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Abstract

Multinational corporations engage in increasing amounts in corporate social responsibility (CSR) policies, but many companies perceive CSR as mandatory extra activity to the core business that results only in glossy CSR reports. This study suggests that cooperation with non-governmental organisations (NGO) can lead to more concrete results of CSR and improve overall corporate social performance by creating value not only to business but also to the partnering non-governmental organisation and through the NGO, to poor communities.

Corporate social performance was analysed through examining a partnership between a multinational water chemistry company and a children's right NGO. The sub objectives are:

- Why companies and non-governmental organisations cooperate?
- How do companies and non-governmental organisations cooperate?
- What are the outcomes and how are they measured?

The sub objectives were examined through theories on corporate-NGO partnerships based on corporate social responsibility and corporate social performance measurement. The research was conducted from a qualitative approach and a case study was chosen as a research strategy. The empirical evidence was collected through thematic interviews in two case organisations: Kemira and Plan. The partnership aims at improving access to water and sanitation and offering early childhood education for children in Bolivia, Ethiopia and India.

The literature acknowledged several motives for the company and for the NGO to cooperate with each other, of which the NGO's motives corresponded well with the case NGO's motives. The main findings were that partnership with an NGO has to be based on mutual interests and values in order it would be sustainable. The NGO partnership result in intangible assets for the case company as it reinforces the social aspect of the business and employees' commitment to the company and improves the image of the company as an employer. Corporate-partnerships are also very important for the NGOs in order they would reach more growth and thus more development goals. NGOs perceive the role of private sector important in development work. Corporate-NGO partnerships should not only be based on pure charity; the more the win-win condition is met the better results the partnership can create to the business and to the society, this fact was well aligned with earlier literature. The interviewees considered that measuring the outcomes of corporate-NGO partnerships is a challenge as the outcomes are often soft data; also the theoretical literature acknowledges the challenge of measuring corporate social performance.

Key words	Corporate social responsibility (CSR), non-governmental organisation (NGO), corporate social performance, partnership, water chemistry, business and society
Further information	



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Tiivistelmä

Monikansalliset yritykset sitoutuvat enenevässä määrin yhteiskuntavastuuseen, mutta moni yritys suhtautuu yhteiskuntavastuuseen edelleen pakollisena lisätoimintona ydinliiketoiminnalle, jonka tuloksena on vain kiiltävä yhteiskuntaraportti. Tämä tutkimus ehdottaa, että yhteistyö kansalaisjärjestön kanssa voi johtaa konkreettisempiin tuloksiin yhteiskuntavastuussa ja parantaa yrityksen yhteiskuntavastuun suorituskykyä luomalla arvoa liiketoiminnan lisäksi partneroivalle järjestölle sekä järjestön kautta köyhille yhteisöille.

Yhteiskuntavastuun suorituskykyä analysointiin tutkimalla kumppanuutta monikansallisen vesikemiyhtiön sekä lasten oikeuksia edistävän järjestön välillä. Alatavoitteet ovat:

- Miksi yritykset ja järjestöt tekevät yhteistyötä?
- Miten yritykset ja järjestöt tekevät yhteistyötä?
- Mitä ovat yhteistyön lopputulemat ja kuinka niitä mitataan?

Näitä alatavoitteita tutkittiin teorioilla yritysten ja järjestöjen välisestä kumppanuudesta ja motiiveista, sekä yhteiskuntavastuun suorituksen mittaamisesta. Tutkimus suoritettiin kvalitatiivisin menetelmin, ja tapaustutkimus valittiin tutkimustavaksi. Empiirinen aineisto kerättiin teemahaistatteluilla kahdessa tapaus-organisaatiossa: Kemiralla ja Planilla. Kumppanuus pyrkii lisäämään puhtaan veden saantia, sanitaatio palveluiden parantamista, sekä tarjoaa varhaiskasvatusta lapsille Boliviassa, Etiopiassa ja Intiassa.

Kirjallisuus tunnistaa muutamia motiiveja yritykselle ja järjestölle minkä vuoksi ne työskentelevät toistensa kanssa, joista etenkin järjestön motiivit täsmäsivät hyvin empiirisen aineiston kanssa. Päätulokset olivat, että kumppanuus järjestön kanssa pitää perustua yhteisille intresseille ja arvoille, jotta se olisi kestävä. Järjestökumppanuus luo yritykselle aineettomia varoja, kuten vahvistaa liiketoiminnan sosiaalista puolta, sitouttaa työntekijöitä paremmin yritykseen sekä parantaa yrityksen imagoa työnantajana. Yrityskumppanuus on myös erittäin tärkeä järjestölle, jotta järjestö voi kasvaa, ja näin ollen saavuttaa enemmän kehitystavoitteita. Järjestö piti yksityisen sektorin roolia tärkeänä kehitysyhteistyössä. Kumppanuus yrityksen ja järjestön välillä ei pitäisi olla rakennettu pelkän hyväntekeväisyyden varaan: mitä enemmän kumppanuus pitää sisällään molempia hyödyntäviä seikkoja, sitä parempia tuloksia se luo sekä yritykselle että yhteiskunnalle. Tämä seikka kävi ilmi myös aiemmassa kirjallisuudessa. Haastateltavat pitivät kumppanuuden saavutusten mittaamista haasteellisena, sillä usein lopputulemat ovat pehmeää aineistoa; myös teoria tunnisti yhteiskuntavastuun suorituskyvyn mittaamisen haasteeksi.

Asiasanat	Yritysvastuu, kansalaisjärjestö, yritysvastuun suorituskyky, kumppanuus, vesi-kemia, liiketoiminta ja yhteiskunta
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CORPORATE SOCIAL PERFORMANCE

Creating shared value with non-governmental organisations

Master's Thesis
in International Business

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1 INTRODUCTION

1.1 The social dimension of international business

The process of economic liberalisation during 1980–1990 gave more power to the private sector and weakened the influence of governments. Many publicly owned companies were turned into private companies. Typical industries were for example media, telecommunications, transport and utilities. (Crane & Matten 2004.) This change concerned mostly developed countries, but the trend of privatisation has been active also in many developing countries. Meanwhile, the role of governments has gradually diminished in the international business environment, multinational companies have gained increasingly influencing power. The nature of the global business environment is changing and international companies have to be ready to adapt faster to new situations. The increased power of multinational companies has given them also more responsibility, a factor that is still relatively new and thus challenging for many companies.

Another consequence of liberalisation policies is the increased number of non-governmental organisations and their influence in international business. Even small and local NGOs have networks that extend across borders, not to mention the networks large international NGOs hold, and consequently, most of the NGOs can have a global influence in international business. (Roberts & Jones 2005.) Non-governmental organisations have become an important intermediary and global voice, in order to either control companies or advise them on how to behave in a responsible way. Traditionally the nature of NGOs has been characterised to be an activist one as they have launched negative campaigns and boycotts against companies in order to tarnish the image of businesses. For instance, in the beginning of the 1990 companies, such as McDonalds and Shell, experienced many attacks by NGOs. (Crane & Matten 2004.)

However, this view is continuously changing, as partnerships across sectors are getting more common. The boundaries between business and civil society increasingly overlap and the traditional distance between NGOs and companies has diminished as NGOs have become closer to the private sector. (Millar, Choi, & Chen 2004.) The society expects the private sector to contribute also to global problems and the donors expect the NGOs to achieve superior performance and accountability. Single sector cannot tackle the growing number of socioeconomic and environmental problems (Austin 2000) and thus cooperation between different sectors has to be created in new ways (Heap 2000).

Traditionally, it has been considered that the responsibility multinational companies have to fulfil remain at economic and legal level. This is to say, the role of companies is to maximise profits and bring economic wealth to the society by obeying laws. Social

and environmental policies and responsibilities have been considered belonging to the governments. However, as companies have gained more power in terms of economic and political power, many do not accept the traditional view of responsibility and expect companies to behave in a responsible way that extends the traditional view. (Crane & Matten 2009.)

Many international companies have invested in their corporate social agenda, but much could be improved. First of all, many companies pit society against business and secondly, social responsibility is thought to be extra activity beside business, instead of fitting responsibility into core business (Porter & Kramer 2006). Consequently most corporate responsibility activities have been cosmetic; public relations, media campaigns and glossy corporate social responsibility (CSR) reports without any concrete results. These publications rarely offer a proper framework for CSR activities and are very short in sight. Philanthropic activities are usually measured, for example, in dollars or hours of volunteer work but almost never in terms of impact. Forward-looking responsibility actions to reach explicit social or environmental goals are rare. (Porter & Kramer 2006.) As a result many companies are in a never-ending circle of public relations with minimal value to the society and no strategic benefit to the company (Porter & Kramer 2006). However, integrating corporate responsibility in core strategies has increased in tremendous ways in recent years and the concept has begun to broaden from its initial meaning (Halme & Laurila 2008). One way to reach concrete outcomes of corporate social responsibility and take part in sustainable development is to establish relationships that extend across different sectors and especially partnerships with NGOs have gained a lot of interest among companies (e.g. Kourula & Halme 2008). The private sector and the third sector have both failed in alleviating the worldwide social and environmental problems. Together they can however find new solutions to these problems (Drayton & Budinich 2010).

1.2 Earlier studies on collaboration between private and third sector

Cooperation between NGOs and corporations is not actually a new phenomenon, as these cross-sector alliances have existed in order to address social issues for the last decades. These partnerships have usually been described as “one-way partnerships”, where the company donates money to an NGO (e.g. Reed & Reed 2008; Googins & Rochlin 2000). However, the nature of these partnerships is changing continuously as they are considered to be means of achieving goals of both NGOs and companies. Even though literature on corporate-NGO partnerships has recently gained more popularity, the amount of empirical studies is still rather limited. Especially the amount of in depth

studies is narrow. In addition, environmental alliances have gained more attention than those partnerships which concentrate on the social aspects of corporate social responsibility, such as human rights. However, even though the amount of literature is still small, this topic is current and more studies are published all the time.

Many studies have concentrated in describing the dynamics and different levels of commitment in corporate-NGO partnerships. One of the most important studies in this field can be claimed to be the study of Rondinelli and London (2003) as it has been referred to in many other studies. Their qualitative research on cross-sector environmental alliances is based on 50 major multinational companies. Its main objective is to find out why corporations and NGOs collaborate, how they share knowledge on environmental issues and what kinds of relationships exist between these two actors. The study divides collaboration forms into three different groups, which vary in their level of commitment. These forms are low-intensity arm's length collaboration, moderately intensive interactive collaboration and highly intensive formal environmental management alliances.

Five years later Kourula and Halme (2008) published a study, which also identified three different stages of corporate-NGO collaboration. This research examines what kind of partnership would bring the best societal outcomes. The main findings were that the deepest form of collaboration results, not only in the best societal outcome, but also benefits the company in long term the most. This research is based on company documentation and it explores 20 different corporate-NGO alliances. The research also discovered that the prevailing form of corporate-NGO collaboration is not as deep as it could be.

The study of Seitanidi and Crane (2008) continues with the dynamics and partnership formation between NGOs and companies. The purpose of their in-depth study is to examine factors that influence partner selection and stages partnership institutionalisation take. The main findings of the study are that the partnership is fully institutionalised when it is embedded in both organisations, and when disagreements and different worldviews are accepted. The study explored that different organisational culture, the reputation of the company and different economic resources set challenges to the collaboration.

It is important to keep in mind that partnerships between business and the third sector do not occur in a vacuum but are highly related to the industry where they operate. Huijstee and Glasbergen (2010) examined the conditions under which NGO-Corporate partnerships actually improve corporate social responsibility of the company. This retrospective case study looked at collaboration between one company and one NGO at two different fields during eight years: palm oil and soy. The main finding was that the issue field has its influence on the nature of the collaboration and corporate social responsibility implementation, while in other issue field it can be collaborative and effec-

tive, and in other issue field there might be confrontation instead of collaboration. Thus it is important to take the wider context of the collaboration into account when studying the relationship between business and the third sector.

The role of NGOs as a CSR developer has been studied also through different stakeholders. It has been examined how other stakeholders such as trade unions see the role of NGOs in CSR policies and how NGOs see themselves as CSR developers. The study revealed that NGOs do have a role in developing CSR further, but their role is controversial among different stakeholders and their legitimacy is doubted in the business world. (Arenas, Lozano & Albareda 2009.)

Many researches are interested in measuring the outcomes of corporate-NGO partnerships; especially the link between corporate social responsibility and financial performance has gained interest in the literature. Most of these studies have however failed to prove the link, as many varying factors influence the relationship between responsibility activities and financial outcomes. Thus the phenomenon is almost impossible to measure. Also, most of the studies that are concentrated in examining this link are quantitative by nature. (Rowley & Berman 2000.) The study of Hansen and Spitzack (2011) examined how the performance of corporate-NGO partnership can be measured. The single case study revealed that NGO cooperation could help to measure the outcomes created to the community, as companies usually lack experience on measuring community development, which NGOs on the other hand have. The amount of in depth studies on corporate social performance is limited. This study will use the concept as a background.

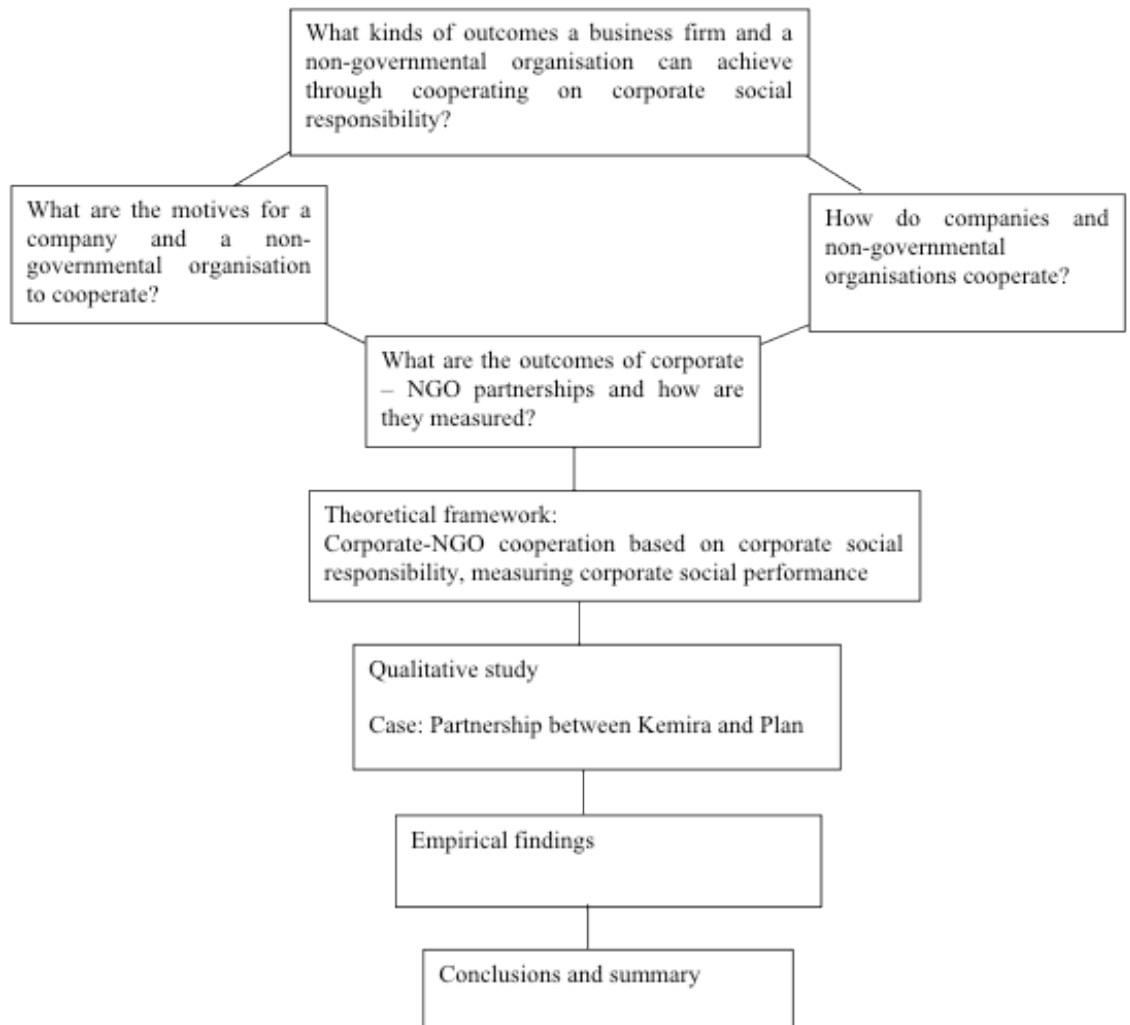
1.3 Research objectives and the structure of the study

The aim of this study is to examine corporate social performance through scrutinising what kind of outcomes a business firm and a non-governmental organisation can achieve through cooperating on corporate social responsibility. The sub-objectives are:

1. Why do companies and non-governmental organisations cooperate?
2. How do companies and non-governmental organisations cooperate?
3. What are the outcomes and how are they measured?

The sub objectives will be examined through a theoretical framework of corporate-NGO partnerships. The empirical evidence will be presented in a form of a case study. The following figure presents the structure of this study.

Figure 1 Structure of the study



This study concentrates on one partnership, parties of which are a company operating in a chemistry field and an NGO that addresses human rights and poverty, especially children's rights. Chapters 2 and 3 form the theoretical framework. Chapter 4 discusses the methodological strategy and chapter 5 reveals the empirical findings of the case. Chapters 6 and 7 conclude the study.

1.4 Definitions and limitations

The key concepts of this study are multinational company, non-governmental organisation (NGO), partnerships between corporations and NGOs corporate social responsibility and corporate citizenship and finally corporate social performance, which can be seen as a background for the entire study.

Multinational company (MNC) or multinational enterprise (MNE) is a corporation that has production in more than one country for different reasons. The reasons can be, for example, cheap labour force, securing raw materials, taking advantage of tax differences or serving local markets. (Law, 2009.) The turnover of some multinational companies is larger than the gross domestic product of many poor countries. Especially, in a welfare society governments are traditionally responsible for tackling social problems but at the same time governments have less and less influence in unemployment rates, as MNCs do decisions on lay-offs or relocation. The MNCs also have the influence to decide where to produce and where to pay taxes. Even though MNCs operate all over the world, common international laws have not been developed for them. Thus for example the EU has set incentives for companies to set self regulation systems instead of setting complex laws for companies. (Crane & Matten 2009.) Consequently, some corporations might have wider influence on people's everyday lives than governments do.

