Cross-Sector Partnerships for International Development

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Cross-Sector Partnerships for International Development

Cross-sector social-oriented partnerships
Fourth sector
Goal orientation
Hybrid organization
Integrative
International development
Intersectoral partnerships
Market-driven
New value partnerships
Philanthropy
Shared value
Social alliances
Social business
Social entrepreneurship
Social partnerships
Strategic alliances
Strategic corporate social responsibility
Strategic partnerships
Sustainability

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Abstract

With a growing consensus that traditional philanthropy is ineffective, organizations from conventional sectors (business, nonprofit, etc.) are being nudged toward increasingly hybrid structures, including that of cross-sector collaboration. This multi-method study utilized archival research, surveys, and interviews with 14 practitioners to further explore the field of cross-sector partnership. Despite the development of hybrid models, existing research in the field still relies on grouping organizations based on their legal structures. By asking the question, “what factors are associated with engagement in cross-sector partnerships to address international development?” this study identifies ‘goal orientation’ as an alternative means by which to categorize organizations. In addition, this study tests the literature’s assumption that success is determined primarily by the relationship between partners by asking, “what factors are associated with perceptions of more/less success in such partnerships?” The resulting conclusion is that the means by which the partners accomplish their international development goals is a critical factor for success that existing literature largely ignores. Finally, this study suggests that there has been a romanticization of partnerships, and advocates the needs for a more critical view of the field. This study is exploratory in nature and seeks to lay a foundation for future research on cross-sector partnerships, particularly those that consist of hybrid organizations and aims to achieve international development goals.
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I. Introduction

A. Purpose and Rationale

In the recent past, several alternative strategies for reducing poverty and enhancing well-being have emerged: trends in corporate social responsibility\(^1\), bottom of the pyramid markets, hybrid organizations, social entrepreneurship, and social business. This is partially driven by a growing consensus that traditional philanthropy has been ineffective at creating a world of justice and equality. While the recent economic recession has diverted attention from these strategies, at the same time it has reinforced the need to find new economic and development models. Combined, these trends have created a movement toward identifying more strategic, more effective methods and models for improving the conditions of the poor and marginalized.

A major strategy advocated is collaboration, especially partnerships between businesses and nonprofits\(^2\). As businesses are pushed to become more socially-conscious and nonprofits are nudged towards accountability, impact measurement, and earned-income, cross-sector partnership\(^3\) is the only hybrid model that allows organizations to concentrate on the core competencies, or comparative advantages that characterize their sector (Heerad and Fourth Sector).

While cross-sector partnership itself is defined as a hybrid model, existing literature on partnerships continues to rely on legal structure alone when categorizing organizations for research. Partnership literature persistently groups organizations based on societal sectors: nonprofit, for-profit, and government. This grouping does not account for the wide variation of

\(^1\) See Appendix 1 for a glossary defining terminology within this paper.
\(^2\) In this study, ‘businesses’ and ‘nonprofits’ refer to organizations’ legal classification as for-profit or not-for-profit entities.
\(^3\) Cross-sector partnership refers to partnerships between organizations from multiple organizational types. A list of similar terms can be found on page 8.
organizational types within sectors (i.e. nonprofits include hospitals and trade associations in addition to charities) nor is it responsive to the trend away from traditional organizational models. This study explores the concept of redefining the existing means of organizational categorization to allow for the inclusion of increasingly hybrid models.

The focus of existing research in the field of cross-sector partnership centers primarily on relationships between partners and on motivations for partner involvement. While important, this approach has emphasized the interaction between partners while ignoring additional factors critical to partnership success, particularly those related to the partners’ approach to development work. In addition to exploring organizational categorization, this study aims to determine whether practitioners perceive that partnership characteristics are the primary determinants of success or whether additional factors influence partnership outcomes. To explore these topics, it is first important to understand what factors influence the motivations for each partner to become involved in such partnerships, and next to understand how these factors influence the organizations’ perceptions of partnership success.

The research questions for this study were twofold:

A. What factors are associated with engagement in cross-sector partnerships to address international development?

B. What factors are associated with perceptions of more/less success in such partnerships?
B. Ambiguity Surrounding the Field of Cross-Sector Partnerships

Compiling best practices and conducting research on cross-sector partnerships for development is a complex task. Hybrid\(^4\) models originated not in the academic realm but rather in practice, and because the field is so new, it is continually in flux, as the individuals and communities that both study and practice within it are in the process of ‘storming’\(^5\). Variation in organizational culture hampers the ability to generalize organizations and results in categorization by legal structure. A lack of standardization of success metrics prevents the comparison of development projects. Finally, the field of cross-sector partnerships is hampered by a plethora of terminology referring to the same concept: partnerships spanning traditional sectors.

A growing awareness indicates progress in the acceptance and validity of these alternative trends. This can be illustrated by focusing within the umbrella of hybrid organizational structures, on social entrepreneurship\(^6\). One of this study’s participants explained, “emerging literature in social entrepreneurship is just an enormous step forward in understanding and explaining what’s been happening for generations but no one really outlined it…there's

\(^4\) Hybrid entities are organizations that do not fit clearly within a traditional sectoral distinction (for-profit, not-for-profit).

\(^5\) Storming is the second of the four stages in Bruce Tuckman’s Group Development Model. It refers to the time in which different concepts are being put on the table for discussion. Similar to brainstorming, a multitude of ideas are presented and considered, but no solid conclusions are drawn at this stage. Debates and conflict are common, as each member lobbies for the inclusion his or her own personal perspective. Storming is relevant to these fields, as many constituents are lobbying for different definitions, frameworks, and even terminology to refer to issues within the topic areas. My own use of Tuckman’s model in reference to these issues is specifically derived from Dr. Bernard Amadei’s use of the term ‘storming’ in relation to the field of social entrepreneurship research.

\(^6\) Social entrepreneurship is a hybrid organizational model, the definition of which is disputed among academics and practitioners. Duke University professor Gregory Dees’ definition of social entrepreneurship is that “it combines the passion of a social mission with an image of business-like discipline, innovation, and determination” (1).
starting to be a formula that is really solid in terms of what it takes.” Author David Bornstein is one individual attempting to build awareness for the field of social entrepreneurship. His work both tells the story of the field’s unfolding history and offers case study examples of individuals, both household names and those less known (Bornstein; Bornstein and Davis). While social entrepreneurship is gaining traction and becoming increasingly well-known, some organizations that are truly successful social enterprises may not identify themselves within emerging categorizations. Some of the nonprofits in this study explained their goals and organizational structure in a way that many would identify as ‘social enterprises,’ but they did not have the language to articulate their missions as such. For example, one participant explained the philosophy of the organization she founded, “When you go in and you are doing projects that you want to last, there are a lot of business components in it. People seem to think that you go out and it’s all about the heart and it’s all about doing something really neat, and it is. But there’s really strategic thinking and steps in it. There are things that are really based in the business world.” While this philosophy is founded in what others might call a hybrid approach that would categorize this woman as a social entrepreneur, she never identified herself or her organization in such a way. Although the term ‘social entrepreneurship’ is becoming more mainstream, awareness-building is still crucial to allow organizations to correctly identify with it.

While awareness-raising is important, definitional clarity within the umbrella of ‘social entrepreneurship’ (itself falling within the larger umbrella of hybrid organizational models) is critical, both for researchers and practitioners. Within academia, Gregory Dees is the voice calling to define the term ‘social entrepreneurship’ (Dees; Dees and Anderson). His argument is for a broad, inclusive definition, while others in the field believe that the sector-wide definition be more exclusive. Another study participant articulated the need for refining the terminology to
a greater degree, a need he reflects even by the use of a different phrase: social business as opposed to social entrepreneurship:

Social business is a catch phrase, but it is one of those terms that’s so broadly applied that, kind of like the word ‘sustainability,’ it means something different to every person that is using the word. What is the use of the term if it is being applied to this, that and the other? It has lost its meaning…they need to find a point on bottom billion marketing versus social profit replacement investing versus private nonprofit partnerships, or just charging money for something instead of giving it away for free.

As much as these alternative trends need to be advocated and individuals’ stories need to be shared, they must also have credibility. Therefore, all involved, from academics to practitioners, must share clearly-defined, common referents.

A second ambiguous issue in cross-sector research is the wide variation in organizational culture, which causes confusion and a lack of clarity. In response to a question regarding the types of organizations that are especially effective at cross-sector partnerships, one of this study’s participants explained,

I think it just depends. Each partnership and each relationship is different. You can’t really categorize all of them the same because you’re dealing with corporate cultures, you’re dealing with nonprofit cultures, different sets of principles, and you’re trying to line them up. I don’t think there is one nifty little box you can put everything in and say, ‘this is how it works.’

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7 Social business is a hybrid organizational model “designed and operated as a business enterprise…with the profit-maximization principle replaced by the social-benefit principle” (Yunus 23).
This challenge tends to ultimately result in categorization of organizations by legal structure. As organizations transition to hybrid models, this method of grouping will become increasingly less relevant and useful.

There is also a need for greater clarity in terms of defining success. In terms of nonprofit work, and especially international development, the need to develop impact reporting has been expressed, and strides have been made toward such a goal. However, there still exists no standardized impact measurement tool. This lack creates challenges in comparing and evaluating successful projects and models. For the purposes of this study, success is defined by the viewpoint of the organizations responding. Therefore, a qualification or disclaimer is necessary: the factors contributing to successful partnerships are based on the organizations’ perception of success.

The final area of ambiguity in this study is related to the topic itself: cross-sector partnerships. Unfortunately, there is a lack of standardization of terminology regarding the relationships referred to. Across existing literature, these relationships are also referred to as new value partnerships (Sagawa and Segal), strategic alliances (Austin), social partnerships (Nelson and Zadek; Waddock; Warner and Sullivan), intersectoral partnerships (Waddell and Brown), social alliances (Berger et al.), issues management alliances (Austrom and Lad), strategic partnerships (Ashman), and cross-sector social-oriented partnerships (Selsky and Parker). For the sake of maintaining consistency, this paper will refer to such relationships as cross-sector partnerships.

These ambiguities pose challenges to the field of research as a whole. Progress in this realm cannot be made, without coming to a consensus on definitional terminology. The knowledge base needs to be developed through conversations with practitioners. While this study
does not seek to address all aspects of this ambiguity, it does seek to contribute to building the body of knowledge on cross-sector partnerships in terms of reconceptualizing organizational categorization and identifying additional factors critical to partnership success.

II. Literature Review

A. Review of the Literature

The majority of existing literature on cross-sector partnerships is focused on the partnership formation and lifecycles (Austin), types of exchanges (Sagawa and Segal), interactions among partners (Austin), motivational frameworks for partner involvement (Selsky and Parker), choosing and vetting partners, contributions of each sector, benefits to each sector, relational metaphors for cross-sector partnerships, and success factors for partnerships (Rein and Stott; Sagawa and Segal). To determine the factors associated with partnership engagement, existing literature centers around the trends pushing toward increased collaboration; organizational characteristics that enable partnerships; and incentive structures and core competencies based on organizations’ legal structure that determine the type of exchange involved in the partnership. The relevant literature does not effectively address the definition of success: in the field of cross-sector partnership, success is framed in terms of continued relations between partners, while in the field of international development, success metrics lack standardization. In examining critical factors for successful partnership, existing literature highlights the characteristics related to partners’ interactions but largely excludes the importance of both well-designed development projects and the influence of external factors.

B. Purpose of Research

Existing academic literature on cross-sector partnerships focuses primarily on the partnership itself, deeming long-term partnerships successful and failed relationships
unsuccessful. A glaring gap is the lack of research focused on whether or not the partners actually achieve, or see themselves as achieving, the goals they set out to accomplish. While an effective working relationship is essential as a starting block for any partnership, the fact that not all social projects truly impact peoples’ lives is currently a glaring gap in the literature. In order to reorient the concept of partnership success, we must first look at why organizations become involved in partnerships to begin with. This leads to Research Question A: What factors are associated with engagement in cross-sector (business and nonprofit) partnerships to address social problems? Once we can identify the partners’ motivations, we can better define success and what would make a successful partnership.

If the assumption is correct that success should be defined in terms of the outcome of the partners’ activities rather than on characteristics of their partnership alone then we can seek to identify critical factors that will help them achieve success. Existing academic literature related to this issue is unfortunately much more sparse. Therefore, rather than relying on existing literature to determine factors of success, this research will focus on practitioners’ own perspectives to posit factors that may be critical for success. This leads to Research Question B: What are factors associated with perceptions of more/less success in such partnerships? The resulting conclusions should be of use both to fellow academics in terms of reconceptualizing partnerships and identifying topics for future study and to practitioners in terms of clarifying goals and suggesting best practices as well as inhibiting factors.
III. Methods

A. Addressing the Research Questions

This study primarily addresses cross-sector partnerships focused on international development goals. The research questions were twofold:

A. What factors are associated with engagement in cross-sector (business and nonprofit) partnerships to address international development?

B. What factors are associated with perceptions of more/less success in such partnerships?

These questions were addressed with data collected through archival research, surveys, and individual interviews.

Because there is limited research in the field and this study is of an exploratory nature, it utilizes what is known as a “purposive sample.” In other words, the sample group was not randomly selected. Instead, participants were identified in such ways as to ensure that the results would be relevant, measurable and comparable. While a purposive sample does not produce generalizable, statistically significant relationships, since it is not a random sample, it is a useful tool for exploratory work, especially when there are so many unclear definitions involved. Its use lies primarily in revealing underlying assumptions, paradigms, and trends in the field. A random sample would have been extraordinarily difficult for this study, because, since the field is so new and ill-defined, it is nearly impossible to identify the “universe” within which these partnerships are taking shape. Clusters of cross-sector partnerships could be focused geographically, within specific industries, or be randomly scattered. This exploratory study hopes to identify which organizations are most likely to engage in partnerships so that random sampling might be feasible in future research.
B. Multi-method Analysis

This research draws on archival, survey, and interview methods to answer the research questions. Archival research is critical to this type of study because it can highlight trends and understandings the academic community already has in the context of a field that is widely not understood as well as practitioners’ experiences. It provided a perfect starting place to determine what is still to be learned in such an ambiguous field. Archival research using websites, reports, and academic literature largely framed the survey and interview methods included in the study and provided a backdrop, or larger context within which to situate this research. Archival research is not a sufficient research method for this type of study because the literature is so limited both in size and scope (primarily case study data). What is truly needed for this field to advance is primary research that includes practitioners’ perspectives.

