Master Thesis

Creating Value through Strategic Partnerships between Businesses and NGOs

- A descriptive case study of six partnerships in Norway

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ABSTRACT

Strategic partnerships between non-governmental organizations and businesses are receiving increased attention from several directions; from NGOs – seeing engagement as means of achieving their missions, from business – as a way of reaching their goals and gaining competitive advantage, from governments – as an instrument for addressing global challenges and development, and from academics, as a social phenomenon in need of deeper research and understanding. NGOs and businesses are interested in strategic partnerships because they have started to see that collaboration between the sectors can bring added value that would not be possible to accomplish independently. By combining strengths and resources of each sector and by pursuing common goals, strategic partnerships enable partners to exploit each other’s differences for mutual benefit.

Our thesis explores strategic partnerships between NGOs and businesses by looking into selected case studies. We first review relevant theory to derive the impetus for partnering across sectors and the mechanisms and dynamics that are critical for initiating and developing strategic partnerships. This theory will then be applied to six case studies in a Norwegian context, where we will give an in-depth analysis of motivations, dynamics and interactions between the partners.

The purpose of our thesis is to give managers of NGOs and businesses, academics, and students of strategic partnerships an insightful look into how the process of partnering between the NGO and business sectors is developing in on-going, Norwegian, partnerships.
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INTRODUCTION

“The 21st century will be the age of alliances. In this age, collaboration between nonprofit organisations and corporations will grow in frequency and strategic importance”

James E. Austin

Strategic partnerships have the potential to address challenges and opportunities that could not have been handled in the same way outside of a partnership. By joining forces with the private sector, NGOs can access valuable solutions that can contribute in fulfilling their own missions. Businesses get to target key social and environmental issues in their value chain to better equip themselves for the future. Society as a whole can also benefit because NGOs typically represent aspects of public opinion. The unique combination of profit-driven business relying on innovation, new technology, and product development – and NGOs fulfilling missions for society or the environment, create possibilities for dealing with global challenges both efficiently and effectively.

The intention of this thesis is to provide a much-needed look into how mutually beneficial strategic partnerships between businesses and non-governmental organizations (NGOs) form and prosper, what important features and characteristics represent them, and how we can best describe the dynamics between the parties in strategic partnerships. Contrary to philanthropy, strategic partnerships involve core activities of both the company and the NGO in question. Not only do strategic partnerships have common interests, partners actively contribute with core activities in the execution of partnership operations.

Existing strategic partnership literature is of high quality but limited quantity. Neergaard, Pedersen and Jensen (2009a) provide a useful typology for categorizing different NGO–business partnerships, distinguishing between non-strategic and strategic collaborations. Neergaard et al. (2009b) gives an interesting study of 1900
Danish partnerships and identifies only 1 % “symbiotic” partnerships between business and NGOs – the equivalent of what we call strategic partnerships throughout this thesis. Googins & Rochlin (2000) explore mutual understanding and the potential of joint value creation in strategic partnerships and conclude with a call for more academic research on the topic. Especially sought after are studies delving deeper into mechanisms surrounding mutually beneficial partnerships, such as studies of “how effective, mutually beneficial partnerships form and prosper?”, and “What are [their] processes, critical success factors and barriers?” (ibid.:143).

This thesis does not discuss broader implications of what close collaborations between the private and civil sectors represent in a global governance perspective, nor do we suggest strategic partnerships between businesses and NGOs as alternatives to state and intra-state solutions; we see strategic partnerships as useful vehicles for tightening governance gaps that have emerged as result of heavy globalization of business and financial markets without a proportional emergence of global legislation.

We start by giving a brief contextualization of the topic before we narrow down our research question and present our methodology. Next, we review relevant theory and provide the theoretical framework that we have used as basis for our in-depth interviews with selected case companies and NGOs. The analysis is divided into three chapters based on different phases\textsuperscript{1} of partnership operations, and will interpret information gathered in the interviews. Lastly we will present our key findings and conclusions.

\textbf{1.1 Contextualization}

Global challenges such as pollution and climatic change, dwindling natural resources, human rights abuses, poverty, and growing economic inequality are all serious threats for society. The importance of addressing these issues is clearly established by the 1987-United Nations (UN) report ‘Our Common Future’, which defines sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (World Commission on Environment and Development, 1987: 54).

\textsuperscript{1} The Initiation Phase, The Execution Phase and Outcomes
Global challenges are too complex for any one sector to address or solve alone (UN Global Compact, 2007), and there is growing awareness that the private sector and the civil sector\(^2\) have important roles in providing solutions (World Summit on Sustainable Development, 2002; Dalberg, 2008:3). Businesses are frequently seen as key drivers of globalization and are often considered to be the culprit behind many of the challenges the world is facing today (Heap, 2000; Utting, 2000; Yaziji, 2004). Yet, there is increased awareness and acknowledgement that businesses can also be an enormous force for good (WSSD, 2002; UN Global Compact, 2007).

There is growing consensus that business needs to act sustainably to be successful in the future: “There’s no alternative to sustainable development” (Nidumolu, Prahalad & Rangaswami, 2009: 57). This marks a distinct departure from the traditional doctrine of “the business of business is business” (Friedman, 1970). Sustainability issues also affect businesses: “Companies cannot escape the impact of core development problems – they too need a safe and stable environment in which to operate. There is growing recognition of these shared problems, prompting innovative approaches to find shared solutions” (World Bank, 2010).

Businesses are no longer evaluated solely on financial performance. Investors look at non-financial performance such as how companies contribute to society, how they impact stakeholders, and what are their reputational risks (Heap, 2000). Businesses, in response, are increasingly aware of the societies that they are part of and the challenges that need to be addressed and are changing their behavior accordingly: “The role of business in society has in the 21st Century evolved from being just about philanthropy and social impact, to being about how a company constructs and positions itself in society” (Warhurst, 2004:154).

NGOs have become important actors in the global political, social, economic, and business environments (Heap, 2000). Through their services and competences, NGOs work with issues including poverty reduction, environmental change, human rights abuses and health care. NGOs help to shape the social expectations of society for how businesses should behave. NGOs frequently use targeted campaigns and their

\(^2\) Also know as the civil society sector, volunteer sector or NGO-sector. We will consistently be using the term NGO to indicate these types of organizations.
influence to affect government regulation. However, NGOs are beginning to employ a wider range of tactics to address their issues (Yaziji & Doh, 2009).

Just as NGOs change their approach, the business sector is meeting the new demands and opportunities found within sustainable development. Although businesses are joining NGOs in the field of sustainable development, the sectors do not always hold the resources necessary to achieve their own goals. These developments have altered the way in which NGOs and businesses regard one another and seem to be leading to a change in their mentality and approach towards each other (Heap, 2000; Yaziji, 2004).

The emerging interest in strategic partnerships can be attributed to “the realization that strategic partnering can promote effective results for all concerned: businesses, NGOs, and especially the society/community” (Jamali & Keshishian, 2009). This rise of engagement between the NGO and business sector is seen by many as an important step towards a better and more sustainable society (Warhurst, 2000; Ahlström & Sjöström, 2005). Partnerships are now being promoted from many directions, including different organizations within the United Nations, the EU, OECD and the World Bank, national governments (Utenriksdepartementet, 2008), academics (Googins & Rochlin, 2000; Waddock, 1989; Warhurst, 2005), and additionally through the increasing interests from businesses and NGOs themselves (Lange, Spissøy & Brudvik, 2002; Neergaard, Pedersen & Jensen, 2009; Dalberg, 2008).
Our purpose with this thesis is to provide insight into selected strategic NGO – business partnerships. To contribute to the demand for more research in the field and to facilitate for the best possible understanding of strategic partnerships, we have developed our research questions to allow for a broad approach to the subject. By closely investigating a number of partnerships through case studies, we hope to contribute a better understanding of how strategic partnerships work. We have developed the following research questions:

**How do mutually beneficial strategic partnerships between NGOs and businesses form and prosper?**

**What important features and characteristics can be found in strategic partnerships, and how can we best describe the dynamics between the parties?**
Our thesis follows the structure in the following model:

**Figure 1 - Thesis Structure**

- **Methodology**
  - Research Design
  - Case Study
  - Data Collection
  - Analysis
  - Validity and Reliability
  - Limitations and Reflections

- **Theory**
  - Theoretical Framework
    - Underlying Theories
    - Defining Business and NGOs
    - Partnering Across Sectors
  - Strategic Partnerships
    - Partnership Phases
    - Barriers and Challenges

- **Analysis**
  - Presentation of Cases
  - Partnership Phases
  - Critical Reflections

- **Conclusion**
  - Concluding Remarks
  - Main Findings
  - Future Research
Chapter 3
METHODOLOGY

This chapter will present the research design and data collection methods used in our thesis. The purpose of this methodology chapter is to clarify how we have performed our research on strategic partnerships between NGOs and businesses. We will begin by first stating the objective and motivation for our thesis, then we will explain the basis for choosing our research design, and follow by describing how we identified and selected our case partnerships and the process of collection and analysis of our primary and secondary data material. We will end this chapter by explaining some of the limitations to our approach and reflections on our methods.

3.1 Thesis Objective
The objective of this thesis is to contribute to the academic literature with valuable information relating to strategic partnerships between non-governmental organizations and businesses, and to promote further interest in this field. Because all sectors - NGOs, businesses and governments - seem to be giving cross sector partnerships more attention, they are increasingly important and relevant to study. We are looking at ongoing partnerships in order to gain an increased understanding of why the private sector and the civil sector, which traditionally have had strained relationships, have started to see value in entering into partnerships involving more than traditional one-way transactions and philanthropic interactions with one another. We want to see what characterizes strategic partnerships, and what mechanisms surround them.

3.2 Research Design
A research design outlines the way in which one approaches the research, or the processes and phases involved throughout the study (Ringdal, 2001). We have chosen a qualitative approach employing a comparative and descriptive design. We will utilize both deductive and inductive strategies in our thesis. The deductive approach is suitable to establish and develop research questions and a theoretical framework based on previous theory, and will be used in chapter 4 and 5 to form the
foundation of how to perform our analysis. An inductive approach on the other hand will be used in the analysis to inform and expand on the theory. Employing a descriptive design is well suited for our topic as it is useful to illuminate fields that have been subject to little previous research, as is the case of partnerships between NGOs and businesses.

3.3 Case Studies
Case studies are intensive examinations of just one or a few units. Yin (2003) argues that the case study method is appropriate to answer questions such as ‘how’ and ‘why’, and where there are real-life examples of what one wants to research. It is also a good approach for when the boundaries between the phenomenon and its context are not clearly evident. Strategic NGO-Business partnerships, being complex relations between social actors, clearly fall into this category. The use of case studies is appropriate when the goal is a deep understanding of single or multiple phenomena. While a single case study can give rich information on the existence of the phenomenon or practice that is subject to research, having multiple cases typically provides for a much stronger base for theory building (Eisenhardt & Graebner, 2007). We have chosen to use multiple case studies in our thesis, because we want to provide for a useful insight into not only one but several partnerships of strategic character.

3.3.1 Selection of Cases
When selecting cases for case studies, one needs to be conscious of the choices taken. Yin (2003: 10) stresses the importance of not simply “finding the most convenient or accessible site from which you can collect data”, but to be able to identify specific reasons for why the case should be chosen.

In our approach to the topic, we decided early on to focus only on partnerships between Norwegian NGOs and businesses. There have been very few studies performed on this topic in Norway before\(^3\), so knowledge of strategic partnerships in Norway is missing from the partnership literature. We were interested in strategic partnerships between NGOs and businesses in general, hence did not separate our

\(^3\)We were only able to identify one publicly available study on cross-sector partnerships between NGOs and businesses in Norway, done by Lange et al. (2002) at Chr. Michelsen Institute. Their focus, however, were on the prevalence and different types of partnerships, and not directly on the mechanisms and dynamics within the partnerships themselves.
one type of partnerships, and ended up with both environmental and humanitarian NGOs.

After identifying relevant theory and framing our approach towards strategic partnerships between NGOs and businesses, we looked at which NGOs in Norway have extensive relations with the business community. As large NGOs are more likely to engage in such resource-demanding relationships (Neergaard et al., 2009b), looking at some of the largest and most active NGOs was a good place to start.

After initiating contact with the NGOs, they assisted in getting us into contact with the appropriate persons responsible for the partnership from their respective business partner. The strategic partnerships we ended up focusing on are:

**Figure 2 - Strategic Partnership Cases**

- **WWF Norway**
  - Aker Biomarine
  - Marine Harvest
  - Elopak

- **Save the Children Norway**
  - Varnergruppen

- **Bellona**
  - Statkraft
  - Siemens

### 3.4 Data Collection

Case studies typically involve multiple methods of collecting data. Using multiple sources of data can act as a way of triangulating to ensuring consistency in the information collected, and helps to ensure the total quality of the data gathered (Eisenhardt, 1998; Ringdal, 2001). This thesis employs a combined approach of both primary data from interviews with key individuals from both organizations in each partnership, and secondary data from websites and third parties, such as newspaper articles. Having multiple sources of data helps secure the reliability of interviews, and minimize the risks of having misinterpreted some of the answers given.
3.4.1 Primary Data – Interviews

As a method for data collection, interviewing is considered to be very good in gathering knowledge on complex issues (Ringdal, 2001), which is the case of the dynamics involved in strategic partnerships. This is because interviewing involves a high degree of proximity to the interview object, which allows for a flexible approach and makes it possible to receive rich and detailed information that would not be possible otherwise.

The primary data for our analysis comes from six strategic partnerships, with nine interviews with managers in the selected non-governmental organizations and their business partners. All of these interviews were conducted between mid-March to late June 2010, in meeting rooms at their office location. The interviews were conducted with both authors of this thesis present. We used digital audio recorders throughout the interviews, which were later transcribed word-for-word. This was a useful way to keep the interview fresh in memory as we typed, to advance a contextual understanding of the data gathered (Ringdal, 2001).

The interviews started with the authors presenting an overview of the theme of the thesis, what we were to discuss, and why we thought their partnership could be used as one of our cases. We used this method to inform them what the interview would cover, and to give a sense of understanding to how the interview was to be used in our thesis.

We followed up with a semi-structured interview based on questions pertaining to the identified theories and issues in our theoretical chapter. A semi-structured interview has the advantages that while there are specific issues and questions to be asked, there is enough flexibility to be able to obtain additional information which potentially would not have been captured by the questions we had prepared beforehand (Ringdal, 2001). This enabled us to gain a deep understanding of their knowledge about the partnership from their own perspective that would be difficult to get hold of in other ways. Semi-structured interviews require thorough preparation, which can be considered as vital in order to yield reliable information in

4 We completed eleven interviews in total, but since one of the partnerships turned out to not be a strategic partnership as defined in our thesis we decided not to include it in the analysis.
each interview, since all the interviews were done with a similar structure and contents (Ringdal, 2001).

3.4.2 Secondary Data
Secondary data is considered a good additional source of information when performing primary data analysis through interviewing (Ringdal, 2001). In addition to our in-depth interviews with the partners in our selected strategic partnerships, we have, to some extent, also made use of information from the organizations’ web pages and newspaper articles related to the partnerships. When gathering and reading secondary data, we were aware of the possible bias in their contents, and were critical to their origins and in their use. This additional data was used to gain an understanding of how the partnerships were communicated externally, and to corroborate the findings from the primary data as a way to minimize the risk of misinterpreting the information gathered from the interviewees.

3.5 Analysis
The analysis part of our thesis will make use of an analytic technique called pattern matching, where patterns observed from each case study will be compared with patterns from the others and those predicted by the theoretical model (Yin, 2003). With this approach, we can identify similarities and differences between the case partnerships and compare these to the theoretical framework, as well as contribute to knowledge on the dynamics of strategic partnerships between NGOs and businesses.

A critical and challenging task in presenting rich qualitative data from multiple case studies is how to present a relatively complete rendering of the information gathered (Eisenhardt & Graebner, 2007). We have chosen to intertwine the content of the interviews with a theoretical and contextual frame as a way of solving this issue. This is done by presenting the case studies in relation to important themes identified in the partnership theory, where the interview content is clearly stated through a comprehensive use of quotations in context with theory to give a good account of each case. This is considered an apt way to address the challenge of presenting rich empirical data from multiple case studies in a concise form (Eisenhardt & Graebner, 2007).
3.6 Validity and Reliability

The question of the quality of the research, and whether or not the findings of this study can be applied to other cases, is dealt with in the issue related to the validity and reliability of the research design used (Ringdal, 2001). By validity, we mean if the research is actually focusing on what we want to explain and understand – in this case the dynamics of strategic partnerships between NGOs and businesses. This relates to how well-suited our methodology is for drawing conclusions and generalizing our findings. By using multiple cases with distinct sets of partners including humanitarian and environmental NGOs, companies from different industries, and partnerships with varied goals, we have a narrow look at the dynamics of strategic partnerships but with a variety of different characteristics in our case study examples. This could be considered a strength in our research, as we have gained insight into the phenomenon of strategic partnerships, independent from what the strategic partnerships are focusing on, or what type of NGO or business that is involved in the process.

Reliability is concerned with how consistent the results are from repeated measurements (Ringdal, 2001). Since we interviewed nine different managers involved in strategic partnerships, and the persons interviewed viewed the partnerships from diverse perspectives, this would help mitigate data bias in our study (Eisenhardt & Graebner, 2007). In addition, since we coupled those interviews with data from secondary sources, we consider that our research has produced credible data.

3.7 Limitations

By employing a comparative case-analysis, we have only been able to examine a few selected partnerships. Due to the limited number of strategic partnerships available, a quantitative study is not a suitable approach.

As we only interviewed one person within each organization, this could pose a risk of personal bias of the information given through the interviews, since the interview objects are likely to be overall positive to their own involvement in the projects. However, since basing our research from multiple sources, both from the NGO and business perspective, as well as additional secondary sources, such risks were limited. Time restrictions and a need to consider the costs for the participant
organizations was the main reason for not going deeper into the partnership and interviewing more personnel involved, which could have yielded additional information.

We intentionally did not want to see and use the partnership contracts in our thesis, as they included confidential information on amounts of money involved, specific clauses etc which were confidential. This could perhaps be seen as a flaw in our approach, since that could be a source of valuable information. On the other hand, we did get a lot of information about the contracts through the interviews, which would minimize the loss of data on the partnerships’ contractual arrangements. In addition, we feel that the importance of being able to publicly release our thesis, in order to present illuminating case studies on successful strategic partnerships between NGOs and business, would outweigh the cost of not examining the contracts, since they were indirectly presented to us in the interviews.

Our focus has been geographically limited to include Norwegian partnership cases only. Although strategic partnerships do have qualities and characteristics that could exceed national boundaries, the social context for partnership could perhaps be different in Norway compared to other non-Nordic countries, especially when it comes to the short distance between hierarchical roles within and between organizations. This could potentially lead to different conclusions in other countries, and limit the generalizability of our study to partnerships in a different context. On the other hand, all our case organizations are highly international in how they work and are organized, and the partnerships themselves often have some international characteristics.

3.8 Reflections
An interesting observation we formed is that all of the NGOs and businesses we contacted, with the exception of one of the largest humanitarian NGOs in Norway, quickly and positively responded to our requests to use their partnership as a case study for our thesis, and were eager to participate. Those we interviewed found strategic partnering an increasingly interesting phenomenon that they were interested in learning more about. They expressed deep interest for our thesis and were interested in how the thesis could promote and deepen the understanding of successfully initiating and managing such partnerships in future engagements. Their interest was very inspirational and motivated our work throughout the thesis.
We soon became aware that some NGOs express they are involved in what they call strategic partnerships with businesses, which in reality are more limited in their endeavors, for example through one-way transactions of financial resources. One of our selected partnerships, which from a first glance seemed like a textbook example of a strategic partnership, fell into this category, and was therefore not included in the analysis.

In agreement with all of the interviewees, to clear our thesis for public release, we did a quotation check to be sure their words were not taken out of context, had been misunderstood by us, or were otherwise not proper for public disclosure.
Chapter 4
THEORETICAL FRAMEWORK

There is no singular theory dealing with all aspects of cross-sector partnerships between NGOs and businesses. Therefore, we will apply what we consider the foundations of the ‘why’s’ and ‘how’s’ of NGO-business partnerships, and then form our own model of analysis and understanding.

We will begin by looking at well-established theories including stakeholder theory, resource dependency theory, and social network theory, as they are important to existing partnership literature (Neergaard et al., 2009a). The relevance of these theories to our thesis is that the first and second can help explain the growing interest and motivations for engaging in cross-sector collaborations, while the third deals with the establishment and maintenance of relations within and between organizations. We will use the Neergaard et al. (2009a) typology for NGO-business partnerships in reviewing different types of collaborations. In Chapter 5, we review relevant literature dealing with strategic partnerships and their preconditions, key characteristics and achievements.

Figure 3 - Model of Theory
4.1 Underlying Theories

This section will review three of the most prominent underlying theoretical perspectives explaining the motivations and necessary conditions for cross-sector partnerships. Although these theories were mostly developed with companies in mind, they are equally applicable to relationships with other organizations, such as NGOs (Ebrahim, 2003).

4.1.1 Stakeholder Theory

While a traditional view of the company sees their primary function as maximizing the financial returns of the owners (Friedman, 1970), the stakeholder theory takes an extended perspective on its functions and dependencies.

Stakeholder theory is an organizational management theory developed, amongst others, by R. E. Freeman to build a case for why businesses should consider the interests of the organization’s stakeholders in tandem with creating value for their shareholders. Freeman broadly defines a stakeholder as "any group or individual who can affect or is affected by the achievement of the organization's objectives" (1984: 46), while a more narrow definition is that stakeholders are groups "on which the organization is dependent for its continued survival" (Freeman & Reed, 1983). Examples of stakeholders can be actors such as customers, employees, suppliers, competitors, regulators, NGOs, the media and the community (Freeman, 1984). Freeman argues that the success of the organization depends on the continued management of the organization’s relationships with its stakeholders, and that the organization’s continued legitimacy and survival depends on simultaneously managing these different and often conflicting interests (Freeman, 1984).

Increasingly, stakeholders have begun to “ask what companies can do for society, and not what society can do for companies” (Heap, 2000: 559). Many stakeholders have begun putting pressure on companies to change accordingly (Warhurst, 2005). Indeed, Warhurst states that stakeholders are requiring companies “to be a positive force, to contribute to broader societal development goals and to work in partnership with others to solve humanitarian crises and endemic problems facing the world such as disease and poverty, climate change and environmental stewardship” (2005: 153).
As a result of increasing pressures and the reputational risks the mismanagement of stakeholders could pose, companies and other organizations have started to pay more attention to their stakeholders’ interests (Googins & Rochlin, 2000). Companies are reacting with efforts to appeal to and engage their stakeholders, leading them to explore stakeholder management (Huijstee & Glasbergen, 2008).

Since stakeholders’ expectations are constantly changing over time, dialogue is essential to sense their changing demands. Dialogue is additionally useful for giving the organizations’ own perspectives to the stakeholders (Waddock, 2002; Morsing & Schultz, 2006). Such dialogue could occur in several ways; Morsing and Schults distinguish between different communication strategies ranging from low levels of intensity where information flows in just one direction, to highly interactive engagements where stakeholders are directly involved (Morsing & Schultz, 2006).

Non-Governmental Organizations are commonly perceived as proxies for societal and environmental needs as their organizational legitimacy is often grounded in social representation (Valor & Diego, 2009). For companies, engaging with NGOs can be more convenient than trying to address the numerous stakeholders individually (Warhurst, 2005).

According to stakeholder theory, collaborating with NGOs through partnerships can be considered a potentially beneficial stakeholder management approach, because it can involve a high degree of information and knowledge exchange. Therefore, stakeholder theory holds great potential to explain the increased interest in collaboration in partnerships between NGOs and businesses, but it falls short of explaining what can be expected by entering a partnership.
Case Example – KKR Strategic Partnership with EDF

Part 1 - Partnering as stakeholder engagement

In 2007, the global multi-billion dollar private equity firm KKR wanted to buyout TXU Corporation, a coal company. The coal industry was under intense regulatory and environmental pressure from both governments and environmental organizations.

Through engagements and dialogue with Environmental Defense Fund, an American nonprofit advocacy organization dealing with environmental issues, KKR revised their investment plans. KKR agreed to cut back on the number of coal plants, to provide investments to increase their efficiency, to reduce their emissions, and to set environmental targets for the future. In addition, they continued their engagement by initiating a partnership to help KKR improve the environmental efficiency in which they invest, called the Green Portfolio Program. Yaziji and Doh consider this partnership as “one of the most interesting cases of corporate-NGO engagement in recent years” (2009: 50).

Sources: KKR, 2010a; KKR, 2010b; Yaziji & Doh, 2009: 50-53

4.1.2 Dependency on Resources

Another way of looking at motivations for partnering across sectors is through the lens of the resource-based view and the resource dependency theory. The resource-based view is an organizational theory that focuses on external dependencies to others, while resource dependency theory employs economic theory and examines the internal conditions of the organization.

According to the resource dependency literature, perceived mutual dependencies between organizations can motivate potential partners to come together and join forces when “the organizations perceive critical strategic interdependencies with other organizations in their environment” (Yaziji & Doh, 2009: 126). Interdependence causes uncertainty in managing necessary resources for organizational survival (Arya & Salk, 2006) and drives organizations to seek complementary or supplementary capabilities and resources in others (Iyer, 2003).
Because organizations are not self-sufficient and do not have control over all the resources they require, interaction with others is necessary to advance one’s own interests (Pfeffer & Salancick, 1978). Pfeffer and Salancick argue that all organizational outcomes are based on interdependencies, because "in social systems and social interactions, interdependence exists whenever one actor does not entirely control all of the conditions necessary for the achievement of an action or for obtaining the outcome desired from the action" (1978: 40). This means that a partnership with an organization in a different sector could be “an excellent means of managing firm-specific uncertainty (organizational unfamiliarity with market characteristics) as well as policy uncertainty”, by gaining access to critical resources necessary for their own success and survival (Arya & Salk, 2006).