Non-governmental organisation. NGOs are organisational actors who do not belong neither to government nor to the private sector; they are often considered as forming the third sector. (Lambell et al. 2008.) Even though the presence of NGOs has increased also in international business, the content of the term has still remained unclear. It has many different definitions but a commonly understood definition does not exist. The United Nations, for example, requires NGOs to fulfil some vaguely defined requirements such as 'international standing', 'independent governance' and 'geographical affiliation' (Martens 2002). Since the beginning of the 1990s NGOs have participated actively in the formation and implementation of international laws. NGOs have played a significant role especially in the field of human rights protection as they have gathered information on human right abuses and proposed different laws and international standards for protecting human rights. Also environmental NGOs have contributed to the development of international standards for protecting the environment. (Martens 2002.)

In addition, defining the tasks of NGOs is not simple, as the group is highly diverse. NGOs might be local groups of few people who have common goals or interests or they might be large international organisations such as Amnesty International or Greenpeace. Many NGOs are driven by values, religious beliefs or political reasons. NGOs have also different strategies conducting their work. Greenpeace is known for its aggressive campaigning while some other NGOs, such as the Coalition for Environmentally Responsible Economies CERES, provide information and research for professional or public consumption. (McIntosh, Thomas, Leipziger & Coleman 2003.)

Partnerships between NGOs and companies have become a popular research topic and hence there are many different names for these collaboration forms. Reed and Reed (2008) name these partnerships *corporate social responsibility partnerships* (CRPs) and Selsky and Parker (2004) call them *Cause-Based partnerships*, as NGO-Corporate partnerships often are aimed at solving some kind of environmental or social cause. Many

authors call these partnerships also *cross-sector partnerships*, as NGO-Corporate partnerships involve two parties from different sector: from the private and from the third sector. These partnerships can be called also according to their mission, for example, companies and NGOs that address environmental issues have been called *environmental alliances* (Rondinelli & London 2003). Also the level of commitment of the partnership can determine the naming of the collaboration. This factor will be discussed more in chapter two. The term corporate social responsibility partnership will be used in this study as the case of this study focuses on a partnership that is based on developing the company's corporate social responsibility agenda.

Corporate social responsibility. One of the most popular names in the CSR literature is Archie B. Carroll. He is the creator of the pyramid of social responsibility, which is a framework that is still actively used in the CSR literature. The pyramid describes four kinds of responsibilities that constitute the total corporate social responsibility: economic, legal, ethical and philanthropic. *The economic responsibility* is the foundation upon which all the other responsibilities rest. Companies are seen foremost as economic institutions, which aim is to produce goods and services to the society. *The legal responsibility* in the second layer means that the firm has to be profitable by obeying laws and regulations and it has to produce goods that meet at least minimal legal requirements. *Ethical responsibilities* form the third layer of the pyramid. This responsibility includes an obligation to do what is right, just and fair and avoiding doing any harm to the society or environment. Ethical responsibility is not necessarily defined by law but it is expected by the society. However, changes in ethics may also influence laws and regulations, as they have often been a driving force in altering laws. Examples can be seen in the civil rights and environmental and consumer movements, which have lead to new legislation (Carroll 1996). The final stage, *philanthropic responsibility* describes the company as a good corporate citizen. The philanthropic responsibility is voluntary but it is desired to be fulfilled by the society. Philanthropic activities are, for instance, community projects or charity. (Carroll 1991.)

A term that is closely related to CSR is *corporate citizenship*. Corporate citizenship (CC) is a term that sees a corporation as a citizen of a society that forms a community with other citizens. Citizenship refers to the rights and responsibilities of each member of the community and considers that every citizen is interlinked with each other. The traditional definition of corporate citizenship identifies the philanthropic role companies have with their sponsoring programs. However, the modern definition takes the concept further as it views companies to replace some of the actions governments have usually taken. This has happened after governments of developed world have cut their functions and companies have taken some of these functions. The same happens in the developing world where local governments cannot afford offering necessary services. Thus multi-

national companies might have a wider responsibility area than Carroll's pyramid shows. (Matten, Crane & Chapple 2003.)

Corporate social performance is used as a background concept for this study. The term suggests that measurable business success does not have to be only about traditional financial performance measurement such as return on investment but it could take also social and environmental aspects into account when measuring corporate performance. (Wood 1991.)

There is still no common consensus about the meaning or the proper measurement of corporate social performance because it is viewed as multidimensional construct (Rowley 2000). Various researches have tried to define and establish proper frameworks of corporate social performance since mid-1970. Based on the earlier competing attempts to define corporate social performance, later referred to CSP, Wood (1991) has developed one of the most coherent and integrated frameworks of the term. This framework includes the following elements: principles, processes and outcomes. According to Wood all of these elements should be taken into account when evaluating the company's corporate social performance. Thus the principles of social responsibility that motivate the company to take actions, the degree to which the company uses socially responsive processes, the availability of policies and programs that are aimed at manage the firm's societal relationship and the social impact of the company's actions and programs have to be evaluated in order to get a proper view of CSP. Clarkson (1995) presents a counter argument against the first element of CSP, principles. He states that as performance should be something that can be measured, the dimension of principles should be avoided to include in CSP. It is infeasible to evaluate the true values and principles upon which responsibility actions are taken. Whether the company is taking responsibility actions because of self-interest or common sense cannot be measured. He states that evaluating principles is not a relevant factor when evaluating corporate social performance. (Clarkson 1995.) This study also acknowledges the view of Clarkson and does not discuss how and whether principles influence corporate social performance.

The second dimension of corporate social performance, the operational dimension, is the process of corporate social responsiveness. (Wood 1991). Corporate social responsiveness has already acknowledged the need of responsibility and seeks answers on how to implement responsibility. (Frederick 1994.) This is also the starting point of this study. Corporate social responsiveness focuses on practical factors that make the business organisation more socially responsive to its external environment (Frederick 1994). In order to be responsive to the demands that emerge from the external environment, the company needs to manage its relationships with various social groups (Frederick 1994.) In Frederick's point of view corporate social responsiveness allows one to scrutinise the tangible achievements of responsibility and states, as Clarkson (1995), reduce the debate on the moral standing of corporations (Frederick 1994). Corporate social perform-

ance can be implemented through collaborative social problem solving (Wood, 1991), which will be discussed later in chapter two.

Stakeholder describes the groups that influence, or are influenced by the activities of company and puts names and faces to societal members who are most urgent to business and whom the responsibility must be responsive. (Carroll 1991.) Responsibility outcomes can be measured through stakeholders; in this thesis the value that has been created from CSR activities is regarded through two stakeholders NGO and local communities in the developing world. Naturally the value created for the company is taken into account as well. (Wood 1991.)

The corporate social performance model has received criticism for not being a proper tool of analysing social performance itself, Clarkson (1995) for example argue that corporate social responsiveness and performance help clarifying theories and abstract concepts but they are not applicable alone measuring corporate social performance as they lack logic and rigor (Clarkson 1995). Thus these concepts cannot be used solely as theoretical background. A point of view of stakeholder is to be taken into account for facilitating the evaluating process of corporate social performance.

As various researchers agree that corporate social responsibility and performance can be analyzed most effectively by using a framework that includes relationships with stakeholders (e.g. Rowley 2000, Clarkson 1995) also this study analyzes corporate social performance through stakeholders. The next chapter will discuss the motives why the stakeholder would be especially an NGO. It will then continue on describing how CSP can be implemented with an NGO and the third chapter discusses the outcomes and measuring CSP with NGOs.

2 IMPLEMENTING CORPORATE SOCIAL PERFORMANCE WITH NON-GOVERNMENTAL ORGANISATIONS

As cooperation between a business organisations and non-profit organisation cannot be taken for granted, it is important to understand the motives both partners have in engaging in a partnership. This chapter discusses why companies would cooperate in particular with NGOs as stakeholders and what kinds of motives NGOs have for cooperating with companies. Then the chapter will move on discussing the process of forming a partnership that is based on corporate social responsibility. Company's overall commitment on CSR can determine also the depth of the NGO partnership.

2.1 Motives for cooperation between business and non-governmental organisations

Companies that are willing to cooperate with NGOs have usually a corporate social responsibility agenda as a background for the motive. According to Trebeck (2008), CSR activities are taken in order to satisfy social needs and expectations, motivations are of particular importance. Activities of corporate social responsiveness can be seen as responses to community demands rather than of internal sense of moral duty. (Trebeck 2008.) Cooperating with NGOs is one way of implementing corporate social performance. Companies have several motives to choose an NGO as a partner for achieving the objects of social responsibilities.

Understanding the social environment. Companies operate in a complex business environment where sociological factors are continuously present. In order to conduct effective business, the company has to understand different prevailing trends and concerns in the society. Collaboration with NGOs might give companies vital information of these sociological factors, as many NGOs are experts of the prevailing concerns (Yaziji & Doh 2009.) and they have information on social and environmental concerns and trends, vision and expertise on specific issues (Heap 2000). If, for example, fast-food companies such as McDonald's would have interpreted the public social and environmental concerns in time, it could have altered its ways of operation and avoided economic and reputational harm. Many companies have improved or established non-existent CSR policies only after negative public opinions and activist campaigns. This factor might be avoided through cooperating with NGOs as NGOs might help companies to identify raising concerns. (Yaziji & Doh 2009.) Thus, companies can learn from NGOs to develop their CSR strategy further.

Acquiring vital information. A common thought is that the personnel of NGOs are unskilled, unprofessional and young people. However, the reality is that especially the

largest NGOs have a number of educated staff such as lawyers, policy analysts and scientists. Half of the employees of the largest and the most influential environmental organisation have masters or law degree and 10 – 20 percent have doctorates. Many of these highly educated employees have specific knowledge on laws or environmental technology that might not occur among the company's staff. (Yaziji & Doh 2009.) Many corporations are unfamiliar with social issues or do not simply know how to handle them and integrate in their business. Thus they need to find ways of getting information on how to get involved and manage social responsibility. (Nijhof & Bruijn & Honders 2008.) Cooperating with NGO might lead to gaining the lacking knowledge and expertise. This knowledge can be used in strengthening CSR policies or creating new sustainable innovations. (Huijstee & Galsbergen 2007.) NGOs knowledge plays also an important role when establishing joint community projects.

Networks. The networks of NGOs differ from those of companies. Companies' networks can be described with Porter's five forces model including: suppliers, buyers, rival firms, new entrants and substitute producers. NGOs' networks, on the other hand, consist of other NGOs, donors, regulators and lobbyist. As many NGOs are small and hold only little resources, networks are very much of importance for them and consequently they might have extensive and dense networks. These networks and the information circulating in them can be very important for companies. Acquiring similar partners than NGOs have, can be very hard task for a company, but it may gain better access to these networks through collaboration with an NGO. (Yaziji & Doh 2009.)

Improving brand. Consumers are getting more aware of business ethics and the problems many MNCs face such as labour's right and environmental concerns. Thereby intangible assets, that tell of good business ethics and that can be added to a product or a brand can improve the attractiveness of goods and services, and lure new customers. Consumers are increasingly attracted of buying products, which include features such as a small donation of the product's price to certain target. (Miller et al. 2004.) Thus NGO partner can be a way of differentiating the brand. Promoting the NGO partnership in a form of product is not the only way of communicating the responsibility as the responsibility can be concretely exercised in other ways such as involving employees in volunteer work. (Halme & Kourula 2008.)

Legitimacy. A survey conducted by the Edelman public relations firm suggested that both Americans and Europeans found the representatives of NGOs more reliable than the representatives of companies. If companies start cooperating with NGOs, it might be that also business firms receive more trust among the general public. Thus NGOs have the potential to improve the legitimacy of companies in a collaborative partnership. (Yaziji & Doh 2009.)

Risk management. The bilateral relationship between the company and its stakeholders can be one of the most important drivers of stakeholder actions. The way the com-

pany interacts with its stakeholder often determines whether the NGO implements actions against or for the company. (Rowley 2000.) Orientation to CSR may alter from industry to industry. A company that operates in an industry that is sensitive to social or environmental risks may view corporate social responsibility as a form of insurance for its business (Porter & Kramer 2006). Industries that are socially sensitive are for example pharmaceuticals, arms, tobacco and heavy industries such as oil, power or chemical manufacturing. In addition to industry related risks, the company might face risks if it is considered to be powerful in its supply chain or in the entire market. Multinational companies also face risks in terms of cultural differences as they operate in many countries and continents and face different institutional requirements that can be challenging to fulfil. (Yaziji & Doh 2009.) Collaborating with NGOs is one way of acting according to the expectations of stakeholders and minimising risks (Nijhof et al. 2008).

NGOs motives should be examined through the type of the NGO as even though NGOs attitudes toward business cooperation have changed into a more positive direction, different attitudes toward corporate-cooperation can be identified.

Table 1 NGOs varying attitudes towards companies

PRESERVERS	PROTESTERS	MODIFIERS	SCRUTINIZERS
Strategy: Partnership	Strategy: Independency	Strategy: Independency	Strategy: Independency
Founded: 1800s – 1970s	Founded: 1970s – 1980s	Founded: 1990s -	Founded: 1990s -
Tactic for corporate influence: Cooperative projects, education, joint marketing	Tactic for corporate influence: Protest actions and campaigns	Tactic for corporate influence: Demonstrations, appeals, scenarios	Tactic for corporate influence: Investigations, articles, publications, films
Examples: Amnesty, Red Cross, Save the Children, SSNC, WWF	Example: Greenpeace	Examples: Attac, Friends of the Earth	Examples: Fair Trade Center, SwedWatch

Source: Ählström & Sjöström 2005, 238.

NGOs should not be treated as a homogenous group and perceive all of them being ready to collaborate with companies, but NGOs have different strategies on influencing

business such as activism, dialogue and name and shame activities. (Ählström & Sjöström 2005.) As Table 1 illustrates some NGOs have a radical approach to influence business; demonstrations or even illegal sabotage, while the other types of NGOs are more moderate and avoid harming the relations between business and the society. These kinds of NGOs often cooperate with companies and implement together with the private sector projects and joint-marketing activities in order to find solutions to social problems. However, there are also differences among the collaborative NGOs. Some of them consider that the best way to influence business is to cooperate with the most unethical company in the industry, as it would bring the best results and maybe help improving the social responsibility of the entire industry. In contrary, another NGO with collaborative nature might consider this strategy to be extremely risky and claim that partnering with an unethical company would tarnish also their name. (Ählström & Sjöström 2005.)

The motives for a business firm to engage in a partnership have been identified. Also the NGOs are motivated to cooperate with companies for certain reasons. Like companies, NGOs compete on appreciation, conspicuousness and resources, especially on funding. A view on the motives for NGOs to cooperate with companies will be taken.

Funding. One reason for the raised popularity and awareness of possibilities in corporate partnerships is the increasing number of NGOs and therefore the increasing competition for funding. Competition on donators and new members is getting more rival and NGOs have had to start to create new ways of funding their operations. Even those NGOs that have earlier had more of a hostile attitude towards private sector have started to consider collaboration with companies as a possible option. (Googins 2000.)

Altering business. One of the most important reasons for NGOs to begin cooperating with the private sector is the influence it can have on business. If the company is interested in developing its responsibility agenda further the NGO can have a large influence on how the responsibility is actually implemented. In the best situation, NGOs can try to specify the objectives of the company's social responsible agenda so that they are aligned with the key goals of the NGO. (Heap 2000.) Thus collaborating with a company that address its responsibility activities in similar issues than the NGO does, might help the NGO to achieve its targets more effectively. NGOs should also identify their assets such as information on certain issues and think whether this information could be useful for certain companies. NGOs can promote companies to rethink their operations, products, marketing and stakeholder concerns in new creative ways by using the information they have. (Rondinelli & London 2003.)

Also the size of the firm and industries with high level of environmental or social exposure motivates NGOs to take actions for or against companies. Market leaders with wide market share or companies that operate in industries, such as chemical industry that might harm human life, are more prone to stakeholder actions. (Rowley 2000.) In

this case the stakeholder action is not necessarily always against the company as some NGOs might think that the best strategy to alter an entire industry with high social exposures is to cooperate with the companies and find solutions together.

New partners to development aid. Most of the projects between firms and NGOs consider social or environmental issues especially in poor countries. Thus cooperation with a company can be a way of increasing means of doing developing work. Especially companies that are already present in poor countries are viewed as potential partners and through cooperation NGOs and companies might develop new products or services to the developing world, which might help the NGO to fulfil its mission. (Dahan, Doh, Oetzel & Yaziji 2010.)

Tangible resources. Many NGOs lack time, work force, skills and financial resources for achieving their mission. If they want to be successful they need to ensure these resources and secure the assistance of others. In addition to financial assistance, companies can offer work force, skills and goods and services for free or at reduced costs. (Kotler & Andreasen 1991.) Business firms might assist NGOs with tasks that are related to their core business, for example computer firms might assist NGOs with data processing (Kotler & Andreasen 1991). Business firms might assist NGOs also with tasks, such as marketing or advertising, which have traditionally been unfamiliar areas for the NGO sector. Companies can loan space, staff, and equipment and provide advice in marketing related things (Kotler & Andreasen 1991). Some companies also lend their staff for volunteer work for the NGOs' projects (Austin 2000).

Credibility of NGOs. As cooperation with NGOs can improve the legitimacy of companies, collaboration with corporation can raise the credibility of the NGO. This holds true especially in the eyes of other substantial funders; if the NGO has succeeded in accessing in partnerships with certain companies, it can encourage also other funders to support its projects. (Austin 2000.) In addition, the credibility might also lead to increased networks and consequently the NGOs can access further business relationships with other companies (Millar et al. 2004) or even with other NGOs.

