NGO and Private Sector Partnerships: A FRAMEWORK FOR SUCCESS
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Introduction

In today’s world, it is vitally important to address the challenge of youth poverty, as more than 200 million youth live in extreme poverty according to the 2005 United Nations World Youth Report. Street Kids International is committed to significantly reducing this unacceptably high number.

Street Kids International is a non-governmental organization (NGO) based in Canada and the United Kingdom. Since 1988, the organization has assisted vulnerable youth around the world who find themselves unemployed, out of school, and often homeless. Street Kids trains youth and youth workers on topics of street business and street health so they are able to make positive choices and explore opportunities to better their lives.

Street Kids International functions with the belief that street youth will live healthy and productive lives if they become engaged in appropriate opportunities to learn, and are provided with support that recognizes their assets and capabilities. The organization strives to help street kids internationally become healthy, self-sufficient, and respected.

As part of its strategy, Street Kids International endeavors to work in partnerships with organizations in the private sector. Street Kids believes that the resources of the private sector, combined with capabilities of established locally-based NGOs, provide the means necessary to effectively help youth live healthy and productive lives. Street Kids International strives to be in a position where it can foster these partnerships and ensure they are successful.

Partnerships between the private sector and NGOs are not new, but the nature of these relationships is broadening. Associations and alliances with NGOs are usually identified as part of a company’s corporate social responsibility (CSR) strategy. For years, many corporations have supported charitable activities. However, over time CSR has become an integral component of a corporation’s operations. CSR has evolved from supporting NGOs with charitable gifts of money and materials, to an increasing emphasis on joint activities that are of strategic value to the corporation’s primary goal of earning a profit.

Civil Society: Civil society is the set of institutions, organizations, and behaviour situated between the state, the market and the family. This includes voluntary and non-governmental organizations (NGOs) of many different kinds, philanthropic institutions, social and political movements, other forms of social participation and engagement, and the values and cultural patterns associated with them. (The 21st Century NGO In the Market for Change; UNEP, SustainAbility, 2000.)

Non-governmental Organization (NGO): An NGO is a self-governing private not-for-profit organization geared toward improving the quality of life of disadvantaged people. (The 21st Century NGO In the Market for Change; UNEP, SustainAbility, 2000.)

Corporate Social Responsibility: CSR implies continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families, as well as of the local community and society at large. A CSR strategy is either a general response to a recognized social issue or strategic intervention that attempts to strengthen the company’s business operations or its competitive position. (Strategy and Society; HBR Review, M.E. Porter & M.R. Kramer, 2006.)
Partnerships between NGOs and the Private Sector

“....the twenty-first century will be the age of alliances where collaboration between nonprofit and corporations will grow in frequency and strategic importance emigrating from the traditional philanthropy toward deeper, strategic alliances” (More than Charity: Building a New Framework for Canadian Private Voluntary Sector Relations, C. Pinney Canadian Centre for Philanthropy, June 2001)

The members of the United Nations have committed themselves to reducing the number of people living in extreme poverty through the Millennium Development Goals. Experts in development such as Jeffery Sachs, the UN’s Special Advisor on the Millennium Development Goals, and Paul Collier, author of the Bottom Billion, believe this goal is achievable.

Issues like poverty are complex and require comprehensive strategies involving all sectors in society including government, the private sector and civil society organizations. The idea of key stakeholders working together in partnership to resolve commonly held concerns is not new. However, implementing this type of partnership in an effective and mutually beneficial manner has more often than not proven to be elusive.

A review of recent literature on the subject identifies at least two common reasons for this lack of success in establishing effective partnerships between NGOs and the private sector. First, the two sectors have different organizational cultures and structures, which tend to inhibit communication. This in turn contributes to misunderstandings and a lack of trust. Further, the varying approaches to operations and the expectations from respective key stakeholders within each sector have prevented the identification of mutually beneficial goals, roles and responsibilities essential to an effective partnership.

For example, the private sector’s primary goal is profit. As a result, it closely monitors quantifiable changes in production and sales, expecting positive results in very short periods of time. In contrast, NGOs are focused on issues related to social change. NGOs closely monitor the activities leading to improvements in the well-being of citizens served by the organization’s work. The work of NGOs often requires long-term commitments, and progress in the short term is often difficult to measure. It is therefore difficult for NGOs to demonstrate that their approaches to fostering change are cost effective and produce tangible benefits.

Despite these major differences, the tide does appear to be turning toward increased collaboration between the private sector and NGOs. NGOs are beginning to see a place for business and marketplace strategies in development work. An increasing number of corporations are becoming acutely aware that the success of a business is directly linked to improved social and economic conditions within the communities where it operates. As a result, a growing number of businesses and NGOs are beginning to discover common ground. They recognize that by working together to improve the lives of local citizens and the communities in which they reside, the possibility of achieving their respective strategic goals is greatly enhanced.

Street Kids International has had several successful associations with the private sector. Over the last few years, associations with the private sector have become an important strategic aspect to Street Kids’ work. Many of these associations have been of the philanthropic nature - involving a gift to Street Kids.
International in return for a charitable receipt and public recognition of the company’s support. Street Kids has philanthropic alliances with financial service organizations such as Bank of Montreal and notable companies like McKinsey and Company and KPMG. However, Street Kids has more recently entered into transactional relationships with partners from the private sector, focused on achieving particular goals through joint participation in specific events and projects. Street Kids has partnerships with large Canadian corporations such as Air Canada, retail organizations like Tilley Endurables, and international companies such as ECCO.

The challenge for Street Kids International and many other NGOs is to take advantage of the private sector’s increasing willingness to work with NGOs. If these organizations are to be successful they need to learn how to establish and maintain effective and mutually-beneficial partnerships. To ensure an effective partnership, the goals of the partnership need to be linked to the strategic goals of the participating corporations as well as to the NGOs.

**Partnership:** A partnership is a cross-sector alliance in which individuals, groups, or organizations agree to work together to fulfill an obligation or undertake a specific task, share the risks as well as the benefits, and review the relationship and revise the agreement regularly. (The 21st Century NGO In the Market for Change; UNEP, SustainAbility, 2000.)
Part A: Research Process and Findings

The Research Process

Street Kids International has been associated with private sector companies for several years. As the nature of these relationships changes and both sides become aware of the strategic value of transactional relationships, Street Kids International has become interested in further exploring the characteristics of these relationships.

