

The Secret to Cross-Sector Partnerships That Make a Difference

NOVEMBER 2016

A study of the attitudes,
motivations, needs and
beliefs of organizations
and their leaders in
public-private-nonprofit
partnerships



CSR Communications



Letter from Nancy Murphy, CSR Communications Founder & President



For more than 25 years, I've worked at the intersection of the public, private and nonprofit sectors—designing, facilitating and leading collaborative efforts to address social and environmental challenges. Some partnerships worked. Some didn't. Most could have been more effective and functioned more smoothly. Along the way, I learned many lessons, which inspired me to start CSR Communications and then, to undertake the research described here.

LESSON 1: Cross-sector partnerships aren't just nice to have, they're necessary—now more than ever. Consider the emphasis on private sector engagement to achieve the United Nations' ambitious Sustainable Development Goals, and the growing acknowledgement that social services alone won't revitalize struggling neighborhoods in the United States.

LESSON 2: Cross-sector partnerships could accomplish more, faster and with less frustration, if we could:

- minimize assumptions about (potential) partners based solely on an organization's tax status;
- pursue the right types of partnerships with the right types of partners; and
- grow the number of organizations and leaders capable of collaborating to solve problems.

Such collaborators comprise what I call the "Solution Sector"—those who come together with an open mind, focus unwaveringly on solving our world's most pressing problems, acknowledge and engage each organization's full range of resources and assets, and commit to embracing partners as equals whether each answers to shareholders, taxpayers or donors.

LESSON 3: Patterns exist in partnerships that work and those that don't. And predicting which partnerships will succeed has little to do with partners' tax status or industry.

To test my observations, I decided to adapt "psychographic research" to segment cross-sector partner organizations based on attitudes, motivations, needs, desires and beliefs. This marketing approach—typically used to sell consumer products—allows companies to segment and then target prospective customers such as Porsche buyers or leisure travelers based on factors other than simple demographics.

This study involved the psychographic mapping of organizations rather than of individual consumers, employees or leaders. We asked study participants about the attitudes and beliefs of their organizations, even where their personal perspectives may differ.

My premise is that improving our understanding of would-be cross-sector partners—including motivations, dreams and fears—will help strengthen and grow the Solution Sector. And I firmly believe the Solution Sector is a game-changer for world changers. It levels the playing field and ups everyone's game. Cooperation trumps silos. Sharing knowledge to achieve common goals beats competition or jockeying for limelight.

Would you like the partnerships you lead to have more impact for less effort? Are you committed to helping others become part of the Solution Sector? If yes, then please read on, and join me on this quest to unleash the Solution Sector's almost unimaginable potential.

In partnership,

Growing the Solution Sector

It is no secret that efforts to collaborate across sectors—and even among same-sector organizations—historically have posed challenges. Suspicion too often reigns, prejudice and stereotypes cast a shadow at the table, and a fear of losing control over outcomes can block creativity and vision.

The Solution Sector will flourish when government, nonprofit and for-profit partners truly see and understand each other. Let's take some lessons from consumer marketing gurus who use research to segment an audience, and then target efforts accordingly.

Research for Actionable Insights

Research to categorize consumers or, in this case, partner organizations clarifies which psychographic groups are worth trying to engage:

Some are **low hanging fruit**, ready to jump aboard.

Others just need the right messaging and **a nudge** to say, "I'm IN!"

And there's always a group who will **never commit**.

The Psychographic Profiling Process

Through individual interviews, discussion groups and an online survey, CSR Communications gathered input from staff at organizations with partnership experience to:

Illuminate attitudes, motivations, needs and beliefs of organizations that participate in cross-sector partnerships;

Solicit feedback from cross-sector partners about their experiences; and

Determine organizations' commitment to participating in future cross-sector partnerships.

