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## Entrepreneurial Philanthropy Partnerships: In Search of Alignment

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General Conclusion  
and Discussion

## 1 Introduction

In recent years, the number of entrepreneurial philanthropy partnerships (EPPs) has risen, as philanthropreneurs and senior executives of non-profit organisations have agreed to jointly address societal issues that are important to both parties (Al-Tabbaa et al., 2014). These cross-sector collaborations encourage the partners to share expertise, networks, and financial resources, as they attempt to steer new paths in their relationships in order to have a greater impact within the philanthropic sector. Also a retreating government interest and increased donor demands have stimulated shifting powers in civil society that compel non-profit organisations to adopt entrepreneurial business methods and values, and to become more market-driven (Eikenberry & Kluver, 2004). Therefore, EPPs are more strategically important when they set out with the explicit intention of changing emphasis towards the alignment of collective arrangements, so that each of the partners aims to benefit the other (Austin, 2000). EPPs seem most effective when they align their goals so that each of the partners aims to benefit the other.

The potential for increased value through partaking in partnerships does not come without risk. It has been suggested that an entrepreneurial approach is incompatible with the democratic governance of non-profit organisations, and that it has little to do with the kind of collective, voluntary action for the public good that creates fairness and justice in civil society (Choi & Wang, 2007). In addition, recent studies have shown that traditional intercompany partnerships have a modest 50% success rate (Adams & Downey, 2008; Gonzalez, 2001), which may also be the case for public-private partnerships (Zou, 2014). Partnerships in general can fail because of insufficient leadership commitment, lack of partnership strategy, or limited resources (Bloomfield, 2006). These hurdles are further exacerbated when complications such as undefined roles and responsibilities, poorly aligned capabilities, and organisational culture differences arise (Bovaird, 2004). Given that EPPs require large investments of time and resources, a structured approach to managing these risks is essential (Lachotzki & Noteboom, 2005). The premise of this thesis is that, despite the growing interest on the parts of both philanthropreneurs and senior executives globally in establishing EPPs, they seem to periodically fail for a variety of reasons that might be prevented if the parties involved were more aware of the hidden differences that persist within such partnerships.

## 2 Summary of the individual studies

This research used an analytical approach based on integrated analysis. The literature review investigated various contexts within which philanthropy partnerships are conceptualised, and it explored some reasons offered in the literature for their prevalence in recent years. It also explored how other scholars moved from theory to methodology and on to analysis. Studies of analytic models relevant to the research problem were investigated, and a theory was introduced that explains the existence and causes behind the phenomenon. A theoretical framework that existing theories employed to direct the conduct of this study, was subsequently developed according to the following criteria: suitability, ease of application, and explanatory capacity. The framework was reviewed among philanthropy partnership experts in The Netherlands and contributed to the development of a conceptual framework of entrepreneurial philanthropy alignment, which clarified the research objective under study. While recognising the limitations of the analysis, the conceptual framework developed was further theoretically studied, concluding to a theoretical entrepreneurial philanthropy alignment model (EPAM) and an exploratory definition of the concept of EPP. The theoretical EPAM was researched within the actual partnership context of ten EPPs in The Netherlands, in order to challenge and to extend existing expertise within the limitations of critical bounding assumptions. The central research question; *'Can the EPAM determine whether or not a EPP between an philanthropreneur (and his/her company), and the senior executive of a non-profit will be established?'* was answered. By connecting the theory with the findings through qualitative research, the knowledge about the establishment of EPPs has improved. A synopsis of the research objectives, the key findings, and the theoretical contributions are given in a compressed overview of the study (Figure 7.1).

Study	Research objective	Key findings	Contributions
1	Contribute to an understanding of contemporary entrepreneurial philanthropy by considering its relevance.	Various trends in society and personal motivations that suggest to drive the concept of entrepreneurial philanthropy.	An exploratory definition of the concept of entrepreneurial philanthropy.
2	Determine a structure that describes the alignment paradigm when philanthropreneurs (PHs) meet with senior executives (SEs) of non-profit organisations.	A selection of domains and determinants that might have its influence when establishing an entrepreneurial philanthropy partnership.	A theoretical framework of entrepreneurial philanthropy alignment.
3	Test a theoretical framework among philanthropy partnership experts (both PHs and SEs) in The Netherlands.	A selection of domains and determinants that effect alignment when establishing a an entrepreneurial philanthropy partnership.	A conceptual framework of entrepreneurial philanthropy alignment.
4	Improve a conceptual framework of entrepreneurial philanthropy alignment by collecting theoretical research data regarding the enablers and inhibitors of alignment.	Reconfirmation that domains and determinants are credible in creating partnerships, and that alignment can be a road map to achieve an Entrepreneurial Philanthropy Partnership (EPP).	A theoretical entrepreneurial philanthropy alignment model (EPAM) and an exploratory definition of the concept of EPP.
5	Conclude if the EPAM determine whether or not an EPP between a PH (and his company) and the SE of a non-profit will be established.	Despite a partial confirmation of the selected determinants, the domains leadership and culture have its positive effects on the alignment process, while strategy seems a necessary evil. In the process, patience might be key.	EPAM can be of help to better understand the processes involved to establish an EPP.

