



C&E Corporate-NGO Partnerships Barometer

2021

Headline Findings

Mind the Gap

Non-Profits Lag Corporate Counterparts on Important Topics

A photograph of a road with a white painted line and the words "MIND THE GAP" written in white on a dark surface. The road is made of dark asphalt with a white painted line. Below the line, the words "MIND THE GAP" are written in white, bold, uppercase letters. The background is a light blue sky.

Covid-19 pandemic an accelerant for action on environmental, social, and governance issues - cross-sector partnerships enable delivery of effective solutions

Strong, strategic responses on antiracism - but non-profits lag their corporate counterparts

Greater investment into partnerships planned to address complex issues

Headline findings

Why partner?

For corporates, reputation/credibility remains the most important factor – with 100% of respondents of business respondents citing this main reason. Conversely, 95% of all NGOs say access to funding is the main motivation for partnering with corporates

Corporates remain primarily motivated by enhancing their reputation and credibility; innovation (though less emphasised this year) and driving long-term stability and impact are considered the next most important motivations for companies seeking to partner with non-profits. Innovation and long-term stability & impact are also reflected in the top three motivations for NGOs partnering with corporates – with human resource development (enhancing workforce skills and competencies) seeing a strong rise – up 10% year on year – as a factor for non-profits.

Partnering practice and effectiveness

Corporates continue to lead NGOs in depth and reach of partnerships

Through the 11-year span of past Barometer reports, corporates have consistently led their non-profit counterparts in describing their engagements as deeper, problem-solving partnerships that address core, mission-relevant or purpose-led issues in ways that create value for society. This year's findings again show 71% of corporates stating that their organisations are engaged in this way - with only 33% of NGOs believing the same to be true of their partnerships. However, half of all NGOs believe this approach to partnering to be an aspirational one – and that their organisation is moving towards achieving it.

Corporates and NGOs remain highly confident that partnerships help to improve business understanding

Encouragingly, practitioners remain more or less unanimous (94% of corporates and 98% of NGOs) in their belief that their partnerships have helped corporate partners to develop their understanding of the societal / environmental issues their partnerships have been designed to address.

Strong majority of corporates and NGOs report that partnerships are helping to change business practices for the better

Similarly, 77% of corporate respondents and 61% of NGOs believe that business practices have improved because of their engagement in partnerships. This is highly encouraging and provides continued validation of the view that businesses are taking greater positive action to improve their performance on social and environmental issues.

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

Innovation, scale, impact and relevance secure acclaim from partnership practitioners

This year, for the first time, the Barometer reveals joint winners of the Most Admired Corporate-NGO Partnership as voted by partnering professionals from both sectors. The Boots UK – Macmillan Cancer Support partnership and the Tesco – Health Charity partnership consortium (which includes Cancer Research UK, the British Heart Foundation, and Diabetes UK), have tied for first place, followed closely

by the Tesco – WWF alliance, which was also the runner-up in 2020. Many congratulations to these partnerships for the significant social and environmental impacts they continue to achieve – and for the inspiration they provide to others.

Non-profits: holistic environmental, social and governance (ESG) frameworks and plans

The NGO approach to addressing holistic ESG issues is improving – but still has a long way to go

Whilst many non-profits have clear, core social and environmental missions to which they dedicate resources and on which they often demonstrate outstanding results, it is rarely evident how effectively such organisations perform on other ESG issues. For example, activities designed to achieve desirable social outcomes may have harmful environmental effects – and vice versa, yet the benefits of taking a holistic approach to the planning and delivery of ESG practices have been well demonstrated.

Having first examined this topic in the last edition, we sought in this 2021 Barometer to gauge whether non-profits are evolving towards a holistic approach to addressing ESG issues – and the extent to which their corporate partners perceive this to be the case.

The findings are instructive; 42% of corporates and 52% of NGOs believe that the latter have holistic ESG plans and frameworks in place to guide organisational practice. The non-profit sector’s view of itself has improved markedly, in this regard, over the past year (up by 15% year on year).

However, 46% of corporates and 34% of NGO respondents neither agree nor disagree with the statement that their partner NGO / their non-profit organisation has a holistic ESG framework and plan. That large numbers of NGO respondents are unclear about whether or not their organisation has a holistic ESG plan or framework would indicate that, even if they exist, such plans / frameworks are either not prominent nor prioritised within their organisations, or that they are insufficiently communicated - both internally, and to their corporate partners and other stakeholders.

