



# Corporate-NGO Partnerships Barometer 2018



Partnerships show resilience – surviving the tremors caused by the international aid agency scandals

Behaviour change and policy change becoming more prominent as objectives for cross-sector partnering

The future remains bright for Corporate-NGO partnering

## Headline Findings

### Why partner?

*For corporates, reputation and credibility (cited by 84% of companies) remain paramount, but innovation and long-term stability are increasingly important. Access to funds remains the primary driver for NGOs (cited by 95% of non-profits), but access to contacts and innovation are gaining greater emphasis.*

Notably, as the Sustainable Development Goals (SDGs) continue to gain momentum, there has been a 17% year on year increase (to 76%) in companies choosing long-term stability and impact as a reason why they partner with NGOs.

Both corporates (81% - an increase of 14%) and NGOs (77%) rate innovation more highly as a reason for partnering than was the case in 2017. And both the NGO and corporate sectors have this year increased (by 10% and 11% respectively) their scores for efficiency as a reason for partnering with each other.

### Partnering practice – and effectiveness

*Further increases in the scale of resources invested in or secured from partnerships.*

The trend in previous Barometer reports towards greater resources being invested in or secured from partnerships, is again evident in this year's findings. The 2018 Barometer shows a significant increase (13%) in the number of NGOs investing in or securing resources in the £5m to £10m value range.

*Strategic partnering on the rise – but divergent approaches to portfolio management: corporates have a more strategic emphasis than NGOs ...*

Nearly three quarters (79%) of corporates categorise their partnerships with NGOs as “strategic”. This compares with an equivalent figure of just 32% partnerships in NGOs partnering portfolios that are deemed to be strategic in nature.

*The trend towards strategic partnerships continues.*

Overall, 50% of companies describe over three-quarters of their partnerships as strategic, compared to just 21% of NGOs who rate their partnership portfolios similarly. However, the combined 42% of NGOs who consider over 50% of their partnerships as strategic represents a 10% increase on 2017 assessments, again highlighting the move towards more strategic partnering across both sectors.

*Corporates place much greater emphasis on deeper, problem-solving partnerships in their practices, whilst NGOs aspire to this position but appear to have fallen back (versus 2017).*

Nearly three-quarters of companies (74%) state that their organisation is currently engaged in deeper, problem-solving partnerships that address core issues – a striking uplift of 28% compared with last year and resonating with the growing role of societal purpose to businesses and brands. In contrast, NGOs aspire to implement such deeper, problem-solving partnerships, but it appears that they are struggling to translate aspiration into practice.

## **What non-financial value do partners bring to each other?**

### ***Partnerships enhance societal understanding, impact, and business practices***

A record 92% of corporates (up 16% on 2017) state that harnessing their competencies and non-cash assets can make much more of an impact on their key NGO partners than financial support. Meanwhile, 95% of NGOs and companies believe that cross-sector partnerships enhance business understanding of social and environmental issues, whilst almost two-thirds of corporates and 56% of NGOs state that such partnerships change business practices for the better.

## **Effects of the international aid sector sexual exploitation and poor disclosure scandals on cross-sector partnering**

### ***The scandal necessitated a ‘pause and reflect’ by both companies and NGOs but has not led to any lessening of investments in - or prioritisation of - cross-sector partnering.***

For three-quarters of organisations, the scandals have had neither a positive nor positive effect on their approach to partnering, with 76% of corporates and a near-identical 73% of NGOs agreeing with this sentiment at a consolidated level. Notably, a quarter (25%) of international companies and 15% of international NGOs express the view that the scandal has in fact affected their organisation’s approach to cross-sector partnering either positively, or very positively.

The crisis may serve to underpin enhancements in partnering practices as UK and international companies and NGOs take steps to ensure improvements in processes (such as due diligence and relationship management), governance and leadership, and the reinforcement of clear partnership principles to ensure continued partnership success.

## **Policy change and behaviour change as objectives in cross-sector partnerships**

### *Growing emphasis being placed on securing policy and behaviour change through cross-sector partnerships*

Over three-quarters (79%) of corporates and more than two-thirds of NGOs (67%) state that they are placing greater or much greater emphasis on the behaviour change aspects of partnering.

At a consolidated level, just over half (52%) of all corporates and two-thirds (66%) of all NGOs surveyed say their organisations are placing greater or much greater emphasis on securing changes in public and organisational policy through cross-sector collaborations. However, closer analysis shows that nearly four-fifths (79%) of international NGOs and approaching two-thirds (63%) of international companies are emphasising the policy change agenda to a greater or much greater extent (compared to 57% and 27% respectively for UK-focused NGOs and companies).

