Partnership fundamentals: understanding organisational incentives

Fundamentos de las alianzas multiactor: entender los incentivos organizacionales

L E D A   S T O T T *

KEYWORDS

Multi-actor partnerships; Collaboration; Organistaional incentives.

ABSTRACT   This article argues that the effective performance of multi-actor partnerships in the UN Sustainable Development agenda for 2030 rests upon deeper understanding of different organisational incentives for working in partnership. It explores the rationale for assessment of organisational incentives for partnering and provides practical pointers on how this analysis might be conducted. An early internal inquiry into whether or not to partner is recommended with wider discussion among potential partners as a desirable follow-up to this. The premise is that greater clarity around diverse incentives for partnering, and the issues and challenges that partners may face by working in these relationships, will enhance mutual understanding and support the improved effectiveness of collaborative engagement.

PALABRAS CLAVE

Alianzas multiactor; Colaboración; Incentivos organizacionales.

RESUMEN   Este artículo señala que el rendimiento efectivo de las alianzas multiactor, en la agenda de la ONU para el Desarrollo Sostenible para 2030, se apoya en un mayor conocimiento de los distintos incentivos para trabajar en alianza de las organizaciones. En él se exploran los fundamentos para la evaluación de dichos incentivos para trabajar en alianza y se ofrecen sugerencias prácticas sobre cómo podría llevarse a cabo este tipo de análisis. Se recomienda realizar una encuesta interna preliminar acerca de si trabajar o no en alianza y, a modo de seguimiento,

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sería conveniente un debate extenso entre los posibles miembros de la alianza. La premisa es que una mayor claridad en torno a los diversos incentivos para trabajar en alianza y las distintas cuestiones y retos que dichos miembros podrían tener que enfrentarse, por el hecho de trabajar en este tipo de relaciones, va a favorecer el entendimiento mutuo y ayudar a mejorar la efectividad del compromiso de colaboración.

RÉSUMÉ Cet article soutient que la performance efficace des partenariats multi-acteurs dans le programme des Nations Unies pour le développement durable pour 2030 repose sur une meilleure compréhension des différentes incitations organisationnelles favorisant le travail en partenariat. Il examine les arguments en faveur de l'évaluation de ces incitations organisationnelles, et il propose des conseils pratiques sur la façon dont cette analyse pourrait être menée. Une première enquête interne visant à savoir si travailler en partenariat est recommandé ou non, suivi par un débat plus large entre les partenaires potentiels, est souhaitable. L'hypothèse est qu'une plus grande clarté concernant les diverses incitations en faveur du partenariat, y compris les problèmes et les défis auxquels les partenaires peuvent être confrontés en travaillant de cette manière, améliorera la compréhension mutuelle et renforcera l'efficacité de l'engagement collaboratif.

Partnership fundamentals: Understanding organisational incentives

The positioning of multi-actor partnerships as central to the achievement of the post-2015 global development agenda has generated increased interest and enthusiasm for working collaboratively. However, it is important to emphasise that developing horizontal power-sharing arrangements between different organisations and sectors is not easy, and that a considerable investment of time and resources is required to build and maintain these relationships. In view of the role that multi-actor partnerships are expected to play in supporting the achievement of the United Nations Sustainable Development Goals, it seems more important than ever to acknowledge the challenges they face and draw upon lessons that can assist us to maximise their effectiveness. Using findings from academic and practitioner studies, this article argues that one of the key ways we can do this is by more deeply exploring the organisational incentives of different partners for working in partnership.

Defining organisational incentives for partnering

Organisational incentives for partnering form a component of drivers - the 'pushes' and 'pulls' that stimulate interest or disinterest in working collaboratively (Caplan *et al.,* 2007: 8). Incentives are the positive pushes or 'carrots' that encourage organisations to participate in a partnership arrangement. To be properly underst-tood, incentives need to be considered in relation to 'sticks', the disincentives or negative pulls, which may caution against partnering. Incentives differ from obligations that mandate organisations to participate in partnership as they do not result in sanctions or penalties if the choice to partner is not taken. The incentives for an organisation to enter into a partnership are thus determined by, '...analysis of the opportunity presented, and the level of risk they are willing to undertake' (*ibid.*), both of which are conditioned by particular external and internal operational environments.

The rationale for exploring organisational incentives for partnering

Multi-actor partnerships are centred upon the premise that by drawing upon the diverse resources and competencies of different social actors a common goal can be achieved in a more sustainable manner than when each operates separately. In addi-tion to generating societal benefits these relationships also rely crucially on partners being able to obtain organisational advantages through collaboration. As meeting these incentives is integrally related to the achievement of effective partnership performance (Caplan *et al.,* 2007) the fact that this aspect of partnership-building is often overlooked or avoided is of concern.