Figure 7.1 Synopsis of research objectives, key findings and contributions

Study 1 (Chapter 2) focusses on identifying a new generation of entrepreneurs, the so-called 'philanthpreneurs', who step forward to address 'wicked' problems in society with a strong business persuasion, which may result in a more impact-driven approach in comparison to classical philanthropy. Understanding the phenomenon of the philanthpreneur (PH) requires an exploration of the motivations that drive these entrepreneurs in the for-profit world, the socio-political values that are conducive to their success, and the world of philanthropy in general. To contribute to a theoretical understanding of entrepreneurial philanthropy, this study considers the historic, sociological and economic backgrounds of the practice. Based upon theories of philanthropy, entrepreneurial motivations and business principles, an exploratory definition of the phenomenon was formulated: *The search by philanthpreneurs to solve societal problems, by increasing the measured philanthropic impact of connected non-profit organisations, through a tailored investment of their economic assets, acquiring, on a not-for-profit basis (symbolic) capital* (Rath & Schuyt, 2014). Entrepreneurs regularly display ambitions to invest various forms of capital in philanthropic projects, and to apply business solutions to societal problems. Drawing on Bourdieu's theory of capital, the various forms of capital can be defined as economic capital (financial investments and applied materials), social capital (contacts and human networks), cultural capital (knowledge and expertise) and symbolic capital (reputation and prestige), (Bourdieu, 1986). Given the mix of motivations, processes, and outcomes within this theory, the description of entrepreneurship as a capital process seems complicated and varied when applied to non-profits. Therefore, a business approach can come as a culture shock for the traditionally 'soft' sector of non-profit organisations. Such an approach may raise ideological as well as organisational concerns, possibly influencing the non-profit's underlying behavioural orientations, and the extent to which its senior executives (SEs) will respond strategic, conservative, or cohesive (Coombes et al., 2010).

Study 2 (Chapter 3) details the theoretical considerations made to determine a framework that describes the essence of the alignment paradigm, which can enhance the concept of entrepreneurial philanthropy in a situation where a PH meets with a SE to fill a position as a producer of societal change. This study offers three main contributions. First, it describes the landscape of entrepreneurial to define the various actors involved in its sources and their motivations (Pestoff, 1992). Second, it sets out a concept of alignment that was developed to express the richness of the management processes undertaken, to maximise the societal impact of the partnership (Papke, 2013). Finally, it presents a theoretical framework for understanding entrepreneurial philanthropy (Data 7.1), which draws significantly on partnership perspectives, from the three domains (leadership, strategy and culture) and from the 25 indicators that are thought to be fundamental to the existence of entrepreneurial philanthropy alignment (Vicere, 2010; Kaplan & Norton, 2006; Parmenter, 2010). The theoretical framework maps aspects and dimensions that both partners should consider relevant for alignment in partnership development.

Study 3 (Chapter 4) describes how the theoretical framework of entrepreneurial philanthropy alignment, as outlined in the preceding chapter, was qualitatively tested among Dutch PHs and SEs. A series of 12 semi-structured interviews was conducted to select the most important indicators that could positively influence the process of alignment when establishing a partnership. The research gave direction to a cautious explanation that the theoretical framework describes three domains with different paths, each of which branches from the linking path of leadership which is considered to be the impetus for the process of entrepreneurial philanthropy alignment, for strategy which is considered to be the guiding path, and for culture, the driving path. Within these three domains the research attempted to identify the most important of the 25 theoretically derived indicators experienced in the

partnership context. The study indicated that the 25 indicators were adequately selected, as all interviewees recognised their individual contribution to the partnering process. However, in terms of the importance of each indicator, a tentative selection of 15 was made based on the multi-level perspectives of both PHs and SEs. It became apparent that a more comprehensive understanding of the process of creating EPPs was necessary. One of the insights gained by using this framework to study the establishment of EPPs relates to the way in which leadership links the selected partnership strategy with the organisational culture of both partners (Kaplan & Norton, 2004). The research suggests that the primary task of both the PH and SE is to effectively manage the interdependencies between leadership, strategy and culture effectively by modifying their own partnership roles (Data 7.2). The phenomenon of alignment is recognised as a potential catalyst for the partnering process that may provide a promising leverage for change. The combined lessons here required careful deliberation and may also have implications beyond the philanthropy sector, for example when considered in the process of public-private partnerships.

