



MAKING A DIFFERENCE

Exploring Issues in Partnering Practice

CONFLICTING CULTURES

Lessons from a UN-Business Partnership

“We clearly live in different worlds and work in very different ways, but I do not feel that our approaches to the partnership were that different.”

UN Agency Representative

“We are completely different. We got on well, but ultimately the cultural gaps between our two organisations made the kind of partnership we wanted impossible.”

Business Representative

About The Partnering Initiative

The Partnering Initiative is a Global Programme of the International Business Leaders Forum in association with the University of Cambridge Programme for Industry. Its approach combines thought leadership, cutting-edge action research, professional learning and development and the creation of innovative joint ventures to push the boundaries of the knowledge and practice of partnerships for sustainable development. The Initiative works with all sectors on strategies, case studies, skills training, partnership evaluation and organisational change.

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ABOUT THIS PAPER

This paper provides a fictionalised account of a real partnership between a UN agency and a multi-national company. The two organisations were prompted to work together in order to achieve the mutually reinforcing objectives of promoting primary school attendance and gender parity whilst also working against child labour in a developing country in Asia. These objectives were wholly in line with the Millennium Development Goals.

In spite of great optimism at the start of the relationship and the exemplary dedication of a core group of staff in both institutions, the partnership, as originally conceived, was unable to maintain its creative momentum and the partners eventually felt they had no choice but to adopt a more conventional focus for their collaborative activities.

This case study seeks to explore what key relationship factors impacted the partnership's development and contributed to its inability to work in the hoped-for manner. It draws closely upon the testimonies of those involved in the actual partnership to convey the genuine frustration experienced on both sides in trying to synchronise two radically different organisational cultures.

In documenting these points of view, *Conflicting Cultures: Lessons from a UN-Business partnership* seeks to analyse what went wrong rather than apportion any blame for failure to progress. It concludes by asking the question 'What might have made a difference?' in order to establish whether there are transferable lessons that could assist others in avoiding or overcoming similar difficulties.

Whilst most of the paper is constructed as closely as possible around the experiences and views of those consulted, any analysis of, or deductions from these are entirely those of the author.

Leda Stott

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INTRODUCTION

“Creating wealth, which is business expertise, and promoting human security in the broadest sense, the UN’s main concern, are mutually reinforcing goals. Thriving markets and human security go hand in hand. A world of hunger, poverty and injustices is one in which markets, peace and freedom will never take root.”¹

During the 1990s the United Nations (UN) increasingly advocated the deeper cooperation of states and international agencies with other sectors of society in order to achieve more sustainable development. The positive role that the private sector might play in supporting this goal prompted the then UN Secretary General, Kofi Annan, to launch the Global Compact programme in 1999. Its aim was to encourage businesses to confront the challenges of globalisation by signing up to ten universal principles in the areas of human rights, labour, the environment and anti-corruption². Less than a year later the Millennium Development Goals (MDGs) were signed by 189 heads of state, under the auspices of the UN with a focus on reaching a series of poverty reduction targets by 2015.³

The role of the private sector, including commercial enterprises, business associations, industry coalitions and corporate foundations⁴, was highlighted as an important element in working towards the achievement of these goals. A common agenda, it was suggested, could be developed with business playing a vital part in supporting development by fostering in-

Millennium Development Goals

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

1. Kofi Annan, Former UN Secretary General, Speech at World Economic Forum 1998, quoted in Nelson, J. (2002) Building Partnerships, Cooperation between the United Nations system and the private sector, United Nations Publications, New York, p2

2. <http://www.unglobalcompact.org/>

3. <http://www.un.org/millenniumgoals/>

4. See Nelson (supra) for a useful definition of what the term ‘private sector’ incorporates

The 10 Global Compact Principles

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.
7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against all forms of corruption, including extortion and bribery.

vestment, promoting a sound environment for its activities, managing its direct costs and risks and promoting new business opportunities.⁵ As a result, a number of UN agencies and multinational corporations began to explore opportunities for active collaboration under the umbrella term ‘partnership’.

While recognising that there would be challenges, supporters of UN-Business partnerships had high expectations and bold claims were made for them:

“Despite the operational and strategic obstacles of new types of partnership, these multi-stakeholder and cross-sector approaches to problem-solving offer one of our greatest hopes for meeting, together, the challenges of the twenty first century.”⁶

Such thinking, however, was not embraced by all. Detractors suggested that corporations could now ‘bluewash’ themselves with the UN flag while continuing ‘business as usual’⁷. At the same time many within the private sector felt that they were being used merely to fill resource gaps and fund social programmes that should properly be the responsibility of governments. As partnerships between the UN and business grew so did opposition to such connections.