Andersson *et al.* (2006: 91) note that, 'the potential that partnerships offer...is encom-passed by the drive, energy, and ability to take action that stems from the explicit commitment of each of the partners.' This commitment will derive from the fulfil-ment (or potential for fulfilment) of both common *and* individual partner interests. To quote Caplan (2003: 35):

> The most effective partnerships [are] tied with no uncertainty to the core busi-ness, or core interests, of each organisation that comes to the table. This pertains equally to the communities or beneficiaries - the partnership project has to be a priority for them too. Put more crudely, if a 'business' case for each partner (more broadly than in strict financial terms) cannot be made convincingly, then forget it.

According to Caplan *et al.* (2007: 5), core interests (or incentives) are what moti-vate partners to work together. These are negotiated into specific objectives which rely upon the resource inputs and participation of different partners. It is therefore unlikely that a partnership will be successful if the drivers for partners to participate

are not sufficiently met, particularly as unilateral decisions by partners in response to failure to meet their organisational interests will affect the ability of a partnership to deliver on its goals (*ibid.*).

The UN Foundation (2004: 2) notes that one of the reasons that many partnerships fail to meet expectations is a lack of understanding of different partner incentives for collaborating. A shared awareness by all potential partners that complementary objectives can be reached through working together, even though organisational aims and approaches may be different, is central to this. If, as Brinkerhoff (2002: 217) observes, the salient features of partnership include 'mutuality' and 'organisational identity', then acceptance of a partner's indispensability to the overall relationship needs to be combined with acknowledgment that each member is also distinctive. Indeed, '… the basis for partnership's value-added is accessing what external partners perceive to be unique contributions' (*ibid.*). Furthermore, when clarity around different organisational motivations for partnering is achieved, it can also, according to Austin and Seitanidi (2012) reveal '*linked interests*' and provide possible 'evidence of the transformative intention of the partnership' (*ibid.*: 933).

As Table 1 shows, transparency around the organisational expectations of different partners and their incentives (and challenges) for working in this way can enhance the process of partnering.

Table 1. The advantages of sharing incentives for partnering

Accountability	Ensures transparency and shared understanding of constraints for individual partners
Clarity	Provides common understanding of benefits and risks for different partners Creates more open environment and promotes building of trust Minimises unwelcome surprises and potential damage regarding partnership risks
Improved performance	Improves communication, decision-making and performance management Allows greater chance of achieving common objectives through identification, discussion and management of risks Enables better basis for allocation of resources and delivery of activities
Sustainability	Enhances achievement of objectives through ongoing review and management of barriers and opportunities Creates durable connections that offer opportunities for innovative solutions to development challenges

Source: Adapted from: Horwood (2006) and Mundy (2006).

Conversations regarding different organisational incentives for partnering can also be helpful in the identification of obstacles facing potential partners and joint decisions about if and how they may be addressed. This may involve reflection on the extent to which partners are willing to support one another in overcoming challenges through the involvement of the partnership as a whole and/or through action by individual organisations. Discussions may also focus on ethical concerns around what particular partners hope to gain by partnering and ensuring a focus on public interest.

The challenges of sharing organisational incentives for partnering

Tennyson (2004: 10) observes that, in addition to common benefits, the specific benefits that different partners anticipate being able to gain by working in partnership should ideally be shared at an early stage of the relationship. However, while a concrete understanding of different organisational motives for partnering is clearly advantageous in providing a solid foundation for ongoing collaboration (Tennyson, 2004: 10; Rein *et al.,* 2005: 3-4; Caplan *et al.,* 2007), the reality is that detailed discussion of organisational incentives in partnership arrangements is often problematic, particularly at the start of a relationship when partners may not know one another well. In six partnerships studied in South Africa and Zambia, for example, very few had jointly articulated or incorporated individual organisational incentives into the establishment of common partnership objectives (Rein *et al.,* 2005: 117-118).

Findlay Brookes, Visser and Wright (2007: 6) believe that open discussion around organisational incentives can be challenging because:

> Inevitably, many partners …will have 'covert' motives for partnering which are different to the project outcomes, whether this is the pursuit of funding, credibility, or a licence to operate. The end may well justify the means, as long as these motives are not in conflict with the project outcomes or seen as more important. If the disconnect between the motives of the partners for partnering and the desired outcomes of the partnership itself leads to partners feeling they have succeeded because they have gained what they were looking for and are seen to be doing something, this can be at the expense of making real steps in development goals.