## **The stars –The Most Admired corporate-NGO partnerships and partners**

### *Scale, impact, longevity and creativity win practitioners' admiration*

There was a clear overall winner again this year with GlaxoSmithKline-Save the Children taking the number one spot for the third year in a row. Boots-Macmillan was the second most-admired partnership, and the consortium collaboration between Tesco, British Heart Foundation, Cancer Research UK and Diabetes UK was in third place.

## **Future prospects for Corporate-NGO partnering**

### *NGO-corporate partnerships seen as increasingly important.*

Overall, 86% of corporate respondents and 88% of respondents from NGOs see the role of partnerships as becoming more or much more important over the next three years. Not a single respondent anticipates a reversal of this long-term trend in the medium term.

Pressure on companies to demonstrate societal considerations, leveraging each other's assets, brand enhancement & credibility are the likely key drivers.

## **And what is the likely future trajectory of investments in cross-sector partnerships?**

### ***Increases in investment on the way***

Over two-thirds of companies (70%) and over four-fifths of NGOs (84%) expect their organisation to increase or significantly increase their investment in cross-sector partnering over the next three years.

UK-focused companies appear less bullish about their likely investment growth than their international company peers, 75% of whom expect to see increases in their partnership investments. Similarly, expect to see increases in their organisations' investments in partnerships than do their UK-focused counterparts (78%).

## About C&E

### Methodology

C&E is a leading specialist ‘business and society’ consultancy. We work with some of the world’s foremost businesses, NGOs and philanthropists, helping them secure sustainable value – shareholder, social and environmental. Our practice areas cover strategy, programme design, oversight & reviews, performance measurement & 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 2018 was compiled using responses to a confidential online survey of 101 leading UK-based and international companies and NGOs engaged in corporate-NGO partnerships.

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.

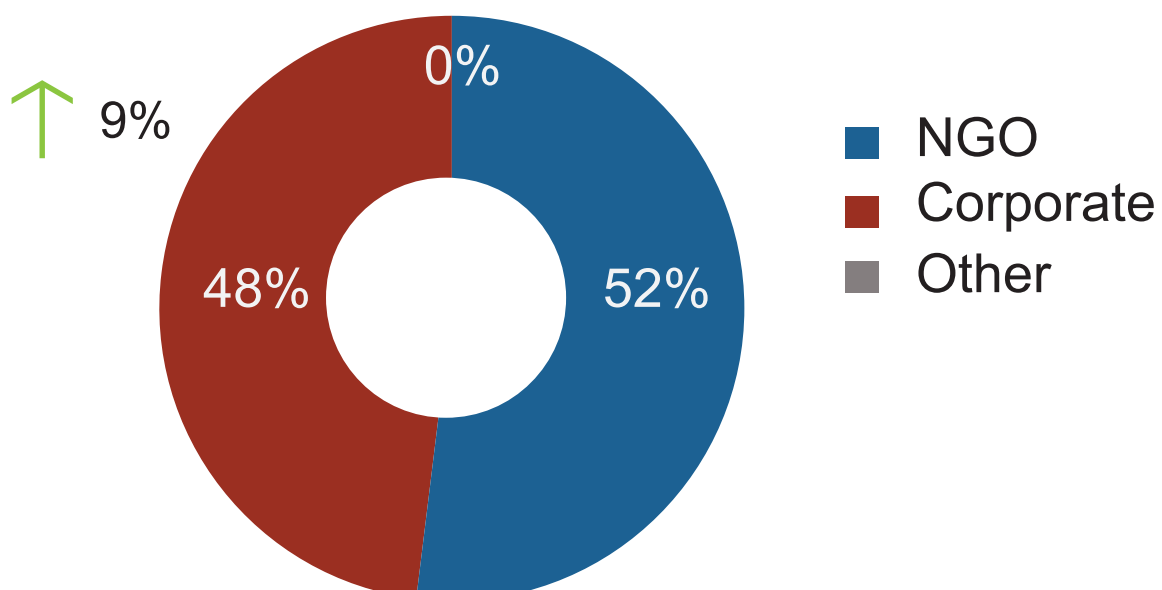
The online survey and practitioner evaluation took place during June-July 2018, with qualitative insights gathered from focus group and round-table discussions in June and July 2018.

### The Sample

The online survey was undertaken by 101 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 48% corporate and 52% NGOs (figure 16) is well balanced.