5. Nelson (supra) pp36-37

6. Ibid. p315

7. See for example Bruno, K. & Karliner, J. (2000) Tangled Up in Blue, Corporate Partnerships at the United Nations, TRAC, CorpWatch, San Francisco; Stott, L.(2003) Listening to the critics: Can we learn from arguments against partnerships with business? BPD, London; Nelson, J (supra) p34. Utting, P. (2001) UN-business partnerships: whose agenda counts? Third World Network, July 27th and (2003) The Global Compact: Why All the Fuss? UN Chronicle No.1

Primary Education and Child Labour

“A child who is educated is more empowered to escape from poverty. A key factor contributing to MDG 2 is the elimination of child labour, a major impediment to universal primary and other education. Children who work full time cannot attend school. The educational achievement of children who combine work and school often suffers, and they tend to drop out of school to take up full-time work... History has shown how instrumental education has been in eradicating child labour, building a skilled workforce and promoting development. MDG 2 cannot be achieved without the... elimination of child labour.”

Decent Work and the Millennium Development Goals, ILO Fact Sheet

Lack of detailed information on the nature, quality and impact of UN-Business partnerships has continued to contribute to the polarisation of opinions about them. As Utting and Zammit observe, ‘although there has been a rapid scaling-up of partnerships, relatively little is known about their contribution to basic UN goals associated with inclusive, equitable and sustainable development. While considerable effort has gone into advocating partnerships, far less attention has been paid to developing the analytical tools and capacities needed to adequately assess their development impacts and implications and to draw lessons for the way ahead.’⁸

“A partnership should be entered between parties that share the same goals. Global corporations do not share the same goals as the United Nations. Therefore, we believe that ‘partnership’ is the wrong relationship between the UN and business.”⁹

It is our view that there is also a need for case study material that examines the actual process of working together and how the challenges of building partnerships between entirely different institutional types are addressed. This paper attempts to offer a preliminary exploration of this theme by examining a UN-Business partnership that was established to promote primary education in a developing country in Asia, in line with the Millennium Development Goals.

The ‘raw material’ for this research was not easy to obtain. The emphasis of much information on cross-sector partnerships has been on positive stories and there are enormous sensitivities about going public and airing differences that may disrupt on-going work or suggest that such connections have ‘failed’.

As a result, the case study outlined here has been fictionalised and the identity of the partners, the focus, context and organisations involved in it completely disguised.¹⁰

The testimonies used, however, are real and, demonstrating a blend of both the predictable and the surprising, provide an invaluable insight into the intricacy of building effective UN-Business partnerships. They reinforce the fact that such collaborations are considerably more complex than many of the simple ‘for’ and ‘against’ perspectives suggest. We believe that our findings reinforce the call for deeper study of international agency and private sector collaboration. In this way we will go some way to obtaining a clearer understanding of the difficulties faced by such diverse partners when working together and how these might be overcome in order to maximise the impact of a cross-sector approach towards sustainable development.

THE EMERGENCE OF A NEW PARTNERSHIP

In 2003 a new partnership was developed between UNCOP, a UN Agency, and MAXLT, a multi-national company. The initial connection was stimulated by MAXLT’s Deputy CEO who, keen for MAXLT to make a strong public stand on the issue of child labour, approached UNCOP with the idea of developing a partnership to support primary education in an Asian country where it had a supply chain connection. UNCOP’s new Private Sector Linkage Representative responded positively to this suggestion.

A small group of staff from the headquarters of MAXLT and UNCOP then met to discuss how they might take things forward. The meeting was a positive one. As one of the MAXLT representatives recalled, “...conversations began about developing a partnership that was something far beyond the usual ‘cheque book’ philanthropy – something innovative and impactful, where we could learn and mainstream.” From such conversations the idea of building a partnership to promote and enhance primary education in the chosen country emerged.

The UN’s 2001 Human Development Report classified the country as one of Low Human Development. High poverty levels meant that child labour was widespread and primary education attendance, though free, was limited. Of those attending primary school, girls represented less than 40% in many areas, with lower enrolment and a higher dropout rate than that of boys. A decision was made to focus

8. Utting, P. & Zammit, A. (2006) Beyond Pragmatism, Appraising UN-Business Partnerships, Markets, Business and Regulation, Paper No. 1, UNRISD and Copenhagen Business School

9. Alliance for a Corporate-Free UN

10. In our view the identities of the parties are actually immaterial; the purpose is to unravel a story that had potential to contribute significantly to the MDGs and explore why it proved so difficult for this to be realised.

