tensions to arise, however. By allowing for innovation and flexibility, these can be largely kept in check, says Ros Tennyson, senior partnership adviser at the IBLF.

"Don't fix things too soon or you risk missing unexpected and potentially higher value outcomes," she says.

Another must: don't forget partnerships are two-way affairs. Mutual respect and an appreciation for diversity are both key to success. NGOs have much to teach corporations and, at times, much to ask of them too.

WWF provides a case in point. The UK environmental charity accepts the importance for its corporate partners to get their house in order. But companies must consider their "hot spots" too, says the charity's head of business relations, Dax Lovegrove.

Typically, that means taking action on knotty problems in a supply chain or among consumers. Lovegrove picks out the work of retailer (and WWF partner) Marks & Spencer, whose Plan A programme sets 180 exacting targets on just these kinds of issues.

"We really try to spot the willingness for a greater level of ambition among our corporate partners … if that's not the case, then they may not be the partner for us," he says.

A final consideration: think about the long-term health of your charity partner. Most charitable partnerships will require a financial grant of some kind, plus in-kind assistance.

Money is nice (especially in strained economic times), but too much can sometimes be a burden. This is especially true among smaller organisations that lack the skills, manpower or experience to manage large donations.

Even large grant recipients can face problems when a corporate partnership ends, warns CAF's Kozlov. She says: "Companies should think about how [a grant] affects the capacity of a charity and what will be the consequence once the charity partnership stops."

Moving on

"Divorce: the past tense of marriage," a wit once said. Partnerships don't have to end badly, but end they must. Every partnership has a "natural lifecycle", says Andrew Wilson, director at consultancy firm Corporate Citizenship.

"Spell out an exit strategy upfront," he advises, whether that be time-bound, target-led or by another agreed mechanism.

Take care when exiting a partnership, however. Companies must be transparent, inclusive, clear, patient and, above all, a good role model, says IBLF's Tennyson.Where there are successes, they should be acknowledged and celebrated. And where there are lessons, they should be internalised and shared.

Oh, and perhaps avoid the label “exit strategy”. That can be construed as donor talk. It implies a decision that is one-sided, final and calculated in advance. It is better when both partners simply “move on”.

How to manage and maintain partnerships

- Secure resource **commitments**.
- Build governance **arrangements**.
- Deepen organisational **engagement**.
- Develop a **communications** plan.
- Build **partnering** capacity.
- **Problem solve**constructively.
- Agree **benchmarks** for later evaluation.

Source: IBLF Partnership Brokering Project

Useful websites

The Partnership Brokering Project: http://partnershipbrokers.org [2]

The International Business Leaders Forum: www.iblf.org [3]

The Partnering Initiative: www.thepartneringinitiative.org [4]

Links:
[1] http://www.ethicalcorp.com/users/oliver-balch
[2] http://partnershipbrokers.org/
[3] http://www.iblf.org
[4] http://www.thepartneringinitiative.org/