A Guide to Organizational Partnerships

There’s a lot to consider when collaborating with for-profits. This book provides the tools you need.

Expanding the Pie: Fostering Effective Non-Profit and Corporate Partnerships

In this user-friendly book about engaging in successful partnerships, Susan Rae Ross discusses a variety of different collaborations. Her main focus, however, is on partnerships between for-profits and nonprofits. These have become increasingly common as societal problems become more complex, requiring different groups to work together to devise effective solutions.

Partnerships aren’t viable unless they add more value than a single generation can achieve on its own, Ross tells us. Otherwise, there’s no reason to make the investment. While that’s true for any partnership, it’s especially important to remember when it comes to nonprofits and businesses, because they have such different drivers. The benefits of partnering may be outweighed by the costs, especially the high cost of staff time.

Before moving ahead with a cross-sector partnership, it’s vital to put a great deal of thought into the matter. Be aware of the key differences between for-profits and nonprofits. For example, the two may have very different expectations and measures of success. Businesses may define success as increased visibility or sales, objectives that can be achieved in relatively short timeframes. Nonprofits often measure success in terms of changes in human conditions that require years to show results.

Overcoming such differences requires both partners to be flexible, learn throughout the process, and be willing to develop new attitudes.

Ross provides an eight-step decision-making framework for designing, implementing, and evaluating partnerships:

1. Conduct an internal assessment. Decide why you want to partner, whether you have the capacity to do so, and what assets you can bring to the partnership.

2. Identify and research potential partners. Review the practices of various corporations. Come up with criteria that are important to you, and use them to create a shortlist of suitable partners.

3. Make your business case to selected partners. Leverage your contacts to identify someone within one of the companies you’ve chosen. Contact that person, and organize an initial meeting. Explain how a collaboration will benefit the corporation in terms of increased goodwill, productivity, visibility, and the like. Repeat this process with a small selection of companies.

4. Conduct due-diligence to select the best partner. Based on your selection criteria and discussions with potential partners, decide which business might be the best fit. Conduct an in-depth assessment of your potential partner. Design strategies to mitigate the risk and synergies to maximize benefits.

5. Negotiate structures, systems, and outcomes. Create an agreement, describing the partnership’s vision and objectives. Answer questions such as: How will the partnership be managed? How will resources be exchanged? What will the responsibilities of each partner be? How will decisions be made? How will grievances be addressed? Under what conditions can either partner terminate the relationship?

6. Start the partnership. Formalize the launch with a press conference or public announcement.

7. Implement and communicate. Hold planning processes with key stakeholders.

8. Evaluate the partnership. Assess performance against stated goals.

Ross refers the reader to key resources; offers clear, concise examples of all important partnership aspects; and provides excellent tables that summarize her most important points. Expanding the Pie is a valuable tool for any organization considering or already in a partnership across sectors.

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