Street Kids International believes NGOs need to build relationships that are transactional or integrative, which engage both parties in joint ventures with strategic value. Transactional and integrative relationships are more useful to NGOs as they are usually in place for several years and involve the sharing of significant resources, which results in greater benefits. Similarly, they benefit the private sector organization by addressing issues that are of strategic importance to the corporation.

After several informal discussions and a limited literature review around transactional relationships, Street Kids International made the decision to facilitate a more in-depth and structured discussion on this topic. The discussions involved a small group of people from the private sector and established NGOs in developing countries. The discussions were brokered to develop a clearer understanding of the following:

a) the framework, including principles and operating practices, for effective partnerships
b) the issues and challenges regarding partnerships
c) a process for assessing the work of partnerships

The research project involved a series of four conferences and eight participants. The first three conferences involved posted material and questions for the participants to answer and discuss. The final conference was used as a review of the draft report. Half the participants work in the private sector while the other half are involved in NGOs from the global south. Each conference explored a specific topic of the process of building and maintaining effective partnerships. The topics included:

1) Guidelines for Effective Collaboration
2) Building Partnerships: The Planning Process
3) Assessing Partnership Performance

The process for each conference included a review of published information examining specific aspects and issues relevant to the question of partnership development and maintenance. The information was posted on a wiki established for the project. A wiki is an internet tool that allows multiple users to contribute and edit content online. Following a schedule, participants reviewed the information and posted their comments. The comments were subsequently summarized and posted for all participants to review. The fourth and final conference involved posting the draft report that summarized all comments, suggestions and published resource material to allow for feedback from participants.
Conference Summaries and Research Findings
The three online conferences, participants’ observations, and suggestions are outlined below:

Conference 1: Guidelines for Effective Collaboration
Partnerships are based on the capacity to collaborate. According to James Austin, effective collaboration “ultimately involves jointly tailoring a garment that fits the unique characteristics and needs of the partners.”

Posted Material
Austin in *The Collaboration Challenge* identifies 7 requirements to effective collaboration:

- **a)** Connection with purpose and people: The key individuals involved in the partnership process identify on a personal and emotional level with the partnership’s social purpose as with each other.
- **b)** Clarity of purpose: The work of the partnership should have a clear and shared purpose that ideally has significant strategic value to involved parties.
- **c)** Congruency of mission, strategy and values: The areas where the organizations overlap or “mesh” is where partnership work can be identified.
- **d)** Creation of value: Identifying the expectations of each party will lead to clarity regarding what activities and outcomes will have value. The key to the identification process is regularly asking each of the participating organizations what they can do for each other.
- **e)** Communications between partners: Effective communication is the key to building understanding and trust. Communication should be frequent and framed within an agreed strategy. All of the key participants need to be able to freely communicate with each other.
- **f)** Continual learning: An effective partnership is a dynamic relationship driven by continuous improvements. Participants must be committed to a process of learning about their partner(s). The new insights regarding the partner’s aspirations, operations and capabilities can be used to strengthen the partnership and its work.
- **g)** Commitment to the partnership: If partnerships are to achieve strategic goals the commitment must be long term and adaptable to the changing circumstances that result from the work of the alliance.

Participant Observations
The participants agreed with the ideas proposed by Austin. The group was aware of how these guidelines could be put into practice. His recommendations are of practical value and provide a general framework. However, each partnership also has some unique conditions that must be taken into consideration (e.g. the experience of each organization’s representatives). Also, Austin’s proposals assume the partnership involves a long-term relationship, which is not always the case. Shorter-term associations would add pressures for clear communication and the necessity to make decisions.

Communication was identified as the most important requirement that underlies the success or failure of a partnership. Maintaining a focus on the organization’s goals and the discipline to achieve them was also acknowledged as critical. Participants gave examples of situations where both parties have allowed their interests to be supplanted in an attempt to find short cuts or “be viewed as doing good”. This lack of adherence to one’s goals reduces the opportunities to learn from each other and to achieve an optimal outcome.
The maturity of the organizations involved is also critical and a history of partnerships is generally beneficial. Ensuring the basic needs of the NGO are secured ahead of time is a useful consideration. As a result, it is very important to consider the history of the organization and find people to represent the organization in the partnership who are strategic thinkers, effective communicators and problem solvers.

**Conference 2: Building Partnerships: The Planning Process**

The establishment of effective partnerships requires a systematic approach to planning. A review of the work of organizations with extensive experience in this area suggested an NGO interested in building a partnership be prepared to embrace a process that is complex and non-linear. In practice, the actions in a planning process seldom follow a sequential series of steps. Returning to and revising the work that had previously been completed before moving to the next step is very common. For instance, the challenging process of Defining the Project (identified as Step 4 below) may require a return to the discussions that focused on Step 3; Building Trust and Understanding.

The following ideas and recommendations are taken from Meeting the Collaboration Challenge (The Drucker Foundation), Multi-Stakeholder Partnerships (Global Knowledge Partnership), Strengthening Nonprofit Performance: A Funder’s Guide to Capacity Building (Wilder Foundation) and the work of Michael Quinn Patton.

**Posted Material: Planning for Partnerships**

The recommended planning process has 5 steps:

**Step 1: Getting Ready**
Being prepared is very important to launching a partnership-building process. Senior staff and board members need to be involved in a process of developing the knowledge and skills required for effective partnership building. A systematic analysis should be conducted by staff and involve board members in a series of discussions which would determine a) why a partnership with a private corporation is desired, b) what benefits might result from a partnership, as well as c) the possible risks and costs.

**Step 2: Identifying a Potential Partner**
Once the organization is clear as to why and what it is looking for from a partnership and what it is prepared to invest in the relationship, it can begin the process of identifying the appropriate organization.

