

**Partnership approaches:
How to create partnerships with
relevant organizations to promote
Savings Groups**

LETS SAVEE

LEarning, Teaming up and Saving- SAving groups for Employability and Empowerment

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SAVINGBUDDIES

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Partnership approaches: How to create partnerships with relevant organizations to promote Savings Groups

Organizations who promote and initiate savings groups will require to work with partners to be successful. Partnerships have great potential to get access to people and resources in a mutually strengthening manner. Involving external partners with attractive resources means engaging in an active exchange that will benefit both/ all involved parties. This means that in return for an engagement by a partner, the organization itself must be perceived by the partner as attractive, and it should seek synergy effects that are beneficial to both/all sides.

The types of partners will very much depend on the actual focus, maturity, and resources of the organization. In an early-stage, typical partnerships may be with NGOs who work with the type of target group that are to be offered participation in a savings group, and possibly some local public institutions or other local private donors who can be approached for funding. In later stages, partnerships with local banks may become an important component. There are different forms of cooperation models, and for this module, building and managing partnerships will be the focus.

Module	Partnership approaches
Intended outcomes and outputs	Based on this information, the organization will have structured guidance as to how to identify, build and maintain fruitful partnerships.
Topics/issues to deal with and related working methods	Topic 1: What are different forms of partnerships? Topic 2: How to find the right partners? Topic 3: How to build a strong partnership? Topic 4: How to manage and maintain a strong partnership? Topic 5: Challenges and solutions in managing partnerships
Training and learning methods	Reading
Suggested exercises/tools /activity	Tool 1: Actor profiling and mapping Tool 2: Partner pre-selection checklist Tool 3: Template MOU: Rules of engagement

Topics

Topic 1: What are different forms of partnerships?

In a professional context, various forms of cooperation can be identified that each have a different purpose for the involved parties as well as different modus operandi. Broadly, four forms of structured cooperation can be identified: (I) partnership, (II) a network, (III) a forum and (IV) a club.¹

¹ Text based on GIZ Capacity WORKS manual

I Partnership: A partnership is a defined agreement between all parties who identify themselves as a participant to the partnership. The identity, mission, background and size of each partner can strongly differ, but all partners should identify with the goal that has been set for the partnership, and each partner should play an active part. An important precondition will be that each participating party has an interest in the partnership and can also actively contribute to the goal of the partnership. Cooperation in a partnership typically is formalized (or should be, after a while of structured cooperation).

The following type of partners can be differentiated:

- Resource partners: Financial and in-kind (human and technical) resource contribution
- Knowledge partners: Enhanced capacity through information, evaluation and analysis
- Policy and governance partners: Enhanced capacity through policy and governance support at local/ regional/ country level
- Advocacy partners: Enhanced outreach and impact through support for publicity work

II Network: A network is a looser form of cooperation and typically involves more parties than a partnership. A network brings together parties who have a set of similar characteristics and it can be managed externally. Relationships in a network can be two-way (both give and take) and one-way (one gives, one takes), meaning that members of a network can exchange knowledge and learn from each other without an obligation by everyone to give input. Participation in a network typically is formalized and may involve a fee/ contribution to account for the network management effort.

III Forum: A forum is a place (real, or virtual), where an open or directed exchange takes place around one specific, pre-defined topic. Forum are therefore highly focused with regards to topics, but highly open with regards to participation. A forum is often a one-off or series of events. An entry fee/ contribution may apply.

IV Club: A club is a form of cooperation that is guided by a similar set of characteristics of its participants. Membership is restricted to certain criteria and comes with a contribution requirement/ fee.

As an important precondition for entering into structured partnerships – for both or each party - it is important that a sufficient degree of formal set-up, a firm commitment to the topic of the partnership itself and a high degree of transparency vis-à-vis all other parties exist.

Overall, prior to establishing a partnership, there should be a conscious assessment of the anticipated influence of the other partners on the own organization, the costs of managing the relationship within the partnership as well as the anticipated benefits, and the potential risks involved (see next section).

Topic 2: How to find the right partners?

Partnership opportunities

A partnership opportunity can be anything from an opportunity to jointly create synergies to for example create new saving groups to joining forces to convince more people to start saving etc. Being conscious about the own perspective as well as the other's perspective on a partnership opportunity is important, as it will strongly influence the motivation to enter into a partnership and will also guide the specific contribution that each party will be willing and able to contribute.