2.2 The types of corporate-non-governmental organisation partnerships

Launching projects or starting a partnership with NGOs can help to define the responsibilities of the company and is one way to achieve concrete outcomes of corporate social performance. Companies and NGOs find out how things are and how they should be in each other's view through negotiation and brainstorming and they are able to develop separate interests to mutual solutions that benefit both partners. (Husted 2000.) Partnerships with NGOs can be implemented in various ways. Usually different levels of cor-

porate-NGO collaboration have been divided according to their levels of commitment, from low commitment to deeper form of cooperation. For example, Austin (2000) and Halme and Laurila (2008) have divided the stages of business-NGO collaboration into three levels. The differences between these stages are whether the company conducts philanthropic activities or strives at integrating responsibility to its business operations. All of these stages can be strategic if they support core business activities and thus improve the company's efficiency to accomplish its mission. (Halme & Laurila 2008.) A closer look will be taken into these levels.

Partnerships at *philanthropic level* are the simplest form of social partnerships. Commitment is very low and engaging into a philanthropic level does not require much from neither of the partners. According to Austin (2000) the company can be seen in a donator role and the NGO as a recipient of charity. The engagement is low, simple and nonstrategic. (Austin 2000.) Basic philanthropy is not integrated into company's core business but it is its extra activity beside business. According to Halme and Laurila (2008) typical for this kind of relationship is that company's resources are used for charity, donations or encouraging the personnel to participate in voluntary work that the NGO partner might offer. (Halme & Laurila 2008.)

Even though the philanthropic partnership is often considered to be mainly charity and not really benefitting the company in business sense, some argue that philanthropy can be also strategic. *Strategic philanthropy* has dual objectives: social performance and financial profitability. Strategic philanthropy means activity where a company gives to a non-profit so that the giving also benefits the position of the company. Strategic philanthropy is a way to seek synergistic outcomes so that both organisation's core values and missions are represented in the outcome of the philanthropic activity. Strategic philanthropy can be described well with a metaphor "charity begins at home" as the aim is that if companies contribute to the society they should do it so that it begins from the business itself. Thus corporations would contribute in more meaningful and effective ways. (Saiia, Carroll & Buchholtz 2003.)

One example of philanthropic cooperation is cause-related marketing (CRM) i.e. the company sells certain products so that some part of the profit is distributed to an NGO's project. The NGO receives certain amount of the profit and the company is associated in a positive way to a social or environmental cause. CRM also includes event sponsorships. Some companies might use this marketing strategy for differentiate their products. In addition receiving profits, the NGO will also gain increased brand recognition and name exposure, which would be very expensive to gain without the company. These are valuable assets as they can lead to rise in donations and memberships. (Austin 2000.) Thus CRM can be also strategic. The difficulty in CRM is that there is no easily verifiable pricing standard and NGOs find it difficult to evaluate the value of their brand. (Austin 2000.)

Integrative level. At the second stage the cooperation aims at two-way value exchange. This kind of partnership is not anymore about transferring funds but it has a deeper significance for both partners in order to support missions and strategies that are important for both parties. Significant amount of companies is engaging at this stage. (Austin 2000.) Kourula and Halme focus more in the responsibility in the intra environment of the company. Companies that are responsible at the integration level, combine some of the aspects of responsibility into their core business activities. Responsibility can be seen in the entire value chain from being ethical towards suppliers and to employees. The target of this kind of responsibility is to improve the social aspect of core business and the company is primarily concerned about responsibility towards key stakeholders. Integrating responsibility with core business requires also investing in key stakeholder relations, which might lead to improved customer satisfaction. This is a tacit asset for the company and difficult for competitors to copy. The company may consider CSR to improve corporate reputation, cost savings or risk reduction (Halme & Laurila 2008). Collaboration at the integrative level includes event sponsorships (Austin 2000) systematic dialogue, common programs on specific issues and NGO consultation (Kourula & Halme 2008).

Maas and Boons (2009) view the integrative stage through stakeholders concerns. Business is regarded in a mutual dependency with society and thus any business decision influences society and stakeholders. They suggest that one way to exercise CSR is to integrate stakeholder's concerns in the firm's CSR strategy. The aim is to integrate values that stakeholders appreciate into corporate activities and organisational routines. Thus financial profits are not regarded in isolation from social and environmental values, as social and environmental issues are integrated with business. The voice of the stakeholder, in this case the NGO, is inserted in the business process through interaction and dialogue with the NGO. (Maas & Boons 2010.)

Innovative level. The essential thing that should help the company to make decision about CSR is to examine whether a cause can present an opportunity to create shared value with society (Porter & Kramer 2006). Businesses' tasks are not to solve all the societal problems, but those that are naturally related to the business's core operations. The third and the most profound collaboration type can be described with following words: innovativeness, deep collaboration and characteristics of strategic alliance. This is still a rare form of collaboration between business and nonprofits, but the number of these alliances is growing. The integrative stage involves greater interaction between both parties, core competencies are combined in order to create unique and valuable combinations and the amount of resources used is multiplied. In some cases this collaboration reminds of joint ventures as the partners have created new jointly governed entities. (Austin 2000.) Kourula and Halme (2008) argue that at the deepest level of corporate-NGO collaboration companies are not implementing social responsibility ac-

tivities because of their willingness of doing good but for gaining something measurable from the corporate social responsibility activities. (Halme & Laurila 2008.) Halme and Laurila (2008) extend Austin's view of innovative partnerships: the company takes a social or an environmental problem as a source of business innovation and strives to develop a product that is aimed at solving the particular problem. The purpose of innovative partnership is to fulfil a win-win situation, where both the company and stakeholders as the NGO and society win. (Halme & Laurila 2008.) These kinds of innovations have been, for example, Procter & Gamble's water purifying sachets sold at low price in the third world or eco friendly domestic appliance. The differences between the integrative and innovative level is that the innovation approach strives to reduce a social or environmental ill while the integration approach is concerned about its existing responsibility. Innovative partnerships involve deep relationship between NGOs and companies and common programs are created. (Kourula & Halme 2008.)

The partnerships can also have specific aims from sponsoring to common projects that aim at improving corporate social performance. Several types of engagement forms have been identified, which amongst the others are:

- Sponsorship. The company provides financial support to the NGO and usually implements marketing cooperation
- Employee training and/or volunteering. The NGO representatives train the employees of the company on specific issues or the employees volunteer in an NGO's project by contributing their time or knowhow
- Common projects or programs. A company and an NGO cooperate on specific projects with concrete actions and goals.
- Strategic partnership. A company and an NGO sign contracts on partnerships, have common long-term goals and implement the cooperation in various ways. (Kourula & Halme 2008.)

The list cannot be considered to be exhaustive as each partnership can have different dimensions but the examples above form a general basis for existing social partnerships.

Collaborative relationships with business and not-for profits are multifaceted. Table 2 illustrates typical features of each partnership. Some partnerships might have features of each category. (Austin 2000.)

Table 2 The multitude of corporate-NGO partnerships

	Philanthropy	Integrative	Innovative
Collaboration mindset	Gratefulness and charity syndromes	Partnering mindsets Increased understanding and trust	“We” mentality replaces “us versus them”
Strategic alignment and relationship to the company’s core business	Minimal fit required Outside of core business	Overlap in missions and values Close to core business	Relationship as strategic tool Shared values Enlarging company’s core business
Collaboration value	Generic resource transfer Usually unequal exchange of transfers Extra activity for the company	Core competency transfer More equal exchanges of resources Improving the social aspect of business operations	Joint value creation New product development
Relationship management	Minimal personal connection to cause Project typically communicated via paper status report	Relationships in both in management and inter-organizational level Emerging infrastructure; e.g. a relationship manger and communications channels	Expanded opportunities for employee involvement Deep personal relationships Explicit internal and external communication strategies and processes
Collaboration definitions and performance expectations	Minimal collaboration in defining activities Minimal performance expectations	Shared vision of the collaboration Informal learning Explicit performance expectations	Projects identified and developed at all levels within the organization Organizational integration in implementing projects Active learning process High mutual expectations on performance

Source: Modified from Austin 2000, 26 and Halme & Laurila 2008, 330.

The simplest form of corporate-NGO cooperation, philanthropic collaboration is characterised by charity and nonstrategic significance for the company as the activities of the cooperation happen outside of the core business. The missions of the NGO might

have high and mutually balanced value creation. Both parties should engage in thorough due diligence in order to be certain that the values and practices of the potential partner are acceptable. (Austin 2000.) Dialogue is a proper tool to find consensus and define common goals (Husted 2000).

Thirdly, a successful cross-sector alliance requires top management participation. In addition, deepening the inter-organisational relationship will help institutionalising the alliance. When the partnerships' societal goals are closely aligned with those of business, more managers, also those that have not been very prone to social responsibility activities will more likely to engage in them. (Kourula & Halme 2008.) Recruiting volunteer workers from the company to NGO projects can be one way of strengthening these relationships. (Austin 2000.) It is also important that the dynamics of the two organisations are conjunct.

An ongoing alliance requires cultural and social fit (Millar et al. 2004), cultural compatibility and trust. These features are especially challenging in corporate-NGO alliance as companies and NGOs might share fundamentally different values and missions (Dahan et al. 2010). As the two organisations traditionally have totally different missions, the common language might be difficult to find. Thus the collapse of the cooperation can be avoided and better results can be achieved, if the NGO or the company is able to speak in the other partner's language and present ideas and thoughts in a way the other party understands them correctly. (Austin 2000.) The potentials of NGO-business collaboration can be enormous, but naturally it is required that both sides trust each other in order to create a successful partnership. (Heap 2000.) Trust can be developed only step by step and sometimes confrontations can be healthy for creating trust.

3 THE OUTCOMES OF CORPORATE SOCIAL RESPONSIBILITY PARTNERSHIPS

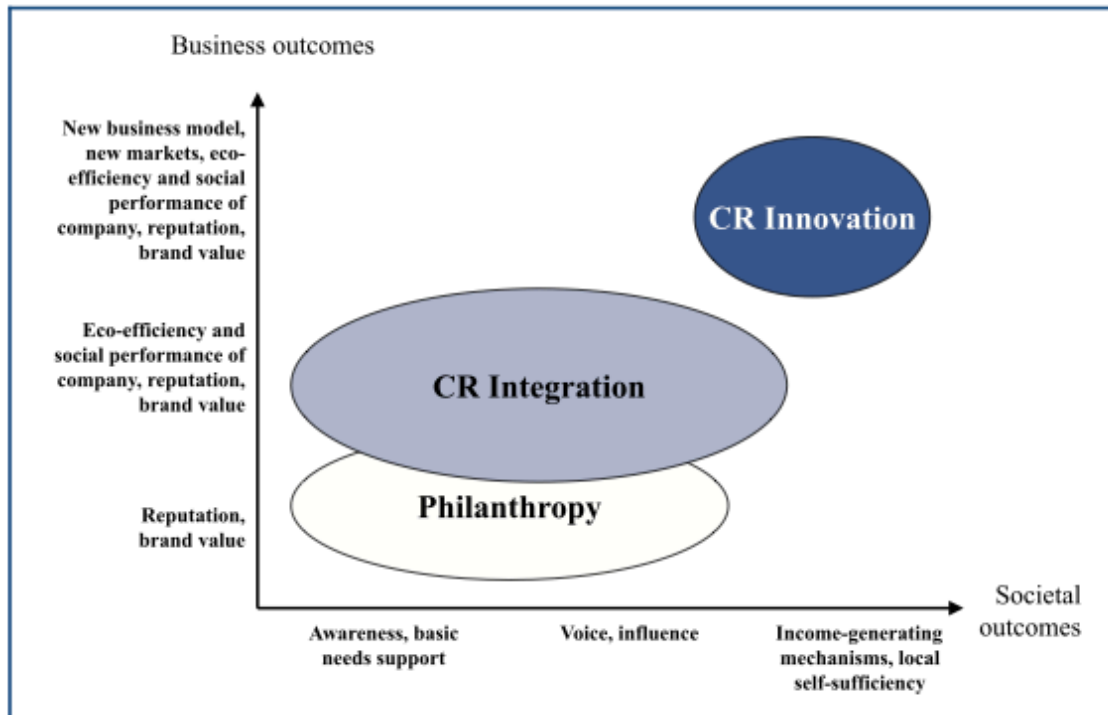
The outcomes of corporate social performance have an economic, social and environmental dimension. As this study scrutinises a partnership that addresses social issues the following chapter is concentrated on the economic and social outcomes that corporate-NGO partnerships can create to the company, to the NGO and to the community. The challenge in defining outcomes is that many of the outcomes are soft data and they are difficult to evaluate. Thus also the problematic of measuring corporate social performance is discussed in the end of this chapter.

3.1 Creating shared value with an non-governmental organisation

The third dimension of corporate social performance; social impacts, programs and policies are the concrete outcomes that can be identified of CSR activities. These are the visible aspects of corporate social performance, which can be evaluated. (Wood 1994.) The social dimension of social performance includes usually issues such as equal opportunities, human rights, corporate giving and community relations. The outcomes can be divided into three general groups: social policies, social programmes and social impacts. Social policies are companies' goals that concern the social environment and they are explicitly presented. They can be for example commitments on certain goals such as reducing carbon dioxide emissions of production. Social programmes are those activities, measures and instruments that are used in order to achieve the goals of social policies. Social impacts are then finally the impacts on the social environment that are caused of social programmes and policies. (Crane & Matten 2004.)

Different types of corporate-NGO partnerships that were presented in chapter two influence the scope and nature of the outcomes of corporate social performance (Halme & Laurila 2008). Depending on the aim of the collaboration, the partnership results in actions such as following the codes of conduct, implementing certification program, exchanging resources, developing new products or improving the sustainability of production (Reed & Reed 2008). These are examples of concrete outcomes that improve corporate social responsibility. Often the impacts to business organisation are intangible assets such as brand or reputation improvement, and they are typical especially in philanthropic partnerships, which is still the prevailing form of NGO-corporate partnerships (Kourula & Halme 2008). Figure 3 illustrates how cooperation between business and NGO results in various outcomes and how the nature of the partnership often determines these outcomes.

Figure 3 Outcomes of different types of CSR



Source: Kourula & Halme 2008, 567.

The simplest form of philanthropic partnership, where a company donates money to an NGO without linking the partnership into the business is described with low commitment and as the partners do not actually cooperate with each other, the relationship usually lacks trust between the two parties. Porter and Kramer (2006) argue that uncoordinated philanthropic activities that are not related to the firm's core business neither make any meaningful social impact to the society nor strengthen the businesses position (Porter & Kramer 2006). Thus it can be argued that only donating money to a target that has nothing to do with the business itself might not even result in image improvements. Husted (2000), for example, argues that strategies and structures that are well aligned to social issues will result in better corporate social performance.

Deeper level of commitment involves deeper level of trust and hence it can result in better outcomes. Integrative and innovative partnerships have been argued to lead to more long-term and sustainable outcomes, both to business and stakeholders, than philanthropic activities do. Thus the highest potential to create successfully profits to the company and value to the local communities lies in the deepest forms of corporate-NGO partnerships. (Kourula & Halme 2008.)

The integrative partnerships might enhance also reputational improvements but additional outcomes might be increased employee and customer satisfaction and broader stakeholder participation and stakeholder acceptance (Kourula & Halme 2008). Increased employee morale through volunteer work has also been stated as an outcome

(Googins & Rochlin 2000). Porter and Kramer (2011) argue that if companies identify connections between economic and social progress shared value can be created so that competitive advantage of companies is improved by advancing the social conditions where the business operates. As the two deepest levels of partnership, integrative and innovative, are partially or totally integrated to core business, they can be considered to be strategic and thus contribute to fulfilling company's mission. (Halme & Laurila 2008.) In committed partnerships, both NGO and company provide complementary capabilities to each other. These can be either intangible assets such as knowledge, reputation and brand or tangible assets such as human capital and access to market and production. (Dahan et al. 2010.)

Cross-sector collaborations do not always focus only on external social causes – partnering with NGOS can help also to improve the company's internal responsibility. Integrating the company's labour in the community work make the whole organisation more committed to the partnership with NGO. (Austin 2000.) If the cooperation is aimed to improve some of the social or environmental aspects of business operations it can be regarded to improve the social dimension of the company's supply chain. (Kourula & Halme 2008.)

Sometimes a deep cooperation with a non-governmental organisation can result in creating new business models or new markets, as the company has through the NGO access to unique grass-root level information on undeveloped markets. This information might help the company to predict market trends for certain communities (Googins & Rochlin 2000). This can be an outcome of the second or third stage of collaboration where core competencies are mixed and commitment is long-term. (Austin 2000.)

Even though a common view has been that corporate responsibility and financial performance are a zero-sum game, many researchers have argued that exercising social responsibility will bring profits to the company in the longer run. For instance Hillman and Keim (2001) argue that investing in key stakeholder relations may lead to improved customer and employee loyalty. These can be seen in the form of tacit assets, which are source of competitive advantage and hard to imitate for competitors. However, using company's resources in social issues, which are not directly related to stakeholders, may not lead to value creation in terms of competitive advantage. Actually Hillman and Keim's study explored that philanthropic social responsibility can be negatively associated with stakeholder value. However, it is almost impossible to make direct conclusion that good social behaviour will always lead to positive financial implications or poor responsibility to negative financial performance. The number and complexity of variables that influence this relationship makes the relationships very difficult if not impossible to examine. (Rowley 2000.) However, stakeholder actions, either negative such as boycotts or positive such as rewards for social responsibility and the responses of companies can be considered to influence cost or revenues and thus the financial perform-

ance. Consequently it can be argued that the nature of stakeholder relationship and the character of the stakeholder, for example collaborating versus confronting NGO can have either a positive or a negative influence on the financial performance of the company. (Rowley 2000.)

Naturally, business is not to solve every social problem. Some issues are just more relevant to the business than other ones, and solving societal issues that are also relevant to the business can have a positive impact to the business itself. Porter and Kramer (2006) have for example divided these issues into three categories: generic social issues, value chain impacts and social dimension of competitive context. Generic social issues are important to the society but are not affected by business and do not influence business – thus they are not very important in company's view. Value chain social impacts are those that are affected in different parts of the company's value chain. Social dimensions of competitive factors are those factors that are found in the external environment and significantly affect the company's competitiveness in places where it operates. An example can be found in the AIDS pandemic: it might be a general social issue for retailer that is operating in different continent, a value chain impact for a pharmaceutical company and competitive context issues for a mining company in Africa which is dependent on local labour. For some companies certain issues can prove to be important for various business units and hence offer an opportunity for worldwide CSR strategy. (Porter & Kramer 2006.) Thus identifying relevant issues and solving them with an NGO can help the company also to create concrete outcomes for its business.