The process of identifying a potential partner starts with a review of current partnerships and the nature of the relationship. The goal is to enhance a current relationship or establish a new one that has the potential of becoming a partnership. Austin’s Collaboration Continuum is a helpful tool for identifying the degree of collaboration that exists for current associations with private corporations. With increased collaboration, traditional philanthropic relationships can develop into those that are described as transactional or integrative relationships. Philanthropic relationships do not involve much interaction between the NGO and
the corporation. They have moderate strategic value, are often peripheral to the mission of both organizations, and involve a relatively small amount of resources. Transactional and integrative relationships, however, are very focused on achieving specific goals through joint participation in particular events and projects. These relationships engage senior representatives of both organizations in an ongoing process of planning and evaluation as they are viewed as having strategic importance. Transactional relationships involve the exchange of resources through various activities such as event sponsorship, cause-related marketing or volunteer programs. Moving collaboration forward to an integrative relationship engages both partners in a longer term process, utilizing joint activities and sharing resources to work towards a common goal or shared vision.

<table>
<thead>
<tr>
<th>Collaboration Continuum</th>
</tr>
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<tbody>
<tr>
<td>Philanthropic → → → → Transactional → → → → Integrative</td>
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<tr>
<td>Relationship</td>
</tr>
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Ideally the examination of current relationships will identify a corporation that appears to have the potential of becoming a relationship that functions at transactional or integrative levels.

If an existing relationship does not exist, the organization needs to explore and identify potential partners. Potential partners will have several identifiable attributes:

1) They will have some strategic goals that are complementary.
2) They will have experience collaborating with another organization on an important social or environment issue.
3) They will be in a position where they have the resources to invest in a partnership and the proposed project(s).

Step 3: Building Trust and Understanding
Once a potential partner has been identified and initial discussions have been started, building mutual trust and understanding is a central concern. The importance of trust and clear communication has been identified in many research studies as the most critical aspect to the building partnership process. As a result, it is necessary to establish a plan for communication that all participants understand and agree upon. As a general rule communication should be frequent and timely. Delays normally cause confusion and problems in planning and within the relationship. Further, it is important that the members of the project management team be able to make decisions for their respective organizations. Initial discussions regarding the partnership and its work need to provide both parties with plenty of opportunities to discuss their aspirations and concerns. It is also essential that during discussions both parties clearly identify the scope of their commitment and restrictions they are required to follow.
Step 4: Defining the Project
A project is an initiative undertaken to achieve specific product development or service goals within a set timeframe. The conception of a project that will benefit each member of the partnership requires a series of discussions to ensure that the project:

1) can be clearly defined,
2) has achievable goals,
3) has measurable outcomes and
4) will result in the achievement of important strategic goals for each organization.

Reducing the risk of problems or failure should be a consideration when selecting a project. If possible the partnership should start with a project of modest scale that can be completed in a short period of time. This will enable the partners to test their capacity to effectively work together. If a small project cannot be identified, the agreed upon initiatives should be broken into distinct components that can be assessed upon their completion.

Step 5: Learning and Evaluation
The final step in the Planning Process involves the creation of a process for learning and evaluation. The design of this process should be considered during the Defining the Project discussion.

The design of the learning and evaluation process should foster ongoing review and learning. The evaluation process involves ongoing research and discussions involving the project management team. An external evaluator should be retained with the responsibility of facilitating discussions regarding the project’s progress and determining future activities.

Participant Observations
The participants recognized a planning process engaging the NGO and the private corporation was necessary. The suggested five step planning process was viewed as having value although many felt that the process is often more complex than the steps presented. Also emphasized was the need to build awareness within both sectors regarding the value of having partnerships. This would involve fostering a much deeper understanding of cultural differences between the two sectors, including a definition of success to which both parties could agree. One of the participants mentioned that in Nepal, where he works, the idea of NGO-private sector partnerships is a new one. Although partnerships of this kind are becoming more popular in North America and Europe, there remains a need to build awareness around the globe of the benefits that can arise from such relationships.

Due to the difficulties encountered when entering a partnership involving cultural and organizational differences, building the partnership around a single project proposed by either the NGO or a private corporation was recommended. This was recommended as a more practical approach than two parties working together to identify what project they would like to implement. Also, one project that is defined clearly can provide a tangible starting point for a broader discussion about an ongoing relationship. To
reflect the importance of defining a project prior to embarking on a partnership, it was suggested the order of the steps in the planning process should be changed to:

1) Getting Ready
2) Defining the Project
3) Identifying the Potential Partner
4) Building Trust and Understanding
5) Learning and Evaluation

Again, effective communication is critical to building trust and understanding. Both sides must do their best to understand and accept the motivations of the other. As much time as possible should be allotted for discussions regarding strategic aspirations, concerns, and impacts on the constituencies the project affects. A document should be prepared that describes the goals of the partnership and how it will function, in essence a code of practice that would provide guidance to all aspects of the partnership’s work.

The participants believe Step 5 (Learning and Evaluation) is important but must be carefully managed to ensure that both parties have a similar understanding of what learning and evaluation is meant to achieve. The risk is that such a plan could be viewed unfairly judgmental and result in an ‘air of distrust.’ Clearly defining and agreeing on what success would look like and how that success will be measured prior to project implementation would help minimize the possibility of this problem.

Further, the establishment of an advisory committee to assist with learning and evaluation work was recommended. The committee would provide an independent perspective and ensure the work of the partnership was transparent and accountable to the project’s stakeholders and constituencies. Membership of the advisory committee would include ‘experts’ in relevant fields along with representatives from the NGO and private sector partner.

Conference 3: Assessing Partnership Performance
Maintaining an effective partnership relationship requires an ongoing commitment and tangible evidence the collaboration is going to result in a successful outcome. Periodic reviews where participants reflect on the project’s progress and the effectiveness of the project management team help ensure the partnership is meeting its goals. Periodic reviews can help to identify whether the original plan needs to be revised. As project work evolves it is not unusual to discover new opportunities or problems requiring a decision to make changes and improvements.

