



Corporate-NGO
Partnerships Barometer
2015

Consortia-based partnerships:
A new paradigm?



Headline Findings

Why Corporates & NGOs partner with each other

For NGOs, cash remains king, but innovation and access to contacts become more important. For corporates, reputation and credibility reign supreme

Corporates and NGOs have differing reasons for wishing to partner – though some overlap.

For businesses:

Enhancing brand or corporate reputation and credibility remains the primary motive engaging in partnerships with NGOs. This factor not only strengthened as a driver this year (at 96%, up 4% on last year), but the gap between reputation and other factors has increased markedly, as all other factors showed a downward trend compared to last year. The falls for 'innovation' (down 14% year on year) and 'effectiveness' (down 17% year on year) as motivating factors for business partnering with NGOs are particularly striking.

For NGOs:

By contrast, NGOs remain primarily interested in the opportunity to **access funds**, with 98% of NGO respondents listing resource generation as the lead reason for partnering.

However, **access to people and contacts, and innovation** are now also key considerations, continuing a trend first noted in the 2013 Barometer. 83% of NGO respondents cite 'access to people and contacts' (up 10% on last year) and 73% of NGO respondents (up 5% year on year, and up 21% on 2013), reflecting the growing importance that NGOs now place on the value of non-financial engagement with business as 'the mission' takes centre stage in the partnering process.

Strategic partnerships

The move towards higher value partnerships continues

Since its inception six years ago, the Barometer series has shown a significant **overall shift towards strategic partnerships**. This trend has continued to 2015 with more corporate and NGO respondents classifying over half (55%) of their cross-sector partnerships as 'strategic' (as opposed to transactional or tactical). We also identified continuing confidence that **strategic partnerships are meeting their objectives**.

But significant differences remain between the sectors; 40% of NGO respondents classify more than half their partnerships as 'strategic', compared with 71% of corporate respondents. The findings seem to indicate that the **corporate sector remains ahead of NGOs** in understanding the strategic importance and overall position of partnerships in yielding value for stakeholders.

The value partners bring to each other

An improving understanding of the potential role that business assets (beyond cash) can play in NGO mission delivery.

Notwithstanding the previous point, it is striking that many more NGOs are recognising that non-financial support from companies can play a major part in helping NGOs in their mission-delivery ambitions. This year 60% of NGO respondents agreed with the statement: “by effectively harnessing our corporate partners’ competences and non-cash assets my NGO can make much more of an impact on our mission delivery objectives than through cash-based relationships”. This represents a year on year increase of 12%. Indeed, in 2012 only 20% of NGO respondents agreed with the above statement (34% in 2013), so over a period of 4 years there appears to have been a **sea change in the way in which most NGOs view the role that partnerships can play in helping NGOs to deliver their mission**. Corporates, on the other hand have remained consistent in their perception of the value inherent in leveraging their competencies and non-financial assets.

Corporate-NGO partnerships are really moving the dial for businesses

An overwhelming majority (92%) of corporate respondents state that corporate-NGO partnerships have improved business understanding of social and environmental issues. Perhaps more importantly, this enhanced understanding appears to be translating into positive changes in business conduct. Most respondents from the corporate sector (65%) state that their **key NGO partnerships have helped their companies to change their practices for the better** (a 6% increase on the prior year – and 21% uplift on 2013). Cross-sector partnering clearly matters to business.

Consortia based partnerships – a new paradigm?

Bi-lateral partnerships have been the most common model for collaboration, but it appears that organisations are increasingly coming together as multiple parties to address common issues as formal consortia. As our focus topic for this year, the 2015 Barometer took a first look at consortia partnering between corporates and NGOs.

Firstly, we found that **many organisations are already engaging in Corporate-NGO consortia**. Nearly two-thirds (63%) of respondents state that their organisations are currently involved in such partnerships, with more companies (67%) than NGOs (58%) engaged in such partnerships.