Study 4 (Chapter 5) proposes on the development of a full structured, strategic approach to successfully engage for-profit and non-profit partners. A preliminary definition of EPPs was formulated as follows: *The search performed by philanthropreneurs (and their companies) to create an aligned partnership with the senior executive of a non-profit organisation to achieve greater philanthropic impact, contributing business principles such as tailored investment, human networks, knowledge transfer, applied materials and/or time capacity, therefore acquiring economic, and/or symbolic returns.* This definition builds on the definition of entrepreneurial philanthropy described in Chapter 2, and is used to better understand the process of establishing successful EPPs and to address the challenges entailed in collaboration so as to form a basis for effective partnering (Sluyterman, 2012). Further

study of the three domains and the concept of alignment indicated that for successful management of EPPs it is important to identify the partners' mutual goals and to seek an approach whereby both partners benefit by advancing each other's vision and mission. Based on these provisional findings the Entrepreneurial Philanthropy Alignment Model (Figure 7.2) was formulated to clarify the partnership process.

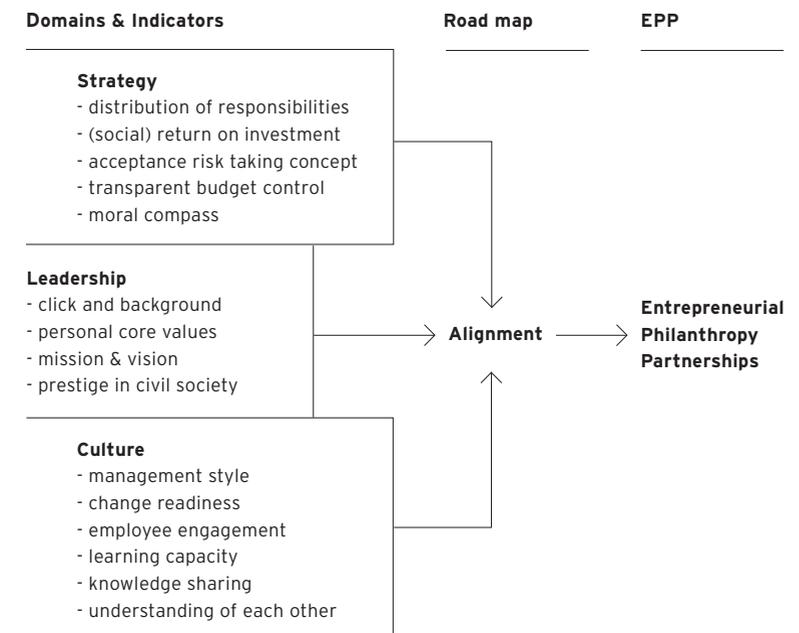


Figure 7.2 Entrepreneurial Philanthropy Alignment Model (EPAM)

The theoretical findings suggest that different indicators within the domains of leadership, strategy and culture may act as stimuli for alignment in the creation of EPPs. In the process, it was assumed that it might be essential for the partners to negotiate between diverse perspectives and to agree on innovative approaches to achieve agreed-upon goals. The focus of the analysis was to investigate the extent that an alignment model, such as the

EPAM developed through this study, can offer both practical and inspirational mechanisms to develop partnerships between PHs and SEs of non-profits. The primary research question therefore is whether or not the EPAM can determine if a partnership between a PH (and his/her company) and a SE of a non-profit will be established. Seven hypotheses were formulated to guide the subsequent analysis and to identify relevant characteristics, preferences and attitudes among the PHs and the SEs.

In study 5 (Chapter 6) the EPAM was empirically tested in the context of existing EPPs in The Netherlands. A qualitative methodological approach was selected because empirical research in this area is at an early stage, and so the occurrence complex and the indicators may be difficult to capture with other methodologies. This dual approach that considers both theory and practice make the theoretical model constructive and has the potential to make an EPP more effective. The model may inform further theorising and practical experimentation to refine partnership practice and to examine how an alignment of theory with practice can inform partners' expectations of an EPP. The data appeared to support five out of the seven hypotheses formulated in the previous study, including the hypothesis that alignment is a potential road map for the establishment of an EPP. The results only partially supported the selected indicators relating to leadership and culture. However, the strong correlations provided from the research are possible evidence of what can be described as 'good practice'. The claim that leadership links the other two domains of strategy and culture was confirmed; this may therefore be a cornerstone feature that provides leverage for establishing an EPP. Rather than debating about how the relationship could be improved, it is important to recognise that alignment between the domains will optimise EPP performance, as the process requires collaboration, flexibility and mutual understanding. Alignment may benefit a partnership, as weak alignment can result in social loafing, which ultimately

