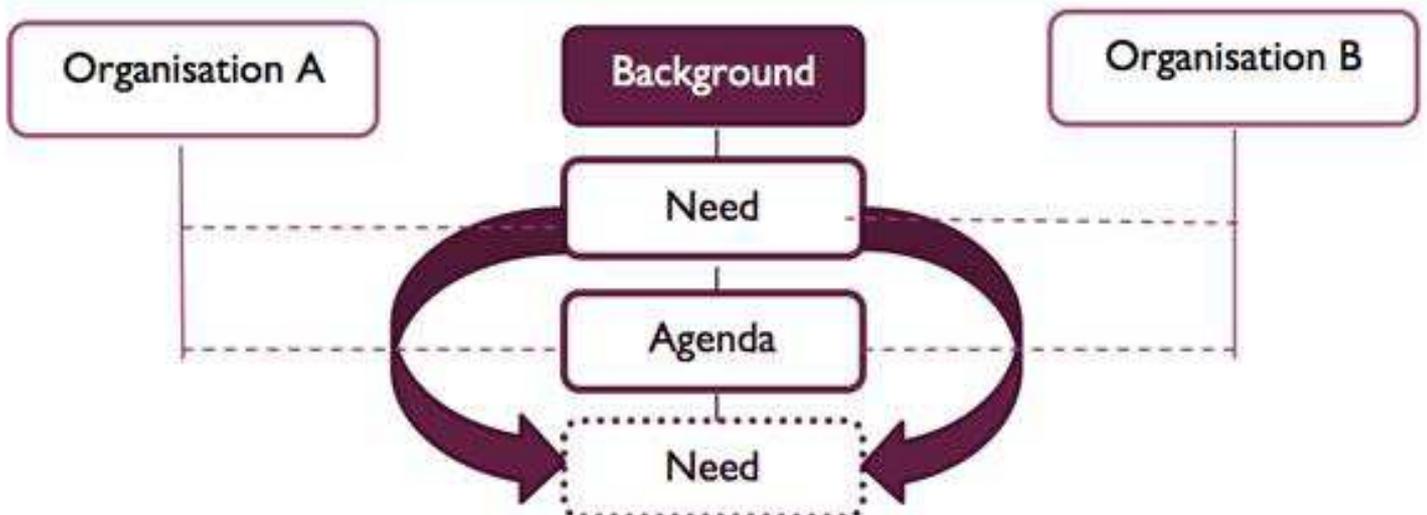


A system to plan the business proposition with your prospective partners BEFORE you enter a partnership venture

THE ESSENTIAL PARTNERSHIPS TOOLBOX

Foundations of Collaborative Partnerships



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The Essential Partnerships Toolbox

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Foundations of Collaborative Partnerships

Without strong foundations, collaborative partnerships will neither thrive nor survive



Working over a 15 year period as a facilitator to support and establish partnerships, I became acutely aware that where partnerships are based on the trust developed between individuals, even the strongest partnerships cannot guarantee long term success. People move on (sometimes unexpectedly) and agendas change, leaving at least one partner wondering what happened. They can no longer get instant responses and cooperation. The new person doesn't attend meetings and the partner organisation or business consequently drops off the radar.

Agreements get put aside whilst the new person learns their role and they may gravitate to tasks in their business that fit with their personal skills and interests.

Fundamental to any potential partnership venture is a strong foundation built on commitment, trust, compatible values, common philosophy and understanding of the different organisational cultures:

Commitment

Commitment must come from the top. Instigators of operational partnerships may be people working in the business as middle level employees. They have identified a need – to them it all makes common sense. However, this may not fit with the Vision of the business. The Board or CEO may not understand the perceived opportunity or urgency, or may wish the business to go it alone, independent of interference from another business. Without commitment at the highest level, the partnership venture will not succeed.

An example of when commitment was an issue concerned a potential merger of businesses which did not eventuate because one of the Boards, when faced with the possibility of a merger, decided they really wanted to remain independent. They were not looking for a merger, just a closer collaboration. A good idea in principle, they realised they couldn't commit when they met up with the other board for initial discussion.