A strong majority of **practitioners anticipate a growth in corporate-NGO consortia partnerships over the coming years**. Nearly two-thirds of corporate respondents (63%) and exactly three quarters of NGO respondents expect to see more cross-sector consortium partnerships over the next three years. And more NGOs (75%) anticipate growth in the model of cross-sector partnering than do corporates (63%), although the weight of corporate projection for this type of partnering is nearly two-thirds (and more companies appear to be currently operating this model of partnering than are NGOs).

Combined scale and reach, added value, and the additional know-how of actors in consortia will be key factors in driving the growth of consortium partnering. Conversely, the complexity, probable slower pace, and challenges of building trust amongst multiple parties may act as drags on the anticipated growth of such partnerships.



The stars – the most admired corporate-NGO partnerships and partners

M&S-Oxfam and Boots-Macmillan again vie for top place – and a consortium partnership enters the top three for the first time.

For a remarkable sixth year in a row, the partnership between M&S and Oxfam was voted the Most Admired Corporate-NGO Partnership by practitioners. The Boots-Macmillan partnership consolidated second place in the Most Admired Partnership standings. Notably, a consortium partnership appeared amongst the top three for the first time: a new entrant on the corporate-NGO partnership scene, the Tesco/ Diabetes UK/ British Heart Foundation consortium. This multi-lateral collaboration was launched in early 2015 and sees Tesco, Diabetes UK and the British Heart Foundation working together to help prevent Type 2 diabetes and heart disease.

These partnerships stood out for their clarity of purpose, creativity, scale of impact, and for innovation

Future prospects for Corporate-NGO partnering

Partnerships will become more important over the next three years. Investments set to grow.

For the sixth year in a row, sentiment about the **mid-term prospects for corporate-NGO partnering remains very positive. 87% of respondents state that partnerships will become more or much more important** over the next three years. Again, not a single respondent anticipates a decline in importance for partnerships.

Pressure on businesses to demonstrate societal consideration (85%), and desire by companies and NGOs to leverage each other's assets (80%), are the key drivers behind this likely growth.

Investment (of time, commitment and resources) in corporate-NGO partnering is set to grow over the next three years, with 57% of business and 86% of NGO respondents expecting their investment in cross-sector partnerships to either increase or increase significantly over the next three years.

We therefore conclude that the medium term prospect for the future of corporate-NGO partnering remains bright.

Concluding points

This sixth edition of our annual C&E Corporate-NGO Partnerships Barometer has found cross-sector partnerships continuing strongly on the path to maturity. We have noted many valuable developments.

As predicted by practitioners in prior year forecasts, cross-sector partnerships do indeed appear to have become more important to companies and NGOs. Whilst reputation & credibility remain the leading motive for companies, partnerships with NGOs are increasingly a part of the core business agenda; they improve business understanding of social and environmental issues; and they are acknowledged to help businesses change their practices for the better

For NGO's, income generation remains primary, but partnerships are increasingly important to the mission-delivery agenda and many more NGOs are now recognising the value that (non-cash) corporate competencies and assets can bring when harnessed to deliver NGO missions. This development bodes well for the partnering agenda.

We have also discovered that the move to higher value partnerships continues apace; and that practitioners remain confident about the performance of their strategic partnerships

From our focus topic for this edition of the Barometer we learnt that many organisations already engage in consortia-based partnerships involving multiple organisations from different sectors; and that consortia-based partnerships are likely to grow strongly in the coming years because the benefits they yield (greater scale, reach, value and impact) are thought to outweigh their inherent challenges (complexity, slower pace, building trust).

In most settings, good role models are important in the development and evolution of improved practice. In this context, we found much enthusiasm and praise for the 'Most Admired' corporate-NGO partnerships and partnering organisations. As ever, we commend them all.

And looking to the future, it is pleasing to again discover that businesses and NGOs expect the role of cross-sector partnerships to become even more important to their organisations over the next three years.

Our discovery that a strong majority of practitioners on both the corporate and NGO sides expect to increase their investment in cross-sector partnering reflects the power of the drivers underlying the cross-sector partnering momentum in different economic contexts.

Overall, we have again been pleased to confirm via this practitioner-led 2015 edition of the Corporate-NGO Partnerships Barometer that the future for such partnerships remains bright!

