



Corporate-NGO Partnerships Barometer 2016



- Brexit: Dissonance between Corporates and NGOs on likely impact of the UK's decision to leave the EU on cross-sector partnering
- Deeper, problem-solving collaborations in the ascendancy – but significant challenges exist
- Not all about cash: Competency-based partnerships deemed to be more impactful

Headline Findings

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

For businesses:

- At 91%, enhancing brand or corporate reputation and credibility remains the leading motive for engaging in partnerships with NGOs.
- However, this attitude showed a slight fall (5%), whilst innovation (at 68%) and access to people and contacts (also 68%) are also strong reasons for corporate partnering with NGOs. the latter factors increased by 9% and 11% respectively this year.

For NGOs:

- By contrast, NGOs remain primarily interested in the opportunity to access funds, with 92% of NGO respondents listing resource generation as the lead reason for partnering – though there was a slight fall (by 6%) compared to last year in NGOs stating funding as the key motivation for their partnering with companies
- Access to people and contacts is (at 77%) the second most important reason for cross-sector partnering. However, in converse finding to that reported by corporates, there was a striking fall by (22%) in the proportion of NGOs listing innovation as a reason for partnering with corporates.

Strategic partnerships

The move towards higher value partnerships continues

The **consistent trend towards strategic partnerships continues** to be evident, with a marked increase (by 10%) of partnerships classified as 'strategic. However, many more corporate respondents assess their partnerships as 'strategic' compared to their NGO counterparts. Almost 40% of corporate respondents caterogise over 75% of their partnerships with NGOs as "strategic". This compares with 28% of NGO respondents who assess 75% of their partnerships as being strategic. The findings therefore seem to confirm that the **corporate sector remains ahead of NGOs** in understanding the strategic importance and overall potential of partnerships in yielding value for stakeholders.

Again, confidence is high that **strategic partnerships are meeting their objectives.**

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.

Likely impact of the UK's Brexit decision on cross-sector partnering

The survey for this 2016 Barometer launched at the end of June, following the UK's referendum to leave the EU. This important subject was therefore one of our focus topics.

The Barometer **findings reveal a clear dissonance between Corporates and NGOs on the likely impact of leaving the UK on the partnering agenda.**

NGOs fear that the UK's decision to leave the EU will have a negative impact on their engagement in cross-sector partnering. Almost 60% of UK-based NGOs expect the decision to have a negative or very negative effect on the partnering agenda, while 71% of international NGOs believe leaving the EU is likely to have a negative impact on corporate–NGO partnerships.

Corporates stand firm with a 'business as usual' approach. 76% of international corporates and 67% of UK-based corporates believe that Brexit is likely to have little or no effect on their engagement in cross-sector partnering.

Influence of the UN's Sustainable Development Goals

This year's Barometer report also took a specific look at Goal 17 of the UN Sustainable Development Goals (SDGs) which calls on organisations to partner for sustainable development.

At the consolidated level, it would appear that nearly two-thirds (64%) of corporate and NGO respondents view Goal 17 of the SDGs and its call for cross-sector partnerships, as either moderately or strongly influencing their organisations' engagement in such partnerships. This tends to suggest that the Goal is already a recognised factor in the cross-sector partnering.

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

For the first time since the commencement of the Barometer, a partnerships other than M&S-Oxfam has triumphed as the Most Admired partnership. The accolade has, this time, gone to GSK-Save the Children for their partnership which draws on the assets of both organisation in a bid to save the lives of one million children by tackling preventable under five mortality.

The Boots-Macmillan partnership again secured second place, with M&S-Oxfam in third. These partnerships stood out in the unprompted voting exercise, for their clarity of purpose, creativity, scale of mutual benefit and for innovation.

Future prospects for Corporate-NGO partnering

Partnerships will continue to grow in importance over the next three years – as will investments in such activities.