While the resource dependency theory looks at the external interdependence with other actors, a highly related theory is the resource-based view (RBV). RBV has a more internal view on resources, looking at how organizations can obtain and maintain competitive advantages (Neergaard et al., 2009a). Eisenhardt and Schoonhoven (1996) argue that partnering occurs when organizations are facing strategic needs and social opportunities that they cannot deal with by themselves. When an organization does not have the necessary resources internally, it is dependent on external actors who have these needed resources. These resources can include financial resources, technical capabilities, knowledge, and organizational legitimacy. Companies and organizations could address these issues strategically in a partnership by using other organizations to fill their core needs. The main rationale for creating strategic partnerships is the potential for value-creation through pooling organizations’ resources together (Penrose, 2009; Das & Teng, 2000). Partnering requires important considerations because the partnership performance will be affected by the possibility of aligning each partner’s interests. These interests consist of two dimensions: resource similarity and resource utilization, which directly affect the collective strengths and potential conflicts in the partnership (Das & Teng, 2000).
Social Network Theory

Social Network Theory gives a sociological perspective on how relationships are established and maintained. This theory is considered central to the study of partnerships, and focuses on “social interaction and network relations within and between organizations” (Neergaard et al., 2009a: 6). Understanding such relations is important because, as Gulati found (2000, as quoted in Doh, 2008: 283), the social context from previous alliances and considerations of strategic interdependence can influence partnership decisions. Social network theory can provide important information about potential partners’ capability and reliability.

There are two main foci in the social network theory (Kilduff & Tsai, 2003): the structural configuration of the network itself, and the centrality and dynamics of

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**Case Example – KKR Strategic Partnership with EDF**

**Part 2 - Partnering as Access to Competencies and Resources**

The KKR-EDF relationship started with EDF being regarded as an “adversary” that attacked KKR’s environmental impact and their investments. However, EDF’s engagement turned out to “be a wake-up-call” for KKR, who realized the changing expectations from stakeholders in addition to “a need to be sure that KKR’s interests are aligned with society’s” (KKR Presentation, 2010). This was both to secure a “license-to-operate” as a private equity fund, as well as to “meet future challenges” and to “create value by doing things that have not been done before,” through incorporating environmental, social and governance issues in their core process of investment decisions and portfolio management (Ibid). KKR did not have the competence to deal with all of these issues on their own, but by joining forces with EDF they could take advantage of each other’s capabilities and resources: KKR accessed EDF’s environmental expertise, while EDF would work towards their goal of a cleaner environment by improving KKR’s environmental impact through building best practice approaches in their investments.

**Sources:** KKR, 2010a; KKR, 2010b; Yaziji & Doh, 2009: 50-53
individual actors. The theory examines the relations between organizations in society, represented by a system of actors (e.g. people, groups, organizations).

Social capital is an important element in social network theory and is a precondition for the social process of transferring and utilizing knowledge necessary for the partnership to succeed. This "may be critical for learning and long-term success of cross-sector alliances" (Arya & Salk, 2006: 223), because it influences how possible synergies from partnering will come to effect.

Social network theory also emphasizes the significance of trust in relationships. As Yaziji and Doh explain, "trust leads partners to integrate the alliance into their own strategic framework" (Yaziji & Doh, 2009: 126),

4.2 Defining Businesses and NGOs

Although there are four general types of cross-sector partnerships including public-private, public-NGO, NGO-business and tri-sector partnerships (Selsky & Parker, 2005), this thesis only focuses on NGO-business partnerships. In the following, we will briefly review the business and NGO sectors.

4.2.1 Businesses

The business sector “exists to capitalize on market opportunities to realize profits for owners and investors” (Segawa & Segal, 2000: 108). However, “while they are the driving force behind globalization, businesses are also the cause of a wide range of global challenges, such as environmental pollution, currency crisis and human rights abuses (Heap 2000).

Googins and Rochlin (2000: 129) suggest that the rise of corporate powers, coupled with the decline of state power and the public sector, has created a new role for corporations as “an interested partner whose success is tied to healthy and sustainable communities”. Businesses have emerged as an attractive partner for NGOs for many reasons, as they have a lot of resources and knowledge, including managerial know-how, access to knowledge and technological innovations, and that

5 Collaborations across sectors are known under many names, such as Cross-sector Partnerships to Address Social Issues (CSSPs) (Selsky & Parker, 2005), cross-sector alliances (Brinkerhoff, 2000; Arya & Salik 2006), social alliances (Berger et al., 2004) and social partnerships (Waddock, 1989)
businesses are inextricably linked to one another and with the societies they operate within (Googins & Rochlin, 2009).

Globalization has generated challenges and risks that businesses are increasingly facing (Yaziji & Doh, 2009). Attention is directed towards businesses from a wide range of stakeholders including consumers, investors, media, governments, and NGOs. Businesses are now expected to take on additional responsibilities other than solely maximizing shareholder interests (Heap, 2000).

Businesses are becoming aware of not only the dangers and risks that lie ahead for their own organization’s survival, but also the potential opportunities and benefits that could be achieved by cooperation rather than confrontation between the sectors (Rondinelli & London, 2001; Yaziji & Doh, 2009).

4.2.2 NGOs

NGOs are non-profit organizations that exist in the civil or third sector, working towards pursuing particular social or environmental missions (Heap, 2000; Googins & Rochlin, 2000). Teegan et al. (2004: 466) define NGOs as:

“Any non-profit, voluntary, citizens’ group which is organized on a local, national or international level. Task-orientated and driven by people with a common interest, NGOs perform a variety of services and humanitarian functions, bring citizens’ concerns to governments, monitor policies and encourage political participation at the community level. They provide analysis and expertise, serve as early warning mechanisms, and help monitor and implement international agreements. Some are organized around specific issues, such as human rights, the environment, or health.”

Googins and Rochlin (2000) argue that while NGOs have largely remained isolated from the other sectors, they are still dependent on them for financial support and survival. While NGOs are a distinct sector from the public and private sectors, their distinctions are becoming increasingly blurred (Heap, 2000). As the number and size of non-governmental organizations has soared in the past decades, they have adapted their roles and activities to their changing external environments (Heap, 2000; Yaziji & Doh, 2009). The changing environments, due to issues such as globalization, technological advances, and increased business power facing a reduction in the power of nations, have had major implications for the way NGOs
work. This has forced many NGOs into a new way of thinking for how to fulfill their mission.

NGOs have a wide range of tools available such as awareness campaigns, direct action, advocacy, political influence, and boycotts. While NGOs’ disagreements with businesses have often been addressed with lengthy adversarial conflicts through the media and government, some NGOs are increasingly having success in encouraging businesses to take voluntary actions to address environmental and social issues (Rondinelli & London, 2001). Increasingly, NGOs are adapting their behavior to a more engaging approach, where they are choosing not only to confront firms, but also to collaborate with businesses to change their behavior for the better (Googins & Rochlin 2000; Rondinelli & London 2001). This comes as a result of NGOs having “… become more attuned to CSR⁶, and more willing to collaborate with businesses in pursuit of common goals” (Jamali & Keshishian, 2009: 277).

Ählström and Sjöström (2005) identify several different strategies for NGOs in their interactions with businesses based on their organizational types. They identified four types of NGOs: preservers, protesters, modifiers and scrutinizers. All are different in the distinctive tactics they employ to influence corporate behavior. Preservers are NGOs wanting to ensure environmental preservation or to preserve social welfare for those that are vulnerable and exposed, and they do this by “join[ing] forces with businesses in order to achieve their goals” (Ählström & Sjöström, 2005: 236). Other NGOs seek an independency strategy, and are not willing to put their sovereignty at stake: Protesters seek to influence businesses through “radical and publicly visible action” (2005:237). Modifiers, on the other hand, are change agents, “wanting a shift of paradigm in corporate practice and corporate accountability”, and “seek[ing] to change corporate behavior through tactics such as demonstrations, publications, public appeals and thought-provoking scenarios” (Ibid.). Scrutinizers seek to reveal corporate misconduct, and want to bring attention to what they consider corporate wrongdoing. Since scrutinizers want to change public opinion and other stakeholders in order to influence business behavior “it is in the interest and nature of this group to not engage in corporate collaboration, since independence is a prerequisite to their activities (2005:238).

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⁶ Corporate Social Responsibility
Only those characterized as preservers have a strategy of engaging in partnerships with businesses. This is because the preservers’ goals often do not conflict with joint action with businesses, unlike the goals of the other three types (Ibid.). This suggests that a partnership between a business and an NGO is only possible when the NGO strategy is compatible with that of the business, and that they have overlapping interests. However, it is also important to notice that NGOs can indeed change their tactics over time, or use additional approaches other than their dominating strategy, (Ählström & Sjöström, 2005).

4.3 Partnering Across Sectors
While NGOs and businesses have long considered each other as ‘adversaries’ (Cohen 2003), there is now a growing interest for working together towards a sustainable future. Because neither sector is capable of handling escalating environmental and social concerns on their own (Pearce & Doh, 2005), there is a need to join forces. Awareness that engaging in partnerships could provide access to different core competencies that are often unique to each organization and sector is building.

Heap argues: “as the balance of power shifted from governments to multinational corporations, NGOs had no choice but to change their approach to social problems”. At the same time, globalization has given NGOs the tools and means to advance their agenda in new ways (Yaziji & Doh, 2009). Along with change in the NGOs’ external environments, internal change has also occurred. NGOs have started changing their work methods to be more business-like, also referred to as ‘NGO Incorporated’ by Heap (2000). Using more business-oriented working methods may reduce the organizational and cultural differences between firms and NGOs, and could make it easier for NGOs to overcome barriers and to engage with businesses.

4.4 Typologies for NGO-Business Partnerships
There are many different ways in which NGOs and businesses can collaborate, each of which holds different characteristics. Neergaard, Jensen and Pedersen (2009b) present a synthesis of topologies on NGO-business partnerships, which we have adapted in our thesis. The synthesis is based on several contributions from the literature of cross-sector partnerships.7

7 According to Neergaard et al. (2009a).
Partnerships between NGOs and businesses are not static. As with other types of organizations, partnerships are dynamic in nature, and can evolve over time (Austin, 2007: 49). It is important to note that a partnership could have elements from one or more of these typologies at the same time, and are only meant to be illustrative of the different forms and contents of NGO-business partnerships. An NGO-business relationship could also develop and evolve over time, where the partners intensify their involvement as trust is built and resources are shared, but regression to a 'lower' or less intense type of partnership is also possible (Neergaard et al., 2009a).

4.4.1 Philanthropy

Philanthropy is the most basic and traditional form of collaboration between businesses and NGOs, and is also the most common type of partnership. This type of partnership involves some kind of one-way transfer of resources from a business to the NGO. They are limited in collaborative efforts, and do not involve pooling of resources. Philanthropic partnerships are often simple in initiation and organization with low levels of engagement and only a peripheral connection to business’ activities (Jamali & Keshishian, 2009).

4.4.2 Reciprocal exchange

Reciprocal exchange involves partnerships where the relationship between a business and an NGO is based on an exchange of resources for a specific activity, such as a cause-related marketing campaign. In these kinds of partnerships, a company agrees to give a set sum of money according to the sales of a certain product with the logo of the partner NGO (Googins & Rochlin, 2000). An example is the partnership between IKEA and UNICEF, where IKEA would donate €1 for each teddy bear sold to UNICEF’s work towards children’s well-being. While UNICEF gets money, IKEA gets visibility and the PR benefit of connecting to a good cause (UNICEF, 2010).

4.4.3 Independent Value Creation

Independent value creation implies that both partners have individual goals, but work together in order to generate desired value. This requires a lot more effort from

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* Whether or not philanthropic relations could be called ‘real’ partnerships is somewhat contested (Waddock, 1988; Googins & Rochlin, 2000), but “as philanthropic engagements are often the first point of contact and the initial starting point for more advanced partnerships, it is important to include them in a process-oriented study of partnership” (Neergaard et al., 2009: 4).
both partners than the previous two types of partnerships (Googins & Rochlin, 2000; Neergaard et al., 2009), and is coined by Neergaard et al. as semi-strategic collaborations (2009a: 4). An example is a partnership in which a company donates their employees’ working hours and technical expertise to an NGO, when the NGO works with relief work in an international catastrophe. In this case, the partnership would benefit the company by motivating their employees and improving their image, and the NGO by improving the quality of their relief work (Neergaard et al., 2009b).

4.4.4 Strategic Partnerships⁹

In these kinds of partnerships, partners work together strategically “on a common problem which they would both like to see resolved” (Neergaard et al., 2009a: 4). Such ventures create a much more dependent relationship between the partners, and “value will only be created through a mutually dependent exchange of ideas, resources and efforts” (Googins & Rochlin, 2000: 139). In these partnerships the partners see intractable problems that affect both of their missions, and are not in a position to solve things by themselves. They are thus required to collaborate in order to succeed. These are the ‘strategic partnerships’ we investigate in this thesis. Strategic partnerships have, according to partnership theory, the most potential for added value, since joining forces allow actors to reach outcomes that neither partner could have achieved on their own (Googins & Rochlin, 2000; Neergaard et al., 2009a).

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⁹ These partnerships are in the partnership literature also known as symbiotic or integrative (Neergaard et al. 2009a).
This chapter will present a framework for understanding strategic partnership processes that were identified in the normative literature and through previous case studies. The framework is composed of several different contributions in the literature and cannot be attributed to any one author, but can be seen as a synthesis of the existing normative and descriptive theory of strategic partnerships. As Jamali and Keshishian point out that, as with any other relationship, there are many obstacles for engaging and managing NGO-business partnerships because these partnerships “do not succeed by chance” (2009: 279).

We will first review what relevant literature has identified as prerequisites and key characteristics of successful strategic partnerships, by dividing into three phases as identified by Jamali and Keshishian (2009) and Neergaard et al. (2009a): the initiation phase, the execution phase, and outcomes. Last, we will consider risks and barriers in partnerships.

The reason why we have chosen to structure our research in this way is in order to get a look at strategic partnerships through their ‘lifespan’ and different phases: from their inception and creation, through their implementation and execution, to their learning, evaluation and following termination or continuation (Cohen, 2003; Jamali & Keshishian, 2009).

5.1 Phase 1 – The Partnership Initiation

The partnership initiation phase involves motivations, first contact, planning and other activities that start an engagement between partners. For a successful partnership between an NGO and business to be established, there are several matters that need to be addressed. We refer to the following paragraphs as “preconditions” for strategic partnerships.
5.1.1 Motivation
In order to understand why to engage in partnerships, it is essential to first identify and understand both one’s own and the potential partner’s motivating forces for entering into collaborations across sectors. This is important, “because [these motivating forces] form the cornerstone upon which alliances are built” (Austin & Reficco, 2005: 1). Austin states that understanding this is “central to fostering the births of partnerships by finding common ground for coming together from disparate sectors”. (2007: 49). The partners must understand how the collaboration can generate value for them (Googins & Rochlin 2000).

Business Motivations for Strategic Partnerships with NGOs
While considerable efforts have been made in debating how businesses could benefit NGOs, the idea that NGOs could contribute to business is a more recent development (Heap, 2000). This section will give an overview of how businesses could benefit from engaging in strategic partnerships with NGOs.

NGOs are often in possession of certain knowledge, skills and information that could be crucial for business to access (Yaziji, 2004). These possessions could include technical know-how and suggestions for solutions on environmental or social problems, knowledge on issues not usually associated with business such as biodiversity, development or poverty reduction. Gaining access to such expertise could lead to new ways of thinking and identifying new markets and products, also in addition to making businesses more able to address stakeholder concerns about sustainability and development (Rondinelli & London, 2001; Yaziji & Doh, 2009).

Due to their often-limited resources, NGOs are accustomed to working with other NGOs to pool their resources, which makes them capable of formidable concerted efforts (Yaziji & Doh, 2009). Having access to information through these networks, as well as being able to give information back to them, could be an important asset for both parties.

Non-governmental organizations have much higher levels of trust than businesses (Yaziji & Doh 2009), and by engaging with NGOs, businesses could seek to increase their credibility where the partners have mutual issues and interests (Heap, 2000).
Another way that businesses could benefit from partnering with NGOs is from a risk-perspective, where a partnership can help to head off future trouble. By engaging with an NGO, businesses could be more attuned to shifting and coming trends, and be ahead of the curve when it comes to issues that could affect them. Working in such a preemptive approach can be more fruitful than waiting for antagonistic NGO campaigns and scrutiny since “the involvement of motivated experts in place of committed adversaries makes negotiation a more promising alternative” - therefore cooperating is a more beneficial approach than conflict (Yaziji & Doh, 2009: 129).

NGOs can also be formidable agents of change. Partnering with NGOs could be an effective way of joining forces in order to shape both legislation and industry standards if they are aligned to both partners’ interests. This is because there is potential for the partners to gain far greater influence by working together rather than alone, and be seen as more credible when discussing their own interests by showing that others have the same interests (Yaziji & Doh, 2009).

**NGO Motivations for Strategic Partnerships with Businesses**

The main motivation for NGOs to partner with businesses is that partnering could be an effective way of changing the behavior of business in order to address escalating social and environmental threats to sustainability (Jamali & Keshishian, 2009). By joining forces, a strategic partnership could lead to environmental and social improvements and innovations, and minimize negative business impacts by leveraging the NGO’s expertise and knowledge.

As with businesses, public exposure and increased legitimacy could motivate NGOs to enter into partnerships. By engaging with a partner that is perceived as a strong and solid business, the NGO could use the partnership as a way to raise the awareness of their work among politicians, regulators, donors, businesses and other NGOs (Heap, 2000).

Gaining access to financial and other resources is another motivating factor, although it is not the most important motivation for entering into strategic partnerships (Rondinelli & London, 2003). Since there has been increased competition for funds, engaging in strategic partnerships with businesses could be an innovative way to differentiate oneself from others in order to obtain much needed financial resources.
5.1.2 Choice of Partner
Finding the right partner is considered essential in strategic partnerships, both for the NGO and the company, in order for the partners to address their salient issues (Austin, 2000; Rondinelli & London, 2001). The failure of many partnerships can often be traced to partner selection and the planning stage (Jamali & Keshishian, 2009). NGOs must find a compatible company with issues that are congruent to their own (Berger et al., 2004; Jamali & Keshishian, 2009). Glasbergen and Huijstee (2008) point out that a ‘stakeholder map’ could be a useful tool in identifying relevant partners. By finding a partner with the right attitude, expertise, competence and issue relevance, it is more likely that the partnership can succeed. Berger et al. (2004) identifies a range of dimensions for how well the potential partners ‘fit’ each other, which could be used to spot similarities and differences that could help to evaluate the partnership compatibility. Partners are more likely to acknowledge differences rather than their commonalities (Googins & Rochlin, 2000). It can also be difficult to develop a common understanding due to differing organizational culture, language, and values (Googins & Rochlin, 2000). It is therefore important to acknowledge and respect that the initial start phase could involve considerable time and effort to get to know one another and plan the future of the partnership.

5.1.3 Goal Alignment
Partnership literature stresses the importance for partnerships of finding common goals that are aligned to each of the partners’ interests and serves as basis for success or failure in the future of partnerships (Cohen, 2003). The process of “issue crystallization” involves shaping and forming of common issues that the partners wish to address, as well as the building of common understandings of how the partnership can build around such issues and take action towards them (Waddock, 1989). Goals must be clearly expressed and communicated, and preferably incorporated into contractual arrangements (Austin, 2000). The crystallization of common goals “will create a feeling of joint dependence, of being in the “same boat”, thus raising the likelihood that both partners will see the partnership through” (Neergaard et al., 2009a). For strategic partnerships to succeed, the content and goals of the partnership must have strategic importance for both the NGO and the business (Austin, 2000; Googins & Rochlin, 2000).
5.1.4 Mutual Benefits

Another key feature that has been particularly emphasized in the NGO-business partnership literature is how strategic partnerships must yield mutual benefits and ensure “win-win” situations for all partners (Googins & Rochlin, 2000). Mutual benefits are the reasons why organizations want to pool their resources together. Strategic partnerships must lead to “joint value creation”, an added value that is uniquely derived from the partnership. (Austin, 2000). One of the central benefits of strategic partnerships is the synergy effect that exceeds existing capabilities of the partners. If partnerships do not bring mutual benefits, there would be a mismatch between what the partners contribute to the partnership and receive in benefits. It is therefore important that there is a feeling of equity between the partners, and that the partners gain benefits proportional to their investments (Austin, 2000; Jamali & Keshishian, 2003). If these mutual benefits are persistently present for both partners, it will contribute to the continued success of the partnership.

5.2 Phase 2 – The Partnership Execution

After the partnership is established and the goals and mission are set, the next step is “translating the goals of the initiation phase into action” (Cohen, 2003: 108). In order to facilitate good performance from the partners, the partnership literature has stressed the importance of the following key factors that need attention in the execution phase (Googins & Rochlin, 2000; Rondinelli & London, 2001; Cohen, 2003; Jamali & Keshishian, 2009).

5.2.1 Relation to Core Activities

Strategic partnerships need to be related to the core activities and the value chain of each partner. Core activities include the key areas that the organizations operate in, such as the business’ products, their value chain, or an organization’s mission. When the content of the collaboration is related to the core business, partnerships have the most potential for bringing added value to each other, since that is their most valuable contribution to the partnership and to their own long-term objectives (Kanter, 1994; Jamali & Keshishian, 2009). Only then can a strategic partnership be an enduring and relevant relationship (Neergaard et al., 2009b).

5.2.2 Knowledge Sharing

One of the main motivations for entering into strategic partnerships is the potential to gain access to new information and skills (Rondinelli & London, 2001). In a strategic partnership, each partner has specific knowledge that could be essential for
the success of the partnership and to the benefit of each other. It is therefore important to communicate this knowledge and engage in knowledge exchange to allow for synergies in the partnerships to be attained (Arya & Salk, 2006). Interaction is a prerequisite for knowledge sharing.

The importance of knowledge sharing mechanisms is illustrated by Kale, Dyer and Singh (2002), who found that organizations with previous partnership experience and established structures for capturing and disseminating partnership-related knowledge realized greater success than those who did not have such mechanisms in place.

5.2.3 Top Management Commitment and Organizational Anchoring

Top management is influential, and their commitment is necessary to secure the long-term participation of the organizations in the partnership (Bruijn & Tukker, 2002). Commitment is necessary to anchor understanding and motivation for the partnership within the organization (Kalegaonkar & Brown, 2000; Rondinelli & London, 2001). Management’s support is important to authorize and legitimize the partnership, and is needed to sustain it (Waddock, 1989). Austin (2000) notes that management engagement between the partners is important as it displays their own engagement and commitment to their partner, which can help build trust between the organizations and personnel involved.

Anchoring a partnership in an organization is vital to gain “support within partner organizations to enable the relationship not to depend solely on one or two people in each organization and to ensure that the history of the partnership is known and appreciated” (Heap, 1998: 31). Different levels of formalization could help to institutionalize the processes of partnerships. This suggests that top-level management should be highly committed to the partnership, underlining the long-term strategic value of the partnership throughout the organizations.

5.2.4 Communication

Communication entails how the partners interact with each other, including the formality, frequency and level at which information exchange occurs (Iyer, 2003). Partnership literature cites open and frequent communication and allowing for differences to be expressed as keys to success and minimization of the risks of
partnerships (Googins & Rochlin, 2000; Rondinelli & London, 2000; Berger et al. 2004; Jamali & Keshishian, 2008). “A partnership is not about ‘warm feelings towards one another’, it is a way of getting something done. To get things done correctly, one occasionally needs confrontation or a difference of opinion. A partnership resolves issues and ‘... pushes ahead nonetheless’” (Wilson & Charlton, 1997, as quoted by Heap, 1998: 30). Informal communication is more likely to foster relations within the partnership than exclusively formal contact as it can convey more complete information quickly between partners (Iyer, 2003). Additionally, informal communication develops trust and cohesiveness. Since partnerships are dynamic, frequent and informative communication is a necessity to continually improve the partnership activities and the relations within it (Austin, 2000).

5.2.5 Trust
Trust is “a function of the commitment expressed by one to another and the other’s judgment of the likelihood of that commitment being upheld” (Iyer, 2003: 48) and has been found to significantly impact the performance of partnerships (Weihe, 2008). Iyer (2003) distinguishes trust as an expression of commitment, whether or not this commitment will be fulfilled. High levels of trust between the partners "lowers transaction costs, increases information-sharing, facilitates dispute resolution, reduces the amount of formal contracts, increases learning, and reduces harmful conflict" (Weihe, 2009: 117). This is essential for the partnership to prosper, and especially important in strategic partnerships where there is a need for high levels of mutual dependence and commitment (Googins & Rochlin, 2000).

5.2.6 Organizational Culture
Awareness of problems that could arise from a lack of understanding of different organizations’ culture and language, or misunderstanding of each other’s goal orientations and values must be addressed (Googins & Rochlin, 2000). Awareness of differences in organizational culture is considered important to resolve unnecessary conflict and confusion (Berger et al., 2004). Iyer (2003) stresses the importance of some degree of compatibility between the partners, referred to as “like-minded” organizations. Mutual understanding takes time to develop and can be difficult to achieve. Patience is especially important when partnering across different sectors because of the time it takes to get to know each other’s culture and work methods.
5.2.7 Integrity

Compromising organizational integrity can have serious repercussions for partnerships and the individual actors. Partners must respect each other and inform one another when needed; they should not abuse information they get through the partnership, nor do anything that undermines each other’s motivation for continued cooperation (Kanter, 1994).

