NGO–Business Collaboration in Kenya
A Case Study and Broader Stakeholder Analysis

Laura M.F. Kuijpers and Agnes M. Meershoek
Maastricht University, the Netherlands

Previous studies have identified possible success factors for NGO–business partnerships, but questions remain over which of these factors are critical and to what extent they are influenced by context. Furthermore, debate on NGO–business partnerships has highlighted the concern that partnering could pose threats to the NGO’s legitimacy. Relatively little research has been done on NGO–business partnerships in developing countries, motivating this qualitative study on success factors and perceptions of one innovative cross-border NGO–business partnership in Kenya. The relevance of previously identified success factors such as trust, communication and power balances is confirmed, while the additional importance of forming personal relations, continuous self-reflection and flexibility in the context of this partnership was identified. Some aspects of the partnership were perceived to be possible legitimacy threats to the implementing NGO by internal stakeholders but were not confirmed in a broader analysis of external stakeholders’ perceptions.

Laura Kuijpers is a global health Master’s graduate and is in the process of finishing a second Master’s in medicine. Motivated by healthcare experiences in developing countries, her main research and extra-curricular activities have evolved around investigating sustainable solutions for development challenges, specifically those related to health.

Dr Agnes Meershoek lectures for the Master’s in Science in Global Health at Maastricht University. She coordinates modules on policy analysis and policy implementation in a global context. Her research focuses on governance and normative aspects of policy implementation in the domain of health and social security.

Maastricht University, dept HES, PO Box 616, 6200 MP, the Netherlands
LMF.Kuijpers@student.maastrichtuniversity.nl

Maastricht University, CAPHRI, dept HES, PO Box 616, 6200 MP, the Netherlands
a.meershoek@maastrichtuniversity.nl

* The authors would like to thank the partnership organisations and all interviewees for their cooperation, and Professor Eijsbouts, Maastricht University, for his continued advice during the study.
Developing countries continue to be faced with numerous development challenges and vulnerable populations. Since government structures and available resources in those countries are often not sufficient to alleviate suffering effectively, the number of non-governmental organisations (NGOs) has increased to fill the gap. But as the NGOs’ budgets are strained by rising programme costs and decreased funding, greater competition for support exists among them, resulting in the need to look for additional funding sources (Viravaidya and Hayssen 2001; Bulloch 2009). At the same time, as companies are facing societal pressure to act responsibly, they are searching for the most effective corporate social responsibility (CSR) programmes and stakeholder management strategies. This trend, which has also been taken up by companies in emerging economies, has brought NGOs and companies together in partnerships—reducing some of the former hostility between the two sectors. NGO–business collaboration is not an entirely new phenomenon; companies have been making philanthropic contributions for centuries. What is new is the trend that the collaboration increasingly takes the form of strategic partnerships that are mutually beneficial to the partnering organisations as well as serving the needs of vulnerable communities.

The implementation of strategic NGO–business partnerships still faces many challenges however, partially because of differences in objectives and organisational culture that continue to exist between the sectors (Neergaard et al. 2009). Previous studies have identified and examined numerous factors that contribute to the success or failure of an NGO–business partnership (Googins and Rochlin 2000; Seitanidi and Crane 2009; Jamali and Keshishian 2009; Neergaard et al. 2009; Boué and Kjær 2010; Graf and Rothlauf 2011; Hamann et al. 2011), but questions remain over which of these factors are critical and to what extent they are influenced by context.

The biggest hindrance to the success of an NGO–business partnership might very well exist in the form of legitimacy threats. Critics fear that NGO–business collaboration could result in legitimacy erosion of the non-profit partner and this fear is shared by some researchers (Boué and Kjær 2010; Graf and Rothlauf 2011). It is an extremely relevant concern in developing countries given the population’s reliance on NGOs’ services and because legitimacy is essential for NGOs’ income revenue. Therefore, it is surprising that little empirical research on legitimacy threats has been conducted yet.

Objectives

The suggested influence of context on the importance of specific success factors and the relative paucity of empirical research on the threat of legitimacy and NGO–business partnerships in emerging economies formed the main motivations for conducting this study on a cross-border NGO–business partnership in Kenya. To address the research gaps, we empirically investigated: 1) which of the success factors identified in the literature are critical for the survival and
ultimately success of a cross-border NGO–business partnership in Kenya; and 2) broader stakeholder perception of the NGO–business partnership, specifically regarding possible legitimacy threats for the NGO.

