

# ‘Collaborative Commitments’

A think-piece by Professor David Grayson  
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This ‘Collaborative Commitments’ think-piece has been prepared for the Council on Social Action (CoSA) by the new Doughty Centre for Corporate Responsibility at the Cranfield School of Management. ([www.doughtycentre.info](http://www.doughtycentre.info)) This work is supported by Allen & Overy LLP and the Royal Mail Group.

The think-piece is commissioned *by* and prepared *for* the Council on Social Action, but it is not a policy statement *of* CoSA.

The Council on Social Action was set up by the Prime Minister. It brings together innovators from every sector to generate ideas and initiatives through which government and other key stakeholders can catalyse, develop and celebrate social action. We consider “social action” to include the wide range of ways in which individuals, communities, organisations and businesses can seek through their choices, actions and commitments to address the social issues they care about.

The Council on Social Action makes recommendations to government and to others in its capacity as an advisory body, independent of government. This paper is not a government document or a statement of government policy.

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*“If you look at the science that describes what is happening on earth today and aren’t pessimistic, you don’t have the correct data. If you meet the people in this unnamed movement [Civil Society] and aren’t optimistic, you haven’t got a heart.”*

Blessed Unrest: How the Largest Movement in the World Came into Being and Why No One Saw It Coming – Paul Hawken (2007)<sup>1</sup>

## Introduction

It is easy to become demoralised and paralysed by the scale and number of seemingly intractable problems we face in the UK and globally. Rather, we should treat those problems as the spur to innovation. As Albert Einstein once said, “we can’t solve problems by using the same kind of thinking we used when we created them.” Challenging times demand new approaches – but also provide a sense of possibility. That is the philosophy of the Council on Social Action (CoSA). One of CoSA’s ideas is the concept of ‘collaborative commitments’.

CoSA members have developed the concept of ‘collaborative commitments’. This is seen as something which builds on previous generations of public-private-community partnerships; but is more substantial. Whereas partnerships might withstand the withdrawal of an individual partner, collaborative commitments only work because of the distinctive contributions of each organisation involved.

The working definition is:

*‘Collaborative commitments’ are agreements made voluntarily between individuals and organisations from business, public sector and civil society, to achieve positive social impacts which would not be possible for one sector acting alone, to obtain.*

‘Collaborative commitments’ seem to have a number of characteristics: see box on the next page.

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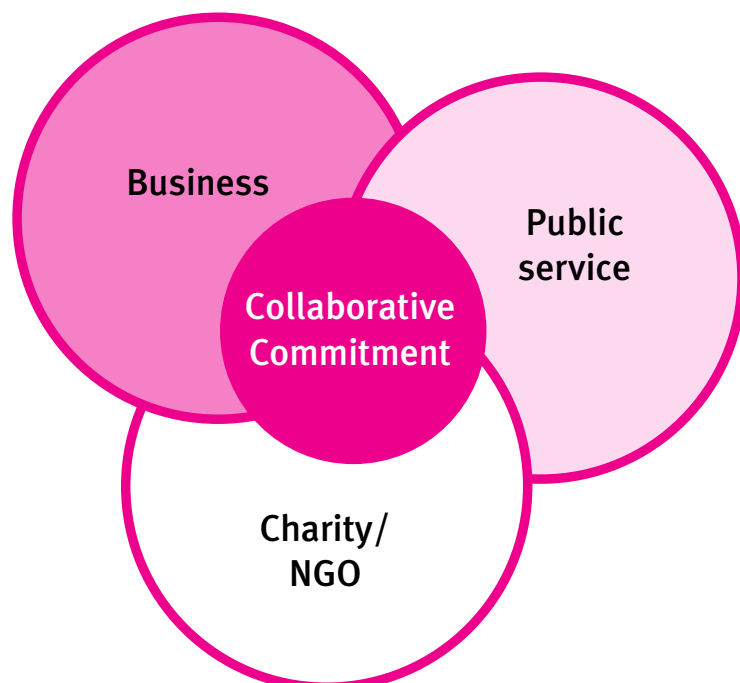
<sup>1</sup> *Blessed Unrest - How the Largest Movement in the World Came into Being and Why No One Saw It Coming* by Paul Hawken – page 4 - First published 2007 by Viking Penguin, a member of Penguin Group (USA) Inc. ISBN: 978-0-670-03852-7