Public trust is often higher for NGOs than for corporations, and it is important to keep this trust to be regarded as a credible organization (Heap, 2000; Yaziji & Doh, 2009). Legitimacy and trust are valuable assets, and are vital for continued support from the public, donors, government bodies, and others. It is therefore necessary for the NGO to keep their integrity intact. Strategic partnerships must not compromise the integrity of the NGO (Heap, 2000).

When an NGO collaborates with a business, the public may assume that the NGO has “done everything necessary to protect its reputation” (Corden, 1998, as quoted by Heap, 2000). An NGO’s continued legitimacy and integrity depends on not conflicting with the mission of the NGO. Since the business depends on the credibility of the NGO, it is in both partners’ interest that the NGO keeps its integrity. Strategic partnerships must not be controlled by the business at the expense of the NGO’s integrity (Frank, Longhofer and Schofer, 2007). Therefore, NGOs should not endorse businesses, but should engage with them critically (Heap, 2000). The following two sections explain two potential pitfalls for integrity that should be carefully considered in strategic partnerships.

Avoid “Greenwashing”

To preserve NGO’s integrity, the partnership must not greenwash the business partner or their activities. Laufer (2003) describes greenwashing as businesses portraying behavioral change for the better by only engaging in image building and disinformation of its activities to be perceived as a good company. Such activities in a strategic partnership would undermine the NGO’s mission and thus compromise its integrity. Greenwashing can damage the reputation of the business, through negative publicity in the media and reactions from its stakeholders, and that of the NGO (Yaziji, 2004)
**Balancing Between Watchdog & Ally**

In order to promote its own integrity and to make the strategic partnership beneficial for both parties, the NGO must balance its behavior between being a watchdog and an ally. Being a watchdog involves critically examining their business partner’s actions in order to keep them in line with the NGO’s mission, while being an ally includes cooperation with the business in order for the strategic partnership to successfully yield benefits for them both (Argenti, 2004).

**5.3 Phase 3 – Partnership Outcome**

The final stage of the partnership, the outcome phase, involves evaluation of the partnership (Cohen, 2003).

**5.3.1 Evaluating Progress and Results**

Partnership evaluation is an important, ongoing process to ensure progress and results (Googins & Rochlin, 2000). Evaluation of the partnership performance and outcome is necessary to secure the partnership’s progress and ensure that both partners are achieving their goals. Evaluation is done both to benchmark performance with objectives and to analyze positive and negative experiences encountered along the way. Through evaluation, the organizations can learn from their experiences with each other. Learning ability is a prerequisite for being able to utilize partnership processes and diffuse the knowledge and capabilities of the partner in one’s own organization. Learning is a continual process throughout the partnership, starting from the initial contact where partners start to learn each other’s competencies, goals, and values throughout the relationship building process (Eisenhardt & Schoonhoven, 1996), to the ability to utilize complementary capabilities within the partnership (Cohen, 2003).

**5.3.2 Future expectations**

The evaluation stage will have illustrated what the partners have gained from the partnership and what they could expect from continued cooperation. The final step of the partnership is the decision to end or extend the strategic partnership.

**5.4 Barriers, Risks and Challenges in Partnering**

There are many barriers to overcome in partnering. The potential of strategic partnerships is relatively unknown for both NGOs and businesses, so many are not aware of how such engagements could be beneficial (Neergaard et al., 2009b). It can be difficult to locate a suitable partner in the myriad NGOs and businesses based on
the best ‘fit’ or compatibility with one’s own mission and organization (Berger et al., 2004; Jamalili & Keshishian, 2009).

Partnering with an NGO is not a panacea for all the challenges companies are facing. Partnerships have their own risks (Yaziji & Doh, 2009: 134). According to Yaziji and Doh, “partnering with an NGO requires nothing less than a change in mentality” (2009: 135). Both organizations must overcome initial lack of goodwill and trust towards each other through observing organizational differences in values and working methods (Rondinelli & London, 2003). As certain obstacles in strategic partnerships are predictable and thus avoidable, it is valuable for those involved to be aware of issues that may occur. This section will provide an overview of general problems that can occur in partnerships as described by Berger et al. (2004).

First is the issue of **misunderstanding**, which ranges from macro-level misunderstanding of the context within which the partner is working to micro-level misunderstanding of the partner’s objectives for partnering. Berger et al. (2004) find that managers in both organizations and businesses often have simplistic understandings of the partners’ efforts and context, and have misconceptions or misinterpretations of their partner’s objectives. This misunderstanding tends to occur early in the phases of the partnership lifecycle, as partners understand each other better as the partnership matures. Differing organizational cultures are possible sources of these misunderstandings (Berger et al., 2004).

The second problem is **misallocation of costs and benefits**, where one or both parties perceive the others’ efforts as not adequate compared to what each puts into the partnership. This is "often the core issue that underlines many partnership breakdowns" (Berger et al., 2004: 63). An example is that companies may expect more initiative from the NGO than they have the capacity for, and NGOs often feel that their partner is demanding too much.

A third problem involves **mismatch of power**, or how a partnership can be dominated by one of the partners. The balance of power relies on the assets each partner brings to the partnership. If the balance shifts towards one of the partners, this could limit the motivation for further contributions by the other and undermine the partnership. Dominance by one partner over the other could lead to issues
related to feeling lack of ownership of the partnership and a dissonance between the parties (Berger et al., 2004).

**Mismatched partners** are a fourth problem that involves partners that cannot align with one another. While it is important that the partners have complementary skills or resources, with little or no overlap, cooperation would be difficult. Mismatch can come differences in organizational goals, culture, operating markets, decision processes, or organizational structures. This divide can make it difficult to foster synergies in the partnership, and can lead to failure if issues are not addressed properly (Berger et al. 2004).

Berger et al. (2004) explains a fifth problem, **misfortunes of time**, as a partnership’s need for continual refreshment of ideas and participation. Initial eagerness and engagement of a new partnership may wane over time, and a maturing partnership faces challenges in staying innovative and engaging for each partners’ workers. Misfortunes of time include the failure to plan an exit strategy from the partnership as well as vulnerability when key personnel leave their organizations. To circumvent such issues, "institutionalizing the alliance and making it a core part of ‘what we do’ as articulated in both organizations' strategy, values and culture is essential if the alliance is to survive the departure of key personnel" (Berger et al., 2004: 68).

Lastly, Berger et al. address the issue of **mistrust**: "When mistrust exists, it can result in covert behavior, opportunism, and further breakdowns in communication, which compound the other problems. As in relationship marketing, social alliances cannot reach their potential without trust to underpin commitment to the relationship" (2004: 69).
Chapter 6

INTRODUCTION TO ANALYSIS

The analysis section presents the findings of our in-depth interviews with case companies and organizations, which we have divided into fourteen sections. Because of the explorative nature of this study and the desire to preserve the power of statements as they are, the analysis includes many direct quotations from top managers in our case organizations.

We begin with a short introduction to the case companies and NGOs, and a description of the content of each partnership to provide the reader with necessary background information. Chapter seven describes motivations for businesses and NGOs to enter strategic partnerships, important elements in partner choice, the process of goal alignment and the need for mutual benefits in strategic partnerships. Chapter eight first explains how strategic partnerships use the core activities of the NGO and the business’ simultaneously. We then present a range of characteristics that stand out as key success factors for strategic partnerships: knowledge sharing, top-management commitment and anchoring, communication, trust, organizational culture, and NGO-integrity. In chapter nine we reflect upon important evaluation mechanisms that support the general achievements of strategic partnerships. We also provide for a brief interpretation of the outcomes of each case partnership.

Our focus in the analysis is to interpret information gathered through in-depth interviews, to describe our findings of how partnerships form and prosper, and their important characteristics. Normative elements will follow in our conclusions, where we will provide for a synopsis of key learnings.

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Chapters 6 through 9.
6.1 A short presentation of case companies and organizations

6.1.1 WWF Norway
WWF Norway is the national branch of World Wide Fund for Nature International, the world’s largest environmental preservation society. WWF is an organization, with both advocacy and operational aspects, and its mission is to “stop the degradation of our planet’s natural environment, and build a future in which humans live in harmony with nature” (WWF, 2010a). WWF Norway’s focus area lie within ocean preservation, maritime stewardship, shipping, renewable energies, preservation of Norwegian nature, nature preservation in developing countries and climate issues. As part of an international organization, WWF Norway has extensive networks within their umbrella-organization and with other environmental organizations worldwide (WWF Norway, 2010b).

6.1.2 Bellona
Bellona is a Norwegian independent foundation working with environmental issues from offices in Brussels, St. Petersburg, Murmansk and Washington. Established in 1986, Bellona seeks to increase ecological understanding and preservation of nature, environment and health, and “to identify and implement sustainable solutions to the world’s most pressing environmental problems” (Bellona, 2009b). Bellona works both as an advocacy organization, lobbying politicians and regulators to develop clear policy frameworks and regulations, while at the same time working with industry to “help them respond to environmental challenges in their fields, and proposing policy measures that promote new technologies with the least impact on the environment” (Bellona, 2009b).

6.1.3 Save the Children Norway
Save the Children Norway is part of the largest humanitarian organization in the world working specifically with children. Their focus is on fighting for children’s rights all over the world, based in the United Nation’s Convention on the Rights of the Child. Save the Children works with long-term and immediate protection of children, and is involved in activities directed to prevent and alleviate child suffering, as well as development projects and the prevention of hazardous child labor (Save the Children, 2009).
6.1.4 Aker BioMarine
Aker BioMarine is an integrated company that operates within the entire chain of production of krill – from operating harvesting vessels in the Antarctica and processing to sales towards industry and consumers. Aker BioMarine is publicly listed, with the Aker Group as their largest shareholder. Their headquarters is located in Oslo, and their turnover in 2009 was 145 million NOK. Aker Biomarine had as of 2009 48 employees in Norway and two in Uruguay (Aker BioMarine, 2010).

6.1.5 Elopak
Elopak is a Norwegian production company with operations on every continent, and a world leader in producing packaging products for drinks and foods. Ferd Group, one of the largest private industrial groups in Norway, owns the company. Elopak is a major consumer of wood pulp and uses large amounts of cellulose in the production of their products. The company, with headquarters in Oslo has 2694 employees. Elopak’s 2009 revenue was 6 450 million NOK (Elopak, 2009).

6.1.6 Marine Harvest
Marine Harvest is the world’s largest aquaculture company, with operations in close to twenty countries, and delivers farmed fish to customers in more than 70 markets worldwide. Marine Harvest is involved in the entire value chain of fish farming. Close to 6.000 employees work for Marine Harvest in Norway and abroad, and the company headquarters is located in Oslo. In 2009, Marine Havest’s revenue made up approximately 14 000 million NOK (Marine Harvest, 2010).

6.1.7 Siemens
Siemens Norway is part of the global industrial conglomerate, and has operated in Norway for 112 years. The company is involved in a range of activities and products and the main foci lies in three sectors; industry, energy and health. Siemens is the world’s largest supplier of sustainable and environmentally friendly technology, and their global business strategy is to pursue technological innovations to address issues related the three megatrends of urbanization, demographical change and climate change. Siemens Norway has around 1.500 employees in twelve different locations in Norway, with their headquarters located in Oslo, and larger offices in Trondheim, Bergen and Stavanger. 2009 revenue was 4 895 million NOK (Siemens, 2010).
6.1.8 Statkraft
Statkraft is an energy company owned by the Norwegian government, and is the largest producer of renewable energy in Europe with 3400 employees in 20 countries, revenue of 26 billion NOK in 2006 and power production of 56.9 TW. Statkraft operates the entire value chain of renewable energy, from research, development and production to energy trade and distribution. While hydroelectric power is the main source of power, Statkraft is also investing in other energy sources such as gas, wind power, solar power and osmosis – energy production from saltwater (Statkraft, 2010).

6.1.9 Varnergruppen
Varnergruppen is a privately owned company that owns a range of clothing chains in Norway and eight other countries, including Dressmann, BikBok, Vivikes, Carlings, and Volt, making them the largest clothing group in Norway. While they do the designing of their products themselves, the production and manufacturing process is outsourced to external factories in several different countries. Varnergruppen source their products from approximately 400 factories, mainly in Turkey and Asia. Their 2009 revenue was 8 300 million NOK. (Varnergruppen, 2010; Parr, 2010).

6.2 Partnership Contents
This section will give a brief description of key contents of the six case partnerships. We do this to enable a basic understanding of what the partnerships are about and what they seek to achieve, before we start our main analysis.

6.2.1 The partnership between WWF Norway and Aker BioMarine
When Aker BioMarine started operating in 2007, its mother company Aker had already entered into a partnership with WWF Norway. Aker had consulted WWF Norway about the possibility of fishing krill in Antarctica even before they took the decision to start operations (Interview Aker BioMarine, 2010). The partnership involves a certification process to Marine Stewardship Council, a certification and ecolabelling program for sustainable seafood, supported by WWF International. Throughout the process, WWF Norway has assisted Aker BioMarine with detailed advice and instructions for how to best meet the criteria for certification to MSC. At the same time, Aker BioMarine provides WWF Norway with information about the technical and practical aspects of fishing krill in Antarctica. The partnership involves

6.2.2 The partnership between WWF Norway and Elopak
Elopak and WWF Norway entered into a partnership in 2008, focusing on biodiversity and climate. The agreement involves a certification process to Forest Stewardship Council (FSC), a certification program for sustainable forestry. In partnering, Elopak additionally promises a 15% reduction of CO2 emissions within the year 2011. The financial aspect of the agreement involves a payment from Elopak to FSC, support that has contributed in opening for a new position in FSC in Norway, working with forests and biodiversity. WWF Norway has helped Elopak in their FSC certification process by giving advice, engaging in dialogue, and exchanging experiences. Climate Savers is a voluntary agreement between 21 international companies and WWF on absolute cuts in CO2 emissions within a given year. The agreement normally runs from three to seven years, and companies follow a structured, stepwise model with the assistance of an assigned consultant responsible for verifying the results. The goals are ambitious but within reach (WWF Norway, 2010a). In addition to Elopak, other large companies such as Coca Cola, IBM, Sony, Nike and Nokia are members, as well as Elopak’s main competitor TetraPak. Elopak provides WWF Norway with industry information and perspectives. The partnership includes an ongoing dialogue between the parties.

6.2.3 The partnership between Save the Children and Varnergruppen
Varnergruppen and Save the Children Norway entered into a partnership in 2009. It involves a trainee arrangement where children from slums in Bangladesh are given vocational training and schooling and then given the opportunity to work as trainees at Varnergruppen’s subcontractors in Bangladesh. The program is administered from Save the Children Denmark, and involves, among others, Danish companies Bestseller and Jysk. Varnergruppen has their contract with Save the Children Norway, but are included in the network of Danish businesses out of practical purposes. In more detail, the Save the Children program in Bangladesh involves picking up homeless children from the streets and giving them three hours of schooling every day in collaboration with a local school. After a period of general education the children pick a vocational direction, and then as part of their practical education, get a traineeship at a business in the field that they choose. The students
who chose textiles are employed by one of Varnergruppen’s suppliers\(^{11}\), and get the opportunity to work there as a full time employee after turning 18. Presently, Varnergruppen has only one factory supplier participating in the project which takes in two trainees every year. The traineeship program is currently considered a pilot, and the partners are hoping to extend the arrangement to include several more of Varnergruppen’s subcontractors within few years.

6.2.4 The partnership between WWF Norway and Marine Harvest

The partnership between WWF Norway and Marine Harvest began in April 2008. It consists of ongoing dialogue concerning salmon and fish farming. Technical issues like salmon lice, wild salmon and feed are common topics, as well as political discussions and dialogue on general environmental concerns. WWF Norway and Marine Harvest attend each other's meetings and seminars, and occasionally work together in engaging politicians and other stakeholders. Marine Harvest's financial support has enabled WWF Norway to hire an employee to work with aquaculture and marine resources in their Oslo office.

6.2.5 The partnership between Bellona and Statkraft

The partnership between Statkraft and Bellona consists of ongoing dialogue in addition to several periodical projects. The two recently worked together on a project titled "101 Solutions to Climate Change", which included a large stand at "Hopenhagen", Copenhagen municipality’s launch at Rådhusplassen, in relation to the UN Climate Change Conference, COP 15, in December 2009 (Bellona, 2009). The project included many events, and a magazine with the same name. Statkraft and Bellona recently renewed their partnership agreement. In the current period they will engage in several projects together, including a regional offset for attracting attention to renewable energy in Norwegian districts. The project is a follow-up to "101 Solutions", and involves a series of 15-20 events in different regions of Norway which have the goal of stimulating dialogue and creating ideas for solutions to the climate crisis.

6.2.6 The partnership between Bellona and Siemens

Siemens and Bellona entered into a partnership in 2007, when Frederic Hauge and Per Otto Dyb signed a deal after seeing Al Gore’s "An Inconvenient Truth" at Gimle movie theatre in Oslo. In 2007, Siemens and Bellona made a report on energy

\(^{11}\) Or suppliers of the other businesses partaking in the project (Interview Save the Children, 2010).
efficiency together. The report contained detailed calculations on what was possible to achieve in terms of energy efficiency by employing existing technology, in the fields of industry, transmission, hydropower, and buildings. They concluded that it was possible to save energy equivalent to that used by 1 million households in Norway, or 20% of the nation’s total energy usage. A year later, Siemens and Bellona made a follow-up report detailing the barriers to act on savings found in the previous report. They looked specifically at improving the efficiency of industrial buildings. In September 2009 Bellona and Siemens decided to put their findings into action and teamed up with the municipality of Trondheim to make Trondheim their first "Smart City". First, Siemens and Bellona made a new energy efficiency report, focused on Trondheim, and found that Trondheim could save 22% of their energy usage by following easy steps. The Smart City has been exported to Ljubljana in Slovenia, Yekatarinburg in Russia and Gothenburg in Sweden, amongst others. Siemens and Bellona signed a new 3-year agreement in 2010.

6.3 Model of Analysis

From reviewing existing literature and case studies on partnerships between NGOs and businesses, we developed and used a theoretical framework as the basis for our own research. After conducting eleven in-depth interviews, we developed a model of analysis that we hope will provide a useful interpretation of the partnership paradigm. The model consists of several preconditions and key characteristics for partnerships, as well as a walkthrough of partnership achievements. Phase one explains the initiation phase of partnerships by highlighting a series of preconditions derived from existing theory and our own research that need to be in place for strategic partnerships to form successfully. Phase two is dedicated to the execution of partnerships and describes especially relevant key characteristics in strategic partnerships found in both theory and interpretations of our own data collection. Phase three is an overview of partnership outcomes, focusing on evaluation mechanisms and the assessments of strategic partnerships. This model presents the structure in our analysis:
Figure 4 - Model of Analysis

Phase 1: Partnership Initiation
- Motivations
- Choice of partner
- Goal alignment
- Mutual benefit
- Relation to core activity

Phase 2: Partnership Execution
- Knowledge sharing
- Top management
- Communication
- Trust
- Organizational culture
- NGO integrity

Phase 3: Partnership Outcomes
- Evaluation
- Outcomes

Preconditions

Key characteristics

Achievements
Phase one describes basic preconditions that need to be in place before a strategic partnership can be set into action. This section describes motivations, partner choice, goal alignment, and the setup of mutual benefits in strategic partnerships.

7.1 Motivations - Businesses
As outlined in the theory chapter, strategic partnerships address issues that are of strategic importance to the organization and business in order to reach their organizations' goals, and where the subject matter is of high relevance to the partners' value chain. In the following section we will describe what kind of motivations the case companies have regarding their partnerships with the case organizations. Motivations correspond to the company value chain, as illustrated in figure 5. For each concentric step of the value chain, there is a corresponding motivation to engage in strategic partnerships with NGOs.

Figure 5 - The Company Value Chain and Motivation for Entering Strategic Partnerships.
7.1.1 Secure future business opportunities

Businesses do not operate in a vacuum. Serious global challenges like climate change, poverty, resource scarcity and corruption affect society collectively and to a larger extent than before. The internet and modern media makes us aware of corruption scandals in Germany, oil spills in the Mexico gulf or child labour accidents in Asia. If companies do not tackle such challenges and take active measures to prevent them, they will lag behind and loose competitive advantage in the long run. Businesses of tomorrow realize that there lie both challenges and opportunities within sustainable business practices. According to Jorma Ollila, Chairman of Royal Dutch Shell and Nokia, "the time for 'business as usual' is over", and only the companies that incorporate sustainability into their business models "will be around for the long haul" (WBCSD, 2007).

The case companies are motivated by external factors that impact the way they do business. They use partnerships to complement shortfalls in their own organizational capabilities and resources in order to meet challenges and opportunities in their own value chain (Interviews Elopak, Marine Harvest, Aker BioMarine, Varnergruppen, Siemens and Statkraft 2010).

Elopak is motivated by the need to "better understand the environmental challenges around us..." in their partnership with WWF Norway (Interview Elopak, 2010). By incorporating sustainability in their core business model, Elopak are hoping to "get some mileage" with their efforts in the market to improve their position. By teaming up with an environmental organization, Elopak receives expert advice towards becoming a sustainable actor from a partner with credibility in the field;

It would not be credible if I traveled around to tell everyone how good we are. We need to substantiate something and to team up with someone who can give us credibility. So, it was a two sided plan and issue; we needed someone to help us, and we needed someone to carry the message (Interview Elopak, 2010).

Aker BioMarine has similar motivations in their partnership with WWF Norway.

Aker is a large industrial actor and a well known brand name, and we know that fishing gets a lot of media attention no matter where you do it. Fishing in Antarctica is especially exposed. We understood early that we needed to talk with what we considered were the most competent and credible NGOs, to get advice before we started our operations. We asked ourselves questions like ‘If we start fishing krill, how can we make sure that it is a fishing we can
defend?’ and ‘what are the most important issues related to sustainable krill fishing, and how can we address them?’ (Interview Aker BioMarine, 2010). Aker BioMarine makes it clear that to continue to be in business, it is crucially important that their krill fishing is sustainable (Interview Aker BioMarine, 2010). If legislators or international organizations decide that krill is no longer a viable product because of its unsustainable depletion, that would be fatal for Aker BioMarine.

Marine Harvest realizes that there are substantial challenges related to fish farming, which are important to understand and address when operating in that industry because of its controversies. For Marine Harvest, sustainability and future business go hand in hand. According to V.P. Petter Arnesen, the company is welcoming and participating in the creation of new standards for fish farming through a new Aquaculture Stewardship Council. Though opponents of fish farming would argue that there is no such thing as "sustainable fish farming", Marine Harvest insists that farming is a solution rather than a problem and that fish farming is a positive contribution in our situation of rapid population growth and scarcity of food and natural resources.

No one knows how many fish are left in the great oceans, the only thing we know is that the amount is decreasing. There are too many illegal and exploitative fishing boats out there... [Farming] on the other hand, is a controlled industry with full tracing abilities. Thus, any growth in seafoods must happen through farming (Interview Marine Harvest, 2010).

Varnergruppen emphasizes that, especially in certain parts of Asia such as their factories in Bangladesh, child labour is a challenge in the textile industry.

Although our sector is less exposed to child labour than agriculture and the service industries of hotels and travelling, it is not a challenge we can ignore, far from it. The real problem lies in the informal [textile] industry, which is of course related to the formal one where we operate. For us it is of crucial importance to understand and to deal with the informal sectors where we operate” (Interview Varnergruppen, 2010).

Statkraft’s core business activities include renewable energy, a proposed solution to tackling the challenge of global warming. For Statkraft it is important that renewable energy continues to be seen as a panacea for climate change. By partnering with environmental NGOs, Statkraft is able to access valuable expertise and information on sustainability issues within renewable energy, and gets to promote their own business agenda through common efforts with the environmental movement.
In 2004, Siemens decided to focus their future efforts around technology that can contribute in solving global challenges (Interview Siemens, 2010). By redirecting focus, Siemens wanted to exploit opportunities in a growing market for sustainable products and technology. Increased focus on climate and the potential for energy efficiency and renewable energy opens up markets for Siemens, and contributes in building their brand name. For Siemens, competitive advantage lies in innovation and development of environmentally friendly products. By teaming up with Bellona, Siemens adds credibility to their products and mission, and gets to solve problems at the same time. Siemens and the other case companies are motivated in securing future business opportunities by targeting global challenges in their operations.

7.1.2 Access information and networks

Varnergruppen describes their motivation for collaborating with Save the Children in their need to understand and gain knowledge of the situation for children in the markets where they produce textiles.

We want to understand the everyday life that Save the Children experiences, the everyday life that we might not see when we are visiting the factories, because our people do not necessarily have the same access [that Save the Children has]. This is purely an exchange of information and experiences (Interview Varnergruppen, 2010).

Aker BioMarine's motivation includes a need for expert information and advice on how to best deal with the complex challenges related to krill fishing in Antarctica. “WWF had concrete suggestions for how we should work with krill for it to be sustainable; [...] information we crucially needed before we started operations” (Interview Aker BioMarine, 2010).

Statkraft values Bellona’s expertise and different perspectives; “Bellona has an incredible expertise on their fields...[which] can increase our access to information. Even though they have many of the same professionals as here, they nevertheless have a different background and can give alternative entrance positions to the same problems” (Interview Statkraft, 2010).