Incentives for each partner to work together

MAXLT	UNCPP
Corporate commitment to donating small percentage of pre-tax annual profits to communities around world	Fulfilment of MDGs 2 & 3* - primary education for all and gender equity, especially in areas with competing resource priorities
CSR focus on making strong stand against child labour	Keen to cover education programme infrastructure, training and equipment costs
Community investment programme to support the MDG objective of universal primary education by 2015	Involvement in a more integrated approach and a far wider range of activities
Commitment to developing strategic partnerships internationally	Promotion of gender equity through special interventions encouraging female enrolment in primary education

*MDG 2: Achieving universal primary education - Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

MDG 3: Promoting gender parity - Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015.

project activities in one peri-urban community during an initial 12-month pilot phase. Once the approach had been tested and the learning from it mainstreamed, the idea was that this could then be developed into a more long-term project in other areas of the country.

The excitement at the start of the partnership was palpable. The partnership ‘team’ (composed of two representatives from each partner organisation) worked closely to create a shared partnership vision and align their strategic objectives. This involved clearly identifying each organisations core competencies and goals. Recognising that there would be challenges in relation to their different cultures, languages and styles, the team was also in agreement that structures needed to be created to ensure that the partnership and its project activities were managed effectively.

The partnership had three central aims:

- **To improve basic infrastructure:** Constructing new school facilities, providing desks, school materials, uniforms and equipment.
- **To improve trained human resources:** Training teachers and increasing staff.
- **To change attitudes and overcome some of the cultural barriers impeding access to primary education:** Generate excitement, interest and support for primary education through awareness-raising campaigns within the community.

To supervise the partnership and its activities, an Advisory Board composed of six senior managers was proposed. It was agreed that the position of Chairperson would rotate between UNCPC and MAXLT, that decision-making would be consensus-

based and consultation with broader groups of stakeholders would be conducted where needed. A Joint Committee was to manage project activities and a Project Coordinator was appointed to oversee implementation on the ground. Particular emphasis was placed on the importance of transparency and the creation of learning opportunities for all partners.

Both cash and in-kind resources were ‘mapped’ by the partners. MAXLT agreed to provide a financial contribution and assistance with project management. It also discussed the idea of providing volunteers from a selection of educational institutions with which it worked to support local project activities. UNCPC, meanwhile, offered to supply logistical support on the ground, project delivery oversight and the management of a third-party evaluation process.

EARLY DIFFERENCES

The partnership faced immediate and early differences over a number of issues which were to erupt throughout its lifespan and have a profound impact upon its development. These differences centred around:

Conflicting styles and cultures

“UNCPC is not used to working with corporate partners, let alone starting a new direction with big, brash MAXLT.”

MAXLT representative

MAXLT was fast, go-ahead and confident of its brand. It had an unconventional way of working which was reflected in modern office surroundings and flexible hours. Staff were encouraged to use vi-

Marking the difference - communication issues

The issue of developing a communication strategy for the partnership evidenced differences in three core areas:

1. Focus

MAXLT's partnership staff had a particular interest in internal communication in order to promote staff engagement and a deeper understanding of partnering generally. They also wanted to publicise the partnership externally among media groups, NGOs and their key CSR stakeholders. UNCPP was keen on a communication strategy that would encourage other corporate players to 'fund' and support their programmes. They were, however, cautious about criticism of their corporate links and were concerned about transmitting this message as carefully as possible.

2. Content

Both partners were keen to focus on the positive benefits of primary education on eradicating child labour. MAXLT felt this could best be done via the transmission of a clear and simple message which was exciting and visually rewarding. UNCPP felt it was important to share details of an array of factors that demonstrated solid results. These included education metrics, school attendance, improved quality of education, teacher ratios per pupil and gender ratios of teachers and pupils.

3. Style

UNCPP had a detailed and scrupulous way of reporting, particularly in relation to private sector linkages that might be seen as controversial. This entailed methodical listing of 'donations', delivery agencies and target populations and the provision of statistical information through regular reports. MAXLT was keen to focus on a wider and less-detailed approach which brought in new ideas. It suggested bringing innovation to the partnership through a staff placement scheme which would promote personal and professional development and ultimately establish a pool of ambassadors to inspire and motivate primary education links.

sioning processes and creative spaces to develop ideas. In addition, streamlined managerial and administrative procedures that avoided too much hierarchical intervention meant that decisions were made rapidly with an expectation that they would be acted upon immediately. UNCPP, by contrast, worked in a more conventional and bureaucratic manner. Their personnel carried out duties within a carefully monitored system based upon procedural guidelines that had evolved over decades. Work was also undertaken across multiple layers within both headquarters and field operations. As a result decision-making was slow and there was hesitancy about making quick choices and assessments without careful consultation and sign-off. MAXLT was particularly frustrated by the time required for fund dissemination on the ground due to lengthy spending authorisation requirements. "For us," explained one of their staff, "time IS an issue."

