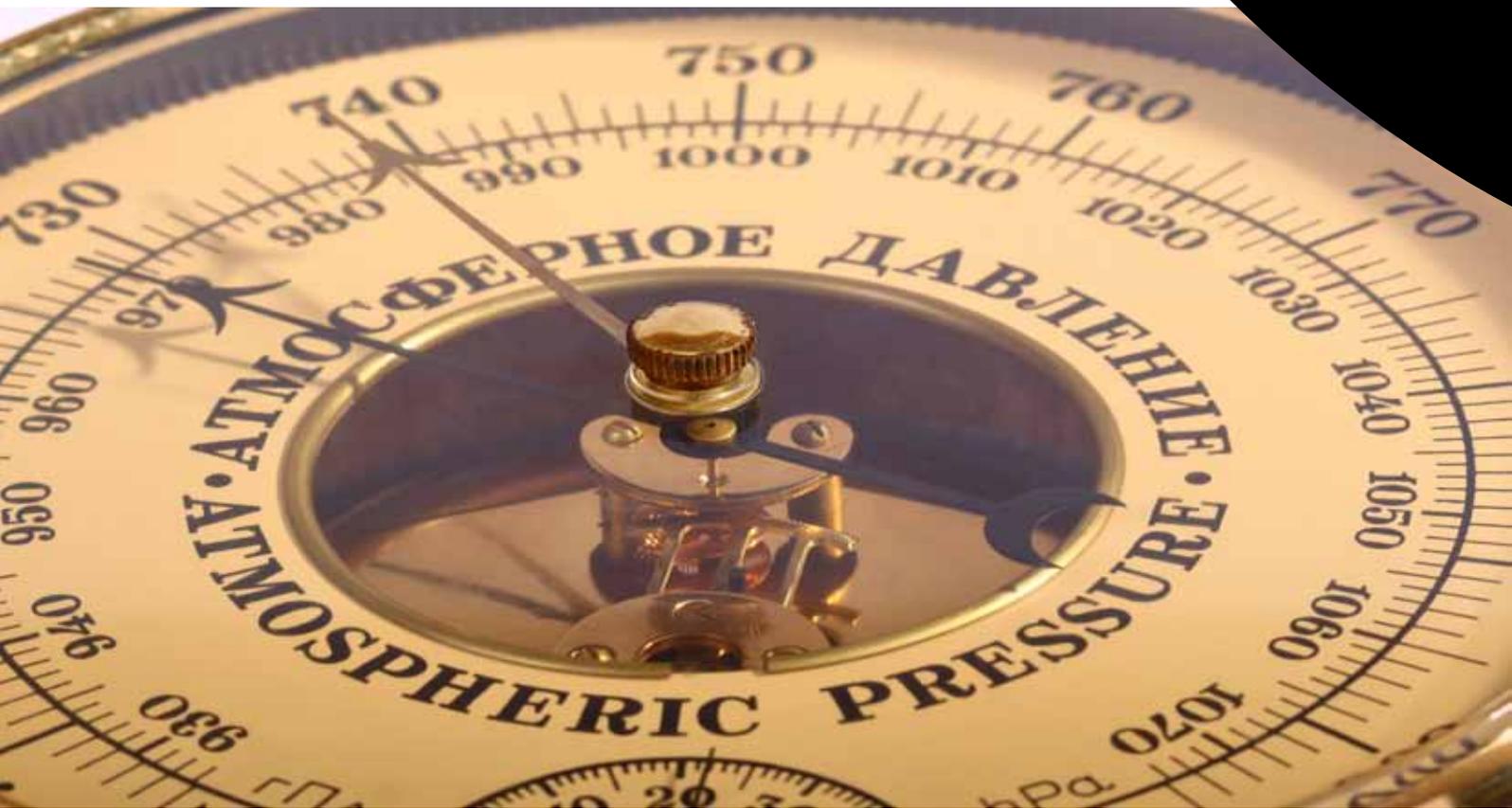




Corporate-NGO Partnerships Barometer 2018



Partnerships show resilience – surviving the tremors caused by the international aid agency scandals

Behaviour change and policy change becoming more prominent as objectives for cross-sector partnering

The future remains bright for Corporate-NGO partnering

Contents

Introduction	3
Headline Findings	4
Part 1: Why Companies and NGOs partner	8
Part 2: Partnering practice and effectiveness	10
Part 3: Effects of the international aid sector sexual exploitation and poor disclosure scandals on cross-sector partnering	18
Part 4: Policy change and behaviour change as objectives in cross-sector partnerships	23
Part 5: The stars –The most admired corporate-NGO partnerships and partners	28
Part 6: Future trends, prospects and anticipated developments in corporate-NGO partnering	34
Concluding Remarks	39
About the Barometer	41
Appendices	44

Introduction

Welcome to the ninth edition of the C&E Corporate-NGO partnerships Barometer - our unique annual series of practitioner-led studies.

This 2018 Barometer edition draws on the experience of 101 leading companies and NGOs who completed our confidential annual survey during June & July. As usual, the survey was supplemented by deep-dive discussions with corporate and NGO practitioners, to provide qualitative insights.

Taking a “helicopter view” of the cross-sector partnering landscape since the Barometer’s inception in 2010, the clear overall trend has been one of a deepening and lengthening of partnerships as partners strive to secure greater impact on the social, environmental and economic issues they address. Over time, partnerships have become more strategically important, increasingly sophisticated, fuelled by innovation, and are deemed to secure greater value for the companies and non-profits involved – and for society. This 2018 edition of the Barometer clearly demonstrates a continuation of this overall shift in myriad ways.

In the first of two special topics, this year’s Barometer reviews the extent to which recent reporting of sexual exploitation, poor safeguarding and transparency practices at some international NGOs / development agencies has affected cross-sector partnering. Obviously, this negative development had far bigger implications for some partners than others – but all involved in the sector call for increased scrutiny and robust policies.

Our second special topic reveals that behaviour change and policy change are



Manny Amadi, MVO
CEO, C&E Advisory

increasingly prominent goals in partnering between companies and non-profits.

As ever, we are very grateful to all our respondents and commentators for sharing their perspectives and experiences. We hope this 2018 edition of the C&E Corporate-NGO Partnerships Barometer helps to inform and enhance their and your understanding, investment decisions and practice of corporate-NGO partnering.

As usual, we welcome your comments and suggestions via

www.candeadvisory.com/barometer or
admin@candeadvisory.com

Manny Amadi, MVO
CEO, C&E Advisory

Headline Findings

Why partner?

For corporates, reputation and credibility (cited by 84% of companies) remain paramount, but innovation and long-term stability are increasingly important. Access to funds remains the primary driver for NGOs (cited by 95% of non-profits), but access to contacts and innovation are gaining greater emphasis.

Notably, as the Sustainable Development Goals (SDGs) continue to gain momentum, there has been a 17% year on year increase (to 76%) in companies choosing long-term stability and impact as a reason why they partner with NGOs.

Both corporates (81% - an increase of 14%) and NGOs (77%) rate innovation more highly as a reason for partnering than was the case in 2017. And both the NGO and corporate sectors have this year increased (by 10% and 11% respectively) their scores for efficiency as a reason for partnering with each other.

Partnering practice – and effectiveness

Further increases in the scale of resources invested in or secured from partnerships.

The trend in previous Barometer reports towards greater resources being invested in or secured from partnerships, is again evident in this year's findings. The 2018 Barometer shows a significant increase (13%) in the number of NGOs investing in or securing resources in the £5m to £10m value range.

The trend towards strategic partnerships continues.

Overall, 50% of companies describe over three-quarters of their partnerships as strategic, compared to just 21% of NGOs who rate their partnership portfolios similarly. However, the combined 42% of NGOs who consider over fifty 50% of their partnerships as strategic represents a 10% increase on 2017 assessments, again highlighting the move towards more strategic partnering across both sectors.

Corporates place much greater emphasis on deeper, problem-solving partnerships in their practices, whilst NGOs aspire to this position but appear to have fallen back (versus 2017).

Nearly three-quarters of companies (74%) state that their organisation is currently engaged in deeper, problem-solving partnerships that address core issues – a striking uplift of 28% compared to with last year and resonating with the growing role of societal purpose to businesses and brands. In contrast, NGOs aspire to implement such deeper, problem-solving partnerships, but it appears that they are struggling to translate aspiration into practice.

What non-financial value do partners bring to each other?

Partnerships enhance societal understanding, impact, and business practices

A record 92% of corporates (up 16% on 2017) state that harnessing their competencies and non-cash assets can make much more of an impact on their key NGO partners than financial support. Meanwhile, 95% of NGOs and companies believe that cross-sector partnerships enhance business understanding of social and environmental issues, whilst almost two-thirds of corporates and 56% of NGOs state that such partnerships change business practices for the better.

Effects of the international aid sector sexual exploitation and poor disclosure scandals on cross-sector partnering

The scandal necessitated a 'pause and reflect' by both companies and NGOs but has not led to any lessening of investments in - or prioritisation of - cross-sector partnering.

For three-quarters of organisations, the scandals have had neither a positive nor positive effect on their approach to partnering, with 76% of corporates and a near-identical 73% of NGOs agreeing with this sentiment at a consolidated level. Notably, a quarter (25%) of international companies and 15% of international NGOs express the view that the scandal has in fact affected their organisation's approach to cross-sector partnering either positively, or very positively.

The crisis may serve to underpin enhancements in partnering practices as UK and international companies and NGOs take steps to ensure improvements in processes (such as due diligence and relationship management), governance and leadership, and the reinforcement of clear partnership principles to ensure continued partnership success.

Policy change and behaviour change as objectives in cross-sector partnerships

Growing emphasis being placed on securing policy and behaviour change through cross-sector partnerships

Over three-quarters (79%) of corporates and more than two-thirds of NGOs (67%) state that they are placing greater or much greater emphasis on the behaviour change aspects of partnering.

At a consolidated level, just over half (52%) of all corporates and two-thirds (66%) of all NGOs surveyed say their organisations are placing greater or much greater emphasis on securing changes in public and organisational policy through cross-sector collaborations. However, closer analysis shows that nearly four-fifths (79%) of international NGOs and approaching two-thirds (63%) of international companies are emphasising the policy change agenda to a greater or much greater extent (compared to 57% and 27% respectively for UK-focused NGOs and companies).

The stars –The Most Admired corporate-NGO partnerships and partners

Scale, impact, longevity and creativity win practitioners' admiration

There was a clear overall winner again this year with GlaxoSmithKline-Save the Children taking the number one spot for the third year in a row. Boots-Macmillan was the second most-admired partnership, and the consortium collaboration between Tesco, British Heart Foundation, Cancer Research UK and Diabetes UK was in third place.

Future prospects for Corporate-NGO partnering

NGO-corporate partnerships seen as increasingly important

Overall, 86% of corporate respondents and 88% of respondents from NGOs see the role of partnerships as becoming more or much more important over the next three years. Not a single respondent anticipates a reversal of this long-term trend in the medium term.

Pressure on companies to demonstrate societal considerations, leveraging each other's assets, brand enhancement & credibility are the likely key drivers.

And what is the likely future trajectory of investments in cross-sector partnerships?

Increases in investment on the way

Over two-thirds of companies (70%) and over four-fifths of NGOs (84%) expect their organisation to increase or significantly increase their investment in cross-sector partnering over the next three years.

UK-focused companies appear less bullish about their likely investment growth than their international company peers, 75% of whom expect to see increases in their partnership investments. Similarly, more international NGOs (90%) expect to see increases in their organisations' investments in partnerships than do their UK-focused counterparts (78%).

Part 1: Why Companies and NGOs Partner

For corporates, reputation and credibility remain paramount, but innovation and long-term stability are increasingly important. Access to funds remains the primary driver for NGOs, but access to contacts and innovation are recognised gain greater emphasis.

Reputation and credibility (for corporates) and access to funds (for NGOs) have consistently ranked highest in the Barometer series as reasons why companies and NGOs partner with each other. The 2018 Barometer again reflects these core motivations, with 84% of companies and 95% of NGOs listing reputation and credibility and access to funds respectively, as the main reasons for partnering with the other sector.

However, behind this headline finding, there are other notable developments this year. Both corporates (81%) and NGOs (77%) rate innovation more highly as a reason for partnering than was the case in 2017. Whilst the NGO emphasis on innovation increased by a modest 3% on last year, the score given by companies represents a striking 14% increase for innovation, versus last year. Differences in perspectives and asset types, and the new insights that arise from this often mean that partnerships enable NGOs and companies to find new ways of addressing needs. It is interesting therefore to see this point reflected in the Barometer data.