creates friction and can cause the exclusion of the partner who is deemed insufficiently committed or competent (von Schnurbein & Stühlinger, 2015). While it seems that analogies across organisational cultures advance the probability of partnerships, such compatibility cannot be guaranteed. Differences in leadership practices, strategic procedures and cultures become obvious only during the course of the EPP. Evidence shows that patience, trust, willingness to coordinate and commitment all serve to better align partners' expectations of the EPP, while strong leadership can have a meaningful impact on its development. The challenge, however, lies in developing a partnership philosophy in which autonomous parties can relinquish supremacy, while engaging in planning and organisation that considers the needs of both partners. Such a voluntary resignation of autonomy and control does not come easily but appears to be a necessary condition to increase the probability of successfully establishing an EPP. By their very nature, EPPs are demanding, requiring co-operation between the staff of both partners who may have different concerns, core values and working methods (Acs & Phillips, 2002). These challenges are typically reflected in all aspects of communication both within and outside the EPP. It is vital to identify exactly what these challenges are and how to systematically address them, so that communication becomes an integral part of the partnership-building process rather than a source of persistent dissent. One key lesson learned from programs that have established EPPs is that partnership development often takes much more time than expected; therefore, patience is an important requirement for both partners. Questioning one another through a complementary rather than an antagonistic process encourages partners to not only challenge internalised disciplinary practices and self-regulating behaviours, which are mostly subversive, but also makes it possible to enhance the self-knowledge of the individual partners. The EPAM promises valuable effects to improve mutual understanding between for-profit and non-profit worlds.

### 3 Limitations

The phenomenon of a partnership between a philanthropreneur and senior executive of a non-profit is understood as a complex management system (Selsky & Parker, 2005). The qualitative approach in this thesis indicates a perseverance on the characteristics of the three distinct and independent domains and its indicators, that are both measured in terms of the frequency applied or the degree of importance. The research methodology took in consideration the socially constructed nature of reality, the intimate communication between the researcher and the partners of the EPPs involved, and the situational limitations that shape inquiry, emphasising the fact that the participants were the primary experts. Given the limitations of the interpretative role of the researcher when analysing the data, a certain amount of subjective bias, including the influence of preconceptions, beliefs and aims that existed prior to the analysis, must be acknowledged. Complete objectivity is beyond the bounds of possibility and pure subjectivity threatens credibility. This research balances expectations amidst the limitations of characterising and understanding the EPPs' authenticity in all its complexity with being self-analytical, managerial awareness, and critical reflection.

There is an emphasis on the value-laden judgement of the method of research (Denzin & Lincoln, 2000). Answers are sought to questions regarding how an EPP is created and given societal meaning. An inherent limitation of interviewing as a research methodology, however, lies in the fact that the data cannot be independently verified. The researcher must accept what the partnership experts say in the semi-structured interviews, even though the data might be biased. Bias can become apparent when one partner contradicts the data supplied by the other partner, and can be accounted for by various factors: (1) selectivity, i.e., a biased memory of past experiences; (2) telescoping, i.e., recalling events that occurred in another partnership; (3) attribution, i.e., attributing positive outcomes to one's own performance

and negative outcomes to that of the other partner; and (4) exaggeration, i.e., representing some outcomes as more significant than is suggested by other data. Observation is, therefore, a fundamental and important method in this thesis, which was used to discover complex interactions in EPP settings.

The purpose of this qualitative analysis is to interpret the interview data and the resulting themes and to facilitate an understanding of the EPAM studied. The research participants were selected on the assumption that existing profit- and non-profit partnership experts could best inform the research questions and enlarge an understanding of EPPs. The non-probability sampling of senior executives of non-profits was limited to the membership base of the Dutch Bureau of Fundraising (Centraal Bureau Fondsenwerving). Decisions were based on theoretical perspectives, the research questions, and the evidence informing the EPAM, which reduced the likelihood of a biased sample, but this could not be completely excluded (Creswell, 2009). Ten experts were selected, all of whom introduced their entrepreneurial partner, and the twenty partners involved were knowledgeable about the actual characteristics and perspectives related to their EPP.