Surveys offer the benefits of easily reaching large numbers of respondents and providing aggregated data helpful for statistical analysis. However, this study ultimately reached only a small number of respondents. This may be due to its academic nature and lack of connections with large surveying organizations. In addition, many contextual insights can be missed with survey tools, as they can only capture information framed by the researcher. Finally, in a field that is evolving so rapidly, there may be large topics that surveys miss.

Including personal interviews was an important addition to this study for two reasons. Interviews can reveal new trends not previously highlighted by existing literature and can add a greater degree of depth to a study. It is easier to glean underlying themes through interviews, as well as the meanings behind aggregate, static answers. Because there were fewer survey respondents than expected, personal interviews and case studies became a larger focus of this
study than expected. This will be discussed in more depth in the “Methodological Evolution and Areas for Future Research” section in the conclusion.

To analyze the complex data derived from these three methods of analysis, descriptive statistics pull from both the limited survey responses and the interview discussions. The results from these basic statistics are used to highlight patterns across organizations. The results are presented visually through bar graphs. The graphs do not display a bar represent a zero response rate for that particular participant group. Archival research and interviews are used to indicate the processes underlying these patterns.

C. Survey Design

The survey was developed over the course of several months using two survey tools, Survey Monkey and Qualtrics. The survey tool was altered to allow for better survey flow and compatibility with statistical analysis tools. It went through six iterations to ensure that the questions were clear, focused, and targeted to the stakeholders surveyed. Each iteration was pre-tested on faculty from the fields of business and political science. One challenge was in defining terms, as not only is the field new and terminology is not commonly known, but there is also a wide variance in terminology used.

A second challenge was that so many variables are addressed in the literature that the survey became very complex. The study eventually had to prioritize variables and narrow the survey down to the most pertinent questions. The initial survey had two versions: one for businesses and one for nonprofits. However, the final survey was designed with only business as a target group because while surveys helped identify business participants, nonprofit participants were more effectively identified through personal networks. Businesspeople were more apt to
take a short survey than to participate in a lengthier interview, while nonprofit participants were willing to engage in the interview process.

Another challenge was in determining whom to survey. Initially, the research question focused on partnerships between businesses and social entrepreneurs. The goal was to send surveys to both social entrepreneurs and businesses engaged in partnerships and to cross-tabulate their responses. Because the field of social entrepreneurship is emerging and so ill-defined, even the population to study was not obvious. The focus changed to center on nonprofits engaged in international development, although questions about social entrepreneurship remained in the survey.

The individuals most easily accessible for survey were identified through networks of business executives. Organizations including the Deming Center, Leeds School of Business, Center for Ethical and Civic Engagement, Capital Investment Management (CIMCO), and ICOSA Magazine provided the connection to corporations interested in the survey itself. One round of surveys was conducted with a very low response rate, so a final challenge in survey design was shortening the finalized 30-minute survey into a 5- to 10-minute survey that was practical for corporate leaders to complete (both surveys are attached in appendices B and C, respectively).

D. Sample and Case Study Design

1. Sample.

The overall sample for this research consisted of participants from two sectors: business (legally structured as for-profit organizations) and nonprofit (legally structured as nonprofit organizations). The sample also included intermediary individuals that have years of development and partnership experience. The total sample included 14 organizations. Businesses
that were very involved in cross-sector partnership initiatives geared toward development goals were identified through the survey results and asked to participate in more in-depth, primarily open-ended interviews. One business was identified through the nonprofit interviews, as one nonprofit referred me to one of its business partners. Five businesses participated, two of which were in the financial services sector. The other three were in personal care products, alternative energy, and housing. They ranged in size from micro-enterprises to large corporations. The interview design for businesses prompted them to expand on their survey responses.

Nonprofit participants were identified via personal networks, primarily through the Social Entrepreneurship for Equitable Development working group at the University of Colorado (SEED@CU). All of the nonprofits are based in Colorado but have a focus on international development. They included microfinance institutions and organizations focused on community development, women’s empowerment, and rural agriculture. While the paid staff size of these nonprofits ranged from three to thirty-six, the size of membership and/or volunteers ranged from very small up to over 12,000 individuals.

Three intermediary individuals were chosen to participate in the interviews. These individuals consisted of both those who facilitate the creation of business-nonprofit partnerships with development goals and those with years of experience in the field. These interviews were important to the research because they provided a third perspective on the topic. While corporations and nonprofits can speak only of partnerships that they themselves have participated in, of best practices they have read about, or of experiences they have heard about through colleagues, intermediary organizations and experienced professionals may be able to provide more generalizable observations from facilitating and observing partnerships among many companies. Businesses and nonprofits may be blinded to specific success and failure factors
because of their own models or organizational characteristics. However, intermediaries may have a more objective view, encompassing a bigger picture.

2. Interviews.

The actual case study questions were developed based on the review of the literature and by survey responses. General questions about the partnership field were asked of all interview participants, but blocks of questions were changed depending on the type of organization (business, nonprofit, and intermediary) in order to reflect each sector’s unique perspective. In addition, because businesses participated in the survey portion of the study and nonprofits and intermediaries did not, the interviews with nonprofits and intermediaries included blocks of questions derived from the survey, asking the participants to expand in further detail. A copy of the interview protocol can be found in Appendix D.

IV. Examining Factors Associated with Partnership Engagement

A. Factors Enabling Partnerships

1. Trends.


   Within the private sector, the push for partnership comes from multiple angles. The obvious catalyst emerges from the initiative for corporate social responsibility. In an increasingly globalized world, in which multinational or transnational corporations have ever-increasing economic and even political power, companies like Nike have been able to exploit workers in sweatshops (Ferrell et al.) and corporations like BP have caused environmental degradation in the Gulf of Mexico (O’Connor). At the same time, global communication networks have empowered the international community to be able to hold businesses

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8 Corporate social responsibility refers to practices that improve the workplace and benefit society, that go beyond what companies are legally required to do (Vogel 2).
accountable. This effort has resulted in pressures for corporate social responsibility among businesses of all sizes. While many corporations have developed corporate social responsibility programs, large corporations still face backlash as stakeholders discover that ‘responsible’ values do not necessarily pervade entire organizations, and sometimes merely consist of writing big checks to charities. Stakeholders are now pressuring corporations to do more than write checks, but to be both socially and environmentally accountable in all areas of their business.

Many trends are taking place within corporate social responsibility itself as businesses seek to convey their commitment to responsibility and counter the negative publicity they have received. One of these is triple bottom line accounting, also known as ‘people, planet, profit’ (Elkington). While businesses have traditionally only measured their success based on a profit motive, using a triple bottom line method urges managers to make choices that are motivated by social benefit and environmental responsibility as well. Some companies are even experimenting with basing management compensation on their ability to achieve success based on all three ‘bottom lines.’ Triple bottom line is just one of many systems of ‘balanced scorecard’ monitoring, first developed by Robert Kaplan, a professor at the Harvard Business School, and David Norton, founder and director of the Palladium Group, as a system of strategic management (“What is”). One problem that remains in the space of strategic planning and evaluation is the lack of standardization in accounting for social and environmental responsibility and the difficulty in measuring social and environmental impacts. However, initiatives like balanced scorecard strategic planning and triple bottom line accounting encourage companies to integrate responsible practices into their fundamental business practices.

In their book, *Triple Bottom Line*, Andrew Savitz and Karl Weber emphasize how sustainability is not only a ‘best practice’ or noble goal for companies, but is rather in the
business’s own best interest. In the famed philosopher, Alexis de Tocqueville’s, words, pursuing social and environmental goals is ‘enlightened self-interest.’ Savitz and Weber discuss how globalization has forced business to be concerned with systemic global problems:

The only way to succeed in today’s interdependent world is to embrace sustainability. Doing so requires companies to identify a wide range of stakeholders to whom they may be accountable, develop open relationships with them, and find ways to work with them for mutual benefit. In the long run, this will create more profit for the company and more social, economic, and environmental prosperity for society (xi).

Within the field of corporate social responsibility, these actions focused on mutual benefit are termed ‘strategic corporate social responsibility.’ Compared to traditional responsible practices, this centers on responsible practices that benefit the core operations of the business rather than simply corporate image (Werther and Chandler 42). These core operations can include distribution networks, research and development, suppliers, etc.

Another trend in the business world is a focus on the ‘Bottom of the Pyramid.’ C.K. Prahalad is known for initially bringing attention to the market opportunity of the billions of people in the world whose needs have not been served by traditional products and markets. Designers and businesses have long ignored the unique needs of bottom of the pyramid consumers. By developing low-cost products and services targeted toward this group, corporations could not only help the millions of global poor rise out of their poverty, but actually make valuable contributions to other aspects of their business in areas such as growing market share, research and development, and even bottom-line profit. While marginal profit may be small, due to the consumers’ low incomes, the sheer number of poor people worldwide could result in a high amount of sales volume and therefore large profits through scale. What does not
traditionally seem profitable to a business may house untapped potential, while also serving the needs of the world’s marginalized (Polak; Smith; Mahajan, Banga, and Gunther; Rangan et al.). Thus, there is a role for business in the realm of international development as well.

**b. Trends in business practice.**

Each of these business trends is reflected in the findings from this research. One man who acts as an intermediary articulated the trend toward corporate social responsibility by stating,

[Businesses] benefit from [the stability of the public and nonprofit sectors] in many ways from roads to busses, to well-educated workers…there is a moral obligation for any enterprise, whether it is business or government, to support a third sector though even on the surface it may appear contradictory because it may challenge them and hold them accountable. But that helps build a stable relationship to civilization that prevents collapse.

In relation to strategic corporate social responsibility, one large business mentioned that, “the heavy lifting with corporate social responsibility falls within the company because at its core, you are talking about the way a company operates.” The transition away from traditional philanthropy was articulated by another participant, “The old traditional way of philanthropy was write a check, here you go, we will hear from you next year when you want your next check. Well that has really shifted and corporations are now saying, ‘we want to play a bigger role in this.’”

Regarding the triple bottom line, one of the business participants expressed that being socially responsible was “our entire business model.” When asked to expand, he explained that not only does his business’s product compete economically without utilizing subsidies, but it also halves the price of energy for the consumer and creates social benefits in terms of health and
education to its end users. Finally, one nonprofit participant explained that he is seeing growth in the number of businesses hoping to become involved in bottom of the pyramid markets, “Just this last year in May or June, I got a call from [a multinational holding company]…They wanted to try to figure out how they can penetrate bottom of the pyramid markets…so they approached us to see if we could help them figure out the best way of marketing those products.” Clearly, the trends dictated in business literature all contribute as factors enabling the creating of partnerships.

c. Trends in the nonprofit sector.

Over the past 25 years, nonprofits in the United States and around the world have proliferated. From 1998 to 2008, the number of nonprofit organizations in the United States grew by 32.7% to include over 1.5 million registered nonprofits (Urban Institute). These organizations are all competing for the same limited funds to accomplish sometimes very similar missions. At the same time, international nongovernmental organizations flourished in response to a ‘magic bullet’ in international development. As of 2007, there were an estimated 4,000-5,000 indigenous human rights organizations just focused on politics in the global ‘south’ (Fisher 13).

Rather than pursue the same mission independently, it would make sense for these organizations to work together. While this has not been a focus in the past, it is quickly becoming one. The recent economic recession has led to a focus on fiscal sustainability for nonprofits. In Colorado, one report shows 2% of rural nonprofits and 16.6% of urban and suburban nonprofits are considering mergers and acquisitions as a coping mechanism to respond to economic pressures (Colorado Nonprofit Association and Community Resource Center). Perhaps cooperation among nonprofits will create a collaborative spirit, leading them to partner with business as well.
Forces are also pushing the nonprofit realm toward business practices such as sustainability, scalability, and efficiency. Nonprofits are increasingly turning to earned-income strategies. Organizations like Salvation Army and Goodwill have pursued profit-earning branches to support their charitable aims for many years (Gair 12), and gradually more nonprofits are attempting this strategy. The growth of the sector and corresponding increase in competition for funding is one reason for this shift. Another reason is the vulnerability that dependency on grants, generous individuals, and for-profit corporations creates (Lyons et al. 7). Charities are completely dependent on the goodwill of others, and when the rest of the economy goes downhill, donations to nonprofits are one of the first things cut from household budgets (Wasely). Potential for consistent cash flow, unrestricted use of funds, and diversification of a nonprofit’s revenue base serve as motivating factors for earning self-generated income (Lyons et al. 7-8). Foundation endowments can create problems as well. With stock market crashes and tech bubble bursts in recent years, foundations have lost a large percentage of their endowments, which affect the amount of money they can distribute (Barton and Wilhelm). Perhaps most influentially, charities have recognized their lack of efficiency in terms of time spent seeking funding versus time spent on actual program delivery. Many paid employees spend the majority of their time applying for grants or seeking other funding sources rather than implementing strategic plans or ensuring that they are meeting the needs of their constituencies in the best ways possible (Letts et al.).

Another trend in nonprofit management is that of accountability (Blum). Nowhere can this be seen as a bigger issue than in the recent Haiti relief efforts (The Transparency). There has always been a push in nonprofits to lower spending on administrative costs, including overhead and salaries. Still, many donors wonder why they have given so much money and seen so few
results from charities. This has led to an increased focus on impact measurement (Flynn and Hodgkinson). In any charity they give to, donors want to see exactly what their dollars accomplish: how many teen pregnancies averted, how many homeless given shelter, how many third world children sent to school. This is particularly an issue in international development, as first world salaries are withdrawn from aid money and corruption in foreign governments and cultures skims profits. Rarely does aid money reach the poorest of the poor (Easterly).