In another instance, the managers of eight like-minded businesses had been meeting for a few months to investigate ways to work closely together, share resources and save costs. They even explored various IT platforms for common systems. They ran into difficulties when some Boards did not understand the benefits of spending money on new systems. They had not been sufficiently involved in the process (some had, but not all) so were not prepared to commit resources. The group instead investigated ways to work together around knowledge sharing, missing opportunities to make use of favourable financial incentives to share in group purchasing discounts.

A common problem is that whilst commitment may be instigated at the top level, staff may not be committed to the initiative. This may become a change management issue involving introducing a change model within the business supported by a robust performance management system (for the Board as well as the employees). People may be concerned about their own roles or do not want (or fear) change – they like things the way they are. If not planned for and managed accordingly, the partnership venture may be sabotaged from within.

When the partners are sole business owners, commitment may still be an issue when one partner does not commit as much time and effort to the partnership as expected. Maybe there's a problem and partner (a) pulls back their commitment. Partner (b) may wonder what the problem is – this must be resolved in a way that partner (a) is comfortable with returning to the previous level of commitment. This may be difficult if another Foundation such as Trust is involved.

What is the expected level of commitment:

Partner A _____

Partner B _____

Trust

Trust is a currency that is difficult to measure, but without it, the value of any partnership venture is zero or negative.

Trust may come with reservations and be fragile, but at least there is a level of trust. When trust breaks down, the situation can become intolerable to the point that it may prove to be impossible to retrieve the situation. It takes just one partner to break the trust. People may have unreal expectations when entering a partnership venture. Trust may also break down due to misunderstandings. The section on Framing your Agreement should help to balance out those expectations and avoid misunderstandings.

Trust is about believing in the reliability of the partners to commit to and work together to achieve the aims and objectives of the partnership. The breakdown of trust may mean that somebody doesn't believe that any or all of the others will do their bit or that they may believe that there's a conflict of interest with one of the partners who could be using the partnership to achieve their own agenda. The discovery of hidden agendas is a major contributor to the breakdown of trust.

Partners who don't have enough knowledge of each other should ensure that they build trust into the Partnership Agreement process.

Compatible Values

Not enough attention is paid to personal and organisational values when putting together a partnership venture, yet this may be a significant factor for partnerships breaking down. Knowing more about each other's values should assist in developing a good fit.

A business that values employee or client engagement may have difficulties in understanding an organisation that values the financial bottom line. What if your business has a reputation for being entrepreneurial and your partner is risk averse?

You are not required to have the same values, but you should have values that connect at some level.

Examples of values include:

- Accountability
- Achievement
- Adventure
- Authority
- Autonomy
- Commitment
- Compassion
- Challenge
- Community
- Creativity
- Experience
- Financial freedom
- Fun
- Honesty
- Justice
- Leadership
- Learning
- Loyalty
- Respect
- Success
- Teamwork

What are your organisation/business values:

-
-
-
-
-
-

How do they relate to partner(s) values?

What are potential issues?

Common Philosophy

Every organisation has a philosophy. Philosophy acts as the guiding principle for organisational behaviour. It represents the core beliefs, values and principles of the organisation. If one business has the philosophy that everybody is capable of achieving greatness, but another believes that people are widgets, then there’s potential for a clash.

Culture

Recognising and understanding organisational culture is an issue as even within the same industry, organisational culture will be different from business to business. All businesses have a culture – the way we do things around here.

Culture can be a blocker when it comes to partnership activities that have the potential to lead to change (or at the extreme, a merger). How do you come up with one set of procedures when each partner has their own way of doing things? An outwardly engaging partner may have a poor workforce ethic operating in the background. They may even be looking for the partnership to address some of their internal conflicts. Culture can be difficult to articulate and the differences may not come to light until well into the partnership venture.

The success of partnership activities can be traced back to commitment trust, compatible values and philosophy and complimentary cultures. Should any one of these be incompatible, the whole venture is at risk.