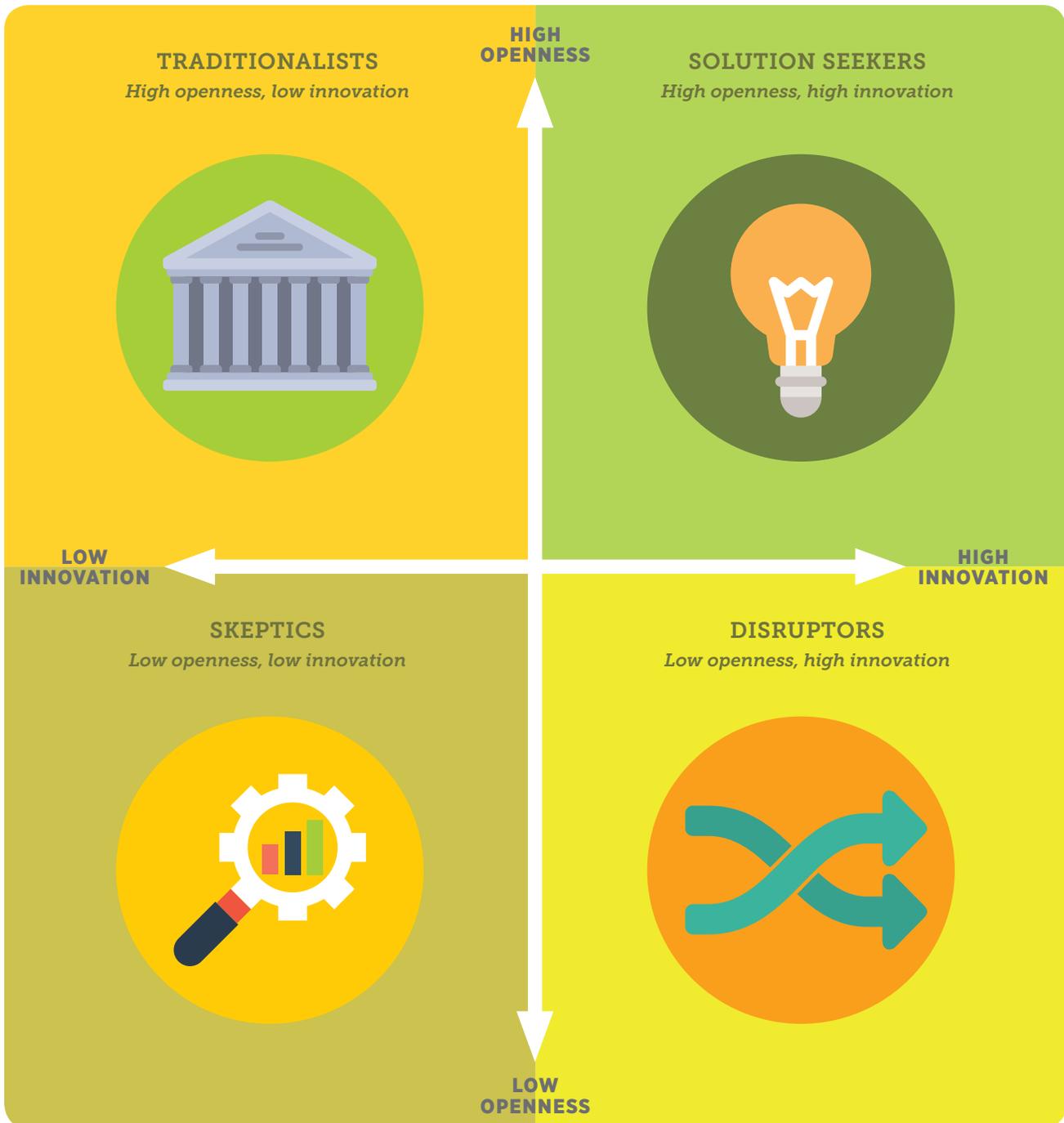
For more details about how this research was conducted, please see the section 'About this Study' near the end of this report.

Key Findings: Four Partner Profiles

Segmenting Based on Organizations' Openness and Innovation

Our analysis revealed four segments of the cross-sector partnerships market, based on organizations' openness to partnerships and willingness or ability to innovate.

Some organizations displayed openness to partner, but a low likelihood of engaging in innovative types of partnerships (i.e., Traditionalists). Others engaged in highly innovative problem solving, but preferred to go it alone for efficiency's sake (i.e., Disruptors).





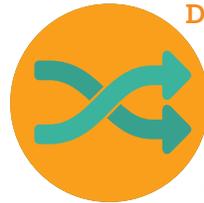
TRADITIONALISTS are very open to partnerships, as long as the activity, roles and resource contributions fit their narrow view of how organizations from different sectors should work together. Traditionalist assumptions might include the following: companies want to bring only money to the partnership; nonprofit organizations are uniquely qualified to implement social programs; or government's sole role is to make change through regulation. Traditionalists seek partnerships out of duty or obligation, a sense of noblesse oblige, and a desire to "do good." Traditionalists embrace hierarchical and formal notions of power, meaning those who bring the money to the partnership hold the power. Rules help reinforce power dynamics, and provide structure and predictability. "Charity" and "philanthropy" are how Traditionalists describe partner relationships. Traditionalists prefer sporadic or limited partner engagement after the initial resource exchange (e.g., grant check is written).



