CORPORATE VOICES
for WORKING FAMILIES

The *ART* of Effective Business & Non-Profit
PARTNERSHIPS

Finding the Intersection of Business Need and Social Good

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About Corporate Voices

Corporate Voices for Working Families is a non-partisan, non-profit corporate membership organization created to bring the private sector voice into the public dialogue on issues affecting working families.

Collectively our 52 partner companies employ more than four million individuals throughout all fifty states, with annual net revenues in excess of $800 billion. Over 70% of our partner companies are listed in the Fortune 500, and all share leadership positions in developing family support policies for their own workforces.

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"There are going to be more and more partnerships in the future because in today's world there is an expectation that business has a responsibility to give back to society, and the best way to do that is in collaboration with other organizations. In an ideal partnership, we are able to address business needs and be a good corporate citizen at the same time." (Corporate Leader)

"We had done outreach, advocacy, convenings, research but that was all only getting us so far in addressing the needs of low wage workers. We realized we would have to develop partnerships with the business sector in order to really move our agenda because we needed to work with employers to reach the low wage employees we were trying to help." (Non-profit Leader)

About this Report

Consistent with its mission to strengthen bridges between the private and non-profit sectors in support of working families, Corporate Voices for Working Families commissioned this white paper to explore the characteristics of cross-sector collaboration. Based on interviews with corporate and non-profit leaders, this paper documents the perceptions and expectations that inform joint problem solving, with the goal of identifying the characteristics of effective cross-sector collaboration. We asked a series of questions:

Why do entities collaborate?
What are the hallmarks of successful collaboration?
What are common barriers, as well as strategies for overcoming those barriers?

The answers to these questions, as well as the stories of actual collaborations, form the basis of this paper.

What we learned is that when done well, cross-sector collaboration is a powerful and effective tool for both the corporate and non-profit sector to advance common goals. The hallmarks of effective collaboration include identifying a common problem, finding shared goals, having clear expectations, building trust and respect for the capacity and credibility of the partners, the support of leadership and the commitment of dedicated staff. Collaborations can falter as the result of misperceptions, misunderstanding, or a misalignment of goals. Also, even in the best of circumstances, it takes time, commitment, and flexibility to make collaboration successful.

Collaborations between the corporate and non-profit sectors are burgeoning because innovative business and non-profit leaders understand that a strong cross-sector partnership enables both partners to advance important goals that they cannot readily advance alone. The benefits of successful collaboration can be significant because the partners bring different, often complementary, assets to a partnership. In the best collaborations, each partner is able to provide the very thing the other needs, and vice versa, thereby creating the much sought after win/win.

Depending on the particular partnership, a corporate sector partner can bring resources including expertise in management, planning and implementation; credibility; and access to decision makers, employment opportunities, critical products, as well as a host of other benefits to the table. Non-profit sector partners can bring content expertise, commitment to a social mission, access to a broader employee base, an opportunity to make a difference, and other equally compelling benefits. While partners from different sectors often bring complementary assets, they also frequently bring different values, language, and culture. "It is critical to any partnership to have clear discussions about expectations so that everyone understands the background. Then, you can work towards a partnership based on shared mutual expectations." (Corporate Leader)

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Potential barriers to effective collaboration include different decision-making styles, different expectations about timeframe for completion of goals, skepticism about priorities of each sector, and differences in language and culture. Corporate and non-profit leaders agree that it is essential to identify any differences early in the relationship and develop strategies to allow the partnership to thrive.

The Baxter Healthcare/AmeriCares collaboration described in the case study below has many of the hallmarks of a successful cross-sector collaboration including identification of a shared problem and shared goal, trust, a clear understanding of roles and expectations, credibility and capacity on the part of each partner, and dedicated staff to facilitate participation throughout the company and between the partners.

Baxter Healthcare and AmeriCares

"We let AmeriCares do their business and they help Baxter do ours."

Alice Campbell, Director, Work/Life Initiatives, Baxter Healthcare.

For more than 15 years, Baxter Healthcare and AmeriCares have been working together to deliver health care products to people in the developing world as well as other countries in crisis. In that time, Baxter has donated nearly $118 million worth of products to AmeriCares for its humanitarian-aid efforts, and AmeriCares has delivered Baxter products to 96 countries.

This partnership revolves around the placement of Baxter's healthcare products, done both reactively in response to a specific request from AmeriCares and proactively to move product from Baxter's inventory. It works so well in part because the partners have a shared goal to ensure that Baxter product is used in AmeriCares humanitarian efforts. By placing product through AmeriCares, Baxter enjoys a series of benefits including:

* Being a responsible global citizen by ensuring that people in need have access to health care products

* Boosting employee morale by contributing to humanitarian causes
* Taking action during disasters to make a difference in people's lives
* Facilitating placement of excess or slow-moving product so that it is utilized by people in need
* Enhancing the company's profile as a corporate citizen

According to Campbell, one of the Baxter executives responsible for the program, the partnership is based on foundations of "respect, honesty and trust that allow the parties to cut through red tape." Campbell stresses that Americares "is very professional, very credible, and are experts at what they do." She describes the relationship as a "partnership of equals, in which both parties are equally strong in their fields."

