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A RESONANCE PUBLICATION

The Guide to Cross-Sector Collaboration

As companies grow, they must navigate increasingly complex social, environmental, and supply chain challenges that they can't solve alone. Meanwhile, governments and donors increasingly rely on market forces, private sector innovation, and the economic opportunity created by companies to improve people's lives. The success of each sector is inextricably intertwined.

Climate change, poverty, and inequity are among the most critical issues of our time. Cross-sector collaboration leverages the strengths of companies, governments, and donors to accelerate progress on these and other complex issues in a way that benefits everyone.

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CHAPTER 1

What is Cross-Sector Collaboration and Why Does it Matter?

Cross-sector collaboration is when two or more organizations work together across sectors—industry, nonprofit, and government—to achieve mutually beneficial outcomes. Successful collaboration may lead to the formation of a **cross-sector partnership**, in which partners formally agree to leverage their resources and funding to work toward shared, measurable goals.

A well-designed and effective cross-sector partnership benefits partners through:

- **Increased Scale** – Successful partnerships leverage combined resources to reach more people and amplify impact and results. They can also help companies develop relationships in new markets.
- **Replicability and Sustainability** – From the donor perspective, committed private sector partners can transform an otherwise time-bound development investment into a long-term, market-driven, scalable initiative. For companies, partnership success can encourage sustained and expanded investment and act as a blueprint for other regions and issues.
- **Improved Effectiveness** – Shared expertise and knowledge can spark innovation and unlock new opportunities and networks. Collaboration with trusted organizations or agencies can also help companies gain social license to operate.
- **Better Efficiency** – Coordination improves alignment and accelerates success while reducing individual funding commitments.

- **Systemic Change** – Increased visibility, greater spheres of influence, and coordinated collective action and co-investment improve our chances of progressing toward the U.N. Sustainable Development Goals (SDGs) and tackling the complex global challenges that threaten supply chains and communities alike.

As the world becomes more complex, it's never been more critical for organizations to work across sectors to achieve shared goals. That's why Resonance's founder Steve Schmida created this guide to help demystify cross-sector collaboration. With decades of experience bringing companies, nonprofits, and government organizations together, Steve has literally written the book on partnering with purpose. Below, we share some highlights that help illuminate the ways stakeholders can work together to achieve outsized impact.

STEVE SCHMIDA'S BOOK

Partner with Purpose:

Solving 21st-Century Business Problems Through Cross-Sector Collaboration

Request a Copy

CHAPTER 2

When to Partner (and When Not To)

All organizations share one thing in common: some problems are simply too big to solve alone. But that doesn't mean partnership is always the best solution. When considering a cross-sector partnership, there are three key questions to answer:

What is the problem we are trying to solve?

Before you can determine whether a partnership is the right tool, be sure you are clear on the problem to be solved.

Is the problem simple, complicated, or wicked?

You can compare **simple problems** to baking a cake: although it might not be easy, you can replicate the results consistently by following a tried and true recipe.