We will start by summarising existing literature on success factors relevant to NGO–business partnerships and by giving some background information on the case study partnership. We continue by providing insight into the methodology of the study and a presentation of the main results. We elaborate on the meaning of our results in light of the theory and end by drawing conclusions from the main findings.

Theoretical framework

Experience has proven that there are a number of factors that contribute to or are critical for the success of an NGO–business partnership (Jamali and Keshishian 2009). These factors are related to the different partnership phases of formation, implementation and outcomes that can be identified (Seitanidi 2010). The first phase, partnership formation, ‘starts before the existence of a partnership relationship, proceeds through the early stages, when the two organisations firstly develop the partnership, until the maturity stage and thereafter’ (Seitanidi 2010: 36). Jamali and Keshishian (2009) found that the failure of many partnerships can be traced to the process of partner selection that occurs during partnership formation. Finding the right partner is considered to be essential and is dependent on sharing objectives and having trust in the other organisation’s capacity and intentions. Once the right partner has been found, previous research stresses the importance of translating mutual objectives into concrete and realistic goals, and formalising these agreements in a contract or memorandum of understanding (MOU) (Arya and Salk 2006). Furthermore, collaboration on issues that are related to the organisation’s core activities and leadership commitment will guarantee long-term and strategic relevance of the partnership (Rondinelli and London 2003; Graf and Rothlauf 2011).

The second phase, partnership implementation, refers to ‘the interactions of the partners within the partnership relationship’ (Seitanidi 2010: 41). This paper will concentrate on this particular phase since the partnership studied meets all success criteria related to the formation phase as mentioned above. Since the success factors relevant to the implementation phase sometimes transcend the different partnership phases, where needed, the authors established links with processes that occurred during the formation phase. At the time of the research, the partnership had not yet evolved into the final stage of the partnership lifecycle, namely the phase of ‘outcomes’.

For a comprehensive understanding of success factors in the implementation phase, several previously underlined factors were compiled and integrated into six factors relevant to this phase: 1) acknowledging and respecting organisational differences; 2) power balance; 3) trust; 4) communication; 5) learning; and 6) institutionalisation (Googins and Rochlin 2000; Covey and Brown 2001;
Berger et al. 2004; Seitaniidi and Crane 2009; Jamali and Keshishian 2009; Neergaard et al. 2009; Boué and Kjær 2010; Graf and Rothlauf 2011; Hamann et al. 2011). Within the theoretical framework of NGO–business collaboration, these six factors cover all success factors that were mentioned in multiple references.

First of all, success is claimed to be dependent on the recognition and understanding of differences between organisational cultures, meaning differences between values, objectives and language (Googins and Rochlin 2000; Berger et al. 2004; Boué and Kjær 2010). Regardless of the different backgrounds of the participating organisations, successful partnerships require a power balance between the partners (Berger et al. 2004; Huxham and Vangen 2005; Babiaik and Thibault 2009; Graf and Rothlauf 2011; Hamann et al. 2011). According to Simonin and Williamson (1985) as cited by Simpson et al. (2011), imbalance can result from greater levels of investment by one partner, leading to reduced bargaining power of the other partner. This is a relevant concern in NGO–business partnerships, where companies are likely to bring in a vast amount of resources. Besides equal levels of investment, maintaining the power balance entails that the formation of ‘core’ and ‘peripheral’ groups within the partnership should be avoided, because that might make some partners ‘feel marginalised from the partnership’s core business’ and as result erosion of trust can occur (Hudson and Hardy 2002: 58).

A third factor considered vital for the success of a partnership is building and maintaining trust between partnering organisations (Neergaard et al. 2009; Boué and Kjær 2010; Hamann et al. 2011; Graf and Rothlauf 2011). According to Hamann et al. (2011), trust can be maintained if a partnership aims for initial modest outcomes. Modest targets are likely to be met, resulting in success and thereby reinforcing an imaginary loop of trust (Hamann et al. 2011).

Previous studies have also stressed the importance of effective and efficient communication between partnering organisations as key to a successful partnership (Googins and Rochlin 2000; Boué and Kjær 2010; Hamann et al. 2011; Simpson et al. 2011). Communication should be open and frequent, so differences in opinion can be discussed and problems can be acknowledged and solved at an early stage. Since organisations always face challenges when collaborating, especially when they come from different backgrounds and have no previous partnership experiences with one another, learning is considered another important success factor (Hamann et al. 2011). The ability of partnership organisations to institutionalise learning has also been shown to be a key success factor in business alliances (Doz 1996).