SKEPTICS tend to be suspicious, cautious and less open to partnerships, especially outside their sector. Negative assumptions about others' motivations must be disproved. Skeptics refuse to partner with certain specific organizations and/or types of organizations (e.g., extractive industries or advocacy-focused NGOs), regardless of the opportunity or context. "Safe" organizations—palatable to their stakeholders—are Skeptics' preferred partners. Rules and regulations comfort skeptics as justification for declining undesirable partners. These organizations prefer low-risk, one-off opportunities (e.g., sponsoring a charity walk or gala table)—which are not Solution Sector partnerships.



SOLUTION SEEKERS focus on assembling partner resources, assets and ideas without pre-conceived notions of which organizations should contribute what. Tax-status agnostics, Solution Seekers prefer partnerships based on a shared commitment to addressing a challenge. Striving to balance power among partners, Solution Seekers are highly engaged and collaborative; prefer to co-create initiatives; and embrace long-term commitments. Open to innovative problem solving, Solution Seekers ask forgiveness rather than permission, using rules to get to "yes." Leaders of Solution Seeker organizations typically have prior work experience in another sector. Solution Seekers celebrate creativity and see partnerships as a learning opportunity, regardless of outcome or results.



DISRUPTORS Disruptors are highly innovative, like to move fast and lack patience for the pace of collaboration. Rules should be challenged and broken. Disruptors create new types of organizations as a means to an end, including B Corps, nonprofit/for-profit hybrids, and quasi-governmental commissions or entities. Because their organization may span more than one sector, Disruptors see less need for partners. Disruptors will "hire" assets from other sectors rather than partner to fill a gap. Only after failed attempts or limited success will Disruptors seek to partner.

Focus on Low-Hanging Fruit: Traditionalists and Solution Seekers

This study's most actionable insights concern two segments—Traditionalists and Solution Seekers. By understanding Solution Seeker characteristics, for example, we can recognize and foster more partnerships among like-minded organizations. By identifying Traditionalists when prospecting, would-be partners can avoid pursuing more forward-thinking types of engagement (e.g., Shared Value) and instead, nudge Traditionalists incrementally toward innovation.



TRADITIONALISTS SOLUTION SEEKERS

Engage in single, discrete projects

93% 79%

Describe partnership experience as Unqualified Success

12% 4%

Report that statement defines Charity well*

An outdated means of addressing social issues and inequity

35% 57%

When rich people give money to help the poor

36% 19%

Any financial contribution to a nonprofit organization or NGO

57% 38%

Generosity and/or helpfulness, especially toward the needy

82% 45%

Report that statement defines Corporate Strategic Philanthropy well*

Ongoing social good initiative(s)

65% 43%

Any contribution, financial or other, by a corporation to a nonprofit/NGO

52% 17%

Any monetary donation by a corporation to a nonprofit/NGO

37% 13%

Report that statement defines Corporate Social Responsibility well*

Giving back to the local community, schools, etc.

73% 60%

Corporate philanthropy or corporate foundation giving

72% 32%

Define Shared Value as when partner organizations have core values in common

72% 32%

Jointly design programs with organizations outside their sector to achieve a common goal

87% 98%

Past experiences with cross-sector partnerships

Had a big impact on problems/issues

49% 40%

Met stated goals

40% 45%

*N = 133. Each bar represents the percentage of respondents who answered 4 or 5 on a 5-point scale with 1 = Very poorly, 2 = Somewhat poorly, 3 = Neutral, 4 = Somewhat well, 5 = Very well