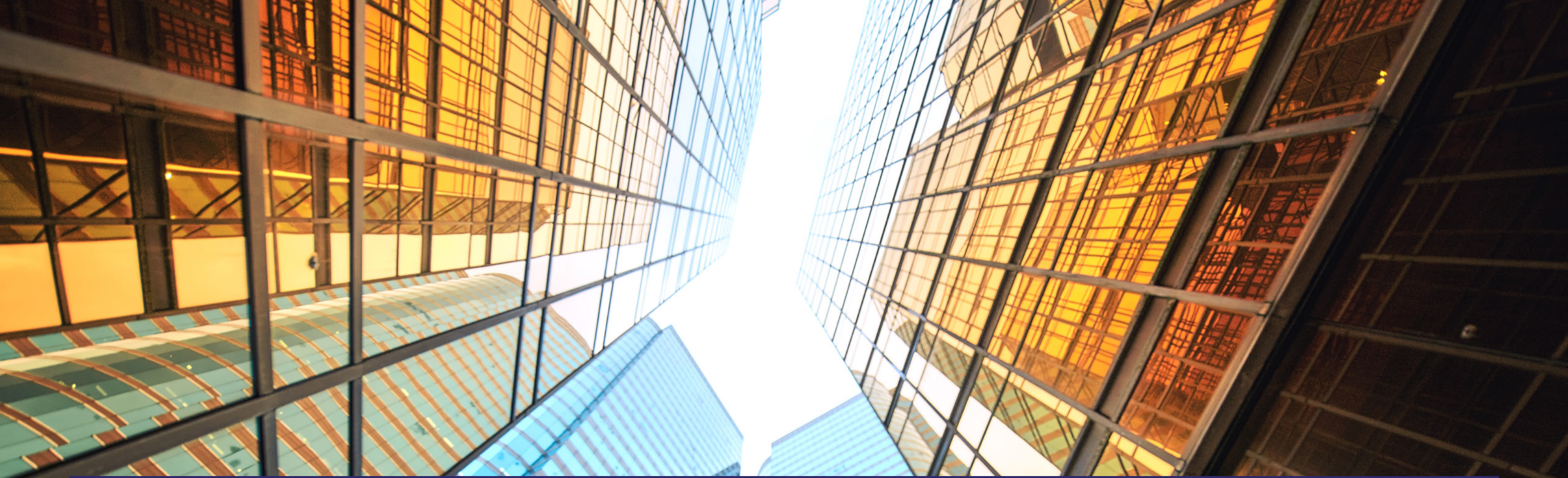
Complicated problems are more akin to sending a person into space. After years of experimentation and casualties, we can now travel beyond the atmosphere in relative safety—though certainly not cheaply or risk-free—by following a set of complex technical and managerial protocols.

Complex or **wicked problems** are another story altogether. There is no set process that you can use to solve them because they are intertwined with social, economic, and environmental issues that are always changing. Wicked problems are never entirely resolved, but organizations and countries may make significant progress through focused effort and collaboration.

Because partnerships are time-consuming to build and manage, they are generally most practical and effective when applied to complicated or wicked problems that no single organization can address on its own.

Are other organizations facing the same problem, and do they share your need to solve it?

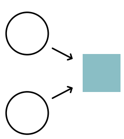
It may sound obvious, but **partnerships depend on partners that share a common problem**. Companies, governments, foundations, and civil society organizations might have different reasons for wanting to solve a complicated or wicked problem. Still, they must align on the nature of the problem—and each must be motivated to solve it.



CHAPTER 3

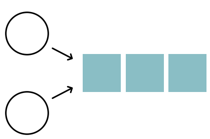
Common Partnership Models

CROSS-SECTOR PARNTERSHIP MODELS



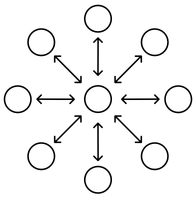
Joint Project

Short-term, one-time collaborative effort or single project



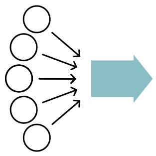
Joint Program

Multiple projects, work streams, or deliverables around a single focus area with a small set of partners



Multi-Stakeholder Initiative

Partners and resources aligned to drive systemic change on a common agenda; often requires a secretariat and a governance structure



Collective Impact

Long-term commitments to a common agenda, with many actors and independent workstreams

Joint Project

Joint projects tackle complicated problems that are isolated to a specific place and occur over a short period. Because projects often involve just one company and a nonprofit or government partner, the partnership's governance and management are relatively straightforward. The downside is that joint projects are usually transactional: they don't represent deep, genuinely collaborative relationships. And if a partner drops out, the partnership will crumble.

A JOINT PROJECT INITIATIVE MAKES SENSE WHEN:

- The problem, though complicated, is limited by time and/or geography
- A small set of partners are ready and able to tackle the problem
- There is no need or desire for a long-term collaboration; once the problem is solved, the partners can simply move on

NOTABLE EXAMPLE:

The TV White Space Partnership was a joint project between Microsoft, the Government of the Philippines, and the US Agency for International Development (USAID), facilitated by Resonance, to extend internet access to remote and underserved coastal communities in the Philippines.