The focus of the partnership

As well as the common goal of promoting primary education, the representatives from the two partner organisations saw their collaboration as fulfilling other distinct but complementary objectives: UNCPP to promote the pressing MDG target of achieving gender parity in education by 2005 with the development of opportunities for girls to attend school, and MAXLT to reinforce its position against child labour through the promotion of primary education. Tensions soon developed with regard to these different focus areas. UNCPP felt that MAXLT was over-concerned with a desire to publicly demonstrate its stance on child labour while UNCPP was perceived by MAXLT to be focussing primarily on the gender equity issue. UNCPP felt that MAXLT did not fully grasp that this was a core element of the promotion of primary education and central to achieving an early MDG target. An initial outlay of funds for setting up facilities for girls in schools and recruiting more women teachers was agreed but, according to one of UNCPP's representatives: "...it seemed the staff we worked with had a hard time selling back into MAXLT why they were focussing solely on getting girls into school."

Money matters

"Partnership is not sponsorship. It involves the transfer of skills and expertise and places value on resources beyond cash."

MAXLT representative

Both partners had difficulties in relation to the financial resource implications of the partnership. MAXLT felt strongly that UNCPP's financial approval systems required simplification so that project funding could be released more rapidly. The UNCPP representatives working on the partnership were aware of this frustration but noted that MAXLT itself was significantly late in making their financial contribution to the partnership. It arrived months after it was promised and well into UNCPP's fiscal year when it was hard to slot in newly received funds.

At another level, UNCPP's on-going search for 'corporate partners'¹¹ to leverage funds for its programmes and plug resource gaps in its work, meant that many of its staff regarded MAXLT, much to its dislike, as little more than a sponsor rather than a partner with other resources to offer. This perception was not helped by the fact that the possible involvement of volunteers through the company failed to materialise. According to UNCPP staff this was because MAXLT was unable to put in the time required to manage such an exchange programme.¹² They

11. MAXLT felt that this was simply a synonym for 'donors'

12. It was also clear that UNCPP was not keen on the idea of having such volunteers in the field with concerns over the real added-value to their work.

generally felt that although MAXLT was keen to use its core competencies more strategically, the time required for working on this meant that it ended up giving only financial support. As a result, *“There was little recognition by colleagues and programme staff that MAXLT had much to contribute to field activities other than cash.”*¹³

Interestingly, the language used by both organisations as they sought to cement the partnership did little to detract from this view. UNCOP asserted publicly that, *“We hope that collaboration with MAXLT in assisting children to attend school will be fruitful in meeting the resource gaps in our current programme.”*¹⁴ The ensuing partnership agreement was described as a ‘contract’, thus, perhaps unintentionally, reinforcing its financial character. A final project document, signed up to by both partners, also included a statement that described MAXLT’s financial contribution as a ‘donation’.¹⁵

Involvement of other partners

“We never managed to get other corporate partners on board as we were always concerned about MAXLT’s position on whether they wanted to be the only partner or whether they were happy to be involved in a bigger goal which then required that we bring in others.”

UNCOP representative

Resource issues were also linked to another point of tension concerning the possibility of including additional corporate partners in the partnership’s activities. UNCOP was keen to encourage other companies to take on distinct areas of its broader educational programme through both donations and other interventions. MAXLT was less happy with this idea. Although it had promised at the outset to find other corporate partners to support UNCOP’s work, it nonetheless wished to carve out a distinct and flagship role for the partnership which clearly distinguished its involvement as more than a simple project ‘funder’. It did not therefore take kindly to the idea of what it perceived as a possible ‘basket approach’ by UNCOP that drew on funding contributions from different corporations for its wider activities.

It was also clear from the start that the partners would need support on the ground to develop project activities as neither partner had the appropriate skills, time or staff to take this on. A well-reputed international NGO with a branch in the country, considerable experience in the promotion of educational programmes and excellent links with the community agreed to assist the partners to develop their work.

13. UNCOP representative

14. Quote from Project Description document (2003)

15. Ibid.

Their role was of crucial importance in guiding project activities and keeping things on track. However, in spite of being referred to continually by the partners as ‘our broker’ or ‘the implementing partner’, the NGO was neither accorded full partner status nor engaged more centrally in the partnership’s structure and deliberations.

Staff engagement

“Within UNCOP sceptical colleagues included those who were reticent to work with MAXLT because they saw it as a ‘bad’ company, while others were sceptical of the need to invest so much time and involve senior directors for a rather low contribution as compared to any government contribution.”