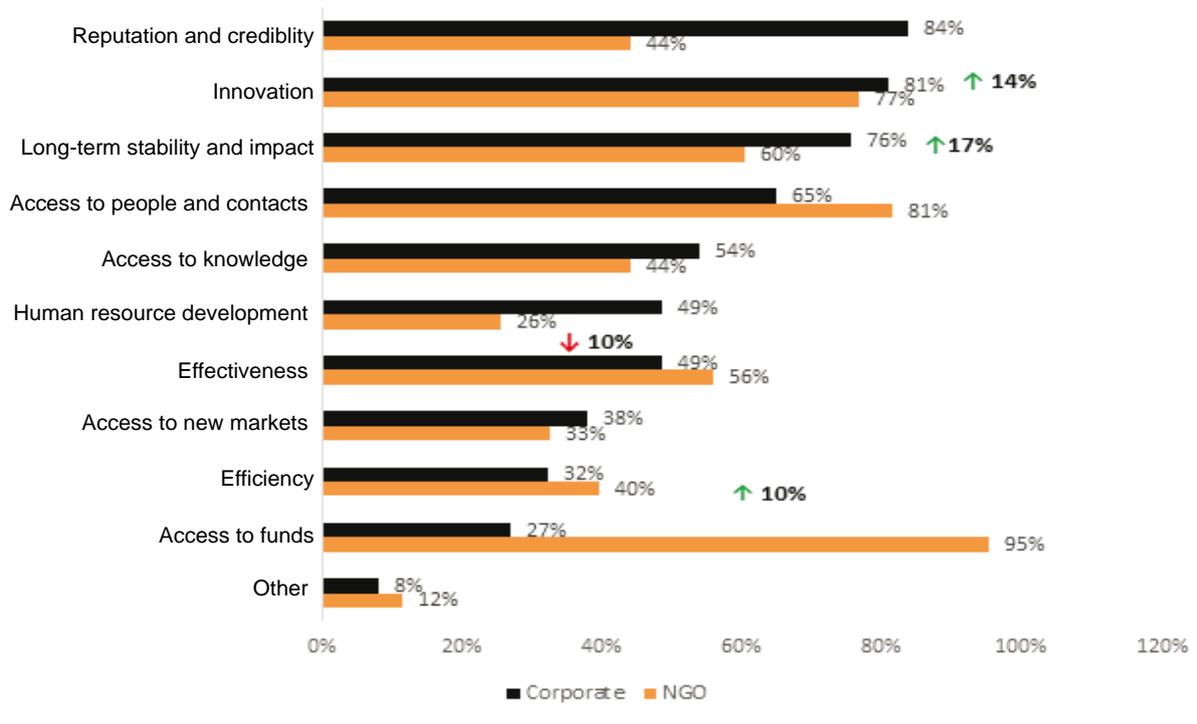
The 17% year on year increase (to 76%) of companies choosing long-term stability and impact as a reason why they partner with

NGOs is also notable. As the Sustainable Development Goals (SDGs) continues to gain momentum, it is perhaps not surprising that companies appear interested in expanding their reach and impact by working collaboratively with informed NGO partners from whom the former can derive development sector and market insights.

Finally, both the NGO and corporate sectors have this year increased (by 10% and 11% respectively) their scores for efficiency as a reason for engaging in partnerships with each sector. Whilst the score for efficiency remains, overall, low compared to other motivation factors, it is nevertheless striking that the NGO score for this particular factor has increased from 15% in 2016, to 40% in 2018. Our qualitative research for the 2018 Barometer ascribes this significant change to the resource constraints and donor pressures being faced by NGOs and development sector organisation resulting in non-profits focusing more on getting more from less. Partnerships with companies provide a route to mission fulfilment for NGOs.

C&E Corporate-NGO Partnerships Barometer 2018

Figure 1: Why companies and NGOs engage in partnerships with each other (broken down by sector):



Why does your organisation engage in corporate-NGO partnerships?

Part 2: Partnering practice – and effectiveness

Further increases in the scale of resources invested in or secured from partnerships - corresponding decreases at the lower end of the scale

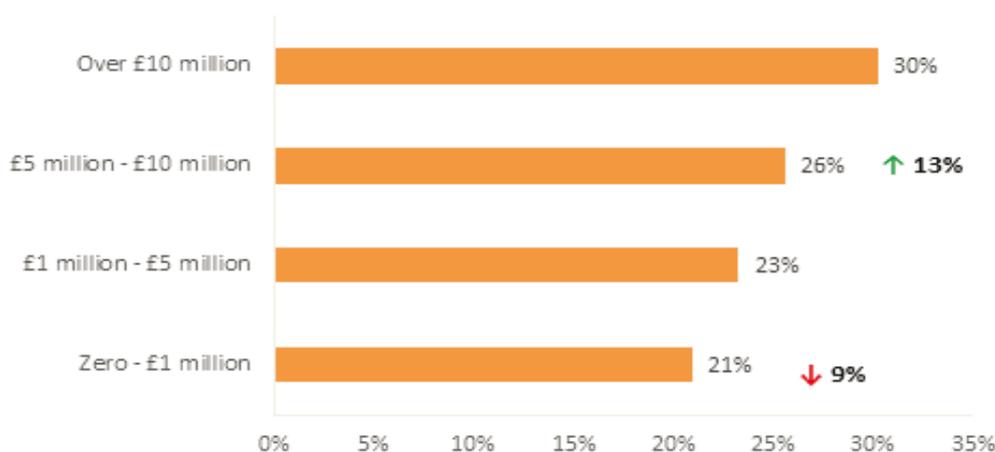
The trend in previous Barometer reports towards greater resources being invested in or secured from partnerships, is again evident in this year's findings. Looking at NGOs alone (figure 2), scores for the highest levels of resources (over £10 million) has remained fairly constant versus 2017. However, the 2018 Barometer shows a significant increase (13%) in the number of NGOs investing in or securing resources in the £5m to £10m value range, with a broadly corresponding (9%) decrease at the lower end of the scale (investments or resources secured worth less than £1 million).

Changes at the below £1m level are striking. Just 21% of non-profits place their partnerships with corporates in this lowest category in 2018, compared to a corresponding figure of 46% as recently as 2016, reinforcing the view that NGOs are increasingly prioritising partnerships with the corporate sector. As a result, NGOs are making greater investments in and securing more from such partnerships.

Similarly, the proportion of companies (figure 3) investing or securing over £5m in their corporate NGO partnerships has continued to increase. The most notable changes over recent years have been at the lowest levels of investment. In 2016, 30% of companies estimated their investments in partnerships at £1m or below, compared to 18% in 2018. This again demonstrates the growing scale of investments in partnerships at the higher financial levels.

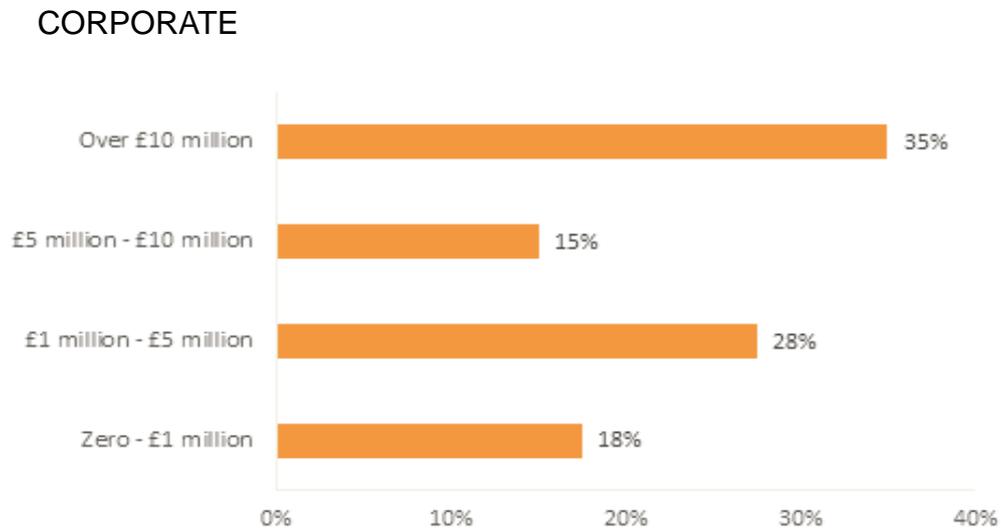
Figure 2: Estimates of how much respondents' organisations invest in – or secure from – corporate-NGO partnerships (NGO responses only)

NGO



In approximate terms, what is your estimate of how much your organisation invests in – or secures from – corporate-NGO partnerships in the UK and elsewhere annually?(NGOs)

Figure 3: Estimates of how much respondents' organisations invest in – or secure from – corporate-NGO partnerships (Corporate responses only)



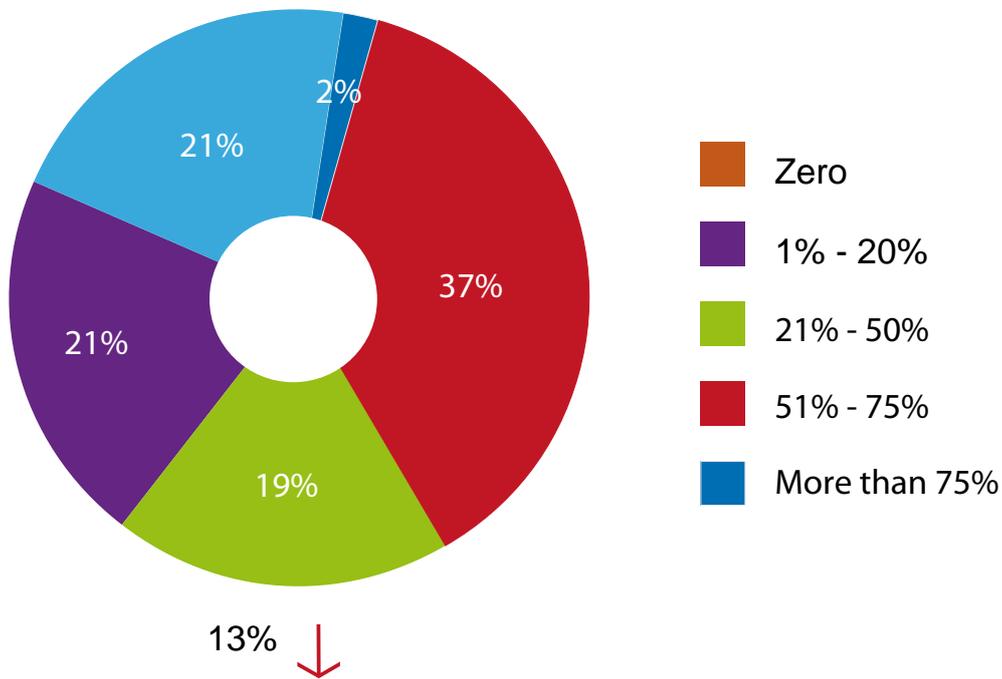
In approximate terms, what is your estimate of how much your organisation invests in – or secures from – corporate-NGO partnerships in the UK and elsewhere annually? (corporates)

The trend towards strategic partnerships continues

As partnerships become more valuable to NGOs and corporates, the steady move towards strategic partnering (as opposed to tactical and largely transactional partnerships) is again evidenced in this 2018 Barometer.

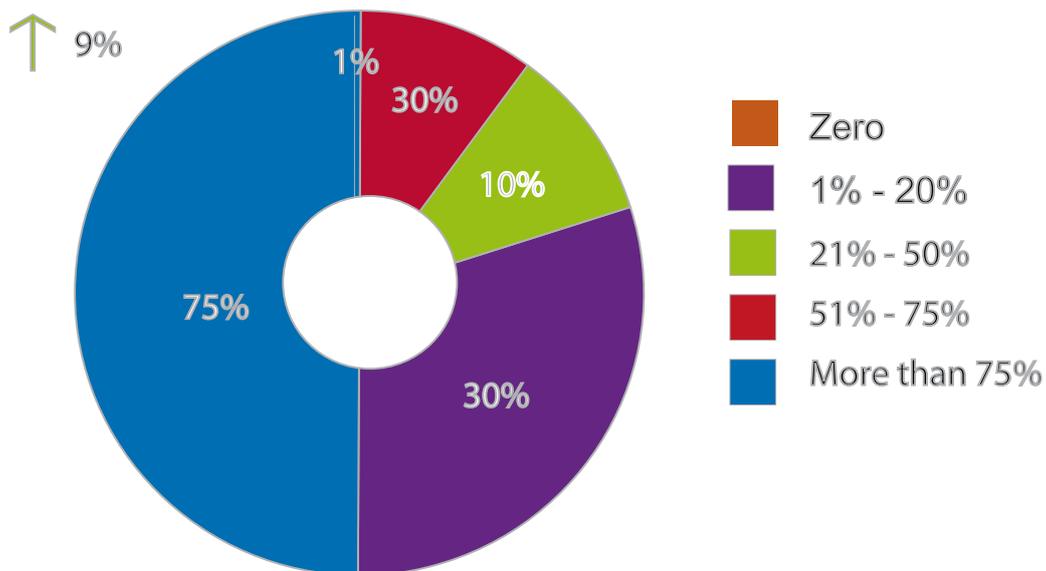
The move towards strategic partnering is much more pronounced in corporate responses, compared with NGOs. Overall, 50% of companies (figure 5) describe over three-quarters of their partnerships as strategic, compared to just 21% of NGOs who rate their partnership portfolios similarly (figure 4). Nevertheless, the combined 42% of NGOs who consider over 50 % of their partnerships as strategic represents a 10% increase on 2017 assessments, again highlighting the move towards more strategic partnering across both sectors.