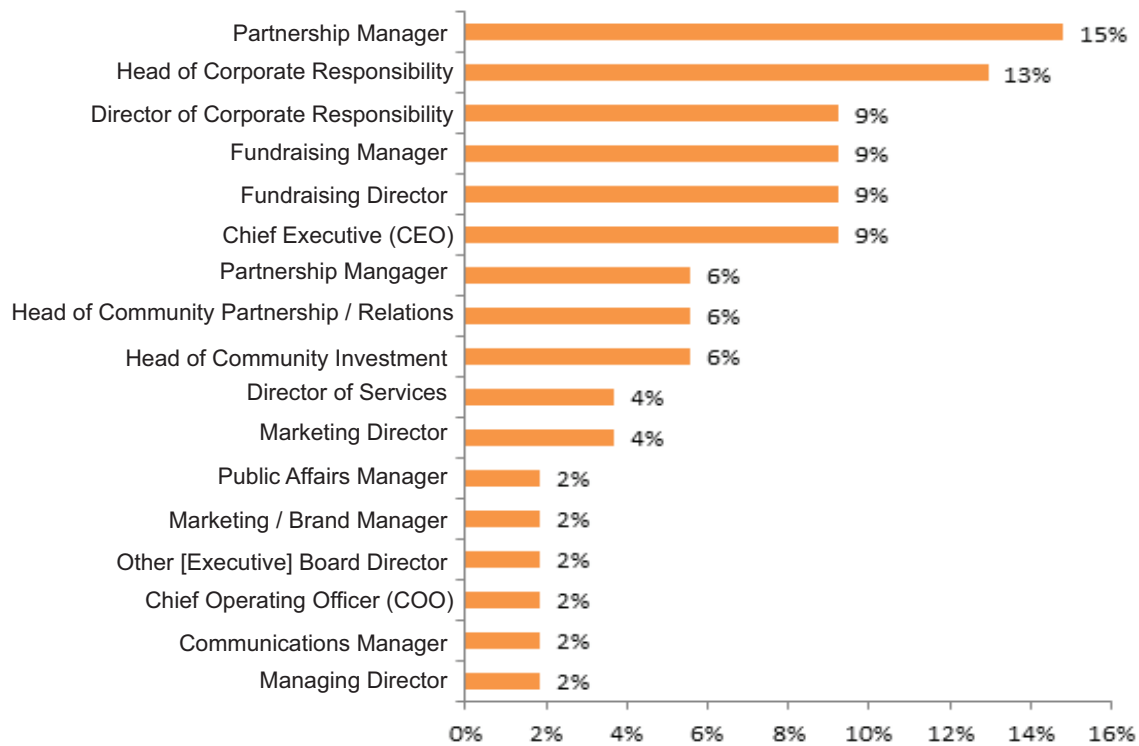
Figure 1: Sector representation



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



Figure 2: Respondents' roles



*What is your role?*



## Appendix: Survey respondents (excluding organisations wishing to remain anonymous)

### Corporates

- Allianz
- Anglo American
- BP plc
- BT
- Costa Coffee
- Credit Suisse
- DEF
- Deutsche Telekom Group
- Experian
- GE
- Greggs Foundation
- GSK
- Heathrow Community Fund (corporate foundation of Heathrow Airport Ltd)
- Kingfisher Group
- Kingston Smith Group LLP
- Land Rover
- Marks and Spencer
- Mondelez International
- Morgan Sindall group
- Reckitt Benckiser
- Ricoh UK Ltd
- Sky
- Telefonica UK (O2)
- Tesco
- UBS
- Walgreens Boots Alliance
- Wesleyan

## Appendix: Survey respondents (excluding organisations wishing to remain anonymous)

### NGOs & International Agencies

- Age UK
- British Heart Foundation
- British Red Cross
- Canal & River Trust
- CARE International UK
- Children's Society
- Christian Aid
- Comic Relief
- Cancer Research UK
- Diabetes UK
- Great Ormond Street Hospital Charity
- International Committee of the Red Cross
- ICRC
- Institute of Imagination
- International Rescue Committee UK
- Lloyds Bank Foundation for England and Wales
- Macmillan Cancer Support
- Make-A-Wish UK
- Malaria No More UK
- Marie Curie
- Médecins Sans Frontières
- Mental Health Foundation
- National Trust for Scotland
- NSPCC
- Oxfam
- Parkinson's UK
- Philanthropy University
- Raleigh International
- Save the Children
- Solidaridad
- Stroke Association
- United Way
- USA for UNHCR
- Variety, the Children's Charity
- Woodland Trust
- World Food Programme
- WWF-UK