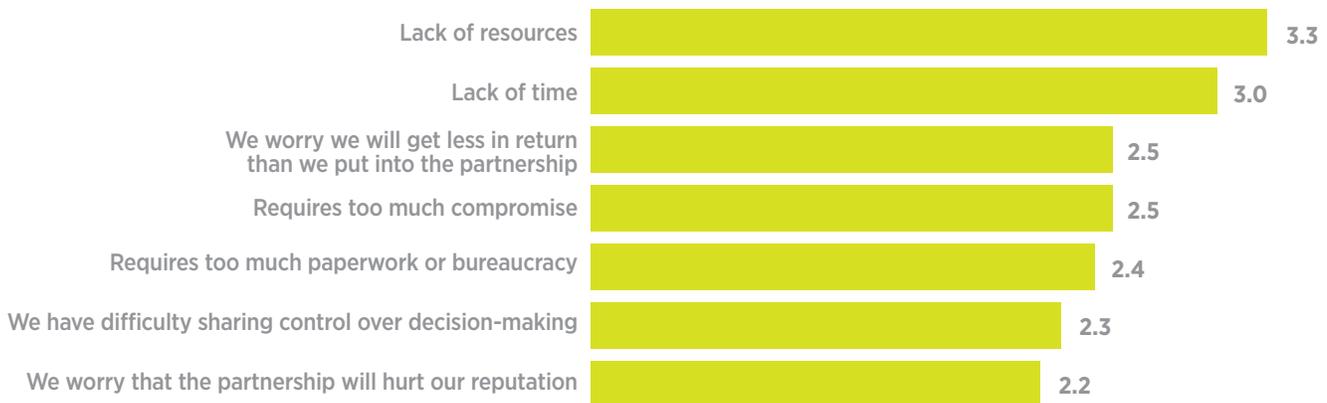
General Findings: A Reason for Cautious Optimism

A significant percentage of respondents demonstrated confusion and/or mischaracterization of key concepts such as “shared value,” which many say refers to a company and NGO sharing the same values, and “corporate social responsibility,” which some define exclusively as “corporate philanthropy.” Despite this remaining learning curve, study findings show a promising future for cross-sector partnerships.

Almost All Are Likely to Form Cross-Sector Partnerships in the Future



Lack of Time, Resources are Most Frequent Barriers to Partnering*



*Based on a 5-point scale where 1=Not at all important and 5= important, each bar represents the mean response (N=133).

General Findings: A Reason for Cautious Optimism

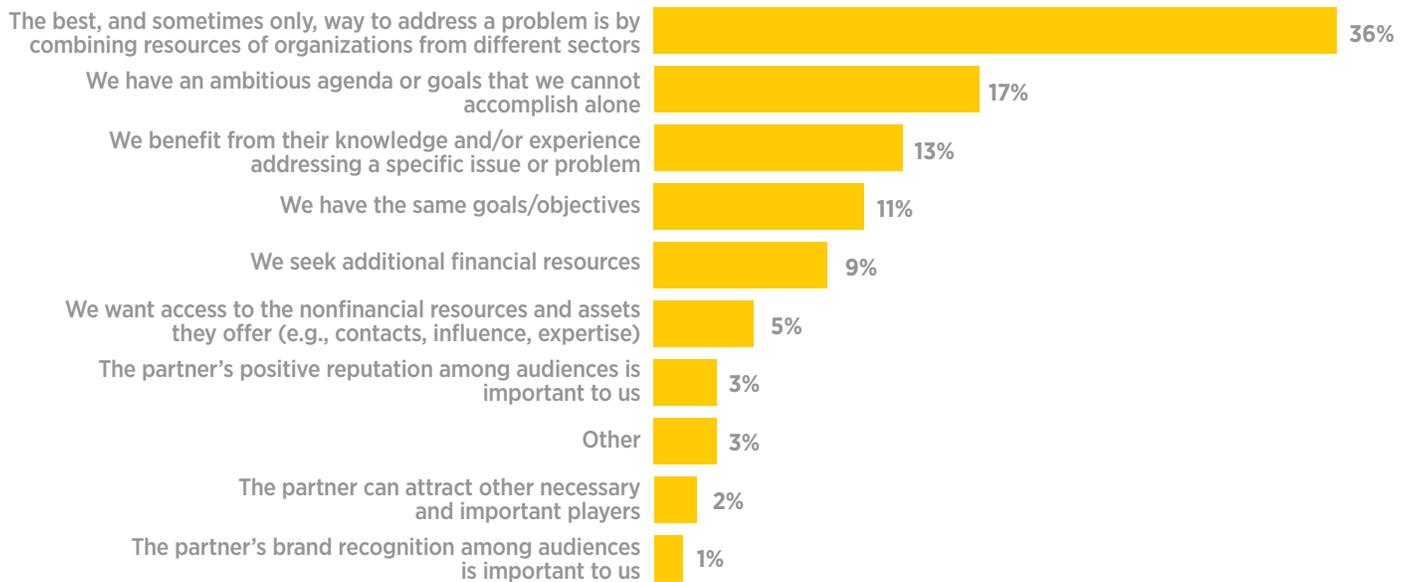
"We seek business partners committed to the change we're trying to make in the world. Our rigorous due diligence process on potential partners is not to just to rule out companies that aren't aligned, but to help us make effective decisions about the relationships we pursue."