Apart from these factors related to the implementation phase, another prerequisite for a successful partnership is that it should not compromise the legitimacy of the organisations involved at any point during the partnership. Suchman (1995: 574) defined the term ‘legitimacy’ as ‘a generalised perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions’. As legitimacy is probably the most valuable asset of NGOs in terms of receiving continued support from donors and beneficiaries, it is especially
important to them (Sagawa and Segal 2000; Boué and Kjær 2010; Graf and Rothlauf 2011). As Simpson et al. (2011) argued, managing a diverse set of stakeholders, including beneficiaries and traditional donors, while trying to increase funding from private actors might represent a complex challenge for an NGO. Companies can start determining the NGO’s activities and unexpected and inappropriate actions performed by the company during the partnership could cause reputational damage.

Background

To improve empirical insight into the aforementioned success factors and investigate how they can be influenced by context, we have examined one strategic NGO–business partnership in Kenya that will act as a case study.

The case study partnership was initiated by a European company (E-company)\(^1\) that was motivated to undertake a CSR programme that would evolve around one of its core business activities related to water provision. Previous experience with working with a particular European NGO (E-NGO) and a Kenyan NGO (K-NGO) led to the desire to implement a collaborative project in Kenya. The project that the partners are implementing aims to increase access to safe water and promote hygiene awareness in rural Kenya.

The company committed to donating the resources needed for sustainable water provision for at least ten communities, and signed a contract through which it is held responsible for long-term maintenance of those resources. In return, the company is asking for a small monetary contribution from the communities every time they access the water. E-NGO brought in money for the hygiene and sanitation promotion activities and K-NGO is responsible for community mobilisation and monitoring. E-company’s CSR department, which is situated in Europe, and the company’s local Kenya office are represented in the partnership. E-NGO is represented by one person with an office in Kenya and K-NGO, the executing partner, is represented by three persons from different levels within the organisation. The cross-sectoral, cross-national and cross-departmental dimensions of this partnership make it innovative. The partnership was selected for the case study because of this innovative structure and because it is situated in a developing country context. Furthermore, during the research period, the partnership was in the implementation phase, the phase of interest. Last, the partnership allowed access to a wide and unlimited range of internal and external stakeholders for interviews.

After a short period of negotiation, a MOU and partnership agreement, with mutual objectives and targets, were signed. One year after the start of the project

---

\(^1\) There are enormous sensitivities about going public and airing differences that may disrupt on-going work or suggest that such connections have “failed” with regard to partnership research (Stott 2007). Therefore the case study is portrayed without mentioning actual names of organisations and interviewees.
the first ten communities were supposed to have sustainable access to water. This deadline was not met, with only one benefiting community at the time of the author’s visit to Kenya. As a consequence, there were some concerns about the future of the partnership project.

Methodology

For the objectives of the study it was essential to gain perspectives from key persons within the partnering organisations. A qualitative approach was deemed appropriate for this as it allows the author to explore beliefs and underlying emotions. As case studies have proved useful for investigating different types of collaboration (Austin 2000), this study also employed a case-study approach. A triangulation method was applied and information was drawn from documents, interviews, direct observations, participant observation and artefacts (Yin 1994). Two partnership meetings that took place in Kenya were observed and notes of previous partnership meetings were examined.

To investigate possible legitimacy threats, a broader stakeholder analysis was conducted through interviews with a range of external stakeholders, most importantly with persons from communities affected by the partnership.

A semi-structured and informal interview approach was used to allow the researcher to adapt to responses and investigate feelings in depth with the use of open and closed questions. Interview guides were established based on themes from the theoretical framework and after new insights emerged from the interviews, additional questions were added. When needed, the authors went back to the interviewees for comments on new insights.

The interviews took place at the time the initial deadline of the partnership elapsed. A total of 28 interviews were conducted (including seven representatives from six companies, ten K-NGO employees, one E-NGO representative, one civil society organisation (CSO), four government officials, five members of different communities and one local representative of the Baptist Church). Seven interviewees were directly involved in the partnership (meetings), excluding the five community members that were interviewed. The community members came from the community that already had sustainable access to safe water as a result of the partnership, or from communities that were (about to be) rejected.