Organizations such as Charity Navigator have been created to help donors choose where to give based on effectiveness of their dollars: which organizations will do the most good with the money they are given.

**d. Trends in nonprofit practice.**

Nonprofit trends expressed in the literature are confirmed by the interviews conducted as part of this study. One intermediary explained that the trend toward nonprofit collaboration is being driven largely by aid agencies, “you find the people that were sort of competitors before for funds are actually coming together to the table to present to the sources of funds as one…so you have these clusters of groups that have self-identified and are now approaching each other.” Scalability, accountability, and efficiency are the three key indicators of success for one cutting-edge nonprofit. The representative from this organization explained, “So we expect that increase in scale –this many more customers per year, impact – this much income gain per customer, and cost effectiveness – we want to raise each project to be more efficient. So if we’re infusing one donor dollar, they are generating $7-10 of additional income.” Another nonprofit reflected her organization’s commitment to sustainability by explaining that people are motivated to financially support them because “We are not about charity. We are about empowering the people and changing lives through initiatives that they can manage once we are gone…When
you are looking at [our] goals of long-term sustainability, it can’t be about charity because once we were to leave it would not work.” Overarching nonprofit trends are obviously contributing factors enabling partnership as well.

2. Organizational characteristics.

a. Organizational characteristics in the literature.

Existing literature does point to the need for examining one’s own organization before jumping into a partnership. Sagawa and Segal cite financial strength, management capacity, and program and product quality as qualities of a “healthy organizations ripe for partnership” (182). In other words these are organizational characteristics that enable entities to begin partnering. This study reflected the need for sufficient capacity and also noted a characteristic not mentioned in the literature: scope of development work.

b. Age, size, and capacity.

When examining whether organizational characteristics act as enablers to partnership, I first looked at data featuring characteristics of the sample and then drew upon interview responses. Because data did not exist to distinguish each organization’s capacity, when examining the sample data I used age as a proxy for capacity, assuming that age leads to organizational learning and growth in terms of size, which in turn leads to greater capacity. The sample as a whole consisted of four organizations that were less than ten years old, five that were founded in the last two decades, four that were 20-50 years old, and one founded over a century ago. Nine of the fourteen organizations were engaged in partnerships between businesses and nonprofits, four hoped to become involved in the near future, and one did not want to become involved because it was focused on development within the community.
The sample reveals that age and capacity may be slightly correlated with the ability to become engaged in partnerships between businesses and nonprofits (see Figure 1). Unfortunately, there is not enough data captured in this study to reveal conclusive results. Of the very young organizations that have existed for less than ten years, half are engaged in partnerships. While 100% of the very old organizations are engaged in partnerships, the fact that only one very old organization participated in this study skews the results. To truly demonstrate age and capacity as determining factors for engagement, very young organizations (<10 years) should have lower partnership engagement. Therefore, this sample suggests that either the results are inconclusive due to a small sample size, or there is a low correlation between age and capacity and the ability to participate in partnerships.

Figure 1:

While the characteristics of the organizations surveyed seem to question the hypothesis that age and capacity enable engagement, eight of the fourteen interview participants agreed that
age and capacity are critical factors that organizations need to evaluate before beginning to engage in partnerships. Perhaps this means that age is not a sufficient proxy for capacity. One woman whose nonprofit organization was not involved in cross-sector partnerships blamed her lack of engagement on size and capacity; “most businesses want a much bigger project.” One businesswoman mentioned the reason for not wanting to be involved with young organizations was because they “are trickier. They are more improvisational…If you are going to invest $500,000, $1 million, or more, well that would overwhelm most smaller organizations.” This same individual explained the importance of capacity based on past partnerships in which the business paired one of its own executives with small nonprofit startups: “The organization may not even survive…we wondered if our time would be better spent with a more established nonprofit with the capacity to absorb the assistance, to scale existing programs.” Another nonprofit reflected the understanding that this is a challenge that startups face when looking to engage in partnerships,

Sure there are a bunch of great, nifty nonprofits popping up that are doing some amazing things. But having the longevity out there and being established for x number of years also gives you a lot of clout. A big corporation is a little fearful to invest in something new not knowing if it is going to be successful in 5 years, 6 years, 7 years. I mean, would you want to donate to someone if you are going, ‘are you still going to be around next year?’ Or would you rather donate to someone who you are saying, ‘this is a good nonprofit, they have been doing well for a long time, they have established themselves?’ From these expressions, it appears that people believe that a threshold of size and capacity must be met in order for an organization to engage in partnerships but that it may not necessarily be the case.
c. Scope.

Again, the implications of the organizational characteristics, in this case, scope was analyzed first based on the sample of organizations itself and then via qualitative interview responses. The sample consisted of organizations with varying perspectives on the ideal scope of development projects. Four of the organizations operate in one country and do not hope to scale to additional countries. Instead, they hope to create large amounts of change in a limited area. Four organizations were of small scope, involved in 2-10 countries, and all hoped to scale out more. Two organizations had a medium scope and were involved in between 11-50 countries. Two more were engaged in more than 100 countries, a very large scope. Two organizations did not respond to this question.

The survey data did indicate that organizational scope acts as an enabling factor for partnership engagement (see Figure 2). While organizations that operate in only one country did express a desire to become involved with businesses, none of them are currently engaged in business-nonprofit partnerships. On the other hand, 75% of organizations involved in 2-10 countries and all of the organizations involved in more than 10 countries are engaged in such partnerships. This finding implies that there is an enabling threshold in terms of scope, which falls somewhere in the range of involvement in 2-10 countries.
This may be because when organizations are involved in only one country, their work tends to be community-based, while organizations operating in multiple countries will be less community-oriented and more likely to involve partner organizations from the United States. For example, one participant in this study explained the full list of organizations involved in just one of the partnerships he works on. It includes a powerful local trade association within the community, a local architect, the local hospital, a locally-based implementing nonprofit, several levels of government including the city and water, a federation of 23 local nonprofits, and the community itself. He did not engage any businesses outside the local community. On the other hand, two of the participating organizations in this study act as partners. Both are directly involved in many of the same countries, which is why they work so well together. Interestingly, none of the organizations directly referenced their scope as a factor enabling partnerships.
B. Factors Determining the Exchange

1. Literature.

In existing literature, factors determining the exchange involved in the partnership have been determined via the legal status of the organizations involved in the partnership. Particularly, researchers have examined the core competencies possessed by each sector.

The most obvious benefit toward partnering, covered in much of the partnership literature, is the benefit to business’s image. However, James Austin, an expert on cross-sector partnerships, offers many additional benefits of partnering for corporations. These include: strategy enrichment (think balanced scorecard), human resource management (attracting better employees and decreasing turnover), culture building (creating unity among shared values), and business generation (opening new markets, testing grounds for new innovations, and public image) (11-14). Other potential benefits include improved operational efficiency, creating a culture of innovation, allowing better access to information, development of new products and services, and the creation of stable society (Nelson and Zadek), especially in developing countries that may be politically or economically unstable. In other words, there is a growing view among management gurus and executives that partnering is good business sense. Therefore, despite the fact that pressures for collaboration and responsibility are based in altruism, businesses are still pursuing them primarily for their self-interests.

Traditionally, nonprofits have pursued relationships with business out of their desire for increased funding. Researchers have also suggested that because nonprofits often lack management know-how and business acumen, partnerships of greater engagement levels between organizational leadership may also benefit them. James Austin cites four benefits that highly engaged partnerships would bring: cost savings (sharing facilities, services, or activities),
economies of scale and scope (combining markets, clientele, or inputs, thus expanding visibility and impact), synergies (leveraging unique skills collectively to address a single problem), and revenue enhancement (not only fundraising, but encouraging business to contribute other resources as well) (9-11). Nonprofits can also make contributions to a partnership as they have experience managing, identifying, mobilizing, and involving stakeholders (857).

Recent literature has supported what is becoming known as a ‘shared value’ approach as opposed to a traditional philanthropic exchange. Shared value is a business principle that advocates the need for more than traditional corporate social responsibility and emphasizes the need for organizations to be highly collaborative in order to prevent society’s collapse (Kramer and Porter). This shared value type of engagement is less of a financial exchange between partners. Instead, it entails a mutually-beneficial exchange of organizations’ core competencies in order to create a positive net impact on society as a whole.

2. Findings.

Organizations involved in this study largely agreed with the contributions made by nonprofit organizations (see Figure 3). Of course, they cited corporate social responsibility, or the fulfillment of a particular mission most often. This reflects traditional philanthropic partnership exchanges in which corporations gain improved image by giving financially. One interesting point to note is that nearly half the participants mentioned innovative model or product as a contribution. This reflects the growing recognition, especially in international development, that traditional aid does not work as well as the general nonprofit trend toward business practices such as accountability, impact measurement, and sustainability. As one participant explained, “I don’t think anybody wants to throw their money away anymore. And we have seen that so much with charitable giving where people have given and the initiative has
fallen apart.” While businesses may still be giving philanthropically, their choice of charity is becoming increasingly driven by the organization’s ability to create and demonstrate its impact.

Figure 3:

This study did support Austin in regard to the shift toward more engaged transactional and integrative partnerships as well. Market entry and local knowledge, relationships, and on-the-ground presence reflected the way that nonprofits can contribute to business’ core organizational practices. Being able to contribute technology or expertise emphasizes that nonprofits can be worth more to businesses than simply a nice cause to support. A few organizations even cited shared value specifically as the direction that their partnerships are moving. Not only are partnerships moving toward the need to demonstrate true impact, but they are also moving toward more transactional and integrative, or shared value, models.

In terms of business contributions (see Figure 4), this study also supports traditional philanthropic exchanges. Financial contributions in terms of sustaining nonprofit operations and providing additional services for the nonprofit to meet its mission are the most commonly cited
responses. For more advocacy-related groups, businesses also offer the willingness to change or clean up their practices. Gaining what one participant called “free advertising” to additional donors also comes as a benefit that partnerships with businesses can offer nonprofits.

Figure 4:

However, again this study reflects the trend toward more transactional and integrative exchanges. Participants highlighted business acumen in terms of helping nonprofits become more efficient as well as offering unique knowledge and expertise in specific areas. Research and design for products and programs, a skilled volunteer base, program implementation, and assistance with needs assessments were other contributions that the literature highlighted and that this research supports.

Participants mentioned an additional business contribution that partnership literature does not explicitly address: exposure for the field of development work. One organization explained, “we are trying to get increased exposure in terms of designing for the bottom of the pyramid customers.” Another participant explained the importance of cross-culture executive exchanges,
If there is that transfer and exchange of capacity and knowledge, it not only helps the counterpart of the developing country to understand and better be placed to lead an initiative going forward, but it also builds the capacity and knowledge of the person coming from the developed country to go back to their country to inform offices and interventions and funding procedures and principles to this particular country.

While this does not necessarily lead to any tangible benefit for the specific nonprofit involved, it can have the effect of bringing more attention to development issues as a whole, which in turn can result in a greater number of educated workers in the development field, greater funding, and more tried and true methods of accomplishing successful development work.

C. Factors Differentiating the Approach to Achieving Project Goals

1. Literature: A gap regarding international development.

Existing partnership literature is limited due to its focus on traditional US-based missions. Few studies bring together a focus on business and nonprofit partnerships that are aimed at international development efforts. Instead partnerships in international development literature are framed based in partnership with large, intergovernmental organizations such as the UN, World Bank, and International Monetary Fund. There is a great lack of research on partnerships between businesses and non-governmental organizations, or nonprofits aimed at international development work. One study that does fill this gap focused on partnerships in Southern Africa. It found that partnerships can offer tangible improvements and opportunities to disadvantaged communities, bring wider attention to a community’s concerns, and provide a collaborative model to empower groups focused on other issues within the community. It also highlighted the importance of considering the local community context when constructing partnerships. It asserted the need to ensure that multiple stakeholders from the community are
consulted and included in the creation of partnerships, rather than assuming that one or two people will accurately and honestly represent the whole community. Finally, it emphasized that good working relationships between partners are especially uncommon in the international context and called for increased study regarding barriers to effective partner interaction.

The best-known and widely promoted case study focused on cross-sector partnerships for development is that between the microfinance institution Grameen Foundation and the French yoghurt company Danone because of the new business model, social business, Grameen founder Muhammad Yunus proposed and demonstrated via this partnership. Yunus’s proposition was to create a ‘social business,’ which took the form of a joint venture to provide rural Bangladeshi children with nutritional foods at a low price (Yunus xvi).

Organizations like Ashoka and the International Business Leaders’ Forum (IBLF) aim to close this gap in partnership literature. Ashoka’s Full Economic Citizenship program, while until this point has focused on brokering partnerships, aims to increasingly act as a resource to disseminate learning and best practices regarding cross-sector partnerships that can tap into an extremely large market (Ashoka, Full Economic Citizenship; Budinich, Reott, and Schmidt; Schmidt and Budinich). The IBLF’s focus on partnership derives from the 1992 UN Conference on Environment and Development, the Rio Earth Summit. It was at this conference that the international community placed cross-sector partnerships as central to achieving global sustainable development. Part of its mission now is encompassed in the three goals of its Partnering Initiative: building leadership, strengthening sustainability and impact of partnership activities, and promoting rigor in thinking and practice (IBLF; Tennyson). This has led to the creation of guidebooks, tool books, and case studies on partnership.
2. Literature: Motivation deriving from legal status.