In qualitative research the sample size is not predetermined, and the number of interviews depends on the number of experts required to get a comprehensive understanding of all the important elements of an EPP. Theoretical saturation occurs when all of the main variations among EPPs have been identified and incorporated into the emerging knowledge about the EPAM (Black, 2010). While strong conclusions cannot be drawn from a sample of 20 semi-structured interviews, the study does give an indication of how partners generally respond to the variables of the EPAM. The limited number of observations derived from the research do not allow for definitive statements about the role of the three domains and the intermediating variable alignment, when establishing an

EPP. The interpretations of probability and the odds derived from the EPAM model seems therefore somewhat intuitive, but causation and correlation analysis does allow to describe the nonlinear relationships between independent and dependent variables in prevailing partnership situations.

Generalisation as an interpretation that involves drawing broad conclusions from specific observations in relation to the EPAM, (Tsang, 2013). Therefore, the goal of this thesis is not to generalise but rather to provide a context for understanding the EPAM by studying existing EPPs. Where evidence of good partnership practice is found, generalisation in relation to knowledge claims might have a basic transferability and can only be said to have limited application to other EPPs. This understanding may help to construct a broad picture of EPPs, taking into account the daily experiences of PHs, SEs and their staff engaged, and the implicit biases that may affect their societal impact.

## 4 Suggestions for theory

What may this study contribute to current partnership and alignment studies? Each chapter makes a distinct contribution to both research and practice, and while the individual studies address secondary research questions, the results can be collated to answer the primary research question: *'Can the EPAM determine whether or not a partnership between a philanthropreneur (and his/her company) and the senior executive of a non-profit will be established?'* A resource-based view suggests that the rationale for EPPs lies in the value of pooling resources for greater societal impact. In line with the evidence observed over the last decade, developments in EPPs can vary in scope and content. Such a variance shows that a better understanding of the behavioural and social dynamics of EPPs is needed.

This thesis aims to provide greater knowledge and clarity on the establishment of EPPs and to offer suggestions for future research. It examines the roles of the PH and the SE in an EPP, and proposes a theory of entrepreneurial philanthropy alignment. This theory synthesises the findings in the literature on cross-sector partnerships from a resource-based view to bridge value creation arguments (Le Ber & Branzei, 2010). A qualitative approach was adopted to explain how EPP establishment can be described and evaluated using a set of indicators and, valued in terms of importance to the underlying process. This method was useful for identifying empirical values for these indicators, and for providing a set of principles and rules to describe the structure of EPPs, in order to perform analyses. The analysis can be seen as a hierarchical breakdown of a concrete phenomenon that constitutes a model for understanding EPPs. The degree of alignment is selected catalyst dimension that emerged between both partners within the domains of leadership, strategy, and culture, which became a functional substitute for the traditional managerial command and control approach. This thesis uses a behavioural approach to examine the role of alignment in the establishment of

EPPs. It identifies the specific mechanisms involved in establishing such relationships, overcoming differences in value creation in order to co-construct societal change.

The proposed EPAM, is based on behavioural indicators in the domains of leadership, strategy, and culture in EPPs, particularly in relation to the establishment of such partnerships. The EPAM confirms that trustful co-operation rather than fierce competition characterises this approach. The empirical findings support the importance of leadership with personal 'click' values in identifying shared ambitions in the civil society and in recognising mutual core values. Prestige was also shown to be an indicator for establishing EPPs. Initiating and supporting standards of expectation, flexibility, and information exchange between the partners were found to be positively related to a high degree of patience in establishing the partnership. Leadership is defined as an influence relationship, in which the partners mutually, but not symmetrically, influence each other in a dynamic way, forming EPPs with sustainable impact on civil society.

Although EPPs are defined by the motivation of the partners, they are the result of the values and behaviours of the PH and the SE. For this reason, it is critical that these parties understand each other and communicate effectively. Furthermore, well-functioning partner relationships involve acceptance of risk-taking, readiness for change and employee engagement. These findings lend acceptance to the theoretical behavioural arguments based on comparative exchanges, where cross-sector obligations are enforced by understanding the motivation of the PH to forego symbolic capital gains such as prestige in the interests of the partnership. The following five points explain the importance of alignment in the process of an EPP, based on insights obtained from the research.