Siemens agrees; “Bellona has a large knowledge base, and many knowledgeable employees [that] come of as professionals in their fields...they have an ability to challenge actors in
society with their knowledge on specific issues...[which] is of great importance to us” (Interview Siemens, 2010).

**Marine Harvest** adds an additional element, as one of their main motivations is about their need to *provide* information to better educate NGOs of their practice and opinions: "We experience that many NGOs are not sufficiently informed about our practice. In a way, partnerships are opportunities for us to explain and keep these organizations informed on what is real and what is not real; an open dialogue where we too can present our facts” (Interview Marine Harvest, 2010).

Yaziji (2004) highlights that while most companies’ network consists of buyers, suppliers and business competitors, NGOs’ contact consists of deeper and more extensive interaction with other NGOs, beneficiaries, donors, regulators, legislators and public-interest lobbies. The access to distinct networks is therefore a common motivation for companies to partner with NGOs. Our case-companies agree that the extended networks of their organization partners give them access to information beyond what would be available outside of the partnership (Interviews Elopak, Marine Harvest, Aker BioMarine, Varnergruppen, Statkraft and Siemens, 2010).

### 7.1.3 Enhance reputation and gain legitimacy

Several of the case companies name legitimacy as a motivating factor in their partnerships. Since legitimacy, as Yaziji and Doh (2009) point out, is a resource that is not "owned" by the company, there is great uncertainty tied to it. Legitimacy is sought because of its potentially large impact on customer behavior. "Some outside organizations, particularly those with a great deal of legitimacy and influence themselves, can affect others' judgment of a focal firm's legitimacy..." (ibid.) We get the impression that the case companies seek external legitimacy when it comes to issues related to sustainability, and that they believe that the partner organization is capable of adding credibility to their work in this field.

**Aker BioMarine** uses the collaboration with WWF as a signal to their consumers that they are serious about the sustainability of their products:

> We want to make products out of krill, and we need that product to be sustainable. Not only does it have to be free from negative qualities, but it has to be an exclusively positive product to buy. [...] Our partnership with WWF is motivated in maintaining the sustainability of krill fishing, [...] and without
WWF we would have had neither legitimacy nor competence to offer just that (Interview Aker BioMarine, 2010).

Furthermore, they touch upon the dilemma facing many commercial actors; as a company answerable to shareholders and budgets, issues of legitimacy are bound to be brought up when steering focus away from pure profit making:

Actually, alone we do not have much credibility at all when it comes to sustainability. If I explain, or if the CEO explains, it doesn't matter. The only thing we can present and be believed on is facts. So of course [the partnership with WWF] contributes to creating legitimacy in that context. We are a commercial company with shareholders that want to earn money by us, and there is no doubt that what we do is colored by a wish to earn profit. That's how it is! We are concerned with getting new clients and keeping old ones, to get the best deals at a lowest possible production cost. So, in relation to that, people might, for good reason, suspect us for having an alternative motive. In this sense, the partnership gives us external legitimacy (Interview Aker BioMarine, 2010).

**Elopak** are also concerned with the need for a partner organization to lend credibility and help build legitimacy in Elopak's strive to become more sustainable:

"We needed to find an international partner organization [...] one with a good position and international credibility. [...] We needed a partner who could tell our story" (Interview Elopak, 2010).

**Marine Harvest** was more reluctant about using WWF to enhance legitimacy on sustainability issues. Not once did they mention that the partnership was motivated in a wish to improve their reputation. At one point, Petter Arnesen (V.P. Feed & Environment) even told us that Marine Harvest sometimes gets negative feedback from their peers about the partnership with WWF, as "not all of our peers understand why we do it; they sometimes pose questions about the rationality of it" (Interview Marine Harvest, 2010).

**Driver for change**

Two of our case companies mention that their partnerships are motivated by a wish to change practice.

We want WWF [Norway] to help us through the ongoing process of departing from a company based in small scale farming to becoming a large industrial actor. Not only are we growing by 5 to 10 per cent every year, the industry, and of course our impact on the environment, is growing. We need to be in control of that situation (Interview Marine Harvest, 2010).
Marine Harvest has had its share of critique by environmentalists. Fish farming is by no means a “legit” industry by the standards of many NGOs. Marine Harvest admits vulnerability and a genuine concern for the opinions of societal actors. Their opening up to WWF Norway’s scrutiny, shows a motivation for changing behavior. Elopak also mentions their motivation of using the partnership with WWF Norway as a driver for change, transforming from polluter to an environmentally conscious actor.

7.1.4 Influence regulators
Several of our case companies mentioned political motives for partnering with NGOs. NGOs are known for their capabilities of setting agendas and influencing legislators and regulators. For our case companies, these characteristics are of significant importance:

For **Marine Harvest**, the partnership with WWF gives opportunity to have a say in important, agenda-setting debates defining existing paradigms: "*Sustainability is a term that can be stretched. Who defines sustainability? [...] when we work with an organization like WWF, we can help define sustainability within the areas that we work*” (Interview Marine Harvest, 2010).

**Elopak** also highlights the motivation to be included in agenda setting and political discourses:

> The NGO can better our corporate framework...they are key in setting national and international agendas for what will be important...[which] helps establishing laws and regulations, that can work either with us or against us. So I think it is much better for us that we are positive to NGOs that we work with them instead of against them. The alternative is pretty much to send 10-15 lobbyists to Brussels, but for some reason that seems less efficient (Interview Elopak, 2010).

For **Siemens**, partnering with Bellona is motivated in a wish to reach out to other actors in society with a message that technology must be on the agenda as a tool for problem solving; "*Our thought was that if we can prove what is possible with technology, that will give us an opportunity to talk to different societal actors, from the media to the government and industrial actors, hence we will be in on setting agendas*” (Interview Siemens, 2010).
7.1.5 Stakeholder Engagement

Corporate Social Responsibility is an ambiguous concept; there is a constant debate on what the term includes and excludes and its proper definition (Dalsrud, 2008). Stakeholder engagement is one of the most recurring components in many definitions, and is considered to be very important in addressing CSR issues (Dalsrud, 2008; Branco & Rodrigues, 2007).

Freeman’s stakeholder theory compels companies to engage in dialogue with stakeholders to understand the interests and changing sentiments of "groups or individuals who can affect or are affected by the achievement of the organization's objectives" (1984: 46). Our case companies recognize that NGOs represent a public opinion and can act as proxies for other stakeholder groups. The NGOs are key in "sensing" what issues are worth focusing on. "NGOs are products of the society that we live in, and in many ways they represent public opinion. So, for us, it is very important to actively take them into account" (Interview Elopak, 2010). Statkraft appreciates having formal dialogue with NGOs as opposed to an icy front that their past relations to environmental organizations in Norway have had (Interview Statkraft, 2010). A channel for communication fosters exchange of opinions, helps clear up misunderstandings, and influences outcomes. Marine Harvest mentions communication as a key motivation for establishing partnerships; "it’s all about communication and how we communicate...we believe that we have something to tell [WWF Norway] and that [WWF Norway] has something to tell us” (Interview Marine Harvest, 2010).

Several of our case companies seem to have a 'strategic' approach to Corporate Social Responsibility (CSR), in line with the writings of Elkington (1997) and Porter and Kramer (2006). This approach suggests that a company’s social responsibility needs to be seen in relation to the company value chain, and that efforts should be centered on where business intersects with society directly. Strategic CSR is about addressing such intersections in ways that can create opportunities and mitigate challenges (Porter & Kramer, 2006). Furthermore, since business and society exist in an interdependent relationship, businesses need well-functioning societies to maximize potential. Addressing global challenges is a key success factor for businesses that want to build competitive advantage for the future (Nidumolu, Prahalad & Rangaswami, 2009).
Although Elopak recognizes that they have a responsibility "that exceeds that of producing gizmos", Sveinar Kildal, Director of Environment, tells us that [Elopak] has a somewhat blurry definition of CSR. We are an industrial firm, producing and selling, and we have always had focus on doing just that. We have not had a policy for CSR or a structure for measuring impacts or 'giving back to society', except for being responsible in our production (Interview Elopak 2010).

In this, Elopak implies that for them, CSR is more about responsible business and to deal with challenges and intersections that arise in their own value chain, rather than seeing CSR as an 'add on' with similar traits for different companies.

Aker BioMarine sees their social responsibility closely connected to the environment. "Because we are such a small company, our responsibilities are mainly tied to environmental concerns. We have a set of values for Aker, but ... when it comes down to it, it is primarily about doing a good operation" (Interview Aker BioMarine, 2010).

Marine Harvest talks about CSR more as awareness of different perceptions and, in a sense, stakeholder dialogue:

We, in our case, work with fish farming in the public sphere. The ocean is really a turf that you can say we all own. And that is something that we have in common with several of our opponents; a passionate concern for the well being of the oceans. The oceans have been exposed to a lot of damage in recent times. We see that the CO$_2$ levels are rising, we see that many fish stocks are badly managed, and so on. There are people that want to correct this. And if you look at salmon farming as something that represents an additional hazard to the sea, then [salmon farming in itself] is negative. So for us, it is important that we have that in mind (Interview Marine Harvest, 2010).

Of the six case companies, Varnergruppen is the one with the most "conventional" view of CSR and what implications it has for their business.

There is a very simple explanation to why we are doing this. Like I said, it all started with philanthropy. It is all about giving back to society. This is a family business, and where the owners are very clear in their social commitment, and especially in what we do on CSR, how we run the business. [The owners] have been lucky, they earn lots of money, and have in fact a strong wish to give some of it back (Interview Varnergruppen, 2010).

In addition to this 'giving back to society' motivation, Annabelle Lefébure, Corporate Social Responsibility Manager, also mentions the motivation in satisfying own employees: "It is also about building an internal commitment in the organization. One
thing is the owners, but the employees should also feel proud to work in a company that cares”.

**Statkraft** highlights that their 'corporate responsibility' is tied to their core business of renewable energy: "we experience a healthy mutuality between our commercial interests and what is wanted by society - both in Norway and abroad" (Interview Statkraft, 2010).

For **Siemens**, corporate citizenship is a driver for partnering with NGOs;

As a company that has been around for 160 years, it has been and is crucial for us to contribute to the society around us. [Collaborating with civil society] fits well into our wish of appearing as and acting as a good corporate citizen...together with Bellona we contribute to solving large societal challenges (Interview Siemens, 2010).

### 7.2 Motivations - NGOs

Because of their differing nature, NGOs have another set of motivations for engaging in partnerships than businesses. We identified four main motivations based in our research – illustrated in figure 6.

**Figure 6 – NGO Motivations for Engaging in Strategic Partnerships with Business**

7.2.1 Mentality

Traditionally, solving developmental and other global challenges has been seen as a task of states, not corporations. Today, many actors recognize that business contribution is key in tackling problems such as climate change, poverty, corruption and human rights issues. As mentioned in the introduction and in the theory section, the leading paradigm now is to see businesses as both responsible for their actions when operating in international markets, and as drivers for development in those markets. More precisely, business is responsible for its actions, but is also seen as part of the solution to the major problems our world is facing.
Save the Children Norway agrees that business is key in facing global challenges:

We see clearly that we cannot reach our goals alone. One of the main problems for children today is poverty, and [Save the Children's] core activities are related to poverty. Businesses have strong influence and may have an easier way in than a 'whiny' NGO. Companies investing in poorer countries are the key drivers of economic growth. We cannot change the world alone, and this is where the role of business comes to play (Interview Save the Children Norway, 2010).

That being said, Monica Videm in Save the Children Norway is the first to admit that not everyone in her organization are fully onboard with the philosophy of cooperating so closely with businesses; "There are still forces in Save the Children and NGOs in general that are very skeptical to [collaborating with businesses]. They insist that money should come through public finances, because they are afraid that business partners will have too much to say in steering our work" (Interview Save the Children, 2010).

WWF Norway distinguishes between strategic partnerships and philanthropic ones when explaining their motivations for collaborating; "We embrace philanthropy because the money we get from those partners is important to us and our financial situation... our motivations are clearly different when it comes to the more strategic partnerships". Eivind Sørlie explains to us that the partnerships with Elopak, Marine Harvest, Aker, and others, are motivated in a wish to work with the largest and most influential actors in solving common problems. "WWF has the international philosophy that because business is part of the challenges, they should be included in solving them" (Interview WWF Norway, 2010).

Not all businesses are welcome as partners and donors to WWF. WWF International has decided to black-list oil companies, due to a history colored by arguments and controversies with those actors and their refusal to listen to what WWF has had to say. Thus, no WWF organization is allowed to collaborate with or receive money from oil companies (ibid.). "Personally, I am quite bothered by this oil moratorium. I think we could have achieved more by working with oil companies like Statoil than we do by standing outside and shooting at them" (Interview WWF Norway, 2010).

Bellona has a similar attitude;

For Bellona, a close dialogue with businesses is an essential part of our method. Take the example of pollution; the problems lie in the industry - they
are the ones creating them, but they are also the ones with the solutions. Only [business] can deliver solutions for the future. The politicians are responsible for structural changes like the overall frameworks and legislations - all the tools needed, but it is the industry that put them into practice, they’re the ones producing what we need (Interview Bellona, 2010).

7.2.2 Acknowledgement

WWF Norway's business partners help cast light over WWF's activities, which creates an awareness for the organization's work. WWF Norway believes that by partnering with large actors like Aker Seafoods, Marine Harvest, Statkraft, Rederiforbundet and IKEA, they signal to other companies and government actors that they are an essential organization;

For us, those partnerships are about creating a legitimacy for the quality of our work. We work in a very political manner; my colleagues visit government offices almost every day to be advisors and sparring partners for ministers and politicians. [The politicians] see who we collaborate with, and our showing up with the elite of Norwegian companies confirms that we are an organization with certain authority. (Interview WWF, Norway 2010).

WWF Norway mentions that partnering with businesses help combating "the political conservatism" that often dominates Norwegian politics; "strategic partnerships gives us legitimacy that is crucial for our message to be heard" (WWF and Elopak Presentation, BI Seminar, 2009).

7.2.3 Finances

All of our case NGOs mentions monetary support as a motive for collaborating with companies (Interviews WWF Norway, Save the Children and Bellona, 2010), since they too need money to survive. As non-profit organizations, funding is essential as, contrary to businesses, NGOs do not earn money directly by selling goods and services. "If we are to put work, time and resources in collaborating with a company, they need to contribute financially so that we can continue our work" (Interview WWF Norway, 2010).

Bellona is willing to set up philanthropic agreements with most companies because donations are much needed for Bellona's survival. Philanthropy is, however, seen as completely separate from strategic partnerships, where companies also contribute money, but this is not the main purpose. Bellona places importance on that money they get from partners is minimally earmarked, so that they can be used on day-to-
day expenditures. Several partnerships however, help in financing specific parts of their administration;

The money we get from [partnerships] are not earmarked, but it is implied that a chunk of that money is dedicated to the area where we collaborate. A good example is energy efficiency; we have attracted several partners in recent years within that area, and those have made us capable of hiring an extra employe within that field (Interview Bellona, 2010).

We see the same trend at **WWF Norway**, where the partnership with Marine Harvest contributed in financing an employee working with fishing and aquaculture, and in Forest Stewardship Council where the partnership with Elopak enabled a new position for an FSC employe in Norway to work with forestry. Bellona is clear that this "sponsoring" of positions do not mean ownership; "No one can buy our employees. And of course, if a partner withdraws, we will still continue within that field" (Interview Bellona, 2010).

WWF Norway further explains the relevance between the financing of administration costs and strategic partnerships; "Much of the money we get from partnerships is used for salaries and administration. Having said this WWF Norway’s administration percentage is low compared to other WWF offices and other NGOs. Important for us is that the people working for WWF are delivering conservation results on the agenda we have set, which is also anchored into the company’s core activity (Interview WWF Norway, 2010).

### 7.2.4 Methods

To **Bellona** and **WWF Norway**, strategic partnerships with the private sector are part of their philosophy and work methods; "[strategic partnerships] let us work with specific, environmental issues and secure our income at the same time" (Presentation WWF Norway and Elopak, BI Seminar, 2009). Bellona has worked actively with the private sector since 1998, and is allegedly the first Norwegian NGO to work strategically with companies (Lange et al., 2002; Interview Bellona, 2010). At inception, Bellona was heavily criticized for working so closely with businesses, "but in retrospect it has been seen by politicians and the media as one of Bellona’s most prominent strengths" (ibid.). Bellona sees it as critical to establish long term partnerships because it binds parties differently than does informal dialogue;

Imagine you’ve used months, maybe years on agreeing on where we’re going, and you’ve got it anchored in top management both [in Bellona] and in our partner organization, it is an established fact. And if [the partnership] doesn’t
work out, then you terminate it, but if it works, it grows over time and you build trust and the more you put in the more you get back (Interview Bellona, 2010).

Both Bellona and WWF Norway try to establish partnerships with a minimum duration of three years (Interviews Bellona, 2010; Interview WWF Norway, 2010), as results are achieved over time (ibid.).

Bellona’s policy is that sustainable solutions need to be profitable; "if efforts are not profitable, be it short or long term, it is not going to happen" (Interview Bellona, 2010). They argue that if a company works with good environmental solutions but earns less than their competitors, then eventually either the board will dismiss the CEO, or the shareholders will dismiss the board. Bellona advocates three tools for making their solutions profitable. The first is to make sustainable solutions statutory, since "legislation is the strongest tool in that it forces all actors to follow the same rules of the game" (ibid.) The second is to tax unsustainable solutions or to subsidize sustainable ones, and the third is to create demand in the marketplace (Interview Bellona, 2010).

Certification schemes such as Forest Stewardship Council and Marine Stewardship Council are attempts to create demand for sustainable products through established initiatives that guarantee sustainable produce (Interview Bellona, 2010; Interview WWF Norway, 2010). WWF Norway has been a main advocate of the certification organizations Forest Stewardship Council and Marine Stewardship Council, and is currently working together with other international NGOs and businesses to establish a certification scheme for aquaculture, to be called Aquaculture Stewardship Council (Interview Marine Harvest, 2010). These certification arrangements represent systems of inspection and tracing to ensure that harvesting of natural resources is done according to strict guidelines. Standards also include social and economic aspects for workers and local communities, and the certification process runs through the entire value chain, ensuring that the end consumer receives an "environmentally sound product" (WWF, 2010c). By branding consumer goods with FSC or MSC logos, and by actively creating awareness and want amongst consumers as well as other commercial actors, demand for sustainable products is enabled.

Bellona and WWF Norway’s understanding of market mechanisms leads them to choose pragmatic approaches in promoting sustainability and environmentally
friendly solutions. They believe that allying with business gives better results and yields larger dividends than standing outside the capitalist system where supply and demand rule. This mentality does not necessarily imply that Bellona or WWF Norway are "capitalists", or that they are satisfied with how our world is structured economically, but it shows that they see working from inside the system as more efficient than fighting from the sidelines.

7.3 Choice of partner

Theory on strategic partnerships stresses the importance of using time and resources in finding a partner that matches one's expectations and needs. A partner organization must be a good "strategic fit" (Austin, 2000), meaning that it needs to have the right attitudes, expertise, and competences, as well as issue relevance (Berger et al., 2004). In the following sections we will go through issues related to partner choice, first from the case companies' perspectives and then the case NGOs'.

7.3.1 A technically competent "preserver" (businesses)

Our case companies are clear in their emphasis of strategically choosing a partner and their determination in collaborating with that specific organization. With the exception of Varnergruppen and Save the Children12, all partnerships began on a highly integrative level (Austin, 2000). All six partnerships have goals that stretch far beyond philanthropy. This determination to engage on a strategic level shows a willingness from the case companies to acknowledge internal limitations by turning dependency on resources and capabilities of other actors into a possibility of partnering in order to secure their own future.

Technical competence and expertise seems to be common denominators for the case companies in their partner choice;

We chose WWF Norway because we considered them the most competent with concrete suggestions for working with krill. Technical expertise comes high up on our list. We would never consider changing partners, to put it like that. A lot of those things that make us so content with WWF is their expertise and access to networks that are linked to expertise (Interview Aker BioMarine, 2010).

The same mentality is found at Elopak, Marine Harvest, Varnergruppen, Statkraft and Siemens; they all highlight the importance in partner choice of a knowledgeable,

12 Started as a philanthropic collaboration (Interview Varnergruppen, 2010).
competent, and expert companion (Interviews Elopak, Marine Harvest, Varnergruppen, Statkraft and Siemens, 2010).

The importance of common goals is another prerequisite; "It was quite clear that WWF and us had common goals, both in relation to biodiversity and the environment" (Interview Elopak, 2010). Siemens explains;

Frederic Hauge and Bellona are "technology optimists" who are convinced that technology is key in solving global challenges. That was the main reason why we wanted to collaborate with Bellona. They understand that the climate challenge must be met with technology - we have that technology, and together we can provide solutions for the future (Interview Siemens, 2010).

The mentality of solution orientation was also important to Marine Harvest; "It is important for us to work with organizations who agree that farming has a future. Fish farming will not disappear tomorrow. Our partner needs to recognize that" (Interview Marine Harvest, 2010).

Marine Harvest adds the requirement that their partner organization rewards progress;

We chose to partner with WWF because they are...a serious organization with representation in many countries, and because they manage the balance between giving positive and critical feedback. This is not necessarily a partnership where we expect to get a lot of praise, but it is so typical for environmental organizations that they always use the stick and are never pleased. For us, it is necessary that our partner can brag about us when we've worked hard and achieved goals, especially since the activities of the partnership affects everyone in our organization. WWF is good at that. That being said, most of the time they keep us in line (Interview Marine Harvest, 2010).

According to Ählstrom & Sjöström (2005), Preservers are organizations whose goals do not inherently conflict with the idea of collaborating with businesses. These organizations are, as opposed to Protestors, Modifiers and Scrutinizers,13 willing to enter into partnerships with companies, both as a means to influence and to secure financial resources. Behind this more pragmatic approach lies a realistic view on business as economic entities with needs of securing their own short-term economic survival, hence an unlikeliness that practices will change over night.

13 As explained in further detail in Chapter 4
Aker BioMarine appreciates WWF's Preserver mentality, and that their partner believes that the best way to move the industry is to work with them. Aker BioMarine tells us that they have tried dialogue with organizations principally against krill fishing before, but those attempts have seldom resulted in constructive feedback: "the more we opened up to them, the harder it was for them to even name reasons for why they were against krill fishing to begin with" (Interview Aker BioMarine, 2010). Aker BioMarine's impression is that the more proactive they themselves are, the more dangerous they come off to the Protestor organizations. Hence, to them, WWF's appraisal of their pro-activeness is meaningful (ibid.).

Marine Harvest agrees with Aker BioMarine in their critique of, what they view as, unwillingness from their opponents to be constructive with their feedback:

There are many private opponents of salmon farming that have unlimited resources and who finance activities of environmental organizations because it is in their own interest to keep us out. We do not want to collaborate with organizations who do not realize that farming has come to stay and who instead of giving us real feedback, try to fight us. WWF's stance as a pro-farming organization is a crucial element in our wanting to partner with them (Interview Marine Harvest, 2010).

Elopak's Sveinar Kildal has some interesting perspectives on WWF's Preserver mentality (Interview Elopak, 2010). He tells us that he on principle does not like that WWF Norway partners with worst in class actors, because he thinks the risk of deception is too large. That being said, he does seem to acknowledge the results of such collaborations as he mentions WWF's success with the gigantic French-Swiss concrete producer, Lafrage, that through a ten year long collaboration with WWF have gone from being one of the worst polluters in the world to having improved significantly; "If WWF did not have the attitude that they do, that agreement would never have been made". Kildal further makes the point that it is only okay for WWF to have the strategy they do because we also have 'actors like Watson and Greenpeace and other [Protestors] around who can fight the guerilla war. [In this plurality], it is okay that WWF’s role is to be closer to the corporate mentality...”

7.3.2 Partners who walk the talk (NGOs)
Although the above paragraph highlights the Preserver mentality of our case organizations, the NGOs in question do not have lax criteria for whom to cooperate

14 Paul Watson is an environmental and animal rights activists, and the founder and president of Sea Shepherd Conservation Society, which is a direct action environmental group (The Guardian, 2010).
with. It is important for both Save the Children Norway, WWF Norway, and Bellona that their partner has mutual interests and that they do not undermine the missions and credibility of their organizations.

We definitively have criteria when choosing to collaborate with someone, especially when it is talk of a 'strategic' partnership. 'Have they and should they have an agenda that is convergent with our agenda?' We are clear in that we do not want to change our agenda to be attractive for businesses. We are what we are, and I believe there are enough companies out there that can without problems associate with our agenda (Interview WWF Norway, 2010).

Save the Children says they are willing to negotiate with anyone, as long as they can commit to a want to improve. Some industries, however, are off the table; tobacco, weapons and alcohol, since they are said to have inherently conflicting missions with those of Save the Children.

The case NGOs show determination in their quest for real strategic partnerships. WWF Norway was so keen on cooperating with Marine Harvest that they made a dedicated surprise visit to their CEO:

The agreement between Marine Harvest and us came into being when one of my colleagues and I attended a fish farming seminar for all the world’s largest fish farmers, and we sat outside and waited for the CEO. I reached out for him and...[...] he said that it was great that we contacted him because they had long thought of establishing dialogue with WWF. They had agreed that "It is about time for the industry to start taking these problems seriously and to do something about them". After many discussions and meetings, the partnership was a fact (Interview WWF Norway, 2010).