Austin and others recommend scheduled reviews that include an assessment of progress toward project goals. They also suggest reflective discussions that examine what the management team and project participants are learning from working together and what changes should be considered. External facilitators familiar with the members of the partnership are helpful with this process by providing a structure to discussions and ensuring all perspectives are considered.
Posted Material
In Alliances, Coalitions and Partnerships, Joan Roberts proposes a simple and useful framework for assessing the work of partnerships. Roberts says partnership relationships have three key components, much like a three-legged stool: the trust building processes is the first leg, the second leg involves the requirements for effective governance, and the third involves the coordination function (similar to Management). A strong partnership is able to address the requirements of each of the three legs.

**Trust Building:** This aspect of the partnership involves a degree of commitment and focus on the partnership’s goals. Is there respect for each of the participating organizations’ aspirations and are the participants able to resolve problems?

**Governance:** This aspect of the partnership involves the project management team’s capacity to make informed and timely decisions. Are the members of the project management team accountable to their supervisors? Do all of the stakeholders have opportunities to participate in the communication processes?

**Coordination:** This aspect of the partnership involves the management tools and systems. Tools include: a) financial, b) marketing and c) communication plans. Systems include monitoring procedures and processes to ensure goals are being achieved and problems identified and addressed.

**Participant Observations**
The participants agreed with the structure and contents of the framework. An alternative tool that was suggested is the popular and proven “Balanced Scorecard” developed by R. Kaplan and D. Norton (1992). The participants viewed requirements of the framework as realistic. However, they cautioned that any assessment tool is only useful if the users have a positive and open attitude and are committed to using the tool. The introduction of the assessment framework and process may require a discussion very early in the partnership building process to ensure all the key stakeholders understand and accept the proposed approach (e.g. timing) to the assessment. The successful development of an assessment framework and process requires honesty and trust.

The participants had several suggestions that could increase the chances of the three-legged stool approach being adopted and successful:

- a) Participation in the assessment work should involve members of senior management at all meetings.
- b) A third party facilitator with extensive experience in business and philanthropy is present as a “listener” and provides observations to the management team.
- c) The importance of effective communication needs to be emphasized. All stakeholders need to have easy access to project information. Mechanisms to encourage feedback should be present. The more knowledge created through communication, the greater chance the partnership will succeed.
- d) Flexibility in determining all aspects of the partnership’s operations is important including i) the definition of success
  ii) the process for making decisions and solving problems.
- e) A clear commitment to mutually agreed upon results and continuous monitoring for purposes of determining progress needs to be established and incorporated into the assessment.
f) Members of the project team should visit each member's organization and become familiar with the organization's culture and workplace environment.

g) Partnerships are complex and effective management (coordination processes) requires a clear and formalized structure. Too much informality will result in confusion and mistakes.

Principles: A Framework for Success

Establishing a framework of planning and maintaining partnerships between NGOs and private sector organizations is possible. To start the participants must have a shared belief in what is possible and that a partnership is a vehicle for achieving success.

It is not unusual for a partnership to be based on a view that is insightful and unique. The ideas of Rosamund Stone-Zander in The Art of Possibility and C. K. Prahalad’s Serving the World’s Poor, Profitably provide useful illustrations in the value of unconventional perspective of a situation and what may be possible:

“A shoe factory sends two marketing scouts to a region of Africa to study the prospects for expanding business. One sends back a telegram saying,

Situation hopeless STOP No one wears shoes.

The other writes back triumphantly,

Glorius business opportunity STOP They have not shoes.”


“Serving poor communities can be a powerful source of innovation and learning for multinational firms, with the potential to create new markets and transform existing ones. Many innovative companies—entrepreneurial start-ups and large, established enterprises alike—are already serving the world’s poor in ways that lead to expanded revenues, greater operating efficiencies, and new sources of innovation.”

(C. K. Prahalad, Serving the World’s Poor, Profitably)

The participants in the conferences identified several important considerations when examining the possibilities of partnerships, many of which are in agreement with researchers:

1. Effective partnerships are possible. The participants in the study would agree with the conclusions of the millennium report The 21st Century NGO in the Market for Change, by the United Nations Global Compact initiative: NGOs have increasing influence and important roles to play in developing countries.

   1) There is an opportunity to work with “market based organizations.”
   2) Together they need to develop and implement comprehensive solutions.
   3) Accountability, competition and branding are new and important aspects of effective collaboration work.
2. **Be familiar with the requirements for effective collaboration.** The ideas presented by Austin in the Collaboration Challenge (pgs 6-7) are helpful as long as the participants in the partnership recognize each partnership will also have unique needs and attributes that must be addressed.

3. **A planned approach is required** to effectively establish and maintain a partnership. This approach should be systematic yet flexible and include a reflective learning and assessment process. There are several useful resources that can assist with planning including the one described on page 11 as well proven tools like the Balanced Scorecard.

4. **The relationship must be based on a substantiated case** that clearly identifies how the participating organizations will achieve their respective goals and the partnership will facilitate the achievement of these goals.

5. **Effective communication is a key determinant of success.** For instance, effective communication is required if understanding and trust between the participating organizations is to be established.

**Practice: A Framework for Success**

Based on the research, an effective partnership process would include the following action steps:

1. **Be Prepared.**
2. Approach a potential partner with a proposal.
3. Start your discussions by determining how your proposal will assist your potential partner.
4. Complete the initial discussions by ensuring your organization’s needs have been understood and acknowledged.
5. Document the initial agreement and review.
6. Create a project plan and review.
7. Implement the Plan.
8. Learn and Increase Capacity.

1) **Be Prepared**

Do your homework and know why you are interested in a partnership and what you hope to achieve. Explore your potential partners and develop a profile of each one. Determine if there is any overlap in the missions and values of the potential organizations and your own. The questions on page 8 (see Getting Ready) will assist with this work.

Steps based on Street Kids International’s experience:

1. Conduct a strategic review and identify corporations with complementary community investment and corporate social responsibility programs.
2. Determine which corporations were looking for new opportunities or partnerships.
3. Contact members and friends of Street Kids who have some knowledge about the targeted corporations in an attempt to learn more about the potential corporations.
4. Determine, through contacts of Street Kids, whether it would be possible to meet people within the targeted corporations (preferably someone who could provide guidance on how to approach the corporation).
5. Approach corporations where an appropriate introduction could be arranged.

