Business community partnerships in New Zealand:
Understanding experiences of partnership

by Dr Louise Lee

Department of Management
College of Business
Massey University

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1 Department of Management, Massey University, Private Box 756 Wellington.
Ph 04 8015799 extn 6352
Email: l.lee@massey.ac.nz
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As a university researcher my job is to uncover new knowledge – preferably the sort of new knowledge that other people will find useful. The new knowledge generated in this research provides important insights into business community partnerships in New Zealand today.

This research would not have been possible without the support of the participants. All of the participants in this study generously provided me with their time and thoughts, allowing me to complete this research. My thanks to them all.

I would also like to thank the Massey University Research Fund which provided some funding for this project.

Dr Louise Lee
Project Manager
Introduction

Many businesses seek to be good corporate citizens through involvement with the communities in which they operate. Increasingly corporate social responsibility (CSR) is moving beyond charitable giving, with business community partnerships fast becoming one of the most visible aspects of a company’s social responsibility agenda. Business community partnerships can provide opportunities for business to add value to social outcomes, help build capacity within the community sector and provide benefits for individual business organisations.

The term ‘partnership’ is increasingly applied to a broad range of business community sector engagement. For the purposes of this report, business community partnerships are defined as relationships existing between private business organisations and not-for-profit community organisations, formed largely to address common-interest social issues. These relationships engage the partners on an on-going basis and are often strongly project oriented.

There is a growing body of international literature on corporate social responsibility and corporate community involvement activities. However, in New Zealand few empirical studies have been conducted about the community involvement activities of business. A 1996 study on business social responsibility in New Zealand concluded that business community involvement activities were increasingly seen as a long–term investment rather than a cost to business. A 2006 study of business social investment activity in New Zealand found that businesses in the study were seeking to add value to social outcomes through developing relationships “where both parties can learn from each other and partner together for defined outcomes providing a ‘return’ for all”.

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4 For the purposes of this research the term community organisation is used synonymously with non profit organisation, NGO and civil sector organisation.

5 A review of this literature has not been included in this report as its purpose is primarily to summarise the findings of the research.


7 *Business social investment activity in New Zealand* (2006). Institute of Public Policy, AUT, Auckland New Zealand
The study described in this report provides a distinctive New Zealand perspective on a key aspect of socially responsible business activity – business community partnerships. The report focuses on results of qualitative research I carried out in 2005-2006 exploring the dynamics of partnership working within seven business community partnerships. The research is part of PhD research on business community partnerships in New Zealand that I completed in December 2006.

The purpose of this report is to provide a summary of the key messages that emerged from this project and to draw together some of these messages in a way that is useful for those who interact with private business organisations and non-profit community organisations in New Zealand. Ultimately my focus is on benefiting the managers of the organisations that participated – and others like them.

8 “Business community partnerships in NZ: Understanding experiences of partnership” Doctoral dissertation, Deakin University, Melbourne 2006
How the research was carried out

This report explores the dynamics of partnership working within seven partnerships involving six businesses and six community organisations. The study described in this report sought to provide answers to two key questions in relation to business community partnerships in the New Zealand context:

- How is the nature of ‘partnership’ understood and defined by those actively involved in business community partnerships?
- What characteristics or factors enable or impede successful partnerships involving business and community organisations?

**The Participants**

I conducted 18 in-depth, semi-structured interviews in total. 16 interviews were held with key managers from both the business and community organisations directly involved in managing and implementing activities in the seven partnerships. The research was also informed by two additional interviews with community organisations involved in partnership relationships with business organisations. In addition I used secondary data publicly available on websites, in business reports and newspapers relating to the specific partnerships to help generate lines of inquiry.

All of the businesses were large enterprises with the exception of one SME business. Four of the six businesses were New Zealand based multinational corporations. The businesses in this study represent a variety of industries primarily in the secondary sector (mostly manufacturing) and tertiary sector (mostly retail, communications and service sectors). The majority of community organisations that took part in this study were large, national social service agencies providing a range of social services, using a national network of offices throughout New Zealand.