Motivation for engaging in cross-sector partnerships is one of the most common topics in cross-sector partnership literature. While some of the motivation results from the previously defined reasons organizations engage in such partnerships, some researchers have elaborated various frameworks. In *Cross-Sector Partnerships to Address Social Issues: Challenges to Theory and Practice*, professors John W. Selsky and Barbara Parker discuss two existing platforms to which researchers attribute partner motivation and propose a third. First, the “resource dependence platform” comes from a “perspective of meeting organizational needs or solving organizational problems” (851). Essentially, the motivation for all partners involved is to gain the comparative competency advantages of other sectors’ organizations. For example, nonprofit organizations are likely motivated to partner because they wish to glean business acumen from a for-profit company. The motivating factor in this platform focuses more on internal organizational functions rather than on external social purpose altruism. The “social issues platform” reverses this prioritization, positing that entrenched social problems themselves, which they deem “metaproblems that exceed the scope of single organizations”, act to rally all types of stakeholders, businesses, nonprofits, and governments to try to solve them (852).

Finally, the “societal sector platform” fits closely with conceptions of hybrid organizational models. The authors claim: “two logics are at work here: A *substitution logic* is that each sector has its own ‘natural’ roles and functions in society, but one sector can substitute for another if the natural sector fails to provide the expected product. In contrast, a *partnership logic* is that the sectors are naturally inclined to partner with each other to address emergent societal issues” (853).
Because each of these platforms originates from a separate set of literature, they suggest that each sector inherently acts out of different motivating factors. Most likely, in each cross-sector partnership, each organization has a different reason for participating. Strategy literature; research on using collaboration for resource acquisition, coping with uncertain environments, and gaining competitive advantage; and firm-based analysis all shape the resource dependence platform (251), implying that businesses are most likely to partner out of their own self-interest. Because the social issues platform was drawn together from literature on social issues management, such as the nature and evolution of social issues and social problem solving (252), it seems nonprofits are most likely to engage out of altruism. The literature that informs the societal sector platform is generated from outside organizational studies, in new literature on sectoral blurring (253), suggesting that hybrid organizations like social entrepreneurs and social businesses will be most likely to approach cross-sector partnerships out of a truly collaborative mindset. Unfortunately, this paradigm of focusing on motivation founded in legal status centers on incentive structures rather than the true goals of the partnership. The focus in this paradigm is on what pushes organizations to be involved in partnerships, not on the organizations’ visions for true social change.

3. Thoughts on the literature: Need for additional units of analysis.

While legal structure does serve as a factor determining the exchange between partners, it is no longer useful to conceptualize of organizations simply in terms of sector. The emergence of hybrid organizations such as L3Cs and B Corps (B Corporation; Tozzi; United States), social enterprises and enterprising nonprofits dictates that business type in practice is not captured in the catch-all buckets of legal structure. Increasingly, the true purpose and mission of an organization, and that entity’s means of accomplishing that mission is not categorizable based on
whether it is a business or nonprofit. For example, one of the businesses in this study was identified via the survey. While it is technically incorporated as a business, its founder explained that it is “100 percent socially responsible” both environmentally and socially. It was founded on triple bottom line principles, and while the founder hopes it produces economic returns, his true mission is to increase education about alternative energy. Most practitioners would call this a social enterprise, differentiating it from traditional for-profit business. Another organization in this sample is legally a nonprofit but identifies itself as a hybrid organization because it provides market-based solutions to poverty. This organization identifies itself as a social enterprise.

In addition, we can empirically see that not all organizations are affected by the trends nudging sectors toward hybrid models or cross-sector partnerships. One study participant noted that not all businesses are actually following the trend of corporate social responsibility, even if becoming more responsible would positively impact their business in the long run. He explained, “Exxon is showing no sign of wanting to be around in 50 years…they will be out of business and the oil will be gone and that is okay with them. Others, like BP at least, have made motions to say, ‘you know, we’re not an oil company, we’re an energy company and we can get energy many ways.’” If not all organizations within each sector are truly moving in the same direction and following the same trends and if these hybrid organizational forms are upsetting our traditional sector-oriented paradigm, then perhaps this paradigm is flawed. Perhaps instead there is another organizational attribute that drives entities, whether business or nonprofit, toward a more socially-oriented, collaborative mindset.

4. Literature: One alternative unit of analysis.

One study, although it still differentiates partners based on sector, did generate a new unit of analysis: the level and length of engagement between partners. James Austin conceives of
partnership models in terms of relationship development. He created what he calls a “collaboration continuum,” which features three stages of relational evolution. The “philanthropic stage” is most common and consists of a transaction between a charitable donor and a recipient. Partner engagement is low, as the interaction is not deeply important to the organizations’ missions and each side benefits to a small degree (20-1). The next step is the “transactional stage” in which partners interact “through specific activities, such as cause-related marketing, event sponsorships, licensing, and paid service arrangements” (22). Not all partnerships advance to this stage, but when they do, greater relation to organizational operations, and therefore heightened importance to each organization, as well as increased two-way benefit characterizes them. Referring to Timberland’s partnership with City Year, CEO Jeffrey Swartz explained, “we talk to each other about how to advance each other’s agendas. We acknowledge that they are separate…yet there are strategic ways that we can align the outcomes’” (24). The final step in Austin’s continuum is the “integrative stage” in which “the relationship begins to look like a highly integrated joint venture that is central to both organizations’ strategies…and the alliance becomes institutionalized” (26). Essentially integrative stage partnerships are equivalent to Sagawa and Segal’s ‘new value partnerships’ (213), or Kramer and Porters’ concept of ‘shared value.’ Few organizations are involved in partnerships at this level, but those that are, like those performing triple bottom line accounting, are looking at the long-term benefit. Swartz characterizes integrative partnerships by explaining, “Rather than a donation or a resource transfer, the funds and materials provided are considered to be like an equity investment in a partnership” (29). Using an alternative unit of analysis such as partnership engagement and length is useful because it allows researchers to generate indicators of success.
5. A new concept amenable to empirical measures.

While level of partnership and length of engagement offers a useful new way to conceive of and study partnerships, I would like to propose an additional factor. Each partnership consists of two aspects: the relationship between partners, which Austin’s continuum breaks down, and the actual development goal the partners are trying to achieve, something that Austin and other partnership scholars exclude. To more clearly differentiate organizations’ approaches to achieving their goals via cross-sector partnerships, I propose that it is imperative to combine these two aspects into one new unit of analysis, goal orientation, which is more conducive to empirical research and more reflective of actual practice. In addition to the factors identified in the literature, I propose that goal orientation is a critical factor associated with partnership type and with more/less effective partnerships.

An organization’s goal orientation is essentially its approach to solutions-oriented partnerships. In order to determine organizations’ goal orientations (see Table 1), I examined the organizations participating in this study based on two characteristics:

1. Is the organization’s approach to development aspirational or market-based?
2. Is the organization’s level of partnership engagement philanthropic or integrative?

Aspirational development approaches focus primarily on the organization’s target community or communities while market-based approaches center on the organization’s products and services and how developing communities relate to them. In other words, aspirational organizations believe that solutions lie in working closely with the community, while market-based organizations see the solution in the product or service they provide. I determined which organization approached development in each way by examining the language, word choice, and
chosen anecdotes exhibited and included in participant interviews. For example, a participant from an organization deemed aspirational described his work in the following way,

You take a jeep to the end of the road. You get off. You walk for six hours. Okay? And it’s not flat; it’s not paved. And you get to the village. And maybe they have electricity, maybe they don’t. And there is no plumbing, no road. You had to hike there. Nobody can get a car through. And [the community] has this list of things they want to get done.

Another individual that fits in the aspirational category explained the importance of including marginalized groups in partnership discourse, as they are often left out. He spend quite a bit of time throughout the interview listing off nearly every marginalized group he could think of in the community he served, emphasizing the need to take each group seriously and to differentiate them from each other, as they each have different needs. Groups he mentioned included women, young people living with HIV, youth with disabilities, domestic workers, street children, orphans and vulnerable children, and commercial sex workers.

These approaches can be contrasted with those from organizations identified as using market-based development approaches. For example, one participant’s interview focused on the benefits of the specific technology he offered, “Even though it is a business product, it allows whoever is using it to eliminate carbon emissions completely, to bring silence to a project that usually has the din of a generator running 24/7, and it takes advantage of mobile renewable energy. So it’s clean, it’s safe, there’s no toxic waste products.” Another participant articulated the fact that his organization frames its approach to development in terms of business verbiage, “We speak the same language [as business]: here is what the market can bear, here is how we create demand in this market, sector, etc.” He proved his point by mentioning the word ‘market,’ or a variation of it, 24 times in a 45-minute interview.
Levels of engagement were determined based on the explanations of engagement levels in Austin’s research. While many organizations in this study hope to become more fully engaged in partnerships, their assigned level of engagement was based on their current levels, not those they aspire to. One woman whose organization was determined to be philanthropic explained, “I am funded basically by my husband and then I have had fundraisers every year.” Another philanthropic organization’s representative explained his organization’s partnership experience in terms of a grant from a large foundation and continued to base his responses to questions asking about partnership engagement by discussing where the organization’s financial resources come from.

On the other hand, when asked about their partnership experiences, integrative organizations rarely mentioned money but instead highlighted the core competencies that each partner contributed why the organizations worked well together. One integrative organization never mentioned money as a factor in his partnerships. Instead he highlighted partnership activities such as co-selling and co-marketing and exchanges involving office space, technology, graphics, complimentary products, experience, and materials. He talked about his partnerships in terms of offering “integrated solutions” to developing country constituents rather than needing to provide every service himself. Some integrative organizations referenced the concepts of Austin’s continuum, new value partnerships, and shared value. One woman explained, “We are really talking about partners coming together and saying, ‘if we collaborate in a new way that we haven’t before that is less transactional and more strategic, then we have the opportunity to create or open or tap into a [huge] market.”
Because these characteristics truly represent a spectrum of practice, some organizations did not fit clearly within one approach to development or level of engagement. These organizations were determined to be ‘mixed’ in terms of that characteristic.

These characterizations led to quite simple categorizations of the organizations in terms of goal orientation. On one end of the spectrum are “pure” organizations whose approach to development is aspirational and whose level of engagement is philanthropic. In Table 1, these are highlighted in bright yellow, organizations 1-5. On the other end of the spectrum I identify ‘strategic’ organizations. These entities’ approach to development is market-based and their level of engagement is integrative. In Table 1, strategic organizations are highlighted in bright blue, organizations 11-14. Of course, as Table 1 shows, not all organizations fit neatly into these two categories. Organizations that blend these two goal orientations together are “mixed” organizations. They can be aspirational and integrative, market-based and philanthropic, or mixed on both accounts.

Table 1:

<table>
<thead>
<tr>
<th>Organization Code</th>
<th>Approach to Development</th>
<th>Level of Engagement</th>
<th>Goal Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization 1</td>
<td>Aspirational</td>
<td>Philanthropic</td>
<td>Pure</td>
</tr>
<tr>
<td>Organization 2</td>
<td>Aspirational</td>
<td>Philanthropic</td>
<td>Pure</td>
</tr>
<tr>
<td>Organization 3</td>
<td>Aspirational</td>
<td>Philanthropic</td>
<td>Pure</td>
</tr>
<tr>
<td>Organization 4</td>
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<td>Pure</td>
</tr>
<tr>
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<td>Aspirational</td>
<td>Philanthropic</td>
<td>Pure</td>
</tr>
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<td>Mixed</td>
<td>Mixed</td>
</tr>
<tr>
<td>Organization 7</td>
<td>Market-based</td>
<td>Philanthropic</td>
<td>Mixed</td>
</tr>
<tr>
<td>Organization 8</td>
<td>Mixed</td>
<td>Mixed</td>
<td>Mixed</td>
</tr>
<tr>
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<td>Philanthropic</td>
<td>Mixed</td>
</tr>
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<td>Market-based</td>
<td>Philanthropic</td>
<td>Mixed</td>
</tr>
<tr>
<td>Organization 11</td>
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</tr>
<tr>
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<td>Strategic</td>
</tr>
<tr>
<td>Organization 13</td>
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<td>Integrative</td>
<td>Strategic</td>
</tr>
<tr>
<td>Organization 14</td>
<td>Market-based</td>
<td>Integrative</td>
<td>Strategic</td>
</tr>
</tbody>
</table>
Of course, in practice, organizations fit at various points along the continuums of both development approach and level of engagement. Therefore, goal orientation is a continuum as well. The following diagram can be useful in summarizing and visually representing goal orientation as a concept.

Figure 5:

<table>
<thead>
<tr>
<th>Goal Orientation</th>
<th>Mixed</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pure</td>
<td>Aspirational</td>
<td>Market-driven</td>
</tr>
<tr>
<td></td>
<td>Philanthropic</td>
<td>Integrative</td>
</tr>
<tr>
<td>Mixed</td>
<td>Aspirational/Integrative</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Philanthropic/Market-driven</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mixed/Mixed</td>
<td></td>
</tr>
</tbody>
</table>

Determining goal orientation is useful because it allows us to more effectively determine the factors that will make a successful partnership, in other words, to answer Research Question B. Now, we can turn to analyzing organizations' perceptions of success in relation to their goal orientations.

V. Examining Factors Associated with Partnership Success

The next step is to test the concept of goal orientation to see if it is truly associated with cross-sector partnerships for international development. Second, I will analyze whether goal orientation is associated with differences in factors identified as critical to the success of partnerships: organizational characteristics, partnership characteristics, approach to international development, and influence of external factors. The resulting conclusions will indicate how organizations with different goal orientations view success as well as what they perceive as critical factors in attaining successful partnerships. This in turn should help organizations both to determine where to allocate their time and money and to identify effective partners.
A. Defining Success

To begin to answer any question focused on determining success, it is important to determine exactly what ‘success’ means, in this case, in the context of cross-sector partnerships for international development. Unfortunately, there is no easy answer, as within development literature and practice alone there is an abundance of impact assessment tools; the metrics to demonstrate impact are hotly contested and highly variable across different types of development projects. In partnership literature, success is typically defined in terms of the length of partnership and lack of success refers to the partnership falling apart. However, this would imply that partnership success is not correlated with the outcome of the development project itself. Because this is so ambiguous, I chose not to arbitrarily define success and instead asked my interview participants to define it.