### Box 1 'Collaborative commitments':

- Produce significant social innovation and potentially also commercial opportunities
- More substantial than conventional Corporate Responsibility, social entrepreneurship and public-private-community partnerships
- Involve public, private and third sectors
- Actively engage citizens
- Typically include multiple players rather than just one partner from each sector
- Require all parties' contributions to depend on that of the others: "I will if you will"
- If one withdraws the collaboration fails: "I can't if you won't"
- The contribution of each unleashes potential of others
- Ideally keeps repeating with new possibilities (chain reaction)
- Lines are blurred between conventional social and commercial benefits
- The only model for achieving some objectives
- Becoming: a superior route to sustained performance

### Characteristics of 'Collaborative commitments'

- multiple players
- inter-dependency
- cross-sectoral



## Collaborative Commitments in Practice

CoSA has been inspired by the practical example of the International Finance Facility for Immunisation (IFFIm). Through the IFFIm, the private sector created a financial mechanism (the bond) to enable the public sector to front-load the release of its resource (funding for international development) to the third sector who delivered the intervention (in this case childhood immunisation). The key is that each partner used its own unique contribution to release the potential of another – and that without any one of the key collaborators, the commitment would fail, and the positive impacts (more healthy people whose lives are not destroyed or stunted by preventable diseases) would not have materialised. In this case, financiers recognised that commercial markets could be harnessed to provide accelerated cash-flows for mass, child immunisation in developing countries, based on the guarantees of participating national governments of their future funding streams for development. Crucially, however, it was also recognised that having more money available earlier would be a necessary but insufficient requirement without the means of ensuring that the money could be well spent, on the ground, through Non-governmental Organisations (NGOs) able to rise to the challenge of increasing their own capacity to deliver the immunisation programme.

Key to the success of this collaborative commitment were, therefore, the bankers able to design and market the commercial bond in the international markets (Goldman Sachs); the national finance ministers and their governments (Italy, Spain, UK etc) who committed to forward projections of development funding that would be made available for immunisation, on which the commercial bond was guaranteed; and the NGOs through which the increased capacity for immunisation would be delivered through The Global Alliance for Vaccines and Immunization (GAVI).<sup>2</sup> In turn, the experience of GAVI on the ground encouraged others such as the Gates Foundation – which now has an annual budget twice that of the World Health Organisation – to develop the capacity of front-line organisations on the ground. Hence, this ‘collaborative commitment’ led to a chain reaction.

Other potential of examples of collaborative commitments include, banks working with international NGOs to deliver commercially provided funds for micro-credit through non-conventional banking sources.

Barclays, for example, has teamed up with Accenture and two international development agencies – CARE International and Plan International – to design and deliver a programme to improve access to community-based financial services, such as village savings and loans associations. The programme aims to enhance and expand existing services, as well as create appropriate, effective and accessible links to the formal financial system through new products and delivery channels. Barclays is investing \$20m over three years. In addition to providing funding, Barclays will use its business expertise to help create linkages between the community-based financial systems and the formal financial systems. The programme will use the skills of Barclays’ employees to design appropriate products and provide training and mentoring in financial literacy and small business management.

CARE International and Plan International – both leading global development agencies with particular expertise in economic

The key is that each partner used its own unique contribution to release the potential of another – and that without any one of the key collaborators, the commitment would fail.

development – are responsible for implementing projects under the programme, while Accenture Development Partnerships, a separate business unit within Accenture that provides consulting services to Non-Profit organisations, NGOs, foundations and donor organisations on a strictly non-profit basis, will provide strategic advice and technical and project management support. The programme will deliver projects in ten countries in Africa, Asia and Latin America.<sup>3</sup>

Another example is Vodafone which used its community involvement budget to match-fund with a Challenge Fund from the UK government's Department for International Development (DFID), to provide basic banking services in collaboration with banks to the un-banked, in Kenya using mobile telephones. In this case, what started as a corporate community investment by the mobile phone company quickly became a commercial opportunity as demand for the services quickly took off.