The Baxter/AmeriCares collaboration also thrives because of another core element: dedicated managers who facilitate the partnership throughout the company. Campbell works with counterparts at AmeriCares, meeting frequently and visiting each others' facilities, thereby developing a deeper understanding of what each partner needs in order to make the collaboration successful. In the case of the Baxter/AmeriCares collaboration, dedicated managers are also critical because "product placement can be very technical and time consuming, and we need the expertise of many employees to make it happen." Product placement involves expertise needed from numerous divisions and functions including supply chain, customer service, marketing, operational, finance, communication, legal and regulatory. Part of Campbell's job involves educating Baxter's top business leaders about the goals of the collaboration as well as the positive impact they have in making the placements possible. She creates incentives to participate by publicizing the good results throughout the company – sending photos of real people using the Baxter products and highlighting the emotional side of the work in addition to the data on facts and figures.

Why Collaborate?

The first question asked in the interviews with corporate and non-profit leaders was "Why do you collaborate?" At the broadest level, companies and non-profits collaborate in order to achieve a goal or goals that they have in common, and which they cannot achieve as easily alone. However when asked, the literal answers to the question vary from company to company and non-profit to non-profit based on the particular needs and circumstances of each organization. Take a step back from the broad range of responses and it becomes clear that the answers echo one another: **Corporations enter into collaborations in order to advance a business goal; non-profits enter into collaborations to advance their organizational mission.** When leaders find the space where the corporation's business need intersects with the non-profit's mission, they are often able to identify a shared problem and common goal, uncovering the much sought after win/win of effective collaboration.

The Marriott Pathways to Independence Program is an excellent example of a corporate/non-profit collaboration in which the parties have been able to articulate their individual needs and then identify a common problem and shared goals that form the basis of an effective partnership.

Marriott's Pathways to Independence Program

"We are not doing this to be charitable, and if we were it would not last. But, if a local manager can solve a recruiting or staffing need, then that is huge -- and sustainable."

Fred Kramer, Director of Workforce Development, Marriott International

Managers of Marriott properties frequently need to fill hourly positions. Community based organizations (CBOs) are looking for job opportunities for people with employment barriers. The Pathways program was designed to meet this shared goal of finding/filling jobs. Kramer manages the program, working with local Marriott managers to help them build effective partnerships with CBOs in their local communities.

The Pathways to Independence program is focused on recruiting and retaining hourly employees. The CBOs identify individuals who they believe will be good employees. Marriott provides job training and skill development, while the CBOs provide other supports such as child care, transportation, or counseling for substance abuse or domestic violence. At the end of the formal training program, Marriott typically hires a number of the participants, while the CBOs continue to provide social service support to the

new employees.

Marriott's Kramer explains that the company "entered in to these partnerships because we knew it was beyond our capacity to hire people with employment barriers without the additional support; without a partner, the company would have to become a social worker." Kramer notes that it takes significant time to develop a working relationship with a CBO at the local level, but building a strong collaboration is worth the effort. The CBOs work hard to ensure that they identify candidates who will be successful in the Pathways program because their own reputation in the community is at stake. Kramer explains that an effective local collaboration can go a long to way towards solving the manager's staffing issues: "If I needed to fill a position, I didn't run ads. I went to the CBOs that had worked out in the past and that is where I found my first placements."

CVS/pharmacy has also crafted win/win collaborations built around recruiting and training employees. The company benefits in several ways from its workforce training collaborations, and the collaborations contain built-in incentives that encourage individual store managers to participate. Steve Wing, Director of Government Programs for CVS/pharmacy, describes a series of benefits associated with its recruiting and training collaborations with local community based organizations:

"For CVS, the incentives to participate in the employee training/retention programs are directly tied to the bottom line. The partnership is structured so that CVS receives either a tax credit or

a cash incentive to participate in the employee training program, and that shows up on the plus side of a manager's profit/loss statement. For a store manager, this is a very clear, direct and powerful financial incentive.

However, once a manager begins to experience the increased caliber of the new employees, the financial incentive becomes secondary. While a dollar amount is the initial incentive, it is more of a hook. Having good people working in the store is actually the most important benefit of the partnerships.

The third benefit is the positive public relations associated with these partner-

ships. Increasingly people look to see whether and how CVS gives back to the community. This is one clear way in which we are able to support the people living in the community."

Other common benefits of cross-sector collaborations include increased resources, credibility and capacity for non profits as well as professional development opportunities for employees as they volunteer time working with non-profits. One corporate leader explains the benefits for their company: "First, partnerships can be very beneficial to employee morale. Part of work/life balance is an individual's ability to impact their community. The partnerships make that possible. A second benefit is that work with non-profits can be a good training ground where people build skills that can be used in the workplace. Someone might start as a receptionist and then get involved in managing a local charitable walk through a partnership. That person is developing time management, project management and people skills. These skills enable her to take a job at a higher level within the company."

Corporate and non-profit leaders who have been involved in effective partnerships understand that the benefits of such collaborations can be significant. They also acknowledge that identifying a shared problem and common goal can prove to be difficult for any number of reasons, the most prevalent being lack of common language or culture, which can create differing expectations about timing of a project, appropriate level of risk, as well as different values. Leaders from both sectors acknowledge that barriers are common when they are trying to build cross-sector collaborations, but that in many instances barriers can be overcome if the parties are willing to invest time up front to clarify expectations and maintain flexibility throughout the project.

By its nature, cross-sector collaboration involves the mixing of different cultures, which frequently leads to a range of barriers. Understanding and respecting that each sector brings its own values, language, and work culture enables leaders to have open and frank discussion about how to maximize the assets of each partner and create a collaboration that builds on the strengths of the partners.