2) **Approach a potential partner with a proposal.**

Approach a potential partner with a specific project. The project should be modest in scale and can be completed in a short period of time. Your targeted organization will be very busy and it is easier to determine if a relationship is desirable if you have a specific project you believe would be mutually beneficial and the other party can assess.

Steps based on Street Kids International’s experience:

1. Approach targeted corporation/potential partner with a proposal involving a project in a country where the corporation has interests or is operating.
2. Proposal requests the corporation makes a contribution towards the cost of the project. Structure request in such a way that there is little risk to the potential partner’s finances or reputation.
3. Ensure proposal provides an opportunity to enhance the potential partner’s reputation in the community where it operates and with the national governments in Canada and in the country abroad.

3) **Start your discussions by determining how your proposal will assist your potential partner.**

Taking the time to understand your potential partner’s needs and interests is critical to building the understanding and trust needed to be able to collaborate. Fulfilling self-interest is the focus of initial discussions. Therefore your proposal will be more attractive if the potential partner views it as an opportunity that will help his/her organization.

Steps from Street Kids International’s experience:

1. Hold initial discussion focused on the “culture” of your organization with the goal of providing the targeted company with the information they need to feel comfortable and confident that a relationship would be beneficial.
2. Ensure the potential partner knows that your organization is professional in its approach, understands and appreciates the primary goal of the company is to make profit and that your relationship will help them to achieve their goal.

Example: One company was looking for a relationship with an NGO that would not only increase employee morale and commitment to their employer but also demonstrate to its retail customers that it is a company that recognizes it has a responsibility to be actively engaged in global issues like youth poverty. Street Kids understood these needs and demonstrated how, in a relationship, Street Kids would be able to help this company realize their goals.
4) **Complete the initial discussions by ensuring your organization’s needs have been understood and acknowledged.**

Once the benefits to your potential partner have been established, the opportunity to examine your organization’s requirements is possible. The combination of interests from both parties will provide a foundation for establishing the parameters of the partnerships as well as the project’s goals.

Steps from Street Kids International’s experience:

1. Document your understanding of any discussions that take place during the preparation of an agreement.
2. Make clear the challenges that may be encountered in implementation of projects and how these challenges may result in delays in achieving outcomes that the potential partner may not foresee.
3. Be prepared to invest a significant amount of time in communicating and helping the potential partner to fully understand the complexity of the work and the environment in which the work takes place.
4. Invite representatives from the potential partner to visit the project site and meet the local people involved in the project. This step has proven to be very valuable.

5) **Document the initial agreement and review.**

Once an understanding of the aspirations for the partnership, including the project to be developed, has been reached, it should be documented and the report should be reviewed. Making revisions to the original report should be expected and viewed as part of the process of building a deeper understanding of the purpose of the relationship.

Steps from Street Kids International’s experience:

1. Ensure that all key stakeholders involved in the partnership are available to review the agreement.
2. Review the document together, with special attention paid to legal and financial considerations. It is important that both parties have the same interpretation of the wording in the agreements.

Example: Street Kids International convinced a potential partner to revise part of an agreement from “a commitment” to “making a best effort”. During the discussion when the change was made it appeared there was a shared understanding of what the change
implied. Over time, however, each party realized that they had a different interpretation of the change.

6) **Create a project plan and review.**

The agreement defining the partnership provides a framework for the project. The project should be clearly linked to the goals of the partnership and viewed by both parties as achievable. It is important that this project is achievable and can provide a solid foundation to broaden the relationship. The project design should include a learning and evaluation process that will enable the representatives of the partnership who are members of the project management team to periodically determine what progress is being made, the outcomes resulting from the project and, ideally, the project’s impact. Once the plan has been completed each organization should review the report, determine if their aspirations have been included and renew their commitment to the partnership.

Steps based on Street Kids International experience:

1. The best plans are based directly on previous experience where you have been successful.
2. The plans should be achievable with tangible goals for both the short and longer term.
3. The plans should be complete but concise.
4. The language should be action oriented and describe behaviour and changes that can be measured.
5. Plans should be reviewed at least twice a year.

**Note:** Determining a project’s impact is a controversial topic. For instance, impact assessment on projects that focus on changing people’s lives is very difficult. There are numerous variables to consider and it often takes several years before the impact is apparent. Conducting this type of research often requires resources the partnership cannot afford. However, most organizations have a method of monitoring and evaluating their activities which can be incorporated into the review aspect of the project.

**Tool Box:** Creating Consistent Outcomes

Building a Common Outcome Framework To Measure Nonprofit Performance


7) **Implement the Plan**

Once the plan has been reviewed and all members of the partnership are satisfied, implementation can begin. During this phase of the work it is very important to maintain frequent communication involving all people involved in the project. Although only a few people may be directly involved in the implementation, the experience with implementation will result in unanticipated events. The capacity to communicate and make timely and informed decisions will be critical. If this capacity has not been developed there is a significant risk of problems including a loss of focus and purpose.
Steps from Street Kids International's experience:

1. Implement plans for the proposed activities as soon as an agreement has been reached with the corporate partner. Street Kids has learned that the real test of a partnership is the experience of working together.

2. Problems arise. This is to be expected and alternative solutions must be put in place quickly. For instance, as part of our agreements with corporate partners we arrange opportunities for company representatives to visit projects and for employees to be engaged. It is not uncommon for these trips to be canceled. In these instances it is useful to have alternative arrangements in place.
   Example: At Street Kids we always try to have an alternative plan in mind if the original idea is not feasible. The alternative plan is presented as soon as it is clear the original idea will not be successful.

3. When implementing changes, it is imperative that both the corporate partner’s needs are met as well as the host organization’s.

8) Learn and Increase Capacity
   Establish a process of meeting to reflect, assess and learn from the partner ship experience. Plans are like road maps, providing direction and assisting with resource management, but a plan inevitably cannot address all potential events that will occur. The partnership group must work at improving their understanding of the project work and continuing to build the partnership’s capacity to be effective.