The business and community organisations were selected on the basis that they were involved in what they termed as business community partnerships. The partnerships included in the study ranged in age from 18 months to four years, with the average age being 2 ½ years. The business community partnerships encompassed a range of exchange mechanisms including financial assistance, in-kind donations, employee volunteering, and cause-related marketing. Partnership projects focused on social issues such as youth development, mental health issues, environmental sustainability, community welfare (x2), disability issues and support services for families. Partnership projects operated in a variety of locations throughout New Zealand, including Auckland, Wellington and Christchurch.

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9 One business had two partnerships – one with a community organisation and another with a government crown entity, both of which were included in this study.
10 +100 employees
11 fewer than 20 employees
Interviewees were selected on the basis that they were involved in managing and implementing partnership activities and dealing with issues as they came up over time. Interviewees included CEOs, dedicated managers within the business organisations responsible for corporate responsibility or sustainability issues, and managers working in areas such as community relations, public relations, marketing, fund-raising and sponsorship. Interviews were conducted in Auckland, Wellington and Christchurch at the manager’s place of work from September 2004 to March 2006.

**THE INTERVIEW**

The community and business managers were interviewed using a semi-structured schedule which was designed to help the interviewee:

- describe how and why the business community relationship started
- identify how the relationship had evolved, including distinct phases or important milestones in the partnership to date
- assess the greatest challenges and disappointments of working together
- identify the defining characteristics of the business community partnership relationship ie how is ‘partnership’ work understood by those involved
- identify factors most critical to successful business community partnerships

Each interview was tape recorded and the interview transcript was sent back to this individual for approval. The research followed the guidelines provided by the Deakin University Human Ethics Committee\(^{12}\) which approved the way in which the respondents were selected, the way the data were collected and stored.

\(^{12}\) This research was part of PhD research conducted through Deakin University Melbourne Australia.
What the research revealed

The managers of the business and community organisations that I visited as part of this study gave fascinating insights into business community partnerships in New Zealand today. I have organised what they told me around key broad themes, rather than according to individual partnership case studies. The results are summarised below and grouped around four broad themes:

- Understanding motivations for partnership, reasons for business and community organisation involvement
- How partners come together
- Challenges of partnership work
- Partnership evaluation

Understanding motivations for partnership

Addressing social issues

Partnership was about having a sense of collective purpose and contributing to the resolution of a shared social problem, as one community manager commented:

*If you're in a partnership you both go in it together and you both head down the road together, not dragging that person with me.... So it has to be a togetherness to go. Our partnership with business had to be two way and that was why it was really crucial for us to make sure we got someone who was committed to doing community, you know, that whole community aspect and also to have their whole organisation being part of us (Community 7).*

During the interviews a number of the respondents explained the benefits of business community partnerships in terms of perceived advantages of sharing resources and expertise.

*Well for me it's taking a much more holistic view and being creative about what we have got to offer, what are our resources and what are we good at and what are they good at, what are their resources and what's possible here. It's sort of one and one makes three (Business 4).*

In this study all of the partnerships were strongly project-oriented. Working together to plan and implement projects implied a high level of interaction and engagement between key managers of the organisations involved. This theme was reflected consistently in both business and community managers’ accounts of what partnership means, as one business manager commented:

*We spent maybe four months at the beginning of last year working on establishing the partnership and finding the way we were going to work together and then from that point develop the programme. That's where I see the partnership element. It's not that we give them money, they have a*

13 Writing in italics represents direct quotes from respondents
project and we give them some money to help pay for it, we've actually developed it together….it's fairly hands on (Business 1).

Mutual benefit

Partnership was described by both business and community sector managers as a way of organising that must be about meeting the needs of both business and community organisations. Reciprocal advantage was a particularly strong element in the business accounts of what partnership might mean, as one business manager commented:

We obviously want benefit from partnering these organisations but we want them to benefit from it as well, we don’t see it just as a handout, much more as a two way relationship (Business 2).