There are broadly three different partnership opportunities²:

- i. Opportunities where there is an alignment or common interest to tackle a certain problem or topic together;
- ii. Opportunities where there is an interest to commit complementary resources, and
- iii. Opportunities where each partner can gain net value.

Partner alignment

Once the type of partnership opportunity is clear to both (or all involved) potential partners, it will be important to clearly align on the respective problem to tackle together, the resources all sides are able and willing to commit and the value which each is hoping to gain. Such alignment can be clear from the outset, or there can be a need to set clear definitions. Such alignment can be done in open and transparent meeting or workshop settings with corresponding documentation for future reference.

In case of rapid change of one or several partners' activities/ objectives or working mode, it is advised to check the alignment on a regular basis (e.g. once a year).

Compatibility of partners

Each institution tends to have its own working modus, it establishes way to interact with its target groups or how it manages its knowledge and skills as organization. In order to avoid any misunderstandings or mismatches, it will be good to understand and acknowledge each other's "modus operandi". This may include aspects such as How are decision taken? What is the most common mode of communication used? What is the degree of formality in the interaction with each other? Are there any sensitive topics to be aware of?, among others. For a stable partnership, it is helpful to know any specifics of the partner and to establish a mode of cooperation that fits the respective modus operandi of each partner.

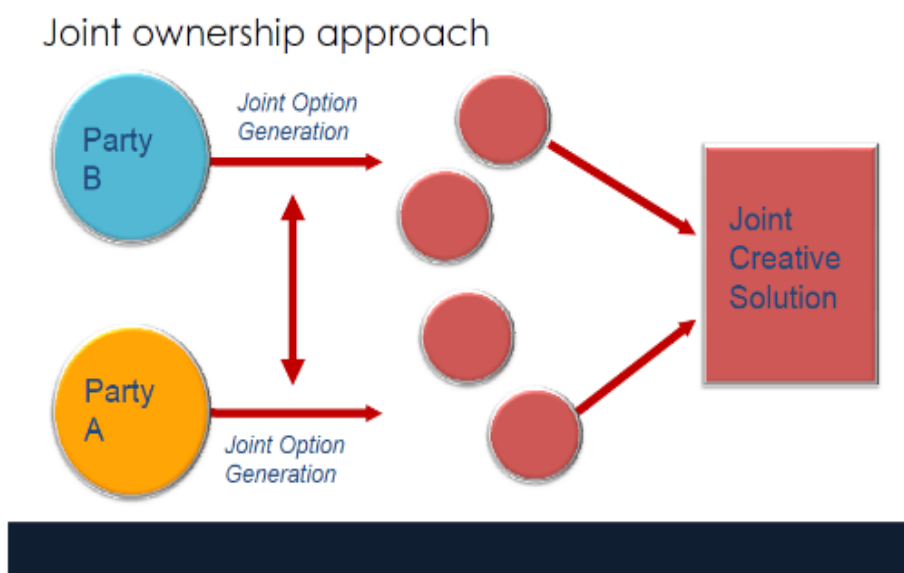
² Based on [Global CAD/ TPI](#)

Convincing and negotiating³

In a case when a potential partner appears to be a good fit, but some more discussion is needed to convince the partner of the value of a cooperation or to define the partnership terms, it will be useful to establish a solid understanding of the potential partners and (if necessary and appropriate) apply some basic rules of negotiating and convincing work. Before starting the negotiation process, it is important to make sure you choose the right negotiation model. An effective model is the “Interest Based Negotiation”. Relevant aspects to consider when negotiating with a potential partner are:

- i. **Understanding interests:** Define what are your organization’s interests and why they are important. Once they are clear, it is important to articulate them in one sentence or two and discuss them with selected members of the organization to make sure the message is clear. Once your interests are clear, it is time to understand the interests of the potential partner. Start by putting your organization in the partner’s ‘shoes’. Give relevance to listening to what is said and what is not said. Then learn about the potential partner using questioning skills such as asking open ended questions and look for discovering the partner’s needs and values.
- ii.
- iii. **Developing options:** There are different approaches to find options. One of them is the ‘Joint Ownership Approach’, where both parties engage in a brainstorming process bringing ideas to the table and jointly deciding on one or more suitable ideas for both organizations.