About C&E Advisory

C&E is a leading specialist ‘business and society’ consultancy. We work with some of the world’s foremost businesses, NGOs and High Impact Philanthropists, helping them secure sustainable value – shareholder, social and environmental. Our practice areas cover strategy, programme design, oversight and reviews, performance measurement and reporting, high performance team development and leadership coaching.

And because today’s challenges and opportunities require new ways of thinking, C&E is particularly adept at inspiring and enabling sometimes surprising cross-sector collaborations. We have advised – and continue to advise – on some of the world’s leading and best known corporate-NGO partnerships. C&E also advises on all aspects of the shared value agenda. www.candeadvisory.com

About The Barometer

This document is a summary of the C&E Corporate-NGO Partnerships Barometer 2015. It is the fifth in a series of annual surveys of current practice, drivers and key trends in cross sector partnerships. The Barometer is based mainly on an online survey of 129 leading companies and NGOs engaged in cross-sector partnerships. The survey took place in June and July 2015 and was supplemented by qualitative round-table discussions.

For more information or a copy of the full report visit www.candeadvisory.com/barometer

Figure 1: Sector representation

Are you completing this survey on behalf of a “not for profit” organisation (NGO) or a Corporate?

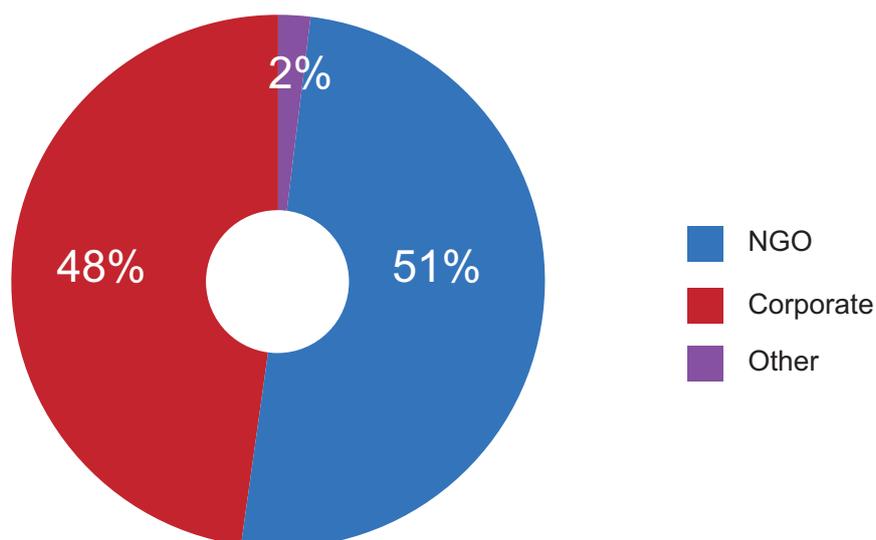
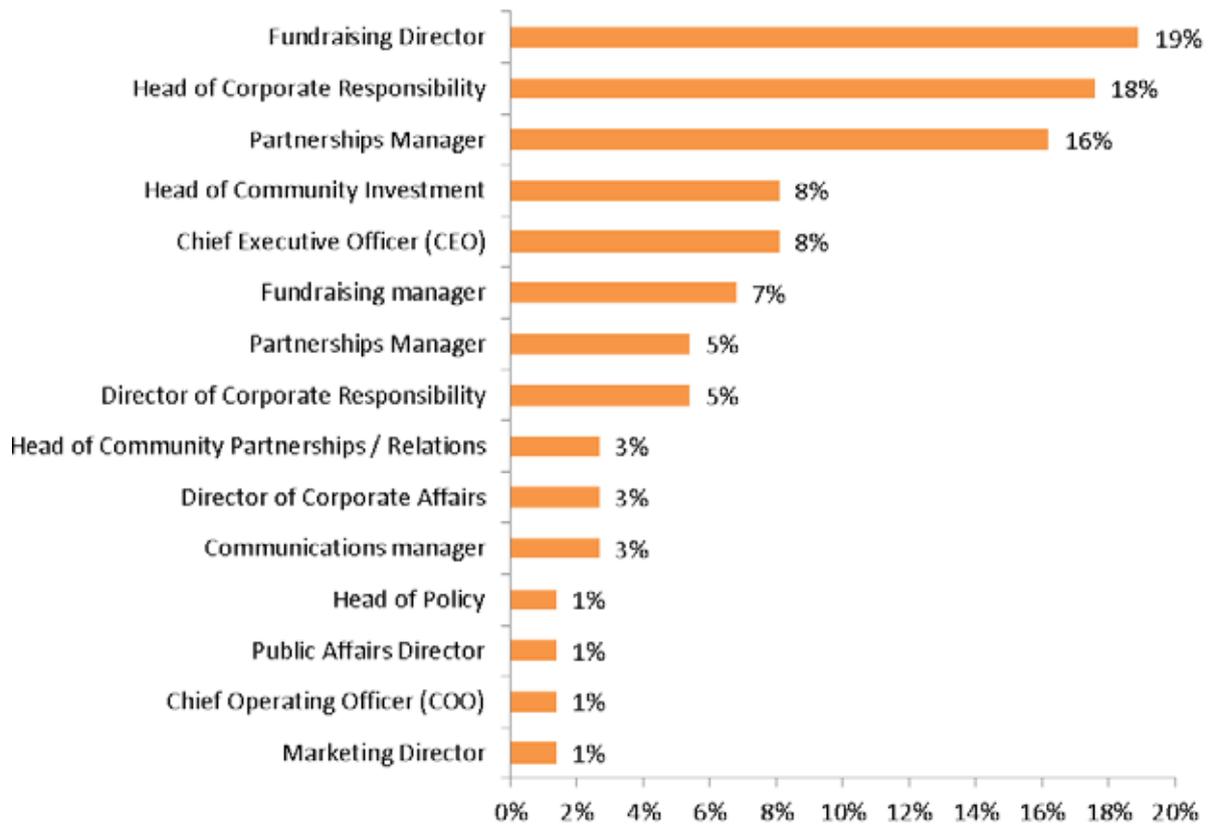