Community managers also emphasised the need for partnership arrangements to provide value for the individual organisations involved. Community managers saw themselves playing a key role in working with business to realise benefits for the business organisation:

The key thing has been developing the relationship, developing one that we’re both in tune. That we both feel we're gaining from it. It’s very important for me to make sure that X (business partner) feel in the loop and that they’re getting value. I can never just assume that they’re going to feel valued. I’ve got to always make sure that I’m working to make sure that they are part and parcel of the partnership, by constantly having contact with them and constantly bringing out new initiatives, all of that sort of thing (Community 7).

However, some community managers were sceptical of the ability of business community partnerships to share the benefits equitably. Some community managers raised questions as to who might be the main beneficiaries of partnership arrangements and challenged what were perceived as inconsistencies in business motives:

It’s like yeah, we are concerned about values (in reference to business organisations in general) and about the issues out there. But there’s a certain cynicism……On one hand they (business organisations) are saying we need to participate in society and help to make this a better place to live. Then they have this little tag - not because it's a good thing to do because we're a caring society, but because it will improve our bottom line (Community 4).

Partnership – more than funding

For a number of managers in this study, understandings of philanthropy were directly contrasted with the idea of mutually beneficial partnerships, as one business manager explained:

I think the term partnership is our way of trying to define a relationship that’s not philanthropic. It’s not about giving money to a cause, or an organisation or a programme because it’s a jolly good idea and it’s doing a lot of really good work out there and is deserving of support…Partnership is a term we hit on because it means that it does have that two-way element to the relationship… I owe it to my shareholders to develop a partnership that is good for our business (Business 6).
A recurring theme in discussing what ‘partnership’ encompasses was the need for partnership arrangements to satisfy organisational objectives for the partner organisations involved. The following two sections examine in further detail key collaboration motivations for business and community organisations involved in this study. The first section discusses the business motives for participation in partnership relationships with community organisations.

**Reasons for Business Involvement**

The potential for simultaneous business and societal benefits drew the overwhelming majority of the businesses into strategically targeted involvement with community organisations in this study. Business managers talked of partnerships with community organisations as strategic in terms of achieving business goals and objectives.

**Building a better society**

The strategic significance of partnerships with community organisations was commonly explained by business managers within broader corporate social responsibility or sustainability frameworks. Partnership activities were explained by business managers in this study as actions designed by the business to address social goals and benefit others. Business community partnerships were seen as indicative of strong ethical values driving the business, with corporate responsibility values and business purpose being seen as closely interrelated. All of the business managers in this study explained partnerships with community organisations as an expression of a culture of social responsibility and ethical behaviour, suggesting altruistic motives for corporate community involvement.

*We have said that we are committed to corporate social responsibility. So what we get out of our partnership is putting our money where our mouth is…. We believe as a business, we are part of the community and we want to be seen as part of the community (Business 4).*

**Reputation building**

Building an image of a good corporate citizen with external constituencies, including government, customers and employees, can be one important reason why businesses engage with community organisations. Working in partnership was justified by some business managers in this study in terms of opportunities for enhanced image and goodwill for the business over the long-term, as one business manager explained:

*I think reputation amongst our customers that's quite a large one. In particular X (business organisation), has previously had quite a bad reputation and we're really working on bringing that up and our partnerships are one way that's helping that (Business 2).*

**Engaging with stakeholders**

One way of understanding the motives driving partnership activities is to assess the attention businesses pay to particular stakeholders. In this study many references were made by business managers to partnership initiatives providing opportunities to address the needs of employees, customers and communities.

Employees were key stakeholders for businesses in this study, with employee volunteering a core element in many of the partnership projects undertaken. Participation in employee volunteering was seen as providing
business benefits through enhanced team work, increased employee morale and staff retention, as one business manager commented:

We've got an amazing culture of volunteering, our staff are very passionate and they like to get involved with things…. So we wanted to be able to empower employees to participate in the relationship ….. Everything that we try and do is about, does it make our staff feel great, is it good for the community group and does it make sense for our business (Business 5)

**Reasons for Community Organisation Involvement**

**Accessing resources**

For all of the community organisations in this study a prime reason for working with business was to access resources. Community organisations looked to business organisations to provide money, goods, services or expertise towards meeting organisation needs that might otherwise go unfunded:

Their financial director is our treasurer, she does our monthly accounts …to get that sort of expertise would cost us a fortune that we don't have. They have been involved in terms of facilitating our planning days and have offered support with team building, performance reviews (Community 8).