   The representatives of the organizations in the partnership should meet on a scheduled basis to review the work of the partnership. The discussions should always focus on building awareness and capacity by asking the ‘so what’ questions. What does our experience with the project tell us and what changes does it suggest we make? Ensure the partnership team finds ways to increase awareness of the experience, creates a record of effective practices, and allows others to learn from their journey as partners.

Steps from Street Kids International’s experience:

1. Be proactive to ensure that the corporate partner is satisfied with the progress being made. Each plan has critical events that are scheduled in advance, if these events are altered communication with your partner is critical to maintain a common understanding of progress.

2. Ongoing communication is essential. Face-to-face meetings prior to these events and immediately afterwards are necessary. Ideally the post event meetings include an opportunity to reflect on new ideas and ways to improve the work in the future.

3. Ask the corporate partner what they have learned and what changes would be helpful.

4. Review and determine how a proposed change will help the partnership achieve its goals.

Example: It was this type of ongoing discussion and reflection that has helped Street Kids appreciate the importance of helping the company’s employees to be engaged. Field trips are always helpful but can be expensive and time consuming. In these instances, less costly ideas like workshops with
employees or photo exhibits with presentations can also be effective. Constructive engagement will build awareness, improve communication and enhance the capacity of the partnership.

Toolbox

Partnership Tools: This publication, created as a companion to the Center's research report, "Enduring Partnerships: Resilience, Innovation, Success," is designed to assist in assessing and planning the goals and structure of a partnership and making decisions about future activities. The tool is designed to be used by both the corporate and non-profit partners – from pinpointing what the partnership is now to assessing how the different types of actions taken by sustainable partnerships will later play a role in structuring your partnership strategies.
Resources and Reference Materials

Books

James Austin demonstrates how to establish and manage strategic alliances that are effective and mutually beneficial. This is a practical framework for understanding how traditional philanthropic relationships can be transformed into powerful strategic alliances is provided, along with insights and lessons from the experiences of over fifteen collaborations.

Provides specific guidelines to help nonprofits of every size put collaboration into practice. Allows readers to assess their organization’s readiness for collaboration, identify with what they might partner, and take the first steps toward successful collaboration.

Collier, P., The Bottom Billion: Why the poorest countries are failing and what can be done about it; Oxford University Press, USA, 2007.
Pinpoints the issues of corruption, political instability, and resource management that lie at the root of the problem, and offers hard-nosed solutions and real hope for a way of solving one of the great crises facing the world today.

Collins, J., Good to Great and the Social Sectors: A Monograph to Accompany Good to Great; Jim Collins, USA, 2005.
Written to go hand in hand with Good to Great but can be read as a stand-alone piece. Examines the differences between business and the social sectors and explores why business thinking is not the answer.

A collection of strategies, steps and examples that funders can use to get started on or use to improve their funding to strengthen non-profits. Includes basic types of capacity building activities, widely-used capacity building strategies, a flexible four-step process for planning, implementing, and evaluating a capacity building funding effort and dozens of examples, worksheets and assessment tools..

The practical handbook puts corporate social responsibility firmly where it belongs – on the mainstream business agenda. Empowers individual managers to create better and more successful businesses and share the benefits of globalization. Identifies the key emerging management issues for your job and your business, giving a seven-step plan for managing the risks and the opportunities for your organization.
Examines the lack of livelihods and decent work opportunities for young people in developing and transitional economies, including how to effectively address the associated socio-economic causes and consequences. Includes case studies on partnership with others (including the corporate sector) to generate and apply knowledge of effective practice.

Ownership, Leadership and Transformation: Can We Do Better for Capacity Development? is the third and final book in a series that includes Capacity for Development: New Solutions to Old Problems (2001) and Developing Capacity Through Technical Cooperation (2002). This third publication bridges the conceptual foundations of capacity development and the difficulties and practical realities in the field. It demystifies the process of capacity development to make it more "user-friendly."

Prahalad examines the world’s most exciting, fastest-growing new market: at the bottom of the pyramid. Collectively, the world’s billions of poor people have immense entrepreneurial capabilities and purchasing power. Learn how to serve them and help millions of the world’s poorest people escape poverty.

Describes the steps that managers, coordinators and practitioners might take to develop what the author calls a “trans-organizational system,” or an organization of a variety of stakeholders involved in public participation who are not always sure of how to work together. The author presents the tools needed to develop this new form of organization and uses a case study to illustrate the process.

Explains the world economy in a clear, conceptual manner. Discusses the investments needed to end poverty and offers an integrated set of solutions to the inter-woven economic, political, environmental and social problems that most challenge the world’s poorest societies.

Presents the results of hundreds of interviews and in-depth research to explore innovative alliances between businesses and the social sector. Imagine the possibilities and take up the tools necessary to achieve barrier-breaking mutual gain and common good across business and social sectors.

The authors’ interwoven perspectives provide a deep sense of the powerful role that the notion of possibility can play in every aspect of life. Through stories, parables and anecdotes, we are invited to become passionate communicators, leaders and performers, improving relationships and partnerships by radiating possibility into the world.

**Articles/Reviews**


Non-profits and businesses are converging, in the value they create, the stakeholders they manage, the organizations they form, and the financial instruments they use. The era of convergence is upon us. Do you know how to take advantage of it?


Business leaders are recognizing their company’s future is increasingly intertwined with the needs and demands of society. McKinsey & Company consultants provide a model for incorporating sociopolitical issues into the strategic decision-making process.


This article describes the results of a study to understand the strategies and practices used by firms that achieve greater success in their collaborative innovation efforts. Successful firms developed an explicit strategy for collaboration and made organizational changes to aid performance in these efforts. Ultimately, these actions allowed them to identify and exploit new business opportunities. Collaboration is becoming a new and important source of competitive advantage. Proposes several frameworks to help firms develop and exploit this new ability.


- **Just good business**: Corporate social responsibility, once a do-gooding sideshow, is now seen as mainstream. But as yet too few companies are doing it well; Franklin, D.
- **The feel good factor**: Helping others to help yourself.
- **The next question**: Does CSR work?
- **A stitch in time**: How companies manage risks to their reputation.
- **A change in climate**: The greening of corporate responsibility.
- **The good consumer**: Buying ethical is not as straightforward as it seems.
- **Going global**: CSR is spreading around the world, but in different guises.
- **Do it right**: Corporate responsibility is largely a matter of enlightened self-interest.