Special Topics

The impact of the Covid-19 pandemic

The accelerating effects of the global pandemic on ESG practices continues – and cross-sector partnerships make strong contributions in efforts to grapple with the effects of the pandemic

Building on data from last year when, in the very eye of the storm, the pandemic was reported to have accelerated the extent to which companies and non-profits embraced the ESG agenda, this year’s Barometer looked at progress made against last year’s plans, as well as current attitudes and future plans. It is hugely encouraging that the 2021 Barometer finds absolutely no let-up in the collective determination to deal with the worst effects of the pandemic. This year, 78% of corporates and 50% of NGOs remain more, or much more, actively engaged in addressing ESG issues because of Covid-19. The difference in the strength of declarations between the sectors is perhaps understandable, as NGOs’ entire organisational mission is typically focused on addressing a core ESG issue/s, whereas this is not the case for corporates.

Social programming issues continue to receive greater attention in the aftermath of the pandemic – but attention on climate change and environmental issues is making a return

Last year, it was clear from the unprompted responses that non-profits appeared to have dialled down their focus on environmental issues in order to focus on more immediate priorities. However, it is equally clear from this year's responses that climate change and environmental issues are back on the agenda once more, as the world has learned to cope with the new reality – but that out and out focus on these areas, understandably, still isn't a primary focus for many non-profits.

As we would expect, there is a clear increased focus on virtual and digital services, less on face-to-face, greater concerns over safety and supply chain management – and increasing concerns over mental health and backlogs in healthcare in other areas such as cancer care.

Enhanced role for cross-sector partnering in corporate-NGO responses to Covid-19

When practitioners were asked what role their partnerships have already played in their organisations' responses to Covid-19 (figure 10), 79% of corporates (70% last year) and 70% of non-profits (72% last year) report that they have increased, or increased significantly, their emphasis on partnering as a result of Covid-19. This illustrates the value of cross-sector partnerships and their role in organisational responses to the pandemic.

The impact of the antiracism movement

Strong, strategic response; the antiracism movement has sparked real action in companies and non-profits

Conducted in the immediate aftermath of the murder of George Floyd during his forceful arrest by Minneapolis police, and the antiracism movement it galvanised, the 2020 Barometer examined the likely responses by companies and non-profits to the issues raised by these events. There was the risk (and fears in some quarters) that commitment to action on antiracism would diminish over time as the glare of the media and the public inevitably moved on from the intense focus wrought by the events of 2020. Examining the responses that corporates and NGOs *have made* over the last year, we find that the responses are encouraging for the antiracism and broader equity, diversity & inclusion (EDI) agendas.

Just over three-quarters (76%) of corporates and approaching two-thirds (61%) of NGOs report that their organisations have made a fairly strong, or strong, strategic response to antiracism during the last 12 months (figure 12).

Corporates outperform non-profits on strategic responses to the antiracism agenda

It is notable that organisations in the corporate sector appear to be outperforming those in the non-profit sector (by a factor of 15%) in making fairly strong, or strong, strategic responses on antiracism and related EDI issues. We speculate in the report why this lag exists on the part of non-profits.

For a significant majority of companies and nearly half of NGOs the issues raised by the #BlackLivesMatter movement have featured in their partnerships – including on policy, advocacy, and programmatic areas

When asked (figure 13) about the extent to which the issues raised by the #BlackLivesMatter movement have featured in organisations' partnerships over the last year, 71% of corporate respondents and 47% of NGO respondents reported that issues raised by the antiracism movement had either featured strongly or moderately. At 71%, corporate responses this year were close to, or indeed exceeded the predictions

made last year (65%). The reverse was the case for non-profits (60% predicted in 2020 for the year ahead versus 47% reported in 2021).

Medium-term prospects for corporate-NGO partnering

Cross-sector partnerships likely to become even more important over the next three years

Despite the difficult socio-economic backdrop created by Covid-19, and all its associated issues, a third of all respondents (equally matched by corporates and NGOs) believe that partnerships will play a much more important role for companies and NGOs over the next three years. A further 51% of all corporates and 64% of NGOs believe partnerships will become more important. No respondents at all anticipate any decline in this regard.

Asked why this is, 85% of corporates and 81% of NGOs cited the need to leverage each other's assets to maximise the mutual benefits of partnerships. Societal and stakeholder pressure on companies to demonstrate societal considerations in their business practices is similarly identified as a key likely driver of the importance of partnering across sectors. Also, enhancing corporate or brand reputation was high on the list as a factor for both corporates and NGOs at 67% and 74%, respectively.

Greater investment in partnerships likely in the next three years

Finally, 88% of NGOs and 80% of corporates expect that their organisation will either increase, or significantly increase, investment in cross-sector partnering in the medium term. These findings reinforce practitioners' belief in the value that investments in partnerships can yield.