Figure 4: Strategic partnerships – NGO responses only



In approximate terms, what percentage of your corporate-NGO partnerships would you describe as strategic as opposed to 'non-strategic' (transactional, tactical)? NGOs

Figure 5: Strategic partnerships - Corporate responses only



In approximate terms, what percentage of your corporate-NGO partnerships would you describe as strategic as opposed to 'non-strategic' (transactional, tactical)? Corporates

Depth and reach of partnerships

Corporates place much greater emphasis on deeper, problem-solving partnerships in their practices, whilst NGOs aspire to this position but appear to have fallen back.

With corporate & brand ‘purpose’ and role in society now prominent on the business agenda, ‘mission’ at the core of most NGOs’ reason for being, and competency-based, purpose-led partnerships increasingly acknowledged to be important by NGOs and corporates, we set out two years ago to explore and track the extent to which this type of deeper partnership is being practised.

NGOs and corporates were asked the extent to which their organisation’s current position in partnering is accurately reflected by the statement: “We are increasingly engaged in deeper, problem-solving partnerships designed to address core, mission-relevant or purpose-led issues in ways that create value for society, for ourselves and for our (corporate or NGO) partners.”

Overall the figures for 2018 show that the direction of travel remains towards embracing and practising the type of partnerships described by the above statement. However, significant gaps exist between the corporate and NGO sectors.

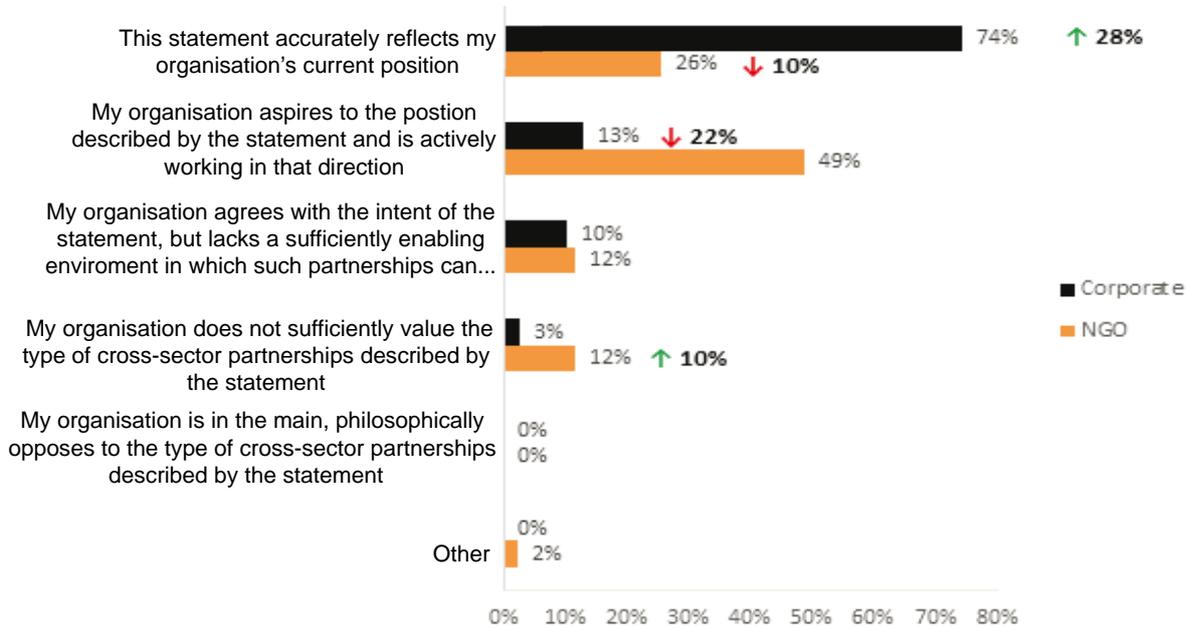
Nearly three-quarters of companies (74%) state that their organisation is currently engaged in deeper, problem-solving partnerships that address core issues – a striking uplift of 28% with last year (figure 6). In fact, in when this question was first asked in 2016, just 34% of companies made such a claim, meaning that the proportion of companies whose practices demonstrate this feature has more than doubled (from 34% in 2016 to 74% in 2018). This remarkable finding resonates with and appears to emphasise the growing role of societal purpose to businesses and brands.

In contrast, NGOs aspire to implement such deeper, problem-solving partnerships that address mission-relevant issues, but it appears that they are struggling to translate aspiration into practice. As figure 6 shows, the largest proportion of NGO respondents (49%) identify in the ‘aspiration’ option, while there has been a 10% year on year fall in NGOs stating that their organisations practise the type of partnerships described. Feedback in qualitative research indicates that problem-solving partnerships designed to address core, mission-relevant or purpose-led issues require transformation (in processes & systems, impact measures, and indeed business models) which many NGOs are struggling to operationalise.

Notwithstanding the above, there are encouraging signs from the NGO sector. Whilst lower than in 2017, the 26% of NGOs whose organisations currently practise core, problem-solving partnerships represents an uplift of 11% on 2016 when equivalent responses to the same question were at just 15%.

Finally, it can be seen from figure 7 that international companies and NGOs are more advanced than their UK-only counterparts in the practice of the type of partnerships described above.

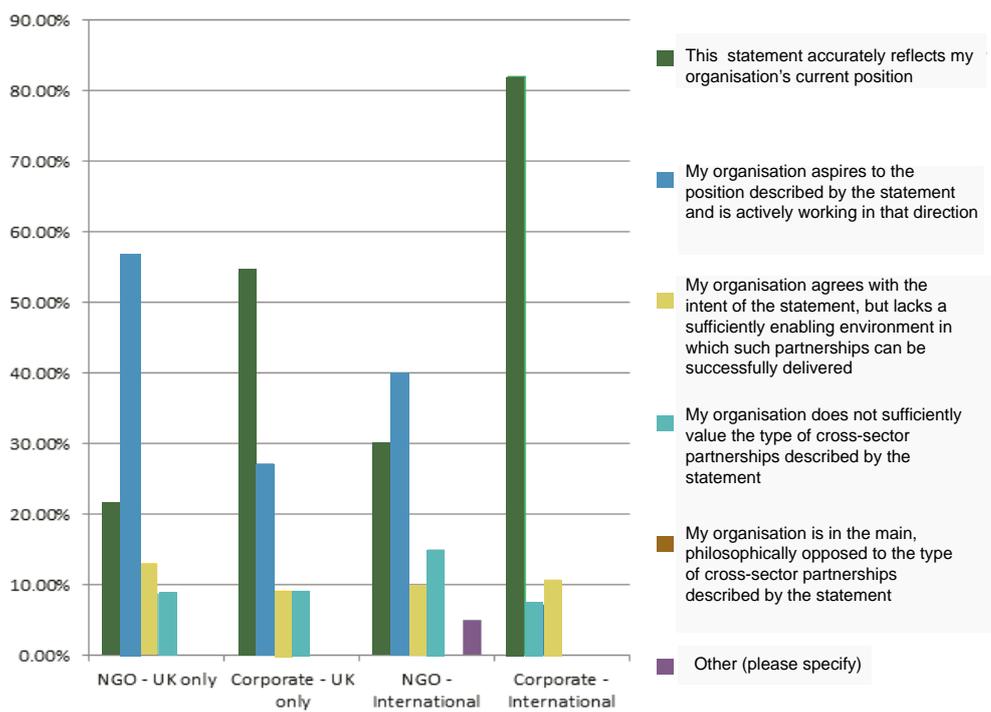
Figure 6: The extent of deeper, problem-solving partnerships addressing core, mission-relevant or purpose-led issues in ways that create value for society (corporates and NGOs separated)



"We are increasingly engaged in deeper, problem-solving partnerships designed to address core, mission-relevant or purpose-led issues in ways that create value for society, for ourselves and for our (corporate or NGO) partners." In light of the preceding statement, which of the following choices most accurately reflects your organisation's current position:

It is particularly notable that international corporate partners' belief is strong that their partnerships are strategic.

Figure 7: The extent of deeper, problem-solving partnerships addressing core, mission-relevant or purpose-led issues in ways that create value for society (breakdown by sector, UK and International responses)



"We are increasingly engaged in deeper, problem-solving partnerships designed to address core, mission-relevant or purpose-led issues in ways that create value for society, for ourselves and for our (corporate or NGO) partners." In light of the preceding statement, which of the following choices most accurately reflects your organisation's current position:

What non-cash value do Corporate and NGO partners bring to each other?

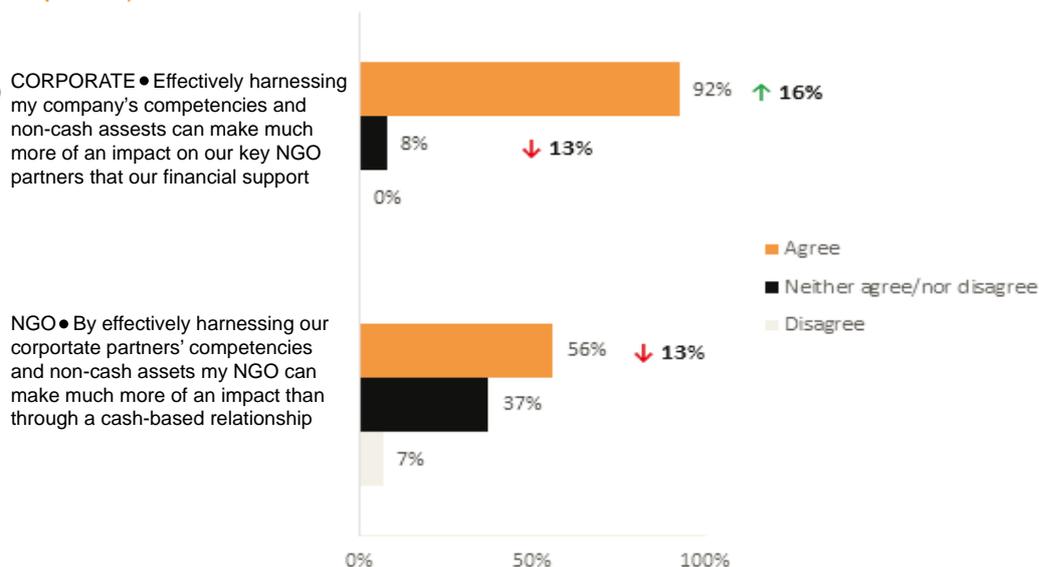
Corporates emphasise the value of non-cash assets more than NGOs

Since the Barometer started (in 2012) to test the emphasis of the value placed on non-financial elements of partnering, it has been clear that the business sector places a higher value on non-financial partnering than does the NGO sector. Nevertheless, NGOs increasingly recognise the value that non-financial support can bring to mission-led partnering and recent Barometer reports have reported an increase in the proportion of NGOs recognising this important feature. However, the 2018 Barometer finds a growing divergence in the perspective between corporates and NGOs on this topic.

Specifically, when asked whether they agree that harnessing their competencies and non-cash assets can make much more of an impact on their key NGO partners than financial support (figure 8) a record 92% of corporates agreed with the statement – an increase of 16% compared with 2017 responses. This reinforces the strong move towards deeper, problem-solving partnerships that draw on the assets of the organisations involved to create or enhance value for the partners – and for society.

Conversely, the proportion of NGOs agreeing with an equivalent statement has fallen (by 13%) to 56%. We know that access to funds consistently represents the lead motivation for NGOs partnering with corporates. However, as the partnering agenda matures, and the private sector becomes a more prominent actor in the development arena, it appears that many non-profits are yet to properly value and harness the inherent value in non-financial aspects of cross-sector partnering. Notwithstanding this point, it is worth noting that only 7% of NGOs disagree that harnessing corporate partners' competencies and non-cash assets can make much more of an impact on their mission-delivery objectives than through cash-based relationships. Around a third of NGOs (37%) remain ambivalent, but a clear majority (56%) agree with the proposition.