One of the most concrete outcomes for the NGO is the financial support it receives from the company. In some philanthropic partnership financial support might be the only outcome, especially if the missions of the two organisations are totally different. It should be noted that philanthropic partnership are most vulnerable to end in an economic recession. (Kourula & Halme 2008.) Cooperating with a company which business is not related to the NGO's mission can be very challenging to justify to the NGO's stakeholders. Thus, in worst case the partnership can create negative image to the NGO. (Kourula & Halme 2008, Millar et al. 2004.) However, if an organisational fit exists, the partnership is most likely to last (Millar et al. 2004) and result in reputational improvements also to the NGO. Cause-related marketing programs give the NGO free marketing and increase the conspicuousness of the NGO (Austin 2000). In a more committed relationship the NGO can receive technical expertise, management training or use business innovations in its projects (Googins & Rochlin 2000).

As the CSR partnerships are often based on solving a social cause, they also create societal outcomes. If the partnership exercise development projects in poor communities, outcomes are, for example, support of basic needs, rise in awareness on health-related issues, and opportunities for local communities to get involved in projects that concern their life and local income generating mechanism for the poor. (Kourula &

Halme 2008.) These outcomes can be regarded also to be outcomes to the NGO if the themes are the same the NGO promotes, as the NGO has achieved some of its goals.

CSR partnerships that are aimed at alleviating social issues can deliver significant mutual benefits for the company and the community. Social programmes that address issues related to education and health care in developing world can provide great potential both to the firm and society. Sickness leads to absence in work force, which can again lead to increasing poverty. Community projects that are aimed at solving health-related problems can offer better opportunities for the community members and develop workforce that is available for companies. If the relationship between the firm and community becomes successful it will become self-reinforcing and symbiotic. (Malcolm 2010.) The company is attracted to hire local staff if it is healthy and educated. Local operations become more productive and the company does not have to recruit staff outside the community. Costs are reduced and there is a potential to create loyal relationship with the community. (Malcolm 2010.)

The simplest form of cooperation, philanthropic sponsoring is not regarded as bringing major impacts to the society. However, as the target of sponsoring is usually disadvantaged people, also the philanthropic partnership might have some societal outcomes such as rise in awareness of social and environmental issues (Kourula & Halme 2008).

3.2 Measuring the outcomes of the partnership

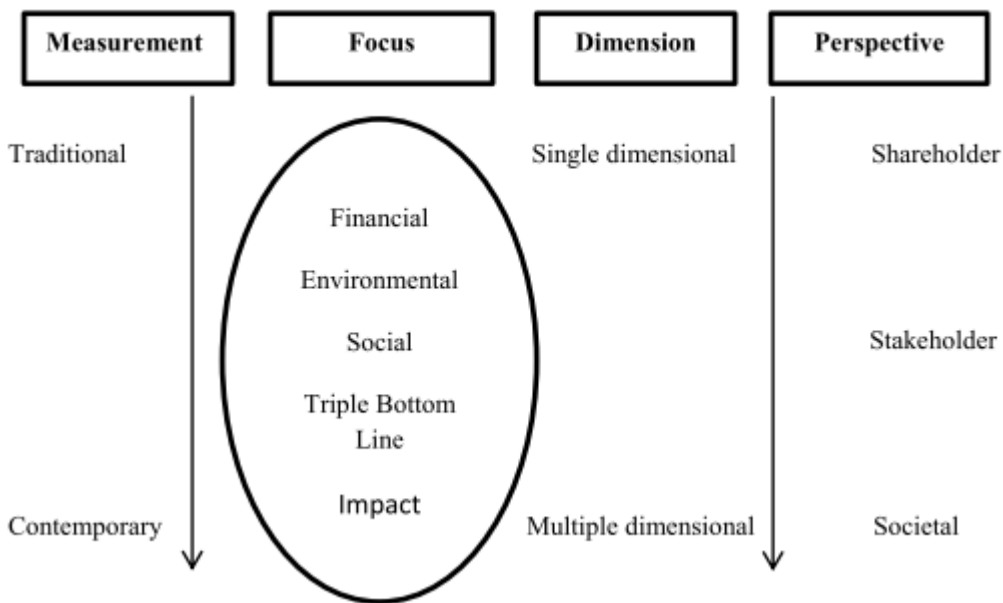
The outcomes of business-NGO partnerships are more complex in reality than in theory and often unclear and difficult to measure. This is because majority of the outcomes of corporate-NGO partnership is soft data – thus it is very difficult to measure, as specific impact cannot be easily separated from the other factors that cause the impact. (Crane & Matten 2004.)

Social impacts are often ignored; traditional accounting does not include social or environmental impacts when measuring outcomes and also most of the earlier research emphasises the payback results of social responsibility activities only to the company itself and not for example to the society or other stakeholders. The common view is that value is either financial, which companies create or social which non-profit organisations create. (Maas & Boons 2010.) The question of what impacts CSR activities can create to the society is often ignored (Maas & Boons 2010).

In order to measure the impacts of CSR from different dimension, it is required that the traditional way of thinking has to be altered: focus on output thinking and on a single-dimensional firm perspective has to be shifted to impact thinking with multidimensional perspectives, so that in addition to financial benefits also societal and environmental perspectives are taken into account. Performance measurement that tradition-

ally measures efficiency, profit and competitive advantage are based on output thinking. Measuring only outputs does not tell about value added, or in a negative case, destroyed, across environmental, social and economic dimensions. (Maas & Boons 2010.) As many companies are integrating CSR into their core strategies and have started to consider CSR as a win-win strategy a new way of thinking has occurred. The triple bottom line illustrates this new trend.

Figure 4 Measuring corporate social performance



Source: Maas & Boons 2010, 163.

Figure 4 illustrates how the traditional view of measuring the performance of a corporation differs from the contemporary one. In contrary to the traditional view, the contemporary view, also called as *triple bottom line*, includes environmental and social dimension within the financial view. Measuring takes into account not only financial performance but also social and environmental issues value the company has created to society and environment. In addition, the perspective has moved from single dimensional to multiple dimensional: the perspective does not consider anymore only the shareholder but also other stakeholders such as NGOs. In addition, the triple bottom line takes into account also the impacts the company has caused to the society. Measuring outcomes is what makes companies responsible and paying attention to social issues. (Maas & Boons 2010.)

The challenge with triple bottom line is that there are no common measurement practices for each dimension. No common agreement exists whether the social aspect should be measured in dollars as the financial dimension is measured or in other units, as, for

example, in increased literacy rate. Another challenge is the equal weighting of the three components, as they do not have common weighting system. (Slaper & Hall 2011.) Various researchers argue that the proper way of evaluating and measuring the outcomes of CSP has to be done through stakeholders (e.g. Clarkson, Husted 2000). The success of the social impacts of policies, programs and operations are those aspects of corporate social performance that will be determined by the stakeholders (Wood 1991).

Stakeholders evaluate the final outcomes of corporate social performance and compare firm performance to their normative expectations. (Crane & Matten 2004, Husted 2000.) Husted (2000) has defined this approach in a following way: social performance is the extent of stakeholder satisfaction, “where stakeholder satisfaction is high, corporate social performance is high” (Husted 2000, 31). The impacts of the outcomes have to be selected and mutually agreed by the stakeholders and the company. Measuring the CSP is difficult if there is no reference point, thus reflecting performance through stakeholders is one way of measuring corporate social performance (Husted 2000).

Measuring these impacts has to be collective activity where the view of stakeholders is taken into account. In order to be valid they need a public acceptance which can be achieved through a participatory decision process among the company and the NGO. The stakeholder is interested how its interests are addressed and thus the NGO and the company have to interact continuously for getting a mutual understanding of the relevant impacts. This can be viewed as a multi-party process between the company and its stakeholders. General accepted standards do not exist for social impact measurement, thus indicators for value measurement can be selected through stakeholder dialogue. (Maas & Boons 2010.)

When the outcomes of corporate social performance are measured through one perspective, the danger is that the evaluation becomes too subjective. NGOs, as stakeholders are likely to evaluate CSP differently than shareholders, which partially depend on their own interest and partially because of understanding the corporate social responsibility principles in their way. Shareholders usually evaluate the outcomes of corporate social performance by focusing in the financial outcomes whereas NGOs are more interested on social and environmental outcomes. (Wood 1991.)

Measuring the impacts that have been caused depends on the aim of the partnership, and some NGO partnerships result in more measurable outcomes than others. If the company exercises a social policy with an NGO that aims at reducing a social ill, as for example implements a policy that aims at improving literacy rates in local schools, the improved literacy rate would be a measurable outcome. (Crane & Matten 2004.) Hansen and Spitzeck (2011) also suggest that especially the outcomes of corporate-NGO that are created to poor communities can be measured with the help of NGOs, as they have experience on measuring development.

4 METHODOLOGY

4.1 Research strategy

This research is conducted from qualitative approach. Qualitative research is in contrast to quantitative research, but defining specifically the boundaries of both approaches is a difficult task. A harsh categorisation would be that quantitative approach is characterised by explanation, hypothesis testing and statistical analysis and it is more structured and standardised. The qualitative approach strives to understand the phenomenon itself that is examined (Eriksson & Kovalainen 2008) and strives to avoid making pre-assumptions of the selected case and conclusions (Eskola & Suoranta 2008). Usually the quantitative approach is also separated from qualitative approach with its numeric nature, whereas the qualitative research is by nature non-numeric (Eskola & Suoranta 1998). A qualitative research approach fits better in this study than a quantitative one because it strives to understand corporate-NGO partnership as a phenomenon. Also, the nature of the research questions, the way of collecting data and the fact that there are no hypotheses to be tested led to choose a qualitative approach. (Eskola & Suoranta 2008.)

Qualitative study can be conducted through various ways. Research methods can be regarded as tools for solving research questions. Choosing a method requires understanding the actual research problem. (Ghauri & Gronhau, 2002.) According to Yin (2003) there are three conditions that help to define the proper research strategy. These conditions consist of the type of research questions, the extent of control the researcher has over actual events and the degree of focus on contemporary as opposed to historical events. (Yin 2003.) Case study examines a contemporary phenomenon with a real life context (Yin 2003) whereas surveys can try to explain phenomenon and context but the ability of a survey to investigate the context is very limited (Yin 2003). Case study is often preferred if the research questions are posed by using 'how' and 'why' questions. It also fits in examining contemporary events without manipulating relevant behaviours. (Yin 2003.) Furthermore, theory is in essential part of case study as the case study might develop or test the theory (Yin 2003). Appropriately developed theory is the degree in which the results can be generalised; this is also called as analytical generalisation (Yin 2003). As this study does not strive to achieve statistically generalizable results, but investigates whether the real life phenomenon supports the theory, and fills the requirements of a case study, a case study is selected as a research method. The main factor in a case study is the construction of the case study as the research questions are related to the case in order to understand and solve the case. The aim is to study the relation of the case to its historical, economic or cultural context. One reason for the popularity for choosing a case study as a qualitative research strategy is that the theory can be trans-

lated to language, which is easier to understand than if it was presented, for example, in a form of statistics. Case studies have a real life dimension, as they are examples of real life. This dimension has however received also criticism as some researchers claim case studies to be anecdotal descriptions that lack scientific credibility. (Eriksson & Kovalainen 2008.) However, for example Dubois and Gadde (2002) argue that theory cannot be understood without empirical observation and vice versa. Empirical observations may result in identification of unanticipated but important issues. The objective of any research is to confront empirical observations with theory. (Dubois & Gadde 2002.)

4.2 Case selection

A proper case was not found very easily. One of the problems was, that the case had to be selected in Finland, because of the limited financial resources of the author, but it had to have an international dimension. Another problem was that not every company tell about their partnerships with the third sector in their websites. This was a rather surprising issue, as having an NGO as partner could be thought to be positive publicity for the company. In addition, environmental NGOs seemed to have a larger foothold in the private sector than social NGOs do. One of the most important criteria for the case was that it would be based on something else than pure philanthropy. As this research strives to examine social corporate-NGO partnership, an international NGO that fitted well to the case was finally selected. In the end, the decision was rather simple as there are not many international NGOs that deal with social issues and cooperate with corporate partners.

The selected NGO, Plan, is an international non-governmental organisation that promotes children's rights. Plan communicates its corporate partners on its website so a proper corporate partner was simple to find. Plan has several corporate partners of which Nokia and Kemira are the largest ones in Finland. The initial idea was to make a comparative case study between Kemira's and Nokia's partnership with Plan. It would have been very interesting to compare these two partnerships as Nokia collaborates with Plan since 2006 and their partnership has innovative characteristics as the mobile technology of Nokia is used in Plan's projects. Unfortunately, Nokia refused to take part in the research because of limited time and thus only Kemira was selected. However, also Kemira's commitment to Plan's work seemed to be strong according to a brief survey that was done on both partner's websites. Kemira Plan partnership seemed to be a promising case, because the content of the projects were related to Kemira's business. In addition, as Kemira is a company that operates globally, and the projects that Kemira and Plan implement take place in developing countries, made the partnership a proper option as a case for the study.

The persons in charge for the partnership were contacted first by e-mail. The employees working for Plan are listed in the website of Plan, thus the right person was easily found. In the case of Kemira the e-mail was first sent to a wrong person but she then forwarded the message to the person in charge. The positive reply was received within couple of hours, which was surprising. The reply of the NGO reply took longer but was also affirmative after calling the person in charge.

After reaching the right persons, more material on the partnership was asked to have in order to get a proper view of the partnership and make the formulation of the interviews questions easier. The material that was received was however very similar to the material on both partner's websites and could be regarded more as marketing material.

4.3 Data collection

In order to get as many view points as possible from the empirical evidence and not tie the empirical part too strictly into the theory a theme interview was chosen as a data collection method. According to Alasuutari (1999), especially for a qualitative research it is rare to test hypotheses that have been developed already in the research plan. In contrary, there are new unknown factors that will occur from the empirical evidence and questions that have not occurred on the base of the theory will be created on the base of the empirical data. Thus a qualitative research is not only about proving or testing the existing theory. (Alasuutari 1991.) This is why the interviewer should restrain from making too early evaluations and direct the conversations too much (Flick 2000). The familiarity with literature on collaboration between NGOs and companies naturally facilitated the process of formulating questions for the interview, but new aspects from the empirical evidence will be viewed with open mind.

Problems may arise if certain questions are asked at a wrong time, so that the interviewee is prevented from presenting his or her entire view about the topic. The criterion of specificity means that the interview should reveal the specific elements that define the investigated phenomenon and not remain at general level. (Flick 2000.) Hence formulating the questions properly and organising them in a logical order is very essential part of the study in order to collect the right kind of data. The criterion of range aims at securing that each theme related to the research questions has been discussed. The challenge is that the interviewer should give the interviewee the opportunity to present new topics but at the same time control that each topic has been covered and if not, lead the interviewee back to certain topics. (Flick 2000.)

The collected data consist of two interviews, one conducted at Kemira headquarters and the other one at the NGO's office. The interviews were both approximately one hour in length. The specific questions that were posed to the company differed a bit from

those that were posed to the NGO representative but in general they were about the same themes. The following table introduces the themes that the interviews handled. Specific interview questions can be found in appendix 1.

Table 3 Operationalisation chart

The objective of the study	Themes	Interview questions
What kind of outcomes a business firm and a non-governmental organisation can achieve through cooperating on corporate social responsibility?	The interviewee's position in the organisation	1, 12
	The role of corporate social responsibility in the company	3
	The role of corporate partnerships for the NGO	21, 20
	Company's motives to cooperate with an NGO	2, 16
	NGO's motives to cooperate with a company	13, 14
	Implementing cooperation	5, 19, 17
	The role of corporate-NGO partnerships in CSR	4, 10, 15
	Outcomes for the company	6, 7
	Outcomes for the NGO	18, 6
	Outcomes for poor communities	10, 9, 7, 6, 18
	The challenge of measuring the outcomes of corporate-NGO partnerships	19, 8

The questions were formulated upon the theory, and specific questions were not strictly formulated, as the aim was to conduct a thematic interview. However, the questions of the interview were structured in an amount to be certain that all the subthemes were covered. Some questions were clarified if the interviewee did not understand the interviewee or vice versa.

The aim of interview is to develop a shared understanding of the topic between the interviewee and the interviewer (Yates 2007). Both interviews went quite well, as both interviewees were relaxed and seemed to like to discuss about the topic. Especially the company's representative was enthusiastic about the topic, but the interview itself was difficult to control at certain points as the interviewee's answers were long and run sometimes outside the topics. The second interview was easier for the researcher because of the previous experience and it went in a more logical order. However, the

interview in the company raised more new aspects and highlighted certain themes whereas the interview with the NGO gave more results that were assumed based on the earlier literature.

The person who was interviewed in Kemira, Marja Jokinen, is responsible for internal communication, and beside her principal work she has other tasks such as crisis communication and the partnership with Plan. Corporate social responsibility has been divided according to topics so that someone is responsible for the environmental dimension and another for the social dimension. A person who would be in charge only for CSR matters does not exist in the company. The interviewee's position could be noticed in the interview as the aspect of internal communication and the role of personnel were strongly emphasised.

The representative of Plan, Susanna Saikkonen, is the fundraising manager of corporate partnerships. She ended up working for Plan through coincidence as she does not have any NGO background and has previously worked for advertising companies. The NGO representative spoke with business terms and thus was rather far from a stereotype NGO employee.

4.4 Data analysis

The qualitative data analysis strives to clarify the collected data and create new information of the examined topic (Eskola & Suoranta 1998). The analysis consists mostly of finding connections and differences inside the data. Dividing the data under different themes helps to solve this task (Koskinen, Alasuutari & Peltonen 2005). The data analysis helps to make interpretations of the data and these interpretations are those that differentiate the scientific research from unscientific text (Koskinen et al. 2005).