In addition to monetary resources, community organisations wished to tap into a range of business capabilities, including access to business networks, technology and expertise:

It’s the added value stuff we get, the leveraging we get rather than the monetary amount. It’s their staff supporting us on an annual appeal, it’s the fact that I’ve got the support of their agencies, they can swing deals, like our annual appeal they knew who to go and see….so for a small organisation like us it’s the contacts that they have that we can use and that’s of value and that’s what you get out of a partnership (Community 7).

**Building brand recognition**

The potential to generate greater brand recognition and meet marketing and communications objectives was a key driver for some community organisations:

All of our relationships have a significant brand promotion within them…. So the two most important elements of our business partnerships are the marketing potential and communications potential and then it’s whatever revenues are raised (Community 5).

**Enhancing organisation credibility**

Community organisations may view partnerships as ways to enhance organisation credibility. In this study enhanced credibility with key constituencies was an important source of value for some community organisations, as one community manager commented:

It adds to our credibility that an organisation such as X (business partner) wants to have a relationship with us. So I use that relationship when I am talking to possible funders or people who may want to support us or have a relationship with us (Community 8).
How partners come together

I asked the research respondents to tell me about how the partners had come together, including matters such as how they identified potential partners, who initiated the relationship and what formal partnership arrangements they had in place.

Identifying potential partners – making a ‘good match’

Identifying potential partners was not an easy process. Many respondents stressed the importance of making a ‘good match’. Business managers talked of the importance of endeavouring to align potential community partners with the strategic purpose of the business they were engaged in. Potential partnership ‘fit’ was described in terms of finding “natural links” and “corresponding goals” and drawing on “complementary resources and images”. Various dimensions of ‘fit’ were described. The dimensions related to organisational goals and objectives, values and beliefs, target markets and management compatibility, as one business manager commented:

*The thing was they (community organisation partner) were about creativity and standing out, being outstanding and of course that has some real resonance with what we are about and we are very interested in the whole nature of developing stand out talent in a sense…..So it had a nice match to it (Business 4).*

In terms of making a ‘good match’ it was important for community organisations to seek business organisations with similar values and beliefs and a reliable reputation and image. Being able to identify areas of current and potential overlap in values, mission and strategy were important criteria, as one community manager recalled:

*It's been important to get a corporate that's got the same values, as social responsibility can take all forms, so unless you can identify or see something within that organisation that you pick as having their values, then it's not going to work (Community 7).*

Making a good match - managing the risks

Working in partnership poses many potential risks. During the interviews business managers talked of potential risks to business reputation and business brands, from developing sustained interactive partnership relationships with community organisations:

*There are risks when you're forming a partnership – you have to go through that due diligence because you are partnering with an organisation whose work, behaviours, outcomes, problems potentially can be linked to your own brand…So we need to be really sure that the people we're working with are squeaky clean, well governed, have good reputations (Business 1).*

Reputation is one of a community organisation’s greatest assets and also a key potential source of vulnerability when working collaboratively with business organisations. Partnering with a business that does not have a favourable reputation could seriously damage a community organisation’s reputation with key stakeholders, such as donors, community members, staff members and government funders.
Some community organisation managers expressed concerns that working with business organisations may present risks for sources of funding. Community organisations that are successful in attracting business funding may no longer be seen as requiring support from more traditional sources, such as government agencies, philanthropic trusts and foundations and individual donors.

However, despite the inherent risks to reputation the overwhelming majority of business and community organisations interviewed did not conduct formal checks on prospective partners. A number of managers acknowledged the significant time and resources required to research potential partners in detail. None of the community organisations in this study had staff specifically dedicated to initiate and develop partnerships with business organisations.

