The Case for Collaboration: Corporate Participation in Collective Impact

2014 Corporate Philanthropy Institute
For corporations, social issues in the enabling business environment are often complex and requires collaborating with strong partners

- Education and Skills-Building
- Local Procurement / Supplier Development
- Agriculture Sector Development
- Infrastructure Development
- Entrepreneurship and SME Development
- Healthcare Improvement

- Significant **investments** that exceeds the budget of a single company
- Requires **assets and action** from actors across sectors: private, public, and non-profit sector
- Entails **change at the systems level**

**Collective Impact could be a useful approach in these situations**
Collective Impact involves five key conditions for shared success

All participants share a vision for change that includes a common understanding of the problem and a joint approach to solving the problem through agreed-upon actions.

All participating organizations agree on the ways success will be measured and reported, with a short list of common indicators identified and used for learning and improvement.

A diverse set of stakeholders, typically across sectors, coordinate a set of differentiated activities through a mutually reinforcing plan of action.

All players engage in frequent and structured open communication to build trust, assure mutual objectives, and create common motivation.

An independent, funded staff dedicated to the initiative provides ongoing support by guiding the initiative’s vision and strategy, supporting aligned activities, establishing shared measurement practices, advancing policy, and mobilizing funding.
Example 1: Collective Impact effort to reduce childhood asthma in Dallas
Example 2: CocoaAction – Collective Impact effort to address cocoa sustainability in Ghana and Cote d’Ivoire

- **Collective Impact** effort aligning cocoa sustainability efforts of **12 of the world’s largest cocoa and chocolate companies** (incl. Cargill, Ferrero, The Hershey Company, Mars, Mondelēz International, Nestlé)

- **Commitment** to a **shared strategy and objectives**, developed and implemented in close partnership with the governments, national institutions, and nonprofit organizations

- Initial **focus on Côte d’Ivoire** (200,000 farmers) and **Ghana** (100,000 farmers) as the largest cocoa producing countries

- Holistic set of interventions focused on **enhancing productivity** (improved planting material, fertilizer and training) and **community development** (education, child labor monitoring & remediation, and better **gender parity**)

- **World Cocoa Foundation** playing a backbone role to support coordination, communication, knowledge sharing and outreach
To get started, first establish whether the conditions are right for Collective Impact

Are the External Conditions Accommodating?

- Solving the problem is in the interest of a variety of cross-sector actors who have something to contribute to the solution, e.g. competitors, value chain partners, governments, NGOs, development agencies, etc.

- Significant attention is focused on addressing the problem and there is increasing recognition of the need for a new approach by key actors (“sense of urgency”)

- A broad, cross-sector set of potential partners exists on the ground

Is the Company in a Position to Catalyze or Participate in Collective Impact?

- The company has identified a burning social challenge that is a business imperative (creates shared value)

- Internal champions exist who are eager to take a different approach

- Existing company efforts are present so the company can lead from a position of credibility (can also be built over time)
For corporations, participating in Collective Impact requires taking a different approach to strategy and implementation.

### Strategy Development

<table>
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<tr>
<th>From...</th>
<th>...To</th>
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<tbody>
<tr>
<td>• Develop strategy in-house</td>
<td>• Co-create strategy with others</td>
</tr>
<tr>
<td>• Focus on company strategic priorities</td>
<td>• Create common agenda with company strategy in-mind</td>
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<tr>
<td>• Project a 1-3 year time horizon</td>
<td>• Commit to a 5+ year time horizon</td>
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### Implementation

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<tr>
<td>• Control overall implementation</td>
<td>• Control own contribution &amp; rely on others for rest</td>
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<tr>
<td>• Execute with internal project teams, or through 1-2 partners</td>
<td>• Deliver with &amp; through cross-section of partners</td>
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<td>• Measure progress for internal purposes and core stakeholders</td>
<td>• Conduct shared measurement with partners for joint learning</td>
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*These changes represent a major shift in mindset for corporate leaders & managers*
Successful engagement in Collective Impact requires operating differently from ‘normal’ business practice

**Common Agenda**
- Focus is not just on your priorities

**Time Horizon**
- Collaboration takes time and is messy/ not a linear process

**Accountability**
- You are not responsible for everything

**Branding**
- You don’t claim sole credit for results

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**What is Different?**
- Essential for partners to contribute and co-create
- The process needs to be inclusive to keep partners committed
- Shared accountability allows partners to focus on what they know best
- Working ‘behind the scenes’ often drives change faster

**Why is it Important?**
Internal champions have to be prepared to address a variety of ingrained corporate mind-sets and practices

- Reluctance to make long-term commitment with uncertain outcome
- Competitive mindset
- Desire for control
- Poor understanding of other (public, non-profit) sectors

- ✔ Continuously re-engage execs (e.g. field trips) & restate business case
- ✔ Make shared business case
- ✔ Make case for CI
- ✔ Choose the right partners
- ✔ Invest in building trust
- ✔ Hire/ involve staff with direct experience in those sectors

Collective Impact is best driven by a cross-functional team including philanthropy/CSR, strategy, finance, public affairs.
Additional slides for information only
Suggestions for getting started on collective impact

1 Prepare the Grounds

- Make the business case internally to get senior leadership commitment to taking a CI approach
- Implement projects in order to build credibility and gain experience
- Scan the landscape for potential partners and existing efforts you can build on

2 Mobilize Partners

- Convene potential partners to share data and perspectives on the problem
- Seek senior government endorsement for the vision early on so they can act as fellow champions
- Formulate a clear industry shared business case if non-competitive collaboration is required
- Commit to significant financial contribution to set high bar for others to follow

3 Launch Collective Impact Effort

- Start with initial core group of leaders to create common agenda and keep onboarding others as you go along
- Create quick wins to keep momentum
- Establish key shared metrics early on and create a learning agenda for continuous improvement
- Leverage well-established industry groups with strong credibility and convening power as backbone organization and invest in their capacity, when applicable

Having a credible and neutral backbone organization early on to help facilitate these processes accelerates progress
Collective Impact infrastructure: structuring for intentionality and uncertainty

Common Agenda and Shared Metrics

strategic guidance and support

partner-driven action

Steering Committee

Backbone Support

Ecosystem of Community Partners

Work Group
Chair
Chair

Work Group
Chair
Chair

Work Group
Chair
Chair

Work Group
Chair
Chair