

Corporate, Non-Profit and Governmental Partnerships: Where the Whole is Greater Than the Sum of Its Parts

New Models of Partnership

There's a heightened sense of urgency building for finding solutions to compelling challenges—in our communities, our nation and around the world. Paul Hawken called this worldwide movement for social and environmental change “Blessed Unrest.” One aspect of this gathering energy is the movement toward new models of partnership between corporations, non-profits, non-governmental organizations (NGOs) and governmental agencies.

Collaboration and working relationships between such entities are not new. Most non-profits have been heavily dependent upon corporate philanthropy, grants from foundations and the public sector, or contracts to provide services in conjunction with governmental agencies.

But today, organizations in all three sectors appear to be recognizing that the challenges we face in the world require bolder actions and more ambitious solutions—solutions that are likely to come from innovative relationships and partnerships between the for-profit, non-profit and governmental sectors. And now deeper, more committed, operational partnerships are being formed and put to work.

What's Behind This New Way of Thinking?

A number of factors are contributing significantly to this shift.

First, there is growing awareness that we face urgent and collective challenges, rather than narrow-interest or localized issues that can be ignored or left for “others” to deal with. This is reflected in the research and analysis that have given rise to terms describing individuals as “conscious consumers,”¹ “cultural creatives,”² or perhaps simply, “global citizens.”

Add to this rising consciousness the combination of instantaneous global connectedness through technology and the adoption of advanced communications, public relations, advocacy and social action tactics—and worldwide concerns advance with tremendous speed (e.g. the awareness and greenhouse gas reduction movement instigated by *An Inconvenient Truth*).

Second, NGOs and governmental agencies have struggled to keep pace with the scope and urgency of many compelling problems. Fundraising and philanthropic support are in no way keeping up with the needs of non-profits, and in many cases, the non-profits lack the entrepreneurial or innovation skills or the operational adaptability to scale up to match the magnitude of the issues that are central to their missions. For their part, governmental agencies are often hampered by changing political and financial priorities or the inertia of bureaucratic structures. And while they may, at times, possess the best information and have the best access or hold the keys to the policy, regulatory or legal aspects of the issue in question, governmental agencies may be unable to commit to urgent or ambitious operational programs.

Third, corporations are changing. Just as citizens are demonstrating new commitments to social and environmental change, so are corporations. If a corporation is like a person in the eyes of the law, then it is to be expected that “corporate citizens” should be demonstrating a rapid elevation of social and environmental responsibility and commitment in today’s world. Customers, employees and shareholders are making their expectations known, and

consequently fundamental changes in corporate behavior are demonstrating such consciousness and commitments.

Corporate mission statements are being rewritten to include long-term, clear commitments to play an active role in addressing broad *stakeholder* interests, not just stockholder interests. Social responsibility and sustainability reports are becoming part of the annual reporting process. Some of the most successful corporate leaders have called for what might be considered a redefinition of capitalism to require this more highly evolved sense of corporate citizenship.

A Sea Change in the Approach To World Challenges

At the beginning of this decade, signs were pointing to the need for new approaches. In talking about the 2001 World Economic Forum in Davos, renowned journalist David Ignatius wrote in the *International Herald Tribune*:

Beyond the short-term economic worries, a deeper Davos problem surfaced in some of the sessions and corridor talk. The forum gathers each year partly to talk about big global problems such as the environment, AIDS and the spread of poverty, but solutions for these problems seem to be receding rather than getting nearer.

The most innovative thinking I have heard here about globalization starts with the frank admission that current efforts to solve problems are not working. Global warming is getting worse. The destitute countries of Africa are becoming poorer and more disease-ridden. The digital gap between the wired haves and the unwired have-nots is growing.³

So what is the answer? Ignatius continues:

Davos attendee Jean-François Rischard, (former vice president for Europe of the World Bank) ventures an intriguing proposal. The only

models that have a chance in the 21st century will be ones that share the network effects of the new economy. They will be coalitions of interested nations, private companies and nongovernmental organizations. They will use online polling to speed their work along. And they will focus on setting standards or norms—much like the informal bodies that built out the Internet without treaties or legislated rules and regulations.⁴

Global society, as a whole, appears to be setting the stage, if not explicitly calling, for new approaches to addressing the world's problems. As Paul Hawken illustrates in his *Blessed Unrest*, there are hundreds of thousands of grassroots organizations springing up all over the world to address local, regional and global challenges. He likens this widespread phenomenon to the natural response of an organism to illness or disease:

If we accept that the metaphor of an organism can be applied to humankind, we can imagine a collective movement that would protect, repair, and restore that organism's capacity to endure when threatened. If so, that capacity to respond would function like an immune system, which operates independently of an individual person's intent. Specifically, the shared activity of hundreds of thousands of nonprofit organizations can be seen as humanity's immune response to toxins like political corruption, economic disease, and ecological degradation.⁵

Recently, there has been an outpouring of new thinking and writing about innovative approaches to problem solving as reflected in the programs and the work of businesses, NGOs, governmental agencies, academic institutions and media professionals. A 2008 report on partnerships between corporations and NGOs published by the Environmental Defense Fund and the Global Environmental Management Initiative (GEMI) expresses this shift well:

Leading companies know that: 'Business as usual' has changed. Investors and customers want companies to address social and environmental concerns. Leading companies in the private sector recognize that they should develop strategies to meet these needs while remaining profitable. At the same time, many of the most effective non-governmental organizations (NGOs) recognize that they can achieve widespread and lasting change by harnessing the power of the market. To achieve these goals, companies and NGOs are finding ways to work together.⁶

There is a clear sense developing of the interdependency of business, government and society. In his remarks at the New York Stock Exchange on April 27, 2006, Kofi Anan said, "if societies fail, business fails."