Key Elements of Effective Collaboration

The corporate and non-profit leaders who were interviewed for this white paper largely agree on the critical elements of effective collaboration: identification of a common problem, agreement on shared goals and a common mission, clear understanding of roles and expectations, trust and respect for partners' capacity and credibility, leadership and dedicated staff. The process for ensuring that each of these elements is present in a collaboration can be complex, although most suggest that the process is smoother when both partners have prior experience in cross-sector collaboration. *"It takes skill to find common ground and build trust; it is never easy, but you do get better at it."* (Non-profit Leader)

For those interested in a more detailed discussion of the process of building an effective partnership, several researchers have spent considerable time monitoring and evaluating cross-sector collaborations. Those studies have produced excellent "step-by-step" guides. The Aspen Institute's Non-profit Sector Research Fund has a Snapshot publication on Non-profit-Corporate Alliances that includes a set of guidelines on Managing Effective Alli-

ances.[1] The Hitachi Foundation recently released its Learning from Business-Community Partnerships cluster evaluation. The evaluation is part of Hitachi's long-standing commitment to support and understand cross-sector collaboration. The report includes guidelines for building strong collaborations as well as a "Partners Checklist" for each step of the process.[2] Finally, Shirley Sagawa and Eli Segal's book, *Common Interest, Common Good:*

> [Some non-profit leaders] may know and accept that "business lives and dies by the bottom line," without understanding the many ways in which corporate leaders think about efforts that can meet a business need, ultimately having a positive impact on the bottom line.

Creating Value through Business and Social Sector Partnerships, is an in-depth examination of seven cross-sector partnerships, and includes a thorough how-to guide for building effective collaborations.[3]

Identifying a Common Problem, Developing Shared Goals and a Common Mission

Leaders who have been involved in effective cross-sector collaboration stress the importance of spending time up front to identify a common problem and then develop shared goals and common mission. "One of the most critical things is to find issues where there is or ought to be a shared agenda because one can only build a strong partnership around a shared agenda." (Non-profit Leader) One non-profit leader who has been leading a five year, multi-party cross-sector collaboration explained that in building their collaboration, which is focused on increasing the availability of afterschool programs to young people in Boston, the parties worked to understand the goals of each of the participants. Through the process, they were able to develop a set of shared goals and a common mission as well as clear expectations regarding the financial commitments for each member of the partnership. Once they reached consensus on these critical issues, the agreement was documented in a

detailed memorandum of understanding. While not all collaborations are memorialized with a memorandum of understanding, those with experience in collaboration believe that an explicit negotiation in which the parties explore their goals and work to find common ground is key to long term success.

One of the biggest hurdles in identifying a common problem and developing shared goals and a common mission can be a gap in understanding and acceptance of the importance of business need as a driver of effective cross-sector collaboration. Reaching an understanding of the role of business need can also be critical in establishing trust. It is repeatedly referenced as a potential barrier to effective collaboration by both corporate and non-profit leaders.

Understanding the Dynamics of Business Need

The importance of meeting a business need is fundamental for those who work in the corporate sector. Corporate leaders are clear that any effective collaboration must meet a business need in order to be sustainable, and they are equally clear that business need is defined broadly to include such things as employee recruitment, training and retention, boosting employee morale, placing product, being a good neighbor or member of the community, and being a good corporate and/or global citizen. One corporate leader explains that *"corporations enter into partnerships in order to fill a business need of one or more of their stakeholders. These stakeholders can include employees, shareholders, consumers, the community, and others. Meeting the needs of any one, or more, of these stakeholders is a valid basis for a partnership."* (Corporate Leader)

Some non-profit leaders have a somewhat less fine-tuned understanding of the importance of meeting a business need, as well as the breadth of the concept. They may know and accept that "business lives and dies by the bottom line," without understanding the many ways in which corporate leaders think about efforts that can meet a business need, ultimately having a positive impact on the bottom line. In fact, because stakeholders such as shareholders and consumers increasingly expect business to contribute to the greater social good, being a neighbor of choice or a good global citizen is itself linked to business need.

Those non-profit leaders who have had a positive experience with cross-sector collaboration tend to have the clearest sense of this issue. One leader explains "If a company has an economic interest in the issue, all the better because then they will be even more engaged." (Non-profit Leader) Another puts it this way, "In our experience, partnerships really work best when the company is not just 'doing good,' but instead when the work of the partnership is mission critical for their business. That is when they make time to do the work." (Non-profit Leader) For others, the process is one of growth and development: "While advocates know at a certain level that they have to use the frame of the corporate bottom line, some non-profit groups express concern about selling out their organizational mission." (Non-profit Leader)

Daniella Levine is the Executive Director of Human Services Coalition, which works on a range of issues to support the low income community in Miami, FL. Levine describes her journey in the following way: *"I had never worked directly with business and was suspicious of the corporate world. However, at a certain point, I recognized that to have the impact we wanted, we needed to make the business case, and engage business as a strategic partner. I understood this also meant that in order to be effective, I needed to get comfortable working with business."*

In order to achieve the changes she knew were needed, Levine participated in a fellowship to groom emerging leaders, and gained confidence and skills to engage allies in the business community. She explains that while she once thought is was a problem that business only thinks about the bottom line, now she has an "understanding and acceptance that business has to be about business, it is not a charity or a social justice organization." She realized that "if our efforts were not presented and perceived as good for business (either in the short or longer term), they were much less likely to succeed." Now when she works with business, her goal is to be able to identify the right motivation and the right balance in order to craft an effective collaboration.