Collaborative Partnerships – Foundations Checklist

This template is a fluid document. It is a useful evaluation tool if you use it to highlight examples and changes over time. It can also be used as a personal diary to mark down observations, especially when things are not going to plan.

| Foundation | Partner A | Partner B | Observations/Risks 0 = no, 1-5 degrees in place (5 highest) | Date of comment |
|-------------------|-----------|-----------|--|--------------------|
| Commitment | | | | |
| Trust | | | | |
| Compatible Values | | | | |
| Common Philosophy | | | | |
| Culture | | | | |

Levels of Partnerships

We have used the word collaboration to describe partnerships. Collaboration is one of five levels of working together:

| Partnership Level | Description |
|----------------------|---|
| Networking | At this level, businesses simply exchange information to help each other do a better job (mutual benefit). Usually, an integral part of attending a conference or workshop is to network with other businesses. This may involve swapping business cards and ideas. Businesses may share newsletters or become involved in the same networks, receiving and sharing information. There is no commitment to become involved beyond networking and does not require a lot of trust. |
| Coordinating | A Coordinating relationship happens when businesses modify their activities for a common purpose. A group of chemists may stagger their services so that customers have access to services day and night, or training providers could coordinate when they deliver courses to avoid courses happening at the same time and to allow more choice. A Coordinating relationship requires more commitment, time and trust than a Networking relationship, but there are more benefits to clients. |
| Cooperation | Taking Coordinating to the next level, Cooperation extends to sharing resources – people, physical and financial – to help each other to do a better job. Sharing expertise and resources brings into play not just a high level of commitment and trust, but also working with different organisational cultures and values. Businesses must be prepared to surrender some of their ‘turf’, share ownership and share responsibility. In the community sector, an organisation may look after the payroll for smaller local centres. |
| Collaboration | When businesses work together to enhance each other’s capacity to do their jobs, this is called collaboration. They work together for mutual benefit and a common purpose. Each partner wants to help the others the best way they can. They share risks, responsibilities and rewards. Through collaboration the potential for change can be greater than the first three relationships. It requires a high level of commitment and trust, similar values and a common philosophy. Organisational culture may also be part of the collaborative relationship. Joint ventures for selling online professional development for businesses, involving a business with a significant online mailing list and a business with the online training program are examples of collaboration. |
| Integration | At this level, systems and processes become one across the partners. This supports models such as secretariats and mergers. |

Partnership activities will fall into one of the five partnership levels. Once you are aware of which one, you will be able to apply the foundations accordingly.

Model from “Measuring Collaboration among Grant Partners” – Frey, Lohmeier, Lee, Tollefson, University of Kansas (2006)

Partnership Levels Checklist

Where does your partnership venture belong?

| Partnership levels | Descriptor | |
|----------------------|--|--------------------------|
| Networking | <ul style="list-style-type: none"> Exchanging information to help each other do a better job (mutual benefit) <p>There is no commitment to become involved beyond networking and does not require a lot of trust.</p> | <input type="checkbox"/> |
| Coordinating | <ul style="list-style-type: none"> Modifying activities for a common purpose (eg staggering services) <p>A Coordinating relationship requires more commitment, time and trust than a Networking relationship, but there are more benefits to the community.</p> | <input type="checkbox"/> |
| Cooperation | <ul style="list-style-type: none"> Sharing resources – people, physical and financial – to help each other to do a better job. <p>Sharing expertise and resources brings into play not just a high level of commitment and trust, but also working with different organisational cultures and values. Organisations must be prepared to surrender some of their ‘turf’, share ownership and share responsibility.</p> | <input type="checkbox"/> |
| Collaboration | <ul style="list-style-type: none"> Working together to enhance each other’s capacity to do their jobs Working together for mutual benefit and a common purpose Each partner wants to help the others the best way they can Sharing risks, responsibilities and rewards. <p>Collaboration It requires a high level of commitment and trust, similar values and a common philosophy. Organisational culture may also be part of the collaborative relationship, especially in cross-sectoral partnerships.</p> | <input type="checkbox"/> |
| Integration | <ul style="list-style-type: none"> Systems and processes become one across the partners | <input type="checkbox"/> |

Summary

The five elements of a strong partnership foundation:

- 1 _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____

The five partnership levels:

- 1 _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____

What are the potential strengths of your partnership foundations?

What are the potential weaknesses of your partnership foundations?

What strategies will you put in place to address these weaknesses?