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 Net-Worth Individuals, 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.

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About the Barometer

Methodology

The C&E Corporate-NGO Partnerships Barometer 2021 was compiled using responses to a confidential online survey of 130 leading UK-based companies and NGOs engaged in corporate-NGO partnerships. The survey was supplemented by two roundtable discussions providing qualitative insights.

The number of respondents reflects an ever-growing interest in the corporate-NGO partnering agenda. Practitioners on both sides of corporate-NGO partnerships clearly have a keen interest in the Barometer because it allows them to have a sector-wide perspective on the evolution of the cross-sector partnering landscape.

This year’s survey included a mixture of new and previously asked questions. Thanks to this combination of questions we have been able to identify new challenges and opportunities in partnering, whilst simultaneously enabling accurate and effective comparison of data against Barometer readings from previous years.

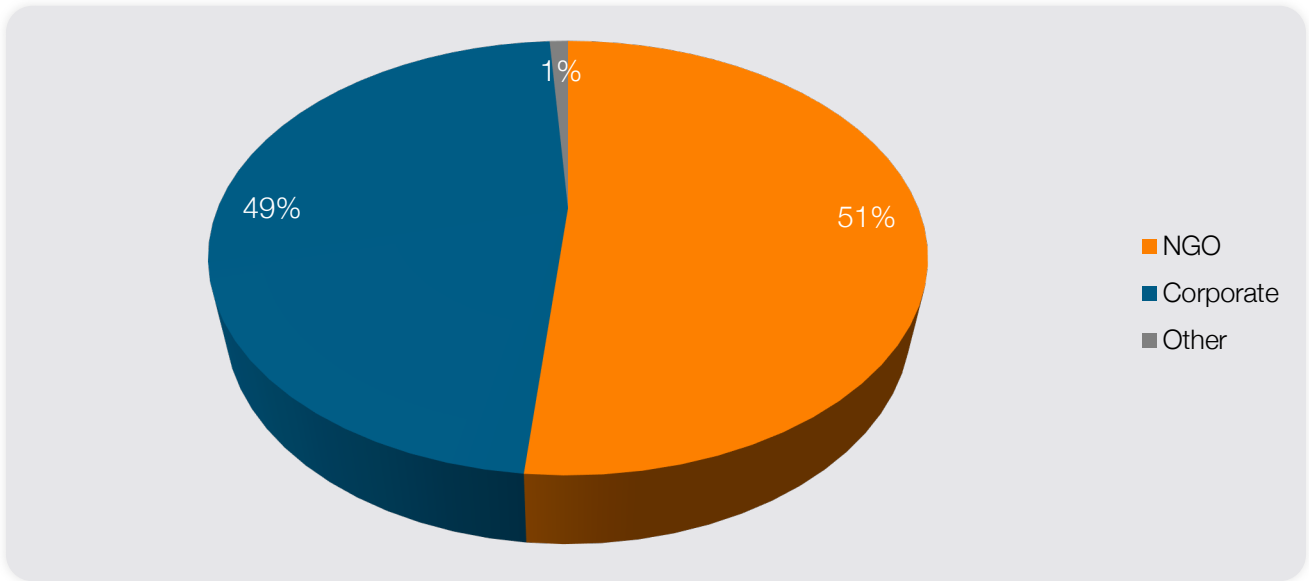
The online survey and roundtables took place during July 2021.

The Sample

The online survey was undertaken by 130 respondents all of whom were involved in cross-sector partnerships. Of these, corporate sector respondents were drawn mainly from the FTSE100, Interbrand’s Best Global Brands Ranking, and Business in the Community’s Corporate Responsibility Index. NGO respondents were drawn mainly from the leading UK charities – by brand and revenue ranking. Our sincere thanks to all who took part.

The distribution of 49% corporate (including 1% other which refers to Corporate Foundations) and 51% NGOs is well balanced.