In an effort to build a partnership around shared goals, non-profit leaders sometimes look for businesses who "share a common value around a particular social issue." However, one experienced non-profit leader suggests that it is naïve to expect business to be engaged *unless* the collaboration meets a business need. "You have to have the right mindset, believing that everybody has a legitimate perspective and valid concerns. We expect each of the stakeholders to come to the table to advance their organizational needs. If you work to understand the different perspectives and concerns, you will end up with a better solution." (Non-profit Leader)

> **When a business need intersects with a non-profit's mission, cross-sector collaboration can be a powerful tool for change**

The following example helps illustrate that point, as well as the importance of having shared goals. Following the tragedy of 9/11 and again following Hurricane Katrina, leaders at JPMorgan Chase wanted to find a way to help people in the affected communities, which included a substantial number of their customers and employees. In a brainstorming session with Bright Horizons, who provides back-up child care for employees, an idea emerged to create a book focused on helping children and families deal with crisis. Together they reached out to a third partner, Mercy Corps, and the project crystallized. The two books, *What Happened to the World* and the latest, *What Happened to MY World*, have been used to help children, and to help parents and caregivers help their child deal with crises. In addition,

> **"In any of our collaborations, we know we may have areas of disagreement. When this happens, we agree to disagree because we respect our partners and their views." - Debra Ness, President, National Partnership for Women and Families**

the partners coordinated train-the-trainer sessions for caregivers so that they could better use the resources with children and their families and teach others in the community to use them as well.

In describing the collaboration, Christine Fossaceca, Work-Life Solutions Manager at JPMorgan Chase, explained that the project was successful in part because two of the parties had a longstanding relationship, and in part because the idea emerged from joint discussions in which the goals and roles of the various partners were shared and clarified until they determined how they best could work together to make a difference. **The collaboration was also successful because the end product was something that could provide assistance in the communities at large, but which would also address the needs of employees and customers, both important stakeholders for the company.**

Finally, in working to find shared goals, it is important to remember that the parties can disagree on some issues. As the name suggests, the National Partnership for Women and Families is a non-profit organization that values partnerships and does significant work through cross-sector collaboration. Debra Ness, President of the Partnership, believes one of the keys to effective collaboration is agreeing to disagree. *"In any of our collaborations, we know we may have areas of disagreement. When this happens, we agree to disagree because we respect our partners and their views."*

In building effective cross-sector collaboration, the first step is for the parties to identify a shared problem. Once the parties articulate a shared problem, they can work together to develop a shared goal and common mission to solve the problem. One of the most important elements of this stage of forging collaboration is to recognize and respect that corporate leaders engage in

collaboration in order to meet a business need, while non-profit leaders similarly engage in collaboration to further their mission. When a business need intersects with a non-profit's mission, cross-sector collaboration can be a powerful tool for change. However, if one of the parties expects the other to collaborate simply to advance the other parties' mission, the partnership is unlikely to thrive.

Develop a Clear Understanding of Roles and Expectations

Another critical element of building a strong partnership is to clarify expectations about a range of issues including the roles of the parties. Sagawa describes this phase of the project as connecting, a time in which the parties "engage in a shared process of exploration about what the alliance will look like, how it will run, and what results it will produce."[4] Debbie Philips, Vice President of WFD Consulting, helps corporations and non-profits collaborate on dependent care issues. She cautions that "you have to spend a lot of time up front figuring out how to frame the project in order to meet everyone's needs."

In particular, Phillips recommends having explicit discussions about desired outcomes and timing because in her experience, *"from the business perspective, we expect things to happen quickly and efficiently. Business is used to having measurable results in a relatively short timeframe. This is particularly true if companies put money into a collaboration, because if they invest corporate dollars, they want and often need to see outcomes quickly."* In addition to timing and accountability, misunderstandings about capacity, roles and work culture can all interfere with a partnership. One non-profit leader notes that it is helpful to manage expectations about what is possible: *"It is important to recognize and respect the limits of a*

corporate partner. Organizations must be realistic about the role of a corporate partner in legislative advocacy. Corporate partners are going to use most of their political capital to focus on core issues that directly impact their business not on issues that are tangential to their work." (Non-profit Leader)

Spending time at the outset developing a shared understanding of expectations and roles as well as a common mission is one of the key strategies for avoiding common barriers and building effective cross-sector partnerships.

> "From the business perspective, we expect things to happen quickly and efficiently. Business is used to having measurable results in a relatively short timeframe. This is particularly true if companies put money into a collaboration, because if they invest corporate dollars, they want and often need to see outcomes quickly." - Debbie Phillips, Vice-President, WFD Consulting

Trust and Respect for Credibility and Capacity for Partners

A third necessary component of any effective partnership is trust and respect for the credibility and capacity of the partners. The easiest way to ensure respect for the capacity and credibility of the partners is to work with partners who have a strong reputation in their respective fields. One corporate leader explains that their company is "very careful about who they align with because once you are in a partnership, the reputation of the partner will affect the company's standing in the community." (Corporate Leader) Another corporate leader explains that they chose particular partners because they "are credible, very strong organizations that are leaders in their field and they bring expertise or access to expertise." (Corporate Leader)