1. Literature

While literature addressing success in relation to the achievement of partner goals or a standardized set of metrics is lacking, some literature does at least acknowledge the effect of definitional ambiguity on actually measuring success. One study states, “a persistent challenge in [partnership] research is establishing outcome criteria because they differ for corporate, government, and civil society organizations” (Selsky and Parker 864). Another study noted that generating standardized monitoring and evaluation procedures is crucial to determining success (Rein and Stott 78). If strides toward creating standardized metrics are to be made, academics and practitioners must first agree on a common definition of success.

James Austin’s work determining and defining levels of engagement is a positive contribution to the field. From his work we can recognize that two indicators of success include the degree to which partners are vested in the relationship and the length of the partnership.
Therefore factors critical to success are those related to relationship-building. While relationship-building is important, it is critical to evaluate both relationships between partners and the impacts of their projects (Rein and Stott 86). This suggests the need for additional indicators of success as well as the determination of additional critical factors for success.

2. How goal orientation allows for examining factors associated with success.

For the purposes of this research, I chose to allow the participants to define success in their own terms. This was a useful method because, as one participant explained, “more often than not, no one has drilled down to some type of measurement that everybody agrees is the end game. Because once we get into impact-oriented returns, now what is important to you might be third important to me and might not be on the person to my right’s list of important things at all...everybody’s objectives start to get a bit different.” By allowing each organization to identify its own definition of success, we can focus primarily on the factors that organizations deem important. However, this approach does have its shortcomings. As another participant stated, “what's successful is measured in all sorts of shallow ways and everyone wants to be seen as a success so they formulate a definition that suits them.” Still, asking practitioners how they view success is a useful first step in developing a standardized definition.

3. Practitioners’ definitions of success.

Based on the surveys and interviews in this study, the most common way organizations determine their success is by their impact on community well-being (see Figure 6). Unfortunately, as with all impact measurement literature, none of the organizations agreed on exactly how to measure this. Some have algorithms and produce reports. Others are content to simply know they make a difference, relying on either anecdotal evidence or their own assumptions. Many pure and mixed organizations define success by a win-win for the partners
involved, and often include the community in this definition to create a win-win-win. Long-term sustainability is a factor in success for some organizations. Some strategic organizations, most likely because of their shared value and market-orientation, seek financial returns and/or increased business as a demonstrative impact indicator. While some organizations view scaling out operations as an indicator of success, one organization specifically noted that scale should not be viewed as an indicator of success because sometimes ‘quality is better than quantity.’

Figure 6:

![Figure 6: Definitions of Success](image)

Figure 6 does not include some of the additional indicators that organizations use to determine their success, such as increased exposure for international development issues and cost effectiveness. One pure intermediary cited Malcolm Gladwell’s book, *Outliers*, choosing to define success as “unlikely success,” and explaining that success is “not about outputs, it’s about outcomes.” He went on to explain that his two factors for success are well-being and resilience.
He did reinforce the need for a standardization of success definitions, stating, “we’re just dealing with proxies. We don’t really know what success is since we haven’t defined it.”

**B. Critical Factors**

**1. Methods.**

From these definitions of success, we can see that most partnerships define success primarily in terms of approach to development (impact and sustainability) and partnership exchange (win-win). The next step is to determine which factors are needed (or act as inhibitors) to achieve these outcomes. To answer Research Question B, I asked the study participants the following questions:

- Are there organizations you know of that are particularly effective at cross-sector partnering? What types?
- What factors support and what factors discourage the ability to partner?
- What factors are evident in successful partnerships? Unsuccessful partnerships?
- In your experience, what are the most and least successful models of partnership?

The respondents’ answers fell into the following four categories:

1. **Organizational characteristics.** Responses falling into this category reflected attributes that allow individual organizations to be effective partners. These attributes fall within the control of each organization. To use the analogy of marriage, as honesty, dependability, and faithfulness make husbands and wives good spouses, these same characteristics make organizations good partners.

2. **Emphasis on partnership characteristics.** Factors in this category are associated with the establishment of the relationship, the culture of interaction, and structure of exchange between organizations. Both partners must aim for excellence in these areas
in order for a partnership to be effective. Because of the emphasis on relationship building, factors within this category include those that are very similar to their counterparts in an analogy with a marriage: mutual trust and good communication.

3. Characteristics related to development work. Factors in this category are connected with the partners’ design of the actual project they are collaborating on. This is a function of the process of project planning that both partners engage in together. Factors in this category reflect partners’ attention being on the third-party community or developing country constituent rather on their self-interests, just as parents’ attention must be focused on their children, not on themselves.

4. External factors. This grouping includes factors that are outside the control of the organizations involved in the partnerships but that nonetheless can greatly influence the success of the partnership. In a marriage, this can be correlated to the example of economic pressures causing one spouse to lose his or her job.

By examining responses from participants representing different goal orientations in response to these categories, we can determine which are the most critical factors that influence partnership success. By comparing responses between goal orientation categories, we can learn how organizations with differing goal orientations prioritize factors related to partnership and how they may be able to learn from one another. One of the challenges in analyzing this data is that reported factors for success may be highlighted by organizations either because they have seen this as especially effective or because they see a lack of this factor currently. Also, some organizations may not mention certain factors because they are assumed. Finally, some organizations’ opinions may hold greater sway in the findings than others’, as some participants mentioned multiple factors, while others mentioned perhaps only one or two. In analyzing the
data, I included each response and did not limit organizations’ responses or ask them to prioritize their responses.

2. Organizational characteristics.

Again, organizational characteristics are attributes that allow individual organizations to be effective partners and fall within the control of each organization (see Figure 7). I coded interviews as falling in this category if responses included:

- Pure motives: organizations genuinely desire positive social outcomes and are not driven to partner by money, image, or fashion.
- Plays well with others: partner organizations have experience and knowledge of all sectors involved, a positive view of other sectors involved, and can find common ground with organizations that may be dissimilar in terms of mission or approach.
- Virtuous: in the words of one participant, organizations do not display “dishonesty, deceit, subterfuge, pride, or cardinal sins.”
- Honest financial management: partners demonstrate full accountability with one another and additional stakeholders in terms of managing money.
- Sufficient capacity: partnering entities are old enough, large enough, and have enough capacity to dedicate resources necessary to making partnerships succeed.
- Specific expertise: each organization makes a valuable contribution that other organizations could not effectively and efficiently contribute.
- Recognize they can’t do it alone: each organization is geared toward collaboration, contributing a piece to the puzzle and not attempting to offer a comprehensive solution alone.
- Entrepreneurial culture: each entity possesses a culture of innovation and flexibility.
- Top level support: CEOs and executive directors initiate and/or encourage the partnership.

- Organizational model: organizations are particular about the model of organization they partner with.

Figure 7:

Overall, having pure motives, working well with others, and possessing sufficient capacity to engage in partnerships appear to be critical success factors generalizable across goal orientations. These may be deemed ‘best practices.’ It is interesting that strategic organizations stand so far apart from both pure and mixed organizations in not being able to do it alone, entrepreneurial culture, and organizational model.

Perhaps strategic organizations are more apt, when faced with a multi-faceted problem, to reach out to others while pure and mixed organizations are more inclined to find a comprehensive solution alone. This may have to do with the difference between philanthropic and integrative partnerships, one aspect of goal orientation. For example, because strategic
organizations engage in partnerships that consist of core competency exchanges (see Table 1, p. 41), they may be more likely to reach out and bring additional partners with a particular skill set to address a problem than a pure organization that is philanthropically funded. The one-way flow of money may create an incentive for the implementing agent to simply request more money from the funder rather than bringing in another organization.

Although most of the organizations in the study are led by or still strongly identify with their entrepreneurial founders, only strategic organizations highlighted this as a critical factor. Perhaps this is because both market-driven approaches and shared value are new concepts being emphasized, along with a focus on entrepreneurship and innovation. I would have expected this to be mentioned by more organizations.

Finally, organizational model, though mentioned by a couple pure and mixed organizations, was emphasized by all strategic organizations in this study. This is interesting because the organizations that discussed this factor did not agree on which organizational models were best to partner with. Some cited more traditional models as better partners due to their experience and track records while other organizations cited newer, hybrid models as making the best partners due to their more entrepreneurial mindsets and openness to collaboration.


Partnership characteristics refer to the establishment of the relationship, culture of interaction, and exchange between partner organizations (see Figure 8). Participants cited the following specific partnership building characteristics:

- Viewing each other as equals: the relationship between partners embodies mutual respect of each other’s contributions to society.
• Mutual trust: both organizations trust one another to follow through on their contributions and to embody virtuous behavior.

• Consensus of vision and mission: partners agree on the end goal toward which they are collectively working.

• Good communication: organizations communicate often to update each other on aspects related to the shared project and to inform each other of any issues that may affect the project or relationship between the partners.

• Take time to build relationship: partners do not rush into a project together without first vetting each other, building trust, and defining the purposes of the partnership.

• Establish ground rules: organizations begin the partnership by sitting down together and outlining the rules, roles, and expectations for the relationship.

• Build off each other’s core competencies: each organization contributes what it does well and partners with organizations that offer complimentary products and skills.

• Shared value: partners are highly engaged and each contributes to the other’s core organizational functions.
Overall, good communication, establishment of ground rules, building off core competencies, and shared value can be seen as best practices across goal orientations. Organizations do differ on how formalized ground rules need to be, varying in opinion from desiring a loose agreement to requiring formalized contracts. It is interesting that core competencies and shared value are nearly equally emphasized by all goal orientations because pure organizations are involved in partnerships in which the exchange is typified by philanthropic exchanges. The fact that even pure organizations discussed core competencies and shared value as factors for success supports the trend that partnerships are moving increasingly toward shared value and more engaged exchanges. It is important to note that this study categorized pure and strategic organizations based on the level of engagement of the current
partnerships they are involved in, not the level of engagement they aspire to. This finding demonstrates that pure and mixed organizations do aspire towards more engagement.

It is interesting that pure organizations place more emphasis on all but one of these characteristics than either mixed or strategic. The fact that pure organizations stress viewing each other as equals and that strategic organizations place so much importance on mutual trust is also worthy of note.

The fact that emphasis on partnership characteristics are most commonly cited by pure organizations is likely due to the aspirational and philanthropic nature of pure partnerships. The aspirational quality most likely implies that by nature, individuals employed by pure organizations are more relational since their work is likely to be highly involved with people in the community they serve. On the other hand, those employed by strategic organizations are likely to be more business-oriented thinkers, as their work may tend to focus more on developing technology and engaging in value and supply chains. This assumption is supported by the fact that pure organizations place much more emphasis on taking time to build the relationship. In addition, the philanthropic side of pure organizations requires a greater need for vision-casting to bring partners together compared to strategic organizations who may partner more out of self-interest. This extrapolation is supported by the high number of pure and mixed organizations that emphasized consensus of vision and mission compared to none of the strategic organizations.

Pure organizations may focus on the need to view each other as equals because of the philanthropic nature of their goal orientation. Because their relationships consist of givers and recipients, they may feel that unequal power dynamics are at play. On the other hand, because strategic partnerships operate at the integrative level, they may view their contributions, and thus the power dynamic within the relationship, as more equal. Participants from strategic
organizations may call for the need for mutual trust because their partnership is based more on self-interest and incentive structures.

4. Characteristics related to development work.

Factors in this category are related to the process of project planning that both partners engage in together (see Figure 9). As opposed to focusing on the attributes of one organization or the dynamics between the two partners, this category centers on the relationship between the partners and the third party constituency, the community, that their partnership is designed to help. Participants cited the following specific characteristics related to development work:

- Partners already involved in the community: partnership does not attempt to enter into a new place but rather go deeper into communities in which they are already involved.
- Well-researched solutions: partners think through all aspects of the project, ensuring that it will be an effective solution. Partners also study what does not work in development in order to avoid pitfalls.
- Overcoming developing country politics and corruption: partners recognize country-specific challenges and determine how to overcome them.
- Community dialogue: partnership engages the developing community to identify their own needs rather than bringing in outside solutions.
- Multilateral/integrated solutions: partnership engages more than two partners to create comprehensive solutions that address one aspect of a community’s needs completely.
• Empowering underserved groups as intrinsic to the model: partnership is community-driven and engages all constituencies within a community, especially the most marginalized.

• Market solutions: partnership includes the use of market mechanisms to generate impact in a community.

• Not philanthropy-based: partners’ approach to development recognizes that hand-outs are not effective and instead seeks alternative approaches to achieving impact.

Figure 9:

In regard to characteristics related to development work, all goal orientations agreed that multilateral, integrated solutions and not being philanthropy-based are critical factors, implying that these should be viewed as best practices. It is interesting that so many pure and mixed organizations conveyed not being philanthropy-based as such an important factor for successful partnership projects, as philanthropy is part of what characterizes pure organizations. However, this highlights a key difference between philanthropy as a development model, as Figure 9
expresses, and philanthropy as a level of partnership exchange. Pure organizations may associate philanthropy-based development models with traditional aid and charity, which are widely agreed to be relatively ineffective at solving social issues like poverty, hunger, etc. However, these pure entities are still receiving their own organizational funding primarily from philanthropic donations. This represents a misalignment between the output from and the input into pure organizations, which is worth exploring. Perhaps the trend away from philanthropy-based development will lead more pure organizations to ‘walk the talk’ and move towards more earned income and strategic types of exchanges in relation to their own funding.

Other points worthy of note from the responses related to development work include strategic organizations’ desire to work on partnership projects in communities in which they are already engaged. This is likely because of the integrative level of engagement that typifies the strategic goal orientation. By partnering in communities with existing engagement, they are able to deepen the level of involvement in communities they already work in rather than branching out to new places where they would not benefit as directly.

Pure organizations’ emphasis on community dialogue and empowering underserved groups as intrinsic to the model is also worth noting. Both are likely due to the fact that pure organizations are partially defined by their focus on community engagement. This may be an area that strategic organizations should grow into, as much of development literature cites that market-based solutions to poverty are often ineffective when the projects fail to consult communities to ensure that the solutions will be useful, will not create more problems, and will be lasting.
5. External factors.