From theory and experience, we know that some companies engage in certain social or environmental activities with the sole purpose of enhancing their reputation without actually improving their behavior, a phenomenon referred to as "corporate deception" (Laufer, 2003: 255) or greenwashing. For WWF Norway it is important not to engage in partnerships where the partner can have alternative motives;

We actually see a tendency for companies to contact us now, a change from before. That is great news, but it also means that we need to be more critical and to screen even more. There have been incidences where companies contact us with the motivation that "we need to show to the world that we support something positive". It is crucial for us to stay clear of greenwashing (Interview WWF Norway, 2010).

At the same time, both Bellona and WWF Norway have the mentality that more can be achieved by collaborating with companies with a large potential for improvement; "we do not want to collaborate with the angels; they already know how to fly" (Presentation
by WWF Norway and Elopak, BI Seminar, 2009). Bellona continues: "We are not against making what we’re against better" (Interview Bellona, 2010).

7.4 Goal Alignment

Jamali and Keshishian (2009) and Neergaard et al. (2009a) describe partnership as "a sort of collaboration that pursues common goals..." As touched upon in the Motivations section, all the case partners are motivated in needs to solve or address social or environmental issues that directly affect their business. In the following sections we will describe the mutuality of interests and goal alignment between the companies and organizations in the case partnerships.

7.4.1 Securing the sustainability of krill fishing in Antarctica

Aker BioMarine and WWF Norway work together to assure that Aker BioMarine's krill fishing will not compromise the environment around Antarctica where they operate. There is controversy related to krill fishing; several organizations object that the industry can even be sustainable. Krill are small, shrimp-like crustaceans that serve as food for whales, penguins, seals, birds, fish, and squid. Krill comprise a vast biomass in the oceans, and there is an especially large population around Antarctica. Because of the complexity of the harvesting process, krill fishing is still a very limited industry, with only a few actors from 7-9 nations\(^\text{15}\) operating in the Southern Oceans. In 1982, the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) was set up to oversee all fishing activity in the area and to protect and manage the extensive marine resources of Antarctica. CCAMLR sets catch level quotas based on scientific study while following precautionary and ecosystem-based principles (Marine Stewardship Council, 2010b).

Aker BioMarine recently became the first krill harvester to be certified by the Marine Stewardship Council (2010a). Achieving this certification was one of the goals of their partnership with WWF (Interview Aker BioMarine, 2010). WWF Norway tells us that their partnership with Aker BioMarine has been a controversial matter, externally as well as within their own WWF network. They were criticized by colleagues in Australia and New Zealand for "not only [being] pro whaling, [but now] also going after the whales’ food!" (Interview Aker BioMarine 2010). Large environmental organizations like Pew (2010), Greenpeace (2009), and the Antarctic and Southern Ocean Coalition (2010) have gone far in their critique of krill fishing,

\(^{15}\) Japan, Russia, Ukraine, Vanuatu, South Korea, Chile, US, Poland and Norway.
and also of MSC’s decision to certify Aker BioMarine’s business. WWF Norway does not agree with their NGO peers;

[The krill opponents'] criticism is too uneducated and based on emotions. There are five times more krill biomass on earth than there are people. It is a massive amount! In addition to that, the Antarctic is governed by the world’s strictest managing body\textsuperscript{16}. It is a good regime; Aker BioMarine is a good company with full transparency, traceability, and great harvesting methods. (Interview WWF Norway, 2010).

Aker BioMarine assures that there is nothing unsustainable about their product;

The knowledge we have tells us that there are some hundred million tonnes of krill, and the outtake is very low compared to the outtake of other marine resources...We wish, together with WWF, to maintain krill as a sustainable fishing stock and to get it out to the market as a sustainable product. We do not wish to be part of a low standard fishing. We want to be part of a both environmentally and technologically high standard fishing. In this, us and WWF have mutual interests, and we experience that we also have many of the same perceptions regarding how to achieve that (Interview Aker BioMarine, 2010).

WWF elaborates on how Aker BioMarine’s efforts have contributed in setting a technological standard for fishing krill in Antarctica; "if our association with the best-in-class can prevent other cowboys from barging in and doing harm to the environment down there - well, then we have achieved a lot" (Interview WWF Norway, 2010).

7.4.2 Tackle problems related to salmon farming

Fish farming, or aquaculture, involves fish that is bred for commercial purposes in an enclosed area or in large fish tanks. Marine Harvest is the world’s leading seafood company and largest producer of farmed salmon. Although proponents of fish farming point to it as a solution to problems of overfishing and a decreasing wild fish stock, is is hard to deny that there are serious challenges related to the industry. Controversies surrounding feedstocks, fish disease and infections, fish lice, extensive use of antibiotics, and habitat destruction in areas of farming, are some of them. As an environmental organization, these are all problems that WWF has interest in combating. WWF Norway works together with Marine Harvest in targeting some of these problems.

\textsuperscript{16} The management of all fishing activity in the Antarctic is overseen by the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) established in 1982 to protect and manage the extensive marine resources of Antarctica. Management rules and practices closely follow precautionary and ecosystem-based principles. Catch levels for krill are set by CCAMLR based on the advice of their scientific committee to minimize risks either to the krill population or to species within the Antarctic ecosystem that rely upon krill as a food source (Marine Stewardship Council, 2010a).
The partnership with Marine Harvest is very strategic and extremely important to us. They are the largest fish farmer in the world, and they farm salmon in Norway. Norway has a global responsibility in protecting the Atlantic wild salmon as Norway is its main spawning grounds. There has been a scourge of salmon lice killing wild salmon, because the farmed salmon escape and mix with the wild salmon. The industry is under pressure, and of course they understand [...] that if they do not address this they will ruin their reference product, which will jeopardize their business (Interview WWF Norway, 2010).

The partnership with Marine Harvest creates an opportunity for WWF to work together with an actor with tremendous influence on the industry to combat mutual problems. For Marine Harvest, the partnership "helps [us] through the process that [we] are in, going from a company based on small scale farming, to becoming a large industrial actor. The industry is in growth, ...and [we] need to control [our] impact on the environment” (Interview Marine Harvest, 2010).

Marine Harvest and WWF-Norway state the following shared objectives for the partnership:

- Protection of marine and freshwater biological diversity.
- Significant reduction of the ecological footprint and environmental effects of Marine Harvest’s operations.
- Minimize climate change impacts from fish farming activities and processing.

### 7.4.3 Target the informal textile industry in Bangladesh

Bangladesh is the 7th most populous country in the world with around 150 million inhabitants, situated in the Bengal area bordering India. Although having experienced economic growth over the last decades, Bangladesh still struggles with extensive poverty. Low labour costs and a highly efficient industry has attracted hundreds of foreign and multinational companies to produce there. Bangladesh has become a hub for textile manufacturing, with an estimated 3 million employed (ILO, 2009) An estimated 90% of workers are women (Buerk, 2005), and there has been an extensive use of child labour, both in the formal and the informal textile industries. According to an ILO Survey (2009), there were 4.9 million working children in the age group 5 - 14, and as many as 93.3% of working children between 5 and 17 years worked in the informal sector. According to Monica Videm in Save the Children Norway (Interview, 2010), the high number of children working in the informal sector can be explained partly by strict rules and regulations from western companies with regards to child labour in the formal sector. The paradox is that
while the exponential use of codes of conducts preventing child labor were intended to protect them, children now experience a much more brutal situation in the informal industry:

The main problem in Bangladesh is not the formal industry, but the informal one. There are actually a lot of factories where conditions are okay, but where they have a strict 18 years limit because Western countries have said that 'we do not want child labor used for our clothes'. What happens next is that minors are pulled into the informal industry where the work situation is straight up terrible (Interview Save the Children Norway, 2010).

According to ILO, there is a direct link between child labor and education, as about half of all primary school pupils drop out before 5th grade, and then start working as child laborers (ILO Overview Note; Child Labour and Responses, Bangladesh 2004). Furthermore, there is only limited provision for vocational training, because of factors such as the quality of the skills training, market and employment linkages and certification (ibid.)

Save the Children are heavily engaged in Bangladesh, and they work to improve the situation of children - which means they need to target the informal industries. Varnergruppen uses subcontractors in Bangladesh, and the risk of illegal child labor showing up in the value chain is large. As a serious actor, Varnergruppen needs to address issues related to child labor, not as 'corporate responsibility', but as a real risk in their own value chain. In 2008, Telenor experienced the implications that followed a lack of sufficient control over its subcontractors in Bangladesh. Child labor and dangerous working conditions, violating both Telenor's own codes of conduct and local legislation, lead to reputational damage as well as considerable work by management and board to put in place appropriate compliance mechanisms. The morale is that any sustainable actor in that risk zone needs to take active measures to target these challenges. Varnergruppen uses their partnership with Save the Children to get information about the situation of children in Bangladesh:

Save the Children shares their knowledge about child rights and children's situations with us. We have ambitions of lifting that knowledge to another level, by daring to bring it to other suppliers that are not in this project. We tell our competitors about it when we meet in other fora, and so does Save the Children when they dare to challenge the prevailing paradigm about child labour as something undisputedly bad. They dare to question that mentality, and together we do something to address it (Interview Varnergruppen, 2010).
What Lefebure refers to is Save the Children’s willingness to question already set paradigms on child labour. Because of the hazardous situations in the informal industries, Save the Children prioritizes getting the kids out, even though it might have to involve legalizing some forms of child labor in the formal industries: "We are not against child labor, but against harmful work that can impede children’s development and their possibilities for education" (Monica Videm, Save the Children, Presentation 2009). “When we were in Bangladesh we saw seven-year-olds who were locked in small rooms sowing from nine in the morning to ten at night” (Interview Save the Children Norway, 2010).

The goal of the partnership is to move children and young adults from the hazardous informal industry over to the formal sector where they can work under more humane conditions and enjoy labor rights such as a fair pay, adequate working conditions, and limited working hours.

7.4.4 Reducing environmental footprints

Elopak is a company dependent on the natural resource timber to make paper and cardboard. As any other forestry-dependent company, Elopak needs to relate to the challenges connected to this industry. Deforestation is a pressing global challenge, causing problems like reduced biodiversity, release of greenhouse gas emissions, disrupted water cycles, increased soil erosion, and disrupted livelihoods (WWF, 2007). Elopak uses a significant amount of energy and lumber with its production of more than 12 billion cartons a year. Net emissions of CO2 contribute to climate change. In addition, the drink cartons Elopak produces become waste when not recycled - another key concern for our environment. Elopak are aware of and concerned about their impact, and wish to make their practices more sustainable: "we realized...that we need help to better understand the environmental challenges around us, and we want to incorporate sustainability [in our business model]". Without an appropriate strategy to target these issues, Elopak will eventually lose competitive advantage in a market with increasing knowledge of and concern for environmental issues.

With a mission statement of "stopping the degradation of the planet’s natural environment..." (WWF, 2010c), it is in WWF’s interest that Elopak and other businesses

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17Deforestation is the process whereby natural forests are cleared through logging and/or burning, either to use the timber or to replace the area for alternative uses (WWF, 2007).
make changes to their practice in favor of the environment. WWF’s remedies for stopping degradation are to conserve biological diversity\textsuperscript{18}, to ensure a sustainable use of renewable natural resources, and to promote the reduction of pollution and waste (ibid.).

Elopak and WWF have mutual interest in securing sustainable forestry, reducing CO2 emissions, and handling waste. Together they have entered into a partnership with two overarching components; biodiversity and climate. The biodiversity component consists of a membership process to the Forest Stewardship Council, an international certification organization for sustainable forestry. The climate aspect involves membership in an international WWF program called Climate Savers, where Elopak has committed to reducing their CO2 emissions with 15% within 2011.

7.4.5 Addressing clean energy for the future
Statkraft is an energy company that is developing and generating electricity from several renewable resources in addition to gas. Within recent years we have seen an increased attention to climate issues like global warming and natural resource depletion, both politically, through consumer awareness, and commercially; politicians get elected on agendas of reducing our environmental footprint and emissions, consumers demand for products made in line with high environmental standards, and companies have (to an increasing extent) started incorporating environmental factors in their day to day business. Climate change\textsuperscript{19} is something we all are aware of and that most of us want to minimize. Since the use of non-renewable energy sources like oil, gas and coal is responsible for a great deal of our current emissions of CO2 and thus global warming and other climate issues, there is increasing demand for shifting to less polluting sources of energy.

Climate change has increased demand for Statkraft’s products and created business opportunities. It is in Statkraft’s interest that the focus on renewable energy intensifies and endures. At the same time, there are challenges and controversies related to renewable power generation. To stay profitable, Statkraft needs to mitigate such challenges and to tackle problems the industry is facing, in the best possible manner.

\textsuperscript{18} Preserving biodiversity in general includes minimizing habitat loss so that no single species will die out.
\textsuperscript{19} “A change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods” (The UN Framework Convention on Climate Change).
Bellona is an international environmental NGO that sees their core mission as "working for zero emissions in respect of pollution from energy and industry" (Interview Bellona, 2010). One of their focus areas includes renewable energy (Bellona, 2009b). It is in Bellona’s interest to reduce our dependency on fossile fuels and to increase focus on renewable energy; “Statkraft and us agree that the future is renewable, not fossil. We have a common interest in lifting the understanding for renewable energy for the future, and we have a common interest that the bright heads of tomorrow work within renewables, not in the oil industry” (Interview Bellona, 2010). Bellona is also concerned that power plants are sustainably managed and that they do not compromise the natural habitat and environment where they are located and where energy is transported.

Wind and hydro power plants set up at the wrong locations can have catastrophic consequences. Done badly, we can talk about tremendous interventions in nature, -done right, the effects on nature need not be too large. That being said, there will always be some degree of natural intervention with hydro and wind power, but nowadays we are better [at building sustainably] (Interview Bellona, 2010).

For Bellona, a key interest is to make sure that future renewable power plants are built with a minimum of environmental damage.

Together, Statkraft and Bellona have the following mutual goals: “To work [politically] for more renewable energy, to facilitate for more renewable energy, and to work towards a more gentle production of renewable energy” (Interview Bellona, 2010). Statkraft adds: "We have seen a steady increase in the mutual interests of Statkraft and the environmental movement over time” (Interview Statkraft, 2010).

7.4.6 Promoting energy efficiency
Few deny that we are facing tremendous challenges related to anthropogenic global warming and climate change. In 2007, the Intergovernmental Panel on Climate Change (IPCC) predicted a global rise in average temperature between 1.1 and 6.4 degrees C in the 21st century, and that we desperately need to limit the rise as much as possible. The International Energy Agency (IEA) has named energy efficiency as key in achieving a sustainable energy future (2010), and as the most important tool in reaching the goal of limiting a global temperature rise to 2 degrees C by 2100. Energy efficiency means "to use the least possible amount of fuel or energy for the largest output of power with the smallest possible solution” (Bellona, 2010). Bellona works with energy efficiency as a means to protect our planet. Reduced and more efficient use of energy
means fewer emissions of greenhouse gasses, a high priority for Bellona in their fight against global warming (Bellona, 2009b)

For Bellona, the main obstacles for energy efficiency are twofold:

One is cheap, low quality products that are bad for the environment but that people buy because of its appealing price, and two is the failure of industrial actors and households to change out old energy-demanding products with modern ones. It is a well known fact that it is a better equation for the environment to buy a new refrigerator and throw out the old one than keeping the old, energy-demanding fridge (Interview Bellona, 2010).

Siemens has worked hard to position itself as a leading actor in environmentally friendly technology. As the result of a "megatrend-analysis" conducted 6 years ago, Siemens decided to focus their future efforts toward technology supporting global challenges such as climate change. One of their main priorities has been the development and sale of energy efficient products (Interview Siemens, 2010). For Siemens, partnering with Bellona means working together in promoting energy efficiency and other relevant energy solutions:

[the partnership with Bellona] underlines the role of technology in solving the climate crisis. We have been a supplier of energy for many, many years and we intend to continue with that for many years to come. Frederic Hauge in Bellona says that 'we won't solve everything with technology, but we solve nothing without it'; We thought that was a good starting point (Interview Siemens, 2010).

Bellona and Siemens agreed to launch a campaign where the goal was increased focus on the potential of energy efficiency:

We found each other in the notion that energy efficiency is under-communicated. The focus has traditionally been on producing more energy - but we felt a large potential in efficiency, and agreed to make a report on how we can use energy efficiency to cut energy use in Norway by significant amounts (Interview Bellona, 2010).

7.5 Mutual benefits

Strategic partnership literature makes the point that for partnerships to be successful, both parties need to benefit (Neergaard et al. 2009b; Googins & Rochlin, 2000; Berger et al., 2004). Googins adds that strategic partnerships need to yield synergistic outcomes that the actors could not have surpassed individually outside of the partnership (Googins & Rochlin, 2000:128). In the following, we will review 'joint value creation' through examples from the case partnerships.
To Siemens, the partnership with Bellona has contributed significantly to their capabilities and resources:

Before we made the first report, we had not had much contact with national authorities on environmental topics linked to energy. But this report was so startling that we got to meet several ministers and access fora that we hadn't been in before. With the help of Frederic Hauge and Bellona, we got to show off our solutions. Bellona has been a great door opener, and they have shown us how we can reach important stakeholders with our messages (Interview Simenes, 2010).

For Bellona, the goal of any strategic partnership is to make 'one plus one more than two' (Interview Bellona, 2010). Through the partnership with Siemens, Bellona gets to promote technological solutions to energy efficiency. Energy efficiency is one of the key means to combat climate change because less energy use means fewer CO₂ emissions, which is one on Bellona’s core foci.

The report we did with Siemens helped increase the pressure around energy efficiency. All of a sudden government agencies made studies on it, several conferences were held on the topic, with Bellona and Siemens invited as main speakers... We benefited mutually from it (Interview Bellona, 2010).

Aker BioMarine and WWF Norway’s joint value is created in the quest for sustainable krill fishing. For Aker BioMarine, the partnership gives practical answers to challenges they face in a controversial industry that needs political and popular support to survive (Interviews WWF Norway and Aker BioMarine, 2010). WWF Norway is concerned with the well being of Antarctic ecosystems and environment, but believes that krill fishing can be sustainable if it is governed well and executed by serious and professional actors:

By associating with the best in class, and by helping them towards sustainable practices, we contribute in setting technological standards for what actors should be allowed to fish in the southern oceans. For us that is a big win, and also for Aker BioMarine in that they achieve sustainability in their operations (Interview WWF Norway, 2010).

Aker Bio Marine makes a point of being the "most sustainable" actor in the industry, and wants to exploit that stamp as best possible; "WWF Norway helps us in our quest to be more visible and to stand up for what we do. We get to communicate openly with important stakeholders around us" (Interview Aker BioMarine, 2010).

For Save the Children, the partnership with Varnergruppen creates value because it grants access to arenas where they don’t normally operate - inside private factories. Child exploitation in informal industries is a key problem for Save the Children, and one that require extensive action. Their pilot projects involving the education of
Trainees to textile factories represent a unique potential to directly target their main concern of getting children out of informal industries. Varnergruppen gets support in addressing the controversial topic of "young workers", children who are between 15 and 18 years old who are allowed to work in their supplier factories, but whom often get excluded because of rigid rules from western retailers. Varnergruppen acknowledges these young adults' rights to work in the formal industry, and sees it as an important part of their corporate social responsibility to help lift that debate to the industry. Save the Children allows them to contribute with a practical solution.

**Marine Harvest's** partnership with WWF Norway contributes to better communication with external stakeholders and fosters constructive dialogue. It was clear from our talks with Marine Harvest that they feel misunderstood by many actors in the civil sector, and that the company recognizes that WWF Norway's mentality differs from that of other NGOs in their willingness to see large potential in fish farming despite its many problems. For **WWF Norway**, those problems are neither negotiable nor acceptable, but they need to be solved nonetheless. The value for WWF Norway is that the partnership with Marine Harvest gives them a say in the world's largest salmon farmer's practices to encourage sustainability in their operations. For WWF Norway, practical solutions and real results seem to be more valuable than ideological underpinnings. Marine Harvest gets important constructive input from professionals within sustainable aquaculture and marine resources, and gets to address the practical needs that the industry has in addition to the environment.

**Elopak** expresses a need to understand and address global challenges connected to its value chain. Their partnership with WWF Norway creates value by facilitating better understanding of challenges like deforestation, climate change and pollution - and gives Elopak specific goals to work towards with real numbers and milestones. For **WWF Norway**, the collaboration with Elopak has created value by real cuts in CO₂ emissions as well as measures taken by Elopak's to get certified by Forest Stewardship Council, a guarantor for responsibly managed forestry. Elopak is clear that partnering with WWF Norway has benefited them in terms of increased credibility towards customers, increased knowledge amongst employees, customers, and suppliers, a broadened international network, and sharpened internal routines (Presentation by Elopak and WWF Norway at BI Seminar, 2009).
Statkraft profits from their partnership with Bellona in several ways. First, they lowered the threshold for communication with NGOs, which has lead to fewer misunderstandings and more dialogue on mutually important issues. Statkraft also benefits from Bellona’s expertise and extensive knowledge base on environmental issues and sustainability, stating that they never start a project (in relevant areas) without having talked to Bellona first. Hence, the partnership minimizes risks of not considering important environmental concerns in their activities. Furthermore, the partnership has given Statkraft valuable attention at the Copenhagen Climate Conference and other related events. Bellona benefits from increased focus on sustainable energy, again, one of their main pillars. Together with Statkraft, Bellona benefits through increased bargaining power toward legislators and government concerning renewables: "our powers combined can be so strong that it is hard to stop us" (Interview Bellona, 2010).
8.1 Relation to core activities

Norwegian businesses are straight up terrible at relating their 'corporate responsibility' to their core activities, and to address the right organizations in partnerships. Too many of them talk about their responsibilities and refer to collaborations with the Red Cross, Save the Children, or other humanitarian organizations [...] while they're not even close to operating in that field. They really do not understand that 'corporate responsibility' must be linked to their own value chain, otherwise it has nothing to do in a CSR-report (Interview WWF Norway, 2010).

As Eivind Sørlie at WWF Norway explains, there are different perceptions of what constitutes a good partnership, which actors are appropriate to team up with, and what can correctly be called 'corporate responsibility'. In line with our theoretical framework, we agree with Sørlie in that the most promising and efficient partnerships between businesses and NGOs link both organizations' value chains and employ the core competences of both sides. In the following sections we will use examples from the four case partnerships to illustrate core activity linkage.

8.1.1 Marine Harvest and WWF Norway

Marine Harvest has expertise within fish farming operations. Their value chain takes the fish from brood stock\(^{20}\), spawning\(^{21}\), eyed eggs\(^{22}\), alevins\(^{23}\), fry\(^{24}\), parr\(^{25}\), smolt\(^{26}\), to

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\(^{20}\) Brood stock are the parent fish, selected for characteristics such as growth, disease resistance, maturation and color. They are held in a hatchery in large freshwater tanks where they become sexually mature and ready to spawn.

\(^{21}\) Eggs from the females are mixed with milt (sperm) from the males to produce fertilized eggs.

\(^{22}\) Viable eggs are referred to as eyed eggs because as they develop, the embryonic eye becomes visible. Eyed eggs are kept in incubation tanks.

\(^{23}\) When the eggs hatch, tiny fish emerge in a form known as alevins. The alevins have a yolk sac that provides nutrition.

\(^{24}\) When the alevins are large enough to feed themselves, they are referred to as fry. When the salmon fry are about six grams, they are moved to larger freshwater tanks or to an open net cage in a lake.

\(^{25}\) The fish now develop into parr, which are green-brown in colour and with distinctive fingerprint markings on their sides.

\(^{26}\) It is the name for the stage in which salmon undergo a physiological change that enables them to move from fresh water to seawater.
adult\textsuperscript{27}, and involves getting the fish from freshwater to seawater, harvesting, processing, and distribution to customers (Marine Harvest, 2008a)\textsuperscript{28}. As a leading seafood company and the largest producer of farmed salmon in the world, Marine Harvest must address key challenges to the industry, such as significant environmental impact. Outbreaks of sea lice and treatment of spreading salmon disease with large doses of antibiotics are key problems directly linked to Marine Harvest's value chain. The partnership with WWF Norway exists to better target these challenges.

As the world’s largest environmental organization, WWF has extensive expertise with marine science and aquaculture. Through an impressive network, WWF Norway has first-hand access to knowledge that Marine Harvest needs to fulfill their ambitions of becoming a sustainable actor; "... they sit on important knowledge. They have a marine program, and they are able to point to certain areas and contribute with knowledge that we need to change our practice" (Interview Marine Harvest, 2010).

As opposed to many other environmental organizations, WWF believes that fish farming has great potential, when done right. Director of WWF’s Aquaculture Program, Jose Villalon, states: "Farmed fish is an excellent source of protein and, when produced well, helps protect the environment. I am totally convinced that aquaculture is the most sustainable way to feed the world" (Villalon, 2010). As of now, however, the reality is that the problems related to aquaculture are so extensive that WWF urges the industry to take action.

By combining WWF Norway and Marine Harvest’s core competences, the partnership ambition is to create synergy effects which will result in a joint value creation that goes beyond what any of the parties could have achieved alone. More specifically, they want to be able to protect biological diversity, reduce the ecological footprint and environmental effects of Marine Harvest's operations, and to minimize MH’s climate change impacts (WWF, 2008b). Marine Harvest possesses a vast expertise in the technical and practical aspects of farming, whereas WWF Norway has the critical expertise on the sustainability issues surrounding aquaculture. In

\textsuperscript{27} Adapting to seawater, the smolt become young adult salmon. After just over a year in the sea the fish will have reached market weight between 4.5 to 5.5 kg.
addition to their technical environmental expertise, Marine Harvest exploits WWF’s political capabilities;

One of WWF’s core competences is their ability to work politically. They are great lobbyists, with access to most politicians and departments in Norway, and they are able to present their opinions almost anywhere. It is a big resource for us to be able to work with them and sometimes run lobbies together (Interview Marine Harvest, 2010).