Non-profit leaders express similar concerns about building alliances that enhance capacity and credibility because they also put their professional reputation at risk when they enter into a collaboration. **While corporate leaders tend to be concerned about a non-profits capacity, non-profit leaders tend to have concerns about the corporations' motivations.** In particular, noting that corporations sometimes enter into cross-sector collaborations "defensively," non-profits are wary of partnerships in which the corporation's motivation is primarily to repair a negative public perception of the company. One corporate foundation leader noted that non-profits often approach a potential partnership "with hat in hand." Rather than approaching the partnership from a position of strength, with clarity about the value of their contribution and their expectations of the business partner, they are too often willing to say yes to anything. The key is to know when and under what conditions to say no." (Corporate Foundation Leader)

In addition to respect, a strong partnership requires trust. One of the benefits of spending time at the outset of a partnership finding shared goals and developing clear expectations is that it allows time for the parties to build a relationship of trust. Building trust can be challenging, particularly if the parties are inexperienced at cross-sector collaboration. One of the most frequent barriers, noted above, is that non-profits can be skeptical about a corporation's motivations. For corporate leaders, trust issues tend to be closely linked to perceptions about capacity and expertise. The following case study illustrates the necessity as well as the benefits of investing time to build trust at the outset of a partnership. **Trust level must be created before any programming begins and then it builds through the due diligence of the parties."** (Corporate Leader)

> **While corporate leaders tend to be concerned about a non-profits' capacity, non-profit leaders tend to have concerns about the corporations' motivations.**

> **"Where a collaboration starts is just that, a start. Ultimately there has to be commitment from the top and capacity in the middle to ensure continuity."**
> **(Corporate Foundation Leader)**

Indiana Childcare Fund, Eli Lilly

"At the outset, the non-profits often did not like corporations because they saw them as a cause of the problem in the first place; they had to get to a place of trusting business."

Candi Lange, Director of Workforce Partnering, Eli Lilly

When Eli Lilly wanted to improve the quality and availability of childcare for its employees, it knew it could not accomplish that goal simply by building onsite childcare facilities at the corporate headquarters. In order to address the issue in a more comprehensive manner, it joined with a range of non-profit and government partners to create the Indiana Childcare Fund, with the specific goal of improving the quality and availability of childcare across the entire state.

In reflecting on what it took to build a successful partnership, Lange explains that the parties had to spend quite a bit of time getting to know each other. "We had to be open, informal and flexible enough to develop a sense of relationship and trust." Once they

worked through the early phase of the project, "everyone learned to respect the value and knowledge that each partner brought. The business people brought a lot with the corporate work ethic: strategic planning, a marketing plan, accountability, risk-taking. The non-profit partners brought tremendous subject matter expertise, and their dedication was very inspiring."

Building trust and respect between the parties is another critical element in cross-sector collaboration. In taking the time up front needed to develop relationships built on trust and respect, the parties are more likely to avoid a range of challenges throughout the collaboration. In particular, they are much less likely to encounter many of the barriers such as misperceptions about capacity or skepticism about motivation that can undermine cross-sector collaboration.

Leadership and Dedicated Staff to Manage the Collaboration

While most corporate and non-profit leaders agree that leadership is essential to cross-sector collaboration, there are a range of views about the extent to which top-level leaders can or should be involved in forging a collaboration. **Some non-profit leaders suggest that it is important to negotiate a collaboration "as high up the**

corporate ladder" as possible. Interestingly, corporate leaders largely disagree. Instead, corporate leaders believe it is highly unusual to have a top-level corporate executive *involved* in forging a cross-sector collaboration because such collaborations tend not to be about a *core* business objective. Corporate leaders report that collabo-

rations generally are most effective when they are negotiated by a manager with authority and credibility within the company who can then "run it up the corporate chain." In addition, corporate leaders stress that regardless of who negotiates a partnership, top level corporate support is unlikely if the partnership does not meet a business need.

"Non-profits are generally geared towards collaboration and understand that these efforts take time. Corporations on the other hand typically do not invest the time needed to make these partnerships work." (Non-profit Leader)

Another interesting twist is that at least one company reports that in their experience collaborations are most effective when they "bubble up from the grassroots." In that company, which views its cross-sector partnerships as a means of meeting the needs of its employees as well as being a neighbor of choice, partnerships have been most effective when they reflect the on-the-ground interests of employees.

Despite varying ideas about the role of leaders in initiating collaborations, virtually all agree that it is critical to have the support of leadership. Savvy non-profit and corporate leaders understand how to craft and frame partnerships so that they further the organizational or corporate values. For example, in describing Marriot's Pathways to Independence program, Kramer explains "One of the keys to our success at Marriott is support from the top. The ethos of the company, which comes from the top, is that it is important to get involved in the local community. A stronger community is good for business in many ways." Kramer makes two key points: first, the collaboration is aligned

"A huge lesson learned from our five year partnership is that you need to have either an intermediary or dedicated staff capacity to provide support to partners and to facilitate the collaboration." (Non-profit Leader)

with a corporate value of being involved in the community, and second, the collaboration furthers a business need because being involved in the community is good for business.

The bottom line on leadership is that it is critical to have the support of top-level leaders in order to sustain a partnership over time. It is equally important to have committed leaders, who may come from a range of levels within an organization or company, who can negotiate a collaboration and then move it through the company or non-profit.