- 1 Although EPP establishment should involve a dynamic process of co-constructing societal value by combining project knowledge, operational efficiency and economic resources, it is also an exploratory experience. Outcomes are uncertain for both partners, and the process may require significantly more time than initially expected.
- 2 Many EPPs develop in *ad hoc* and iterative ways, which can create a certain amount of multilevel confusion, not only for the leaders of the partnership, but particularly for the staff involved, who can easily feel misunderstood and disconnected.
- 3 EPPs are faced with the challenge of reconciling divergent interests and differing opinions about economic, social, cultural and symbolic capital objectives, together with operational uncertainty about the extent to which these objectives can be effectively aligned in the relational process of establishing a partnership.
- 4 Leadership in EPPs is not power-neutral, and co-operation takes place within the context of existing resource and managerial asymmetries that are not offset through formal strategic rules pertaining to the decision making and representation. This can create a culture of suspicion among the partners regarding the intended societal impact and who, and in what way, will benefit or lose as a result.
- 5 The importance of alignment is confirmed by the extent to which partners are ambitious in orchestrating coordination across the various levels of both partner companies, which helps to calibrate the relational processes of leadership, strategy and culture in EPPs.

These findings justify a need for future research into the establishment of EPPs, particularly as the researched cases do not show any signs, either in practice or from a scholarly perspective, of losing societal appeal of PHs who regard addressing societal problems as a prerequisite for a well-functioning economy, and the search by SEs to allocate budgets to fulfil their mission (Porter & Kramer, 2002). This is especially true from a macro-

economic perspective, as government grant funding and other traditional sources of income for non-profits such as individual and foundation-based philanthropy have decreased in recent years to levels that do not allow them to effectively address pressing societal problems (Abramson, et al. 2012).

EPPs may provide additional space for innovative approaches and encourage lateral thinking. They are also inherently outcome-focussed and, therefore, provide an incentive for performance and an impetus for better measurement and accountability in relation to achieving results. In addition to the theoretical contributions that each of the individual chapters make to the concept of alignment in relation to leadership, strategy, and culture, the insights also provide the basis for further discussion on three themes regarding EPPs: 1. Behavioural management dynamics; 2. A multilevel partnership approach; and 3. A normative reflection on EPPs in the broader context of philanthropy theory and debates. Although research into the workings and management of EPPs and their social impact is still at an early stage, it is clear that such partnerships are becoming more strategically important. It is therefore necessary to ensure that these themes are genuinely appropriate to the context in which these EPPs operate.

## 5 Suggestions for managerial practice

What may this study contribute to the managerial practice of EPPs; will it aim to support philanthropreneurs engaging with non-profits and to be helpful in making non-profits more entrepreneurially oriented? Scientific knowledge is increasingly valued within academia, and this thesis aims to use the accumulated knowledge about the application of the EPAM in order to create economic value that may benefit society. The purpose of the EPAM was to create a dynamic tool for EPP organisation. It should also serve as a model for improving mutual understanding between the partners, even though every partnership has different characteristics and therefore different needs in relation to integration. The definitions of entrepreneurial philanthropy and partnerships found in the literature and the results of the qualitative research structured existing knowledge about establishing EPPs and gave direction to formulating five explicit, but sometimes overlapping, ways of understanding the partnership process in practice (Figure 7.3). Each of these five components of EPP development depends upon a set of normative premises that are linked to one of the domains defined in the EPAM.

EPP development Components	EPAM domains			Road Map
	Leadership	Strategy	Culture	Alignment
1 Develop EPP outline	x	–	x	x
2 Engage EPP staff	x	–	x	x
3 Market EPP strategy	x	x	–	x
4 Foster EPP culture	x	–	x	x
5 Measure EPP impact	x	–	x	x

Figure 7.3 EPP development related to the EPAM

These insights can play a role in inspiring PHs and SEs when establishing a partnership, which tends to be a lengthy process fraught with various unexpected and unusual situations.

Governments and other public organisations may also benefit, as building relationships such as EPPs can help to address challenges in society. In addition to introductory discussions regarding mutual ambitions in civil society and the personal compatibility between the PH and the SE, it is clear that an initial EPP outline can be helpful when setting out on the partnership journey. This outlines mutual goals and provides direction on how to build and maintain the philanthropic vision for the future. Although the goals should be clear, some ambiguity in the plan may initially help to generate commitment, whereas clarity can, in some cases, be too threatening. A broad mission and vision may be a more appropriate starting point than a detailed blueprint. As the development of an EPP strategy is an iterative process, room should be provided for abandoning predictions and for making alterations to learn what actually works and what doesn't work. Where there are clear differences of perspective, these will need to be resolved if further EPP development is to occur. Instead of developing a fixed formal strategy in relation to staff, approach, budget and planning, the research shows that experimenting and setting a more fluid strategic direction was more successful. The study reveals that the two partners must use their abilities to engage their staff, keeping them focussed upon the unique societal impact that the EPP can have. The combination of leadership involvement and marketing of the adaptive EPP strategy may foster a collaborative culture of sharing information about how new opportunities can support further EPP development. Once an adaptive strategic direction has been internally established and accepted by both partner organisations, the partnership can begin to implement the EPP action plan to tackle the selected societal issue. The EPP leaders will periodically measure the progress made against the formulated societal impact in the plan, in order to reassess and to update program objectives. A negative evaluation can lead to a decision to exit, which seems to be an expected component of the partnership.