Since it was single case study, all important representatives from different levels within the partnering organisations were interviewed. The number of interviews with external stakeholders was expanded until saturation occurred.

Interviews lasted between 10 and 65 minutes. The first phase of data analysis comprised reading through the transcripts several times. Then, two approaches were used to analyse the data. First the established theoretical framework provided categories of success factors. The identified success factors were grouped around the stages of a partnership. Mainly the data related to the implementation
phase were examined further. The second approach comprised open coding that allowed for new influential factors and themes to surface, especially with regard to possible legitimacy threats (Boeije 2010). In the final stage of data analysis, linkages were made between different categories and themes identified in the data as well as to the theoretical framework. Partnership representatives were asked to check the authors’ interpretations of the collected data.

The road to success: Critical success factors

Our analysis showed that the (partial) absence of some of the previously identified success factors can explain the course of events in the case study partnership. Other, context-specific factors also played a role. In this section this process will be discussed per identified success factor. In the second part of the results section the consequences for legitimacy will be discussed.

Even though they are increasingly collaborating with one another, NGOs and companies continue to have many differences in working culture. In the case of the studied partnership, these differences were underestimated as the company claims that ‘neither part had expected that the other part was that different’. It was during the implementation phase that these differences became increasingly apparent. The company’s CSR representative saw a particular difference in perception of time:

NGOs have another perception of time. Not meaning that they don’t do their work and they don’t do it on time, but...as a business this is not our way of working, so seen from the side of business this is too slow.

K-NGO did not agree with this observation and felt the failure to achieve the initial deadline was not a result of different perceptions of time but from different approaches to the collaborative project:

From [E-company], they would look at do they have enough people to buy water... Is the borehole shallow enough? ...So for me it’s foreign, it’s so many extra steps... and that’s why we’ve had issues... Now if this was a typical [K-NGO] project, by now we would have all of them up and running quite easily because we would not have been looking at all those extra dynamics.

This indicates another difference between the organisations; namely that while K-NGO is used to selecting beneficiary communities from a ‘needs perspective’, the company picks those communities that meet most requirements for successful implementation of the project. For the company, sustainability was crucial and therefore it wanted to select communities based on social stability and ability and willingness to pay for water.

A third difference is represented by dissimilar ideas on quality standards. For example, E-company initially wanted the water quality produced by the water pumps to adhere to the World Health Organisation’s (WHO) standards and this met with some resistance from K-NGO:
To go beyond that is then now [E-company’s] own restrictions...they are caring to look at the chemical, biological and physical analysis which they want it to fit within drinking standards for WHO which in my opinion is taking it a little too far. You have communities that don’t have anything full stop. They’re drinking much worse water. As far as I’m concerned it’s better, the lesser devil...you know than the devil they’re contending with today.

The company showed flexibility as it accepted lowering the standard during a later stage of the partnership. Flexibility and adaptation can thus be considered important success factors especially in partnerships consisting of organisations from countries with a different economic status.

In this partnership, differences in organisational cultures mainly became apparent in the way partners viewed certain bottlenecks and priorities as explanatory for initial disappointing outcomes.

When many differences in working cultures are perceived to exist, it is essential to establish mutual understanding. In this partnership, one of the two non-profit organisations, K-NGO, understood the time pressure under which its private partner operated: ‘I can understand their pressure...their working deliverable is a system on the ground working’. At the same time the business partner also became more appreciative of the problems that K-NGO encountered during the implementation phase, causing some of the delays: ‘one of the reasons why we have delayed the implementation of the project is, that there have been some community issues...and I think definitely we should have been better in identifying those issues before starting the implementation’.

Once there is awareness and understanding of organisational differences, another success factor in this regard is finding common ground (Boué and Kjær 2010). Representatives of both K-NGO and E-company acknowledged that they need each other to achieve their objectives: ‘I think this is the only way to go...especially in developing countries...it’s good to be working with a private company to ensure that we are able to deliver services to the communities’ (interview with K-NGO), ‘So working in partnership with an organisation like [K-NGO]. I think will just complement what we are doing...we [are] all aiming in the same direction’ (interview with E-company).

So, in this partnership, organisations were able to recognise and understand most of the differences between working cultures and to find common ground. However, the fact that the organisations were well aware of these differences possibly also lowered the threshold for blaming each other for initial disappointments. Blaming the other, however, often results in partners overlooking their own role in the partnership’s problems. It’s only through critical self-reflection that organisations can become aware of their own shortcomings as a collaborative partner.

