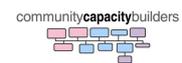


## Scaling through the Creation of Alliances



1

## Scale through Others

- Social entrepreneurs should **work with** and through others to scale their social innovation
  - Due to the scale and complexity of most social issues

Wei-Skillern, 2007, p. 263

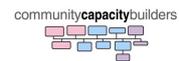


2

## Social Enterprise Alliances

- In order to increase their social impact, social entrepreneurs often pursue resources beyond their own organisational boundaries by entering into alliances.

Wei-Skillern et al., 2007  
Austin, 2003



3

## Social Enterprise Alliances

- Can occur:
  - among nonprofits
  - between nonprofits and business
  - between nonprofits and government, and
  - between nonprofits, business and government
- Trends contributing towards the formation of social enterprise alliances
  - increased competition
  - increased demand for efficiency and effectiveness
  - Cross sector alliances considered necessary for solving complex social problems

Wei-Skillern et al., 2007  
Austin, 2003

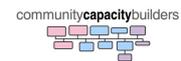


4

## Nonprofit & Business Alliances

- Can evolve overtime through the following three stages:
  - Philanthropic Stage:
    - where nonprofit seeks donation from a business and the business provides the donation
  - Transactional Stage:
    - where nonprofit and the business provide each other with clear benefits
  - Integrative Stage:
    - the formation of a strategic alliance between the nonprofit and the business, where both deploy and combine their core competencies, joint activities and relationships multiply, and trust between partners deepens

Austin, 2003



5

## Alliance Strategy

- Factors to consider:
  - Focus on mission and vision:
    - how alliance activities will enable the organisation to achieve its mission impact more efficiently, effectively, or more sustainably
  - Clarify role:
    - assess how the organisation will contribute to the alliance and the key roles that other organisations will play
  - Define values:
    - define organisation's own expectations, methodologies and norms, and investigate the expectations, methodologies and norms of potential partners to ensure common ground on which to build an alliance
  - Invest for impact:
    - key success measure of the alliances - commitment to achieving social impact through mobilising and coordinating the alliances combined resources, expertise and infrastructure
    - individual organisational control should be surrendered to achieve shared mission impact and shared recognition for mission impact

Wei-Skillern et al., 2007



6

## References

- Austin, J. (2003), 'Strategic Alliances Managing the Collaboration Portfolio', *Stanford Social Innovation Review*, Summer, 1 (2), pp. 49-55,
- Wei-Skillern, J., Austin, J., Leonard, H. and Stevenson, H. (2007), *Entrepreneurship in the Social Sector*, London: Sage Publications