**Using a broker**

In one of the partnerships the business and community organisation were brought together with the assistance of a broker organisation. The business manager emphasised the important role played by the broker, including the use of due diligence processes and tools to assess potential community organisation partners:

*They really led us through a process and helped us to establish what it was we wanted to say and who we were wanting to say it to….we had a process in finding suitable partners and then doing really due diligence which was amazing because the process around choosing and finding a community partner is not something we had done in any kind of scientific way before (Business 1).*

**Making an approach**

Business managers made the initial approach in the seven partnerships, with one exception. In one case, the initial approach to work with a business organisation was made by a community organisation. In this instance the end of a long-term business sponsorship was a key trigger for the community organisation to proactively approach potential business partners.

Initial discussions for most organisations involved CEOs, Board members and senior management of both the business and community organisations. Senior management involved in initial negotiations generally worked in the community affairs/public relations, communications, marketing and fund-raising arenas.

In some instances developing business community partnerships was explained by business managers as a deliberate strategy, with initial discussions talking explicitly in terms of ‘partnership’. In other cases partnership relationships developed more organically over time, as the organisations involved worked together on one-off pilot projects.

**Establishing partnership arrangements**

Arrangements in the seven partnerships varied - generally, the greater the degree of complexity within partnership activities, the higher the degree of formalisation used. More formalised partnerships involved the use of detailed memorandums of understanding or written contracts. During the
interviews managers generally agreed that some form of written confirmation of both partners' expectations was very important.

Size matters
Results from this study suggest that large multi-national businesses prefer to develop partnership relationships with larger, higher profile community organisations. Business managers perceived that larger community organisations generally had greater capacity to work in sustained and interactive ways with business organisations. Business managers also indicated that working with large and better-resourced community organisations offered businesses greater opportunities for reputation enhancement and increased legitimacy with key stakeholder groups, in comparison with working with smaller, locally-based community groups.

However, a number of community organisation managers were concerned with what they viewed as a propensity for business to target larger, more well-known community organisations when selecting community organisation partners. Some community managers stressed the community development potential of business organisations working with local community organisations to address issues at a local community level.

Community managers were also critical of business for targeting “popular”, often highly visible community issues. Some community managers felt that community organisations providing highly-specific programmes or those being particularly active in advocacy initiatives might have difficulties in attracting business support because they may be perceived as less “marketable” by business.

Importance of interpersonal connections
Despite the importance of strategic organisational goals, managers’ comments strongly indicated the importance of interpersonal relationships in partnership formation. In a number of instances managers viewed key individuals as the driving forces to initiate partnership arrangements and projects. Many managers commented on the quality of personal relationships as a key factor in establishing and developing partnership relationships.

*The first two relationships with business came about and were driven by people within the business...it was individually run, I think with all these things it's about individual dynamics and the people who were involved in that were big picture people and were able to visualise* (Community 4)

**Challenges of partnership working**
Managers’ accounts in this research suggest a number of challenges in partnership working. In this section I outline three primary challenges associated with collaboration in the seven partnerships:

- Capacity building
- Learning to relate to partners
- Control issues

**Capacity Building**
Community managers in this study emphasised the extensive internal work that was required to work effectively in sustained partnerships with
business organisations. Community managers stressed the importance of developing a clear understanding of what community organisations could offer potential business partners.

*Having your house in order, understanding your work, enough community profile so you are on the radar screen and then the ability to respond in a pretty business-like sort of way (Community 2).*

In this study community managers stressed the importance of building internal understanding of the concept of cross-sector partnerships involving business organisations. However, developing a degree of ‘comfort’ in relation to working with business in more interactive and sustained ways was not always easy to achieve. Some community organisations had to manage internal constituencies that were initially at least, hostile to these relationships.