Figure 8: Harnessing competences and non-cash assets (corporates and NGOs compared):



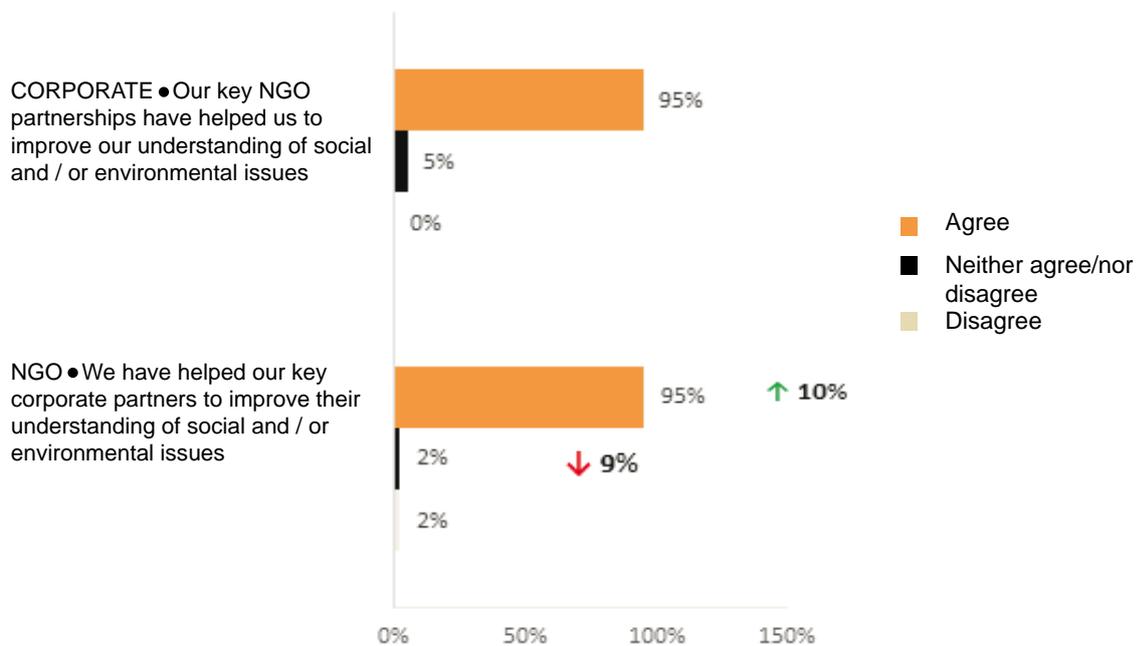
Which of the following statements reflect the experience of your organisation in terms of your strategic corporate-NGO partnerships?

If non-financial corporate inputs bring value to NGOs, to what extent do practitioners on either side assess the value that NGOs bring to their corporate partners?

Improving understanding of societal and environmental issues

There is again this year, overwhelming agreement that partnerships with NGOs helps to enhance business understanding of social and / or environmental issues – with 95% of NGOs and businesses agreeing with this view (figure 9). This is important in enabling businesses to make informed decisions that help the latter to identify and mitigate risks, harness opportunities and take appropriate actions in alignment with their corporate and brand values.

Figure 9: Improving understanding of societal and/or environmental issues (corporates and NGOs compared)



Which of the following statements reflect the experience of your organisation in terms of your strategic corporate-NGO partnerships?

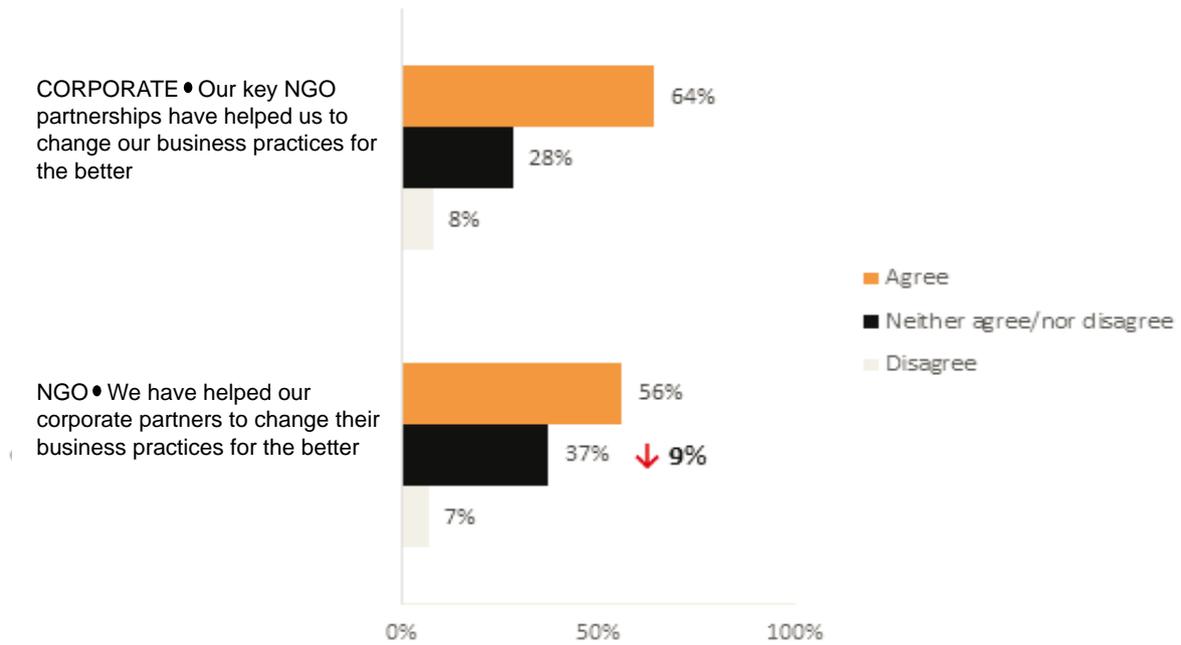
Changing business practices for the better

In recent years, the Barometer has found an increasing acknowledgement from both NGOs and corporates that partnerships have helped to change the practices of their business partners for the better.

This finding is reflected again this year with almost two-thirds of corporates (64%) believing this to be the case, compared

with 56% of NGOs (figure 10). Business practices referenced include a wide range of issues, from inclusive economic growth, sustainable market development and environmentally sustainable practices, to efforts to identify and tackle the risks of modern slavery in supply chains, or rising levels of obesity amongst consumers, for example.

Figure 10: Changing business practices for the better (corporates and NGOs compared)



Which of the following statements reflect the experience of your organisation in terms of your strategic corporate-NGO partnerships?

Part 3: Effects of the international aid sector sexual exploitation and poor disclosure scandals on cross-sector partnering

The scandal necessitated a 'pause and reflect' by both companies and NGOs but has not led to any lessening of investments in - or prioritisation of - cross-sector partnering.

2018 has been something of a traumatic year for the international development community. Mainstream media reports of serious transgressions by representatives of aid agencies (including where aid workers had exploited beneficiaries and fellow aid workers) were compounded by revelations of failures in governance and transparency by highly respected development agencies. The storm raged far and wide, across multiple geographies and organisations, with some of the latter being sanctioned with suspension of government funding and significant reductions in income from the general public.

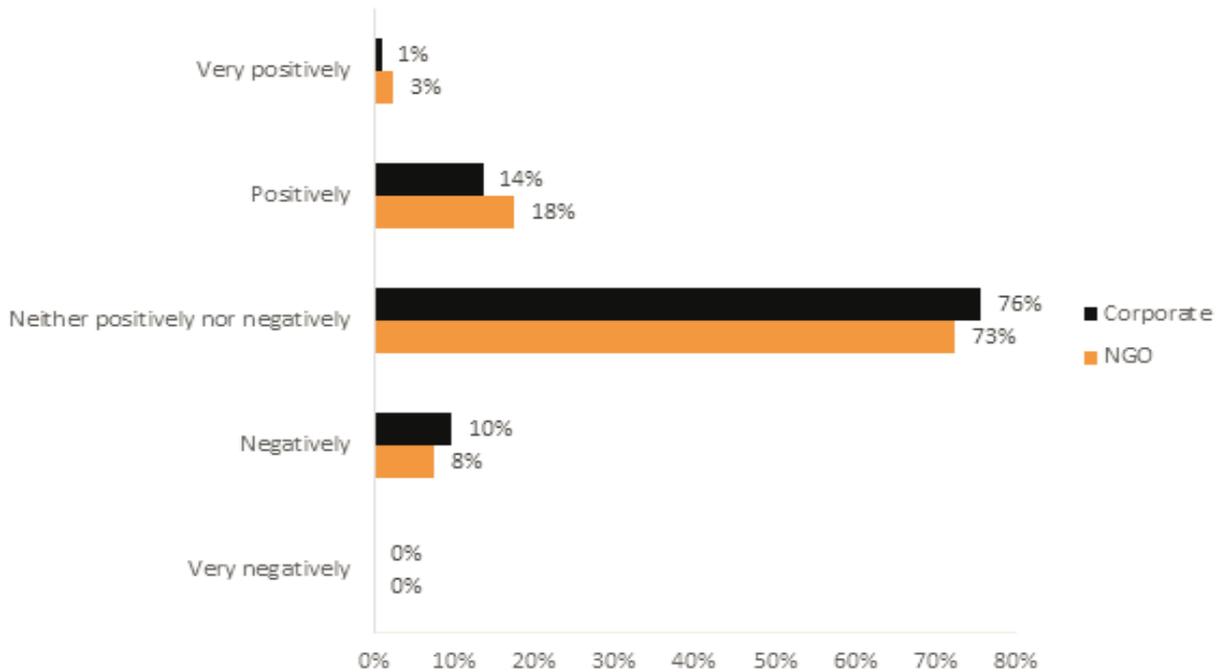
The repercussions of these events continue, with periodic further reports in the media. At the end of July 2018, the British parliament's International Development Committee published its enquiry report on the scandal which concluded that sexual exploitation and abuse is widespread in the international aid sector, stated that charities and funders have failed to face up to the problem and

called for "fundamental culture change".

Against this background, we were encouraged to examine whether, and to what extent, partnerships between corporates and NGOs have been affected by these scandals. We therefore asked both companies and NGOs to indicate the extent to which recent reporting of poor safeguarding and transparency practices at some international NGOs/development agencies has affected their organisation's approach to cross-sector partnering.

We discovered that for three-quarters of organisations, the scandals have had neither a negative nor positive effect on their approach to partnering (figure 11) with 76% of Corporates and a near-identical 73% of NGOs agreeing with this sentiment at a consolidated level.

Figure 11: The extent to which the sector has been affected by reports of poor safeguarding and transparency practices at some international NGOs / development agencies.

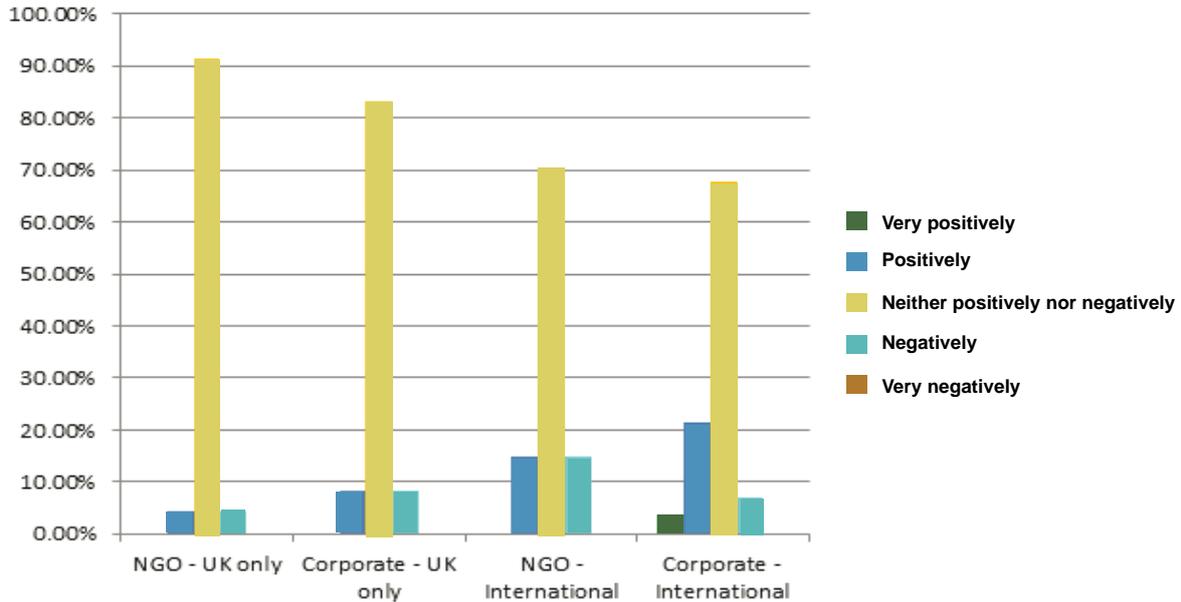


To what extent, if any, has recent reporting of poor safeguarding and transparency practices at some international NGOs / development agencies affected your organisation's approach to cross-sector partnering?

