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EXECUTIVE BRIEFING | DECEMBER 2022

Eight actions for creating catalytic cross-sector partnerships

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The bottom line

Many of the limitations and challenges associated with cross-sector social impact partnerships are rooted in their points of origin. More intentionality, responsibility, and creativity are necessary to unlock a greater number of truly catalytic opportunities.

As the field of corporate social impact matures, organizations are embracing cross-sector partnerships as a means to advancing social and environmental goals. With ample institutional resources and access to wide-ranging capabilities, corporations are able to envision and invest in big ideas. Increasing attention from the private sector is altering the architecture of cross-sector collaboration, creating new opportunities for ambitious projects and deepening value alignment.

At the same time, exciting examples of partnership activity are often flanked by examples in which opportunities go unmet. Given asymmetries in resourcing and capabilities, partnerships are too often rooted in matching dependencies between organizations. When that's the case, partners satiate certain needs while overlooking more powerful approaches to collaboration, leaving behind big, creative, and sustainable ideas. Partners also lower their ceiling for impact when they proceed with too narrow an understanding of their own assets within an ecosystem, stunting potential unlocks that bloom from outside – and occasionally unlikely – perspectives. And, when organizations neglect to systematically embed trust and accountability, underlying relationships risk failure – in turn jeopardizing catalytic opportunities.

These barriers to a catalytic result are best addressed at or before the point of partnership inception. Anchored in interviews with social impact leaders representing large corporations, NGOs, and philanthropies, the following pages present eight actions that organizations and their leaders can take to raise their ceiling for impact.

The eight actions:

1. Bring on cross-sector expertise and perspective

2. Place a premium on emotional intelligence (EQ)

3. Mine ideas from business units and individuals beyond your social impact team

4. Embrace third-party views of your capabilities and liabilities

5. Open dialogue with partners-to-be about your asymmetrical advantages

6. Interlock organizational incentives

7. Engage outside facilitators during (and after) ideation

8. Hardwire feedback loops

Strategic guidance



The big idea:

Individuals are the bedrock of institutional partnerships and are key to bringing catalytic ideas to fruition. But the skills that are integral to intuitive, imaginative thinking and relationship management are often unspoken and lack intentional investment. Specifically, innovative partnerships that reach beyond traditional models of collaboration require leaders and staff that bring diverse experience and high emotional intelligence. The combination of these professional qualities enables teams to contribute meaningfully to both the formation and execution of sustainable collaborations.

1. Bring on cross-sector expertise and perspective

Organizations and individuals tend to be naturally constrained by sector-specific norms and views of how to engage in a partnership. When engrained, these norms limit solutions-oriented and outside-the-box thinking. Expanding or shifting your team to include individuals with cross-sector experience will help your organization better position itself relative to an ecosystem of potential partners. Staff with a broader range of experiences are able to identify blind spots and detect biases that preserve ineffective patterns in your existing approach.

For example, **FUSE** intentionally hires people that have worked across sectors as the brokers of their partnerships. James Weinberg, CEO of **FUSE**, has found that what is needed to truly facilitate cross-sector collaboration is a “new kind of leader,” one that can move across sectors, adapt to different cultural environments, and ultimately bring people together. This type of individual draws from and displays their experiences in different domains of an ecosystem, building trust and confidence from those they work with while also unlocking latent potential.

“People pursue careers in one sector and don’t move nearly as much as they should. When people don’t move, the ideas don’t move, language doesn’t move, they don’t know how to speak to each other, the technologies end up being disconnected from each other... if you’re looking at what we call a wicked problem, these thorny intersectional problems... it only can be addressed when [the public, private, and social] sectors are working together around a common set of goals.”

JAMES WEINBERG
CEO, FUSE



2. Place a premium on emotional intelligence (EQ)

Strong partnerships need capable, accountable, and committed individuals to drive their work forward. They also need those individuals to be effective at relating to one another. Organizations with an appetite for catalytic partnership activity should prioritize hiring – or developing – soft skills like EQ. Organizations that can rely on their staff’s instincts and interpersonal skills with partners are more likely to feel confident in the execution of their collaborations. For example, at **Merck**, Carmen Villar intentionally hires staff that demonstrate an ability to understand their own perspectives in the context of how other people may be thinking. This skill allows her team to accurately assess what it takes to get a partnership where it needs to go, including strong intuition about a more varied range of assets **Merck** can offer and what they need in response. High-EQ staff can identify and translate these needs in ways that nurture trust and comity between partners.