After the interviews the collected data, also called a corpus (Yates 2004), was in a form of recorded speech. In order to analyse the data properly the semi-structured interview results were transcribed. It is important to get familiar with the data, thus the transcriptions were read several times through. Reading the text helped the researcher to get a general view of the results and examine whether there were themes that were clearly emphasised.

Even though the qualitative data analysis is not as exact as a quantitative analysis, the qualitative approach does follow a certain pattern (Yates 2004). While reading the data through, the text was filled with marks in order to find important parts easier. The analysis itself was conducted with thematic coding. Codes can be formed in different way: the codes can be based only on the empirical evidence or they can be created from a theoretical angle (Eskola & Suoranta 1998). This research utilised in principal the former way i.e. created the codes from a theoretical perspective. As the interview questions

were based on the theory, the interview questions were helpful when creating the codes. However the analysis was not conducted strictly in a deductive way and themes that rose from the acquired data were included in the code list. Thus new perspective rose from the data. The codes helped to find similar parts of the text and thus divide the data under different themes. According to Eskola and Suoranta (1998), the analysis process should happen in several phases so that the first phase should produce the text in themes in such a general level that both the interviewee and the interviewer would understand the themes in a same way (Eskola & Suoranta 1998). The data was first coded according to general themes and summarised under key themes so that each theme included answers from both interviews. This phase helped to manage the text better and enabled to create more specific codes. The text was coded again so that the coding list was saturated and then interpreted. The codes helped to divide the text into themes that were related to research questions. The codes also help to find quotations, which are used in describing the case (Eskola & Suoranta 1998).

The researcher has a crucial role in conducting the analysis as choices between relevant and irrelevant points that finally conduct the entire research are taken (Koskinen et al. 2005). Also knowledge on earlier literature makes it more difficult to create new interpretations of the empirical evidence and nevertheless codes were retrieved mostly from the theory and not from the empirical evidence another researcher could have formulated totally different codes. Thus it is important to acknowledge the subjectivity of the analysis method.

4.5 Evaluating the trustworthiness

It is important to raise the question of trustworthiness of this qualitative study, as in qualitative research the researcher is the critical research instrument that does every choice. First of all it is important to admit the subjectivity of the research, as the experiences, knowledge and other background of the researcher has its own influence on how the study is actually conducted. There are few concepts that have to be taken into account when evaluating the validity of a qualitative research. Researchers on qualitative methods categorise the indicators of evaluation with different concepts, but the relevant thing is however to understand the measures itself than wondering what labels should they be given. Reliability and validity are classic evaluation criteria. Reliability is often used in quantitative methods as it states whether the measure the researcher used gives the same result when a trial is repeated (Eriksson & Kovalainen 2008). According to Yin (2003), reliability is measured in a case study so that if another investigator replicates the same case over again same findings and conclusions should occur. The goal of reliability is to minimise errors and biases in a study.

Eskola and Suoranta (1998) have divided the validity into internal validity and external validity. Internal validity refers to the conformity of the theory, defined concepts and chosen methods of conducting the study. For example, in case study the internal validity has to be considered, especially if there is a causal relationship where, the investigator examines whether x led to y . This study has some nature of causality as it argues what kind of partnership would result in best outcomes. If the researcher incorrectly concludes that x has led to y without noticing that there might be as well z as a third factor that has caused y , the research design has failed to complete the requirements for internal validity. External validity in case study means whether the findings are generalizable beyond the immediate case study. External validity can be measured also with replication logic: different cases should have same results. (Yin 2003.) The external validity refers to the validity of the relationship of conclusions, findings and data.

No consensus exist whether reliability and validity are proper measures in qualitative research and some researches such as Lincoln and Guba (1985) have developed parallel indicators to reliability and validity, which fit better in the qualitative study. The dimensions of these indicators are credibility, transferability, dependability and conformability (Eriksson & Kovalainen 2008).

Credibility tells whether the relationship with researcher's findings meet the amount of data, this is to say whether the data sufficient in order the researcher has the "right" to present certain claims. A question of whether any other researcher makes similar findings of the data is also a critical issue when evaluating the credibility of the research. Transferability is the degree of similarity with this an earlier research about the topic. The purpose is to explore whether similarities occur in other research contexts. Dependability refers to the trustworthiness and neutrality of the research and conformability is about proving that the interpretations of the data are not unscientific. (Eriksson & Kovalainen 2008.)

Also the reliability and validity of the analysed data is important to evaluate. Mäkelä (1990) divides the evaluation into four categories. The first one is the significance of the data, it is important to consider whether it represents the case well. Secondly the amount of the data has to be reflected. There are no standardised measures of proper amount of data in qualitative research but saturation, this is to say a situation where the material does not bring anything new, can be considered to be sign that the amount of data is enough. The third criterion is the extent of the analysis; the findings should not base on randomly selected factors. The last criterion is the repeatability of the analysis. The classifications of the analysis have to be presented in such a clear way that another researcher could do the same findings. (Eskola & Suoranta 1998.)

The persons who were interviewed have an effect on the trustworthiness of the study. For example, the representative of Plan has been worked most of her career in business

and thus might be a bit less critical towards cooperating with the private sector than a person who would have been worked only in the NGO sector. On the other hand, Plan is generally more 'commercial' than smaller traditional NGOs. What comes to the representative of Kemira, even though she is responsible for the partnership with Plan, Plan partnership is not her main task but she seemed to be happy to have this kind of additional work. As the interviewee emphasised the internal value that the Plan partnership creates for the company the view of the company would be more reliable if some of employees were interviewed. However this was not possible due to limited time.

5 A CHEMISTRY COMPANY CREATES SHARED VALUE WITH A CHILDREN'S DEVELOPMENT ORGANISATION

Even though corporations and non-governmental organisations cooperate in increasing amounts also in Finland, many acknowledges the idea is still lagging behind other countries and especially deeper partnerships where also ideas and skills are exchanged are a rather new form of corporate-NGO partnership (MFA of Finland, 2011). The charity culture is also very different for example between the United States and Finland; in the USA even individual persons organise charity campaigns whereas many Finnish company consider that paying taxes is enough for being a responsible company. This case presents a partnership between a multinational company, Kemira and international NGO, Plan. Both organisations are presented in the following chapters.

Kemira was founded in 1920 and was formerly known as the State Sulphuric Acid and Superphosphate Plants, it was owned by the Finnish government. Nowadays Kemira is listed on the Helsinki Stock Exchange and its share has been traded publicly since 1994. Kemira's vision is to be a leading water chemistry company and it is focused on serving customers in water-intensive industries. 75% of the business is related to water, in functions such as water quality and quantity management that help customers using water, raw materials and energy more efficiently. Kemira has also a separated ChemSolutions department that serves customers in chemical, medical and food and feed industry. Kemira's turnover was 2,2 billion Euros in 2010 which was 10% higher than in 2009. Kemira serves customers globally in approximately 40 different countries. In 2010 Kemira made decision on investing in developing markets in order to strengthen its foothold in these markets. Kemira will build a process chemical plant in China and in has launched a joint venture for building a water chemical plant in India. (Kemira, 2011.)

What comes to Kemira's responsibility policies it has strict safety policies for its employees and the environment that surrounds Kemira's factories. Also, as the nature of the business has come closer to developing water-efficient processes also the core business is close to themes of sustainable development. Plan partnership is Kemira's way of taking responsibility also outside its own activities.

Plan is an international non-governmental organisation that promotes children's rights. Plan has been established in 1937 and Plan Finland started its activity in 1998. Plan has no religious or political affiliations. Plan Finland has projects in 22 countries and international Plan works in 66 countries. Plan is supported by the Finnish Ministry of Foreign Affairs and the European Union. Plan is one of the largest organisations that practices child sponsoring, which is in the core of Plan's work. Plan implements development projects in 48 countries. In addition, the NGO does advocacy work and communication on current issues. (Plan, 2011.)

Water treatment is the fastest growing business in the world as the demand for water-efficient processes surpasses the supply. The gap between demand and supply will be 40% higher in 2030 with current technologies. Thus new water-related technologies have to be invented. (Kemira, 2011.) The UN General Assembly declared in 2010 water being a human right. It estimated that over 0,9 billion people lack access to safe drinking water and more than 2.6 billion people lack access to basic sanitation. Approximately 1.5 million children under the age of five die each year and over 440 million school days are missed because of water-related illnesses. (UN, 2011.)

Kemira and Plan signed the contract for starting cooperation in November 2009. The cooperation was started so that three development projects that were related to Kemira's strategy were chosen. These projects are situated in Ethiopia, Bolivia and India. The project in India is a new one as it replaced a project in China that is already finished.

Ethiopia is one of the poorest countries in the world where every third survives on less than 1 USD a day. Access to clean water and sanitation is a problem all over the country and the lack of clean water is one of the most important reasons for diseases, for example 40 % of child deaths are caused of diarrhea. Hygiene and sanitation practices in schools are minimal. The project in Ethiopia aims at preventing under five years olds getting communicable diseases, raising capacity in claiming clean and adequate water supply and building capacity of the health systems and water and satiation offices. (Kemira-Plan annual report, 2011.)

Two-thirds of Bolivian population lives under poverty and infant mortality rate is 50 per 1000 live births. Even though the Bolivian state has launched a National Initial Education System, it only reaches 12% of the designed population. Thus the programme in Bolivia is concentrated on early childhood education and it aims at, amongst the others, promoting initial education through publishing sufficient information, participating parents in educational activities and strengthening the Bolivian education system by dialogue and joint efforts. (Kemira-Plan annual report, 2011.)

The finished project in China took place in Long De County where only 40% of the children and villagers have access on safe drinking water. Only 43% schools and 37% communities receive health and hygiene education. Even though the local government has made effort to improve the situation many schools and communities were still facing these problems because of limited resources. The project aimed at building a water system to communities and raising health and hygiene awareness of children and villagers. (Kemira-Plan annual report, 2011.)

5.1 The motives of Kemira

There are several points that made Plan initially a potential partner for Kemira in the beginning. From Kemira's point of view, a potential NGO partner needs to have some kind of legitimacy and track record of its operation. Plan seemed to be a reliable partner because of its global position, size, history, other business partners and the financial support of Ministry for Foreign Affairs of Finland. All these features made Plan a legitimate partner for the company. Kemira's reason to select Plan as a partner was also the way Plan works as an NGO, as working with an NGO that already has cooperation models with companies and that understands how companies work, would bring the best results. Kemira also appreciates Plan's international background and characterises the NGO not having an introverted nature, which could be a general trait of some other NGOs operating in Finland. Also Plan noted that many companies contact Plan, because many people already know the NGO through its child-sponsoring program and thus recommends Plan as a partner. Plan also considers that its international background was an important reason for Kemira to start the cooperation as the international background enables the company to reach its responsibility policy beyond Finnish borders.

Even though the company has, partly because of the nature of the industry, well developed practises for environmental and safety issues, and all operations are governed by economic, social and environmental aspects, the employees of Kemira felt that the company could do more in CSR issues. There was a need to do something good and give back to the society. One reason for starting a partnership with an NGO was that Kemira is willing to fulfil the requirement for taken as a good corporate citizenship. The existing responsibility has started inside the company but the relationship with Plan enables the company to extend its responsibility also outside the business. Kemira describes Plan partnership to be a way of implementing their responsibility as the company lacks adequate resources conducting projects that are possible to do with Plan.

“In our case Plan partnership is a vehicle, one of our ways [to implement corporate social responsibility].” (Jokinen 2011)

Even though the partnership exercises responsibility outside the business it is about the same topics the company promotes. Supporting water and sanitation projects was a natural way to fill the gap in Kemira's CSR efforts as the themes of the projects are related to the company's core business, which aims at promoting efficient water usage and offer clean water. As access to clean water is a serious issue in the developing world and Plan runs development projects aimed at the issue, water related projects in poor countries fitted well to the overall strategy of the company partner. Cooperation on

topics that were already familiar for Kemira, facilitated the decision to start cooperation with Plan.

The motives of Kemira for cooperating with Plan were clearly emphasised from the internal perspective. The interviewee of Kemira thought that polishing company's image by partnering with an NGO or even trying to differentiate the company with an NGO partnership does not really benefit the company especially if the partnership is not integrated into the company. The value the Plan partnership adds to the company's personnel was emphasised constantly during the interview. Many of Kemira's employees appreciate the partnership, as it contributes to good causes in poor communities and brings a new dimension to the daily work.

“I have heard many comments that Kemira's employees appreciate the fact that we cooperate with Plan, if it [the partnership] increases employee's commitment towards the company, it is rather valuable.” (Jokinen 2011)

The partnership with Plan is considered to add value to employees' work, which again is hoped to increase the personnel's commitment to the company. The company assumes committed personnel to be a very valuable asset for the company. Furthermore Kemira hopes that collaboration with Plan adds value to the relationship with other stakeholders such as customers and suppliers by bringing a personal value to the business and hence also increases their commitment towards the company. Also, if some customers require that they deal only with partners who operate in responsible way, Kemira fills the requirement and does not lag behind its competitors.

Even though the partnership was emphasised to bring value to Kemira's employees and not being a way of differentiating Kemira from other companies, the company does communicate the partnership also to other stakeholder than the employees. The company did for example a campaign together with Plan on World Water Day, which aimed at raising knowledge on water and promoting the 'water as a human right' theme. The next meeting Kemira has with Plan concerns ethical business gifts that the company is interested to include in its business gifts assortment. Kemira would buy these ethical products, made by women in poor countries, from Plan shop.

“It is a normal way of telling a customer that you are doing this [corporate social responsibility] without sending some shallow announcements.” (Jokinen 2011)

Thus business gifts will be one way how Kemira tells its customers about Plan partnership. The Plan partnership is also present in customer satisfaction inquiries where the

incentive is that a certain amount of money is donated to Plan for each answered inquiry. The company also publishes articles about the projects and their achievements on Kemira's stakeholder magazine. Thus besides creating internal value, the company also uses the partnership for creating a certain image of the company to the primary stakeholders. However, if the company releases news about the Plan partnership, it is very important for Kemira to have some kind of content in the communication.

“We communicate the partnership outside the company, but there always needs to be content [in the campaigns], I don't see any point in repeating that Kemira helps Plan, and so what.” (Jokinen 2011)

The representative of Plan considers that Kemira uses their cooperation also for communicating the responsibility of Kemira in average more than other companies do. Thus a motive can be seen that partnering with Plan adds value to Kemira's brand. Furthermore, as the company publishes articles about the partnership in its stakeholder magazine it can be argued that creating good image to other key stakeholders and not only to employees is important for the company. However, the representative of Kemira considers that the partnership has to be first well integrated to the company so that it can be promoted externally; otherwise the benefits of the partnership will remain smaller.

Cooperating with Plan is one way to compensate lacking resources. More resources would be required if Kemira should search different NGOs for different CSR related projects it wants to implement. Thus Kemira considers that it is efficient that it has one NGO partner, through which it can coordinate and create social projects and campaigns. Kemira also acknowledges that the grassroots knowledge NGOs have, is impossible for a company to acquire. The things that the company wants to get happened in the field are planned and implemented well with the NGO. Kemira naturally does not have the knowledge and information on how to do development aid projects in poor countries. Thus partnering with an NGO can be a way of compensating some of the lacking resources, which are needed for creating international CSR projects. The representative of Plan thinks that also by cooperating with the NGO the company learns more about exercising corporate responsibility and thus NGOs are a good channel to learn more how responsibility can be implemented in a concrete way.

The motives seem to grow also during the partnership: as the partner already exists it raises the will to do more things. The partnership has been going on long enough for the persons in charge to know each other better and thus things are easier to organise together.

It was interesting to note that both interviewees discussed companies' motives for executing corporate social responsibility through cooperating with an NGO in a different way. Plan's representative emphasised the business side of social responsibility.

“I just don’t think that a company can execute sustainable responsibility that wouldn’t benefit its business somehow – whether it’s soft or hard value.” (Saikkonen 2011)

The representative of Kemira regarded the Plan partnership from a different angle and emphasised the soft values the partnership creates. She considered that the partnership is more about giving than taking.

“Employees in the company felt that it would be good to do something good” (Jokinen 2011)

Plan acknowledges, however, that Kemira has not wanted to take clear tangible business advantages of the cooperation, and considers that the company is mostly interested in improving its responsibility and increasing its responsibility in wider scale, so that also key stakeholder would notice the effort.

5.2 The motives of Plan

The majority of the finance of Plan originates from private persons through donation and child sponsoring programs. The other important financer is the state, and other institutional financiers such as the European Union, and international and domestic foundations. Plan’s interest is to grow constantly in order to achieve more development goals and thus they also need to widen their financial support. As the NGO’s possibility to grow through the finance of the state is limited, one of the clearest motives for Plan to cooperate with the private sector is to grow through companies with their financial support. The financial support that can be achieved through the private sector helps Plan to reach its budget goals. Furthermore, the more Plan has financial support the more it has opportunities in conducting its projects and recruiting more personnel, which again helps the NGO to achieve its targets and alleviate poverty. The finance that originates from companies also usually enables a more flexible use than the money that comes from private persons does. Cooperation with companies gives an opportunity to try new things and enables Plan to develop its work further.

“With a company you can have an opportunity to negotiate how the money is used and see how it works, with a private donator you cannot do the same.” (Saikkonen 2011)

Some companies have a clear vision where they want to donate the money but often the donations are negotiable and thus Plan has an opportunity to suggest where the money could be used. Sometimes the private finance can be crucial for developing Plan's work further.

Companies are also significant channels of influence for Plan. Plan can reach a totally new audience through companies and get more visibility for its brand. Marketing campaigns with consumer brand give Plan valuable publicity, as Plan does not have such amounts for marketing. Even though Kemira is not a company that sells products to consumers Plan has had with Kemira also a campaign that was aimed at large public on World Water Day.

Plan's target is to create a partnership of which it can benefit in other way than in form of financial support. Companies can offer Plan also other resources than money. These resources, material or know-how, are very valuable for Plan and assets the NGO could never afford to buy. Plan is interested in finding more corporate partners through which it could use resources such as knowledge and technology. The partnership with Kemira has aimed from the beginning it started at offering Plan some other resources than financial support. Plan is interested in utilising the knowhow of Kemira on water management in Plan's development projects.