And looking at the data by UK-only and international corporates and NGOs (figure 12) the views of the various constituents align in the conclusion that overall, partnerships have not been materially negatively affected by the scandal. Least affected by the scandal are UK-only NGOs, 90% of whom report that the issue has had neither a positive nor negative effect, whilst international NGOs (70%) and international companies (68%) report a similar experience.

Conversely, and perhaps counter-intuitively, it is notable that a quarter (25%) of international companies and 15% of international NGOs express the view that the scandal has in fact affected their organisation's approach to cross-sector partnering either positively, or very positively.

Figure 12: The extent to which the sector has been affected by reports of poor safeguarding and transparency practices at some international NGOs / development agencies (UK and international breakdown).



To what extent, if any, has recent reporting of poor safeguarding and transparency practices at some international NGOs / development agencies affected your organisation's approach to cross-sector partnering?

In describing how news of poor safeguarding and transparency practices at international NGOs / development agencies has affected their organisation's approach to cross-sector partnering, a number of points emerge. A very small minority report stopping or changing the types of organisations with whom they partner – as the following comments illustrate:

We will be looking at how we can make positive social impact through other routes - other than NGOs. We may also look at funding smaller local NGOs rather than larger INGOs. [International company]

[It has led to a] shift in focus [UK-only company]

However, the vast majority of sentiment captured in both the Barometer survey and qualitative inputs shared commentary typified by the following:

It hasn't substantively affected my organisation as focus is Uk domestic health sector [UK-focused NGO]

It has not impacted at all. [International company]

Ensuring honest, transparent conversations with our partners are happening on a regular basis; increased discussion on potential risks of partnership, as well as the benefits, and strong mitigation plans in place; increased emphasis on the importance of strong partnership governance structures being in place. [International NGO]

Positive in the sense that it has stimulated a rigorous risk review of all of our partnerships and involved a new plan and processes to manage and mitigate potential risks and increase best practice partnership management. [International company]

[It has] Just reiterated the importance of good leadership, integrity and honesty across all sectors. I am not sure how you can mitigate against this kind of behaviour in terms of planning cross-sector partnerships though of course we engage in a lot of due diligence with our partners. [UK-only company]

We have seen over many years of the Barometer that partnerships between corporates and NGOs have become increasingly important, playing a growing role in helping the latter to deliver their core mission, whilst enabling the former to fulfil their societal purpose and to secure long-term value-creation for shareholders in the process. Corporate and NGO responses to the scandal that has raged around some international NGOs show that the partnering agenda which is now increasingly based on deep, strategically important relationships has remained resilient through the crisis.

The scandal necessitated a 'pause and reflect' by both companies and NGOs but has not led to any lessening of investments in or prioritisation of cross-sector partnering. Instead, the crisis may serve to underpin enhancements in partnering practices as UK and international companies and NGOs take steps to ensure improvements in processes (such as due diligence and relationship management) governance and leadership, and the reinforcement of clear partnership principles (such as around honesty and transparent communication) to ensure continued partnership success

Part 4: Policy change and behaviour change as objectives in cross-sector partnerships

Growing emphasis being placed on securing policy and behaviour change through cross-sector partnerships

In our second focus topic, the 2018 Barometer sought to explore whether, and to what extent corporate and NGO partners are emphasising the need to secure changes in public policy and behaviour amongst their target audiences, stakeholders and consumers through partnerships with each other.

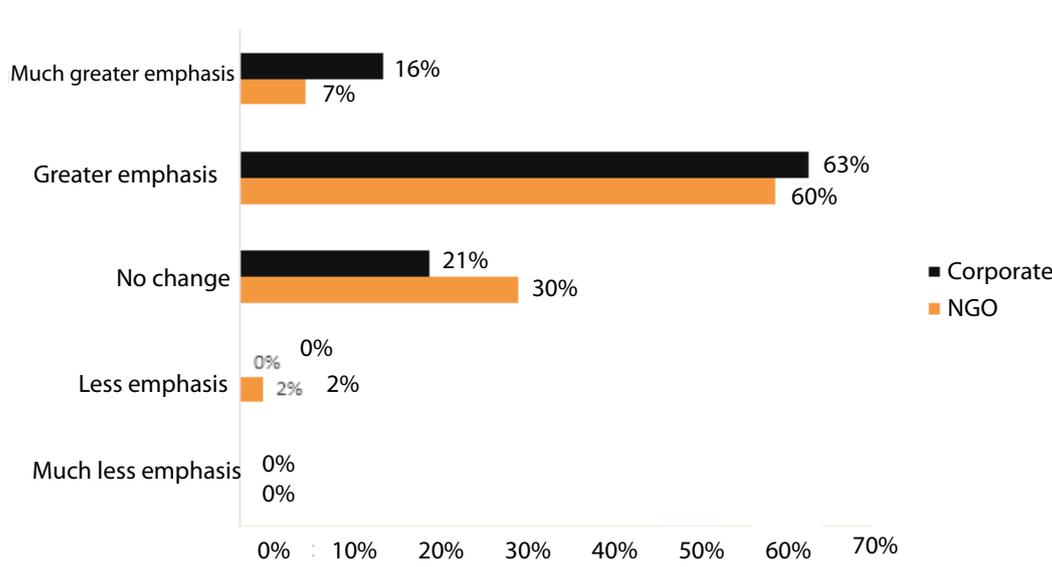
To explore these topics, respondents to the Barometer survey were asked to assess how much emphasis their organisations now place on policy change and behaviour change through their strategic Corporate-NGO collaborations (i.e. in addition to the programmatic, innovation and fundraising elements that are typical of most partnerships).

Behaviour change

We discovered that greater or much greater emphasis is being placed on securing changes in behaviour by the target groups on which specific partnerships are focused. Examples range from corporate and charity partners working together to encourage consumers to reduce their use of plastics, to make life-style changes to reduce the incidence of diabetes or obesity, or to improve safety and reduce the incidence of suicides on railway lines. Over three-quarters (79%) of corporates and more than two-thirds of NGOs (67%) state that they are placing greater or much greater emphasis on the behaviour change aspects of partnering (figure 13).

This growing emphasis on behaviour change further illustrates the increasing sophistication of partnerships as corporate and brand purpose, and NGO mission take centre-stage in cross-sector partnering. The partnerships that have won the 'Most Admired' accolade in this year's Barometer (see part 6) each reflect this aspect of partnering.

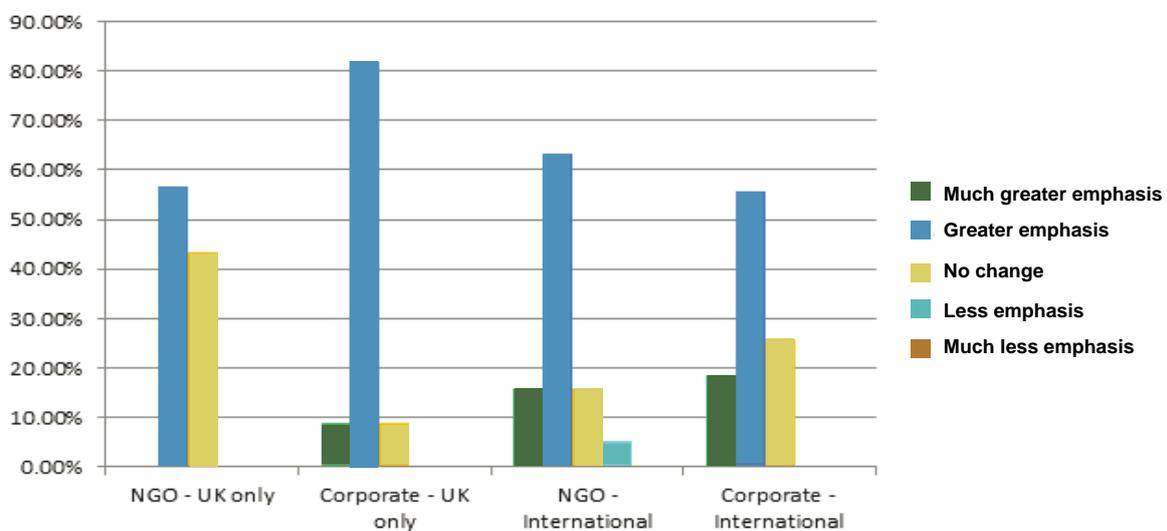
Figure 13: The emphasis placed on behaviour change:



In addition to the programmatic, innovation and fundraising elements that are typical of many partnerships: How much emphasis would you say your organisation is placing on the following element(s) in your strategic Corporate-NGO collaborations: Behaviour change

A breakdown of the data by UK-focused and international corporates and NGOs (figure 14) shows that UK-only companies are particularly prevalent in emphasising partnerships-based behaviour change efforts to a greater or much greater extent, with over four-fifths (91%) of this cohort declaring emphasis on this aspect of partnering.

Figure 14: The emphasis placed on behaviour change (breakdown by sector, UK and International responses):



In addition to the programmatic, innovation and fundraising elements that are typical of many partnerships: How much emphasis would you say your organisation is placing on the following element(s) in your strategic Corporate-NGO collaborations: Behaviour change

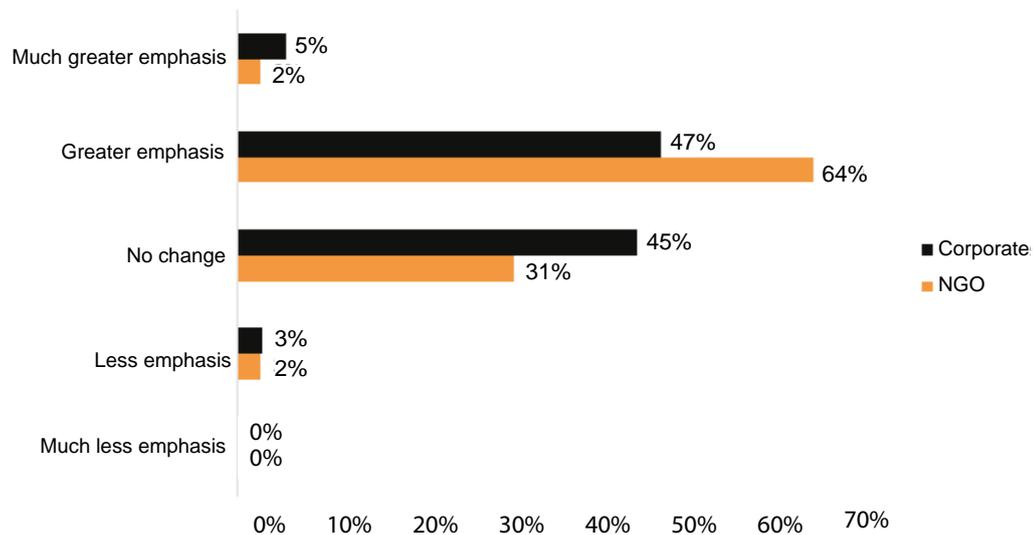
Policy Change

Similarly, we discovered that many more corporates and their NGO partners are seeking to influence public and other policy in a bid to secure the strategic objectives set for the partnership. In the SDG era where clear global goals exist for multiple social and environmental issues, it appears that NGOs and companies are increasingly seeking to leverage their collective influence and assets, working collaboratively to bring about changes in policy. Changes 'upstream' at policy levels can then set the context for and speed the path towards greater results at the levels of the organisation and individual where behaviour changes are often sought.

A classic example of policy change-focused collaboration is the 'unusual bedfellows' collaboration between Greenpeace and McDonalds which, with support from the soy industry and civil society organisations, led the Brazilian government to put in place indefinitely the soy moratorium - an agreement protecting huge swathes of Amazon rainforest from being destroyed for soybean farming. For Greenpeace, which does not accept funding from companies, the focus of the collaboration was on bringing about policy and system change. The moratorium is said by Greenpeace to have "already produced a spectacular drop in Amazon deforestation... And now the moratorium will last until – as the renewal document says – it is no longer needed."

Whether is heart health charities working with strategic corporate partners, or cotton and forestry dependent companies working with relevant NGOs to influence changes in government policy to sustain their supply chains, the 2018 Barometer makes clear that there is a growing emphasis on securing policy changes through strategic corporate-NGO partnerships. Specifically, at a consolidated level (figure 15), just over half (52%) of all corporates and two-thirds (66%) of all NGOs surveyed say their organisations are placing greater or much greater emphasis on this type of collaboration.