Joint Program

Joint programs are similar to joint projects, but typically involve several partners and workstreams over a longer timeline. In this model, companies, partners work together to define a specific goal and coordinate a series of projects designed to achieve the goal within a few years. While individual partners may sign on or drop off as they complete workstreams, a joint program's success relies heavily on one committed partner to champion and coordinate various efforts.

A JOINT PROGRAM INITIATIVE MAKES SENSE WHEN:

- The problem, though complicated or wicked, is limited by time and/or geography; however, it may require activities over an extended period of time, typically years
- Multiple partners may join or leave the partnership as needed or desired
- A committed partner is ready and able to champion the program for as long needed

NOTABLE EXAMPLE:

The Last Mile Initiative was a joint program partnership between USAID and Qualcomm, Dialog Telecom, and the National Development Bank of Sri Lanka to extend internet connectivity and services to rural consumers.

Multi-Stakeholder Initiative

In a multi-stakeholder initiative, numerous partners from across sectors work toward one or more clear solutions to a complicated or wicked problem. Generally, these initiatives involve several funders and a secretariat to coordinate implementation efforts.

A MULTI-STAKEHOLDER INITIATIVE MAKES SENSE WHEN:

- The problem is complicated or wicked and large in scale, involving many countries or geographies
- There is a relatively discrete set of solutions that partners agree upon
- There is a need to coordinate organizations and companies already working on the issue
- Multiple partners have already stepped up or are ready to commit large amounts of resources, including funding
- Pooling of funding or activities will enable economies of scale and better results than if partners acted on their own

NOTABLE EXAMPLE:

The Global Alliance for Vaccines and Immunizations (GAVI) works with civil society organizations, manufacturers, governments, donors, companies, and more to help vaccinate almost half the world's children against deadly and debilitating infectious diseases.

Collective Impact

Collective impact initiatives address complex or wicked problems and involve a large number of loosely affiliated partners working toward system-level change. While each partner may work independently, they coordinate efforts and pool interests, resources, and capabilities to amplify impact.

A COLLECTIVE IMPACT INITIATIVE MAKES SENSE WHEN:

- The problem is truly wicked and requires action at multiple levels — local, national, and international
- There is no single solution or solution set; instead, solving the problem requires numerous types of activities across government, business, and civil society
- Several organizations — NGOs, companies, government agencies — are already actively working on the problem, though not in coordination
- It is not feasible or desirable to centralize partners' work, but there is a need for some coordination and convening to ensure broad alignment even as partners act independently

NOTABLE EXAMPLE:

The Platform for Accelerating the Circular Economy (PACE) works with global leaders and their organizations to accelerate the transition to a circular economy.

CHAPTER 4

How to Find Partners

Defining the problem

Before you identify your cross-sector partner(s), you need to confirm your problem. For instance, a medical company seeking to address heart failure in Ghana may find that the real problem is late diagnosis of hypertension, lack of awareness, and neglect of care plans. Uncovering the root problem(s) increases your chances of success, and helps you identify the partners that are best suited to help.

After engaging potential partners (see below), you may need to further refine your problem. That's often a good sign—the process should be iterative and collaborative.

Identifying and Engaging Partners

A landscape analysis can help you explore relevant value chains for potential partners. Create a map of all the organizations that are working on or affected by your problem. Remember to also consider those industries—such as technology and media—that might not be directly tied to the challenge but may still inform solution development. Below is a list of common partner types, and the benefits and drawbacks to working with them.

After identifying high-potential partners, it's time to engage. You may need to do some legwork to find the right contact at each organization.

Keep in mind that these first sessions are exploratory. Ask open-ended questions and listen more than you speak. Go into conversations with a clear idea of the root problem you are trying to solve, but expect to clarify your goals in response to the feedback you receive. Your sense of how to partner and what the partnership can achieve will evolve throughout the collaboration.

What types of organizations partner?