A similar evolution occurred with Royal Sun Alliance UK who provided basic insurance products such as livestock insurance for poor communities in rural areas, to meet a regulatory requirement for entering the Indian market. The commercial success of these products has now led the insurance company to replicate the products commercially in Latin America, in collaboration with New York-based micro-credit NGOs.

By identifying some practical examples of collaborative commitments, looking at how they have come about and what has given them impact, it may be possible to identify some of the key conditions which are important for them to occur

### From Serendipity to Strategic Intent

Initial conversations and observation suggest that so far, such collaborative commitments are generally the product of fortuitous accidents, chance conversations, people knowing people, and being in the right place at the right time. The detailed work by Goldman Sachs to develop the commercial bond for the International Finance Facility for Immunisation, came about because the request from the British Treasury to the banks to help with the development of a concept previously raised as an idea by Gordon Brown, the then Chancellor of the Exchequer, in a speech in New York, landed on the desk of a banker, with a personal and commercial interest to develop the concept. The banker involved was developing new banking products and had a business interest to build relationships with European finance ministries, which meant that there was a business case to devote the time to find a market-solution.

To a certain extent, this serendipity is the nature of entrepreneurship – and social entrepreneurship will be the same. Academics and others argue fiercely about nature versus nurture when it comes to entrepreneurship! On the other hand, by putting a name to a phenomenon, this often encourages more widespread take-up of the idea (think 'social enterprise' or 'venture philanthropy' or 'social innovation' as recent examples in this space).

Similarly, by identifying some practical examples of collaborative commitments, looking at how they have come about and what has given them impact, it may be possible to identify some of the key conditions which are important for them to occur (box 2 has some initial suggestions for what is needed for more collaborative commitments to occur in the UK) and in turn, it may then be easier for policy-makers, funders and practitioners to identify practical ways of creating the circumstances which encourage more collaborative commitments to emerge.

<sup>3</sup> Barclays Press Release - NEW YORK, NY-(Marketwire - October 1, 2008)

## Box 2 ‘Collaborative commitments’ seem to require:

### Shared vision and values

- Common belief that such ‘collaborative commitments’ are possible and some concrete examples to bring concept to life
- Understanding of societal problems that need new solutions
- A common issue which brings citizens and organisations together in the first place: a compelling cause at the centre
- Shared value for the need to take responsibility and to tackle the issue

### Commitment to partner benefits

- Permission to see such collaborative commitments as one way of achieving own organisation’s core purpose – thereby unleashing entrepreneurship in all sectors and increasing the likelihood of sustained partner engagement

### Partnering / collaborative behaviours

- Development of a common vocabulary – or at least capacity to translate across sectors
- People in each sector with skills to ‘walk in other sectors’ shoes’ so as to spot and make mutually beneficial deals – and able to trust & to be trusted

### Allocated roles

- Trusted brokers (of ideas and of people / organisations) able to encourage people from different sectors to work together
- ‘Go-fors’ – some people with the time and competence / confidence to follow-up and investigate initial ideas of busy principals
- ‘Leadership’, most of the time one of the organisations need to be the lead of the others in the commitment – or it could be an inspired individual who makes these things work.

### Common ground

- Meeting ‘places’ (physical or virtual) where serious debates can occur across-sectors in order to trigger ‘collaborative commitments’

The experience of Accenture Development Partnerships (ADP) suggests that getting people together in the right type of environment with the right type of facilitation and trusted brokers, to talk openly about the challenges and brainstorm on potential solutions, is crucial.