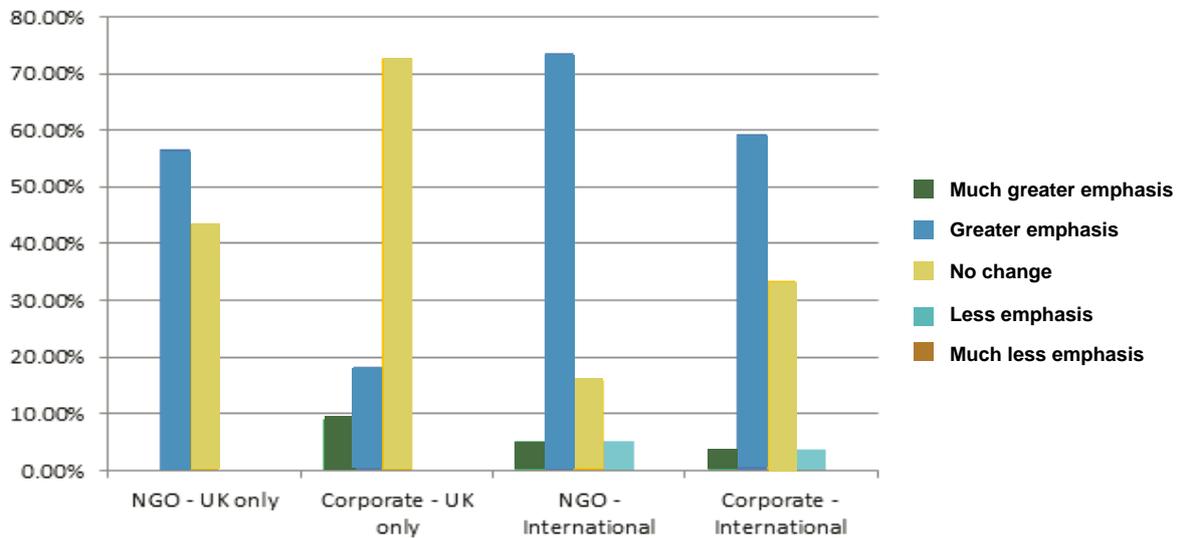
Figure 15: The emphasis placed on policy change:



In addition to the programmatic, innovation and fundraising elements that are typical of many partnerships: How much emphasis would you say your organisation is placing on the following element(s) in your strategic Corporate-NGO collaborations: Policy change

The findings are even more revealing when broken down by UK-focused, and international companies and NGOs (figure 16). Notably, international NGOs and corporates appear to be placing a greater emphasis on policy change than their UK-centric counterparts. Nearly four-fifths (79%) of international NGOs and approaching two-thirds (63%) of international companies are emphasising the policy change agenda to a greater or much greater extent (compared to 57% and 27% respectively for UK-focused NGOs and companies).

Figure 16: The emphasis placed on policy change (breakdown by sector, UK and International responses):



In addition to the programmatic, innovation and fundraising elements that are typical of many partnerships: How much emphasis would you say your organisation is placing on the following element(s) in your strategic Corporate-NGO collaborations: Policy change

Part 5: The stars – The most admired corporate-NGO partnerships and partners

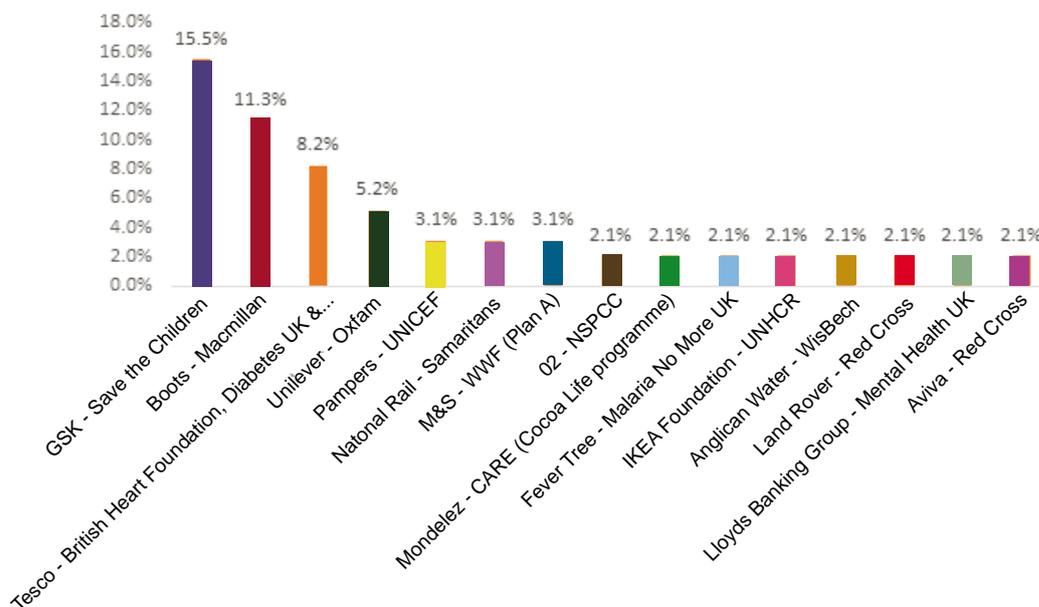
Scale, impact, longevity and creativity win practitioners' admiration

Each year, the Barometer secures the unprompted views of partnership practitioners on the partnerships they consider to be exemplary and why those partners are most admired.

This year, as in 2017 and 2016, the international partnership between GlaxoSmithKline (GSK) and Save the Children again won the accolade of Most Admired Partnership. GSK-Save the Children extended their share of vote, winning with a vote share of 15.5% this year (versus 11.3% in 2017). Second place went to the Boots - UK - Macmillan Cancer Support partnership and earning third place for the first time was the consortium partnership between the leading retailer Tesco and the UK charities British Heart Foundation, Cancer Research UK and Diabetes UK. This latter partnership was relaunched in January 2018 for a further five-year term, with the addition of Cancer Research UK as a further health partner following the prior term of the partnership involving Tesco, British Heart Foundation and Diabetes UK.

Further explanation of the nature and scale of these popular partnerships are included below, along with comments from respondents which typify why these three are the sector's most admired partnerships.

Figure 17: Most Admired Corporate-NGO Partnerships



Which other Corporate-NGO partnerships do you admire and why? [Respondents could list up to three starting with their most admired partnership]

Figure 18: Most Admired Partners, NGOs

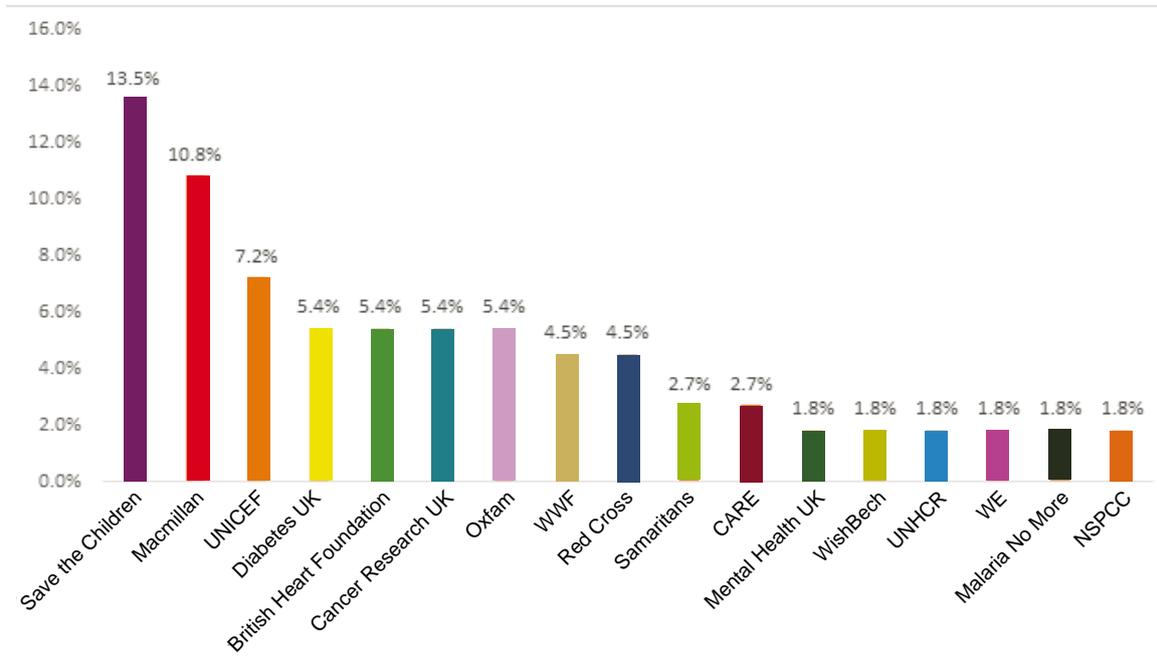
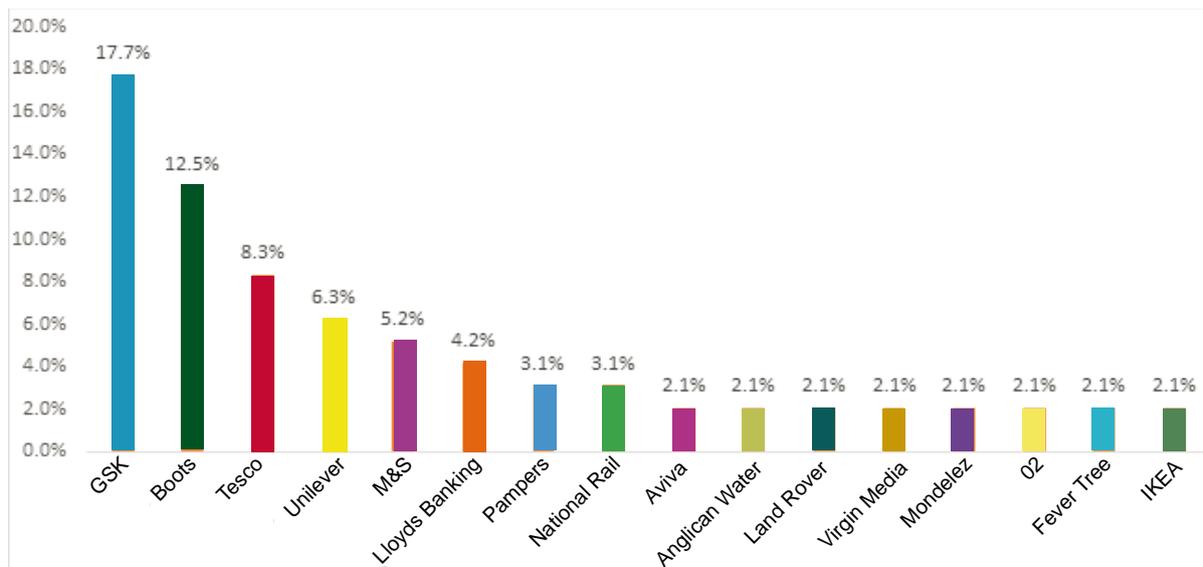


Figure 19: Most Admired Partners, Corporates



GlaxoSmithKline-Save the Children

GSK and Save the Children joined forces in 2013. The partnership set out to be ground-breaking. The ambition was clear: combine the two organisations' expertise, resources, and influence to help save children's lives. Every day, 15,000 children under the age of five die – most from preventable causes. This partnership aims to help end these preventable deaths by combining GSK's scientific expertise and resources with Save the Children's on-the-ground knowledge in some of the world's poorest countries.

This year, Save the Children and GSK have extended their commitment to the partnership for five more years continuing

to bring together their unique skills and resources to break new ground and find new ways to bring down the number of children dying from preventable infectious diseases. By running long-term, sustainable health programmes, strengthening countries' healthcare systems, joining forces to identify and accelerate science-led innovations in global public health, and advocating for global change, they will deliver impact at scale and contribute to a world where no child under the age of five dies from preventable causes.

Since 2013, the partnership has leveraged GSK's expertise in Research & Development, supply chain, procurement and vaccines to help save the lives of some of the world's most vulnerable children. The partnership focuses on:

- improving access to basic healthcare – prevention and treatment – where the need is greatest
- training and equipping health workers in the poorest communities
- developing child-friendly medicines
- working at local and global levels to call for stronger child health policies

In a striking innovation, GSK and Save the Children worked together on reformulating chlorhexidine, an antiseptic ingredient in a GSK mouthwash, into a gel to help prevent umbilical cord infections which can lead to neonatal sepsis, a bacterial blood stream infection that kills over 400,000 newborns a year the majority in developing countries. With GSK's science, regulatory and manufacturing expertise and Save the Children's on-the-ground insights and expertise, the gel has been designed for remote communities. It is heat-stable and is in single-use tear-open sachets so it can be easily administered by health workers and mothers in the communities who most need it. So far over 23,000 newborns in Kenya have benefitted from the chlorhexidine gel.

In the first five years the partnership has directly reached over 5 million people including 2.8 million children under five in 45 countries; more than 97,600 children have been fully immunised; over 187,000 children have been treated for diarrhoea, malaria or pneumonia; and over one million children have been screened and treated for malnutrition. Over 300,000 children have been helped during or after emergencies. GSK employees have also raised an impressive £3.3 million since the start of the partnership in 2013.