In addition to the importance of having the support of top level executives and leadership to forge a collaboration, corporate and non-profit leaders uniformly emphasize the importance of having staff dedicated to managing a collaboration. These dedicated staff may be, but frequently are not, the same leaders who create the collaboration. In some instances, such as the Baxter AmeriCares collaboration, both partners have dedicated staff devoted to the partnership. In others, such as Eli Lilly's Indiana Childcare Fund, one of the partners contributed a staff person. Speaking of that project, Lilly's Candi Lange notes that "one of our partners had a staff person dedicated to the partnership, and that person really made it happen because they were full time on the partnership." While it is certainly not always necessary to have someone working full time to support a partnership, having dedicated staff makes a big difference in the experience of corporate and non-profit leaders alike.

Dedicated staff are critical to the success of cross-sector collaborations because they provide a bridge between the parties as well as serving as envoys for the collaboration within the respective parties. This is particularly important for large corporations and non-profits that hope to involve multiple divisions or sites in a complex col-

laboration. In such instances, a dedicated staff person will likely spend as much time working within the company or non-profit as he or she will connecting with a counterpart from the partner organizations. As one non-profit leader explains, "these relationships take time, and this can present a capacity issue." Thus, it is important that the parties recognize the need and plan for the staffing of a collaboration in order to maximize its effectiveness.

Experienced leaders who have been involved in successful collaborations believe that they are well worth the effort, and they look forward to opportunities to collaborate across sectors. They understand that building effective cross-sector collabo-

rations takes vision, commitment and time. In addition, they largely agree that the key ingredients to effective collaboration include identifying a common problem and shared goals, clarifying roles and expectations, building trust and respect, and having leadership and dedicated staff. Even with these necessary components, it is evident that every collaboration is unique, and that in many cases, one or more challenges will arise. Below is a discussion of some of the most common barriers that stand in the way of effective collaboration. In most instances, spending time at the outset working through differences, identifying a shared problem and shared goals, building trust, and clarifying expectations are the best strategies for avoiding these obstacles.

Common Barriers to Success

One corporate leader experienced in working with non-profits explains, "there are always barriers, but they can usually be overcome if you have open dialogue and work through them; this is done most easily at the outset of the collaboration." Building in strategies to overcome barriers is critical to any successful collaboration. Frequently, one of the most effective strategies is to have a clear understanding of one's internal needs, assets, culture and expectations before entering into a partnership. To that end, Sagawa urges non-profits to engage in a thorough self-assessment before ever looking for potential partners.[5] Non-profit leaders suggest that it is equally helpful if corporate partners have a clear sense of what they bring to a partnership as well as what they need to get out of it.

News you Can Use -- Tips for Success

In addition to spending time up front to ensure a collaboration has the elements needed for successful collaboration: a shared problem and common mission, clear roles and expectations, trust, leadership and dedicated staff, leaders from both sectors offer the following tips to maximize the chances of successful cross-sector collaboration:

* Ask hard questions up front
* Start small with a short term, time-limited and manageable project
* Build on success
* Be flexible
* Be realistic about capacity
* Understand the timeframe needs of all partners – agree on how quickly decisions need to be made and how quickly results must be available
* Be open and honest in discussions about differences in values, language and culture
* Be realistic about the imbalance in financial resources, and the impact that can have on a partnership
* Plan for changes in leadership and other staff turnover by crafting a collaboration that meets a business need

Language and Culture

Language is one of the most frequent barriers encountered in attempts at cross-sector collaboration. Typical comments included: "We speak different languages. For business people, the language of non-profits can sometimes sound like alphabet soup." (Corporate Leader) and "sometimes non-profits can be somewhat confrontational in their language." (Non-profit Leader)

> Sometimes non-profit leaders feel that if business has a different objective, like direct impact for its employees, it will tarnish or somehow change the value of the collaboration." (Corporate Leader)

Fortunately, leaders from both fields believe that language is a relatively easy barrier to overcome. One non-profit leader explained "*One of the barriers is different cultures, and different language. I had to change my language, because without even thinking about it my language was anti-business. First, I had to learn to use more inclusive language. Then I had to change my behavior, but it felt awkward. Then I had to actually believe in the changes.*" (Non-profit Leader) In fact, in most instances the people interviewed, whether from the corporate or non-profit sector, think "it is useful for non-profits to gain the skills needed to partner effectively with businesses." (Non-profit Leader) Leaders from both sectors report that many non-profit leaders understand this language gap and have made strides to learn the "business" language in order to be able to build stronger cross-sector collaborations.

In addition to language, barriers develop due to differing expectations about timing in the corporate and non-profit cultures. A common culture clash arises around the speed with which decisions can be made. **The non-profit culture tends to value joint decision-making and consensus, while the corporate culture tends to have** a more stream-lined process and places a higher value on making a timely decision. This difference can lead to frustration for all parties.

Similarly, another common barrier develops due to differing expectations regarding the timing of outcomes or impact of a particular investment or program. **Business leaders tend to have a short time-frame in which to evaluate whether a program is going to be effective.** Thus, they must be able to roll out the program and see it succeed, because if they cannot demonstrate a positive outcome, they tend to shift direction. Reflecting this difference in approach, some non-profit leaders express a concern that corporate partners sometimes lack patience. "Non-profits are generally geared towards collaboration and understand that these efforts take time. Corporations on the other hand typically do not invest the time needed to make these partnerships work." (Non-profit Leader)

A final barrier in the area of timing involves the length of a potential partnership. Most agree that it is best to start small and build on success. One leader explains "*We have found it is much better to have a short term, time-limited contract with a clear beginning and a clear end point.* You can always have the opportunity to extend a relationship, but if there is no end point, it ends up being perceived as a negative when you wind down the collaboration." (Corporate Leader) Thus the recommended strategy around the length of a partnership – keep it discreet and defined.