*“Accenture Development Partnerships has been involved, for example, in up-scaling nurses’ training in Kenya, in conjunction with AMREF and the Ministry of Health in Kenya. The Kenyan government had an aspiration to train 22,000 nurses to registered standard, yet had the capacity of only 200 places a year. No one had thought of using e-learning to provide virtual training to nurses and reduce what would have been a 100 year undertaking to a five year programme. Whilst e-learning is a well-established training mechanism in the private sector, it was purely down to serendipity and a chance meeting that the idea of applying it in this very different context was considered”.*<sup>4</sup>

4 Commentary from Gib Bulloch – Accenture Development Partnerships Oct 8th 2008

Chain Reaction 2008, the global forum for social leaders conceived by the Prime Minister, aspired also to be such a common ground meeting place for cross-sectoral collaboration with its mantra 'connect, collaborate, commit'.

The Clinton Global Initiative is such a meeting place for brokering and facilitating. Chain Reaction 2008, the global forum for social leaders conceived by the Prime Minister, aspired also to be such a common ground meeting place for cross-sectoral collaboration with its mantra 'connect, collaborate, commit'. There are other examples from other fields like First Tuesday which for a while brought together young entrepreneurs and venture capitalists during the dot-com era; and current mechanisms such as speed networking events and the Hub (physical and virtual meeting-place for social entrepreneurs) which create the opportunities for dialogue.<sup>5</sup> There are also new, on-line brainstorming meetings technologies such as the "IBM-jam" sessions which IBM have used to generate large numbers of commercial ideas from employees around the world in real-time.

## Big Blue Brainstorm

IBM is putting some 100,000 heads together for an online Innovation Jam

The collective wisdom of crowds depends on your crowd, and IBM has one of the sharpest crowds around. CEO Samuel J. Palmisano knows this, and he wants to leverage it. He is pulling people together for the online equivalent of a town meeting. His hope: The opinions of some 100,000 minds will lead to catalytic innovations so powerful they will transform industries, alter human behavior, and lead to new businesses for IBM. He calls the project an Innovation Jam.

*Business Week* AUGUST 7, 2006

... the need for agility in a fast-changing environment will drive companies to increase collaboration of all types in order to move quickly, work efficiently and continue to grow.

## Beyond The Silo

The future belongs to those who collaborate. In the Economist Intelligence Unit's March 2006 report for Cisco, entitled 'Foresight 2020', executives predicted that over the next 15 years their markets will become even more global, functions within their organisations will atomise across geographies and partners, and competition will intensify from new corners of the world:

*"To succeed in this environment, organisations will need to collaborate with thousands of specialised players, from customers and partners to competitors, regional distributors and university researchers. Firms have traditionally collaborated vertically—with suppliers and distributors, for instance. But the need for agility in a fast-changing environment will drive companies to increase collaboration of all types in order to move quickly, work efficiently and continue to grow."*

The imperative to collaborate across functions, geographies and corporate boundaries was the focus of the Economist Intelligence Unit study – but why should this only be restricted to collaboration *within* business or NGOs or the public sector?

For collaborative commitments across sectors, there will need to be changes in attitude, competences and *modus vivendi* of all three sectors. Box 3 suggests some of these possible changes. In particular,

5 The Hub is a global community of people from every profession, background and culture working at 'new frontiers' to tackle the world's most pressing social, cultural and environmental challenges. [www.the-hub.net](http://www.the-hub.net)



there needs to be a willingness to see organisations from other sectors as viable, potential collaborators. The Partnering Initiative of the International Business Leaders' Forum which is a global programme dedicated to “developing the art and science of cross-sector partnership”<sup>6</sup> argue that most partnerships do not realise until too late, how much time they have to invest in relationship-building and scoping of possibilities.

### Box 3 Changes needed in all three sectors

- Seeing that influencing other sectors could be one way of achieving own objectives
- Empathy for / skill to identify converging interests with other sectors
- Understanding a range of resources and expertise that can be brought to the collaboration
- New mindset for sustainability – sees opportunities out of commitment to collaboration (it is not for each sector to take care of each leg of the triple bottom line (TBL). The TBL is an integrated model and cannot be separated)
- Willingness to share ideas, risks, ignorance (what we don't know is often a catalyst; an absolutely honest approach to risk is very helpful “this is what we worry about in this collaborative venture”)
- Accepting experimentation and with it the possibility of quick failures. Successful innovation requires a mindset that failure is as much about a learning opportunity as it is about not succeeding. Accenture talks about the notion of “failing fast” i.e. try lots of things and quickly identify what works and what doesn't. In the dot-com boom there was the mantra “think big, start small, scale fast”. It plays to the idea that we should certainly have big ideas on collaboration but have the opportunity to experiment and often fail on a small scale.
- Cost-benefit analysis to demonstrate to participants that the investment of time and resources are worth making.