The partnership is admired both for the scale of its ambition, its long-term measurable results, the clear focus on drawing on each partner's core assets and its emphasis on identifying and delivering long-term solutions.

Typical of the kind of comments made this year were:

Strategic, long term; embedded across the business and charity; aligned focus leveraging each other's expertise; innovative and ambitious; already viewed as sector-leading

Excellent brand fit and customer focus

Strategic, very material to each partner and well executed

Great use of core competencies - and very strategic

The Boots - UK- Macmillan Cancer Support partnership

Since 2009, the partnership between Boots UK and Macmillan Cancer Support has worked to make sure that people living with cancer have access to the best cancer information and support from within their local community.

Together, Boots UK and Macmillan have trained more than 2,200 Boots Macmillan Cancer Support Information Pharmacists. These pharmacists volunteer to receive specific training to be able to offer their patients additional information and guidance on medicines and the wider issues when affected by cancer, for example guiding them to more specialist sources of information and support, both locally and nationally depending on their needs.

The partnership has also introduced over 1,000 Boots Macmillan Beauty Advisors. These No7 Advisors have undergone bespoke training developed by Boots and Macmillan, to offer those living with cancer free face-to-face support with managing the visible side effects of treatment. This includes guidance on a range of areas, from helping cope with dry or sensitive skin, brittle nails, defining sparse eyebrows and eyelashes, and minimising dark circles. They can also show you how to use products to help disguise changes or enhance any facial features to help you look and feel good.

Since the partnership started, Boots UK colleagues and customers have also raised over £16 million to support Macmillan's life-changing services.

The partnership is admired in the sector for its mutual benefits, its longevity and its skills-based use of colleague volunteering.

Typical of the kind of comments made were:

It's a great way to make information more accessible to the public and aligns well with Boots' core business

Combines mission of Macmillan with brand aspirations of Boots

Real integration of core competencies by placing a Macmillan cancer specialist within every pharmacy counter

Strategically focused, clear on impact

Tesco, British Heart Foundation, Cancer Research UK and Diabetes UK

Drawing on a successful previous collaboration between Tesco, British Heart Foundation and Diabetes UK, a next generation of this partnership was launched in January 2018 with the addition of Cancer Research UK. Called "Little Helps for healthier living", the partnership aims to bring together the skills and expertise of the four partner organisations to help lower the risk of heart and circulatory disease, cancer and Type 2 diabetes.

Over the next five years, the four organisations will work together with the overall aim of helping Tesco's 300,000 UK staff and millions of UK shoppers by removing barriers to healthier habits. Tesco says that since 2015, Tesco

shopping baskets have got healthier each year, and it expects the new partnership to speed up this progress.

A key starting point for this work will be to establish the UK's leading workplace health programme, helping Tesco staff to "be at their best at work and at home". The workplace health programme will build on a series of steps taken by Tesco over the last 12 months, including healthy deals and discounts, free health checks, and a growing focus on supporting the mental health of colleagues.

The four organisations have pledged to share the findings from their work across the wider UK health community to help accelerate progress towards national and international public health goals. The aim is to bring about a measurable improvement to the health of the nation, by developing Little Helps that make a healthy difference to shopping baskets all over Britain.

Typical of the kind of comments made were:

Strong consortium of partners focused on behaviour change on a huge scale

Ground-breaking, innovative approach to working with three charities and one commercial organisation

Not focused on fundraising but on promoting healthy living and products

Collaborative approach and dedicated resource to maximise potential from the partnerships

Part 6: Future trends, prospects and anticipated developments in partnerships

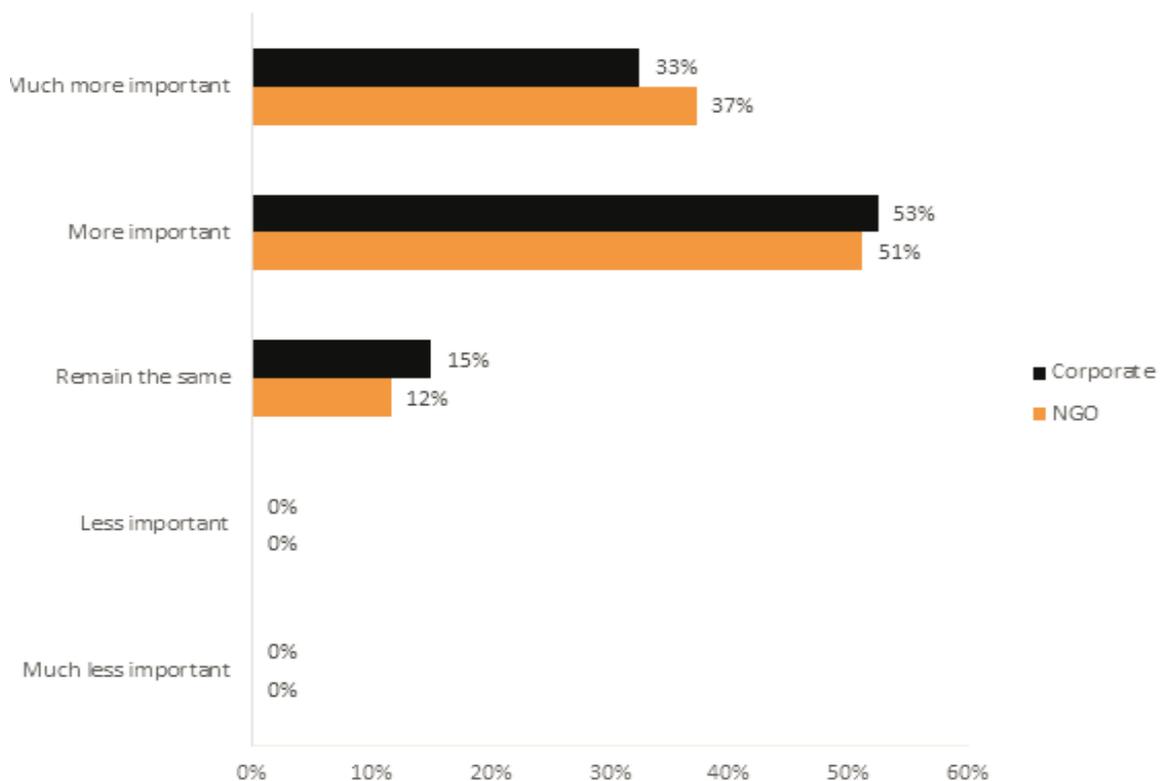
Partnerships set to become even more important in the mid-term

The vast majority of corporate and NGO partnership professionals anticipate that partnerships will become yet more important over the next three years.

These findings are again consistent with previous Barometer findings and reflect the overall shift to more strategic, longer-term impactful partnerships – that are also increasingly purpose and mission-led than previously.

Overall, 86% of corporate respondents and 88% of respondents from NGOs (figure 20) see the role of partnerships as becoming more or much more important over the next three years. Not a single respondent anticipates a reversal of this long-term trend in the medium term.

Figure 20: Likely importance of corporate-NGO partnerships over the next 3 years:



What is your expectation of the role that partnerships will play in the corporate or NGO agenda over the next 3 years? Would you say they are likely to become...?

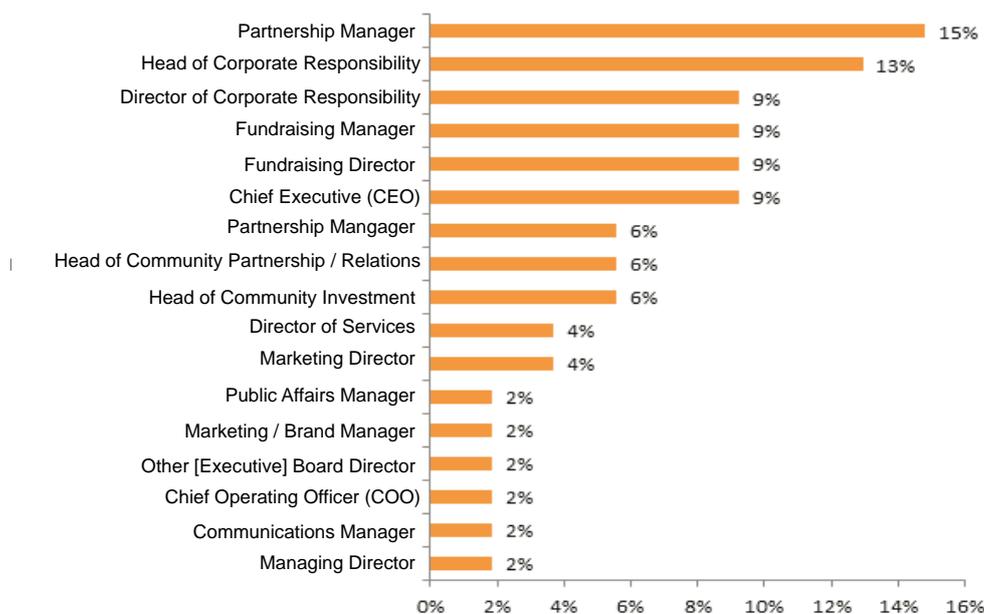
Why will partnerships become more important? What factors will play a role?

Pressure on companies to demonstrate societal considerations, leveraging each other's assets, brand enhancement & credibility are the key considerations

When asked to identify what specific factors will drive the expected increasing importance of cross-sector partnerships in the three years that lie ahead (figure 21), both corporates and NGOs are quite clear that pressure on companies to demonstrate societal considerations within their business practices is a leading factor, with 79% of NGOs and 89% of corporates citing this as a driving factor. Pressure can come from risk and / or opportunity-based sources. Qualitative research reveals both factors are at play. On one hand, the need to meet societal expectation and avoid consumer / stakeholder disapproval is important, whilst on the other there is a growing appetite from companies / brands to define and demonstrate their societal mission. In particular, companies look to draw on the opportunities inherent in creating or reinforcing brands that resonate with stakeholders' social and environmental interests.

Following closely behind for both corporates and NGOs as a driver for the likely increasing importance of partnerships is the need to leverage each sector's different assets to maximise mutual benefit. This efficiency and impact-based consideration has scored consistently highly in the Barometer as a lead factor for the growing importance of cross-sector partnering. The need to enhance reputation and credibility, and evidence of the success of partnerships score highly for both corporates and NGOs, whilst the need to raise funds is cited by over two-thirds (70%) of NGOs.

Figure 21: Likely importance of corporate-NGO partnerships over the next 3 years:



In your view, what factors are likely to make corporate-NGO partnerships more important in the next 3 years?

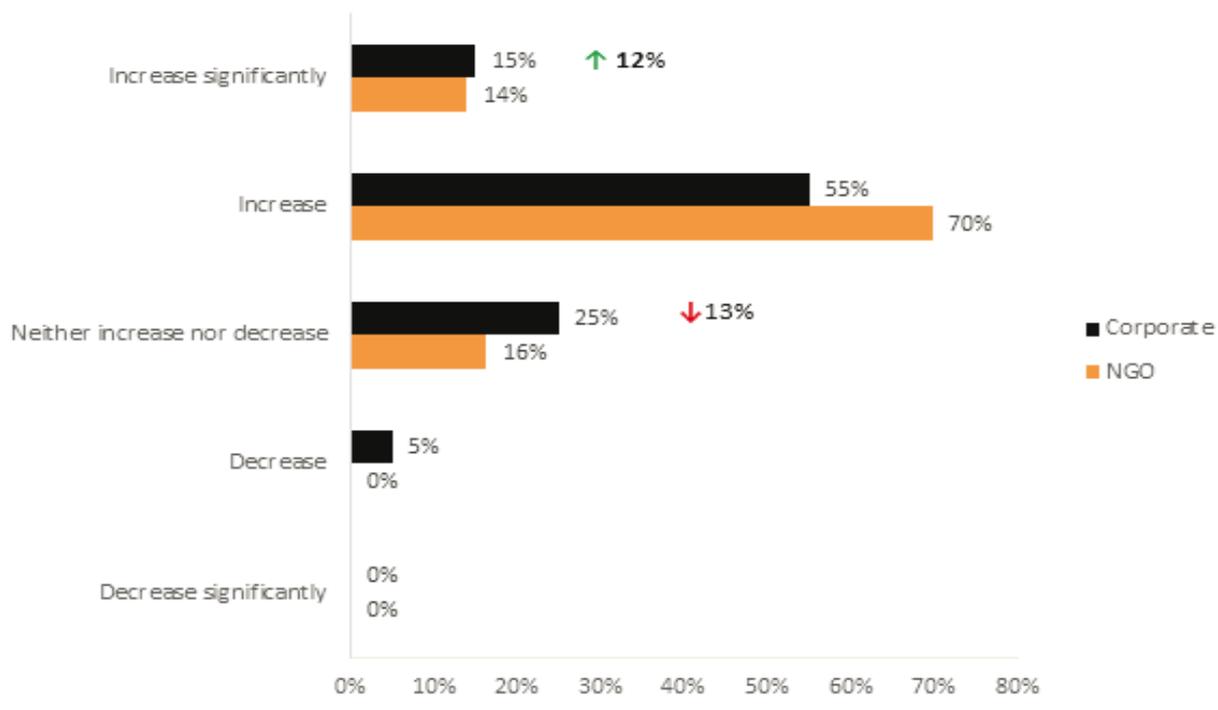
The future trajectory of investments in cross-sector partnerships

Increases in investment on the way

Partnership practitioners from NGOs and corporates see investments (commitment, time, resources) in the cross-sector partnerships sector increasing in the coming three years. What's more, there has been a notable increase in corporate respondents who expect investments in partnerships to "increase significantly".