Even though Plan has more experience in corporate partnerships, than for example many Finnish NGOs, it was interesting to note how open-minded Plan is towards corporate partnerships. Plan considers that in order to achieve a sustainable strategic partnership with business both parties have to benefit somehow.

“International companies, who are surveying the potential of specific markets where we act and cooperate with us, get a totally new aspect on the local (market) conditions, culture and habits.” (Saikkonen 2011)

The representative of Plan admitted, however, that companies do not yet know how to benefit the NGO sector in this way, and on the other hand there are lots of consulting companies orientated towards business in developing world.

Even though an NGO would be motivated cooperating with a company it needs to consider the resources it has, as usually NGO's resources are very limited. The negotiation processes with potential corporate partners can be very long and hence the NGO has to be ready to take the risk that it has used resources even though the negotiations would lead to a dead end. Thus the NGO needs to decide whether the investment is reasonable compared to potential results. As Plan is rather a large NGO in Finland it has the potential to negotiate and create partnerships with companies.

“From the perspective of the NGO to cooperate with a company is a strategic decision.” (Saikkonen 2011)

The resources need to be organised in a new way so that the right people negotiate with business companies and their time is used in a right way. Also Plan needs to consider the motive of the company, when deciding whether starting to cooperate with the company or not.

“International companies are totally in a different level [in their responsibility thinking], we rarely feel; fine you donate a small amount of money and cause a big noise of it, but of course we need to be cautious for not selling everything.” (Saikkonen 2011)

In order to cooperate in a more profound level with a company the partnership needs to be based on common interests. With Kemira it has been rather easy as both Plan and Kemira promote clean water through the operation of their own. If common interest does not exist the NGO feels uneasy if the company uses the NGO's logo in its marketing campaigns or in other communication.

Plan acknowledges that a challenge in partnering with a business firm is that many have a totally wrong idea of the work Plan is doing and the NGO has to promote its work more efficiently so that corporations could see the partnership with Plan more of as doing business and instead of pure philanthropy integrating the partnership into business.

5.3 The partnership between Kemira and Plan

Neither of the interviewees has been involved in the partnership from the beginning of the cooperation so an exact description of the initial start of the partnership cannot be given. An employee inside Kemira knew Plan from earlier experience, probably through Plan's child sponsoring programme, and suggested Plan as a proper partner for Kemira. Plan was the one who came up with idea what kind of partnership Kemira and Plan could create. The negotiation time for creating the contract was short; it took only few months to reach an agreement for the contract from the first contact. The partnership started in a traditional way: the company finance Plan's existing projects that fitted in the strategy of Kemira – water. This is a very typical way of starting cooperation between an NGO and a business firm.

For Kemira it is very important that the relationship with the NGO is long as the company is interested in having a sustainable partnership with the NGO. Kemira has

chosen to establish a long-term partnership with one selected NGO partner that helps the company to conduct the social dimension of its corporate social responsibility policy. The advantage for having one NGO partner is clear: in case the company wants to implement certain projects and campaigns it has the option to implement them through the available partner NGO. Thus all the charity actions and other things related to the social aspect of corporate responsibility can be managed through the chosen NGO.

The partnership started just before the Haiti earthquake. The employees of Kemira all around the world donated money, which amount Kemira then doubled and donated to Plan. The representative of Plan thinks that it was a nice way of starting the partnership and activating the personnel of Kemira. The previous campaign the company implemented with Plan was a quiz on water on World's Water Day, which aim was to increase people's knowledge on water and emphasise water as a human right theme. For each correct answer Kemira donated 10 cents to Plan.

The core of the partnership comprises three projects that take place in Bolivia, Ethiopia and India. The project in India is a new one and it replaced one finished project in China. The project in China was implemented due to the wish of Kemira, as China is a fast growing market and a potential market for the business of Kemira. India was chosen as a next country when the project in China ended, as also India will be an important market area for Kemira. Each project is related to access to clean water or sanitary services, or to education on the importance of clean water and health. As both partners share the same theme, water as human right, and clean water is both parties' concern, the relationship is in a good base and the partnership is easy to implement. The representative of Plan notes that without having a common interest a partnership with a company cannot be very sustainable.

The relationship has been going on for 1,5 years which Plan argues to be a rather short term for a corporate-NGO partnership. The time is enough for getting to know each other, getting things started and, as no ready concept existed for Kemira and Plan's partnership, building the content of the partnership. Kemira and Plan meet regularly for reviewing what has been done, discuss their ideas on following projects and campaigns and think whether existing ideas could be expanded. Communication happens mainly via phone or e-mail. Face to face meetings have been held approximately once in a month during the previous spring. If something special takes place such as a campaign, meetings are held more often. This was also the case in the in the beginning of the year because of the campaign on World Water Day. The following budget decisions for the partnership will be announced next autumn, which means also more face-to-face meetings. The partnership is constructed continuously and new ideas are investigated but both partners consider limited time as barrier to develop the partnership further; Kemira has other work and Plan other partners. Thus both hold it important that the partnership should not be too strict and demanding. It could be noted that both interviewees find

the partnership relaxed and the attitude towards the partnership is good. The representative of Plan thinks that the relationship is quite equal as both parties are interested in finding a common way of doing things and each party is interested in each other's activity.

Everyone in Plan who works with Kemira has some kind of business background and has worked at the private sector before. Often finding a common language is the most serious challenge for preceding the negotiations between the NGO and the company.

“If you put the experts working on development issues with the business people into a same room they will most likely not understand very well what the other one is saying.” (Saikkonen 2011)

Plan has invested in personnel that are not very traditional for the NGO, as many of the fundraising team has some kind of business background. Both interviewees acknowledged that Plan's business-minded workers is a factor that facilitates understanding each other and make the collaboration more efficient as the NGO representatives understand business logics and know what kinds of activities are suitable for a business enterprise. Also Plan's previous experience on corporate partnership has most likely helped to sustain the relationship with Kemira.

From the side of the company things that facilitates the existence of the partnership is that the top management has committed to the partnership, so that the partnership is not a mission of one individual employee in Kemira. It is also not only about the management who has to agree with the partnership, but the entire personnel of Kemira. It was interesting to note that in order the partnership with Plan works for Kemira, it is required that the employees of the company work on promoting the partnership so that the Plan partnership is known inside the company. In order the partnership would be integrated into the company it has to be known and accepted inside Kemira, and this can be achieved only by promoting the partnership actively in the company. Plan's projects and the achievements of the projects are announced in Kemira's intranet, and the partnership has been present also in different kinds of events; previously in an event called 'strategy kick-off'. Plan partnership was presented in the event and explained how it is related to Kemira's strategy. Plan has held also a presentation for Kemira's global marketing and communication team on water-related issues in developing countries and explained how access on clean water can make a difference in places where clean water does not exist and how Kemira can help Plan to contribute to the developing world with its core business. Plan helps Kemira to communicate the partnership also by delivering marketing material of the partnership. Kemira then publishes the material in its website.

Kemira has also started to survey whether a wider, international interest for Plan partnership exists and whether international offices would like to voluntarily start co-

ordinating partnership with local Plan by implementing local projects. As both Kemira and Plan have a number of offices in same countries the partnership could be spread internationally. Global partnership would integrate the partnership better in the company as it would be something that does not only exist in headquarters and more people internationally would be aware of its existence and thereof more projects could be done locally. Thus also the social part of Kemira's CSR would be spread internationally. Many of Kemira's offices abroad do some kind of charity, and the targets at whom the charity is aimed has not been limited, but as sometimes the charity is pure charity and it is not related anyhow to the company's core business. Thus the idea is to offer Plan as a considerable partner. The aim would be to make Plan partnership as an international umbrella for the external responsibility. The global partnership would create a network that would enable the partnership reach also other countries than just the headquarter country and eventually enhance creating a global Plan partnership. However, as coordinating Plan partnership would be something extra to the daily work the idea has not yet been spread very fast, even though there are countries that are interested in the idea.

In order to create a long-term partnership it is important that the people who are working with the partnership know each other and mutual trust is created. Kemira considers Plan in general as a reliable partner, and in the daily work the fact that the persons who work for the partnership know each other creates trust, which again creates an atmosphere for open discussion. The company is also rather open to discussion and considers that dialogue with an NGO is more constructive and makes the company to react in a better way than if a campaigning NGO launches a boycotting campaign towards the company. Kemira and Plan both consider that the partnership has been so far relaxed and no major disagreements have occurred. Kemira thinks, however, that disagreements might occur more with an environmental NGO than for example with Plan, as the more self-evidently risky areas of Kemira's operations lay in the area of environmental responsibility than in the social area.

Both of the interviewees used the word partnership systematically, and sometimes the partnership was referred with words committed partnership or long term partnership. However, the Plan seems to consider having the main responsibility for the partnership.

“We clearly have the responsibility [of the partnership], and of course it is that way, as they [Kemira] are our partner, we have to take care that the partnership works and things are proceeding, we need to be active, the active side of the relationship.” (Saikkonen 2011)

Plan considers that it is the one who takes care that the projects, which have initially been agreed in the contract, will be implemented. This point did not occur in Kemira's interview.

Kemira and Plan have not formulated common targets for the partnership, things that are implemented are based on the initial contract where the purpose of the partnership has been defined, or new ideas rise during the meetings. Kemira's representative acknowledges that target setting is important and should be considered.

Kemira admits that the responsibility it exercises with Plan happens outside the business, even though the themes are close to the core business of Kemira. At this point the company cooperates with the NGO because it wants to promote good causes and the partnership can be characterised as sponsoring the NGO. Both Kemira and Plan consider that their relationship is something that is not in the beginning but as the representative of Plan stated it is in a "now we are starting talking" phase. Both consider that mutual trust has been gained and it is time to start talking about deepening the partnership.

"The idea has been from the beginning that it [the partnership] will also be something else than only finance and we have continuously discussed that we would like to utilise Kemira's knowhow and Kemira would gladly offer their knowhow in our development work." (Saikkonen 2011)

Also the representative of Kemira thinks that their partnership is incomplete, even though small initiatives towards next stage have been taken. She, however, describes the partnership with words long-term partnership and committed partnership, which would refer to the will for developing the partnership further. Plan stated that in order to be motivated to get involved in a deep commitment it is required that both partners have assets the other one wants to have. This condition is fulfilled in this partnership: Plan has announced its interest in benefiting from the know-how of Kemira and Kemira is also interested to offer its knowledge and would like to develop the partnership further so that Plan could learn something from the company. An idea is that Kemira would donate its technology for Plan's projects for cleaning water in countries where access to clean water is an issue.

"If you just pay bills couple of times a year and give money, it does not really tie yourself to the partnership, but if there is knowledge or new technology involved, which can be used in places where it has not been used before, it would strengthen the partnership a lot." (Jokinen 2011)

The more knowledge and know-how is occurring in the partnership the more it becomes strategic and benefits corporate responsibility. Kemira has been for example thinking of donating water-purifying products to Plan's project in India, where water includes arsenic, and thus technology and know-how would be involved in the cooper-

ation. Naturally, to donate Plan some other resources than money, requires more resources such as time amongst the other. In addition involving other resources than money in corporate-NGO partnership is always a longer process also in Plan's side. In order to use other resources, Plan first needs to find a project where the knowledge could be used, which is a time-consuming task as Plan has projects in 48 countries each going on in a different cycle.

The interviewees acknowledge that a challenge in the side of Kemira is that the Plan partnership is not the main work of any employee in Kemira, but something additional to the daily work. Thus no one is truly dedicated to promote the partnership further in Kemira. In addition, as the representative of Kemira has the responsibility for the Plan partnership she is the one who promotes the partnership inside Kemira. A challenge, however, is that as she does not yet have a very long history in the company in order to have a sufficient network for knowing who are the right people to talk about developing Plan partnership further, it is difficult to develop it further. Also the representative of Plan thinks that this is a challenge to develop things in a more profound level as Plan is never a number one in the priority list of the company as there is no-one who is truly dedicated to promote Plan partnership inside Kemira further.

The more the personnel of Kemira experiences the Plan partnership as their personal task and the more the employees have opportunities to take part into the partnership, the more the partnership would be integrated to the company and also increase employees engagement towards the partnership. The employee's contribution does not have to be money, but it could be some other resources such as knowhow. The representative of Kemira admitted, however, that she might emphasise the role of employees because considering employee engagement is part of her work.

In the end, the cooperation depends firstly on the financial success of the company that makes the cooperation possible. The interviewee of the company admitted that starting a partnership with an NGO could be challenging for a smaller company as it requires resources for making it work so that also the company will benefit from the partnership. Both of the interviewees acknowledged that the more the partnership is characterised by innovativeness and the more the win-win condition is realised the better the future looks like.

5.4 The outcomes of the Kemira – Plan partnership

Kemira and Plan both agree that so far the outcomes for the company are realised in a form of soft data. The Plan partnership has added intangible value to different dimensions of Kemira's business. The interviewee of Kemira considers that the employees of the company are proud of the vision of Kemira and it motivates them, which is very

important, as the daily work has to be in principle the factor that makes employees committed to their work. She continues that Plan partnership is something that aims at reinforcing the social dimension of their core business and thus makes employees even more satisfied with their work. As the company stated Plan to be one kind of vehicle in their CSR attempts, Plan denies that it would have been in some kind of a key role in the responsibility policy of Kemira. The NGO considers that the responsibility thinking of Kemira is already very strong and can be seen throughout its business. However, the interviewees assure that Plan's presence in the company's business has strengthened the positive attitudes of the employees of the company towards the vision of Kemira and strengthened their thinking on the responsibility side of the core business. As the staff of Plan has visited Kemira headquarters and held presentation about water-related issues and on how clean water actually helps people in poor countries and promotes human rights, has probably made the message more credible than if someone inside the company would have told about water-related issues. Thus employees' thinking has been shifted from the profit side also to the other side of the business and improved the image of Kemira as an employer. Good image of the employer and committed staff are naturally very valuable resources for the company, as these assets make the company's position stronger. The representative of the company considers that the partnership has gained more conspicuousness among the employees of Kemira as contacts about Plan partnership are encouraging. Especially if there is a natural catastrophe somewhere in the world, many employees ask whether Kemira will collect again money for Plan.

"I think that we have succeeded in launching the partnership rather well among Kemira's employees, I have not examined it with any surveys but the feeling based on contacts and other things tell that [the partnership] is somehow known." (Jokinen 2011)

Plan also considers that the partnership has been well promoted in the company. Every employee in each Kemira's factory scarcely knows about Plan partnership but at least everyone in contact with marketing and communication know about the partnership. In general assets such as committed employees and good image of the employer can be seen very valuable for a company in order recruiting highly educated and professional staff and holding staffs that is committed doing their work. These assets can be considered improving the competitive advantage of Kemira.

What comes to other business benefits, Plan considers that even though the themes of Plan partnership are linked to the strategy of Kemira, the company has wished to keep the partnership apart from the business and implement the partnership for communicating its responsibility. Plan also considers that the company communicates the partnership effectively both externally and internally and uses it as a means of marketing its

corporate social responsibility. According to Plan Kemira has taken advantage of using the partnership in marketing better than companies in average. As Kemira has strived to strengthen its CSR image, the publicity is taken also positively in the side of Plan as also Plan gets visibility for its brand and work. Two of the projects have been launched in markets that are continuously growing market areas and also important markets for Kemira; China and India. Even though the projects might not result at the moment in any specific business benefits, the projects might improve the image of Kemira also at these growing markets.

Kemira is also working with environmental NGOs for protecting the Baltic Sea, but the company felt that it is contributing to good causes only at home and it would like to increase its responsibility also beyond Finland's border in order to fulfil the requirements for being taken as a global corporate citizenship. Plan, with the help of Kemira, has now finished one project in China and other projects are running at the moment in India, Bolivia and Ethiopia. Kemira has also started to survey whether there is a larger international interest getting involved in Plan partnerships in the company. Some offices abroad have already shown their interest in coordinating the partnership in their home country. After 1,5 years of NGO partnership, it can be stated that Kemira has already taken its first steps for filling the term global citizenship. The more the responsibility takes place internationally the more the company can be stated being a global citizenship.

The company considers that the achievements of the development projects are the main outcomes of the partnership. It is rewarding to see how Plan's projects improve poor people lives as it influences the emotional level of the work more than normal daily work. This kind of answer can raise doubts on the company's real motives but if the answer is considered from other dimension the answer is quit natural: if the projects would fail also the partnership would fail and it would not add any value to Kemira. Actually it could tarnish the image of the company and also the NGO's image. Also to justify the partnership inside the company and getting the finance for the partnership are factors that were considered to show the success of the partnership. The employees have given positive feedback for the partnership and they have felt happy for the achievements of Plan's projects.

One of the most important outcomes for Plan is to get an opportunity to develop the organisation's work further. The effects of corporate partnerships in Plan's development projects are slow, but usually projects that are funded by companies give Plan an opportunity to try something new.

“Cooperation with companies gives us more flexibility to try new things and enables us to develop our work further.” (Saikkonen 2011)

Most of Plan's finance comes from individual donators and the NGO has a huge pressure in using the money in projects where it has promised individual donators to use it. Corporate partnerships can contribute to development work absolutely, especially when there is technology or know-how involved which Plan can use in its work. This kind of cooperation can result in very good outcomes. Even though Kemira partnership is characterised mainly by sponsoring, Plan has experience on how other resources than finance can improve Plan's work. The clearest example has been its cooperation with Nokia where Plan has used Nokia's mobile technology in its development projects. If the relationship with Plan and Kemira develops further and Plan will benefit from the resources of Kemira such as water purifying technology, it will be very valuable for the NGO as Plan could hardly afford using this kind of technology or would not necessarily know it is available. At this stage Plan has received a certain amount of money to its projects and considers that the projects that are run with the help of Kemira are substantial.

Kemira partnership is very important for Plan in terms of strengthening Plan's brand. The increased conspicuousness helps Plan to acquire new business partners, because the Kemira partnership increases Plans credibility. Earlier corporate partnerships are credible references for acquiring new partners, as the NGO is able to proving its experience by showing what kind of things it has already done with other companies.

What comes to the relationship between Kemira and Plan, both partners have created a mutual trust, which can be seen an important outcome; mutual trust enables the partnership to develop further and creates an open atmosphere for discussion.