For the seventh year in a row, sentiment about the **mid-term prospects for corporate-NGO partnering remains very positive. 85% of respondents state that partnerships will become more or much more important** over the next three years. And yet again, not a single respondent anticipates a decline in importance for partnerships.

Pressure on businesses to demonstrate societal consideration (81%), 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 also set to grow over the next three years, with 55% of business and 79% of NGO respondents expecting their investment in cross-sector partnerships to either increase or increase significantly over the next three years.

Despite fears by the NGO sector of an anticipated negative Brexit effect, it appears that partnerships between corporates and NGOs are set fair for the next three years – a tribute to the drivers underpinning this increasingly important agenda.

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, foundations, 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 2016 was compiled using responses to a confidential online survey of 118 leading UK-based companies and NGOs engaged in corporate-NGO partnerships. The online survey included a number of open-text questions, enabling respondents to provide commentary and to share insights. It was supported by round-table deep-dive discussions providing additional qualitative input.

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.

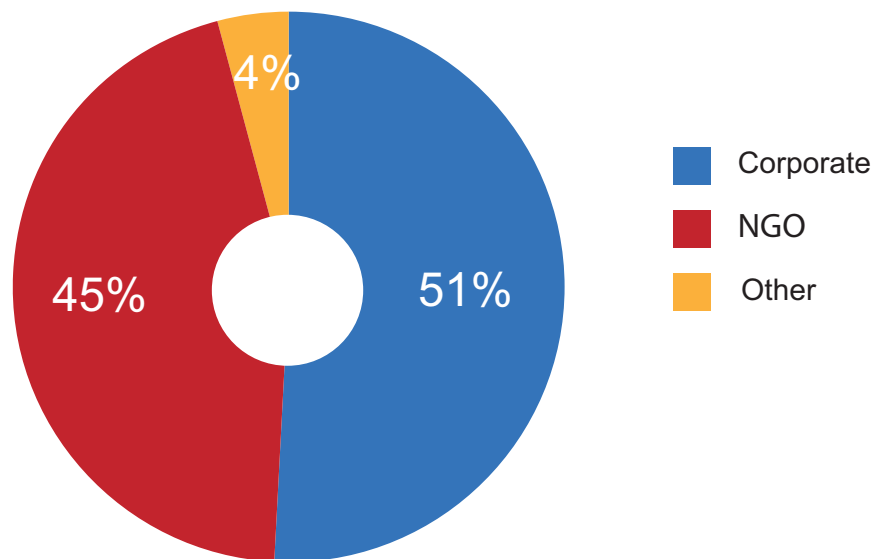
The online survey and practitioner evaluation took place during June and July 2016.

The Sample

The online survey was undertaken by 118 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.