	PROS ✓	CONS ✕
Bilateral Donor Agencies	• Project funding • Convening power • Expertise	• May be slow-moving, bureaucratic
Multilateral Organizations	• Project funding • Convening power • Expertise • Geographic reach	• Rigid operating structure • Complex application process
Host Government Agencies	• Policy & regulatory expertise • Convening power • Local knowledge & buy-in	• May be slow-moving, bureaucratic • Limited funding • Goals between ministries may be misaligned
Nongovernmental Organizations (NGOs)	• Project implementation • Accountability & reputation • Reach into new areas	• Lack of funding support • Mission-focused • May be reluctant to engage
Private Foundations	• Project funding • Technical expertise • Innovative thinking	• Mission may be misaligned • Opaque decision process
Development Finance Institutions (DFIs)	• Financing for supply chains • Credibility • Technical expertise & research • Help with policy reform	• May be slow-moving, bureaucratic • Expect return on investment • Limited partnership experience
Impact Investors	• Project funding • Strong existing networks • Innovative thinking	• Narrow investment criteria • Startup overkill • May be faddish
Commercial Banks	• Project funding	• Expect commercial rate or return • Low scalability • Low historic investment
Universities and Reseach Institutions	• Thought leadership • Influence • Advisory support	• Funding dependent on donors • Limited scale • May be suspicious of partner motives
Multinational Corporations	• Project funding • Supplier or distribution networks • Innovative products & services • Marketing reach	• Goals may be misaligned • May be perceived as exploitive
Vendors and Suppliers	• Technical expertise • Networks	• May not be transparents

CHAPTER 5

Defining a Partnership Model

At this stage, you understand the problem, and you've spoken to a range of organizations and potential partners that either share your challenge or could possibly help shape a solution.

Prioritize Potential Partners

You seek motivated, committed partners who bring something critical to the table. In prioritizing organizations for partnership, consider:

- **Interest:** The degree to which they are committed to seeing the problem solved (and seeing the partnership through)
- **Influence:** Are there vital stakeholders or powerful/influential organizations, without whom the partnership would struggle to move forward or gain legitimacy?
- **Assets:** What does the partner organization bring to the table? Do their assets, abilities, networks, and skills add complementary value when considered against your own?

Co-design and Outline Your Partnership Model

This is where you need to get creative. You need to connect the dots to consider what you and your partners might do together to solve your shared problem or unlock new opportunity. Partnership ideation is more art than science, but consider the following as you work to sketch your partnership outline:

- **Co-creation is key:** The whole point of a partnership is that you are not in this alone. Gather insights and ideas from your potential partners or from other key stakeholders. Work together to co-design and co-create your partnership concept, drawing on your collective skillsets, assets, networks, and knowledge.
- **Articulate a shared vision of success:** Draft a problem statement that allows for the perspectives and interests of all partners. Then determine a vision of success that will guide the definition of more specific objectives and activities. In other words: in two, five, or 10 years, what does success look like for this partnership? What, specifically, will you have accomplished together?
- **Loosely sketch activities and roles:** What needs to happen to achieve that vision of success? What are the core activities that you will engage in together – especially in the next one to two years? Then, you will map the major roles and contributions of each partner. How does each partner fit in the puzzle, to create a successful partnership outcome? And can you already determine whether there are any significant missing pieces?

Download a free copy of Resonance's Partnership Bluebook Template

Get it Now

This template evaluates cross-sector partnership concepts according to their potential for success.

Note that, at this stage, you are **outlining** your partnership model or concept. You do not — yet — need to be consumed by the details of specifying granular activities and timelines or pushing for firm and specific resource commitments from partners. Your partnership outline is the basis for the negotiations in the next phase (see Closing the Deal). You will refine and complicate this outline further as you move forward with negotiating, co-creating, and engaging with your partners.

Download a free copy of Resonance's Partnership Content Template

Get it Now

This template summarizes the main features of the partnership and helps you develop a shared vision of success.

CHAPTER 6

Closing the Deal

The Valley of Death is a term that venture capitalists use to describe the risky time period between a company's startup and its revenue generation. A cross-sector partnership faces similar risk between the time partners first engage and eventually sign a formal partnership agreement. This can take six months or more, and it often spells death for promising partnerships.