This grouping includes factors that are outside the control of the organizations involved in the partnerships but that nonetheless can greatly influence the success of the partnership (see Figure 10). Participants cited the following external factors:

- Timing: organizations wait for the right partners and do not try to rush into partnerships
- Dependent on socioeconomic factors: partners take socioeconomic factors that may influence the partnership, for example, the global recession, into account.
- Ensuring that opportunities exist: organizations partner with purposefully selected partners for a specific objective. They look for a need to fill rather than developing a solution before identifying a need.
The most interesting thing about this characteristic is the low number of organizations emphasizing it overall. My conclusion from this result is that few organizations actually perceive the great importance of paying attention to external factors as having the potential to greatly affect a partnership. Organizations may be so focused on offering solutions to a problem that they forget to ensure that the larger socioeconomic climate is not presenting opportunities, or that perhaps they need to wait in order to have greater success.

6. Factors critical to successful partnerships for development.

While I have explored each critical factor explicitly and in-depth, it is now useful to compare factors with each other to determine which, if any, factors partners view as most important to achieving success (see Figure 11). Critical factors include organizational characteristics, partnership characteristics, characteristics related to how development work is done, and external factors. Overall, partnership characteristics were viewed as the most critical factor for partnership success by all goal orientations. This implies that organizations should spend a large portion of their time and resources on cultivating their relationships with partners. Characteristics related to development work were also viewed as important to ensure that partnerships are successful. Therefore, although development approach is a factor that has been left out of partnership literature, it is nonetheless critical in the success of cross-sector partnerships and should be emphasized more both in research and in practice. Organizational characteristics were important as well, primarily for strategic organizations. In fact, strategic organizations place higher emphasis on organizational characteristics than on how they approach the developing community. As mentioned previously, this may mean that they are not paying enough attention to whether their solutions are actually beneficial to the communities they seek to help. Finally, external factors were mentioned the least, but are nonetheless worth pointing
out, as I believe they have been overlooked by many organizations and have the potential to create extremely negative results when not taken into account.

Figure 11:

VI. Discussion

A. Romanticization of Partnerships

My hope with this academic contribution is to present an unbiased analysis of partnership engagement and success factors that can assist practitioners to craft partnerships that make a positive social impact. In line with this general purpose, I would like to present a brief critique of the field, given the tendency to romanticize cross-sector partnerships as collaborative solutions. We can learn as much from failures as we do from successes, as one study participant noted:

We’re told this works because of that, but we’re never told this doesn’t work because of this. So that disconnect, the goodwill of the Western world to inform locally-owned initiatives and folks has a disconnect of not telling people what didn’t work and why it
didn’t work. That missing component compromises peoples’ efforts and commitment to working and putting into effect what has been promised them. These are the promised practices; implement them. But there is a lack of showing them the other side, right? These are the side effects or downfalls that compromise the whole thing. They come to face those challenges and it doesn’t help.

1. Literature.

While the need for critical literature has been addressed by existing researchers (Selsky and Parker; Rein and Stott), it is typically a side note amongst papers that overwhelmingly praise the promise of the field as a ‘silver bullet’ to solve society’s problems. According to a study on cross-sector partnerships in Africa, “the ‘raw material’ for critical partnership research is not always easy to obtain as ‘the emphasis of much information on cross-sector partnerships has been on positive stories and there are enormous sensitivities about going public and airing differences that may disrupt on-going work or suggest that such connections have ‘failed’ (4)’.

We must remember that a large portion of the business, and even the nonprofit, case for partnership is based in positive public image. Negative reviews of partnerships, even in the academic realm, could threaten the success of the highlighted partnerships. Specifically, this is a drawback of the emphasis on case study data in the field. Aggregate data could remove the problems related to associating partnership failures with specific organizations. At the current moment in partnership development, there is a huge push for more organizations to engage in such partnerships. There may also be a fear that highlighting failures might discourage more organizations from attempting this method of problem solving and thus the field may be rendered ineffective before it is fully tested.
There is also a danger that with only positive reviews, cross-sector partnerships may be seen as the next ‘discovery’ in solving the world’s problems and used indiscriminately. No one mechanism is truly going to solve the problems this world faces. Perhaps they may never all be solved. Clearly, that does not mean we should not attempt to do what we can, but there is a perpetual history of developed-world nations, especially the United States, being sucked into the idea that there is a ‘magic bullet’ that will save the world. In “Is Civil Society Exportable,” Howard Wiarda, Dean Rusk Professor of International Relations at the University of Georgia, walks through the lifecycle of these development trends and how they are often distorted. Focusing on the growth fad of civil society, he explains how development concepts and mechanisms, like civil society, have many positives, but once they gain attention they become politicized and used for adverse purposes. Wiarda examines the policy cycle for past programs that have been subjected to this exploitation: “initial excitement and enthusiasm, followed by politicization and distortion, resulting in disillusionment, disappointment, and eventual petering out” (132). There is a danger, in only considering the positive attributes of cross-sector partnerships, that this mechanism may end up following such past ‘silver bullets’ as “agrarian reform, community development, family planning, basic human needs, sustainable development” (132), and, Wiarda might add, civil society. Critical review is necessary to ensure that partnerships remain grounded and avoid the hype that may make unprepared nonprofits and businesses jump at the glory that partnerships seem to promise. While a wide breadth of literature does address crucial aspects of partnership formation, giving ample opportunity for organizations to prepare, models of failure and examples of unsuccessful project implementation can be valuable contributions to the field.
To illustrate this point, I examined the acclaimed Grameen-Danone partnership. This relationship was designed by the Bangladeshi microfinance institution Grameen Foundation and the French yogurt company Danone. Grameen founder, Muhammad Yunus used this partnership as the ideal example of a zero-profit social business which sold fortified, nutritionally-targeted yogurt to poor, rural Bangladeshi children. The exchange between organizations consisted of Grameen contributing creative social and environmental solutions and Danone providing market research and a business plan. Both organizations have touted this project as a world-saving solution, but problems have been hidden. One of these issues is the very high number of yogurts that salesladies must sell to make a barely-acceptable minimum wage. Another is that while the partnership sought to target the rural poor, the partners must sell yogurt in urban areas to make enough to subsidize the price in rural areas and even then the price point was still too high to allow the target audience, the poorest consumers, to purchase it (Hartigan 11). While disseminating stories like the Grameen-Danone partnership is helpful in terms of encouraging more organizations to consider partnering, leaving out challenges and stories of failure, or ‘worst practices’ can result in hindering the field, hurting well-intentioned partners, and harming communities that need to be helped.

2. Practitioners’ response.

A critical view is not only necessary, but also warranted, according to the practitioners in this study. When asked the question, “what percentage of cross-sector partnerships are completely successful, successful with learning experiences, and complete failures?” seven of the eleven respondents indicated that they did not know or they avoided the question altogether. This response signifies, once again, the lack of understanding and clarity in the field of cross-sector partnerships, particularly regarding impacts.
Many of these participants stated that the field is so young and ill-understood that they did not even have a vague sense of its scope. Of the participants that did respond, those from pure and mixed organizations expressed that the success rate was extremely small. Some likened it to the success rate for entrepreneurial ventures. Strategic organizations seemed less wary and more anticipatory, stating 30% and 60-75% success rates. Of course, as previously discussed, the definitional ambiguity associated with success may affect these results. The same issue likely affects the boundary between ‘learning experience’ and ‘failure.’ There was disagreement among respondents as to whether there were more failures or moderate successes with learning experiences attached. Two of the five suggested a medium number of successes with learning experiences and an extremely high number of failures while the other three expressed a large number of moderate successes and a small amount of failures. A worthy project for future intermediaries or academics may prove to be exploring the impacts of cross-sector partnerships or creating a large collection or database of case study data to allow further knowledge of partnership impact.

The push for increased partnership involvement fails to highlight the fact that with any new project, and especially in a new field, there are bound to be failures. Organizations should acknowledge and prepare for the risks they are taking before they enter into a partnership arrangement. Based on the learning from this study, they should ensure that they have the capacity to take on the level of commitment required, vet their partners, and agree upon the rules, roles, and expectations of the partnership.

To gain additional empirical knowledge from individuals involved in the field, the question “Do you feel like partnerships are needed to address social issues or is it driven by donors, fads, or failures by other sectors of society?” The responses in the study were mixed,
with half of the participants claiming that they were, indeed, needed, while half the participants expressed that the need is being emphasized by donor requirements and that the trend is a fad. Surprisingly, individuals from strategic organizations tended to express the need for partnerships while pure and mixed tended to convey more skepticism.

Participants that expressed skepticism gave a number of reasons to be wary, ranging from fear of other organizations’ motivations to exploitation of the poor to tempering the excitement about how much of the world a partnership really can change. In discussing his fear that people will get involved in trying to alleviate poverty with the wrong intentions, or without a thorough understanding of the communities they will affect, one participant, the founder of a pure organization explained, “I know people who are in it because it's sexy in a certain way, you're making the world a better place, blah blah blah, but they do it for the wrong reasons.” This can have extremely negative consequences, as the founder of a strategic organization explained, “Microfinance is one of the classic marketing to the bottom billion success stories. But if you move it into the 100% for-profit mold...then it just sort of evolves into payday loans. [The bottom of the pyramid is] just too easy to exploit." There may be negative consequences for companies jumping in headfirst as well. An employee at a mixed organization explained that while the growing awareness of the ‘bottom of the pyramid market’ was generally positive, he did communicate his reservations that some companies may become involved in such markets and communities and find that their products or services are not needed or wanted. At least one young strategic organization in the study had not yet recognized tangible benefits from partnerships it has engaged in, although its founder remains positive for future returns on the current investment.
Of the three intermediary individuals, the two of the pure goal orientation tempered the partnership craze by explaining that although good can come from cross-sector partnerships, social movements are where real change is seen. One described that many partnerships were motivated out of donor funding requirements, which created the problem of short-term, inauthentic partnerships. While organizations will collaborate in order to receive funding for their missions and objectives, he said that most do not truly take initiative to create a lasting bond. From his perspective, 90% of current cross-sector partnerships are motivated by money, with the other 10% being motivated by movements, which create much more lasting relationships. The other individual explained that he did not place as much emphasis in his personal learning on cross-sector partnership as he did on studying social movements. He said, “I mean, I see it, but it does not bring about revolutionary change.”

Despite the skepticisms and lack of ‘revolutionary change’ they create, there was complete consensus among all study participants that cross-sector partnerships are, indeed, needed. One expressed hope for increased effectiveness, stating, “I think partnerships are what will really change things…people are becoming more educated about the world as we become more global.” One strategic organization explained that effective organizations “recognize that in order to create systems change, you are not doing it on your own as one organization. You are partnering with the government, you are partnering with other foundations, [nonprofits], businesses.” Finally, from a global socioeconomic perspective, one participant claimed that cross-sector partnerships “are needed because they provide a stable relationship [from the organizational level] to civilization that prevents collapse.”
B. Methodological Challenges and Future Research

Many of the methodological challenges have been previously mentioned, but they bear reinforcing in order to assist other academics in their efforts to clarify and enhance the body of knowledge on cross-sector partnerships. First, this study was designed to cast a wide net and to explore the field. This did pose challenges in terms of compiling literature, as relevant work exists in business and management journals, nonprofit literature, social entrepreneurship white papers, etc. As an exploratory study of a phenomenon that has its basis in practice, not in academic research, sources that informed this study also include websites, wikis, and non-academic studies.

In the future, in developing a research question, scholars should recognize the breadth of the sector and the ambiguities within it. They might consider clarifying any of the aforementioned ambiguities in terms of definitional overlap or standardized measures of success. Initially, this research did seek to address a narrow topic: partnerships between businesses and social entrepreneurs (Austin and Reficco; Kwok). However, before that topic is realistic for research beyond case study examples, partnership literature needs greater clarification, as does the term ‘social entrepreneurship.’ It would be useful to take the advice of one of this study’s participants and separate out the many specific organizational models for which ‘social entrepreneurship’ acts as a catch-all phrase. The challenge in narrowing the research scope down farther is, for example, that a study on partnerships between venture philanthropists and nongovernmental organizations would not have enough literature as a foundation nor would there be enough cases in practice to have solid case study material. Rather, the academic community should seek to clarify each term individually. Then, as more hybrid organizations emerge, as more organizations pursue shared value partnerships, and as more organizations seek
to alleviate poverty through market solutions, we can have enough experience from practitioners to draw conclusions on the more complex overlapping topics such as partnerships. Due to the ambiguity and use of proliferating terms, researchers should develop a thorough list of keywords before beginning a literature review.

In terms of methodological design, nearly all partnership literature thus far relies on case study data (Sagawa and Segal; Rein and Stott; Nelson and Jenkins), a gap this study aimed to fill. Very little quantitative data exists to this point, the reasoning for which is uncertain. Perhaps there are not enough instances of such partnerships to make broad quantitative studies revealing. Another possible reason for this phenomenon could be an inability to identify these partnerships without in-depth analysis of success. Such partnerships are so complex and success depends on so many factors, that researchers could have a bias for wanting to approve of certain examples. A final reason for the availability of case study data rather than statistical data could be that researchers’ goals are to encourage other organizations to engage in cross-sector partnerships. Again, because they are so complex, researchers may perceive that in-depth examples portray these complexities better than statistical overviews. Each partnership is very distinct and has its own goals, success factors, and challenges, which can be highlighted in case studies. For organizations seeking to learn best practices in partnering, case studies provide a way for organizations to examine examples that are closely related to their own organizations and to follow specific practices that similar, successful partnerships have engaged in. Case studies also paint the picture that partnerships can be realistically achieved. Despite the reasons for qualitative data, it would be beneficial for the field to have hard statistical data to lean upon and to support the case for encouraging more of such partnerships.
Future researchers should heed lessons learned from this study. Survey data is extremely challenging to collect from corporations. This exploratory study relied on a purposive sample identified through a variety of professional networks. It should be noted that response rates from individuals within corporations will likely be lower than response rates from other demographic groups. Personal connections do increase the likelihood of response, but prevent the study from having a truly random sample. Academics may conduct better and more useful studies by leaving corporate sampling in related fields up to survey groups like McKinsey or Bridgespan. An additional challenge when surveying businesspeople, and even nonprofit workers in this economic climate, is the need to keep surveys short and concise in order to respect their time. This survey went through six iterations and was distributed twice, as the initial distribution was of a 30-minute survey that resulted in only three total responses. The second distribution utilized a shortened 5-10 minute survey, yet only nine more responses were collected, not all of them relevant to the study itself.