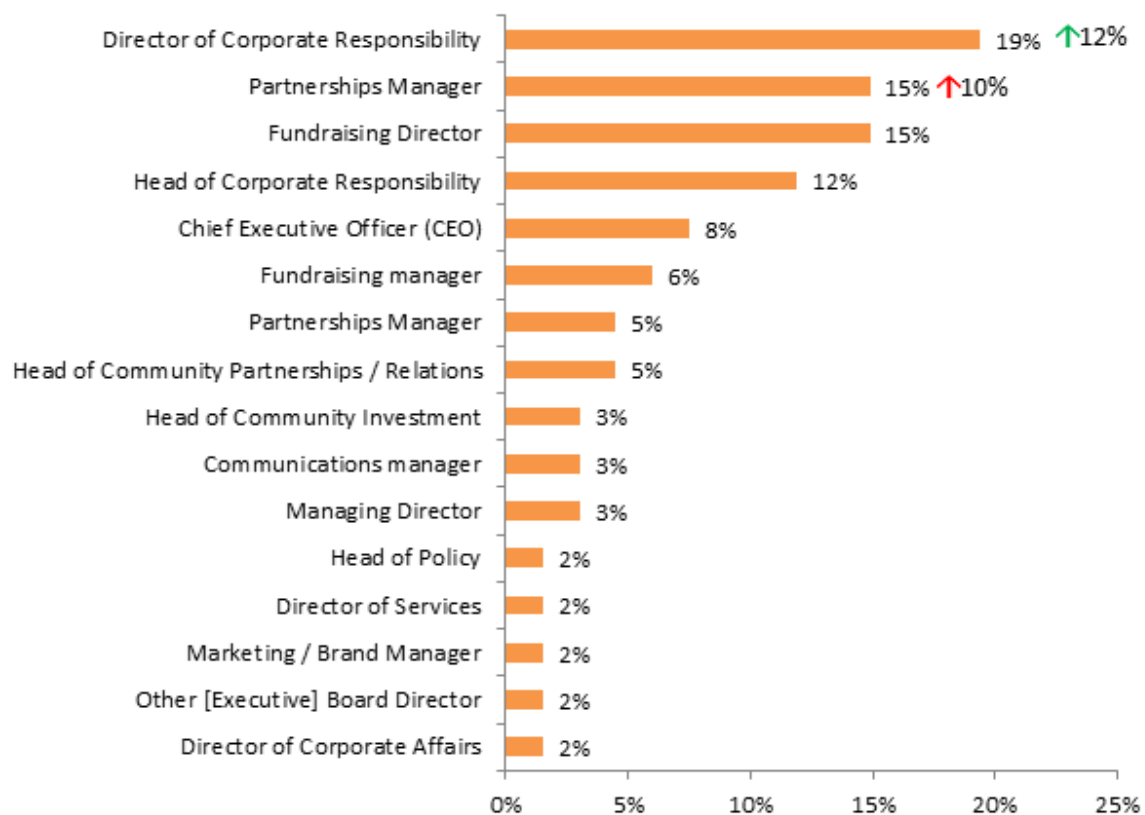
The distribution of 51% corporate and 45% NGOs (figure 27) was again very well balanced, with the remaining few respondents representing Corporate Foundations and international non-profit agencies.

Sector representation



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

Respondents' roles



List of participating companies and NGOs

Survey respondents (excluding organisations wishing to remain anonymous)

Corporates

- Allianz
- Anglo American
- AstraZeneca
- BAM Construct UK
- BNY Mellon
- Boots
- BP
- Britvic
- CBRE
- Citi
- Credit Suisse
- Diageo
- DLA Piper
- DP World
- FirstGroup plc
- GE
- Heathrow Communities Fund
- Hogan Lovells International LLP
- Impetus The Private Equity Foundation (Impetus-PEF)
- Kingfisher
- Land Rover
- Land Securities
- Lloyds Bank Foundation England and Wales
- Marks & Spencer Plc
- Morgan Sindall Group
- Nationwide Building Society
- Northumbrian Water
- Old Mutual
- Pearson
- Ricoh UK
- Shoosmiths LLP
- Sky
- Societe Generale
- UBS
- Walgreens Boots Alliance
- Warner Bros.
- William Jackson Food Group
- Zurich Insurance Plc

NGOs & International Agencies

- Action on Hearing Loss
- AfriKids
- Age UK
- Alzheimer's Society
- Arthritis Research UK
- Barnardo's
- Breast Cancer Care
- Breast Cancer Haven
- British Film Institute (BFI)
- Charities Aid Foundation
- Canal & River Trust
- Cancer Research UK
- CARE International
- Children's Society
- Concern Worldwide (UK)
- Diabetes UK
- Farm Africa
- Friends of the Earth
- Hubbub UK
- Institute of Imagination
- Kidney Research UK
- Make A Wish
- Malaria No More UK
- MicroLoan Foundation
- Plan International UK
- Raleigh International
- Stars Foundation
- Teenage Cancer Trust
- The Gurkha Welfare Trust
- UNICEF
- World Federation of Societies of Anesthesiologists
- World Food Programme
- YMCA England