UNCOP representative

The partnership was developed by two key individuals from each organisation who were each supported by unit managers from their respective departments. This team of four was instrumental in developing project activities and making the partnership work. Without their time and effort the partnership would never have got off the ground. However both pairs operated in relative isolation within their institutions and this meant that there were issues about *“getting everyone on board that needed - or thought they needed - to be involved.”*¹⁶

MAXLT was fortunate in that its Deputy CEO was an active champion of the partnership. Indeed it was as a result of his original approach that the partnership had been seeded at all. However, although MAXLT’s Corporate Social Responsibility (CSR) department, from whom the partnership staff were drawn, had considerable partnering experience and there was undoubted interest in their work, they nonetheless found that there was limited understanding of their development focus among fellow employees. Some MAXLT staff admitted, for example, that they had never even heard of UNCOP or its work.

UNCOP did not have a senior internal champion. Personnel were generally divided between those who welcomed the engagement with MAXLT as what one observer described as a ‘cash cow’ and little more, and those who saw the relationship as a dangerous precedent with business playing too great a role in the development of UN programmes at the expense of the credibility of the institution. The fact that the partnership had emerged from a fund-raising unit within its headquarters meant that spreading the wider concept of a partnership and engaging other staff at wider departmental levels and field offices was also a huge challenge. UNCOP’s country representative was particularly sceptical of the long-term feasibility of the project and, although she pressed

16. UNCOP representative

hard for a holistic approach to the project, she was also obstructive in ways that appeared to simply relate to power struggles with her own HQ.

Monitoring and evaluation

Differences in focus were manifested in diverse approaches to monitoring and evaluation. Both partners were in agreement that the development impacts of their work needed to be carefully appraised. However, MAXLT's CSR Director, who had substantial experience of working across sectors, was also anxious to ensure that the partnering relationship and its added value to both organisations would be part of any review process and that learning would be fed back into each institution to enable the partnering relationship to become mainstreamed within them both. In order to do this MAXLT placed considerable emphasis on obtaining specific reports and visual documentation that showed how their contribution was making a difference. This was often, as one of UNCAPP's staff recognised, a frustrating experience, *"Getting the kind of information they wanted from the field about the impact of the partnership was extremely challenging."*

UNCAPP had a more conventional view of the monitoring and evaluation process and, in accord with organisational guidelines, was concerned primarily with obtaining statistical data at pre-established intervals in order to demonstrate project impact. While reluctantly accepting this proposal, MAXLT nonetheless insisted that a more flexible internal review and evaluation process was also necessary in order to capture wider elements of the partnering relationship.

THE UNFOLDING STORY

"The MAXLT people were always ready to find solutions. They were willing to compromise and clearly were able to appreciate the partner's point of view, even if it was not aligned with their own views. MAXLT obviously had their own interests which needed to be met, but they were willing to understand and explore the interests and underlying issues on their partners' side and to contribute positively to resolving challenges that came up. I would say that truly this is the mark of a good partner. They were not only concerned with what was happening within their own organisation, but were keen to try to assist us to build the organisational buy-in for the partnership. At the time, I felt that support was useful, but possibly it let MAXLT see too much 'behind-the-scenes' at UNCAPP."

UNCAPP representative

The partnership achieved its twelve-month pilot phase at the end of 2004. During this time it became clear that the Advisory Board structure was unsustainable. The Board was expected to take major decisions, such as whom to approach as new partners and how to deal with changes in the direction of the project activities, but its members did not have the time to get involved in this way and it proved virtually impossible to arrange meetings. As things turned out most decisions were taken after exchanges of correspondence and phone discussions between the core partnership staff group in each organisation.

The project team visited the community in which the partnership activities were undertaken on several occasions. They were pleased with early results that gave strong indications that the self-esteem of children, particularly girls, had gained from the project's work. The wider community also appeared to be benefiting – a number of new parent-teacher associations had emerged and there was appreciation for the many new recruits who had joined the teaching ranks through the project. Teachers were additionally pleased that better school facilities were available and expressed the hope that attendance levels would further increase. However, they also pointed out that there was a continuing need for training, salary increases and more equipment.

The partnership was showing benefits in several other ways; individuals working for the NGO and for UNCAPP on the ground were becoming increasingly committed to the project. Indeed, one member of UNCAPP's staff had even requested a transfer to the field education unit in order to assist its development in a more focussed way. The visiting project team members from both partner organisations also became more inspired and motivated by their exchanges during this time. They recognised that the project had achieved some impressive early results and that the raised expectations meant that their continued collaboration was important. They also noted that changes needed to be made in order to deepen its potential. As a result an agreement was made to develop and expand the partnership project over a further three-year period.

In order to address the changes that the partnership project required to be ready to scale up as creatively as possible, MAXLT facilitated a three-way meeting between themselves, UNCAPP and the NGO 'implementing partner'. Participants were asked to develop a 'Wish List' of what they would like to see the partnership prioritising in the coming three years. Staff from all three organisations responded enthusiastically to produce a list of exciting future possibilities. These included: providing school uniforms to all primary school children in the community; ensuring greater availability of equipment, materials and child-friendly spaces; promoting more positive role mod-

els; further upgrading school facilities; increasing school enrolment; getting better-pay for teachers; engaging government agencies in the partnership and developing community micro-credit and income-generating activities.