“Especially when the partnership develops authentically towards strategic [partnership] so that both respect each other's know-how and it [the partnership] is characterised with exchange of knowledge and skills.” (Saikkonen 2011)

The projects that have been in the core of the partnership have resulted in increase in access to water, early childhood education and education on health. The projects have been significant projects as they have improved awareness and living conditions of the poor. The reports from the finished project in China showed that the project succeeded and children can concentrate better on schoolwork as they have access to water and toilet. The representative of Kemira visited Ethiopia in the beginning of the Ethiopian project and saw how equivalent projects had influenced children's everyday life, as seeking water does not take the whole day and there is time to go to school. In addition, safe drinking water decreases the number of child deaths. A factor that Kemira considers to be important in Plan's projects is the continuance and sustainability of the projects. The project is not accomplished after constructing water infrastructure but a small team of

locals who is responsible for the water is created and it takes care that the system works also in the future. Thus the ownership and responsibility of the water is shifted to the locals. The interviewee of the company seemed to be very enthusiastic about the projects and was pleased to discuss about the contents of the projects.

The quiz on World Water Day also succeed very well, as the company put a limit of 10 000 € for the quiz and the limit was reached in one week. Also, it was the interviewee's colleague who actually put the quiz into effect as the interviewee had many other tasks at that time, and this was considered to be a sign of succeeding in integrating the partnership into the company.

The representative of Kemira considers that setting targets for the partnership would be a good idea. However both of the interviewees recognise the challenge of measuring outcomes and thus also target setting is rather difficult. The challenge in defining the concrete outcomes of the partnership is the lack of measures and both Kemira and Plan regret for not having any tools of measuring the partnership.

“I don't have any measures or figures to give, but at the moment it [an outcome] is a good feeling of the employees.” (Jokinen 2011)

The only concrete measure in the side of Kemira is the money donated to Plan's projects. Kemira believes that as a committed partnership is a rather new phenomenon no measures have been developed. The company would be very interested in having tools that could measure the outcomes of the cooperation.

Plan can naturally also measure the value of the partnership with money or other resources the company has donated but it considers that the NGO should also develop tools for measuring the outcomes for the company.

“In order to be a proper partner we have to be able to measure the outcomes of the partnership somehow, I consider that there is a strong need for measuring, measuring is a challenge indeed.” (Saikkonen 2011)

Plan is also interested in measuring how the presence of the NGO influences business. Proofs on positive results would presumably raise also more companies' interests on NGO partnerships.

However, it is not only the business outcomes that are difficult to measure but also the achievements of Plan's projects and the outcomes of development work in general. The nature of Plan's work cannot be described with a start and an end. The work is not only about building a water pipe somewhere and considering that the final outcome. What is more important are the impacts the projects have actually created and those

impacts cannot be measured during a short time, nor cannot they always be explained to be caused due specific reasons.

Measuring is a challenge especially in the case of Kemira and Plan partnership as the outcomes are in majority soft data such as image of the employer, image of the brand or the value of the brand. Thus one can never say for sure how much image has improved or what has influenced these outcomes.

Plan's representative reckons that in order to measure the outcomes the partners need decide first to what the factors that both party wishes to measure are. The outcomes that should be measured depend naturally on the partnership: what is the aim of the partnership. Plan considers that the easiest way of measuring the role of NGO's in business is cause related marketing projects, as it is something that can offer figures, and show whether Plan's presence has increased trade or not.

5.5 Main empirical findings

Even though the interviewee of Kemira would not put the values the partnership creates to the company in a specific order, it could be noted that the *internal motives* for the partnership were emphasised. First of all, the partnership started from the company's side because the employees of the company felt that the company could do more in terms of CSR issues. Thus the partnership has not started from the initiative of the CEO or from another individual person but from *the will of employees for doing something good*. The way the company uses the partnership in its business shows that it is addressed more internally than externally. Kemira aims at increasing the conspicuousness of Plan partnership inside the company so that the partnership would be integrated into the company. The most important motive is perhaps *creating value to the employees by improving the image of Kemira as an employer*. This value is hoped to make employees more committed to the company. On one hand integrating the partnership inside the company can be argued to show that the partnership with Plan produces not only glossy marketing materials that state Kemira's responsibility, but it is important for Kemira in terms of soft values. On the other hand, justifying the partnership inside the company is essential for the partnership to be accepted and allows the existence of the partnership. Besides, as Kemira wishes to *fulfil the requirement of global corporate citizenship* it has already taken its first steps. The promotion of the partnership has started from Kemira headquarters, but the company is motivated for using the Plan partnership as an international umbrella for its responsibility policy. However, as Kemira is a multinational company, promoting additional work in the company globally has to be quite time-consuming.

The *motive for improving the image of the responsibility of the company externally* also seems to be an important fact for the company, even though this was not directly stated. The Plan partnership has been communicated via campaigns, through customer satisfaction inquiries and in Kemira's stakeholder magazine and websites. Thus the *communication of the partnership is aimed mostly at key stakeholders* such as customers, suppliers and employees. The partnership has been promoted to the mass public through the campaign on World Water Day, as it was advertised in the digital version of Finland's largest newspaper, Helsingin Sanomat. Kemira considers that specific *content in the communication* is highly important when communicating the partnership and the message has to achieve groups that are most relevant to Kemira's business. As Kemira is not a consumer-orientated company, it does not actively advertise the partnership to a grand public, communicating the responsibility to its employees, key customers and other partners bring the best value for the publicity of the company.

For *Plan*, clearly the most important motives for cooperating with Kemira are the *lacking resources it can achieve through cooperating with the company*. The state, other institutional entities and individual donors are the largest financiers of Plan. However, the finance that originates from companies is very important for Plan as growth through the finance of the state is limited, thus *cooperating with the private sector enables Plan to achieve more growth*. Also the money that originates from individual donors comes in small amounts from a large public, thus the NGO needs to set a specific donation target for the individual donors in order to get donations. As business-NGO partnership aim at bringing value to both partners *the NGO has often a chance to negotiate with the company of the use of the money*. Plan has already had encouraging experience in acquiring new technology from business partners for its projects and hopes to *benefit from the know-how of Kemira* as well when the partnership develops further. The third motive is the *visibility* Plan receives through cooperating with Kemira, Plan receives free marketing also for itself through campaigning with Kemira. Even though Kemira does not operate in consumer markets Plan thinks that Kemira has advertised the partnership well and thus also Plan has gained benefit of it.

The core of the partnership is comprised of *three developmental projects* in Asia, Africa and Latin America that Plan conducts and Kemira partially finances. Thus the partnership has started, and still is, about *donating money*. However, the partners meet regularly in order to discuss other initiatives and new ways of using the knowledge and know-how of Kemira in the projects of Plan. *New ideas are considered continuously* and some campaigns have been launched. The challenge in proceeding things further is that Plan partnership is no-one's main work in Kemira. Moreover, *using the knowledge of the company requires more resources from Plan*, as Plan Finland has to first find a project in the South where the technology could be used. As Plan is a large international organisation it has projects continuously starting and ending globally. Also, the *length*

of the partnership is relatively short and has been enough only for getting things started. The partnership has *traits of deeper commitment* because even though communication happens mostly via e-mail or phone, the partners also meet face to face when important things occur. Thus the partnership is not only about paying bills couple of times a year. Also both partners seemed to consider that *the partnership is rather equal*, meaning that things are discussed together and not in an unbalanced way so that the other party decides the course of the partnership. It however seems, that Plan is the active part of the partnership. The following table concludes the main empirical findings.

The outcomes of the partnership are very different to the company, to the NGO and to poor communities. Both of the interviewees consider that *some kinds of instruments for measuring corporate-NGO partnerships are needed*, as otherwise defining the outcomes is very challenging. In addition, if the partnership is to develop further it might be proper to set some targets. However, *without any measuring, also target setting is difficult*. Naturally there are some measurable outcomes, such as the donated money Plan has received and some of the results that has been achieved in poor communities, even though those results are also a sum of many different factors. The concluded project in China is a good example what kind of *outcome a corporate-NGO partnership can create to an undeveloped community*; increased access on water and waste management system in two schools and raised awareness on health and hygiene among the local people. As the only development project that has been finished is the one in China, thus the outcomes of the other projects cannot be yet estimated. Furthermore, what is more important than the outcome itself is the actual impact that these projects will have on poor communities. If the relationship between Plan and Kemira will develop further and Kemira's know-how will be used in development projects, also poor communities will most likely benefit more of the partnership.

What comes to the *outcomes for Plan*, it has received a certain amount of *financial donations* from Kemira but also *visibility* through the communication of Kemira. Plan has targeted through Kemira a *new audience* and it might have resulted in *new individual donators* or increased knowledge of what kind of an NGO Plan is. The theme, *water as a human right, has been also promoted*, so awareness of the theme has hopefully risen and thus helped Plan to reach its goals on raising awareness on development issues.

Both interviewees acknowledged that Kemira has already invested in responsibility practices before Plan partnership started, thus the Plan partnership cannot be considered having a key role in the corporate social responsibility policy of Kemira. However, it has *expanded the social dimension of Kemira's CSR*. The Plan partnerships is hoped to *improve the image of Kemira's core business* by illustrating what Kemira can do with its technology in countries where clean water is an issue. Thus promoting thinking on the other side of the businesses of Kemira is hoped to make *employees more committed*

to the company and increase the emotional level of their work. In addition to employees, also other partners, customers and suppliers are hoped to see the social side of Kemira's business and thus *improve the image of Kemira also externally*.

The following table summarises the main empirical findings.

Table 4 The main empirical findings

Why Kemira cooperates with Plan
Internal motive emphasised more than external: create value to employees by doing good, improve the image of Kemira as an employer, fill the concept of corporate citizenship.
Why Plan cooperates with Kemira
Growth through finance of the state is limited, private finance allows to grow in order to achieve more development goals, visibility through campaigns, and other resources than money, such as Kemira's know-how on water purifying technology.
Implementing the partnership and description of cooperation
Three development projects related to water and sanitation in Ethiopia, Bolivia and India, other initiatives and campaigns, such as raising awareness of the water as a human right theme, developing Plan partnership as a global partnership for Kemira. The length of the partnership is still short, in the phase of deepening the partnership from sponsoring towards a more committed partnership, mutual trust has been created, projects are close to Kemira's core business and they take place in countries (India, China) where it will expand business.
The outcome of the partnership to Kemira
Plan partnership is a way of expressing the social dimension of Kemira's business by emphasising the water as a human right theme, it allows the company to improve the living conditions of poor communities and thus make it a global corporate citizen, the aim is to make Plan as an international partnership for the group.
The outcome of the partnership to Plan
Private finance gives the NGO some flexibility to develop its actual work and try something new, Plan could hardly afford buying technology that Kemira has, thus using it in Plan's work would be very valuable, the partners are working on the idea.
Outcomes to the community
Rise in awareness and increased access on water and sanitation reduces child mortality rates and enables children to focus better on school in China, Bolivia, Ethiopia, and India.
Measuring the partnership
Both partners are interested in measuring the partnership so that the partnership would be easier to justify to other stakeholders. Measuring is seen as a challenge, because of the soft outcomes that are created especially to the company. In order to set specific targets to the partnership, measuring is essential.

6 CONCLUSIONS

6.1 Theoretical discussion

The background for the theoretical framework of this study was the concept of corporate social performance. The concept suggests that measurable business success does not have to be only about traditional financial performance measurement but also social and environmental aspects should be taken into account. (Keinert 2008.) The concept includes several components (Wood 1991) but as various researchers state (e.g. Clarkson 1995), CSP should be measured through stakeholders, which in this study has been Plan. The theoretical framework consisted of theories on corporate-NGO partnerships and CSP measurement.

Corporate social responsiveness focuses on practical factors that make the business organisation more socially responsive to its external environment (Frederick 1994). According to Trebeck (2008), CSR activities are taken in order to satisfy social needs and expectations and they can be seen as responses to community demands rather than to be of internal sense of moral duty. (Trebeck 2008.) The definition of corporate social responsiveness might fit with the environmental dimension of Kemira's CSR policy, as the business is rather vulnerable to environmental causes, but the partnership with Plan is not so clearly addressed to fulfill external expectations. In effect the will for cooperating with Plan has started inside the company, and even though cooperation with Plan aims at improving external causes, which can be considered also as community demands as Trebeck 2008 defines them, the *initial motive for the partnership raises from inside the company*. Kemira cooperates with Plan because it wishes to be seen as a responsible company, especially in the eyes of employees. The strong internal motive of the company to engage in a partnership with an NGO has not been emphasised in the literature.

Many corporations are unfamiliar with social issues and they need to find ways of getting information on how to get involved and manage social responsibility. (Nijhof, Bruijn & Honders 2008.) The environmental dimension of Kemira's CSR policy is rather advanced, but the social dimension can be seen reached through cooperating with Plan. Cooperating with NGO might lead to gaining the lacking knowledge and expertise (Huijstee & Galsbergen 2007) and this has happened also with the case; *the employees of the company have learned new things about social issues through Plan*, and according to Huijstee and Galsbergen (2007) this knowledge can be used in strengthening CSR policy.

The networks that NGOs have were defined as a motive for companies to cooperate with NGOS because they can be very important for companies, but hard to acquire

(Yaziji & Doh 2009). Kemira did not express its interest in benefiting Plan's network but it emphasised the practical side of having one partner through which it can coordinate its responsibility activities. If Kemira would be interested in accessing a certain market in the developing world the situation might alter as the company could be interested in the local network Plan has.

Intangible assets, that tell of good business ethics and that can be added to a product or a brand can improve the attractiveness of goods and services, and lure new customers (Millar et al. 2004). The theory did not reveal other factors that intangible assets could reinforce in business. In the case of Kemira, adding *intangible assets to the image of the company as an employer* was highlighted as a motive. However, the representative of Kemira did not consider that the Plan partnership functions as differentiating strategy. On the other hand, the partnership differentiates the company as an employer from other employers and helps to recruit and keep motivated and educated staff. The company, with the help of Plan partnership, aims at showing the employees and customers that Kemira's business has value in sustainable development and reinforce the social dimension of business itself.

Kemira stressed continuously the fact that it desires to do 'good' and contribute to the society. Questions for the actual motive rise, when the industry where Kemira operates is taken into consideration. Even though the company has moved towards water purifying industry it still operates in chemical industry, which is highly exposure to environmental and social issues (Yaziji & Doh 2009). A company that operates in an industry that is sensitive to social or environmental risks may view corporate social responsibility as a form of insurance for its business (Porter & Kramer 2006). *True motives can never be measured*, but even though the company would use the partnership as a licence to operate, it still contributes good causes. NGOs also have the potential to improve the legitimacy of companies in a collaborative partnership. (Yaziji & Doh 2009.)

For Plan the motives seemed to be easier to define. In order to grow and launch more projects in the developing world, the NGO needs more financial support. Cooperation with companies is a way of *growing and developing the work further in the field of poverty reduction*. An interesting factor that occurred during the interview was that the NGO is also motivated to cooperate with the private sector, because of the *flexible finance* companies give. In addition to financial assistance, companies can offer work force, skills and goods and services for free or at reduced costs. (Kotler & Andreasen 1991.) This dimension does not yet take place in the partnership, but Kemira has already offered its *know-how on water related projects* for the development projects for free. Plan is interested in these additional resources, but what the theory did not discuss, is that *acquiring other resources than money from the company requires also more re-*

sources from the side of the NGO in order to coordinate and plan the use of new resources.

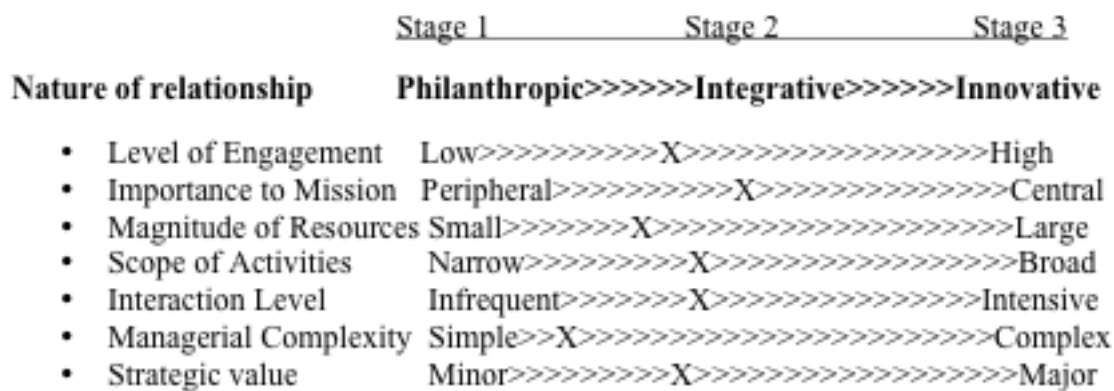
One of the most important reasons for NGOs to begin cooperating with the private sector was seen to be the influence it can have on business. (Heap 2000.) Plan considered that cooperation with Kemira is a way of *reaching audience* it would not reach without the help of the company. Thus the company enables the NGO to deliver its message to wider audience but Plan rejected the idea that it would have a key role in the responsibility of Kemira. Environmental NGOs can be considered to have this kind of role, as the industry is more vulnerable to environmental issues. Moreover, the NGO can have a significant impact on the responsibility agenda and try to specify the objectives of the company's social responsible agenda so that they are aligned with the key goals of the NGO (Heap 2000). Plan has not altered the responsibility agenda of Kemira in a concrete way, but now *the responsibility agenda promotes more the themes that Plan promotes*. This fact can be regarded also a positive outcome for Plan.

As cooperation with NGOs can improve the legitimacy of companies, collaboration with corporation can raise also the credibility of the NGO. If the NGO has succeeded in accessing in partnerships with certain companies, it can encourage also other funders to support its projects. (Austin 2000.) This point Plan considered being very important: the *Kemira partnership works as a reference* and shows the previous experience Plan has gained when acquiring new partners.