8.1.2 Varnergruppen and Save the Children Norway

Varnergruppen is a garment retailer with approximately 1100 outlets in 9 countries. Like many other clothing retailers, Varnergruppen does not own factories; instead, their supply chain relies on subcontractors. Allegedly, Varner’s production is outsourced to China, Bangladesh, Hong Kong, India, Korea, Laos, Macao, Malaysia, Mauritius, Pakistan, Sri Lanka, Thailand, Vietnam, Turkey and Bangladesh (Norwatch, 2004), though, in line with many other clothing retailers, they do not publish the names of their suppliers. This strategy has been heavily criticized by humanitarian organizations and watchdogs based on the unveiling of unsatisfactory working conditions and critique-worthy situations in sub-operators in the industry.

Although it doesn't own factories, Varner is still responsible for their subcontractors because responsibility runs all the way through their value chain (Initiativ for Etisk Handel, 2008). The practice of not revealing subcontractors is in decline, as important actors such as Nike (2010), Adidas (2010), Levi-Strauss & Co. (2010) have chosen to publish their list of suppliers. Published or not, Varner needs to make sure that their subcontractors follow rules and regulations, including Varners’ own codes of conduct. It is in Varnergruppen’s interest to closely monitor the situation in the markets where their clothes are produced. Their own expertise, however, lies within the design, development and sale of garments, not on the humanitarian situation in Bangladesh. Save the Children have strong representation in Bangladesh, and are specialized in child rights, including the situation of child laborers. For Varnergruppen, this information and knowledge is of strategic importance:

Save the Children work with child rights, and we want to prevent child labour. We want our suppliers to adopt a way of thinking that we think is positive for the region and the factories...We have a set of codes of conducts, and where refraining from child labor is one of them. Protecting kids is also about securing their parent’s labour rights. If you can lift the situation of the workers, you can break the patterns of exploitation of children (Interview Varnergruppen, 2010).

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29 Britain, Denmark, Finland, Ireland, Germany, Latvia, Norway, Poland, Sweden.
For Save the Children, Varnergruppen can provide essential information as well as direct feedback on different strategies:

Varnergruppen is a very strong partner, and they know more than us about garment production. It is a symbiosis, because we know more about child rights on location, but they are very aware and bring valuable information back to us, for instance on the practical implications of our work (Interview Save the Children Norway, 2010).

The combination of Save the Children’s local knowledge, presence, and their expertise in child rights with Varnergruppen’s access and close dialogue with their suppliers gives the partnership between them unique competences that result in joint value creation.

8.1.3 Elopak and WWF Norway

Elopak’s core activities as a drink carton manufacturer include technical expertise in a narrow field;

Our core competence is to take a piece of cardboard, to cut it a little, and then print on it. So that’s pretty limited. We make 12 billion of those cardboard pieces a year. That being said, if you count in our whole value chain, you will see a lot of mutual activities with WWF. The sourcing of raw materials is one, waste is another - our products become waste or preferably are recycled. WWF has a lot of competence on those two areas (Interview Elopak, 2010).

As Director for Corporate Environmental Affairs Sveinar Kildal pinpoints, Elopak’s value chain has several linkages to WWF. As a serious actor, Elopak needs to take into consideration not only the sustainability of their core activities, but of the whole value chain, from sourcing timber to recycling cartons. By combining their own knowledge in the industry with WWF’s competence in specific environmental aspects, the two join forces to reach their common goals. For Elopak, WWF’s extensive knowledge is of key importance:

We see WWF’s core competence as being an environmental organization, to know what really happens on important areas. They know what really happens with the climate, they know what really happens with the polar bears, they know what really happens with the forest. So, for us that is key knowledge. Because we know what they present to us are facts, they can step in as a neutral part and give us advice on what we can and cannot say, or what we should or should not do (Interview Elopak, 2010).

Elopak explains in further detail how they are able to take advantage of WWF’s competence directly in their dialogue with forest owners:
There are a lot of examples of badly managed forestry in the world, although the owner might insist that it is all good. In a situation like that I would call up our guy in WWF and ask about that specific forest and how sustainable it is, if we should do it yes or no. They would call me back after having checked with their people in Finland, Russia or Canada - and they would’ve explained to us that they do not think that forest is good enough managed, and that Greenpeace thinks it is terrible (ibid.).

In addition to using WWF’s competence of forests, woods and trees (WWF, 2010b), the partnership with Elopak enables WWF Norway to better access industry perspectives through Elopak’s value chains;

What [Elopak] can give [WWF] is feedback on what the industry is doing, and to tell them in detail about what is the industry’s take on this or that matter. Such information can be hard to acquire for an NGO...We can explain why the industry for example does not want the new due diligence that is ongoing in the EU (Interview Elopak, 2010).

8.1.4 Aker BioMarine and WWF Norway

Aker BioMarine is a biotech company specializing in harvesting and processing of Antarctic krill, as well as the production and distribution of krill products. With only one operating vessel and another one on the way, they catch between 40,000 and 50,000 tonnes of krill annually. Total harvest (of all boats operating in the area) for 2007/08 was 150,000 tonnes30 (Marine Stewardship Council, 2010a). WWF Norway estimates that there is about 155 million tonnes of krill biomass in Antarctica, which makes the current outtake nearly insignificant. The problem, however, is an expected growth in the harvest in the near future due to the increased usage of krill as feed for aquaculture and a rising value of krill products. The worry is that krill fishing will make footprints in the Antarctic ecosystems;

The expected expansion of the krill fishery is currently not matched by investments in science and monitoring of impacts on predator populations required for precautionary management of the fishery, and poses huge challenges for the current and future sustainability of the fishery (WWF, 2009).

Aker BioMarine has a technical advantage over their competitors. In 2009 they started with what they call eco-harvesting, which involves using advanced on-board technology that enables immediate processing, giving opportunities to maximize catches and improve profitability (Antarctic and Southern Ocean Coalition, 2010). From entering the krill market 3 years ago, Aker BioMaine now catches between 30% and 40% of total harvest of krill from Antarctica (Interview Aker BioMarine, 2010).

Being a large and upcoming actor with innovative technology, Aker BioMarine is

30 Approximately 4% of the total allowable catch for the year.
partaking in setting new standards that will significantly impact the industry's future. For securing future business, it is crucial that they are part of a high-standard of fishing that is sustainable and environmentally cautious. By coupling their own competences on krill with WWF Norway's competence of the environment, Aker Bio Marine is better equipped in reaching that sustainability;

For us, their competence about the ocean and marine resources is key. They have been connected to some of the agencies that manage krill in Norway, and they have a lot of knowledge on krill harvesting - especially through the networks of other NGOs and scientific environments (Interview Aker BioMarine, 2010).

WWF has extensive competence on the conservation of ecosystems in Antarctica. They have been working actively with the management of the South Oceans through the "Antarctic and Southern Ocean Initiative", and they regularly give input to CCAMLR31, the organization deciding the yearly quotas for krill harvesting. Because krill is situated at the base of the food chain, it is of utmost importance for ecosystems - and the consequences of an unsustainable harvest could be devastating. For WWF Norway, WWF's expertise on the marine environment and Aker BioMarine's knowledge of the fishing itself gives possibilities for securing a more sustainable industry;

Aker BioMarine is the most proactive player in the krill fishery, and has implemented the right measures —such as 100 per cent observer coverage, and real-time reporting procedures — to ensure the continued sustainability of this fishery. By permitting scientists onboard at no cost, they are also making a contribution to science and research (Nina Jensen, Conservation Director in WWF Norway, as quoted in Marine Stewardship Council, 2010a).

8.1.5 Statkraft and Bellona

Statkraft's core activities include developing and generating electricity from hydro, wind, gas, and solar power, as well as remote heating plants. Their value chain includes development, production, trade, distribution, and sales. Statkraft delivers electricity and heating to approximately 600 000 customers in Norway and Sweden alone, with production and markets in several other European countries32 as well. "Our key competence is commercializing renewable energy" (Interview Statkraft, 2010).

31 Commission for the Conservation of Antarctic Marine Living Resources
32 Statkraft has offices in Norway, Sweden, Germany, the Netherlands, Great Britain, France, Bulgaria, Serbia, Romania, Albania and Turkey.
Statkraft’s link to Bellona involves activities in renewable energy;

There is a natural link between what we do and what [Bellona] does. If we weren't in renewables or in energy efficiency, we wouldn't be partners. Perhaps Bellona would still've been interested in our money as philanthropy, but we would not have been partners like we are now (Interview Statkraft, 2010).

Bellona’s core activities are to promote environmental sustainability through the following focus areas: energy efficiency, renewable energy, CO₂ capture and storage, reduction of emissions in the transport sector, elimination of toxic waste, environmentally correct waste treatment, nuclear challenges in Russia, sustainable fisheries and preventing petroleum activities in the High North (Bellona, 2010a).

In addition to technical expertise from 75 employees including engineers, ecologists, nuclear physicists, economists, lawyers, political scientists and journalists, Bellona has core competence in working politically as lobbyists. They work actively as influencers of energy, industrial, climate, waste, and environmental gasses policies (Interview Bellona, 2010). In the partnership with Statkraft, Bellona contributes with their political and technical expertise; “we consult [Bellona] on basically everything we do that involves issues close to their core activities” (Interview Statkraft, 2010).

Bellona sees their own expertise as unique in Norwegian context and are confident in their own capabilities while partnering with Statkraft and other industrial actors; “in many areas we are the best with the environment in Norway...we are incredibly good at seeing the bigger picture, and on seeing the politics in it too...” (Interview Bellona, 2010). Hence, Bellona sees their core contribution as “helping [industrial partners] respond to environmental challenges in their fields, and proposing policy measures that promote new technologies with the least impact on the environment” (Bellona, 2010a)

Statkraft is clear with their own contributions too;

We contribute with a pretty solid apparatus - we are well equipped with both technical and financial resources. An NGO like Bellona, who is concerned with finding commercial solutions that can save the environment, is dependent on access to good analytical tools to help foster those commercial solutions” (Interview Statkraft, 2010).

8.1.6 Siemens and Bellona

Siemens is a world leader in technology and engineering, present in 190 countries, and has over 400,000 employees worldwide. "A little simplified, we are involved with everything electricity runs through" (Interview Siemens, 2010).
Siemens is divided into three business sectors; industry, energy, and health care, where both the industry and energy sectors have focused recent efforts around environmentally friendly technology (ibid.). Hence, "the partnership with Bellona fits right into our strategy" (Interview Siemens, 2010).

Siemens contributes with engineering expertise, and Bellona with their environmental competence.

We work together to show other actors in society that they can save a lot on energy efficiency. There are many reasonable options that can be done, and that can be profitable for both companies and the society and environment. We work with Bellona on 1-2 larger projects each year - up until now the focus has been on energy efficiency, but in the future we will also collaborate on renewable energy (Interview Siemens, 2010).

Report writing has been a main tool of the partnership, where Siemens provides the technical information and Bellona uses their skills with environmental and political aspects. Bellona has also functioned as a ‘door opener’ into governmental agencies and influencers once they have finished writing the reports; "we have had a lot of meetings with everyone from the minister of trade and industry and the minister of environment, to different NGOs. I do not believe we could’ve had all these meetings without the findings from the work we have done together with Bellona" (Interview Siemens, 2010).

Siemens and Bellona made their first report in 2007, then with a focus on how much energy could be saved in Norway by being energy efficient within the fields of industry, transmission, hydropower and industrial buildings. Although the result was an astonishing 20% energy potentially saved, and the report got much media attention, Siemens and Bellona experienced reluctance by actors to implement what their report suggested. The partners made a follow-up report on Barriers to energy efficiency, praised by the minister of environment Erik Solheim but who cited a lack of initiative and the need for a role model. Siemens and Bellona took his statement as a challenge and agreed to collaborate with the municipality of Trondheim to make Trondheim the first Smart City in the world. The Smart City project involves a report on how much Trondheim potentially can save on energy efficiency, in addition to clear measures and initiatives and a process to fulfill them. The Smart City concept has been exported to other countries, and today Ljubljana in Slovenia, Gothenburg in Sweden, and Yekatarinburg in Russia are Smart Cities, while several others are near achieving the designation.
Siemens and Bellona engage in activities relevant for both organizations’ strategies together employing their core competences. Gry Rohde Nordhus in Siemens is clear in what the partnership contributes with;

Frederik Hauge\textsuperscript{33} has the knowledge of the importance of carbon capture and storage (CCS), while we have the technology and the show what needs to be done. The same goes for energy efficiency. We have all the solutions to show how much we can save, where the potential lies and how much technology needs to be used to exploit that potential. We provide those solutions that Bellona talks about (Interview Siemens, 2010).

8.2 Knowledge sharing

Resource dependence theory suggests that partnerships occur as means to gain access to critical resources necessary for own success and survival (Arya & Salik, 2006). The idea is that organizations team up with each other to enhance their ability to tackle strategic needs and social opportunities (Eisenhardt & Schoonhoven, 1996), by accessing each other’s resources. In our case partnerships, it seems that the resource most sought after is knowledge. One of the main goals of the partnerships is sharing that knowledge.

When we asked Bellona what their partnership with Statkraft consists of, Hagemoen (Manager of Institutional Relations) was reluctant when explaining that the partnership was "only" about sharing knowledge; "We sometimes do small projects together, but boring as it might seem, the essence of the partnership is to discuss and arrange for discussions [...] [the goal] is mutual education and strategic exchange" (Interview Bellona, 2010).

Statkraft places the same importance as Bellona on the role of knowledge sharing in the partnership;

We do not launch large initiatives without having asked Bellona first. We consult them if there is something we are afraid that we have forgotten to consider, or if there is something we believe could be controversial. We get their 'second expert opinion' beforehand - it could involve position papers, formal hearings, or whatever. They have competence and knowledge that we don't (Interview Statkraft, 2010).

Varnergruppen views information and knowledge sharing as essential: "the essence [of the partnership] is information and exchange of experiences [...] More than about creating

\textsuperscript{33} Frederik Hauge is the Founder and President of the Bellona Foundation
[financial] value, the partnership is about creating an understanding [...] to gain knowledge” (Interview Varnergruppen, 2010).

**Aker BioMarine** underlines the importance of having access to WWF's networks with competence and, in addition, their knowledge about the NGO system:

The knowledge WWF has on krill preservation, not to mention their access to networks of other NGOs and scientific environments, is key competence for us. So is their general competence with the NGO-system. If we find ourselves confronted by other NGOs, they can tell us what is happening, through explaining why they are in opposition, what the reasons are, and what analyses provide the basis for their complaints (Interview Aker BioMarine, 2010).

**Elopak** gives examples of informal meetings with WWF affiliates who contribute with valuable perspectives:

We've had people from WWF here to [...] tell us what they do, on several occasions. This winter we had a very fun session, where WWF brought a visitor of theirs from India - she came both to our head quarters and to our factory - and for over two hours talked about India's views on reducing CO2 (Interview Elopak, 2010).

**Marine Harvest** sees dialogue as the main driver in their partnership with WWF Norway; "We have a partnership with WWF because we believe in dialogue. We believe we have things to tell them and that they have things to tell us". *We meet occasionally, their offices are five minutes from [ours]. We discuss different issues, we contribute to each other’s agenda with concrete issues...where we can have similar or different opinions"* (Interview Marine Harvest, 2010).

The case studies show how partnership participants that build on mutual interest and core activities see knowledge as a key resource in their partner. Access to knowledge that isn't available outside the partnership provides for extended capabilities in facing strategic challenges and opportunities. Whereas in philanthropy, other resources such as financial support and marketing efforts seem to dominate (Neergaard et al., 2009b), strategic partnerships involve quests for knowledge and information. Though all the case partnerships involve certain concrete activities besides dialogue, they are always supported by dialogue. One example is WWF Norway and Elopak engaging in frequent dialogue on how Elopak can best reach the goal of Forest Stewardship Council certification.
8.3 Top Management Commitment and Anchoring

Theory suggests that top management commitment is an important element of partnerships in order to secure long-term commitment of both organizations (Bruijn & Tukker 2002), to anchor the understanding and motivation within both organizations (Kalegaonkar & Brown 2000; Rondinelli & London 2001), to authorize and legitimize the partnership (Waddock, 1988), and to signal commitment and engagement towards the partner organization. All case organizations and companies see top management commitment as a necessary component in partnerships of strategic character (Interviews with WWF Norway, Aker BioMarine, Marine Harvest, Elopak, Save the Children Norway, Varnergruppen, Bellona, Statkraft and Siemens, 2010). Furthermore, all of them state that their own top leaders are fully committed to their partnerships (ibid.), and that most of them are active participants in the partnership activities.

**Aker BioMarine** explains the necessity for top-management to be fully involved in the partnership is because that is where strategic decisions are made:

> [The partnership] has operative consequences, hence the importance of top management understanding. If the partnership is not anchored [in top management], you will have large problems defending the costs - or [top management] will see [the partnership] as a cost rather than an investment (Interview Aker BioMarine, 2010).

**WWF Norway** further highlights the need for top management commitment when there is talk of strategic partnerships and not 'just philanthropy':

> Luckily the CEOs and bosses of those companies that we're engaged with understand [and take it] seriously. The CEO of Elopak meets directly with Rasmus [Hansson], and so did Michelet\(^{34}\) in Marine Harvest. We have met Kjell Inge Røkke\(^{35}\), even though he is not operatively in charge of Aker BioMarine. I think that companies more concerned with sponsorships than our type of partnerships hardly would have engaged their top management in the same way these partnerships do (Interview WWF, Norway).

**Bellona** agrees, and has top management involvement as a prerequisite in their strategic partnerships; "*No matter what you work on, it needs to be anchored properly. In Bellona, we insist that the partnership needs to be anchored in corporate management*" (Interview Bellona, 2010).

**Statkraft** and **Marine Harvest** highlight the importance of personal preferences and of the top management's dedication for the partnership to survive:

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\(^{34}\) Former CEO of Marine Harvest until May 2010.

\(^{35}\) Founder and Principal stockholder of Aker, and Chairman of Aker Biomarine.
Our organization was to a large extent based in a resistance towards the environmental movement. Such mentalities do not change over night, so you need change agents high up in the system to front it and who can show the organization how important [collaborating with NGOs Bellona and WWF Norway] is. If Bård Mikkelsen, the previous CEO, or Christian [Rynning-Tønnesen], the current CEO does not show that same type of dedication, well then it won’t work (Interview Statkraft, 2010).

We are in a situation now where we are about to change CEOs, and even though I know the incoming CEO, I cannot predict what he will think about this partnership. But on the other hand, the partnership is now so anchored in the organization that it would be very radical to cut it out - and he will have to have a good reason for doing so. We are at the end of a three year contract with WWF now, and the agreement is up for renegotiation (Interview Marine Harvest, 2010).

Another role for top management is to make the partnership visible and to communicate it to the rest of the organization;

To begin with, very few in our organization understood why we were to team up with Bellona - but our CEO has been very active in [the partnership] from the beginning, and he has shown the rest of the organization how much it matters...Now, when we decided to renew the partnership with Bellona for a three year period, it was on request from the majority of our employees - because they wanted it and saw the value of it (Interview Siemens, 2010).

Marine Harvest agrees on the role of top-management as a communicator to the rest of the organization; "[the partnership] must be anchored both in ours and WWF’s top management. Their role is to tell the organization why we’re doing it and why it is important to us. That this is something we do to secure our business for the future" (Interview Marine Harvest, 2010).

WWF Norway often use top management involvement as a tool to include the management of their counterpart; "We take it somewhat for granted that if I show up with my CEO, than you show up with yours. When I tell partners that Rasmus [Hansson] will join our meeting, it somewhat urges their top leader to show up" (Interview WWF Norway, 2010). Statkraft confirms their assumption; "[the NGO] will not meet with our top management unless they bring in their own" (Interview Statkraft, 2010). For the case companies, top management commitment from the NGO signals political vigor, and they push for it: "Rasmus Hansson has connections to most politicians, other NGOs, and scientific environments; it is important to us that he knows who we are" (Interview Marine Harvest, 2010). "In many cases, only executives of WWF can successfully front political issues. It is important for us to meet at the top, both with WWF Norway and at the international level" (Interview Elopak, 2010).
"For us it is of utmost importance to get access to the highest resources the organization has to offer" (Interview Siemens, 2010).

8.4 Communication

The partnership literature cites open and frequent communication that allows for differences in opinions as a key to successful partnerships (Googins & Rochlin 2000; Rondinelli & London 2000; Berger et al. 2004; Jamali & Keshishian, 2008). In addition, the communication between the parties should be effective and efficient (Austin, 2000: 86). In the following we will explore the communication between the case companies and NGOs.

8.4.1 Frequent, open and informative meetings

Since partnerships are dynamic, frequent and informative communication is a necessity to make continual progress in the partnership’s work and the relations within it (Austin, 2000).

The case companies and NGOs meet regularly. The frequency and intensity of meetings vary, as does the communication between the parties by phone and email; when we work on specific projects, like reports or analysis, we can call each other every other day and send tons of emails...so we have intense periods. But then there can be periods where we haven't talked for six months... although the plan is to meet all partners at least every three months (Interview Bellona, 2010).

WWF Norway has on average two to four meetings with their partners every year (Interview WWF Norway, 2010), but it varies a lot from partner to partner, since "a lot is custom made, depending on the company, our activities and our specific needs for meeting up" (ibid.). Marine Harvest mentions geographic proximity as a benefit in their collaboration with WWF Norway; "Their office is 5 minutes from ours... it is easy to do that walk, we meet occasionally" (Interview Marine Harvest, 2010).

According to partnership theory, informal communication is more likely to foster relations within the partnership than is exclusively formal contact, as it can help to give more complete information quickly between the members of the partners (Iyer, 2003). Statkraft mentions "a lowered threshold for communication" as one of their main drivers for partnering with Bellona and other NGOs; just to know that we can take a phone call to Frederic or Marius or Einar [in Bellona] without having to use tons of time on explaining - that is very calming in itself. Now, many people here, including top management do that
regularly. That threshold used to be very, very high! Having lowered that is in itself fantastic (Interview Statkraft, 2010).

Bellona is convinced that more informal contact means more openness and better discussions (Interview Bellona, 2010). Marine Harvest agrees: "it is all about the way one communicates... we believe in dialogue and fact based communication" (Interview Marine Harvest, 2010).

WWF Norway explains how the distance between businesses’ top management and NGOs seem to be smaller in Norway than in other countries, and that this is positive with respect to communication - in the sense that it becomes easier to talk about issues (Interview WWF Norway, 2010). Although Bellona describes that they feel greater responsibility in ensuring smooth communication, companies often initiate meetings; "Many of the corporate employees are dedicated and call us as often as we call them. Mutual exchange. But we do feel in a way that it is our responsibility to make sure the partnership works" (Bellona).

8.4.2 Efficient and effective communication

When asked, all the case companies and organizations stressed how efficient and effective the communication with their partner is. The organizations put work into structuring and facilitating meetings; "We try to be professional, to book meetings with agendas and to agree on what to talk about and to answer questions beforehand - to make things more efficient" (Interview WWF Norway, 2010). The companies are satisfied with the very little time spent on administrative tasks, and highlight the focus on direct communication between operative leaders and the NGO field experts (Interviews Elopak, Marine Harvest, Aker BioMarine, Statkraft and Siemens, 2010);

[The partnership] is anchored in top management and the board, but of practical concerns we are fewer people administering the day to day or month to month contact. Little time is used for administering...I guess we get an invoice that we pay, but besides from that, our communication and meetings are all about technical issues (Interview Aker BioMarine, 2010).

In a "standard" partnership agreement, WWF Norway assigns a variation of employees;

As a rule of thumb, from our side the partnerships include a key account manager, at least one technical expert - be it on climate, energy, oceans, forests, - and they also get access to Rasmus Hansson, [our secretary general] when that is appropriate for internal events like kick-offs, client meetings, etcetera (Interview WWF Norway, 2010).
As an example, WWF tells us that Conservation Director Nina Jensen and her team of marine biologists and biologists are very involved in meetings with the Aker companies. The meetings are about specific issues related to what the companies do and to what WWF Norway sees as opportunities for improved behavior. Eivind Sørlie in WWF Norway thinks the focus on subject helps in anchoring the partnership; "A sign of a partnership being well 'anchored' is when the day to day contact between us and the company is executed by our technical expert. My aquaculture colleague talks much more with Marine Harvest than I do" (Interview WWF Norway, 2010).

8.5 Trust

Weihe (2008: 105) emphasize the positive effects of trust on partnerships, stating that it "lowers transaction costs, increases information-sharing, facilitates dispute resolution, reduces the amount of formal contracts, increases learning, and reduces harmful conflict".

All nine of the case organizations and companies we have interviewed emphasize trust as a key element in their partnerships. (Interviews Save the Children, WWF Norway, Bellona, Aker BioMarine, Marine Harvest, Elopak, Varnergruppen, Statkraft and Siemens, 2010). For Bellona, "...trust is critical. There is no doubt that the ability to trust one another and to be honest with each other is crucial in order to progress [in the partnership]" (Interview Bellona, 2010). WWF Norway believes that the WWF network helps to build trust in their relations with the industry; "I know that our standing as a reasonable, [pragmatic] organization, and the fact that we are international, is what has sometimes weighted in our favor when companies have considered if they dare collaborate with an NGO. Companies seem to trust us" (Interview WWF Norway, 2010). Save the Children agrees: "[our partners] need to trust that we are professionals, trust in our organization. We need to trust that they utilize the partnership in an appropriate way and do not take advantage of us" (Interview, Save the Children, 2010). For Save the Children Norway, trust is also a matter of communicating well: "Trust is about getting to know one another. We want long-term partnerships with frequent communication. Our dream partner is someone who dares to be direct and to let us know what we can do better" (ibid.).