The optimism that grew from these positive projections reinvigorated the project team enormously. In recognition of the fact that both key partners shared high levels of enthusiasm at this time, MAXLT's CSR Director felt confident enough to suggest that some of the difficulties that the partnership had encountered might be tackled before things continued further. In a carefully crafted approach that emphasised the complementary nature of each organisation's skills, competencies and credibility to influence change, she suggested that the partnership project now depended upon the refining of their partnering relationship and the resolving of differences over contrasting priorities, timelines and decision styles. A partnership broker's assistance was proposed in order to 'break' the issues open and assist the partnership to maintain freshness and momentum.¹⁷

The CSR Director proposed that a well-known international partnership organisation work with UNCPP and the NGO 'implementing partner' to facilitate a conversation about how their partnering challenges might be tackled. This organisation would then convene a meeting of all partners to take things forward. She stressed that for MAXLT timing was of the essence and anticipated the joint meeting taking place within a six week period. Although there was some concern from UNCPP that the MAXLT representatives were less open about their own internal challenges and their stance was slightly directive, they agreed to this proposal and an initial meeting with the international organisation was arranged. In the event, however, this did not lead to a wider dialogue as a number of changes overtook events and the partnering relationship between the two organisations was forced to change direction completely.

THE IMPACT OF CHANGE

The changes that impacted the partnership were both internal and external in nature. Externally, the country in which the project was being undertaken underwent presidential elections that brought increased uncertainty together with the eruption of sporadic violence in the community in which the partnership was working. At the same time the region was hit by the severe and unexpected consequences of heavy rains and flooding which meant that basic survival issues became the priority. As a

17. "A partnership broker operates as an active intermediary between different organisations and sectors (public, private and civil society) that aims to collaborate as partners in a sustainable development initiative." Tennyson, R. (2005) *The Brokering Guidebook*, IBLF, London p8

MAXLT's proposal for change

"We are concerned that we are now well into the first year of our 3-year commitment and we have made little progress in terms of evolving the partnership. As you know this is of key interest to us. Unless we can do this we will only achieve a small part of what we could potentially achieve. Part of partnership is about learning and challenging each other as partners. We feel that we have come to the stage of needing to challenge you with regard to some real or perceived internal system issues that in our perception are slowing (and in the worst case scenario will prevent us) from getting to our agreed end point in two and a half years' time.

It should be said that this is by no means a criticism, but rather a reflection of what it takes to work in cross-sectoral partnerships. In our experience of other partnerships it is perfectly normal. This is a completely new area for UNCPP who are working in corporate "partnership" rather than just looking for corporates to bring money into budgets. So, we should feel comfortable about addressing this and we would like to address it. We would therefore like to give you some insight into what we perceive to be some of your challenges with a view to exploring how we can assist you to overcome them. We regard them as the biggest threat to our collaboration and think that they require immediate attention. They include:

1. Finance systems and funding streams
2. Proposed new structures involving other corporations
3. Over-complicated systems and lines of communication
4. Involvement of implementing partners, specifically the NGO link
5. Methods of evaluation in order to move beyond conventional data collection to a learning evaluation on 'impact' and partnership."

Letter from MAXLT CSR Director

result, the NGO 'implementing partner' had to prioritise emergency and conflict resolution issues and the partnership project was forced off their agenda.

Staff changes within all the organisations involved in the partnership also took place. The NGO underwent a restructuring process with changes in its international focus and the appointment of new staff in the region. At MAXLT the CSR Director went on maternity leave and was replaced by someone who felt that the partnership was not making enough progress in comparison to other partnerships with which the company was involved. Meanwhile both members of the partnership's staff at UNCPP headquarters left the organisation: one on a year's sabbatical and the other permanently. At field level UNCPP's country representative, who was awaiting promotion and a move to headquarters, became even more reluctant to take things forward, stalling on contact with the international broker organisation and on all other communication and meeting plans.

The four staff, who had formed the initial partnership 'team', were deeply disappointed. There was a feeling of disbelief that with all the dedication, hard work and good will, the partnership as originally envisaged had failed. The two organisations and the new levels of personnel who were engaged with the project were effectively forced to either abandon the partnership completely or find new ways of working together. Rather than disband completely they chose the latter option by reverting to a more conventional project grant way of working. A unique opportunity to develop a highly original UNCPP/private company partnership connection was thus thwarted.

WHAT WENT WRONG?