*vice president of partnerships,
international NGO in Africa*

"We want to use NGO partnerships to build relationships with local government officials. This is an important hook in Asia."

*public affairs director,
global company
in China*

Emphasis on Problem-Solving Over Self-Interest in Selecting Partners*



*N = 133.

Lessons from Partnerships That Did Not Succeed

Choice

Choosing a different partner. Organizations ended up with poor partner choices because they were “too eager for the brand association” or were promised more than they got, respondents said. Assumptions and misunderstandings tainted the partner prospecting process.

Do we have the right partner for the right type of partnership to solve the problem?

Clarity

When courting potential partners (see #1), as well as during negotiation and start-up phase, get really clear on goals, expectations, roles, responsibilities, timelines, decision making processes and level of commitment—your own organization’s and your partners’.

Are we sure we share the same priorities, values and vision?

Organizational vs. Individual Perspective

One-fourth of respondents indicate that their personal views on cross-sector partnerships differ from those of their organization, with many indicating that previous work experience in another sector gives them deeper, more nuanced understanding of partnership challenges and opportunities.

“I’m more realistic about reasonable outcomes.”

“I have worked in private sector, public sector, nonprofit and academic sectors so tend to have seen the pros and cons of all these sectors from the inside.”

Communication

Clarity is only so helpful if not conveyed to partners. Ongoing communication also helps prevent small issues from escalating, fosters trust, and unifies the team. Balanced power makes communication easier.

Are we still on the same page?

What’s working? Where can we do better?

Change

Any partnership evolves. Leaders will come and go. Partner expectations may change. The environment may change. Some partnerships exceed their useful life span and decide to disband.

What monitoring do we have in place to anticipate and respond to change in a timely way?

“I see collaboration more as helping corporations achieve something while providing benefit to the business. Many of my peers still subscribe to the old mindset that companies give benevolently while asking for little in return.”