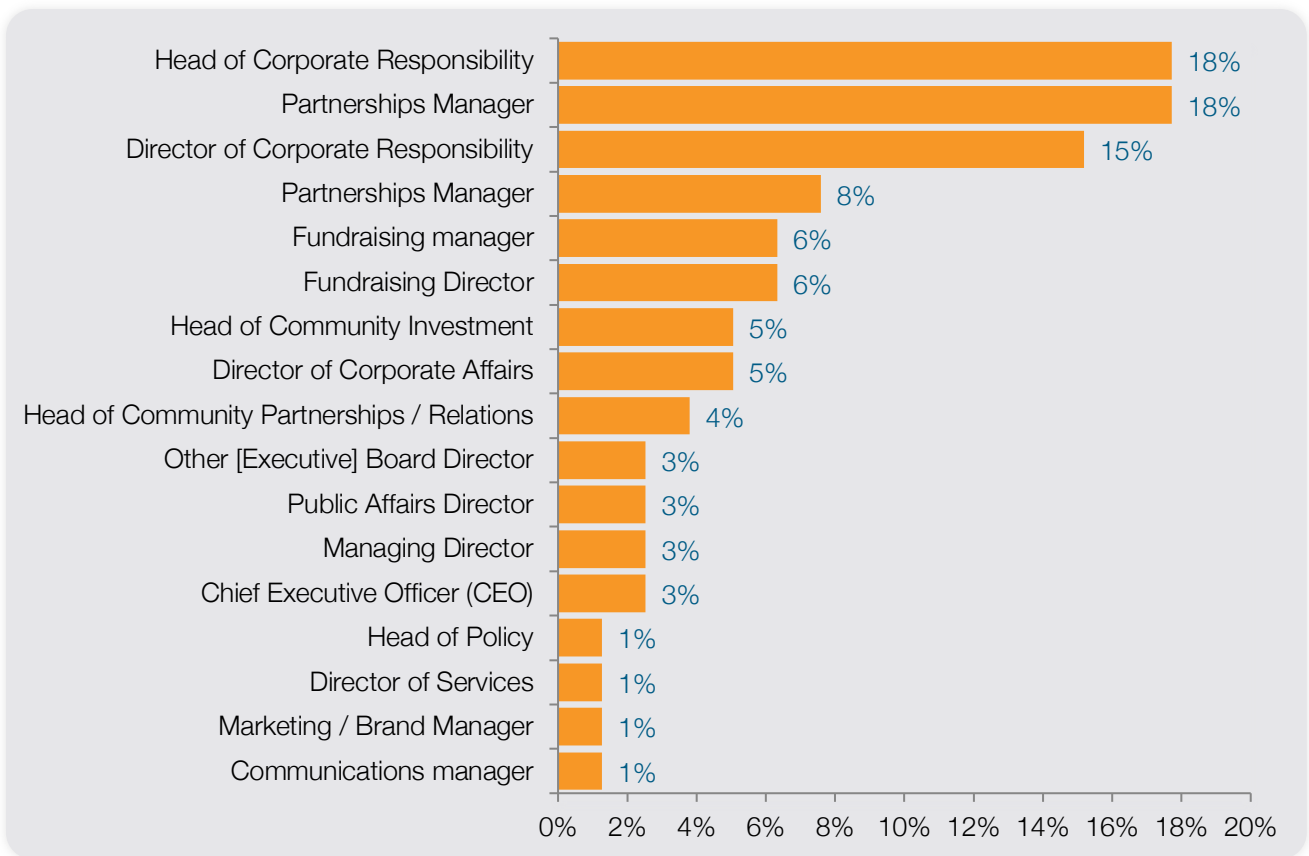
Figure 18: Sector representation



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

Respondents to the survey held a diverse range of professional roles all directly engaged in or overseeing corporate-NGO partnerships from a senior level.

Figure 19: Respondent’s roles



What is your role?

List of participating companies and NGOs

Survey respondents (excluding organisations wishing to remain anonymous)

Corporates

ASOS
Allianz
Anglo American
Asda
BP plc
BT
Bupa
Burgess Salmon LLP
Citi
DLA Piper International
Experian
GE (General Electric)
Greene King
GSK
Holland & Barrett
Kingfisher plc
Marks & Spencer
NatWest Group
Rathbone Brothers plc
Reckitt
Roche
Tesco
Twinings
Virgin Media O2
Walgreens Boots Alliance
The Arsenal Foundation

NGOs

Age UK
Asthma UK and British Lung Foundation
Back Up
BFI
BOP HUB
Breast Cancer Now
British heart foundation
British Red Cross
Comic Relief
Cool Earth
Diabetes UK
Diabetes UK
Family Action
FareShare UK
Greggs Foundation
Invictus Games Foundation
Macmillan Cancer Support
Mind
Oxfam
Peabody
RNIB
ShelterBox
St Christopher's Hospice
St John Ambulance
The Children's Society
The Outward Bound Trust
The Prince's Trust
The Stroke Association
The Tony Elumelu Foundation
The Woodland Trust
Together for Short Lives
UNICEF UK
World Vision International
WWF
Youth Sport Trust International
ZSL (Zoological Society of London)