Due to the second low response rate, the surveys’ role in the research changed. Initially, the surveys were meant to help identify businesses involved in highly engaged partnerships. This would then allow for more in-depth interviews with the engaged businesses and their nonprofit partners, which would in turn enable multiple case studies featuring the perspectives of all partners involved in particular relationships. The interviews with organizations of different legal structure could then lead to conclusions regarding how different legal entities perceive the same partnership. However, the low business response rate caused the surveys to function as a means to identify businesses to take part in the interview portion. For this reason, the actual survey results are not included in this paper but were used as background information to develop the interviews.
Measuring success is another methodological challenge that needs to be addressed. Because of the variation, as one participant articulated, of organizational cultures, principles, products, and models, there is no standard definition or conceptualization of success. As this research has demonstrated, organizations’ goal orientations color their perception and even definition of success. As another participant denoted, every organization wants to see itself as successful and therefore creates its own definition of success to project its image as such. There is a great need for research in standardizing success metrics in international development, socially-minded work in general, as well as in partnerships. This has been accomplished somewhat successfully in the field of microfinance in terms of the metric of loan repayment rates. Such a metric allows comparison across microfinance institutions and acts as a bridge to communicate the effectiveness of hybrid organizations to people and organizations that are not familiar with the concept. However, even microfinance institutions struggle to collectively identify standardized metrics of social impact. For future research on any topic related to those discussed in this study, if no externally-defined measurement of success has been defined, I suggest to create a definition of success for your study in order to be able to accurately compare across the organizations you research.

Additional personal lessons learned from this research include identifying independent and dependent variables, writing a literature review, structuring online surveys with two survey tools, creating survey protocols, managing large amounts of raw data, and effectively communicating said data visually. This study has been a challenge in terms of mentally managing multiple levels of complexity.
Additional areas of future research:

- Verifying conclusions this study draws in relation to goal orientation by utilizing a larger sample size and by asking organizations to prioritize the success factors this study identified.
- Exploring the role and complexities of religion in relation to business and nonprofit partnerships and international development.
- Documenting cross-sector partnerships of mid-sized businesses
- Compiling additional case study data on partnerships aimed at the international development realm.
- Comparing partnerships that engage Western organizations in international development issues versus those that feature local businesses and nongovernmental organizations.

VII. Conclusion

A. Findings

1. Factors associated with partnership engagement.

To address Research Question A, what factors are associated with engagement in cross-sector partnerships to address international development, I examined both literature and interviews with practitioners to determine factors associated with three different levels of partnership engagement. Factors shown to enable partnerships included trends in pushing both business and nonprofit sectors toward both hybrid organizational models and increased partnership engagement and organizational characteristics of age, size, and capacity and scope. The findings for sectoral trends were reflected in both the literature and interviews. While the literature and practitioner responses reflected that there is a threshold of age, size, and capacity
that acts as an enabler to partnering, the data reflecting the characteristics and actual engagement of my sample showed that there is not necessarily a correlation, as small, young organizations are involved in partnerships. The opposite was found in terms of scope, as the literature did not reference this as an enabling factor, nor did practitioners note it. However analysis of my sample’s characteristics demonstrated that there is a correlation between the number of countries an organization operates in and its engagement in partnerships. The alignment of literature and practitioner responses may be due to practitioners studying and internalizing the literature, then repeating it back in the interviews, but the diversity of respondents makes this unlikely.

Factors determining the exchange have been largely framed in terms of sectoral contributions. This study proposed that perhaps the blending of the sectors is leading to the need for additional units of analysis, as organizational missions and means of accomplishing those missions are becoming increasingly blurred.

Factors differentiating the approach to achieving project goals were found to be lacking in existing literature, and when mentioned, were categorized in terms of sector-based approaches. Existing literature was also focused primarily on the relationship between partners, excluding mention of the relationship the partners have with the developing community or communities they are designed to assist. I argue that the sector-oriented paradigm of examining partnership engagement may be flawed and seek to assert the importance of maintaining emphasis on how the partners relate to the communities within which they work.

Based on the work of James Austin, I proposed an additional unit of analysis: goal orientation. This concept is useful as it is amenable to empirical measures and can assist in determining factors associated with success from a non-sectoral analytical viewpoint. Goal orientation was proposed to be a continuum (as opposed to legal status, which is fixed) from pure
to strategic. Organizations were assigned goal orientations based on two additional continuums: their levels of engagement, philanthropic to integrative, generated from Austin’s work, and their approaches to development, aspirational to market-based. Organizations falling in the middle of the goal orientation continuum were identified as mixed organizations.

2. Factors associated with partnership success.

To address Research Question B, what factors are associated with perceptions of more/less success in such partnerships, I first had to determine with which definition I was working. Because of the ambiguity in existing literature and the lack of standardized definitions in practice, I chose to define success based on partners’ own perceptions. Their definitions primarily centered on impact, although they did not agree on metrics or even the need for metrics; a win-win relationship, something that is also ambiguous because we cannot standardize what each organization views as a ‘win;’ and sustainability. These definitions reflect the two aspects of goal orientation: partnership engagement and approach to development.

a. Best practices.

Figure 12 illustrates what this study determined to be best practices spanning organizations of all goal orientations.

Figure 12: Best Practices

<table>
<thead>
<tr>
<th>Organizational Characteristics</th>
<th>Partnership Characteristics</th>
<th>Characteristics Related to Development Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pure motives</td>
<td>Good communication</td>
<td>Multilateral, integrated solutions</td>
</tr>
<tr>
<td>Working well with others</td>
<td>Establishment of ground rules</td>
<td>Not philanthropy-based</td>
</tr>
<tr>
<td>Sufficient capacity</td>
<td>Core competencies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shared value</td>
<td></td>
</tr>
</tbody>
</table>
b. Factors particular to specific goal orientations.

Some factors were highlighted by one or another goal orientation specifically. Organizations should examine the factors emphasized by their goal orientation to ensure that these factors are evident in their partners and their partnerships and are receiving their time and money. Organizations should also observe the factors emphasized by other goal orientations to engage in cross-orientation learning. Perhaps one or the other goal orientation is currently missing factors that are actually critical to their success as well.

Figure 13: Specific Goal Orientation Factors

<table>
<thead>
<tr>
<th>Pure Organizations</th>
<th>Strategic Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship-building</td>
<td>Recognize that they can't do it alone</td>
</tr>
<tr>
<td>View each other as equals</td>
<td>Entrepreneurial culture</td>
</tr>
<tr>
<td>Consensus of vision and mission</td>
<td>Organizational model</td>
</tr>
<tr>
<td>Time to build relationship</td>
<td>Mutual trust</td>
</tr>
<tr>
<td>Community dialogue (strategic organizations should seek to include this in their list of factors for success)</td>
<td>Already involved in community</td>
</tr>
<tr>
<td>Empowering underserved groups as intrinsic (strategic organizations should seek to include this in their list of factors for success)</td>
<td></td>
</tr>
</tbody>
</table>

c. Learning regarding goal orientations.

Examining factors associated with success within the framework of goal orientation resulted in the discovery of additional characteristics correlated with goal orientation.
Figure 14: Characteristics Correlated with Goal Orientation

<table>
<thead>
<tr>
<th>Pure</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclined to find a comprehensive solution alone</td>
<td>Apt to reach out to additional partners</td>
</tr>
<tr>
<td>Perceive unequal power dynamics</td>
<td>Perceive equal power dynamics</td>
</tr>
<tr>
<td>Relational, focused on community</td>
<td>Concerned with self-interest, focused on incentive structures</td>
</tr>
<tr>
<td>Lack of alignment between approach to development and own funding</td>
<td>Alignment between approach to development and own funding</td>
</tr>
<tr>
<td>Unconcerned regarding traditional or blended organizational models</td>
<td>Disagreement regarding whether traditional or blended organizational models are best</td>
</tr>
<tr>
<td>Aspire to greater levels of partnership engagement</td>
<td>Content with current (high) levels of partnership engagement</td>
</tr>
<tr>
<td>Lack of attention paid to external factors (spans all goal orientations)</td>
<td></td>
</tr>
</tbody>
</table>

B. Concluding Statements

Cross-sector partnership and related fields are relatively new and rapidly changing. Unfortunately, much of the existing literature does not reflect this evolving reality in the field, relying on a paradigm founded in legal status, a factor growing increasingly irrelevant. In addition, the literature focuses primarily on partnership interactions rather than on the achievement of the partners’ initial purposes of achieving international development goals when examining success factors. This does not line up with practice either, as organizations involved in partnership express their definitions of success as including both partnership and development-oriented attributes. The contribution of this work addresses both factors related to partnership engagement and those correlated with success. It reconceptualizes partnerships in terms of goal orientation, rather than legal status, emphasizing the importance of both partnership engagement and community impact. It also examines this new organizational categorization in relation to success factors, finding that practitioners do indeed highlight their effect on developing communities as a critical factor when assessing the success of their partnerships. In order to escape the romanticization of partnerships, to gain credibility for the field, and to enable more effective development-oriented partnerships, it is critical to continue to...
explore this area, particularly in terms of defining terms and standardizing impact measurement tools.
VIII. Appendices

A. Glossary

Bottom of the pyramid: A classification of the billions of people on the planet whose needs have not been served by traditional products and markets (Prahalad).

Businesses: Organizations legally classified as for-profit organizations operating in the United States.

Corporate social responsibility: Practices that improve the workplace and benefit society, that go beyond what companies are legally required to do (Vogel 2).

Cross-sector partnership: Partnerships between organizations from multiple organizational types.

Hybrid: A classification of organizational types that do not fit neatly within a traditional sectoral distinction (for-profit, nonprofit). Also known as blended value or fourth sector organizations, examples include but are not limited to: common good corporations, cooperatives, new profit companies, non-profit enterprises, social businesses, sustainable enterprises, and cross-sector partnerships (Sabeti 3).

Intermediary: Individuals and organizations who either facilitate the creation of cross-sector partnerships with development goals or have years of experience in the field.

Nonprofits: Organizations legally classified as not-for-profit organizations.

Shared value: A business principle “which involves creating economic value in a way that also creates value for society by addressing its needs and challenges,” reconnecting company success with social progress (Porter and Kramer).
Social business: A hybrid organizational model which is “designed and operated as a business enterprise, with products, services, customers, markets, expenses, and revenues—but with the profit-maximization principle replaced by the social-benefit principle” (Yunus 23).

Social entrepreneurship: A hybrid organizational model, the definition of which is disputed among academics and practitioners. One commonly-cited definition is “it combines the passion of a social mission with an image of business-like discipline, innovation, and determination” (Dees 1).

Strategic corporate social responsibility: Corporate social responsibility that benefits the core operations of the business rather than simply the corporate image (Werther and Chandler 42).

Storming: The second of the four stages in Bruce Tuckman’s Group Development Model. It refers to the time in which different concepts are being put on the table for discussion. Similar to brainstorming, a multitude of ideas are presented and considered, but no solid conclusions are drawn at this stage. Debates and conflict are common, as each member lobbies for the inclusion his or her own personal perspective. Storming is relevant to these fields, as many constituents are lobbying for different definitions, frameworks, and even terminology to refer to issues within the topic areas. My own use of Tuckman’s model in reference to these issues is specifically derived from Dr. Bernard Amadei’s use of the term ‘storming’ in relation to the field of social entrepreneurship research.
B. Survey #1

Cross-Sector Partnerships

Welcome! You are receiving this survey about your business's corporate social responsibility practices because of your relationship either with the Leeds School of Business or CXO. Drawing on your knowledge and prior experiences, your answers will assist in exploring how cross sector partnerships impact development goals. The survey should take approximately 30 minutes to complete. The progress bar will help you keep track of how far along you are. If for any reason you need to stop and come back later, feel free to do so. You can withdraw at any time. By signing your name and the date, you are verifying that you are volunteering to be part of this study and have read the consent form. At the end of the survey, you can elect to receive a report of the findings of this research. I will be happy to share my work. Thank you so much for participating!

I consent
I do not consent

Signed,
Name (First and Last)
Date (MM/DD/YYYY)

Please answer some basic questions to get started.

The business with which I am affiliated (my business) is a
Public for-profit company
Private for-profit company
Other ____________________

My business is part of the following sector

My business operates
Only in the U.S.
Internationally, in developed countries
Internationally, in developing countries

My business employs
Less than 10 people
Less than 100 people
100-500 people
More than 500 people
The following questions ask you to describe your business's corporate social responsibility (CSR) practices. For the purposes of this survey, consider CSR as David Vogel defines it in his book *Market for Virtue*: practices that improve the workplace and benefit society, that go above and beyond what companies are legally required to do.

What percent of your business's budget is spent on CSR?
If What percent of your business... Is Equal to 0, Then Skip To Why do you not engage in CSR?

Comments:

Please rank the top three reasons your business engages in CSR.

- ______ Company values
- ______ Competitive advantage
- ______ Avoiding competitive disadvantage
- ______ Staff recruitment and retention
- ______ Corporate image and reputation
- ______ Selling products
- ______ Brand building
- ______ Investor relations
- ______ Cost management
- ______ Government pressure
- ______ Mission-oriented company
- ______ Stakeholder pressure
- ______ Tax relief
- ______ Other
What are the top three issues of special importance in your business’s CSR allocations?