Figure 2: Respondents' roles



List of participating companies and NGOs

Survey respondents (excluding organisations wishing to remain anonymous)

Corporates

- Allianz Insurance plc
- Anglo American
- ArcelorMittal
- Asda
- AstraZeneca
- Aviva plc
- Barclays
- Bilfinger GVA
- BNY Mellon
- Boots
- BP
- British Airways
- Britvic
- Bupa
- Citi
- Credit Suisse
- Croda
- dmg::media
- Experian
- Heathrow Airport Limited
- Hogan Lovells International LLP
- HSBC
- Jaguar Land Rover
- KPMG LLP (UK)
- Lafarge Tarmac
- Laing O'Rourke
- Linklaters
- Lloyds Bank Foundation
- Marks & Spencer
- Marks & Spencer
- Northumbrian Water
- Prudential UK
- Ricoh UK Ltd
- RBS
- Sky
- Tesco
- Virgin Atlantic
- Vodafone
- Walgreens Boots Alliance
- Warner Bros.

NGOs & International Agencies

- Age UK
- Alcohol Concern
- Alzheimers Society
- Arthritis Research UK
- Best Beginnings
- BFI
- Bliss
- Breast Cancer Care
- Breast Cancer Now
- Canal & River Trust
- Cancer Research UK
- CARE International
- Carers UK
- Citizens Advice
- Collectively
- Concern Worldwide
- Friends of the Earth
- Great Ormond Street Hospital Children's Charity
- Macmillan Cancer Support
- Make-A-Wish
- Malaria No More UK
- Media Trust
- National Trust
- Practical Action
- Prostate Cancer UK
- Rainbow Trust Children's Charity
- RedR UK
- Riders for Health
- Rnib
- RNLI
- Shelter
- St Christopher's
- Teenage Cancer Trust
- The Haven
- The Haven Breast Cancer Support Centres
- Tommy's
- Unicef UK
- Variety
- War Child
- WaterAid
- WaterAid
- Wildfowl & Wetlands Trust (WWT)
- Woodland trust
- WWF