In the book *Firms of Endearment: How World-Class Companies Profit From Passion and Purpose* by Raj Sisodia, Jag Sheth and David Wolfe, an expanded vision of corporate purpose among exemplary companies is documented. As is the success of these companies: "The best form of corporate social responsibility is not making monetary donations to charities, but the dedicated involvement of everyone in a company in meaningful pursuits that transcend the bottom line."

The authors continue, "...when (one of the world's most valuable companies) begins to aggressively address issues of general concern that traditionally have been within the purview of government, the handwriting is on the wall. The well being of society increasingly depends on business. GE's Jeff Immelt apparently knows that and accepts this role as being appropriate to his company's place in society worldwide."⁷

Bill Gates, addressing the World Economic Forum in Davos in 2007, called it "Creative Capitalism." "We need a creative capitalism where business and

non-governmental organizations work together to create a market system that eases the world's inequities," said Mr. Gates.⁸

Duke University's Center for Advancement of Social Entrepreneurship describes it this way:

Recent trends in the social sector have led to a blurring of the distinctions between business, nonprofit and government organizations. In particular, frustration with traditional governmental and charitable approaches to social problems has prompted social sector leaders to tap into the strengths of the business and entrepreneurial world in their search for more sustainable and systemic solutions.⁹

Through the formation of Google.org, Google's charitable foundation, a powerful new commitment of corporate purpose was brought forward by the company's leadership. They committed resources from Google's profits, equity and substantial employee time to this philanthropic effort, and they created the mission: "to use the power of information and technology to address the global challenges of our age."¹⁰

In the words of Dr. Larry Brilliant, Google's Chief Philanthropy Evangelist, "I think this is the highest contribution that I can make both to Google.org and to fighting the urgent threats of our day: from climate change to emerging infectious diseases, to issues of poverty and health care... I hope to be able to spend more time motivating policy makers, encouraging public and private partnerships, and generally advocating for the changes that we must make as a global society to solve these problems."¹¹

The Promise of New Approaches

The growing urgency of global problems, the heightened sense of personal and corporate social responsibility, and the willingness of organizations to work with

partners from other sectors is inspiring new models of partnership and what appears to be a promising “blurring of the lines” between corporations, NGOs and public-sector agencies.

The **greaterthan >** conference will explore *and foster* such partnerships, across sectors, among multiple organizations, public and private. It will help bring ideas, creative approaches, tools, techniques and a supportive community together to be employed by those who are seeking new ways to tackle pervasive problems.

¹ Raphael Bemporad and Mitch Baranowski, *BBMG Conscious Consumer Report: Conscious Consumers Are Changing the Rules of Marketing. Are You Ready?* (2007).
http://www.bbmj.com/index_whoare.html

² Paul H. Ray, Ph.D. and Sherry Ruth Anderson, Ph.D., *The Cultural Creatives: How 50 Million People Are Changing the World* (New York: Harmony Books, 2000).
<http://www.culturalcreatives.org/book.html>

³ David Ignatius, “Try A Network Approach to Global Problem Solving,” *International Herald Tribune*, January 29, 2001.

⁴ Ibid.

⁵ Paul Hawken, *Blessed Unrest* (New York: Viking Press, 2007), 141.

⁶ *Guide To Successful Corporate-NGO Partnerships* by Environmental Defense Fund and GEMI, 2008. http://www.edf.org/documents/8818_GEMI-EDF%20Guide%20Final.pdf

⁷ Raj Sisodia, Jag Sheth and David Wolfe, *Firms of Endearment: How World-Class Companies Profit From Passion and Purpose*, (Philadelphia: Wharton School Publishing, 2007), 1 and 56.

⁸ Tim Webber, “Gates wants creative capitalism.” *BBC News* online, January 24, 2008.
<http://news.bbc.co.uk/1/hi/business/7207808.stm>

⁹ Duke University Fuqua School of Business, Center for the Advancement of Social Entrepreneurship website. <http://www.caseatduke.org/about/>

¹⁰ Dr. Larry Brilliant, “Brilliant Takes on Urgent Threats,” *The Official google.org blog*, April 14, 2009. <http://blog.google.org/>

¹¹ Dr. Larry Brilliant, “The Next Chapter for Google.org,” *The Official google.org blog*, February 23, 2009. <http://blog.google.org/2009/02/next-chapter-for-googleorg.html>