Access to credit
Arts
Children and youth
Community and social services
Disabilities
Education
Employment
Energy
Environment
Health and disease
Homelessness
Immigration
Peace and conflict
Poverty and hunger
Race or ethnicity
Recovery, addiction, and abuse
Religion
Seniors
Wildlife
Women
No Theme
Other ____________________

Geographically, where does your business focus its CSR spending?

U.S.
Internationally, in developed countries
Internationally, in developing countries
Other/Comment ____________________

What percentage of your CSR budget is allocated to developing countries? For the purposes of this survey, please consider a developing country as any of the World Bank low-income and middle-income economies. The list of such can be found by clicking here.

Comments:
The following questions ask about your philanthropic and strategic CSR. According to Porter and Kramer, in the Harvard Business Review, there is a distinction between the two types: Philanthropic CSR includes corporate donations or CSR "used as a form of public relations or advertising, promoting a company's image through high-profile sponsorships. "Strategic CSR is "when corporations use their charitable efforts to improve their competitive context--the quality of the business environment in the locations where they operate. Using philanthropy to enhance competitive context aligns social and economic goals and improves a company's long-term business prospects."

What percentage of your CSR do you see as philanthropic?

What percentage of your CSR do you see as strategic?

If Choice - Strategic CSR is essentially the integration of your business's CSR practices into its larger strate...: Linked Text Entry, Is Equal to 0 Then Skip To Why do you not engage in strategic CSR?

Comments:

What percentage of your strategic CSR focuses on developing countries (as previously defined)?

Comments:

What percentage of your strategic CSR is achieved through partnerships with governments, non-profits/non-governmental organizations, or inter-governmental organizations?

If What percentage of your str... Is Equal to 0, Then Skip To What is inhibiting you from engaging ...

How often do you engage in partnerships with the following types of organizations to accomplish your strategic CSR objectives in developing countries?

_____ Governments
_____ Non-Profits/Non-governmental Organizations
_____ Inter-governmental Organizations
_____ Other for-profit companies
The following questions ask about your motivations and the models you have used for pursuing strategic CSR partnerships. In answering these questions, please consider success to be the long-term alleviation of the problem the partnership was designed to solve.

What does your business hope to gain by participating in strategic CSR partnerships in developing countries? Please rank the top three priorities.

- A good reputation
- Better relationships with other organizations
- A more environmentally sustainable company
- Organizational learning
- Entry into new consumer markets
- A deeper or more diverse supply chain
- New ideas and innovations (R&D and technology)
- A more extensive distribution system
- New talent and development of human capital
- Better infrastructure
- Access to natural resources
- Other

What partners have you engaged with in terms of strategic CSR partnerships for development? Please rank the degree of success of each type of partnership on a scale from 1-5, 1 being unsuccessful and 5 being successful. If you have not partnered with a certain type of organization, type 0.

- Government
- Non-governmental organization/Non-profit
- Both Government and Non-governmental/Non-profit
- Social entrepreneurs (According to Bill Drayton, social entrepreneurs find what is not working and solve the problem by changing the system, spreading the solution, and persuading entire societies to take new leaps. Social entrepreneurs act as the change agents for society, seizing opportunities others miss and improving systems, inventing new approaches, and creating solutions to change society for the better.)
- Other

How did you determine the level of success?
How did your organization contribute to these strategic partnerships? Please choose the top three most successful ways you contributed.

- Financing/venture capital
- Knowledge and expertise
- Employee volunteers
- In-kind donations
- Access/connections to your networks
- Distribution channels
- Communication networks
- Technology
- Research and design
- Efficiency
- Brand
- Other ____________________

Comments:

Which of the following methods have your partnerships used to combat problems in the developing world? Please rank the degree of success of each model on a scale from 1-5, 1 being unsuccessful and 5 being successful. If you have not used a method, type 0.

_____ Poor as consumer (ex: selling agricultural technology to rural farmers to increase their yields, etc)
_____ Poor as producer (ex: co-op of artisans creating baskets to export to U.S., etc)
_____ Poor as employee (ex: promotoras distributing nutritionally-enhanced yoghurt to malnourished families, etc)
_____ Poor as recipient of donation (ex: providing vaccinations free of charge in slum communities, etc)
_____ Microfinance/Access to credit or savings
_____ Encouraging or investing in social entrepreneurship
_____ Using technology to empower the poor
_____ Other

How did you determine the level of success?

What factors are most likely to lead to success? Which are most likely to lead to failure?
The following questions ask about the future of strategic CSR partnerships.

In the future, will you engage in more or less strategic partnerships for development?
- Definitely will not
- Probably will not
- Don’t know
- Probably will
- Definitely will

Why?

In your opinion, how likely are organizations like yours to engage in such partnerships in the future? Is this a growing trend?
- Very Unlikely
- Unlikely
- Undecided
- Likely
- Very Likely

Why?

Have any third party institutions or organizations been helpful to your efforts to establish successful strategic partnerships for development?

In your opinion, how important are these "bridging" institutions or organizations to the success of such partnerships?
- Not at all Important
- Very Unimportant
- Neither Important nor Unimportant
- Very Important
- Extremely Important

In your opinion, how could these partnerships be better facilitated?
If How could these partnership... Is Not Empty, Then Skip To Please fill in the following fields:
Questions for organizations who were filtered out through previous questions:

Why do you not engage in CSR?

How likely are you to engage in CSR in the future?
  Very Unlikely
  Unlikely
  Undecided
  Likely
  Very Likely

If Very Unlikely Is Selected, Then Skip To Please fill in the following fields: If Unlikely Is Selected, Then Skip To Please fill in the following fields: If Undecided Is Selected, Then Skip To Please fill in the following fields: If Likely Is Selected, Then Skip To Please fill in the following fields: If Very Likely Is Selected, Then Skip To Please fill in the following fields:

Why do you not allocate part of your CSR spending to developing countries?

In the future, how likely are you to allocate some of your CSR spending to developing countries?
  Very Unlikely
  Unlikely
  Undecided
  Likely
  Very Likely

If Very Unlikely Is Selected, Then Skip To Please fill in the following fields: If Unlikely Is Selected, Then Skip To Please fill in the following fields: If Undecided Is Selected, Then Skip To Please fill in the following fields: If Likely Is Selected, Then Skip To Please fill in the following fields: If Very Likely Is Selected, Then Skip To Please fill in the following fields:

Why do you not engage in strategic CSR?

How likely are you to engage in strategic CSR (CSR which benefits your core business practices) in the future?
  Very Unlikely
  Unlikely
  Undecided
  Likely
  Very Likely

If Very Unlikely Is Selected, Then Skip To Please fill in the following fields: If Unlikely Is Selected, Then Skip To Please fill in the following fields: If Undecided Is Selected, Then Skip To Please fill in the following fields: If Likely Is Selected, Then Skip To Please fill in the following fields: If Very Likely Is Selected, Then Skip To Please fill in the following fields:
What is inhibiting you from engaging in partnerships with other types of organizations?

In the future, how likely are you to engage in partnerships with other types of organizations in developing countries?
   Very Unlikely
   Unlikely
   Undecided
   Likely
   Very Likely

Please fill in the following fields:
   Business I represent
   My role in the business
   Email
   Mailing address (for a token of appreciation for taking this survey)

I would like to
   Discuss new value partnerships in greater detail
   Receive a report on the findings from this study
C. Survey #2

Partnerships Final

Welcome! You are receiving this survey about your business's corporate social responsibility practices because of your relationship with one of our mutual acquaintances. The survey should take approximately 5 minutes to complete. The progress bar will help you keep track of how far along you are. Your answers will assist in exploring how cross sector partnerships impact international development goals, the subject of my senior honors thesis. Please sign below after reading the consent form. At the end of the survey, you can elect to receive a report of the findings of this research. I will be happy to share my work. To show my appreciation, you will receive a free package of gourmet beef jerky from the Jerky of the Month Club.

Thank you so much for participating in my thesis research,
Sincerely,
Jenny Spencer
University of Colorado
International Affairs

I consent
I do not consent

Signed,
 Name (First and Last)
 Date (MM/DD/YYYY)
 Email

My mailing address (to receive a free package of gourmet jerky from the Jerky of the Month Club as a token of appreciation for taking this survey)
 Address
 Address 2
 City
 State
 Zip Code

Please fill in the following fields:
 Business I represent
 My role in the business
The business with which I am affiliated (my business) is a... (choose one)
- Public for-profit company
- Private for-profit company
- Other ____________________

My business is part of the following sector

My business operates... (check all that apply)
- Only in the U.S.
- Internationally, in developed countries
- Internationally, in developing countries

My business employs... (choose one)
- Less than 10 people
- Less than 100 people
- 100-500 people
- More than 500 people

Please provide a rough estimate regarding how much of your business's budget is spent on corporate social responsibility (CSR). I am using David Vogel's basic definition of CSR: practices that improve the workplace and benefit society, that go above and beyond what companies are legally required to do.

If What percent of your busine... Is Equal to 0, Then Skip To Why do you not engage in CSR?

Approximately what percentage of your CSR do you see as:
- ______ Philanthropic (donating to a non-profit organization or cause)
- ______ Strategic (creating mutual value for both the non-profit and the business itself)

If Strategic Is Equal to 0, Then Skip To Why do you not engage in strategic CSR?

Approximately what percentage of your strategic CSR has impacts in developing countries? Consider a developing country as any of the World Bank low-income and middle-income economies. If needed, the list of such can be found by clicking here.

If Approximately what percenta... Is Equal to 0, Then Skip To Why do you not allocate part of your ...

Please roughly estimate the percentage of your strategic CSR that is achieved through partnerships with governments, non-profits/non-governmental organizations, or inter-governmental organizations.

If What percentage of your str... Is Equal to 0, Then Skip To What is inhibiting you from engaging ...
The following questions refer to your strategic CSR partnerships.

What does your business hope to gain by participating in strategic CSR partnerships that impact developing countries? Please rank the top three priorities (1-3).

- _____ A good reputation
- _____ Better relationships with other organizations
- _____ A more environmentally sustainable company
- _____ Organizational learning
- _____ Entry into new consumer markets
- _____ A deeper or more diverse supply chain
- _____ New ideas and innovations (R&D and technology)
- _____ A more extensive distribution system
- _____ New talent and development of human capital
- _____ Better infrastructure
- _____ Access to natural resources
- _____ Other

How did your organization contribute to these strategic partnerships? Please choose the top three most successful ways you contributed.

- _____ Financing/venture capital
- _____ Knowledge and expertise
- _____ Employee volunteers
- _____ In-kind donations
- _____ Access/connections to your networks
- _____ Distribution channels
- _____ Communication networks
- _____ Technology
- _____ Research and design
- _____ Efficiency
- _____ Brand
- _____ Other

Comments:
The following questions ask about the success of partnerships with which you have been involved. Consider success to be the long-term alleviation of the problem the partnership was designed to solve.

If you have engaged in strategic CSR partnerships that impact international development, which of the following have been your partners? Please rank the degree of success of each type of partnership on a scale from 1-5, 1 being unsuccessful and 5 being successful. If you have not partnered with a certain type of organization, type 0.

- Government
- Non-governmental organization/Non-profit
- Both Government and Non-governmental/Non-profit
- Social Entrepreneurs/Social Ventures (For profit or non-profit businesses that have a social purpose and seek innovative solutions to social and environmental problems)
- Other

Which of the following methods have your partnerships used to combat problems in the developing world? Please rank the degree of success of each model on a scale from 1-5, 1 being unsuccessful and 5 being successful. If you have not used a method, type 0.

- Poor as consumer (ex: selling agricultural technology to rural farmers to increase their yields)
- Poor as producer (ex: purchasing from or empowering a coop of artisans)
- Poor as employee (ex: hiring women to distribute nutritionally-enhanced yogurt to malnourished families)
- Poor as social entrepreneur (ex: investing in or supporting socially-oriented businesses)
- Poor as recipient of donation (ex: providing vaccinations free of charge in slum communities)
- Poor as recipient of financial services (ex: providing credit or access to savings)
- Poor as recipient of technology (ex: empowerment through mobile phones)
- Other

How do you determine whether the projects your partnerships engage in are successful?

In general, which factors are most likely to lead to successful projects in strategic partnerships in the international development arena?

In general, which factors act as barriers to successful projects?
Questions for organizations who were filtered out through previous questions:

<table>
<thead>
<tr>
<th>Question</th>
<th>Text Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Why do you not engage in CSR?</td>
<td>Confirm if displayed, then skip to I would like to discuss new value partnerships in greater detail to add to the depth of this research.</td>
</tr>
<tr>
<td>Why do you not allocate part of your CSR spending to developing countries?</td>
<td>Confirm if displayed, then skip to I would like to discuss new value partnerships in greater detail to add to the depth of this research.</td>
</tr>
<tr>
<td>Why do you not engage in strategic CSR?</td>
<td>Confirm if displayed, then skip to I would like to discuss new value partnerships in greater detail to add to the depth of this research.</td>
</tr>
</tbody>
</table>

I would like to discuss new value partnerships in greater detail to add to the depth of this research. Receive a report on the findings from this study.
D. Interview Protocol

1. Questions for all interview participants.

Can you please describe your partnership experiences?

Are there organizations you know of that are particularly effective at cross-sectoral partnering? What types?

What factors support and what discourage the ability to partner?

How do you define a successful partnership?

What factors are evident in successful partnerships? Unsuccessful partnerships?

Do you feel like partnerships are needed to address social issues or are they driven by donors/fads/failures by other sectors of society?

What does an organization like yours contribute in a cross-sectoral partnership?

What does an organization like yours desire out of a cross-sectoral partnership?

Generally, do organizations like yours have a few very engaged or many less engaged partnerships? What balance is optimal? How often do organizations like yours engage in each philanthropic, transactional, and integrated partnerships?

In your experience, what are the most and least successful models of partnership?

Are there other partnership concerns I’ve overlooked?

2. Questions for businesses only.

Are there inherent business incentives to become involved in partnerships?

Under what conditions is it financially viable for most companies to target bottom-of-the-pyramid markets?
IX. Works Cited


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Research on Social Entrepreneurship: Understanding and Contributing to an Emerging


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