*I think from the non-profit side it’s that level of buy-in and understanding. Some of the internal challenges are about understanding what I’ve got myself into and appreciating the realities of a corporate partnership (Community 6).*

For all the businesses in this study it was important for relationships with community organisations to have clear relevance to business objectives. Sources of value sought by the businesses included contributing to the public common good, boosting intangible assets of reputation and trustworthiness, engaging key stakeholders and improving employee engagement.

However, defining a clear business strategy in relation to partnership initiatives was challenging for managers. Communicating and implementing community investment strategies across a range of business policies and practices, to both internal and external stakeholders presented significant challenges for business managers.

*That’s probably the biggest challenge for all corporates and that’s to be expected in the sense that people have always got limited resources, limited time, limited enthusiasm…I believe embedding it in the business is the key challenge (Business 5).*

Managers from both business and community organisations stressed the importance of operational level managers understanding the significance of partnership relationships to the organisations involved:

*Partnerships require ownership internally....the project managers need to take ownership so that they understand they have real deliverables, so they understand they are part of it from the start (Community 6).*

Another key challenge within partnership working was the time and energy learning to relate to partners, as discussed in the following section.

**Learning to relate to partners**

Handling risk and working with different organisational cultures is a key part of cross-sector partnership working. In this study managers from both
business and community organisations commented on challenges presented by differences in world views and organisational cultures.

I think personally it’s about trying to get into the head space of completely different types of organisations because they just operate differently, their language is different, their approach is different. So you’re trying to understand that and realise that our view of the world is different and for them it’s difficult (Business 1).

There can be misunderstandings about the contexts within which partners operate and uncertainties about organisation objectives within the partnership. For example, one business manager spoke of the difficulties of managing expectations:

Sometimes managing expectations can be difficult. Despite having a contract and talking about specific budgets, the number of times we get asked for more....As a business you’re probably seen as quite a big coffer. The more you put your name out there for doing this, you open yourself up to higher expectations and more approaches from community organisations as well (Business 2).

Control issues

Community organisations often do not have significant financial resources to contribute to partnership initiatives. In this study the greater the dependence on business for funding partnership initiatives, the less likely community organisations were to feel they were equal partners, as one community manager commented:

Both sectors don’t understand each other and there’s a certain amount of mistrust and cynicism and what is each of us getting out of this. The power relationship is just phenomenal....In our relationship X holds the power because they have the money, at any moment they could say, ‘this is not useful for us anymore, we’re walking off’ (Community 4).

Partners that contribute critical resources (often defined as financial resources) can make assumptions that their priorities, timelines and processes should take precedence. This can result in what partners perceive to be unreasonable demands. Manifestations of control often involve issues of ownership and exclusivity. In this study community managers stressed the importance of clarifying expectations in relation to branding issues and problems that can arise in partnership working if this is not done.

Partnerships with business organisations can quickly place significant burdens on community organisations which often have fewer resources and tighter constraints than large business organisations. In this study, resourcing relationships with business organisations involved considerable work for community managers. Some community managers commented on difficulties in attracting and keeping staff with the ‘business savvy’ required for fostering and developing effective partnerships with business.

However, financial resources are not the only resources needed for effective partnership working to address community issues. Community organisations have knowledge in addressing the social issues that are the
focus of the partnership – knowledge of how particular social ‘problems’ are experienced and experience of what is likely to work.

There were indications during the interviews that some business managers were beginning to recognise the contributions of community partners. Some business managers commented on the expertise community organisations bring to partnership initiatives, in terms of knowledge of community issues and expert skills they can bring to partnership projects.

In this research there were also indications that some community organisations were learning to leverage their distinctive non-financial resources, providing a stronger basis for negotiation within the partnerships. The majority of community organisations that took part in this study were large national community organisations. A number of these community organisations were learning to leverage their unique ‘branding’, reputation and subsequent attractiveness to business, as one community manager commented:

The big benefit and one I believe that a lot of nonprofits don’t put enough value on is the sheer value of their brand. For us we have a successful history and a great track record. This means we have equity in our brand that should never be devalued in any way. It is a key asset that needs to be protected (Community 5).