Related to the issue of keeping initial relationships discreet and defined is the frequent recommendation to build on the success of an existing partnership. One corporate leader explained that the most successful partnerships are ones that are multi-layered and evolve over time. Such partnerships can include many components such as corporate and employee

giving, employee community service/volunteering, employees serving on the boards or committees of the non-profit's local chapters, and non-profit partners providing information and support to employees in the non-profit's area of expertise.

In the area of timing, it is important for all parties to be clear about their needs and to work to structure a collaboration that accommodates differing needs, with particular attention being paid to decision making, timing of outcomes, and length of the partnership.

Another gap is in the area of risk taking and innovation. The corporate culture places a high value on innovation and risk taking. While this can be a great benefit in cross-sector collaboration, it can take time and open discussion to ensure that non-profit partners do not feel threatened or undermined by a new way of doing things.

The corporate and non-profit cultures can be misaligned in the area of values. As discussed more fully above, it is critical that any cross-sector collaboration address a business need. Similarly, for a collaboration to be valuable to the non-profit partner, it must advance their mission in some meaningful way. One business leader summed up the culture clash as follows: "When an organization is purely mission driven, it can be difficult to shift thinking and get them to understand what the company needs to get out of the collaboration. Sometimes non-profit leaders feel that if business has a different objective, like direct impact for its employees, it will tarnish or somehow change the value of the collaboration." (Corporate Leader)

In order to avoid these culture clashes undermining a partnership, parties must surface them early in their discussions about the collaboration. In most cases, if differences are aired, the parties can find a way to work through them. In addition to talking through difference, many leaders stress the importance of being flexible. In the experience of those interviewed, if both parties are flexible and willing to be open and honest about challenges, many differences can be resolved.

Commitment, Capacity and Resources

Other common barriers grow out of confusion about commitment, capacity and resources. Non-profit leaders frequently cite turnover as a challenge in their efforts to forge strong collaborations with the corporate sector. "The loss of a particular champion within the corporation can be a real problem. The challenge is to create institutional commitment that can survive corporate changes." (Non-profit Leader) Based on the comments of business leaders, the most effective way to create institutional commitment is to structure a collaboration that meets a business need; then the project or program is much more likely to survive the loss of a particularly committed individual. **When the collaboration addresses an ongoing business need, as opposed to advancing a particular interest of a corporate executive, it is much more likely to survive personnel changes at the corporation.**

Another barrier raised involves the issue of capacity. Corporate leaders caution against entering into collaboration with a partner that lacks the capacity to make the partnership effective. **The issue of capacity is critical for corporate partners because the collaboration is a business risk, and they therefore need to have confidence that the non-profit partner has the capacity to deliver on their part of the collaboration.** "Sometimes a corporation can try to partner with a non-profit to support it and pull it up. This usually leads to

frustration because the inevitable lack of resources undermines the collaboration." (Corporate Leader) Another corporate leader noted that it is important to "assess and understand the capacity of a potential partner. Corporate partners need to understand the capacity of non-profits so that grants or partnerships do not overwhelm the non-profit." (Corporate Leader)

Finally, experienced non-profit leaders stress the importance of recognizing the inevitable imbalance of resources and power between non-profit and corporate partners. The first interaction between a corporation and a non-profit can be when the corporation makes a donation to the non-profit. **While the funding relationship can sometimes open the door to a deeper, substantive collaboration, such transitions can be tricky.** In particular, it can be challenging for non-profits to engage in the kind of frank discussion needed to build a strong collaboration if they are concerned it might jeopardize much-needed funding. Another related challenge is the perception that a non-profit might alter some aspect of its work in order to build a partnership that includes funding. Non-profit leaders are uniform in their sense that it is "never worth it" to alter core goals in order to build a collaboration even if it involves a funding stream for important work.

The advice of corporate and non-profit leaders is to be realistic about the commitment, capacity and resources of both partners. Clarifying expectations and asking some of the hard questions up front can avoid challenges over the longer term of the project. How much time is being committed to the partnership? Is there dedicated staff to make it work? Does the non-profit have the capacity and resources it needs to deliver the results the corporation needs for the project to be a success? Beyond asking the right questions early on, there are no hard and fast rules to be followed. When asked, corporate leaders indicated that successful partnerships can be crafted with large and small non-profits as well as at the national and local level. While many believe that it is easier to work with partners who have some cross-sector experience, many have had excellent "first-time" partnerships as well.

The single most important and frequently mentioned piece of advice: spend the time it takes to identify a shared problem, shared goals and a common mission, clarify roles and expectations, build trust and respect, and commit the staff resources needed to ensure success.

We close with a look at one new and innovative collaboration between CVS and a faith-based program in Cleveland. It illustrates the potential for cross-sector collaboration to solve business needs while at the same time addressing challenging social issues, creating that much sought after win/ win.