Global firms have demonstrated their ability to create wealth around the world. But the benefits of the capabilities of these firms and of the global market system do not yet reach most of the four billion
people who live in relative poverty at the bottom of the economic pyramid. What if it were possible to expand the global market system to include those who now have no stake in it—to grow the market at the bottom, providing direct benefits and expanded opportunity to poor communities?


- *Serving the World’s Poor, Profitably*; C.K. Prahalad and Allen Hammond
- *The Competitive Advantage of Corporate Philanthropy*; Michael E. Porter and Mark R. Kramer
- *What’s a Business For?*; Charles Handy
- *The Virtue Matrix: Calculating the Return on Corporate Responsibility*; Roger L. Martin
- *The Path of Kyosei*; Ryuzaburo Kaku
- *Can a Corporation Have a Conscience?*; Kenneth E. Goodpaster and John B. Mathews, Jr.
- *The New Corporate Philanthropy*; Craig Smith
- *From Spare Change to Real Change: The Social Sector as Beta Site for Business Innovation*; Rosabeth Moss Kanter


- *Can Public Trust in Nonprofits and Governments Be Restored?*; Regina E. Herzlinger
- *When a Business Leader Joins a Nonprofit Board*; William G. Bowen
- *Profits for Nonprofits: Find a Corporate Partner*; Alan R. Andreasen
- *Enterprising Nonprofits*; J. Gregory Dees
- *Do Better at Doing Good*; V. Kasturi Rangan, Sohel Karim, Sheryl K. Sandberg


By using the balanced scorecard to link long-term strategic objectives with short-term budgetary needs you can ensure today’s actions will help your company reach tomorrow’s goals.


A Research Report and Tool Kit by The Center for Corporate Citizenship at Boston College. Four private-not for profit partnerships are examined for the characteristics that lent to their success and endurance.


For foundations that funded these grantees, partnerships seemed a powerful way to achieve cultural-participation goals. Yet the intended goals often were not achieved. Lessons learned from partnerships that did not work.

CSR has emerged as an inescapable priority for business leaders in every country. When CSR initiatives are conceived within the context of a company’s strategy, they can become a powerful source of opportunity, innovation, and competitive advantage, benefiting both the company and society.

Although business leaders play vital roles in the nonprofit sector, they often underestimate the unique challenges of managing nonprofit organizations. Eleven executives who have played leadership roles in both for-profits and nonprofits reveal the crucial differences between the two and suggest ways that business and nonprofit leaders can use this information to create a more effective social sector.

Reports

GKP is the world’s first multi-stakeholder partnership operating at the global level in the area of ICT for Development. Multi-stakeholder partnerships are about partnerships that are greater than the sum of its parts and about creating lasting and meaningful impact at all levels of action. They are meant to promote a more holistic approach to development and better governance. This paper highlights the uniqueness of multi-stakeholder partnerships in general and their contribution to international development and implementation issues in particular.

Examines the idea and feasibility of tripartite partnerships: bringing together people and organizations from different social orders in a common effort to solve specific problems. Discusses the international trend toward these partnerships and how tripartite partnerships are playing out in Denmark, the UK, Australia, Singapore and Japan.

Since capacity building is embraced and practiced by most people involved in venture philanthropy and many in traditional philanthropy as well, a broader understanding of the concept is warranted. McKinsey & Company identifies examples of successful capacity building experiences at nonprofits across the country and develops a capacity assessment tool to help nonprofit leaders and staff gauge where they are in their organizational lives and identify what their capacity need are.

In the last decade, the pressures of globalization and deficit cutting have begun to fundamentally change the relationship between the private and voluntary sectors. As governments have pulled back, Canadians are looking to the private and voluntary sectors to take more responsibility for the community and social services once provided by government. What is needed now is a clear framework for advancing the working relationship between the private and voluntary sectors.


A survey of the NGO landscape in 2001 identifies key issues influencing the role, relationships and responsibilities of 21st Century NGOs. Issues identified include market intelligence and intelligent markets, globalization, civil society boom and NGO governance.


The movement towards cooperation between the UN, NGOs and the business community has been slow to take hold. By 2005, the Financial Times was still calling a collaborative project between Unilever and Oxfam “globalization’s strange bedfellows”. But despite slow recognition by the media, a fundamental change was occurring. Instead of confrontation, NGOs, the United Nations and businesses were beginning to speak the same language and seeking to work together to tackle global challenges.

Internet Resources


Project Participant Profiles

Biso Bajracharya
Biso Bajracharya has been the Executive Director of SathSath in Nepal since 2003, where he has been part of many innovative programs. He initiated the "Street Drama and Theatre" program as one of the key tools for social reintegration of street children into mainstream society. He has overseen Radio Magazine SathSath, which has broadcast more than 180 episodes and is still on air. He has facilitated many Street Business Toolkit sessions, and is overseeing the next phase of the project involving the Street Banking Toolkit. Prior to working at SathSath, he worked with Environmental Camps for Conservation Awareness (ECCA) as Programme Officer in more than 34 districts of Nepal, in environmental conservation education. He was voted Counselor of the Year in 1995 and worked a Programme Manager for Sagarmatha Pollution Control Committee (SPCC) in Khumbu Region in effort to keep the Everest region free from pollution.

SathSath
SathSath supports children who live and work on the streets of Kathmandu, Nepal. Through their programmes they provide children with opportunities to improve their lives. SathSath assists the children in developing skills, building confidence and learning how to use their rights in society. For more information visit: http://www.sathsath.org

Robin Berholz
Robin Berholz is currently the Leader of the PricewaterhouseCoopers Canada Foundation. This corporate foundation focuses on supporting the interests and volunteer involvement of the firm’s staff and partners through time-off to volunteer, recognition awards and grants to charities where employees dedicate their volunteer efforts. The Foundation also provides annual capacity-building grants to 100 charities nationally to fund professional development for their leaders. Prior to joining PwC in 2004, Robin completed her MBA at Harvard Business School where, in addition to studying general management, she took courses related to nonprofit management. For the four years prior to business school, Robin worked in the learning and education department of Goldman Sachs New York. Since returning to Toronto, Robin has been an active volunteer with Future Possibilities for Kids, a leadership development program for kids ages 8-14.