There are positive signs of greater understanding between the sectors, not least as more staff move backwards and forwards across sectors; and as there are new hybrids organizational models emerging such as social enterprises. The latest *McKinsey Quarterly*<sup>7</sup> suggests that NGO leaders surveyed by McKinsey – contrary to some perceptions that the NGO leaders are hostile to business – are actually more positive than business itself, with 70% of their representatives describing corporate contributions to the public good as positive. McKinsey conclude that “recognising that NGO representatives actually view the corporate world more favourably should help business executives form mutually beneficial partnerships with them on socio-political issues.”

Amongst the potential allies for collaborative commitments are the new breed of venture philanthropists who provide expertise, advice, contacts as well as cash; social and civic entrepreneurs; and policy-makers looking for new approaches to social problems.

6 Established by IBLF in 2004 in association with the Cambridge Programme for Industry, to consolidate IBLF work since 1990 to build professionalism and organisational capacity in cross-sector partnering: [www.ThePartneringInitiative.org](http://www.ThePartneringInitiative.org)

7 *McKinsey Quarterly* Sept 2008 Survey on Business in Society

## Conclusion

Collaborative commitments will not always be feasible or the most appropriate solution. Sometimes, effective action by individual sectors will be better. In other cases, more conventional cross-sector partnerships may be more viable. We should see collaborative commitments as one of the mechanisms in an expanded toolkit for achieving sustained and positive change. Collaborative commitments will certainly require trust; new approaches – and there remain many unanswered questions such as “How to determine share of profits with NGOs and public agencies, if collaboration leads to commercial success?”

The benefits from collaborative commitments are where the quality, scale and impact exceeds what could be achieved by participants operating unilaterally; and where individual organisations lack resources, capacity and / or legitimacy and convening power on their own to achieve change.

## Questions for feedback

This 'think piece' is a work-in-progress. Your views are welcomed, and the following questions may help to open up this dialogue.

- 1 Does the working definition and key characteristics of 'collaborative commitments', (box 1) resonate?
- 2 Are there further examples of collaborative commitments in practice, either in the UK or overseas?
- 3 Are the requirements for collaborative commitments identified in box 2, accurate? Are there other requirements?
- 4 Do these have to happen by accident or are there mechanisms that can mimic these requirements and so increase the likelihood of more collaborative commitments being successfully made?
- 5 The paper suggests a number of changes that are needed for collaborative commitments to become more common and substantial (box 3). Are these accurate? Are there other changes that are essential?
- 6 What can be done and by whom, to encourage such changes?

## Council on Social Action Papers

The Council on Social Action has produced a series of papers setting out the CoSA programme.

**CoSA Paper No. 1**, Willing Citizens

**CoSA Paper No. 2**, Side by side: a report setting out the Council on Social Action's work on one-to-one

**CoSA Paper No. 3**, Side by side and the implications for Public Services

**CoSA Paper No. 4**, Collaborative Commitments, written by Prof David Grayson, Doughty Centre for Corporate Responsibility on behalf of CoSA

**CoSA Paper No. 5**, Council on Social Action: Commentary on Year One

**All the CoSA papers are available for download from the CoSA website:**  
[www.cabinetoffice.gov.uk/social\\_action.aspx](http://www.cabinetoffice.gov.uk/social_action.aspx)

## Websites

[www.cabinetoffice.gov.uk/social\\_action.aspx](http://www.cabinetoffice.gov.uk/social_action.aspx)

[www.chain-reaction.org/](http://www.chain-reaction.org/)

[www.ukcatalystawards.com/](http://www.ukcatalystawards.com/)

[www.socialfinance.org.uk/](http://www.socialfinance.org.uk/)

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