CVS/pharmacy and Lutheran Ministries of Cleveland

"The partnership is a risk worth taking. We are working with agencies to find the people who are trying to turn their lives around. They could end up being very good employees, and it is great to be able to create this kind of opportunity for someone."
Steve Wing, Director of Government Programs,
CVS/pharmacy

In one of its newest and most innovative training-based collaborations, CVS/pharmacy is partnering with Lutheran Ministries of Cleveland, a local faith based organization. As with other CVS/pharmacy training partnerships, the primary goal for the company is to identify and hire promising employees. CVS/pharmacy had a relationship with Lutheran Ministries, and learned that they had a program to help ex-felons successfully re-enter society, and one of the main pillars of that program is finding employment opportunities.

The partnership is designed in such a way to minimize risk to the company, and to maximize the chances of successful training and hiring of new employees. For the first 30 days of the program, the individual is on the Lutheran Ministries payroll while they are working at the CVS. This is a time in which the manager decides whether or not the potential employee is likely to be a successful CVS/pharmacy employee. The risk-management division of CVS/pharmacy has the opportunity to review and reject any of these hires. In addition to providing wages in the first 30 days, Lutheran Ministries provides considerable counseling and support to their clients. They also do all of the screening for the collaboration; after reviewing the job listings, Lutheran Ministries identifies clients who meet the qualifications and they only send people who they believe will succeed.

The collaboration began small with one CVS/pharmacy cite where the manager was willing to take a risk and try working with Lutheran Ministries to train and possibly hire ex-felons. The initial "class" included four people, three who were hired and one who is now in a management training program. The particular manager is well respected, and because he embraced it and has had success, other area managers are now considering working with Lutheran Ministries.

Steve Wing is proud of this collaboration because he believes it is an example of the way in which a company can meet hiring needs while at the same time helping people in the community. He believes it is important that other companies learn about this type of collaboration so that they begin to think more creatively about how to partner with non-profits to accomplish common goals.

Notes

1. The guidelines are adapted from Dennis A Rondinelli and Ted London's study, "Partnering for Sustainability: Managing Non-profit Organization-Corporate Environmental Alliances." The eight-step process is described in some detail at www.aspeninstitute.org

2. Learning from Business-Community Partnerships, A Cluster Evaluation Report. Prepared for the Hitachi Foundation. Prepared by the Heller School for Social Policy and Management, Brandeis University. The evaluation identifies five key stages in building a strong collaboration: 1)Ensure match and build trust, 2)Frame expectations and Value Added, 3) Learn Language and Culture, 4)Build Relationships/tap into core values, and 5) Establish an evaluation plan. It also contains a checklist for each of the five stages with specific suggestions as to how to ensure success.

3. Sagawa, Shirley, "Creating 'New Value' Partnerships with Business: Step by Step, adapted for Independent Sector from Common Interest, Common Good: Creating Value through Business and Social Sector Partnerships, by Shirley Sagawa and Eli Segal, (Harvard Business School Press, 2000).

4. Id. at p. 5

5. Id. As the title suggests, Sagawa offers a step-by-step guide for non-profits looking to build successful collaborations with business.

Publications Catalog

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Early Childhood Education and Afterschool Care

Early Childhood Education: A Call To Action from the Business Community. Joint statement on early childhood education from The Business Roundtable and Corporate Voices. 9 pgs, March 2003.

Afterschool for All: A Call To Action from the Business Community. Consensus statement from Corporate Voices' partner companies on why America needs high-quality afterschool programs. 14 pgs, March 2004.

Business to Business Afterschool Toolkit. Booklet and DVD/CD, December 2005.

Community to Business Afterschool Toolkit. To be released March 2006.

Business to Community Afterschool Toolkit. To be released August 2006.

Family Economic Stability

2004 EITC ToolKit. Materials and tools designed to help businesses alert their eligible employees about the Earned Income Tax Credit. December 2003.

2005 EITC Toolkit. An updated EITC Toolkit. December 2004.

Employer Guide: Promoting Tax Credits and Federal Benefit Programs. 2006 EITC Toolkit, expanded to address a wide range of programs and benefits. Booklet and DVD/CD, December 2005.

Struggling to Make Ends Meet: Low-Wage Work in America. Report on results of nationwide public polling. 16 pgs, September 2004.

Struggling to Make Ends Meet Executive Summary. Summary of report on results of nationwide public polling. 2 pgs, September 2004.

Model Programs and Policies for Hourly and Lower Wage Employees. By Corporate Voices and the Boston College Center for Work & Family. 92 pgs, December 2003.

Model Programs and Policies for Hourly and Lower Wage Employees Executive Summary. 6 pgs, December 2003.

The Economic Security of Low-Wage Workers: An Analysis of Public Opinion Data. Meta-analysis of public polling by Ethel Klein & EDK Associates. 16 pgs, September 2003.

Model Workplace Supports for Lower-Wage Employees. A toolkit of best practices for lower-wage employees. 60 pgs, December, 2005.

Flexibility

Business Impacts of Flexibility: An Imperative for Expansion. Research by WFD Consulting. 32pgs, November, 2005.

Statement of Support on Flexibility. Joint statement on flexibility signed by senior business leaders. 1 pg, November, 2005.

Mature Workforce

Eldercare Practice Survey of Corporate Voices Partner Companies. Report summarizing survey of current corporate practices on eldercare. 10 pgs, October 2004.

Other

2002 Annual Report. 4 pgs, 2003.
2003 Annual Report. 4 pgs, 2004.
2004 Annual Report. 4 pgs, 2005.
Corporate Voices Factsheet. 4 pgs, 2005.

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