“High EQ levels are really important in staff that I’m hiring or working with. They have to be able to have insight into both how they think about things and how other people might react.”

CARMEN VILLAR
Vice President of Social Business Innovation, Merck



The big idea:

Partners-to-be may know too little about themselves to create truly catalytic relationships with others. This lack of knowledge often stems from poor line of sight into the many capabilities that live across complex organizations, and from the assumption that individuals within an organization can see it as clearly as those on the outside. Accessing new and occasionally surprising information about one's own assets requires intentionality and humility.

3. Mine ideas from business units and individuals beyond your social impact team

Even with cross-sector perspectives represented, social impact teams may not always have the most complete information about which organizational assets and ideas carry the greatest potential value to a partnership. This is most often the case when the asset is something that is not traditionally understood as relating to the organization's social impact. Large companies in particular will benefit from identifying and mitigating barriers between social impact teams (e.g., CSR or ESG) and other business units across your organization. Integrating cross-functional perspectives can unlock new and dormant conditions that, when leveraged, can expand your organization's offerings of potentially catalytic ingredients.

While internal engagement will take different forms at every organization, a good place to start is to initiate conversations with business unit leaders to learn what is new and exciting in their realm of work. For example, **Walmart** routinely engages with colleagues across the company to find catalytic opportunities through a shared value lens. Kabir Kumar leads the shared value effort focused on racial equity, prioritizing cross-organizational dialogue out of an acknowledgement that the broader team can't otherwise know about day-to-day challenges of other teams. While Kumar notes that a partnership idea can spark from an external or internal source, he finds that concepts are most sustainable when they merge organizational needs with external collaboration. Kumar's team is purposeful in asking business units across **Walmart** about their problems, strategies, and ultimate business goals. After gathering information across the company, **Walmart** is better able to identify collaborations that could support **Walmart's** work while also addressing a broader societal need.

"If we take a deliberate and intentional look at specific issues, we are able to identify and focus on opportunities that are good for both our business and communities. This yields more sustainable and scalable solutions that benefit broader society."

KABIR KUMAR

Senior Director, Global Culture, Diversity, Equity & Inclusion, Walmart

4. Embrace third-party views of your capabilities and liabilities

It is limiting to assume that individuals inside your organization have the best knowledge of its strengths and weaknesses as they relate to partnership opportunities. It is also limiting to settle for the first, second, or even third idea for what a partnership could be or do. To break away from insular thinking, consult with third parties (namely those with deep subject matter expertise on a societal challenge, and/or a demonstrated capacity for systems thinking) as credible and valuable authorities on what your organization can bring to the table. In addition to bringing healthy critiques to internally-developed ideas, outside parties can play a generative role in identifying new and surprising applications of your organization's capabilities.

At **Schmidt Futures**, Kumar Garg finds that engaging a diverse constellation of individuals who can contribute new perspectives for solving a problem is important prior to pursuing a partnership arrangement. By interrogating big problems and opportunities with wide-ranging investigation, and leaning into external guidance on who has the right assets that map to a solution, they can originate solutions that have no bias toward “business as usual.”

Similarly, **Airbnb** acknowledges where it does not hold expertise and seeks outside counsel to strengthen ideas before implementing a partnership. Recently, in response to the Ukraine refugee crisis, **Airbnb** used their platform and assets efficiently in support of refugees, in large part because of their intentional consultation with organizations (including governments and NGOs) and individuals who are deeply ingrained in the humanitarian architecture.

“Go talk to the academics...go talk to the key groups that work on [an issue]...they will do a better job of articulating where you can be most helpful than you will be at surmising. There's a half a dozen conversations where you can put on people's radar screen 'we are looking to help, we don't know what of our capabilities are most helpful, here are the kinds of things we have, can you tell us what things are most useful for the field?' That is enough...you raised your hand that you are interested in helping. The problem is, people try to do that all in house.”

KUMAR GARG
Vice President for Partnerships, Schmidt Futures

5. Open dialogue with partners-to-be about your asymmetrical advantages

Participants in cross-sector partnerships – companies, governments, NGOs, and philanthropies – typically enjoy unequal access to social, financial, operational, and intellectual assets. For instance, large companies are often better resourced and diverse in their assets than NGOs, affording them a greater range of options in how they approach social and environmental challenges. On the other hand, NGOs may also enjoy asymmetrical ownership over certain assets, like deep ties to local communities and the trust that comes with them.