Strategic partnerships are not about “warm feelings towards one another”, but rather about getting things done (Wilson & Charlton, 1997, as quoted by Heap, 1998: 30), and thus can benefit from some confrontation or difference in opinion. However, it is
important to be honest and able to trust in what the partner stands for. Bellona occasionally participates in televised debates where they have minor arguments with their partner, without interfering with their relationship. What is important in their situation is to say the same things in debates as at conferences and in the media in general. Hagemoen at Bellona tells us that he knows of actors that can say one thing in a closed meeting, but something completely different ‘on stage’ when they know Bellona is listening. Hagemoen highlights the hypocrisy of such behavior;

We need to be honest, and to stand for what we say. We are to a large extent dependent on being unpredictable in our actions, but however need to always be predictable in our statements. If we change our opinion, we will notify our partner. In this respect trust is very important (Interview Bellona, 2010).

For Aker BioMarine, the ability of being consistent helps create trust in their partner; “There’s an inherent academic and robust knowledge in [WWF Norway]. It means that we trust what they say. If [a newspaper] starts pushing an agenda, [WWF Norway] are solid enough to stand for what they mean” (Interview Aker BioMarine, 2010). Marine Harvest agrees that one of WWF Norway's strongest cards is their seriousness and their pragmatic attitude, and their pull towards being more ‘academic’ than ‘political’, which for Marine Harvest makes it easier to trust WWF than other environmental organizations (Interview Marine Harvest, 2010).

In general I am very impressed by many of the employees in [WWF Norway]; they are selected in a special manner. They are skilled and reflected, and have a unique interest - they are smart people who sit on a ton of knowledge and who have a special ability to learn. That is important to us and [it adds to our trust in them] (Interview Aker BioMarine, 2010).

Varnergruppen underlines the importance of being objective and fact based:

Trust is alpha and omega. We need to know that Save the Children are serious and thought through. We are no experts on [children in Bangladesh], and [Varnergruppen’s] attitude towards this is much dependent on what we’ve been told and what we’ve seen. If we’d been presented with a different reality, we might have thought differently. They’re the experts, and we have trust in their ability to tell and show us the truth (Interview Varnergruppen, 2010).

Sveinar Kildal of Elopak believes trust is more important in partnerships of strategic character than in non-strategic ones:

I’ve been working with sponsorships and one-way donations before, and I do not see mutual trust as a crucial component in those partnerships. In our partnership with WWF, on the other hand, everything revolves around transparency, openness and trust. We do not have all the answers, so we need to be open about what we can and cannot do. So it all becomes an issue of trust (Interview Elopak, 2010).
It is critical for the partnership to have mutual trust in each other. It deals with how we together use what we create, but also in relation to how we work towards other actors - we need to have an openness and trust to the knowledge that is there (Interview Siemens, 2010).

We know we’re playing with fire. We know that they at any point can change and say that 'krill fishing is not good anymore'. We trust in that if they mean something it is based in knowledge and 'best science', not in a current 'fad'. (Interview Aker BioMarine, 2010)

Trust is something you build. The more you feel you get back from the partnership the more you put in. The more informal you can be, the more honest you can be towards each other without risking abuse, the more open discussions you get. So the partnerships we are in always run over three years; because trust and results develop over time (Interview Bellona, 2010)

8.6 Organizational Culture

In the literature of strategic partnerships, organizational culture relates to the often different values, attitudes and language which is present in NGOs and businesses, and is considered important for the outcomes of partnering.

8.6.1 Awareness of and respect for organizational differences

According to partnership theory, awareness of organizational differences between sectors is important to resolve unnecessary conflict and confusion between partners (Berger et al., 2004).

Statkraft tells us how environmental NGOs traditionally were seen as enemies by their corporate counterparts, largely due to historical disputes and lack of understanding of each other's work methods (Interview Statkraft, 2010). The corporate culture with a strong apathy towards the environmental movement that Eivind Heløe of Statkraft describes has in recent decades turned into mutual understanding and common agendas. Heløe credits climate change for the shift in mentality; "the climate challenge has turned upside down all the old antagonisms that this organization was used to. In most cases, we’re now allies instead of enemies. That is very clear in relation to Bellona" (ibid.).

Although recent decades have brought peace between the sectors, Heløe in Statkraft recognizes that the organizational culture in NGOs can be different from their own. The challenge is to understand that differences are mostly cultural and not
substantial. When the cultural barrier is overcome, it is easier to find common ground;

Much of the problems [of communication] are grounded in a lack of cultural understanding [between the environment here and at the NGO]. The difference between [Statkraft and some NGOs] is cultural, not substantial; they talk past each other. It is important to overcome those barriers - I think we have come a long way, at least at top management level (Interview Statkraft, 2010.)

When Siemens considered partnering with Bellona, they first thought through the differences in organizational culture and work methods between Bellona and themselves;

[Bellona] does have a different way of addressing things; Frederic Hauge’s challenging outspokenness to authorities ...isn’t necessarily the strategy we would use in relation to public authorities... We did discuss amongst ourselves whether Bellona’s methods could be damaging to us, in the respect that they are a little controversial at times - but we concluded that that is the nature of environmental organizations, and that they need to be in opposition. As long as their main concern is finding solutions, that is what is important to us (Interview Siemens, 2010).

8.6.2 Finding common ground

Theory suggests that it is necessary to gain mutual understanding between the parties in a partnership, and preferably some degree of compatibility between them - referred to as "like-mindedness" (Iyer, 2003).

Siemens is present in 190 countries, but no other Siemens office has a similar collaboration with an NGO as Siemens Norway has with Bellona.

A German TV-team followed Frederic Hauge in his preparations for COP 15, and they were extremely fascinated over Bellona's collaboration with Siemens - and how a commercial player like us could team up with an NGO and get access to, amongst others, the minister for trade and industry (Interview Siemens, 2010).

Gry Rohde Nordhus of Siemens believes the uniqueness of NGO-business partnerships in Norway involves the willingness by Norwegian NGOs to find common ground;

[In the rest of Europe], businesses and NGOs do not collaborate in the same way, much because NGOs have been so much in opposition to the core of business, commerciality. Instead of finding constructive solutions together, they are screaming at each other from a distance (Interview Siemens, 2010).

Nordhus further describes how Bellona goes far in adopting to the corporate organizational culture, at least in their communication with Siemens and other corporate partners;
Bellona is very solution oriented, and stretches far to please our needs...They are concerned with finding solutions to societal challenges, even in relation to their [partners]... The small detail that they dress the same way as we do in business meetings signals that they are focused on getting their messages across. This helps strengthen their message, because it makes us less concerned about how we act and more concerned about what we say (Interview Siemens, 2010).

Statkraft agrees in Siemens’ description, and adds that NGOs today are expected to uphold a certain culture; "Bellona has a basic commercial understanding... if you plan on being taken seriously as an NGO you need to attract the most professional employees, people who expect a certain level of professionality within the organization" (Interview Statkraft, 2010).

Marine Harvest believes that NGOs are in general becoming more professional, and names WWF’s standing as a serious actor one reason why WWF collaborates so well with them (Interview Marine Harvest, 2010). Elopak thinks that although WWF Norway and itself have different work methods, as "they dig into science whereas we dig into process management", they often work towards the same goals. So in a way, "it’s just two sides of the same coin" (Interview Elopak, 2010).

Eivind Sørlie, head of the marketing department in WWF Norway, has his career background within the business sector, and is accustomed to corporate organizational culture. For him, it has been a project to get the other employees in WWF Norway to acknowledge that, although they are an NGO, there are certain elements that need to be adopted from the business world; "I try hard to convince my coworkers that we’re all sellers. They say ‘no, we’re activists’, I say ‘you’re sellers - you need to sell your ideas and our message, if we don’t do that, no one will listen’" (Interview WWF Norway, 2010).

Although Siemens appreciates Bellona’s ability to adapt to a business culture, Gry Rohde Nordhus, head of communication, is convinced that it

...is important to keep our separate identities. Although we’re working together strategically, that doesn’t mean we need to become ‘a symbiosis’ or to ‘melt together’ as a joint venture or something like that... it is also fine to disagree on other things - as long as we agree on those things we work together on (Interview Siemens, 2010).

Eivind Heløe in Statkraft likes Bellona’s fine balance between idealism, expertise and commercial understanding, and thinks it’s important that Bellona keeps most of its
"NGO culture"; “they shouldn’t be our clone - then they wouldn’t have anything to add” (Interview Statkraft, 2010).

8.7 NGO Integrity
For the NGOs to keep their legitimacy or 'license to operate' from society, and continued support from their donors, governments and other NGOs and to be effective in their work, it is vital that they are seen as independent from others, and that they keep their autonomy. It is the NGOs themselves who should be in control over their own resources and their efforts towards fulfilling their mission. This means that partnering with businesses must not happen at the expense of the NGO's integrity, in that they lose their autonomy and instead be run by corporate interests (Frank, Longhofer & Schofer, 2007).

8.7.1 No one benefits from greenwashing
A common risk when NGOs and businesses engage in partnerships is that one of the parties tries to exploit the partnership for something it is not intended for (Yaziji, 2004). Greenwashing refers to when a company wrongfully calls their products or activities environmentally friendly or sustainable, when they’re actually not. It is possible to think of situations where companies would try to exploit a partnership with an NGO to improve their reputation or to lead attention away from unsustainable business practices. Such behavior could when discovered damage the integrity of the company, but also and maybe to a larger extent, the integrity of the partner NGO.

Bellona and WWF Norway are very aware of the risks related to greenwashing, perhaps especially since they both pursue strategies that include extensive collaborations with the business sector. The key for them is to make sure to keep their independence and not in any circumstance compromise on own principles or ideals (Interview Bellona, 2010; Interview WWF Norway, 2010). For Bellona, the key to safeguarding integrity is to never get out of their comfort zone, meaning never compromising on issues that are important to them;

The method [of collaborating] gives results, as long as you can control your integrity. Once you start compromising and doing things that you aren't really interested in, - but you need it for the money, then you have gone a step too far. And it's a fine line, when you've stepped out of your comfort zone - one thing is what you as an organization is comfortable with, but a more important one is about your standing [as an environmental organization] (Interview Bellona, 2010).
WWF Norway has a similar perception, and adds a point about how the objectiveness or individuality of an NGOs can contribute with credibility to a business partner. The notion is that the willingness of a business to team up with an NGO that for sure will criticize them if they do something wrong, will give credibility because of the risk associated with it; "their surroundings will think that 'this company must be decent, otherwise they wouldn’t dare to collaborate with [that NGO]'" (Interview WWF Norway, 2010). Furthermore, a partnership can add credibility to a company’s CSR-report, which is normally not assessed by third parties and can be overly subjective; "there are so many bad CSR-reports out there that brag about what the company has achieved, but where all is a big exaggeration. If a company can refer to a partnership with us in their CSR-report, that can give an extra assurance that what they say really has a content" (ibid.).

WWF Norway has the impression that all their strategic partners appreciates WWFs role as an independent watchdog. **Elopak** is an example; "I would never have agreed to partner with an NGO if I knew that they would protect a scapegoat instead of criticizing them in public. Because the role of environmental organizations is to be watchdogs. They need their independence from us [companies], otherwise they’ll lose their integrity" (Interview Elopak, 2010). **Marine Harvest** agrees; "If we are accused of 'greenwashing', this partnership has no purpose at all... we need to make sure that we do not contribute to weaken [WWF’s] standing as an environmental organization; if we do that, we weaken the whole idea of such partnerships" (Interview Marine Harvest, 2010). **Varnergruppen** wouldn't either want their NGO partner to protect them from critique; "I hope our collaboration wouldn’t prevent them from going to the media - that would be abuse of the partnership; they have to dare criticizing us if we do wrong, although I would hope they did it in a polite manner" (Interview Varnergruppen, 2010).

### 8.7.2 Balancing between watchdog and ally

The roles of watchdog and partner can be difficult to balance. There will always be people who think of NGOs as sellouts for collaborating with businesses, and again others who see NGOs as too controversial to take seriously. WWF Norway recently criticized Marine Harvest on WWF’s own web page for being too slow in setting clear goals in improving the unsustainable situation in salmon farming, which is part of their partnership agreement. A random commentator had the following to say about their collaboration; "WWF functions as a useful idiot to the fish farmers. Their
reputational loss is already a fact, and it can get worse if WWF [Norway] does not chose side in this issue. To have one foot in each camp like this, is and will be impossible” (Dahl, 2010).

For Bellona, the independent watchdog role of the NGO seems to be the most important; "NGOs are pressure groups, and they do not always work for issues that the politicians agree on - it is a maturing process, and that is why we have NGOs; they work with issues that don’t necessarily run themselves, be it human rights, the environment or what not” (Interview Bellona, 2010). As a tool for reaching their goal of zero emissions, Bellona collaborates with businesses on two levels; In philanthropic collaborations, companies donate money that Bellona is free to use as unallocated financial resources. In strategic collaborations, however, Bellona partners with companies to find solutions to common problems or to reach common goals. For Bellona, philanthropy and partnerships are very different, and must not be confused with one another;

if one is to have a partnership with businesses, it needs to be something you do with a strategic driver, not a financial one...[because] if someone questions the motive or the competence or the driver for what you do, then you loose legitimacy. Hence, the importance of being an objective party, one that can agree on several issues (Interview Bellona, 2010).

What Bellona means is that a partnership’s legitimacy rests on the NGO’s ability to keep its integrity, and having a distance to its partner so that it still can be an independent player.

The objective approach that Bellona is describing, is supported also by WWF Norway; [this objectiveness gives us extra strength in that we will always have a broader approach than a company pursuing its own agenda - hence, we have [a different authority and] a voice that gets heard” (Interview WWF Norway, 2010). Instead of focusing their efforts on only one company, Bellona and WWF Norway have strategies that include talking with several actors within each sector;

Take the example of renewable energy; we have a dialogue with [the trade organization] Energy Norway, we collaborate with Statkraft, [the largest company], and we also talk with different regional actors across the country...It is important for us to get different perspectives from all actors, we do not want to be tied in... We get different inputs from the different environments...We see that as a big strength for Bellona’s integrity... No one can say that we run the errands of that or that company (Interview Bellona, 2010).

For Elopak, the balance by WWF Norway of being watchdog and an ally is seen as a strength;
[The partnership] works like any other collaboration with an environmental organization. One day we can be yelled at, and we can be praised the next. We experience that they are independent, and do not feel that they have to protect us. And we appreciate that (Interview Elopak, 2010).

Elopak elaborates by giving a hypothetical example;

I am confident that if [Elopak] in example had bought oil from Western Sahara, WWF Norway would've gone out and criticized us heavily, just like Friends of the Earth Norway is doing now with Rieber. I have full faith in that they will behave like that if something ever comes up, and that it should and must be (Interview Elopak, 2010).
9.1 Evaluating progress and results

According to theory, evaluation is an important part of any partnership (Neergaard et al. 2009a; Googins & Rochlin, 2009; Warhurst, 1989), and must be done from start to finish and comprise all partnership activities (Jamali & Keshishian, 2009).

All case organizations recognize the importance of evaluating partnerships along the way, especially when partnerships are up for renewal (Interviews Aker BioMarine, Marine Harvest, Varnergruppen, Elopak, Statkraft, Siemens, WWF Norway, Save the Children Norway, Bellona, 2010). For WWF Norway and Bellona, a minimum of one evaluation meeting per year is standard procedure with all of their partners (Interviews WWF Norway and Bellona), and at these meetings they discuss what has come out of the partnership in the previous year and what should be changed or brought into the next.

We get the impression that the NGOs are relatively uncritical when it comes to measuring up goal achievement in partnerships. When asked about the evaluation phase, Eivind Sørlie in WWF Norway focuses mostly on concerns regarding if business partners want to continue partnerships when the time has come for renewal. Less is said about what happens to the partnership if goals are not fulfilled; "when an agreement is up for renewal, it is always exciting to hear if a company thinks they have benefitted so much that they want to continue the partnership" (Interview WWF Norway, 2010). A danger is that NGOs end up compromising on goals set in the initiation phase, and fail to sanction their partner if those goals are not fulfilled by the stage of evaluation. WWF Norway and Marine Harvest are now in a situation where Marine Harvest has failed to meet important goals of improving their overall environmental impacts, but where their partner clings on to the partnership because of the tilt in right direction and the expressed want by Marine Harvest to change behavior. A complicating factor is that Marine Harvest is in a shift of CEOs, and that
the old CEO was very engaged in the partnership with WWF Norway. Petter Arnesen, VP Feed and Environment, says much is now up to the new CEO, but that there is uncertainty tied to the future of the partnership from their side (Interview Marine Harvest, 2010). The paradox is that even though failure of goal achievement is on Marine Harvest's part, it ends up being them who will decide on the future of the partnership, and not WWF Norway. If this situation is generalizable also to other strategic partnerships, we are concerned that the evaluation stage in general does not live up to the high standards of mutual benefits and interest alignment in partnership ambitions.

9.2 Outcomes
A sensible way of measuring results is to compare partnership goals with actual outcomes. In the following we will take a brief look at goal achievements of the six case partnerships, in order to make some assumptions about the third phase of strategic partnerships.

Since knowledge sharing and dialogue is the main tool of the case partnerships, it is difficult to provide for easy yes-no evaluations on partnership accomplishments. Dialogue can trigger general changes in behavior or mentality, without necessarily being tied to specific activities. Knowledge sharing might open up to new perspectives, but can again be hard to assign back to specific initiatives. WWF Norway and Bellona prefer to have some milestones or targets to work towards in strategic partnerships (Interviews WWF Norway and Bellona, 2010). Specific goals make it easier to evaluate partnership success. Most of the case partnerships involve some very specific and easily measurable targets - such as certification processes and cuts in CO₂ emissions. Others are harder to assess, because outcomes are represented by general shifts in attitudes, actions as part of more complex processes, or as more intangible outcomes. Since the partnership between Statkraft and Bellona consists of ongoing dialogue, it does not make sense in this context to pass a verdict on the outcomes, since they’re part of complex political and commercial mechanisms that are too hard for us to assess.

The partnership between Marine Harvest and WWF Norway covers several specific activities, but no specific environmental benchmarks (Partnership Agreement Marine Harvest and WWF Norway April, 2008). WWF Norway realizes that the reluctance
by Marine Harvest to agree to specific goals weakens the partnership (WWF Norway, 2010b). WWF Norway recently criticized Marine Harvest on their own webpage for being too slow in making progress;

    We had hoped that the worlds largest fish farmer had understood the seriousness of environmental issues, and that they would’ve used 2009 to set new standards for the environment - and to commit. [Marine Harvest’s] environmental performance so far shows that they have a long way forward before WWF Norway’s requirements are fulfilled (ibid.).

What WWF Norway does appreciate is Marine Harvests willingness to open up their value chain to scrutiny and allowing for dialogue with and input from important environmental stakeholders. Although increased transparency can be seen as a goal achievement in itself, what WWF Norway and Marine Harvest need to do is to agree on more specific goals so that the evaluation of outcomes can be improved.

In April of 2010, Forest Stewardship Council certified Elopak’s main European operations, meaning that they reached one of the goals set together with WWF Norway. The other specific target of the Elopak - WWF Norway agreement, a CO2 reduction of 15% within 2011, is allegedly on the way. We are however surprised that what started out as a goal within 2010 has now shifted to 2011 (Elopak, 2009; WWF, 2010d)

    Aker BioMarine’s certification by Marine Stewardship Council in May 2010 fulfilled a main objective of the partnership agreement with WWF Norway. The certification is seen as a great victory both by WWF Norway and Aker BioMarine (Interviews WWF Norway and Aker BioMarine 2010), and both actors sees this goal achievement as proof for the success of their common efforts (ibid.).

    Varnergruppen and Save the Children Norway established the initial pilot project for giving children vocational training and outplacements as trainees in factories in Bangladesh. The pilot is still in its early phase, and the first outplacements will begin in early 2011. Partnership success depends on future developments, as it takes time to see results from their project.

    Siemens and Bellona have produced two reports on energy efficiency and barriers associated with it. These reports were widely distributed, and resulted in much attention to both partners’ focus areas. Trondheim Smart City was established in cooperation with the City of Trondheim in order to be a pioneer city in using energy
efficiency to reduce energy consumption. The Smart City concept has been exported to other European cities, and is considered a vast success by both parties (Interviews Bellona and Siemens 2010).
10.1 Critique on the practice of NGO-business partnerships

Skeptics from a wide variety of actors, including academics, government institutions, NGOs, and businesses are critiquing the practice of NGO-business partnerships (Utting, 2000; Richter, 2004; Blowfield & Frynas, 2005; Reed & Reed 2009). These critics argue that partnerships across sectors are not guaranteed “win-win” relationships; they have several potential downsides that are often overlooked and would not bring significant change (Utting, 2000; Reed & Reed, 2009).

One main concern is how such partnerships between NGOs and businesses could affect the development agenda. A critique of NGO-business partnerships as a tool for development is that non-business stakeholders may be marginalized because of the relative power of businesses to others (Utting, 2000). The opinions of opposing positions, such as public officials and other NGOs, could be diluted to the point of irrelevance. Utting (2000) describes this unequal power relation as an “institutional capture” whereby corporate interests could dominate or heavily influence decision-making processes through partnerships with NGOs, because of the increased access to public and civic organizations these partnerships often give. Such behavior could undermine democratic and inclusive approaches to development issues, which could inhibit development (Reed & Reed, 2009).

NGO-business partnerships are additionally criticized by how businesses will only participate if the business itself can benefit from the outcomes of the partnership; therefore, developmental initiatives that are not in the direct interest of businesses would not be addressed (Blowfield & Frynas, 2005). Critics argue that businesses would not join forces with an NGO if they would not gain any returns from the partnership, and discontinue its involvement when the business sees that its costs are not met with appropriate benefits. NGO-business collaborations are therefore
accused of only serving areas where firms would benefit, not necessarily where help is most needed (Reed & Reed, 2009).

A final argument that, according to Utting (2000: 34), is the most significant concern, is that collaborations between NGOs and businesses could “weaken key drivers of corporate responsibility, namely governmental and intergovernmental regulation, the role of trade unions and collective bargaining, as well as more critical forms of NGO activism and civil society protest”, which have been important in some of the major reforms of corporate social and environmental responsibility in the past.

In order to accommodate the critique, careful considerations would need to be made on what strategic partnerships seek to undertake as their objectives, and NGO-business partnerships would need to widen the agenda to more than just the partners’ own benefits.

We strongly believe in the potential of strategic partnerships between businesses and NGOs for better addressing some of the global challenges facing our planet. We do not in any respect, however, imply that partnerships are alternatives to other means of fostering development or sustainability. We see strategic partnerships as complements to a complex governance system where states and international organizations interact together with other actors, and where states are still the main authorities in providing for sustainable development and economic growth.

10.2 Reflections on the Case Partnerships

Through six case studies we have seen how organizations from the NGO and business sectors can join forces in strategic partnerships to create mutual benefits based on each organizations’ respective strengths. Our study has highlighted many positive aspects of strategic partnerships, and we have focused on characteristics that are important to foster successful partnerships. No partnerships are perfect, and these case studies have shortcomings and room for improvement. In the following we will discuss some of these inadequacies in further detail.

One of the shortcomings for many strategic partnerships between NGOs and businesses is that few organizations have had the time or practical experience to develop good frameworks for how such collaboration should be executed, as is found in their traditional operations and cooperation within sectors. Much of the
work within these partnerships is done in a seemingly unstructured manner, and should be improved by systemizing processes within and between the partners. Although partnerships are built around continually changing dynamics, they could still benefit from better systems for learning and knowledge sharing. With better learning systems, partnership efficiency and effectiveness could improve, and learning from previous success and failures would be easier. Mechanisms that ensure diffusion of knowledge and processes could help anchor the partnership within the organizations, and ensure and mitigate potential challenges if there were unforeseen changes in key personnel with extensive knowledge and influence in the strategic partnership.

There is a need for systematic evaluation throughout a partnership to build upon experiences gained, and to use these experiences, lessons, and knowledge in future strategic partnerships. Our cases showed examples of “learning by doing” approaches, where there were no established practices for disseminating the knowledge and information obtained in the partnerships within the organizations. While there was evaluation of knowledge, it was not systematic. A systematic approach is prescribed in the partnership and management literature as means to ensure continuation in the knowledge and trust that is built up during the partnership (Neergaard et al., 2009b).

In several of our case partnerships we found dissonance between what the NGOs want to achieve and in how effective and quickly the business adjusted their behavior. For example, while Marine Harvest shows openness and is at the front in many environmental areas, the company receives critique on their aquaculture practices, at the same time as WWF Norway has been criticized for their involvement with Marine Harvest. While WWF Norway and Marine Harvest’s strategic partnership has led to improvements, much effort is still needed to ensure sustainable fish farming. WWF Norway has expressed a clear statement saying they “expect more from Marine Harvest,” and that the change is happening too slowly (WWF Norway, 2010b).