These findings are consistent with the general direction of cross-sector partnering. Practitioners on both sides report that their strategic partnerships are meeting the objectives set for them, creating mutual value for each sector and enhancing positive social and environmental impact. It is natural therefore (though not inevitable) that further investments in partnerships are anticipated in the medium-term. As the chart in figure 22 demonstrates, over two-thirds of companies (70%) and over four-fifths of NGOs (84%) expect their organisation to increase or significantly increase their investment in cross-sector partnering over the next three years.

Figure 22: Likely movements in corporate-NGO partnership investments over the next three years:



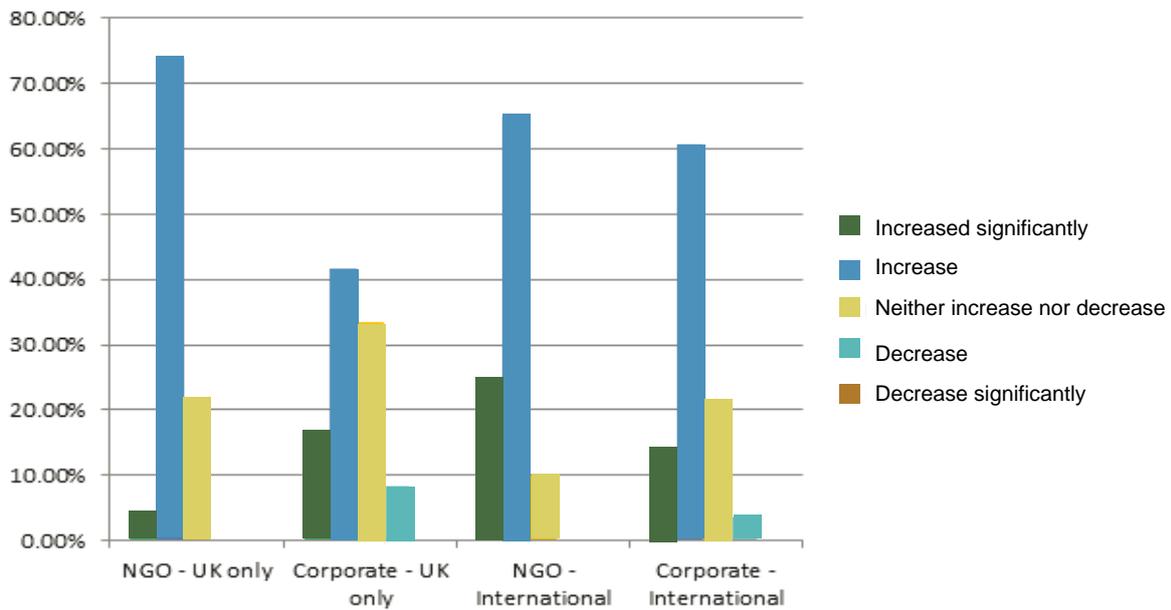
Is your investment (commitment, time, resources, etc.) in corporate-NGO partnerships likely to increase or decrease over the next 3 years?

Analysing the data by UK-focused and internationally-focused corporates and NGOs reveals an illuminating picture (figure 23). It appears that the sentiment between the two constituencies shows some marked differences. Overall, the majority of UK-focused corporates and NGOs and their international counterparts expect to increase or significantly increase their investments in cross-sector partnering. However, with a combined “increase” and “increase significantly” score of 58%, UK-focused companies appear less bullish about their likely investment growth than their international company peers, 75% of whom expect to see increases in their partnership investments. Similarly (though with generally higher scores)

more international NGOs (90%) expect to see increases in their organisations’ investments in partnerships than do their UK-focused counterparts (78%).

It may be that international NGOs and companies see greater opportunities for partnerships in the international landscape than do their UK counterparts. On the other hand, it may also be that the sense of economic uncertainty created by Brexit is acting as a cause of greater caution amongst UK-focused organisations as they consider the medium term. The 2019 Barometer will examine the extent to which there is a Brexit effect in partnering for UK and international companies and NGOs.

Figure 23: Likely movements in corporate-NGO partnership investments over the next three years:



Is your investment (commitment, time, resources, etc.) in corporate-NGO partnerships likely to increase or decrease over the next 3 years? (combined responses with breakdown by sector, UK and International) Is your investment (commitment, time, resources, etc.) in corporate-NGO partnerships likely to increase or decrease over the next 3 years? (combined responses with breakdown by sector, UK and International)

Concluding remarks

In our final commentary for the 2017 Barometer report, we observed that “Corporate-NGO partnering occurs in a dynamic environment and much will again change across the next year”. In making those remarks we could not, of course, foresee one of the single most dramatic developments in the international NGO landscape (and therefore with the potential to influence cross-sector partnering). The sexual abuse, beneficiary and staff exploitation and related disclosure failure scandals that engulfed the international aid sector threatened the very survival of some leading NGOs and damaged the reputation of the aid sector as a whole.

The finding that the scandal has not negatively impacted the cross-sector partnering agenda is both striking and instructive. As reported in section 3, approximately three-quarters of companies and NGOs stated that the scandal neither positively nor negatively affected their approach to cross-sector partnering, with a further 15% or more companies and NGOs expressing the view that the scandal positively affected their approach to cross-sector partnering.

We focus on these particular findings because in our view, they illustrate the fundamental importance of cross-sector partnering between corporates and NGOs and highlight the growing maturity of the strategic partnerships agenda as purpose and mission take centre stage. Rather than suspend or withdraw from cross-sector partnering and perhaps seek alternative solutions, it appears that companies and NGOs instead focused on system and process improvements (increased due diligences, improvements in governance and leaderships around key partnerships, etc.) designed to protect and deepen the fundamental role and value of partnering across sectors.

The importance of cross-sector partnerships as levers for driving forward the core purpose and mission of companies and NGOs is well-evidenced in this 2018 Barometer report. We have seen that:

- Whilst reputation and credibility (for corporates) and access to funds (for NGOs) remain leading motivations for each sector, innovation, and long-term term stability are gaining in importance
- Corporates and NGOs report increases in the scale of resources invested in or secured from partnerships
- The trend towards strategic partnerships reported in previous reports has extended this year
- Corporates place much greater emphasis on deeper, problem-solving partnerships while NGOs aspire to this position (though the latter report a fall back in their practice of such partnerships)
- Both NGOs and companies are placing a greater emphasis on using cross-sector partnerships to secure behaviour change amongst consumers and the general public, as well as changes in public and organisational policy in support of mutual objectives
- The partnerships, companies and NGOs acclaimed as Most Admired this year demonstrate the above developments at scale, combining innovation with commitment to the organisations involved, in long-term, strategic relationships

And turning to the future, it is pleasing to yet again report that cross-sector partnerships are set to become even more important in the medium term as pressure on companies to demonstrate societal considerations in their practices, the need to leverage each other's assets and brand & and credibility considerations act as the most important drivers. Increases in investments will likely support the deepening cross-sector partnering story.

As 2018 has demonstrated, the future path for cross-sector partnering is unlikely to be linear. There will most likely be challenges and some possible turbulence in the medium term – but overall, practitioners confidently report a positive future for corporate-NGO partnering.

About the Barometer

Methodology

The C&E Corporate-NGO Partnerships Barometer 2018 was compiled using responses to a confidential online survey of 101 leading UK-based and international companies and NGOs engaged in corporate-NGO partnerships..

This year's survey included a mixture of new and previously asked questions. Thanks to this combination of questions we have been able to identify new challenges and opportunities in partnering, whilst simultaneously enabling accurate and effective comparison of data against Barometer readings from previous years.

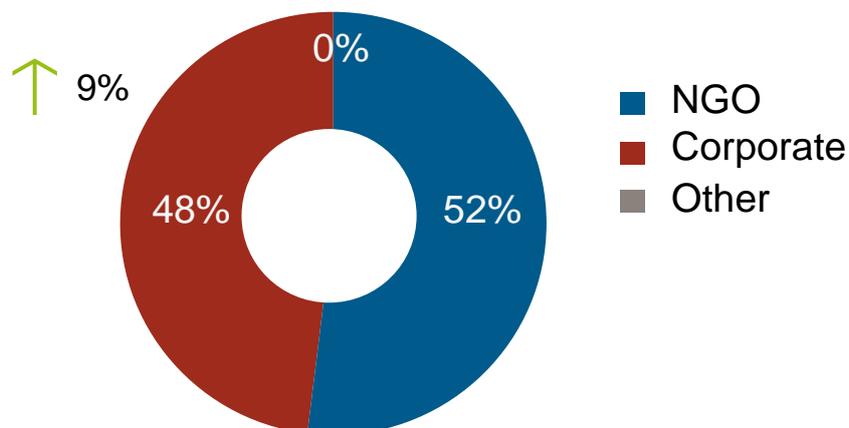
The online survey and practitioner evaluation took place during June-July 2018, with qualitative insights gathered from focus group and round-table discussions in June and July 2018.

The Sample

The online survey was undertaken by 83 respondents all of whom were involved in cross sector partnerships. Of these, corporate sector respondents were drawn mainly from the FTSE100, Interbrand's Best Global Brands Ranking, and Business in the Community's Corporate Responsibility Index. NGO respondents were drawn mainly from the leading UK charities – by brand and revenue ranking. Our sincere thanks to all who took part.

The distribution of 48% corporate and 52% NGOs (figure 16) is well balanced.

Figure 24: Sector representation



Respondents to the survey held a diverse range of professional roles and are all directly engaged in or overseeing corporate-NGO partnerships from a senior level.

Respondents to the survey held a diverse range of professional roles all directly engaged in, or overseeing corporate-NGO partnerships from a senior level.

Figure 25: Respondents' roles



What is your role?

About C&E Advisory

C&E is a leading specialist 'business and society' consultancy. We work with some of the world's foremost businesses, NGOs and philanthropists, helping them secure sustainable value – shareholder, social and environmental. Our practice areas cover strategy, programme design, oversight & reviews, performance measurement & reporting, high performance team development and leadership coaching.

And because today's challenges and opportunities require new ways of thinking, C&E is particularly adept at inspiring and enabling sometimes surprising cross-sector collaborations. We have advised – and continue to advise – on some of the world's leading and best-known Corporate-NGO partnerships. C&E also advises on all aspects of the shared value agenda.

www.candeadvisory.com

Appendix: Survey respondents (excluding organisations wishing to remain anonymous)

Corporates

- Allianz
- Anglo American
- BP plc
- BT
- Costa Coffee
- Credit Suisse
- DEF
- Deutsche Telekom Group
- Experian
- GE
- Greggs Foundation
- GSK
- Heathrow Community Fund (corporate foundation of Heathrow Airport Ltd)
- Kingfisher Group
- Kingston Smith Group LLP
- Land Rover
- Marks and Spencer
- Mondelez International
- Morgan Sindall group
- Reckitt Benckiser
- Ricoh UK Ltd
- Sky
- Telefonica UK (O2)
- Tesco
- UBS
- Walgreens Boots Alliance
- Wesleyan

Appendix: Survey respondents (excluding organisations wishing to remain anonymous)

NGOs & International Agencies

- Age UK
- British Heart Foundation
- British Red Cross
- Canal & River Trust
- CARE International UK
- Children's Society
- Christian Aid
- Comic Relief
- Cancer Research UK
- Diabetes UK
- Great Ormond Street Hospital Charity
- International Committee of the Red Cross
- ICRC
- Institute of Imagination
- International Rescue Committee UK
- Lloyds Bank Foundation for England and Wales
- Macmillan Cancer Support
- Make-A-Wish UK
- Malaria No More UK
- Marie Curie
- Médecins Sans Frontières
- Mental Health Foundation
- National Trust for Scotland
- NSPCC
- Oxfam
- Parkinson's UK
- Philanthropy University
- Raleigh International
- Save the Children
- Solidaridad
- Stroke Association
- United Way
- USA for UNHCR
- Variety, the Children's Charity
- Woodland Trust
- World Food Programme
- WWF-UK