A key task then is to find ways in which 'hidden' agendas among different partners can be teased out, discussed and debated in order to 'to enable mutual appreciation of each others' specific priorities and to ensure that all partners understand completely the expectations each partner has from the partnership' (Tennyson, 2004: 10).

Exploring organisational incentives for partnering

Organisations considering involvement in a partnership may find it helpful to first undertake an *internal* assessment of their organisational incentives for entering a partnership. Following review and reflection on specific risks and benefits, or incentives and disincentives, an organisation's overall level of enthusiasm for involvement in a partnership may be assessed. Agreeing on an internal position with regard to a partnership is important because it affords potential partners the opportunity to define what they may or may not be able to contribute to the arrangement. Such analysis can also assist in demonstrating confidence and clarity in negotiations with other potential partners.

Assessing risks and benefits

An internal pre-partnership assessment of the benefits and risks to an organisation of working collaboratively is a useful way to begin to explore drivers for partnering. Tennyson (2004: 10) describes this as an analysis of partnership 'risks and rewards'.

Table 2. Generic partnership risks and benefits

Benefits of partnering	Risks of partnering
• Access to resources, information and knowledge • Better products and services • Innovation and creativity • Enhanced reputation, legitimacy and credibility	• Impact on reputation • Loss of autonomy • Conflicts of interest • Resource implications • Implementation challenges

Source: Adapted from: Tennyson, R. (2004: 10).

To assist such discussion, Table 2 highlights some of the generic benefits and risks that all partners are likely to consider. Naturally, conversations around risks and benefits will need to take account of the specific context in which a partnership will operate, its proposed focus and the particular interests of the different sectors from which potential partners may come.

Consideration of the 'business case' for partnering

Internal discussion regarding the benefits that may be achieved through partnering will involve consideration of the extent to which there is a core 'business case'[1] for engaging; how far partnering may offer value to the organisation in the short, medium and long term; and the nature of this potential added value. Some of the incentives that organisations from different sectors might consider are provided in Table 3. It is important to note here that, as with analysis of risks and benefits, incentives to partner will vary according to context, the issue to be addressed and particular organisational objectives, not all of which fit neatly into the sectoral categories outlined below[2].

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1 Caplan (2003: 3) notes that core business can be defined in many ways though including unwritten "contracts" with shareholders, communities, the electorate, or otherwise.

2 The private sector, for example, can include multi-national corporations, national businesses or small, medium and micro enterprises (SMMEs); the public sector may include national, regional or local level government bodies, while civil society encompasses international, national and local NGOs, as well as a range of other players such as faith-based institutions, cultural associations, etc. In addition, partners such as trade unions, academic institutions and others that do not 'fit' within these broad sector groupings also need to be considered.

Table 3. Sector incentives for partnering

Business
• Creates good will or promotes better image or profile
• Spurs innovation in product development
• Enhances revenue collection or creates new markets
• Ensures security and social license to operate
• Fulfils contractual compliance needs

Government agency
• Creates good will or promotes better image e.g. for electoral purposes
• Helps provide extra funding and resources for services
• Ensures wider service coverage and reduces tensions
• Enhances security through social inclusion and public support
• Assists in covering critical service provision gaps

Non-governmental organisation
• Creates good will or promotes better image or profile
• Improves resource leverage or decreases reliance on donor funding
• Improves long-term prospects and sustainability of projects and programmes
• Empowers through capacity-building and skills provision
• Includes marginalised groups and builds social capital

Donor organisation
• Raises awareness, knowledge and resources for development issues
• Builds local capacities
• Offers increased access to services for disadvantaged/marginalised populations
• Provides successful models for replication
• Impacts change at policy level

Community group
• Offers opportunities for sharing opinions about products/services
• Offers potential for better service provision
• Potential to widen awareness through meetings and sharing across community
• Offers useful capacity-building opportunities
• Empowers by involving community members in decision-making about their future

Source: Adapted from: Stott and Keatman (2005: 3).

Discussing and weighing the importance of different organisational incentives is a useful way of exploring organisational needs and priorities in relation to a partnership. Furthermore, assessing incentives in relation to how far they meet short to mid-term organisational interests, such as improvements in reputation and image, or support long-term change at the levels of both policy and practice (Stott and Keatman, 2005: 3) is a useful way of checking on the levels of partnership ambition, particularly as this latter focus is of increasing importance in relation to achievement of the Sustainable Development Goals which require more innovative collaborative solutions to increasingly complex or 'wicked problems' (itdUPM, 2015)[3].