Many community managers in this study argued that community organisations can become more influential in their relationships with business by learning to better articulate and leverage their distinctive resources. Many comments from community managers stressed the need to develop a “what do we have to offer” mindset rather than a “what handouts can we get” mindset:

For a lot of community people they have to find the confidence in what they’re doing, to say to the corporate world, I’m not going to take this sitting down anymore, we’ve got something to offer (Community 4).

**Partnership evaluation**

**Partnership success - what should we measure?**

In this study managers reported a lack of systematic monitoring or evaluation processes in the majority of the partnerships. For those organisations that did evaluate partnership initiatives, managers described evaluation processes most often centred on measuring short-term tangible programme results. Specific evaluation measurements included - number of projects supported, monetary value of support provided, numbers of people involved and geographic spread. Reports providing these kinds of details about project results were usually prepared by managers within the community organisations involved. There was little evidence of business and community managers jointly evaluating partnership processes or outcomes for specific programmes or initiatives.

Issues of what to measure and how, challenged all of the managers and organisations involved in the seven partnerships. Business managers talked of the internal pressures they often faced in having to build and justify a ‘business case’ for partnership activities with community
organisations and the difficulties of trying to measure some of the more ‘intangible’ benefits:

*I don’t need a report that says x number of projects were supported through the grants programme, to the value of x, with this work of geographical spread… that on its own isn’t actually telling me if it’s actually having any quantifiable value and how you parlay that into brand value …So I think we need to pull our reporting up, to help us make that case… (Business 6).*

**Short-term versus long-term goals**

Managers commented on significant tensions between the internal pressures for partnership initiatives to meet short-term business goals versus long-term social outcomes of community development programmes. Managers commented on difficulties in measuring inputs or resources contributed (money, people, equipment) by the partners versus measures to assess the broader impact of the work of the partnership.

*Often at times you will find the manager within the corporate because of his career objectives and budget needs to get quick results. In all likelihood the relationship with a charity or other partner is never going to come to fruition within a year or two. It needs that kind of time to grow and you work out what you both need. But unfortunately the poor little marketing manager, he has been moved on twice since then and there is a budget cut and it’s all gone out in the too hard basket (Community 1).*

**Partnership outcomes**

Despite a lack of formal evaluation processes, managers in this study did refer to three key outcomes they observed accruing to partner organisations – capacity building for community organisations; culture building and enhanced reputation and image.

**Capacity building**

The primary financial and material resource transfer in the seven partnerships was from business to community organisations. The input of ongoing business skills and funding enabled community organisations in this study to extend their scope of influence and improve the quality of their programmes:

*I think the really key thing that I’d like to get across to you is the money is great but there are lots of other things about this relationship that is also great. The money enabled us to go from an organisation of 3, 4, or 5 staff to all of a sudden an organisation of 10 staff and we’ve been able to build on that, we’ve now got 25 staff (Community 3).*

Results from this study indicate partnership working can also provide a mechanism to explore innovative solutions to social issues. For example, in this study one partnership explored opportunities to test and develop new technologies. Although in the early stages of development, this initiative had the potential to assist the community partner in providing needed products and services for its members.

**Culture building**

For all the businesses in this study partnering with community organisations provided opportunities to reinforce and enrich corporate values and culture. Involvement of business staff was a core element in many of the partnership projects undertaken. Participation in employee
volunteering was seen as providing business benefits through enhanced team work, increased employee morale and staff retention, as one business manager commented:

*A lot of the feedback from staff was like – “I really learnt a lot about myself, it made me realise that nothing is impossible”. It was about confronting their own prejudices and lack of knowledge, people were being really upfront around that stuff and it was just an amazing time* (Business 5).

**Enhanced reputation and image**

Comments from community managers indicate that being associated with a business that has a positive public image can help enhance credibility and profile for the community organisation. For some community organisations this greater visibility led to increased contacts with other businesses and donors which translated into new projects, as the following quotes illustrate:

*We look for business partners because we believe that in addition to the brand promotion, the communications and the fundraising that they provide us with, they also enhance the credibility of our organisation. If we form relationships with successful businesses it sends signals to our marketplace ... it's about credibility, it's about acceptability* (Community 5).