Constantly focussing on alignment during the partnership process may create the potential for better performance of an EPP. The research shows that EPPs are inherently demanding, requiring co-operation between staff of different organisations, who may have separate priorities, principles and ways of working. These challenges are apparent in the three domains, both within and outside the EPP. It seems vital, therefore, to identify precisely what they are and how to address them methodically so that alignment becomes a part of the partnership-building process. Beyond its direct implications for practitioners, the thesis has also certain constructive implications that extend beyond the main research question. From a managerial perspective, these five components regarding EPP development are mainly related to presenting a rationale and a structured approach to capture the potential interfaces between the PH and the SE, and with identifying the specific indicators that can contribute to establish an EPP. This may have partnership implications and three themes aid in maximising the potential benefits from the entrepreneurial non-profit nexus.

First, understanding and acceptance of why each partner is involved is vital for the establishment of an EPP. This can range from blunt self-interest to an acknowledgement of a shared interest in solving societal problems. Whatever the reason, a working partnership can flounder if partner motivations are misunderstood. Most approaches to working partnerships assume that a statement of shared motivations based upon jointly held core values is a prerequisite to success. There may be some scope for deciding whether these conditions need to be in place at the outset of an EPP, or if they can be developed and refined as the partnership proceeds. Reconsideration need not lead to revision of aims, objectives or strategies, but can, for instance, provide an opportunity for recognising previous over-ambition or lack of ambition, lack of commitment, or structures and processes that marginalise rather than appropriately involve partners. Although

combining entrepreneurial skills with mission-related competences and realising apparent societal impact are vital considerations for engaging in EPPs, both partners also need to actively consider how their capabilities, which relate to the alignment of the operational processes (indicators of strategy and culture), may have significant positive and negative impacts on their defined objectives (Dyer et al., 2001). It has been argued that EPPs work best when each partner's contribution is recognised and valued in the way the partnership is structured, irrespective of the different resources contributed by each partner. Cultivation of the relationship is critical. If one of the partners feel marginalised, this will result in an erosion of trust and lessening of commitment. A disparity between the perceptions of both partners of their roles during EPP establishment may result in missed opportunities.

Second, it has been reported that patience is required of both partners to allow in-depth reflection on the development of mutual trust in the process of establishing an EPP. This has far-reaching leadership implications, which can enhance partnership performance and so be mutually beneficial (Rangan, et al. 2006). In addition to targeting the EPP dyad within a limited timeframe, a consideration of cultural behaviours and strategic performances of the partnership over a longer period of time should be encouraged. Both staff teams must get to know each other, understand each other's ways of thinking, and build trust. Moreover, given the impact of a sustained emphasis on cross cultural understanding during the lifecycle of EPPs, the process of alignment should be carefully designed and executed to increase partnership values and achieve innovative organisational outcomes (Hart, 2007).

The third point that should be realised by both partnership leaders is that they should thoroughly understand the contributions of their staff to the partnership in order to encourage their support and engagement (Yoon, C. 2014). Collaboration between the staff

within the two organisations and those who are responsible for the partnership is crucial for optimising the strategic benefits of an EPP. This requires that both parties recognise and acknowledge their diversity, while also identifying common ground and focussing on collective or complementary interests. A special taskforce to develop adaptive policies and procedures, and to formalise best practices and address issues when they arise, can support the establishment of an EPP.

These three behaviours, related to individual leadership strengths, internal communication and performance management, are strongly linked to employee engagement and can raise the overall level of performance of the EPP. Regular communication can play a coordinating role in EPPs, influencing trust, brand reputation, partnership reciprocity and mutual interdependence of the involved stakeholders (Porter & Kramer, 2011). Individual staff members can either help or hinder EPP development, as they can be an important source of success as they often have discretionary powers and substantial day-to-day autonomy. They may also have extensive contacts outside the partner organisations. Professional working partnerships imply a readiness to share control, and even to relinquish exclusive claims to specialised knowledge, in order to integrate new EPP procedures. Those committed to the pursuit of organisational self-interest should be discouraged and the EPP 'champions' working in the collective philanthropic interest should be encouraged. Both organisations and individuals can introduce incentives for working well within the partnership and disincentives for not working collaboratively. Having motivated staff may be a matter of careful selection, the exercise of peer pressure and strong leadership. An EPP in which the staff of both the PH and the SE feel sufficiently secure to experiment, share information, and support each other will be a far more effective partnership than one in which managers focus on weaknesses. In the inherently stressful domain of co-operative relationships between staff and