Partners are more likely to cross this valley successfully by addressing the following:

Negotiating Principles

Negotiating the partnership terms is less about aggressively pushing for something that will benefit your organization, and more about finding solutions that maximize success for all partners. Collaboration is all about building long-term relationships and ensuring that everyone wins. Remember: Partnerships live or die by the commitment of all partners—you need to negotiate a partnership that motivates and fits each keystone partner. Some key tools to employ are **active listening, ensuring a fair process, restraint, curiosity, respect for differences, and cultural awareness**.

Incentives and Constraints

It's important to understand the realities each partner faces as you negotiate and structure your partnership. Donors agencies and other tax-payer-funded organizations may prioritize process and program targets while companies often frame progress in terms of quarterly earnings objectives. A partner may be blinded by commitment to a specific purpose or vision that keeps them from considering the related issues that must be addressed first. Seek to understand a partner's incentives and constraints while articulating your own, to ensure that your partnership can balance needs and maximize progress toward shared goals.

Framing the Case

To keep stakeholders engaged, you'll need to clearly define the benefits each partner can expect to receive as a result of the collaboration. A company should establish the business case for partnership, which might include access to new markets or customers, increased productivity or operating efficiency, or sourcing more, better, or less-costly materials. For example, "Through the partnership, we will reduce our input costs by 10 percent over the next year."

Though the business world historically cited profit as its central goal, many companies have also begun to declare a purpose, similar to a mission, that goes beyond mere profit (PepsiCo, Unilever, and Cargill are all good examples). If you work for a company that hasn't defined a purpose, you may be able to review recent presentations, speeches, or interviews with leadership for clues on how to align your partnership with the values that give larger meaning to company strategy and operations.

Development or humanitarian organizations should document how the partnership will advance progress toward one or more of the sustainable development goals or toward a specific issue in a high-need area, such as creating access to clean water in Tanzania. Governments may express a desire to create jobs or improve livelihoods within a particular region or sector of the economy.

Securing Commitment

Before the formal agreement, you need a solid commitment from fellow partners. One strategy is to negotiate with them individually first—sometimes over the course of several meetings—to learn what they hope to achieve through collaboration (and how much they are willing and able to give). Another is to convene a roundtable where you've laid the groundwork in advance with one or more partners to encourage others to commit or step back.

Finally, it doesn't hurt to create a sense of urgency by setting a deadline for commitments, for example in the leadup to a global event or industry announcement.

Getting Buy-in

It might seem counter-intuitive, but one of the top reasons that cross-sector partnerships fail is that partners haven't gained buy-in from their coworkers to ensure their organization can deliver on its promises. Coworkers and internal leaders may be hesitant to work with other entities with different goals, cultures, and hierarchies. And the fewer champions each partnership has, the higher the likelihood that staff turnover will collapse the entire partnership. To ensure successful collaboration, each partner can gain internal alignment in the following ways:

- **Stakeholder Mapping** – List the people, groups, or business units that could play a role in deciding the partnership's fate. Pay special attention to those with strong influence and interest in whether the partnership moves forward.
- **Making Allies and Educating Skeptics** – Talk with your stakeholders about any interests or significant concerns related to the proposed partnership. Good communication will help alleviate apprehension and expose issues.
- **Aligning Headquarters Imperatives with On-the-Ground Realities** – Make sure to include in-country teams as stakeholders in the partnership and engage them early and often.
- **Coordinating Internal Communications** – Plan weekly or monthly email updates on progress, hold meetings to confirm key milestones, and consider establishing a partnership team or cross-functional working group that ensures key stakeholders are kept informed.
- **Obtaining Executive Sponsorship** – When the leader of a company or organization is committed to the cross-sector partnership cause, others are likely to fall in line. A word of caution: Be sure you have a clear idea of how to translate ideas about a partnership into action first—or you risk falling out of favor before things have even gotten off the ground.

Governance

As you are negotiating, partners should consider how the partnership will be governed. How and who will make decisions? Will all partners have equal say? Are there critical outside stakeholders who must be consulted? Generally, the simpler and more streamlined the system, the more quickly the partnership will be able to make forward movement.

One common model is to create a governing body comprised of one representative from each organization, that meets regularly to make decisions and review progress. Another is to create an executive group of highly committed partners that make most of the decisions, as well as a larger committee that keeps everyone informed and on track.