Figure SEQ Figure * ARABIC 1 The ownership approach to develop options within a partnership



Source: GlobalCAD training on Partnerships

³ The content of this section is taken from [GlobalCAD training on Partnerships](#)

- iv. **Identifying alternatives:** Determine the best alternative by answering the questions: What will happen if the organization cannot reach agreement with the other party? What are all the alternatives in this situation? What are the positives and consequences of each alternative? What is the best alternative among all the options and why? How likely is my organization to act on it? Then think about the other party's alternatives and answer to the questions: Are these likely to undermine partnership negotiations? What can you do about this?

The ultimate goal of convincing and negotiating with the potential partner is to reach an agreement that satisfies interests and adds value for all parties.

Topic 3: How to build a strong partnership?

Which skills do you need to make a partnership successful?

There are a number of qualities that will help to make a partnership successful, most importantly partners will want to have to work together and should be flexible and willing to compromise without overstepping their own boundaries. Also, partners should be willing to work outside their usual comfort zone and be open to innovative ideas and unconventional solutions, as well as willing to self-reflect and change. As all partners come with their own objectives, needs and interests, openness and transparency about the real objectives is key to create a trusting partnership.

Overall, a partnership can only be as good as the people that form it. If entering into a partnership it is therefore crucial to have the right mindset. This includes: being able to create trust and interested to create new relationships, create a good balance between your own and the partnerships interests, listen actively to what the other partners want and need, as well as be well informed about their organizations and backgrounds.

Core principles of partnering

These are a couple of core principles which are universal, transferable and 'non-negotiable' at the heart of effective partnerships. These are:

- The most important principle is the assumption of an equitable partnership for both
- In each action, the value for all must be identified
- Communication must be transparent
- Activities must be oriented towards a common vision
- Interaction must be based on mutual trust
- Interaction shall be approaches in a result-oriented manner

Partnership agreements

Especially in larger type of organisations – but useful in any case – will be to document the agreement to form a partnership. Such documentation will ensure that all parties will have the same understanding of what has been agreed and can serve as future reference point. Also, such written agreement may help to bring more weight to the intention to cooperate and ensures the support from any relevant decision-makers within the organization. It also provides a useful framework to guide the core elements of the partnership.

Types of partnership agreements are:

- i. **Letter of agreement:** Sets out a commitment to seek to work together in a particular area and begins to develop commitment. It is not legally binding.
- ii. **Partnering agreement:** Sets out the overall partnership and captures the passion, commitment and general resources of partners to achieve the partnership aim. It is not legally binding.
- iii. **Contractual agreement(s):** Sets out the legal non-negotiables of each organization like use of financial resources. It is legally binding.

Excuse: The role of brokers: e.g. individuals who have access to other networks

Sometimes, it will be helpful to work with “brokers”, i.e. (mostly) individuals who have an in-depth understanding of two groups/ social entities/ organisations with whom to interact/ partner up with. Such brokers need to be “versatile” in both worlds and must possess a high level of integrity and the skill to build up trust. Such brokers can act as a link between two systems, mostly in earlier stages of cooperation. Brokers will be key to transmit the respective key characteristics of each partner (e.g. objectives, value, or modus operandi) and will be highly valuable in finding common grounds of mutual interest and respective contributions from each side.

Topic 4: How to manage and maintain a strong partnership

Maintaining and managing a partnership requires time and energy. It helps to define clear governance structures and define clear roles and responsibilities for each partner.

Roles and responsibilities should take the existing capacities of each partner into account.

Capacities can be either professional (depending on the sector and professional background), but also personal (taking into account the personality and strengths and weaknesses of the individual partnership representative of an organization). One important underlying aspect to take into account while managing a partnership are potential power imbalances. Especially if very different organizations come together, it is important to clearly analyse in how far power imbalances exist and how they can be overcome to guarantee the best possible outcome for the partnership itself.

Define clear procedures and management structures: Having clear arrangements of who participates in the partnership, the frequency of meetings, decision making processes etc. well defined, helps to keep the partnership organized and efficient.