The reasons why the partnership between UNCPP and MAXLT did not work are clearly complex and relate to the interaction of particular individual, organisational and contextual factors. However, it is possible to extract some key issues which appear to have contributed to the breakdown of the original partnership arrangement. Key issues include:

Lack of clarity on drivers

"I do feel that we never had a clear understanding of what MAXLT wanted to achieve for the company. Clearly that should have been put on the table."

UNCPP representative

The partners were aware of their different motivations for working together and strove to create a partnership that would cater to both. However, not enough attention was paid to promoting in-depth discussion and understanding of the core drivers for engagement¹⁸; MAXLT's long-term profit motive and desire for effective brand reinforcement and UNCPP's need to attract wider corporate funding for its on-going development work. These incentives were never fully explored together in a way that might have engendered deeper comprehension between partners. As a result the partnership was impacted negatively and a key opportunity for mainstreaming it within the two institutions, with considerable potential for greater benefits and 'added value', was lost.

Contrasting organisational cultures

"While we had some similarities, our organisations were very different and understanding these differences was vital to ensuring

18. BPD defines drivers as the 'pushes and pulls' that determine or necessitate certain behaviour or actions including incentives which motivate partnership engagement; sanctions or negative consequences/penalties for failure to participate; obligations to provide certain inputs and outputs and participate in partnering processes (Caplan, K., Presentation at The Partnering Event, September 2006, Cambridge, UK)

that the project and partnership remained fresh and robust."

MAXLT representative

The two partners could not have been more different in their organisational behaviour and styles. UNCPP saw the company as big, self-confident and somewhat pushy, unnerving it by encouraging new ways of working which threatened its cautious and careful approach to project development and management. MAXLT perceived UNCPP's response as bureaucratic and unadventurous and resented what it saw as a failure to evolve the relationship which they saw as essential for mainstreaming and institutionalising the partnership. In spite of recognition of these differences, no attempt was made to establish how this organisational diversity could be positively capitalised upon and learned from.

Money and power dynamics

"I don't believe that it is appropriate to expect the UN or any NGO for that matter to be able to simply start an activity the day after funds arrive. Clearly, companies are more flexible and more easily re-route funds to new promising ventures at the expense of existing products/services, but it also doesn't happen overnight."

UNCPP representative

The synchronisation of fiscal years between the two organisations posed a real challenge. Both partners had annual budgets and planned their activities well in advance, making commitments to roll-out programmes and products.

UNCPP admitted that its financial systems were difficult to work with but also felt that MAXLT needed to understand that they were dealing with a complicated and well-developed programme planned and budgeted well in advance of the fiscal year.

MAXLT also objected strongly to being considered a 'donor' and rightly indicated that its engagement amounted to a great deal more than simple funding. UNCPP staff, however, spent much of their time working out how best to allocate MAXLT's financial contribution. This emphasis on cash, consciously or unconsciously, raised more subtle questions about power and perceptions of MAXLT as the driver of the relationship that were never clearly addressed. Unpacking this was a delicate matter as this statement from one of UNCPP's staff demonstrates: *"It was very much a 'donor' attitude – let us help you fix your problems so that our money is well spent. However, I never felt they (MAXLT) attempted to drive the agenda of the partnership. It was definitely a collaborative effort with a wish to marry interests on both sides and find common ground..."*

Weak institutional buy-in

The partnership's over-reliance on the work of the two staff members from each institution was problematic. As one staff member put it, *"On both sides, it was individuals that were peripheral to the core business of each organisation who were pulling at straws to bring the two sides together."*¹⁹ An absence of greater organisational awareness-building about the partnership, and partnering generally, meant that efforts to engage more staff in the project activities and take on wider ownership roles were unsuccessful. Giving time was recognised as being central to working towards institutional buy-in and this was in short supply. As a MAXLT representative noted, *"Time, time, time and lots of time is key to institutionalising..."*

Championed by their Deputy CEO, MAXLT did try to encourage employee engagement in the partnership through staff volunteering and the development of an intranet site about its activities. The hope of a more dynamic exchange, however, was largely 'blocked' by UNCPP's cumbersome procedural practices which mean that prompt and focussed information which could have been used to inspire internal involvement was not forthcoming. Within UNCPP staff hierarchies meant that getting senior management buy-in was difficult. In addition, opportunities for encouraging them to see MAXLT as more than just a donor were not actively promoted. Such exchanges, when they happened, appeared to have real potential, *"I believe that the participation of MAXLT's Deputy CEO in an agency meeting gave pause to management and encouraged them to think out of the box with regard to how business partners could assist us in the future."*²⁰

Failure to more actively engage other potential partners

Aside from the debate about engaging more corporate partners, the partnership might have studied the more active involvement of partners with other perspectives, skills and resources. The engagement of the NGO 'implementing partner' as a genuine third partner, at both international and field level, could perhaps have assisted in diffusing some of the bilateral tensions between the two original partners with its more flexible methods of working and its international partnering experience. As things stood, the NGO's position of being contracted to work 'for' the partnership rather than being brought on board as an active and committed equal player led to their marginalisation within the partnership.