Management

A partnership must be managed closely to ensure that activities happen on time and as planned. Manager(s) will also oversee the organization of governance meetings and creation of reports, external communications, and other important documents. Cross-sector partnerships often employ a partner for this role, appoint a third-party manager, or hire a dedicated partnership coordinator.

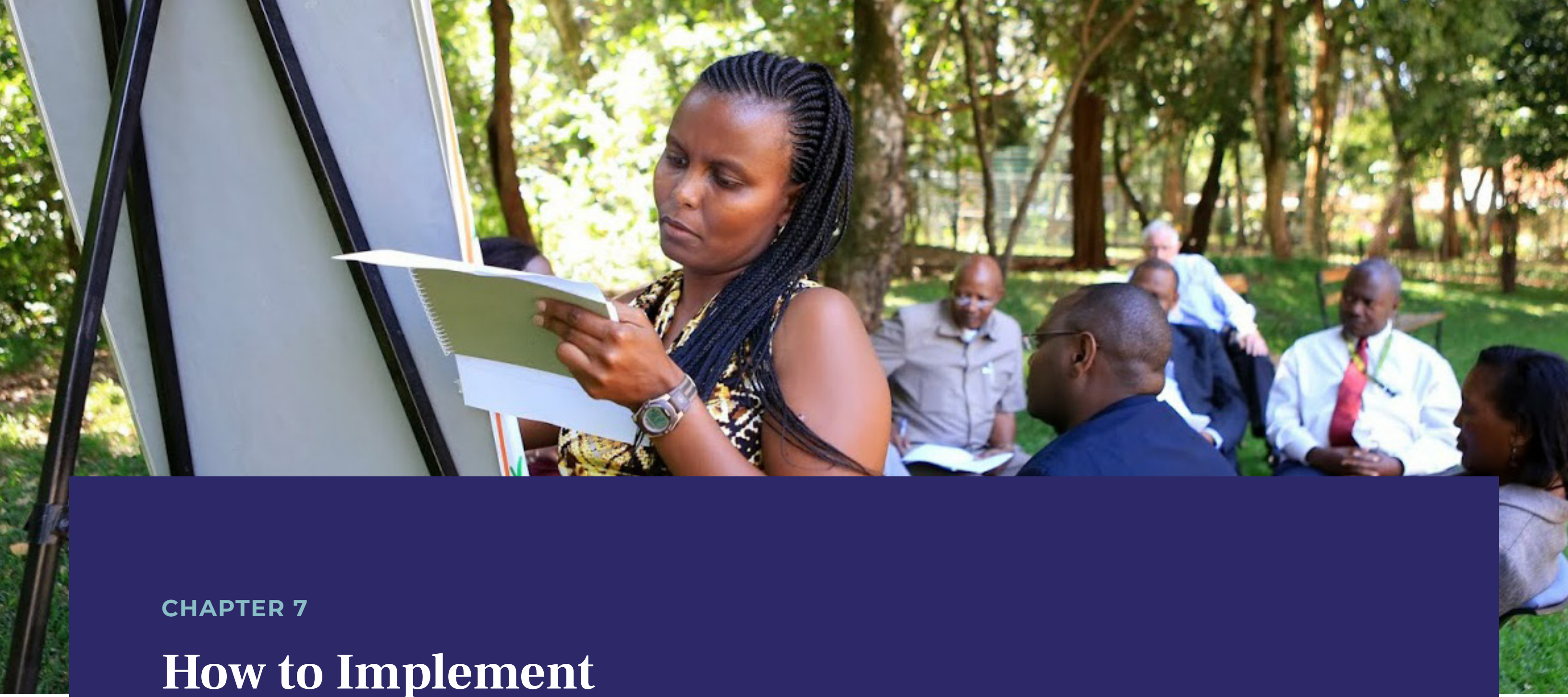
Writing an Agreement

Whatever the form of your final cross-sector partnership, we advocate that you outline partnership terms, roles, activities, and parameters in a signed partnership agreement. Generally, these partnership agreements are not legally binding contracts; instead, they act to formally and transparently outline the expectations and aspirations of the collective partners. In a partnership agreement, you'll likely want to cover the following:

- A list of each partner organization and its representatives
- Partnership goals or purpose
- Roles and responsibilities
- Expected resource contributions (to the extent known)
- Activities (to the extent known)
- Governance and decision-making structure
- Reporting requirements
- Ownership of revenues and intellectual property
- Publicity and branding rules
- Confidentiality rules
- Termination clause
- Signatories

Download a copy of Resonance's Partnership Agreement Template

Get it Now



CHAPTER 7

How to Implement

The launch of a partnership is full of excitement, as well as uncertainty. As partners move from thought to action, these tried-and-true attributes can go a long way toward ensuring success:

- **Trust** – Readily share your intentions and goals, and accept the legitimacy of your partners' intentions and goals. Provide, and be open to, positive and negative feedback.
- **Quick Wins** – Find an "easy win" partnership activity that can be implemented within 90 days to keep momentum high and stakeholders satisfied.
- **Adaptive Leadership** – Be ready to change course as circumstances change or if theoretical solutions aren't panning out.
- **Accountability** – Deliver on promises to other partners and stakeholders. Ask them to do the same.
- **Project Planning and Management** – Collaboratively plan deadlines and ensure that they are met, resources are supplied, and tasks are completed.
- **Monitoring** – Periodically review progress toward partnership goals and metrics.
- **Communication** – Be transparent, consistent, and collegial. Consult each other before making changes. Create an external communications plan that establishes when and how to share information with the press, civil society organizations, and community-level beneficiaries.
- **Closeout** – Discuss and regularly revisit when the partnership will end, scale, or evolve into a sustainable, long-term engagement.

CHAPTER 8

Sustaining and Scaling

Once a cross-sector partnership has achieved its goals, partners should discuss whether and how to sustain the impact they have created. Could their solution create a business opportunity for one of the partners or stakeholders? Is anyone willing to pay for ongoing costs? What incentives might encourage or reinforce the change over time?

Partners may also want to consider whether it's feasible to scale their results. If the collaboration is generating business value as well as positive impact in a particular market, you may want to enhance product or service offerings within that market. Alternatively, you may be able to offer the product or service across a wider range of market segments or geographies. You'll also want to consider these three factors:

- Whether the benefits of scaling results will increase more quickly than the cost of scaling
- Whether any of the stakeholders are willing to pay for or invest in the product or service
- Whether leaders and the organizational structure are capable of managing the scaling process

If your partnership meets these criteria, discuss which model you'll use to scale. Common options include a private, market-based pathway that leverages internal or external investment; a public-sector-led pathway developed in collaboration with host government(s); or a private-public hybrid that takes advantage of the strengths of both the market and the public sector.

Resources

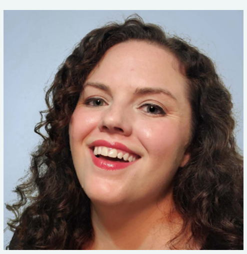
For more information on how companies can partner with different types of organizations to reach business and sustainability goals, check out the book Kirkus Reviews calls “authoritative, all-encompassing, and richly detailed; a highly valuable partnership playbook.” Steve Schmida’s Partner with Purpose: Solving 21st Century Business Problems Through Cross-Sector Collaboration is now available.

Some international donor organizations have set up platforms to make cross-sector partnerships quicker and easier. Below are a few notable examples:

- The United Nations Global Compact
- The USAID Global Development Alliances (GDA)
- The Business Partnerships Platform
- The Swedish International Development Agency (SIDA)

For more free tools and resources, check out our list of online resources for building partnerships.

Resonance Cross Sector Collaboration Expert



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Cara Hayes is a Senior Associate focused on Partnership and Private Sector Engagement. At Resonance, Cara works with a diverse set of clients to find innovative solutions to complex business and global development challenges. Rooted in a belief in the transformative power of cross-sector cooperation, she supports the development of strategic partnerships and designs programs that create value for both the private sector and communities. Her role also includes sharing partnership learning and supporting partners to apply Resonance’s suite of partnership development tools and methodologies. She brings more than 15 years of experience in the international development sector, with a focus on inclusive growth, sustainable supply chains, and market systems development.