The case partnership between WWF and Elopak is illustrative in that there is a need to follow up on set targets and goals, and to adhere to deadlines. We see tension in the partnership between Save the Children and Varnergruppen, as Varnergruppen
still does not publish lists of their suppliers and a non-disclosure policy could lead to integrity issues for Save the Children.
11.1 Concluding remarks

Real strategic partnerships between NGOs and businesses are rare and understudied. The goal of this thesis has been to contribute to a better understanding of the dynamics and mechanisms involved in strategic partnership processes. While reviewing existing literature, we developed a theoretical framework to use as the basis for the methodology our analysis. After initial research of newspaper articles, NGO websites, and interviewing professionals, we found a number of business-NGO partnerships in Norway that we wanted to investigate further. We first talked with representatives of four prominent Norwegian NGOs, and conducted semi-structured, in-depth interviews with them to find out if their partnerships with selected businesses were of strategic character. Based in the typology of partnerships provided by Neergaard et al. (2009) and Jamali & Keshishian (2009), we chose six partnerships that had clear strategic traits for further study. Due to limited time and resources, our intentions were never to provide a representative or exhaustive study of Norwegian NGO-business partnerships; rather, our wish has been to learn more about strategic partnerships by digging deep into a selected few.

We quickly discovered that Bellona and WWF Norway are pioneers in working strategically with businesses in Norway. Bellona has been in strategic partnerships for 12 years and was the first NGO in Norway to make them a significant part of their stated work methods. Bellona claims to have about 35 partnerships of strategic character with Norwegian businesses. WWF Norway has also become an important actor in promoting strategic partnerships, teaming up with companies to work strategically on issues ranging from ballast water to fish farming and CO$_2$ emissions. Our studies of Bellona and WWF Norway has left us humbled by how these organizations reflect and act upon opportunities for improving corporate behavior through pragmatism. We find that these organizations are pioneers even in international context because of the range and scope of their efforts. The case studies
in this thesis have been of Norwegian partnerships, but nevertheless intend to make a statement in international context; these case studies include both NGOs and companies that are all internationally represented. Marine Harvest is the largest salmon farmer in the world, and their partnership with WWF Norway involves activities and outcomes that may be used in all of their markets. Elopak is a global company with presence on all continents and a value chain stretching from research and development in Norway, forestry in Canada, to production and consumption in China. The list continues to all our case studies, as all are actors with reach far beyond Norway. Nevertheless, Norway is a good starting point for several reasons. It is a small country where it has been easier to establish an overview of existing partnerships, and is close to Denmark where Neergard et al. (2009b) have already conducted a study of 1,900 partnerships leaving us able to build on those valuable findings in our study. Both authors are Norwegian, and we have extensive knowledge of Norwegian NGOs, businesses, and society in general. A final incentive to research Norwegian partnerships is the deficiency of strategic partnership literature from Norway, which is not keeping up with developments in the industry.

In addition to Bellona and WWF Norway, we included Save the Children Norway as a case NGO. Although Save the Children Norway does not have nearly as institutionalized cooperating mechanisms as the previously mentioned NGOs, it does have one very interesting partnership with several strategic traits. Together with Varnergruppen they collaborate on a trainee program for underage workers in Bangladesh, with the goal of incorporating them into the formal textile industry to keep them out of the much more brutal informal industry in that country. Throughout our studies we found that this partnership is in an early stage, but both parties are heavily engaged and motivated to extend the pilot project that is currently running.

Our analysis has taken the form of a descriptive study, where instead of judging through normative statements, we have tried to interpret the information gathered in our in-depth interviews with the partnership companies and NGOs in a cautious and informative manner. The analysis includes many direct quotes from the interviewees, as we wanted to use the powerfulness of letting executive managers and vice presidents speak for themselves. In the following sections, we will run through our main findings of the study.
11.2 Main Findings

_Strategic partnerships are motivated in a company’s internal and external needs_. NGOs possess a set of competences that can be of strategic importance for companies. By partnering with NGOs, companies can complement shortfalls in their own organizational capabilities. According to Jorma Ollila, Chairman of Royal Dutch Shell and Nokia, the business world is at a paradigm shift in that "the time for 'business as usual' is over". He means that the increasing interconnectedness of the world leaves businesses with no choice other than to incorporate social and environmental sustainability in business models if they want to "be around for the long haul" (Ollila speech to WBCSD 2007). Partnering with NGOs can help companies gain competitive advantage for the future. The partnership between Aker BioMarine and WWF Norway is a good example; For Aker BioMarine, being a sustainable krill harvester and producer of krill oil is essential for staying in business; "without WWF Norway’s help, we would have neither legitimacy nor competence to [secure sustainability throughout our operations]" (Interview Aker BioMarine 2010).

Yaziji (2004) highlights that while most companies’ networks consist of buyers, suppliers, and business competitors, NGOs’ contacts consist of deeper and more extensive interaction with other NGOs, beneficiaries, donors, regulators, legislators and public-interest lobbies. The access to distinct information and networks is therefore a common motivation for companies to partner with NGOs. Our case-companies agree that the extended networks of their organization partners give them access to information beyond what they could access outside of the partnership. Other motivations for companies to engage in strategic partnerships with NGOs are to enhance reputation and gain legitimacy, influence regulators, and to engage stakeholders. Surprisingly little of the discussion with the case companies involved money and financial interests. Although all of the above motives can result from a wish to maintain or gain competitive advantage, our interviewees did not only focus on profit making in their discussion on what motivates them to partner with civil society.

_NGOs that engage in strategic partnerships see business as part of the solution to global challenges, are motivated beyond financial interests, and are willing to work with businesses instead of against them_. Partnering provides an effective way for NGOs to change the behavior of businesses towards more sustainable practices, products and services (Jamali & Keshishian, 2009, Googins & Rochlin, 2000). NGOs
that collaborate strategically with businesses do it because they believe companies can contribute to the NGO’s overall mission; they too are important in solving global challenges. Bellona names collaborating with businesses as an essential part of their methods, because “only [businesses] can deliver solutions for the future”, and "they are the ones producing what we need" (Interview Bellona 2010). WWF Norway sees partnering with businesses as a way of adding credibility to their own work, since "showing up with the elite of Norwegian companies confirms that [WWF Norway is] an organization with certain authority” (Interview WWF Norway 2010). A third motivation for NGOs to engage in partnerships with business is securing financing, and a fourth is that working with businesses is more efficient and practical than standing on the sidelines yelling at them.

In strategic partnerships, choice of partner is based on strategic concerns. Technical competence and expertise seems to be common denominators for the case companies in their partner choice; "We chose WWF Norway because we considered them the most competent with concrete suggestions for working with krill...A lot of those things that make us so content with WWF is their expertise and access to networks that are linked to expertise” (Interview Aker BioMarine 2010). The same mentality is found at Elopak, Marine Harvest, Varnergruppen, Statkraft and Siemens; they all highlight the importance of choosing a knowledgeable, competent, and expert partner.

Strategic partnerships are built on common interests. Strategic partnerships can only exist if organizations have mutual goals and interests, meaning that the partnership is set up to "pursue common goals" (Jamali and Keshishian 2008). According to Neergaard et.al, such goal alignment "will create a feeling of joint dependence, of being in the same boat, thus rising the likelihood that both partners will see the partnership through (2009a)”. Goals often support the motivations of entering the partnership to begin with. The case partnerships are set up to pursue the following six goals; securing the sustainability of krill fishing in Antarctica (Aker BioMarine and WWF Norway), tackling problems related to salmon farming (Marine Harvest and WWF Norway), targeting the informal textile industry in Bangladesh (Varnergruppen and Save the Children Norway), reducing environmental footprints (Elopak and WWF Norway), addressing clean energy for the future (Statkraft and Bellona), and promoting energy efficiency (Siemens and Bellona).
Strategic partnerships foster joint value creation, meaning that each party benefits beyond what that actor could have achieved alone. For partnerships to be successful, both parties need to benefit (Neergaard et al. 2009b; Googins & Rochlin 2000; Berger et al. 2004), otherwise there would be no incentive for committing to a partnership. Not only must both partners benefit, but they should benefit equally; both parties should "feel" that the partnership is worth while. In addition, strategic partnerships need to yield synergistic outcomes that the actors could not have surpassed individually outside of the partnership (Googins 2000:128) An illustrative example is that of Elopak and WWF Norway. For Elopak, the partnership creates value by facilitating better understanding of challenges like deforestation, climate change and pollution, while providing specific goals to work towards with real numbers and milestones. For WWF Norway, the collaboration has created value by real cuts in CO₂ emissions as well as measures taken by Elopak to get certified by Forest Stewardship Council, a guarantor for responsibly managed forestry. Elopak is clear that partnering with WWF Norway has benefited them in terms of increased credibility towards customers, increased knowledge amongst employees, customers, and suppliers, a broadened international network, and sharpened internal routines (Presentation by Elopak and WWF Norway at BI Seminar 2009).

Strategic partnerships employ both parties’ core activities, actively use core competencies, and are important for fulfilling the parties’ missions. For partnerships to be of strategic character, they need to involve the core activities of both parties; The NGO must work towards its mission in the partnership, that is to "save the environment" or work for child rights, by involving the company’s core activities or be linked to the company’s value chain. If the company is a cardboard box producer, any linkage in the value chain to environmental issues qualifies for a strategic partnership with an environmental organization working in that specific field. Examples can be forestry, CO₂ emissions from production, transportation, or waste. Furthermore, the parties need to be able to feed on each other’s resources or capabilities. Elopak exemplifies how they are able to take advantage of WWF’s competence directly in their dialogue with forest owners:

There are a lot of examples of badly managed forestry in the world, although the owner might insist that it is all good... I [sometimes] call up our guy in WWF [Norway] and ask about 'that specific forest' and how sustainable it is, if we should do it, yes or no. [WWF Norway] would call me back after having checked with their people in Finland, Russia or Canada - and they would’ve
explained to us that they do not think that forest is well managed, and that Greenpeace thinks it is terrible (Interview Elopak 2010).

Another good example of core activity usage from both parties is that of Marine Harvest and WWF Norway. As a leading seafood company and the largest producer of farmed salmon in the world, it is impossible for Marine Harvest not to address key challenges to the industry such as significant environmental impacts. Outbreaks of sea lice and the spread of salmon disease, treated with large doses of antibiotics, are key problems directly linked to Marine Harvest’s value chain. The partnership with WWF Norway exists to better target these direct challenges. As the world’s largest environmental organization, WWF has extensive expertise on marine science and aquaculture. Through an impressive network, WWF Norway has first-hand access to knowledge that Marine Harvest needs to fulfill their ambitions of becoming a sustainable actor; “... they sit on important knowledge. They have a marine program, and they are able to point to certain areas and contribute with knowledge that we need to change our practice” (Interview Marine Harvest, 2010).

**Knowledge sharing is the essence of strategic partnerships.** Resource dependence theory suggests that partnerships occur as means to gain access to critical resources necessary for own success and survival (Arya & Salik 2006). We believe that in strategic partnerships, knowledge is the prominent resource sought after. In philanthropic and reciprocal exchange partnerships, other resources such as financial support and marketing efforts seem to dominate; strategic partnerships, however, involve quests for information and knowledge sharing. Dialogue is the main driver for knowledge exchange in the case partnerships. Statkraft and Bellona give an illustrating example. When we asked Bellona what their partnership with Statkraft consists of, Hagemoen (Manager of Institutional Relations) was reluctant when explaining that the partnership was "only" about sharing knowledge; "We sometimes do small projects together, but boring as it might seem, the essence of the partnership is to discuss and arrange for discussions [...] [the goal] is mutual education and strategic exchange” (Interview Bellona 2010). Statkraft places the same importance as Bellona on the role of knowledge sharing in the partnership:

We do not launch large initiatives without having asked Bellona first. We consult them if there is something we are afraid that we have forgotten to consider, or if there is something we believe could be controversial. We get their ‘second expert opinion’ beforehand - it could involve position papers, formal hearings, or whatever. They have competence and knowledge that we don’t (Interview Statkraft 2010).
No strategic partnership can survive without top management commitment. Top management involvement is important in order to secure long term commitment to partnerships, to anchor the understanding and motivation within both organizations, to authorize and legitimize the partnership, and to signal commitment and engagement towards the partner organization. All the case organizations and companies see top management commitment as a necessary component in partnerships of strategic character. Furthermore, all of them state that their top leaders are fully committed to their partnerships, and that most of them are active participants in the partnership activities. That being said, it is mostly not the top management that is concerned with the day-to-day handling of the partnership activities. Strategic partnerships are characterized by a high level of technical operations, which are often managed by experts within specific fields. "A sign of a partnership being well 'anchored' is when the day to day contact between [the NGO] and the company is executed by [the] technical expert, [not top management]." (Interview WWF Norway 2010).

Fruitful communication is a prerequisite and determining factor of strategic partnership success. Since partnerships necessarily involve at least two organizations, and because those of strategic character include complex dynamics, functioning communication is an essential part of strategic partnerships. It is important to have continuity in the collaboration, and meetings must happen on a regular basis. WWF Norway and Bellona meet with their partners at least every three months, but more in periods of high partnership activity. Much work is put into preparing the meetings from the NGO’s side: agendas are set, presentations made, and questions are posed beforehand. All of which contribute to professional and efficient communication. Companies typically appreciate such effective and to-the-point professionalism.

Strategic partnerships require high levels of trust between the partners. Strategic partnerships are riskier ventures than philanthropic ones because they revolve around core activities, from which organizations derive competitive advantage. Building trust is thus an essential component to securing the partnership and reducing risk of a partner taking advantage of sensitive information and compromising the other’s integrity.
Strategic partnerships require understanding and respect of each partner’s organizational culture. Partnership theory places substantial focus on the notion that there must be a right "fit" between the partners. After having studied six strategic partnerships we can conclude that no parties want to become the identical twin of their partner organization, nor do they think difference in organizational culture is a problem. What companies do care about, is the professionalism of the NGO; that their counterpart "adapts to a business culture" in meetings with them. Simple efforts like dressing up in suits, using presentation tools, and preparing agendas are examples. This being said, we found no evidence that the case companies objected to the NGOs' more radical side: their nature of opposition, use of protests and civil disobedience as tools, or idealistic underpinnings. "As long as [the NGO’s] main concern is finding solutions, that is what is important to the [company]" (Interview Siemens 2010). Building awareness of and respect for organizational differences is seen as a more helpful partnership strategy than "adapting" to the others' organizational culture. Acknowledging differences also gives possibilities of creating synergy effects by playing on complimentary organizational capabilities. Despite differences, it is important that the partnering organizations find common ground: "...it is important to keep our separate identities...it is fine to disagree on [issues], as long as we agree on those things we work together on” (Interview Siemens 2010).

Loss of NGO integrity can harm both parties in a strategic partnership. Strategic partnerships are less about reputation and more about real actions and contents. We find the risk of "greenwashing" to be small in strategic partnerships, as it is in both parties’ interest that the NGO maintains its integrity. For Bellona and WWF Norway, engaging in strategic partnerships is completely separate from philanthropic activities, since "strategic partnerships must have strategic drivers, not financial ones" (Interview Bellona 2010). They key for the NGO is to maintain their integrity by never compromising on issues that are important to them. For Bellona and WWF Norway, integrity is closely linked to the capability of being objective. Being open for collaborating with all actors within one industry or sector is important to both organizations as long as they and their partner can find common solutions to common problems or to work towards common goals. It is equally important for the corporate side in strategic partnerships that the NGO is not accused of being a "sellout" to corporate interests. “We need to make sure that we do not contribute to weaken their standing as an environmental organization; if we do that, we weaken the whole idea of
such partnerships” (Interview Marine Harvest 2010). In order to maintain integrity, the NGO needs to balance the roles of watchdog and ally. For WWF Norway, it is important that strategic partnerships do not lead to WWF becoming "consultants"; NGOs are representatives of civil society, not the business sector - their role is to criticize, not consult.

**When clear goals are set at an early stage of strategic partnerships, it becomes easier to evaluate and measure outcomes.** Partnerships with thoroughly defined targets can be evaluated on a yes-no basis, making it easy to decide if a partnership has been successful or not. Aker BioMarine and WWF Norway’s partnership exemplifies how working towards a specific common objective leads to easily measurable outcomes. Aker BioMarine was recently certified to the Marine Stewardship Council, a main goal of their collaboration. The partnership between Marine Harvest and WWF Norway, on the other hand, is a good example where one party’s resistance to agree on specific, measurable, objectives hinders the partnership by making it very difficult to determine outcomes. Although Marine Harvest is committed to reduce their environmental impact (Marine Harvest, 2008), they do so without the quantifiable targets that WWF Norway would have liked (WWF Norway, 2010b).

**11.3 Future research**

Strategic partnerships between businesses and NGOs are at an early stage of development, and are still limited in their scope and impact. The potential of such strategic partnerships, however, is substantial. The combination of NGOs, representing and acting as watchdogs for civil society and nature, and businesses, as key drivers of innovation and economic growth, create unique possibilities for mutually beneficial relationships across sectors in society. Such relationships benefit the partner organizations in addition to society as a whole by addressing challenges and opportunities that exceed what can be done by a single organization or sector.

As the literature and knowledge of strategic partnering is still early in its development, there is need for research on the subject given the potential for strategic partnerships to benefit businesses, NGOs, and society. Possible directions for further research could include longitudinal analysis that follows a strategic partnership from inception throughout its lifespan to get more information on the ongoing dynamics within the partnership. Additionally, exploring why some
strategic partnerships fail while others succeed is needed to develop a better understanding of how to effectively manage strategic partnerships. It could be interesting to perform a comparative analysis between strategic partnerships in different countries to see if there are variations in the motivations, dynamics and characteristics of partnerships.

Knowledge sharing about the potential of strategic partnerships within organizations is needed. Polling top managers on strategic partnership knowledge could give a good indication of existing awareness of strategic partnerships, and to what extent organizations see their potential and want to commit to them. Establishing arenas where NGOs and businesses could meet to exchange information and ideas for collaborations could ease the identification of suitable partners.

We hope our research has contributed to spreading knowledge of the potential of strategic partnerships to business and NGO managers, students, academics and other readers. As a result of the rising interest and acknowledgement of the potential that lies in strategic NGO-business partnerships, we only expect their numbers to grow in the future. Hopefully, the topic will be given continued attention from academics, governments, NGOs, and businesses. Paraphrasing Austin, we believe we are seeing just the beginning of the age of strategic partnerships.
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Interviews


## Appendix – Overview over Case Study Partnership Characteristics

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<td>WWF: - Forestry preservation - Business as part of the Solution - Financial</td>
<td>WWF: - Sustainable aquaculture - Business as part of the solution - Financial</td>
<td>Bellona: - Address climate challenges - Business as part of the solution - Financial - Create awareness</td>
<td>Bellona: - Address climate challenges - Business as part of the solution - Financial - Create awareness</td>
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<td>Save the Children: - Address child labour issues - Business is Key in facing global challenges - Financial</td>
</tr>
<tr>
<td><strong>Choice of Partner</strong></td>
<td>NGO – Preserver type - Began at strategic level - Strategic fit</td>
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<td>NGO – Preserver type - Began at strategic level - Strategic fit</td>
<td>NGO – Preserver type - Began at philanthropic level before advancing to strategic level - Strategic fit</td>
</tr>
<tr>
<td><strong>Common Interest</strong></td>
<td>Securing the sustainability of krill fishing in Antarctica</td>
<td>Reducing environmental footprints</td>
<td>Tackle problems related to salmon farming</td>
<td>Promoting energy efficiency</td>
<td>Addressing clean energy for the future</td>
<td>Target the informal textile industry in Bangladesh</td>
</tr>
<tr>
<td>Relation to Core Activities</td>
<td>WWF &amp; Aker BioMarine</td>
<td>WWF &amp; Elopak</td>
<td>WWF &amp; Marine Harvest</td>
<td>Bellona &amp; Siemens</td>
<td>Bellona &amp; Statkraft</td>
<td>Save the Children &amp; Varnergruppen</td>
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<tr>
<td>High Marine stewardship and sustainable krill fisheries</td>
<td>High Forestry Stewardship Council certification and forestry</td>
<td>High Sustainability issues in aquaculture</td>
<td>High Energy efficiency &amp; climatic change</td>
<td>High Renewable energy &amp; climatic change</td>
<td>High Child labor in textile industry</td>
<td></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Knowledge Sharing</th>
<th>WWF &amp; Aker BioMarine</th>
<th>WWF &amp; Elopak</th>
<th>WWF &amp; Marine Harvest</th>
<th>Bellona &amp; Siemens</th>
<th>Bellona &amp; Statkraft</th>
<th>Save the Children &amp; Varnergruppen</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Importance</td>
<td>Considered important from both partners.</td>
<td>“Contribute with valuable perspectives”</td>
<td>“Dialogue as main driver”</td>
<td>Considered important from both partners.</td>
<td>“Mutual education and strategic exchange”</td>
<td>“Information and exchange of experiences”</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Top Level Management &amp; Organizational Anchoring</th>
<th>WWF &amp; Aker BioMarine</th>
<th>WWF &amp; Elopak</th>
<th>WWF &amp; Marine Harvest</th>
<th>Bellona &amp; Siemens</th>
<th>Bellona &amp; Statkraft</th>
<th>Save the Children &amp; Varnergruppen</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Importance</td>
<td>Top managers involved</td>
<td>Top managers involved</td>
<td>Top managers involved</td>
<td>Top managers involved</td>
<td>Top managers involved</td>
<td>Both see it as necessary and important for top management to be committed.</td>
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<thead>
<tr>
<th>Communication</th>
<th>WWF &amp; Aker BioMarine</th>
<th>WWF &amp; Elopak</th>
<th>WWF &amp; Marine Harvest</th>
<th>Bellona &amp; Siemens</th>
<th>Bellona &amp; Statkraft</th>
<th>Save the Children &amp; Varnergruppen</th>
</tr>
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<tbody>
<tr>
<td>Two to four meetings per year. Varies from partner to partner. Important to be professional &amp; effective in communicating. Little focus on administrative tasks. Highlight is on open, frequent and direct communication between operative leaders and NGO field expert</td>
<td>On average, two to four formal meetings every year, + intensive during specific projects. “More informal contact means more openness and better discussions”.</td>
<td>Occasionally</td>
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<table>
<thead>
<tr>
<th>Trust</th>
<th>WWF &amp; Aker BioMarine</th>
<th>WWF &amp; Elopak</th>
<th>WWF &amp; Marine Harvest</th>
<th>Bellona &amp; Siemens</th>
<th>Bellona &amp; Statkraft</th>
<th>Save the Children &amp; Varnergruppen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust is Essential</td>
<td>Both WWF and AB expresses trust to each other, and the importance of it in their partnership.</td>
<td>Both partners express trust to each other.</td>
<td>Both WWF and Marine Harvest expresses trust to each other, and the importance of it in their partnership.</td>
<td>Bellona: “Trust is something you build.”</td>
<td>Bellona: “[the partnership] needs to be anchored in top management”</td>
<td>“Trust is Alpha and Omega.”</td>
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<table>
<thead>
<tr>
<th>Culture</th>
<th>WWF &amp; Aker BioMarine</th>
<th>WWF &amp; Elopak</th>
<th>WWF &amp; Marine Harvest</th>
<th>Bellona &amp; Siemens</th>
<th>Bellona &amp; Statkraft</th>
<th>Save the Children &amp; Varnergruppen</th>
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<tr>
<td>WWF: Marketing director is accustomed to corporate organizational culture, and is trying to get other employees in WWF Norway to acknowledge that although they are an NGO, certain elements need to be adopted from business.</td>
<td>Elopak recognizes their different working methods, but considers it as working towards the same goal: “it’s just two sides of the same coin”.</td>
<td>Marine Harvest believes NGOs have become more professional. Considers WWF as a serious actor, and as a reason they collaborate well with them.</td>
<td>Siemens considered their cultural differences when partnering with Bellona. Acknowledged their differences as one of the strengths of the partnership.</td>
<td>Statkraft recognizes a change in mentality towards environmental organizations within the company. Acknowledges different cultures.</td>
<td>Acknowledges different cultures.</td>
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<tr>
<td>Integrity</td>
<td>Both WWF and Aker BioMarine are aware of the risks of associated with loss of integrity if the partnership is being accused of participating in greenwashing activities.</td>
<td>Important to keep integrity - WWF’s role as both watchdog and ally is seen as a strength in the partnership.</td>
<td>Both WWF and Elopak: - WWF needs its independence, otherwise they’ll lose their integrity.</td>
<td>WWF: - important to be a credible partner - needs improved progress in achievements</td>
<td>Marine Harvest: “If we are accused of greenwashing, this partnership has no purpose at all. We need to make sure that we do not contribute to weaken WWF’s standing and environmental organization”.</td>
<td>Bellona: - Important to be viewed as an independent actor</td>
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</table>

| Evaluating Progress & Results | WWF & Aker BioMarine - Yearly evaluation meetings - No direct performance indicators, but have objectives | WWF & Elopak - Yearly evaluation meetings - Have set targets | WWF & Marine Harvest - Yearly evaluation meetings - Critique on the lack of set targets in the partnership | Bellona & Siemens - Yearly evaluation meetings | Bellona & Statkraft - Yearly evaluation meetings | Save the Children Varnergruppen - Continual feedback. - Both partners will evaluate outcome. - Create evaluation reports. |

| Outcomes | WWF & Aker BioMarine - Marine Stewardship Council (MSC) Certification for sustainable krill fishing | WWF & Elopak - Main factories in Europe have received FSC - Specific target on 15% CO₂ reduction is underway | WWF & Marine Harvest - Increased transparency on aqua culture value chain - Specific activities, but no set targets | Bellona & Siemens - Two reports on energy efficiency and barriers - Pilot Project on Energy efficiency in Cities (Trondheim Smart City) | Bellona & Statkraft - Collaborative project - “101 Solutions on Climate Crisis” - Difficult to assess, since partnership consists of continual dialogue and discussions | Save the Children Varnergruppen - Pilot project of trainee programme in supply chain - First trainees to start outplacements in factories in 2011 |