Because of their profile, national-level contact with government agencies concerned with primary edu-

cation could have been more deeply developed and possibilities for bringing local government offices in as another partner might have been looked into. As the partnership project grew there may also have been room to include other NGOs and local organisations with an educational focus as well as greater input from community members themselves. It is likely this would have had the added benefit of developing a more replicable model of cross-sector collaboration and more strategic influence in the region and beyond.

Absence of an intermediary

In view of the differences between the two partners and an early realisation of the divisions that these were creating, the services of a partnership broker / intermediary to assist the two partners in addressing the challenges of working together may have been helpful. Ideally, an early external brokering input that explored diversity, helped to bridge gaps and cement relationships could then have been brought in at key moments during the partnership's development in order to assist with future transitions and challenges. MAXLT's CSR Director began to realise that this was necessary and made efforts to engage an organisation in this capacity but this came at too late a stage in the partnership's development.

Flexibility and change

The partners were not able to respond to, or manage, change flexibly. Many predictable changes such as staff departures and arrivals, which are a regular feature of organisational life, and external contextual indicators, were not taken into account to the extent that they might have been. The fact that the partnership had no 'exit' or 'moving on' strategy and did not discuss 'ground rules' for dealing with expected and unexpected change in the early stages of partnership-building contributed to this lack of flexibility. The result was that when faced with change or challenge, the partners found it impossible to address these innovatively and confidently.

This case study uncovers some of the difficulties encountered by those partnering across two radically different types of organisation. It demonstrates the importance of looking at such interactions in relation to a wide range of complex variables such as: contextual dynamics; the management of change; clarity about core drivers and incentives for working together; the roles of individual staff members in driving and developing the partnering process together with consideration of the unique nature of different organisational perspectives and behaviours.

19. UNCPP representative

20. UNCPP representative

WHAT MIGHT HAVE MADE A DIFFERENCE?

“I believe that if the partnership ‘failed’ it was due to UNCIPP’s inability to deliver in the field and also to archaic and bureaucratic procedures i.e. spending authorisations and too much involvement of controlling mechanisms...this is something that we need to address internally.”

UNCIPP representative

“In our view, the partnership between MAXLT and UNCIPP needed to evolve in order for the project to become properly mainstreamed and institutionalised. An innovative and on-going review mechanism was needed for this.”

MAXLT representative

This investigation has been a form of retrospective ‘review’ and it has revealed many of the generalisations and commonly held stereotypes that both supporters and detractors of UN-Business partnerships use to sustain their arguments. It is clear, however, that there were a range of options for overcoming the difficulties encountered that might have been considered and adopted. These included more thoughtful planning; awareness-raising and relationship-building activities as well as the possible use of an external intermediary or broker.

“Expectations could have been managed better. More clearly separating the partnership from the project would have assisted with this.”

MAXLT representative

“Internally, we never discussed the role of each unit involved. Starting afresh, I would ensure that a strong UNCIPP cross-functional team was built and that each person understood their role in shaping and nurturing the partnership.”

UNCIPP representative

“We should have worked harder to get internal buy-in at all levels of the company.”

MAXLT representative

“There was always an issue about whether this was a company project or a broader project in which MAXLT was one of the partners. I think this issue was never clarified, and if I had to start over, this would have to be made clear.”

UNCIPP representative

There was, and still is, a huge commitment to the shared goals and the project from both organisations and, with hindsight, those involved in the partnership’s development have clear ideas about what might have made things work better. These are outlined below and show a perhaps surprising similarity and coherence. The suggestions put forward emerge from actual disappointments and frustrations and are important because, as practitioners who worked hard to develop a successful UN-Business partnering relationship, they provide key pointers for those involved in such cross-sector collaborations.

“Our ultimate objective is to create models for this kind of work that can be scaled-up. It is vital for MAXLT to have a strategy that ensures that all the work, investment and potential do not die when we move on and that it can live beyond MAXLT.”

MAXLT representative

“I think that the different ways of working led to frustration and also therefore to the slow disintegration of the partnership. Had we delivered exciting results and related back to MAXLT how the lives of children were being impacted, I believe we could have overcome the challenges of different work approaches.”

UNCIPP representative

This case study, we believe, demonstrates the importance of collating and sharing more thorough documentation of cross-sector partnerships, drawing on the testimonies of individuals such as those who have been willing to share their stories here. It is only in this way that such collaborations are likely to be more fully understood and their solidity as vehicles for the promotion of sustainable development agendas genuinely explored and significantly improved.