The NGOs did not see a huge difference in the amount of resources they invested in the partnership compared with the company. E-company and E-NGO were investing money and material while K-NGO was investing more intangible resources such as employees’ time. Difference in resource investment in this case was thus not the cause of power asymmetry that was experienced.

The power asymmetry resulted in the company exerting a more influential role than the NGOs in the initiation phase and this had consequences during the
implementation phase. E-company wanted to train ten communities and provide them with a sustainable water source within the first year. The NGOs did not feel comfortable with this time frame but still agreed to it, as E-NGO’s representative explains: ‘we made a gross mistake in agreeing to push forward as quickly as possible. Because it’s not normally the way we do it’. But it was only when the initial deadline elapsed that K-NGO displayed its dissatisfaction with E-company:

In fact, we have taken action. Because we were supposed to do all ten [communities] this year, but we have told them, no, we’re not gonna do it. As partners we have had to upset [E-company] on this, but we told them: we’re gonna go to our traditional way of doing things [allowing a long inception phase for preparation].

As a result, E-company’s local representative also recognised the issue of time pressure on the NGOs:

from our side, we have been pushing to go forward with the project and we want to have the installation done as soon as possible...I think it was at very short notice that they were told to start looking for communities.

Again, it was self-reflection that was important.

So, initially, the NGOs felt they were not treated as equal partners by the company. This power imbalance was amplified by the fact that two of the three partners were partially situated in Europe, excluding the local NGO from some meetings between the other two partners. Even though these meetings also concerned other projects on which the European organisations were collaborating, it led K-NGO to feel that its input was not appreciated: ‘They have meetings in [Europe], which we don’t see minutes about, and we don’t really know what they are about though sometimes [they] have decision making role, those meetings... they’re not taking our point of view to hand’. As a direct consequence of this perceived exclusion, mistrust was created.

Mistrust was also able to develop since initial targets were quite ambitious, especially considering the fact that it was a first time experience for all partners involved. Effective communication structures could have helped to build trust between partners, but in this case the communication between the partners in general was often not effective or regular. The complicated, cross-departmental structure of the case study partnership explains some of the communication challenges as put strikingly by the company’s CSR representative:

We communicate directly to [E-NGO] in [Europe], so actually to a consultant in the communication department, who then communicates to their international projects supervisor, who then communicates to [E-NGO’s local coordinator] down here, who then communicates to [K-NGO’s top project manager], who then communicates to [K-NGO’s local programme leader] regionally... So it’s a ve-e-e-ry long communication process.

In this way communication results in contrasting information for the company’s CSR representatives who were not present in Kenya:

And what we have realised now is that, especially now when there are some challenges in the project, [is] that we are getting very different information... And with the defined communication lines we cannot find out what is going on.
To solve this problem, a delegation of the company's CSR department travelled to Kenya to get first-hand information on the progress of the project. According to K-NGO the visit was announced only days in advance and was not discussed between the different partners and this lack of dialogue created some negative feelings towards E-company: 'They came here for a mission without informing anyone. They literally informed us three days in advance... It's not something that we particularly appreciated'. K-NGO does understand that the lack of visibility in combination with the long communication lines results in the wish to get first-hand information: 'In the beginning, there were not very good communication structures... I can understand their problem in [Europe], they don't have visibility there.'

The partnership's learning process was summarized by a representative of E-company:

The main issues are you know, really taking seriously that we are two different organisations learning to work together in a new programme... It's easier to make [a] contract and agreement but then to implement and really making sure that good relations [exist] and good communication [is established] and...communication is very important for the success. And you know understanding each other's mind-sets.

Representatives of all organisations mentioned a few learning moments for their organisations. For example, according to the company's local office representative, the involvement of the local, implementing NGO, should be stressed more:

I think one of the learnings is that once a project like this is done, I think it is very important that...you involve your local partner, because the local partner is actually the one who is going to implement the project.

The final stage of implementation refers to the level of partnership institutionalisation within the organisations; in other words, 'the extent to which the partnership, its programmes, and processes become accepted as part of the organisations involved' (Seitanidi and Crane 2009: 14). According to Seitanidi and Crane (2009: 17) this means that when the organisations 'do not agree in their approach to a specific issue, they are allowed to disagree without consequences that might jeopardise the partnership existence'. In this case, disagreement did jeopardise partnership existence. New trust in the future of the project was established when the company's representatives visited the programme site, allowing for informal and personal contact with the other partners, resulting in more mutual understanding.