In order for breakthrough partnerships to materialize, organizations must seek deeper self-awareness of these asymmetries and offer their assets with humility. To attain that self-awareness, approach potential partners with curiosity and an understanding that collaborators may need different assets from your organization than you originally assumed. At **Schmidt Futures**, Kumar Garg recommends asking potential partners two

key questions: what is hard for you, and what is easy for you? Often the responses to these questions will dispel poor assumptions about what the partner needs or finds challenging, and point toward new opportunities for partners to avail one another of their capabilities.

Both **CARE** and the **Annie E. Casey Foundation** know that expertise can be as valuable to a partner as their operational or financial capabilities. As a result, they lean into the opportunity to share and absorb knowledge when it is held asymmetrically. For example, **CARE** has developed deep expertise on equitable supply chains and workplaces, two areas of potential impact that the private sector is increasingly focused on. By sharing that knowledge generously, **CARE** advances the common interests of their partners and itself. At the **Annie E. Casey Foundation** the team understands that their local partners often have deeper knowledge of the specific needs and conditions of the communities they serve. Foundation staff approach their relationship to these partners – often rooted in funding and evidence-building work – with humility and an eagerness to incorporate the hard-earned knowledge of others as their own.

“In many ways it is a reverse power dynamic...you are only as successful as [your partners] are.”

LESLIE BOISSIERE
Vice President of External Affairs,
Annie E. Casey Foundation

“We obviously need funding to continue living our mission...probably even more importantly, we see that corporations also need CARE as an organization for partnership. As you think about companies that we’ve had long standing relationships with, we’re helping them do business in an equitable way and we’re working together to lift up vulnerable populations around the world. CARE is seen as the expert implementer for reaching audiences that companies are interested in having a chance to support, drive as new customers, or have as part of their supply chain.”

MADDEN MANNION
Executive Director of Corporate Partnerships, CARE



The big idea:

Relationships get more important, but also more difficult to manage, when two unfamiliar organizations enter uncharted waters in search of big, imaginative opportunities. The failure of relationships can put otherwise catalytic opportunities at risk. The early work of forming a partnership should include a heavy emphasis on anchoring mutual accountability and trust by aligning organizational incentives and building systems to support ongoing relationship health.

6. Interlock organizational incentives

Partners don't have to have the same incentives to be successful, but their incentives should be linked together. For example, the incentive for corporations to engage in partnerships is often economic and stakeholder-driven. In those cases, corporate cross-sector partnerships may be more successful if economic incentives are matched to an external social need; this is the basis of shared value. And when partners identify their "win conditions" at the onset of a relationship – their most honest and unvarnished measures of success – they create an opportunity to make incentives mutually dependent and aligned with project goals.

Jeremy Hillman at **Mastercard** and James Weinberg at **FUSE** agree that there must be more than a unilateral incentive or a commercial driver for a catalytic partnership to work. Instead, organizations should seek alignment between incentives that are mission critical to their work – a component that can foster the momentum for and commitment to follow-through.

The **Tent Partnership for Refugees ("Tent")** aims to support incentive alignment by matching corporate needs to public sector and NGO incentives pertaining to refugees. For example, many large corporations are facing labor shortages, while global levels of displacement and migration are higher than ever. **Tent's** efforts to garner commitments from major companies to hire refugees is a solution oriented toward both sets of incentives. Veronica Rossini of **Tent** reflects, however, that incentive alignment must be followed by strong communication and mutual goal setting, which often requires third party translation of operational norms between companies and NGOs.

"There has to be common, vested interest – altruism will not be enough...if it is just a 'nice to have' then it will probably never happen; but if it is a 'need to have' then it will happen...Have the private sector leader find the profit motive in making this work and understand that it is a business imperative. Have the government official understand that if they don't get this right they may face political consequences. Have the social sector organization understand that their funding or their capacity to achieve mission impact is dependent on this occurring... then there is follow-through."

JAMES WEINBERG
CEO, FUSE



7. Engage outside facilitators during (and after) ideation

Organizations that sit across sectors bring differing perspectives, goals, and communication styles to partnership discussions, which can lead to confusion or frustration if mismanaged. Trained facilitators or cross-sector experts can smooth edges and build consensus around an idea. Facilitators can also encourage partners to interlock incentives, broker access to comparative assets, and resolve relationship tensions. Facilitators should be people or organizations that can see things about partners that they may not see in themselves, exhibit strong emotional intelligence and relational instincts, reflect cross-sector knowledge and experience, and understand a problem deeply. They should also see the relationship objectively and independently, without bias toward one or another partner.