Set clear targets and objectives: Having a clear understanding of what the partnership is supposed to achieve, helps to manage expectations of the different parties to the partnership. It also helps to decide, when a partnership reaches its objectives and potentially comes to a conclusion. There are partnerships that will last for a long time and bring organizations together due to similar objectives. Other partnerships might be formed around a specific event or purpose and can be dissolved once the objective has been reached.

Measure, review and revise where necessary: Regularly measure the performance of your partnership against your objectives, assess its value and make sure there are benefits for all parties involved. Regularly revise what you can do in a different manner, based on the measurement and review process and check what can be improved.

Financial and human resources: As mentioned previously, partnerships require time and resources. To make your partnership successful, set aside the necessary time (for regular meetings, preparation and implementation of the partnerships goals), as well as the necessary resources. Nothing is more frustrating than having said goals and objectives and then realizing that the parties to the partnership have not planned the necessary resources for implementation.

Topic 5: Challenges and solutions in managing partnerships⁴

One of the main challenges to manage a partnership is the perception of power imbalance. They are problematic because they can result in poorer decision making, reduce commitment and lead to unsustainable partnerships. Some of the symptoms of power imbalances are the sense that the other partner is dominating and that not everyone is being heard; or there may be clear signs of disengagement. When noticing this, the imbalances can be solved by:

- Acknowledging the sources of power and power dynamics.
- Being aware and take responsibility for how the own actions and decisions exert or take away power from your organization.
- Exploring and demonstrating the unique and valuable resources that each partner brings to the table.

It will be helpful to reconsider the core principles of a partnership (see section 3.2)

Sources:

GIZ Capacity WORKS: The Management Model for Sustainable Development ([link](#))

GlobalCAD tools and training on partnerships ([link](#))

⁴ The content of this section is taken from GlobalCAD training on Partnerships

Tools

Tool 1: Actor profiling and mapping

In a case when we are trying to identify new partners, it is helpful to use some tools to find complementary partners. Answering the following key questions can contribute to identification:

- Which organisations have resources (knowledge/ skills) that could help us achieve our goals?
- Does an organisation have relevant key resources - great financial power, extraordinary expertise, broad network of relationships, great experience, political influence and reputation, etc.?
- In which segment does an organisation operate - global, regional, national or local?
- Are there formal or informal contacts to this actor? What are any existing links we can leverage on? What are potential barriers?

After answering the questions, it is useful to record the identified organisations in an “actor map”. The following scheme can be used for this purpose:


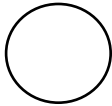

	Individuals (resource, person and door opener)
	Individual organizations (e.g., ministry, community association, NGOs, government research institute, church, etc.).
	Cooperation systems and networks
<p>Application and placement of symbols:</p> <ul style="list-style-type: none">- The larger the respective actor symbol, the more important the actor is for our reform project or the more key resources it combines in relation to our project.- The closer the actor is brought into the center, the closer the existing relationship with this actor, or the easier it is to gain access to it.	

Figure Actor profiling and mapping



Tool 2: Partner pre-selection checklist

It is helpful to consider the following key questions when developing partnerships:

Guiding Question	Response
To what extent do key individuals and organisations play an appropriate role in the project? How can they be activated? To what extent do these individuals and organisations support the objectives of the project? How are conflictual relationships or conflicting interests constructively dealt with?	
To what extent does the type of cooperation selected provide the crucial leverage? How do the relations of cooperation support the full range of the outputs to be provided? How do they reinforce the results chains?	
To what extent do the cooperating partners have a clear overview of the resources available to them, such as human resources, funds, time, know-how and expertise? Do the resources correspond to the outputs to be provided?	
Which strategically important resources would it be worthwhile for the project to acquire?	
Which individuals and organisations outside the cooperation system might be considered as exchange partners for our project/programme? What are our comparative advantages that make us an attractive partner in complementary cooperation?	
For which other purposes will the cooperation relationships be utilised?	

Tool 3: Template for Partnering Agreement

Partnership name (if any)	
Purpose of the partnership	
Duration (if to be defined)	
Information on partners (names, contact information)	
Contributions of each partner	
Agreement on how to share out any losses or gains	
Partnership management	
Partnership dissolution	
Any other noteworthy partnership criteria	
Signatures	
Date	