**Legitimacy**

This partnership could pose legitimacy threats, especially to K-NGO, as it will be seen to be partnering with a company, generally a less trusted entity, and because as a result of the partnership, it is approaching challenges in the communities in a different way.
Most K-NGO employees from different levels within the organisation did not see collaboration with a company as a threat to their organisation’s legitimacy. One of K-NGO’s partnership representatives did see a threat in the fact that the company is rejecting communities based on, for example, ability to pay. This could damage K-NGO’s legitimacy as it will continue to be active in these communities while the company can leave those communities without consequences; as one of K-NGO’s representatives described it:

We’re also not comfortable with them [going] back and forth…you talk to [the] community, they agree, [E-company] goes to check and then says no, we’re not interested here. How do you close up? [K-NGO] is an entity in the community; [E-company] is a business. It [E-company] can decide not to supply and walk away with no implication. But we face an implication of you know getting a hostile community or getting a community to turn against us to say look you came here, made promises, we agreed, you came back and said nothing is going to happen.

In general, community members seemed to be understanding and not suspicious of the collaboration, as put by one of the beneficiary community members: ‘…the services are humanitarian, so it is a good initiative that private companies can work with humanitarian organisation’. When one of the community members belonging to a community that was possibly going to be rejected because the groundwater was too salty was asked about K-NGO working together with a company, he still replied: ‘It’s quite good because we are short of water here, you can say [this is an] arid area and water is a problem’. The interviewee knew about the water quality issues but still did not display any hostile feelings.

When visiting the field, E-company’s CSR representatives felt that the targeted communities are used to K-NGO providing services for free. The need to pay for the water provided in collaboration with the company could thus change communities’ perception about K-NGO. However, the people in those communities did seem to understand why they have to pay for the water: ‘She [a community member] understands that whenever there is a machine, there must be a breakage and maintenance. And for that little money that we [they] are given goes [to] the maintenance’. One of the community members actually saw K-NGO working with E-company as an advantage, because she believed that K-NGO will be looking out for their interests, making sure that they don’t have to pay more for the water than necessary: ‘And when…the price was a little bit high they were able to respond and maybe that’s because [K-NGO] is there to reason’.

Some community members did not even realise that K-NGO was doing this project in collaboration with a company. For others it was initially confusing to see K-NGO working together with a company, but they soon learned that the company wasn’t there strictly to make profit:

Ok at first, she [community member] was kind of confused. Here there is [K-NGO], here there is [E-company] and she was a little bit puzzled with the issue… And she thought entirely these people were business minded, because of the price. And how strict they were but when the situation became worse in terms of the economic crisis…[for] the organization [E-company] it was very clear that these people were suffering. And they [E-company] brought down the price, that’s when she came to learn that it’s not business.
One of the communities could not agree with the company on how much they should pay for the water. As a result the company left the community: ‘And the E-company people didn’t take it. And that’s why after test pumping they left and kept quit’. Still, when asking them how they feel about K-NGO working with this company, the translator answered that ‘they don’t think there is anything wrong in that’. Government officials also did not display any concerns or hostility towards the partnership: ‘K-NGO is doing quite a good job within the community, and in fact it has helped [us] a lot, even [the collaboration between K-NGO and] this company, it taught us so many things’.

**Discussion**

The goal of this research was to empirically investigate which of the success factors are critical for the survival and success of an innovative cross-border NGO–business partnership in Kenya and to investigate broader stakeholder perception of that partnership, specifically regarding possible legitimacy threats.

This partnership met most of the initial success criteria mentioned in the literature. The amount of resources invested by the company was matched in terms of additional funding and human resources by the partnering NGOs. Two NGOs in one partnership would also suggest that overruling by the company would be less likely to occur. Jointed objectives were formed, goals formalised and the outcome of the project would be mutually beneficial to all partners as well as some of the neediest communities in Kenya. Agreements were signed and top leaders were initially involved and supporting the partnership. This leads us back to the main question to be answered by this paper, ‘Why was the initial objective, set to be achieved one year after the start of the implementation phase, not met?’