Exploring the partnership context
The different organisational benefits that might accrue through partnering will also need to be analysed in relation to context specific risks. This will involve an assessment of how far the partnership's external environment favours or impedes collaboration, as well as the extent to which partnering is supported by internal organisational structures and processes (Horwood, 2006; Mundy, 2006; Newborne and Caplan, 2006; Norfolk County Council, 2007).

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3 Wicked problems are problems that are hard to address because of incomplete and contradictory information, changing contexts and requirements and/or resistance to resolving them.

Newborne and Caplan (2006: 11) suggest that an organisational enquiry into partnership drivers should include a focus on the wider context in which the partnership will be implemented, the internal organisational context, and relationships among the different players that have been put forward as possible partners. Undertaking this kind of analysis enables further assessment of whether there is a suitable partnership 'fit' and may involve consideration of the questions outlined in Table 4.

Table 4. Checklist for assessing external and internal partnership contexts

External context	Organisational context
• Is there a positive legal framework for the proposed partnership?	• Does the organisation have a legal mandate to do this work?
• Do progressive institutional rules and regulations exist?	• Does the operating environment reward this kind of innovation?
• Is there awareness about partnerships and their potential?	• Does the organisation have experience of working in partnership?
• Do good relationship histories / sector 'track records' exist?	• Do senior staff support working in partnership?
• Can positive experiences be built upon and integrated into the design of the partnership?	• Are relevant departments supportive of partnership representative/s?
• Are adequate resources and guidance for working in partnerships available?	• Is the partnership fully understood and endorsed by programme managers?
• Do intermediary organisations/partnership brokers exist that can bring partners together?	• Is there a sufficient partnership expertise and skills base?
• Are partnering competencies / skills available?	• Can sufficient time be devoted to the partnership?
• Is the timing right?	• How quickly does the organisation make decisions?

Relationships between potential partners
• Are the 'right' people involved?
• Have they worked together before?
• Has sufficient time and space been allocated for getting to know one another?
• Does tension exist between the organisational objectives of different potential partners?
• Who might be missing?

Source: Adapted from: Caplan et al. (2007) and Newborne and Caplan (2006).

Managing an inquiry into organisational incentives for partnering

Although extensive pre-partnership scoping is widely recommended (Austin and Seitanidi, 2012: 931; Pattberg and Widerberg, 2016: 47), beyond general allusions to the importance of all partners being involved, very little information is provided on how an exploration into why different organisations might wish to work together might be conducted and who should be responsible for leading this. Clearly, this process requires an 'appropriate convener' (Selsky and Parker, 2005: 855) able to assess 'initial conditions' and the environment for collaboration (Bryson, Crosby and Middleton Stone, 2006: 45-46).

Managing an inquiry into incentives for partnering may be assumed by an individual, a team, or an organisation with an interest in seeing a potential partnership develop. In some cases, it may be the initiating partner or their representative/s who take on this work, while in others an external facilitator/s may be called upon for this purpose. Tennyson (2005: 8) suggests that the task of partnership

exploration may be assumed by a 'partnership broker' operating within and between different organisations[4]. A partnership broker is often internal to a partnership, for example, the person responsible for preparing their organisation for partnering who plays a key role in making the links with other potential partners. Alternatively, an external partnership broker, or independent professional contracted by a potential partner/s, may work to explore the feasibility of working together and facilitate early-stage partnership negotiations. In the Southern Africa partnerships studied by Rein *et al.* (2005), both internal and external partnership brokers were crucial in assisting partners to scope the possibility of working together (*ibid.*: 115).

Conclusion

This article has argued that effective multi-actor partnerships rely on better understanding of different organisational incentives for partnering. Clarity around organisational incentives for partnering is only likely to be achieved through forms of discussion that enable honest assessments of these, both within and between partner organisations. As partnerships are operated and maintained by organisational representatives this may also entail an inquiry into personal drivers, particularly where organisational and individual incentives do not coincide. Caplan *et al.* (2007) propose an overarching partnership assessment process that is based upon regular exploration of both organisational *and* individual incentives for working in collaboration. Such an exercise can contribute to a periodic partnership health check and facilitate improved performance and results, as well as assist the development of a 'learning culture' in which 'partners help each other to grow personally and professionally while accomplishing the objectives of the partnership' (Tennyson, 2004: 23). By generating the mutual understanding and social capital these processes may also enhance the potential of collaborative action to contribute more fully to the global sustainable development agenda for 2030.

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4 Tennyson (2004: 11) notes that the brokering role may also be assumed by an organisation, operating as a partnership unit within a partner institution or as an independent mechanism that brings different groups together.

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