*It took us from being just a blip on the horizon to an organisation that now boxes above its weight. We've got people lining up wanting us to do work with them* (Community 3).

Business managers sought opportunities to build reputational capital. In some cases, the scale and quality of the partnership projects translated into significant visibility for the company, as demonstrated in national awards for community investment programmes.
Conclusions

The purpose of the study described in this report was to contribute to understanding more about the dynamics of partnerships involving business and community organisations in New Zealand. I was particularly interested in examining the experiences of those directly involved in managing and implementing partnership projects. What I have presented in this report is a summary of the key messages that emerged as I visited the business and community organisations and interviewed the managers. Reflecting on these messages in relation to my initial research questions, I can draw a number of conclusions.

1. **Organisations involved in business community partnerships were motivated by value creation – adding value to social outcomes and providing benefits for individual partner organisations.** Partnership was associated with collective work around shared community concerns, business and community organisations sharing resources and ideas to address social issues. Partnership working was also presented by business and community managers as a rational way of organising that must be about meeting the strategic needs of the individual organisations involved.

2. **Organisational ‘fit’ and notions of potential risk to organisational reputation and credibility were part of how managers understood partnership start-up and development.** Organisations needed to have clarity about the purposes and expectations of the partnership in relation to issues such as projects to be undertaken; working relationships; and branding issues.

3. **Partnership work required capacity building within community and business organisations.** The effectiveness of collaboration involving business and community organisations depended on the commitment of each of the participants. The respondents identified critical issues in capacity building: clarifying organisational goals and the place of partnership relationships in the context of clear strategic goals for participating organisations; supporting staff with the experience, skills and resources to devote to the ongoing development of partnership relationships; clear management and reporting hierarchies within the partnership; on-going senior and operational management buy-in.

4. **Individual relationships played a pivotal role in a partnership’s chances for start-up and ultimate success.** A dominant mechanism for collaboration was the quality of individual relationships between key individuals from both business and community organisations.

5. **In the majority of cases programme evaluation was not embedded in programme design.** Measures of success often reflected factors that businesses thought were important, such as money raised, numbers of staff involved and staff attitudes towards their involvement. Overall, there were few indications of attempts to
measure the impacts on communities that the programmes were intended to serve.

6. **Partnerships evolve over time.** Because of the evolving nature of partnership relationships it was often hard to see where the value might lie. This can make it difficult for community and business organisations to commit resources to developing more interactive, sustained relationships.

**Implications**

The findings of this study indicate that partnerships can provide important opportunities for business and community organisations to work collectively to address shared community issues. These findings also highlight the importance of negotiating mutual interests, capacity building, control and trust issues as key factors for better understanding business community partnerships.

This report has been able to cover only a part of the story of partnerships involving business and community organisations. Nevertheless there are several implications that can be drawn from these results for those involved in managing and implementing partnership activities. Here, I will identify some of the key ones:

**Focus on defining societal goals and community outcomes that are realistic for the partnership as a whole, as well as emphasising individual organisational priorities.** Recognise the need for mutual value and reciprocity by jointly negotiating partnership objectives, the use of resources, and processes for monitoring & evaluating partnership initiatives.

**Focus on relational practices (personal connections, shared values) rather than over emphasising short-term objectives and task-oriented activities.** Encourage networks and communication processes that link community/business managers & staff to each other & keep the partnership clearly focused on the social goals.

**Foster senior & operational management support and encourage information sharing.** Communication processes both within and between partner organisations need to foster networks that connect people to each other and the social goals that are central to the partnership as a whole.

**Recognise and value the unique contributions each partner brings to the relationship.** The benefits of partnership for community organisations will be greatest when community organisations can bring their own distinctive resources, skills, expertise to the partnership table and these are recognised and valued by business partners. To help ensure this, community organisations need to clarify and clearly articulate ways they might contribute to these relationships and what they want from relationships with business beyond monetary resources alone.