We have tried to answer this question by examining the partnership with the use of six success factors relevant to the implementation phase. Through interviews, it became apparent that the partnership failed to achieve initial objectives because of the different expectations partners had of the time frame. Reduced bargaining power had led the NGOs to agree to a time line that they did not feel comfortable with. However, it was also a consequence of a lack of clarification of expectations between the partners during the initiation phase: the company thought the projects would be implemented on an ongoing basis, while the NGOs wanted to implement multiple projects at the same time, leaving a long inception phase for preparation.

Also contributing to the initial failure were the different challenges met while mobilising the communities; some of these challenges were not anticipated by any of the organisations. This reinforces the idea that first-time partnerships should aim for modest outcomes (Hamann et al. 2011). The disappointing outcome caused a lot of doubts over the future of the partnership because the geographically dispersed organisations did not communicate in a frequent and open manner about the challenges, adding to the developing feelings of mistrust. The doubts indicate a lack of institutionalisation.
Being aware of and understanding organisational differences has been stressed by previous research as important in inter-sector collaboration. In this case study it became obvious that not only is institutionalisation critical for the survival of a partnership when challenges occur, but also critical self-reflection.

Power asymmetry, mistrust and communication problems are known challenges of NGO–business partnerships. We have shown that these challenges occur even though prerequisites for success, such as finding mutual objectives and signing contracts, have been met. We believe that, in this specific context, more emphasis on forming personal relations between the partners could have prevented at least some of the mistrust that developed during the implementation because it ensures more open communication. As Hamann et al. (2011) concluded from research on business–NGO partnerships in South-Africa: ‘Informal institutions and relationships between the parties are crucial to success’. Westley and Vredenburg (1997: 394) also stated that ‘less formal organising mechanisms may provide sufficient institutionalisation for problem resolution’ within partnerships. In this case study, except for the geographical disparity, the lack of personal relations and informal communication was also a result of differences in national cultures. When examining K-NGO’s strategic partnerships with other, local companies, it became apparent that these are built on personal relationships and are maintained to a large part through informal contacts, resulting in trust-based partnerships that were considered successful to all organisations involved.

Another contextual factor that influenced partnership outcome was the initial different perception on which quality standards were appropriate. It indicates that flexibility and adaption to local standards are especially relevant when partners from countries with different economic status collaborate.

Despite the aforementioned challenges, the partnership was viewed positively by internal and external stakeholders; they did not mention any kind of disapproval towards the NGO working with a foreign company. Some of the beneficiary community members actually saw it as an advantage as they felt the NGO would represent their interests in negotiating with the company. However, a legitimacy threat was created as the partnership resulted in serving those communities that would meet criteria set by the company to ensure sustainability and included communities’ ability to pay a minimum amount of money. Consequently, communities had to be disappointed, creating a problem for the NGO which will continue to be active in those communities. Still, in practice the rejected communities did not express any feelings of hostility towards the partnership or K-NGO. The positive perceptions could be explained in part by the fact that K-NGO is well-known and has a strong reputation in the communities. Furthermore, living in a context with so many development challenges as rural Kenya also limits the possibilities of being critical of the sources of support.

Although case studies are commonly used in partnership literature, this research method also has disadvantages. While generating practical insights, the generalisability of single case studies is often limited. This warrants additional (case) studies on NGO partnerships in developing countries and especially also studies that empirically investigate legitimacy threats. This case study
was also limited by a primary focus on the implementation phase; more case studies should be conducted that examine the whole partnership life-cycle.

**Conclusion**

We conclude that, when embarking on a cross-border NGO–business partnership, organisations should be prepared for initial disappointments. Success is mainly determined by learning and resulting experience in partnering and continuous self-reflection. Frequent and open communication and institutionalisation are essential to overcome these initial disappointments especially when partners are geographically dispersed. The importance of previously identified success factors, such as trust and communication was also evident in this case study. Novel contributions to existing research include the highlighted importance of context on determining success factors. In this case, more emphasis should have been placed on forming less formal relationships between the partners, rather than only signing partnerships agreements and contracts. Furthermore, the location of the partnership in a developing country demands flexibility of the organisations involved. In contrast to theoretical considerations on legitimacy threats, this partnership found these threats to be of less concern. This is probably due to the fact that partnership implementation was taking place in a country where development problems are still considerable. But even though this study did not capture any hostile feelings during the interviews with external stakeholders, that does not mean there weren’t any. NGOs must therefore continue to anticipate those threats that may arise during implementation.

**References**