executives, regular communication can keep staff engaged, which will ultimately influence the success of an EPP. Closely related to this is the need for a prime focus on processes and impact rather than structure and inputs. Evaluation of the individual contributions of both partners should centre on project outcomes, as these are the best indicators of a meaningful partnership, also revenue sharing (economic, social, financial, and/or symbolic) is thought to be a critical motivator. The degree of alignment between both partners, which here refers to the matching of organisational cultures that lay the foundation for creating sustainable bonds between partners, is important and should always be considered (Pralhad & Ramaswamy, 2004). Positive evaluations of both the partner leaders and their staff seem to lead to follow-on opportunities, often larger in scope, restarting the cycle.

EPPs are likely to be particularly fragile in the early stages, if only because they could disrupt existing company practices and boundaries. Therefore, it is necessary to be alert to potential threats to progress and to acknowledge that change will not be accomplished quickly or simply. Ensuring clear communication and providing adequate support is critical to optimise co-operation. Rather than focussing solely on long-term societal impacts, it is useful to be alert to 'small wins', which rarely involve substantial risk. These can inform strategic direction and can add up to a large win over time. Thus, EPPs should rely to a greater degree on social interactions rather than formal monitoring mechanisms when seeking to ensure transparency, clarity and co-operation. Lessons learned each engagement should contribute to defining best practice, which can then be incorporated into program activities to improve future collaborations (Lewandowska, 2015). However, ineffectual partnerships require leadership interventions to improve performance. Such interventions include re-evaluating collective goals, demonstrating a willingness to be flexible and

adaptive, and establishing a more involved executive leadership. One of the truest measures of a constructive EPP is the existence of sufficient trust between the partners and their staff, for them to accept risks in pursuit of shared aims and objectives. This may entail risking an immediate individual 'loss' for the sake of a longer-term collective gain. As mentioned above, if both partners agree that the measures taken to renew the partnership have been unsuccessful, the EPP should be changed or even dissolved. Therefore, both partners need to maintain flexibility and allow for open information exchange, and keep apprised of these performance influences of leadership, strategy and culture in order to avoid the pitfalls of attempting to establish their own sustainable EPP formula.

## 6 Directions for future research

While this thesis has its limitations, some of these can provide useful directions for future research. One of the goals of this study was to analyse and synthesise prior research about leadership behaviour when a PH and a SE decide to establish a productive partnership. The previous decade has seen an increase in EPP initiatives around the world; however, the potentials for these to offer creative and sustainable solutions to societal problems is just beginning to be tapped. Although the aiming was to provide a comprehensive, systematic review of the literature, the filtering processes may have omitted relevant research. There appears to be a need for a more concrete assessment of EPP establishments, noting that the influence of the different paths to co-operate in this context is potentially complex and must therefore be systematically considered.

The primary goal was the development of an entrepreneurial philanthropy alignment model (EPAM). Although this study highlighted links with other theoretical frameworks, it likely failed to mention others. A selection of the issues faced by EPPs and the possibilities for their development was discussed, in order to address the research questions. Promising practices were identified based on a number of EPP experiences in the Netherlands. However, much of the work of documenting and analysing the success and failure of EPPs remains to be done (Gautier & Pache 2015). The findings of this study, which encapsulate the three distinct, yet interrelated, domains of leadership, strategy and culture, could form the basis for empirically testing EPPs more widely and in different countries. Additionally, further research could examine the worldwide performance of EPPs in relation the process of alignment to examine whether alignment influences the sustainability and societal impact of EPPs.

There is also a need for a clearer account of how the staff of partner organisations can be involved in EPPs. Non-profit

organisations often seem to distrust the motives of PHs. They may see themselves as the inferior partner, and may therefore find it challenging to participate on an equal footing. PHs are often equally cautious of the motives of non-profits and may question their legitimacy to speak for wider constituencies, and therefore find it difficult to focus primarily on decision-making processes. Leadership functions within EPPs coalesce around other roles, and their dimensions must be delineated and explored. An examination of the dynamics of partnership processes and the sustainable impact of the solutions they offer to societal problems are also worthy of more scrutiny and further research. Future research would provide well-grounded empirical evidence regarding whether and how EPPs may succeed in achieving a selection of the benefits ascribed to them. Both the limitations and the contributions of this thesis, therefore, lead to interesting pathways for future research.