About this Study

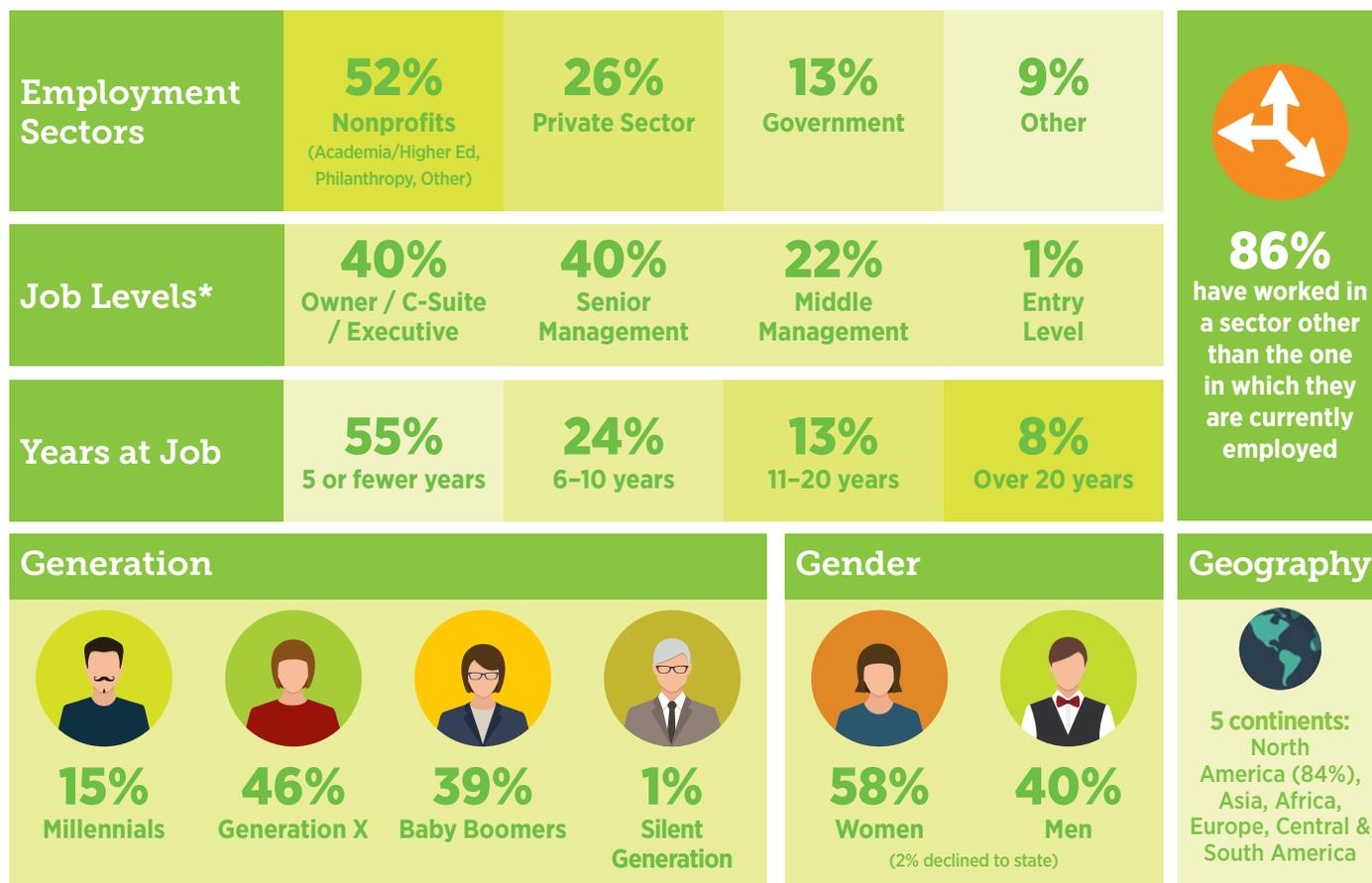
This report summarizes findings from a series of in-depth interviews and discussion groups, as well as an online survey. From July 2014 to February 2016, we conducted 45- to 60-minute telephone interviews with 55 people (15 in Europe, 2 in Asia, 3 in Africa and 35 in the United States). We convened 10 in-person discussion groups (8 in the United States, 1 in Africa and 1 in Europe). Nancy Murphy, CSR Communications founder, conducted all interviews and discussion groups.

We then hired Goldman Market Research to design and implement an online survey to refine and explore further the attitudes, motivations, needs and

desires of organizations in cross-sector partnerships. The 10-minute, online survey—which included closed- and open-ended questions—was fielded from mid-August to mid-October 2016. We solicited responses through LinkedIn and Facebook; emailed a global network of roughly 900 personal contacts; recruited participants at meetings and conferences (including an InsideNGO training in Washington, D.C., Opportunity Collaboration’s annual gathering in Mexico); and encouraged all respondents to share with their network. Participants were entered in a drawing to win a US\$250 Amazon gift card.

Survey Respondents

The online survey sample size is 266 (146 completed the survey, and 80 answered some but not all questions). Respondents represented organizations that partner with entities outside their sector to address social or environmental problems. Below is more information about them.



*7% indicated “Other.”

What's Next?

Looking to improve your organization's partnership experiences? Interested in learning more about motivations, needs, attitudes and interests of organizations in cross-sector partnerships? Curious how to identify them, how to communicate based on segment, or how to create effective and efficient partnerships driven by motivations?

To explore custom training or schedule a briefing on this research for your team, organization, board, or membership, please contact info@csrcommunications.com.

Additional, deeper analysis of this research will be released in 2017, along with tools to help cross-sector partnership builders assess an organization's segment and communicate more effectively with organizations based on their segment. To receive the latest CSR Communications reports, tools and resources, visit www.csrcommunications.com/contact to join our email list.

About CSR Communications

We work with social purpose organizations to grow their impact and solve serious social problems. Our clients would tell you that our specialty is working with teams and organizations in transformation—helping them get unstuck, create a clear vision and goals, and design a path to realize them. We facilitate changemakers' own transformation so they can transform the world.

Founded in 2008, CSR Communications is based in the Washington, D.C. area.

Services



Transform Organizations

Create change through strategy development, implementation planning, board development, and communications.



Transform Teams

Foster team growth and improvement in the context of organizational change.



Communicate for Impact

Develop and implement communication programs targeted to internal or external stakeholders.



Live the Brand

Identify alignment gaps with your brand and discover strategies for closing them.



CSR Communications

Strategies for the Solution Sector

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