The **Annie E. Casey Foundation** has found that third-party facilitators are useful for navigating roadblocks that can otherwise derail a partnership. For example, Casey hires facilitators as part of its Results Count® work to step in as coaches and bridge the gaps in knowledge and understanding to effectively meet the needs of partners including adaptive leadership challenges. By working with a neutral individual who is used to stepping into complex dynamics, leaders can figure out what needs to be resolved to help move the work forward.

“Bringing together organizations with very different world views and approaches is a much harder task.”

JEREMY HILLMAN

Senior Vice President of External Engagements, Center for Inclusive Growth, Mastercard

8. Hardwire feedback loops

Testing and iterating a partnership idea is important, and it happens most fruitfully when partners seek and share learnings about each other over the course of a relationship. Strong partners place themselves in the perspective of their collaborators in order to engage in intentional, routine, and productive self-reflection. Organizations should hold space to have difficult conversations about the progress and possible misalignment that can occur through the course of a partnership, while also engaging in productive dialogue around new and better ways of working together.

The **Annie E. Casey Foundation** finds that maintaining longevity in its relationships with partners is critical to its success and credibility as an organization. Alignment is key to longevity, and that sometimes requires partners to have difficult conversations when points of view diverge on priorities or other aspects of a collaborative agenda. Relatedly, **Airbnb's** team has learned that innate power dynamics between their business and its partners can create barriers to open communication, including hesitation to express challenges or flag concerns. Establishing a commitment to open communication at the outset, and investing in the requisite structures like routine check-ins or third party facilitators, can systematize the process for feedback. For example, **FUSE** conducts a progress assessment with partners every few months, allowing an opportunity for candid feedback and reflection about what steps can be taken to strengthen their work moving forward. When paired with mutual trust, they have found that letting go of rigidity around progress – while keeping an eye on an established end goal – can facilitate a successful relationship.

“There is that unfortunate inherent power dynamic where it doesn't feel like partners feel fully free to push back or flag concerns...it seems like such an important dimension to change, because if that is out of whack it really isn't a full partnership.”

KIM RUBEY
Senior Advisor, Airbnb



Coda

This briefing and its authors intend to seed the creation of new mental models that lead to specific actions. Chief among those mental models is the heightened appreciation of third parties – individuals and organizations that are not directly involved in partnerships – as being critical to their success. In our interviews with social impact leaders we encountered several flavors of this role: the systems thinker who can see into your organization with a clarity not typically found from within, the cross-sector veteran who can broker introductions between two organizations that would otherwise never consider themselves collaborators, and the high-EQ counselor who can help mend the fences when relationships inevitably falter. We admire the humility and tenacity of our interviewees who took the steps to find and use these third parties. We also believe that their successes signal a tremendous opportunity to make the marketplace of third party advisors more established and, by extension, more widely accessible. NationSwell itself will continue to embrace the incredible opportunity to broker catalytic relationships across our ecosystem, and it is our genuine hope that others in the social impact space will establish and scale new models for bringing together the ingredients for deep, lasting change.

Related resources

PERSPECTIVES

1. [Creating High Impact Coalitions](#) | Harvard Business Review
2. [10 Things You Need to Build Clever Coalitions](#) | Stanford Social Innovation Review
3. [Opinion: Advocates — Here's How to Build a Strong Coalition](#) | Devex
4. [The Need for Cross-Sector Collaboration](#) | Stanford Social Innovation Review
5. [Centering Equity in Collection Impact](#) | Stanford Social Innovation Review
6. [Power Dynamics in Collective Impact](#) | Stanford Social Innovation Review
7. [The Promise of Place Based Partnerships](#) | Ballmer Group

JOURNAL ARTICLES

8. [Harnessing Wicked Problems in Multi-stakeholder Partnerships](#) | Journal of Business Ethics
9. [Cross-Sector Partnerships for Systemic Change: Systematized Literature Review and Agenda for Further Research](#) | Journal of Business Ethics
10. [The Blind Spots of Collaborative Innovation](#) | Public Management Review
11. [Maintenance of Cross-Sector Partnerships: The Role of Frames in Sustained Collaboration](#) | Journal of Business Ethics

TOOLKITS/GUIDANCE

12. [Partnering for Philanthropic Impact](#) | The Partnering Initiative
13. [Fit for Partnering: An Organizational Development Approach to Becoming a Partner of Choice](#) | The Partnering Initiative
14. [Cross-Sector Leadership: Approaches to Solve problems at the Scale at Which They Exist](#) | Stanford Social Innovation Review
15. [The Partnership Culture Navigator](#) | The Partnering Initiative



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