Ehren Cory
Ehren Cory is an Associate Principal in the Toronto office of McKinsey & Company, a global management consulting firm. Ehren joined the firm in February 2001 and advises clients on a range of strategic and operational issues. Ehren has a MBA degree from INSEAD and a Bachelor of Arts degree in business from The University of Western Ontario. Ehren joined Street Kids International’s board of directors in spring 2006 and will be advising on governance and strategy issues.

David Grant
David Grant is Executive Chairman and Founder of Affinity Express, an international digitizing, document creation, and multi-media services company which evolved from one of the world’s largest embroidery firms. David has an undergrad in Mechanical Engineering and a Masters from MIT in Management. After fifteen years of building a family business in embroidery to a leading position globally operating in four countries, David decided to evolve the company from its core competencies in mass customization of apparel wear, into the full range of digital services for print related companies. He has been involved with
Street Kids International since the early 1990s as a board member and co-chairman. He was VP of the MIT Club of Canada, and Chair of the New York Chapter of the Young Presidents Organization.

Marni Lifshen
Marni Lifshen has been working in various aspects of international cooperation and community capacity building for the past decade. With a Master’s degree focused on medical anthropology under her belt, Marni has worked with diverse organizations around the world. Currently, Marni is the Senior Program Officer at the MasterCard Foundation, working to develop programming in microfinance and youth education initiatives globally.

Dr. Sara Koki Muli-Kinagwi
Koki is a medical doctor and has a Master’s degree in Public Health. She is currently the Acting Director at AfriAfya (African Network for Health Knowledge Management and Communication). AfriAfya is a consortium of Kenyan based health NGOs, set up in April 2000, to explore ways of harnessing information and communication technology (ICTs) for community health and development in rural and marginalized communities. AfriAfya has in the last seven years implemented program activities that sought to leverage the potential of ICTs to increase access to community health and development information in rural Kenyan settings.

AfriAfya
AfriAfya (African Network for Health Knowledge Management and Communication) is a non-profit organization and consortium of eight Kenya-based health development agencies. AfriAfya is specifically working with rural and urban poor communities to improve their access to health and development information.
For more information visit: http://www.afriafya.org/

Felix Mwale
Felix Mwale is the Director of the Zambia Association of Child Care Work. He holds an Advanced Diploma in MSB Project Management from Cambridge University. He has been the chairperson of District Orphans and Other Vulnerable Children’s Committee and the Vice Chairperson for Children in Need Network (CHIN). He recently conducted research of Commercial Sexual Exploitation of Children (CSEC) in Africa and supervised a Rapid Assessment of child trafficking in Zambia. He is qualified as a Master Trainer for Basic Qualification in Child Care workshops and has facilitated many other workshops, including psychological counseling, community mobilization and small business initiatives.

Agnieszka Sawczuk
Agnieszka Sawczuk is the Executive Director of the Foundation for Poland, an organisation that seeks innovative and effective ways to solve social problems. In doing so it enables its partners – institutions, organizations and private individuals – to carry out their own philanthropic activities. Before she worked at the European Foundation Centre (1999-2003,) a Brussels-based membership organization where she coordinated the Grantmakers East Forum, the informal coalition of private and public grantmakers active in Central and Eastern Europe (CEE) and the Newly Independent States (NIS), as well as managed the network of donors’ support infrastructure in 18 countries of CEE/ NIS. In between 1995-1999 she worked at the Support Office for the Movement of Social Initiatives in Warsaw where she managed the information department and was responsible for international relations. In 1989, Agnieszka established the International
Cultural Youth Exchange, a Polish youth non-profit organisation organising youth exchange programmes. She graduated from the Warsaw University, Department of Journalism and Political Sciences.

**Fondation de Pologne**
Fondation de Pologne works in Poland supporting individuals and institutions in the pursuit of their social goals, jointly addressing needs in areas that help rarely or never reaches. The Fondation highlights the innovative, concrete and long-term projects with the intention for projects to yield benefits in the future and focus on the integration of groups at risk of marginalization.
For more information visit: [http://www.fdp.org.pl](http://www.fdp.org.pl)

**David Pell**
David Pell is the Executive Director of Street Kids International. Before joining the organization in January 2006, David operated his own business, worked for government, universities, colleges and the voluntary sector. David was a partner in Development Initiatives Inc., a consulting firm that worked throughout Canada and internationally. He was the founder and President of the Community Business Resource Centre in Toronto, a highly successful entrepreneurship training centre and consulting organization in economic development. As the CEO of the Canadian Youth Business Foundation (CYBF) and the Canadian Youth Foundation, David expanded the organization’s lending, mentor support and career planning programs for young people across Canada.

**Meredith Lee**
Meredith Lee is the Director of Programs at Street Kids International and leads the partnership development and delivery of Street Kids International’s work. Meredith has worked extensively with youth and youth serving agencies in various capacities throughout Canada, Nepal, Vanuatu, East and Southern Africa, and Latin America. She also has experience in the field of documentary production, working both domestically and abroad. She has a passion for finding creative ways to use media for messaging and educational purposes. Meredith speaks Spanish and French fluently, holds a degree in International Development and has recently completed her Master’s in Public Policy and Administration from Queen’s University.

**Kristy Vanderplas**
Kristy Vanderplas is the Program Assistant for Street Kids International. She is involved in supporting several of Street Kids International’s projects, including the Canadian pilot program Streetjibe. Kristy holds an H.BSc in Bio Medical Sciences from the University of Guelph and completed the International Project Management Program at Humber College in 2006. Kristy has lived and worked in South Korea, Taiwan, Czech Republic and Tanzania and looks forward to contributing her knowledge and skills to Street Kids International’s programming both here in Canada and around the world. In June 2008 Kristy was elected to the board of directors for OCIC.
Street Kids International

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