One component of corporate social performance is process which tries to examine how the company responds to responsibility and one introduced option of implementing the second component of CSP was collaborative social problem solving (Wood 1991), which was regarded throughout the study in a form of corporate-NGO cooperation. Different forms of cross-sector partnership were introduced in chapter two: philanthropic, integrative and innovative (Austin 2000, Kourula & Halme 2008). The case partnership can be defined rather well according to the theory. However, it cannot be claimed that the partnership has all the traits of one level; in contrary Kemira-Plan partnership has *characteristics of philanthropic and integrative partnerships*. In strategic philanthropy the CSR begins from the business itself and synergistic outcomes are sought so that the core values and missions of the two organisation are represented in the outcome of the philanthropic activity. (Saiia, Carroll, Buchholtz 2003.) Strategic philanthropy describes Kemira-Plan partnership rather well as the *missions of the company and the NGO are aligned*. According to Halme and Laurila (2008), typical for philanthropy is that the resources of the company are used for charity, donations or encouraging the personnel to participate in voluntary work that the NGO partner might offer. (Halme & Laurila 2008.) At this point the case partnership equals rather well with the theory as Kemira donates money to the projects Plan implements and the personnel of the company have been involved in collecting money for catastrophe aid. Austin (2000) views the com-

pany in a donator role and the NGO as a recipient of charity and describes the engagement to be low, simple and nonstrategic. This view perceives the NGO in a rather passive role, which does not occur in the case partnership as Plan considers itself the active part and considers Kemira as a partner. Even though definite resources might occur only for the NGO also Kemira has interests for gaining from the partnership. The partnership can be seen to have *strategic significance*, as it is to reinforce the social dimension of the business and improve the image of Kemira. The reputational improvement is not hoped to be caused because of the projects itself, but to show key stakeholders that the core business of Kemira is of significance in sustainable development. The partnership has also traits of the integrative level. According to Halme and Laurila (2008) this kind of responsibility is to *improve the social aspect of core business* and it is hard for competitors to imitate, a factor that Kemira aims at. The daily cooperation of Kemira and Plan reminds more of an integrative partnership as collaboration at this level includes systematic dialogue, common programs and NGO consultation (Kourula & Halme 2008). Kourula and Halme (2008) also define the integrative level as improving the internal responsibility of the company. Kemira does not use Plan partnership for ensuring responsibility of business operations such as production, by ensuring, for example, that the company is not using child labour. Again, this would be a proper task for an environmental NGO.

Figure 5 The position of Kemira-Plan partnership in the collaboration continuum



Source: Modified from Austin 2000, 25.

If the cooperation will develop further and the knowledge of Kemira is used in Plan's projects the cooperation can start to remind an innovative partnership. Austin (2000) describes innovative partnership to have deep commitment and characteristics of strategic alliance where core competencies are combined in order to create unique combinations of the resources used. However, even though the know-how of Kemira would be

used in the NGO's development projects, it most likely results in improved projects and not really increases the business advantages of Kemira, as it is not a consumer orientated company which could sell, for example, water purifying technology at low price for individuals. The following figure that was presented also in Chapter 2 illustrates the position of Kemira-Plan partnership.

Several points that help the partnership to move towards a more committed partnership were introduced. First of all, the company needs to be interested in gaining something else than reputational improvements (Austin 2000), the company and the NGO need to share the same vision (Austin 2000), in addition to managers, also personnel should be involved into the relationship in order to deepen the institutionalisation of the alliance (Kourula & Halme 2008) and cultural fit and trust among partners is important (Millar et al. 2004, Dahan et al. 2010.) According to these points Kemira and Plan are in a rather positive situation as both parties are interested in deepening the cooperation from money exchange towards exchanging other resources, share the *same vision* and *Kemira's top management is committed to the partnership*. In addition, *common objectives should be defined*, as they do not exist. Kemira considers that *institutionalising the partnership in the company* is the only way to get all the advantage of the partnership. Both partners also stated that *mutual trust* has been achieved. Probably also the *business-minded personnel of Plan* has made the cultural and organisational fit easier.

The type of the partnership determines the scope and nature of the outcomes of corporate social performance, and integrative and innovative partnerships are argued to lead to most sustainable and long-term outcomes to business and stakeholder (Halme & Laurila 2008). Kemira does not aim at reaching clear business advantages and also Plan considers that Kemira could benefit from the partnership more in terms of business benefits.

Both partners consider that *measuring outcomes is a challenge*. Intangible assets are not worse outcomes than tangible assets, such as access to a market or a new product innovation, in contrary *intangible assets can be very valuable* to the business as they are *hard to imitate*. Nevertheless, as *intangible assets are difficult to measure* the partnership can be difficult to justify to key stakeholders, such as shareholders, employees, managers or key customers. Stakeholders might consider that the company is doing charity that is unrelated to business. Porter and Kramer argue that uncoordinated philanthropic activities that are not related to the firm's core business neither make any meaningful social impact nor strengthen the businesses position (Porter & Kramer 2006) and Hillman and Kleim (2001) have examined that philanthropic responsibility can be negatively associated with stakeholder value. Both partners considered that measuring outcomes is a challenge, because no proper tools exist. The literature suggested that that social performance should be measured through stakeholder satisfaction (Husted 2000). Also Maas and Boons (2010) consider that measuring impacts has to be collective ac-

tivity with stakeholders. General accepted standards do not exist for social impact measurement, thus indicators for value measurement can be selected through stakeholder dialogue. (Maas & Boons 2010.) Plan also emphasised that *measuring the outcomes of corporate-NGO cooperation have to be collective activity*. The partners must decide together what they actually want to measure.

Kemira strives to justify its employees that Plan partnership is related to its core competence and the partnership has been presented, for example, in strategic events aimed at the management of the company. The institutionalised partnership is hoped to *increase the commitment of employees* and appreciation towards the company and according to Googins and Rochlin (2000) involving employees to the partnership can also *raise employee morale*. Kemira-Plan partnership, which can be defined to some extent as an integrative partnership, is described to be partially or totally integrated to core business, hence it can be considered to be strategic and *fulfil the mission of the company* (Halme & Laurila 2008). The main outcomes for Kemira are increasing intangible assets such as *strengthening the social dimension of the CSR policy* and making the company as an *attractive employer*. The company also aims at fulfilling the criteria of *corporate citizenship*.

One of the outcomes for Plan can be measured in Euros: *the amount Kemira has donated to Plan*. However, Plan considers that in general, thinking should be shifted from *charity-based partnerships towards two-way value exchange*. Plan has reached also *publicity and visibility through campaigns and articles Kemira has published* in its stakeholder magazine. Kourula and Halme (2008) have identified typical outcomes that NGO projects in cooperation with corporation can cause: support of basic needs, rise in awareness on health related issues or creating local income mechanism for the poor. These kinds of outcomes take place also in the projects Plan implements with Kemira's funding. These projects, which Plan considers being significant ones, have resulted in important outcomes such as improved access on water and sanitation and they have provided education on health related issues in developing communities. One of the projects is successfully completed with a result of improved access to water and sanitation in a Chinese school and hence has *improved the living conditions of local children*. The projects can be also perceived as an illustration what kind of potential Kemira's core competence can have in improving the living condition in the developing world.

6.2 Managerial implications

The start of the partnership is promising as both partners were positive about each other's attitude: both partners are willing to develop the partnership further but both also consider that the partnership should not be too demanding. However, in order to move

towards an innovative partnership, there should be someone in Kemira's side whose main work would be responsibility for the partnership. Also in order to keep the partnership sustainable it is important that the partnership will be strongly integrated to the core business. Otherwise it has the danger to end during an economic recession or during other bad economic times. The idea of global partnership is very interesting as many Kemira's offices abroad do anyhow some kind of charity, but which is not always related to the business. This global partnership should be developed further as it could strengthen Kemira's role as a corporate citizenship. It would be easier to promote if the partnership would be even more integrated to Kemira's business, thus employees would not consider the partnership as something additional to the daily work. In addition, as both of the representatives stated, the future for the partnership looks better the more win-win condition occurs.

Measuring seems to be a problem in CSR partnerships. A factor that could help the partners to measure outcomes would be to define clear goals for the partnership, as this has not yet been done. After defining goals it is easier to start to consider what the factors that the partners want to measure are. Moreover, according to the earlier literature, defining the standards of measurement should be done together with the NGO. As the outcomes for Kemira are mostly intangible assets such as employee satisfaction, the company could measure employee satisfaction with simple e-mail survey.

The most important factor for corporate-NGO partnership is that both partners share a common vision, are interested in each other's activities and have same values. As values can differ in substantial way between the private and the third sector, a partnership between two organisations that do not share similar values can be impossible to develop. And at least it is not sustainable. The cross-sector partnership is easier to create if people that have knowledge on the other sector's work are involved in developing the partnership.

6.3 Suggestions for further research

This study examined an NGO-corporate partnership that is in the middle of philanthropic and integrative stage. Kemira and Plan cooperation has not any definite characteristics of an innovative partnership. It would be interesting to study partnerships that have created together an innovative solution, product or service that aims at alleviating an environmental or social issue. Some environmental NGOs have helped companies to develop more eco-friendly products but especially alliances that aim at alleviating issues in developing world could be studied more. More companies are moving to the developing world, especially to the emerging markets, thus alliances for accessing certain market would be a rather unexplored topic. The focus could be on the responsibility of the

internal operations of the firm and the role of NGOs in developing, for example, supply chains more ethical.

This study revealed that an NGO partnership can make employees more committed to their work and improve the image of the company as an employer. This point has not been highlighted in the literature. Thus it would be an interesting and unexplored topic to do a research on how CSR partnerships influence the intra dynamics of the company, what kind of influence they have on the quality of daily work, on the employees and whether it can be a competitive asset for keeping professional and committed staff.

Kemira is a multinational company, thus it has resources to exercise a partnership with Plan. Also Kemira admitted that for a smaller company engaging in a partnership can be challenging because of the limited resources such as time and finance. However, small and medium size companies might have also different outcomes of the NGO partnerships and the partnership can have more visibility in the company, as they are smaller than MNCs.

As this study took into consideration only one case, a comparable case study between several different partnerships would be interesting. The case could be done for instance with an environmental and social partnership. A comparative case study would certainly reveal interesting points. The comparison could be done also between NGOs that perceive corporate partnership in a different manner, such as confronting and collaborating NGO. Thus differing points of views would rise.

Finally, Kemira and Plan emphasised that their partnership is to develop further, so that Kemira's core competence will be used in Plan's projects. At this point only tentative scratches exist and true outcomes of this kind of partnership can be only speculated. Thereby a study of the same partnership could be done again after certain time, as the conclusion might be totally different.

7 SUMMARY

Multinational corporations have gained internationally more power during the decades but at the same time the civil society also expects them to take more responsibility of the society and the role of CSR has increased in many corporation's overall strategy. Many view the outcomes of corporate social responsibility as glossy reports that aim at polishing the image of the company. However, many business firms are focusing on increasing amounts on CSR and some have explored that collaborating with NGOs can result in more concrete outcomes of CSR and thus improve corporate social performance.

The aim of this study was to examine corporate social performance through scrutinising what kind of outcomes a business firm and a non-governmental organisation can achieve through cooperating in corporate social responsibility. The sub-objectives were:

1. Why do companies and non-governmental organisations cooperate?
2. How do companies and non-governmental organisations cooperate?
3. What are the outcomes and how are they measured?

The sub objectives were examined through a theoretical framework and empirical evidence. The empirical evidence was conducted in a form of case study, which was about a partnership between an international chemistry company, Kemira and children's right promoting non-governmental organisation Plan.

The first sub objective was examined through motives both partners have for cooperating with each other. The most important motive for the company was to fill the gap in their CSR policy and fill the concept of corporate citizenship. The initial motive for the case company has started from the personnel. The theoretical framework suggested more concrete motives for the company to engage with an NGO, but the case did not reveal that many motives. For Plan the motives were quit clear and also matched with the earlier literature: funding, visibility and resources that could be used in their development work. The private funding is especially important for the NGO, as it is more flexible than the finance that originates from individuals.

The theoretical framework presented different forms of corporate-NGO partnership that are based on company's commitment in CSR. The case partnership revealed traits of both strategic philanthropic and integrative partnership. The theory suggests that the more committed partnership the better corporate social performance will be. The empirical evidence supported also this fact, as both partners stated that in order the partnership would be sustainable, both partners need to constantly gain something.

The last sub objective discussed the outcomes of corporate-NGO partnership and both the theoretical framework and the empirical evidence revealed that many of the outcomes is soft value, especially for the company, and also for the NGO in terms of brand recognition and thus hard to define. The main outcome for the company was to illustrate the significance of Kemira's business in the area of sustainable development and thus make the company an attractive employer. For Plan the most important outcomes were the resources and visibility it receives through cooperating with Kemira. As the case partnership aims at promoting the living conditions of poor children in the developing world, the partnership has also outcomes for the society and improves children's living conditions in the communities the projects take place. The theoretical framework suggested that outcomes can be measured through stakeholders and measuring has to be collective activity. The empirical evidence also showed that measuring should be done together with the partner; however, both partners considered measuring as a challenge for corporate-NGO partnerships and thus also corporate social performance is difficult to measure.

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Interviews:

Kemira Marja Jokinen 9.5.2011, Helsinki, 54 min 37 sec.

Plan Susanna Saikkonen 16.5.2011, Helsinki, 56 min.

APPENDIX 1 INTERVIEW QUESTIONS

KEMIRA INTERVIEW 9.5.2011, HELSINKI

1. Can you tell me about your professional background and current position in Kemira?
2. Why do you cooperate with a non-governmental organisations, and why in particular with Plan?
3. What does corporate social responsibility mean to Kemira and how can you perceive it in this company?
4. What kind of role does Plan have in developing your CSR policy?
5. Can you please describe your cooperation with Plan?
6. Do you have mutual objectives for the partnership?
7. What kind of outcomes have you reached together so far?
8. Do you measure the outcomes of Kemira-Plan partnership somehow?
9. When do you feel that a company has succeeded in implementing CSR?
10. How do you see the potential of corporate-NGO cooperation on alleviating larger social issues?
11. How do you see the role of NGO partnerships in developing CSR in the future?
12. Any comments or points that did not occur during the interview?

PLAN INTERVIEW 16.5.2011, HELSINKI

13. Can you tell me about your professional background and current position in Plan?
14. Why an NGO would start to cooperate with a company?
15. Why do you cooperate in particular with Kemira?
16. Do companies have different objectives concerning NGO partnerships?
17. How do you consider cooperation between Kemira and Plan influences Kemira's CSR?
18. What do you consider Kemira's motives to be for this partnership?
19. Could you please describe me your daily cooperation with Kemira?
20. What have you achieved so far with this partnership?
21. Do you measure the outcomes of corporate-NGO partnerships?
22. How does corporate-cooperation influence Plan's work?
23. How do you see the future of corporate-NGO partnership?
24. Any comments or points that did not occur during the interview?

APPENDIX 2 EARLIER EMPIRICAL STUDIES

Researcher(s)	Year	Name of the study	Research methodology	Main objectives/Findings
Arenas, Daniel – Lozano, Joseph M. – Albareda, Laura	2009	The Role of NGOs in CSR: Mutual Perceptions Among Stakeholders	Qualitative study, grounded theory, 18 interviews, 6 group meetings that included 39 participants	NGO's role in developing CSR was examined through the perception of other stakeholder and NGOs self-perception. The study revealed that NGOs have a role in developing CSR but their role is controversial among stakeholders, such as trade unions, and their legitimacy is still doubted
Hansen, Erik G. – Spitzeck, Heiko	2011	Measuring the impacts of NGO partnerships: the corporate and societal benefits of community involvement	Single case study, interviews and documentation analysis	The objective if the study was to examine how the performance of corporate-NGO partnership can be measured, so that the outcomes for both business and community are measured. The study revealed, that partnering with an NGO can help to measure the outcomes to the community as companies do not have experience on measuring community development.
Huijstee, Mariette van – Glasbergen, Pieter	2010	Business-NGO interactions	In depth case-study, document analysis, 13 in depth interviews	The main objective was to examine the conditions under which business-NGO partnerships improve CSR. The research examined collaboration with one company and NGO in two different fields: palm oil and soy. The main finding was the issue field has influence on business-NGO collaboration and CSR implementation.
Khan, Farzad, Rafi – Westwood, Robert – Boje, David M.	2010	'I feel like a foreign agent': NGOs and corporate social responsibility interventions into Third World child labor	Field study, 60 interviews	The field study examined how an NGO implemented western led CSR policies in order to eliminate child labour in soccer industry in Pakistan. The study argues that Western CSR policies are misaligned with local traditions and habits and thus do not result in the best outcomes for the community. Local voices need to be taken into account when forming

				CSR policies.
Kourula, Arno – Halme, Minna	2008	Types of corporate responsibility and engagement with NGOs: an exploration of business and societal outcomes	Research paper, analysis of documentation of three companies analysis	Different types of CR orientation result in different kinds of corporate-NGO partnerships. The research examined what kind of cooperation would bring best outcomes to business and to society. CR innovation was argued to bring the best outcomes, but partnerships based on this kind of CR are rare.
Kourula, Arno	2009	Corporate engagement with non-governmental organizations in different institutional context- A case study of a forest products company	Case study: 14 semi-structured interviews content analysis of 37 sustainability reports	The case study analysed Stora Enso's engagement with NGO's in five different countries globally and in the company's home country. The study categorised NGO engagement forms into three general engagement strategies. Different forms and strategies of engagement between businesses and NGOs were analyzed simultaneously as well as comparatively. The study argues that the institutional context and the national NGO base influences on how business-NGO engagement takes place in practice.
Rondinelli, Dennis A. – London, Ted	2003	How corporations and environmental groups cooperate: assessing cross-sector alliances and collaboration	16 interviews, archived data analysis	The main objective was to find out why corporation and environmental NPO collaborate, how do they share information on environmental issues and what kinds of relationships they can have. The research revealed three different types of cooperation from low intensive to highly intensive environmental alliances.
Seitanidi, Maria – Crane, Andrew	2008	Implementing CSR through partnerships: understanding the selection, design and institutionalisation of non-profit-business partnerships	2 cases, 40 interviews	The study aimed at exploring the process of corporate-NGO partnerships forming. The researchers found that the phases are partner selection, partnership selection and finally the partnership institutionalisation.