Building organisation relationships

This bite size resource is for Voluntary and Community Sector (VCS) organisations who wish to build relationships within the sector, with business outside of the sector and what those relationships may involve.

What do we mean by organisation relationship?

This is how organisations and groups interact. Some examples are:

- Strategic relationships between non-profit organisations (to better service by working together).
- Partnerships (a business owned by two or more people).
- Service and referrals (jointly tackling diverse needs of service users by referring).
- Support (assisting organisations to better their service).
- Supply or customer (trade of assets or service).

Benefits of organisation relationships

When organisations work together some of the benefits include:

- **Sharing expertise** widens knowledge base, bettering a service. This may be cheaper than hiring facilitators.
- **Partner support** for projects / events can mean more bodies to set up / look after the process. There may be greater scope for useful ideas of enhancing. Sharing responsibility and cost can help you to stay in budget.
- **Asset sharing** reduces the need to buy items and when borrowing there are less premiums to pay. By loaning items in return there is potential of meeting community need when you're unable to act directly e.g. when closed.
- **Secondment** will facilitate sharing of experience and knowledge between the host organisation and secondee.
- **Referral pathway** can be identified and cemented to better the efficiency of support for service users.
- **Good rapport** will create friendship and trust, ergo organisations are more likely to be loyal / offer future support.
- **Funders** will be interested to see joint efforts towards a charitable need.
- **Continual improvement** presents with long relationships as there's more comfort sharing knowledge / feedback.

Considerations

Organisations should consider technicalities before entering organisation relationships:

- **How do you know if support given is reliable?** You may wish to view the credentials of any expert advice or build rapport to gain a sense if other organisations are committed to the same cause.
- **When working together who is liable?** When entering an agreement to joint deliver a service this question should be answered before the project starts. Have in writing which party should pay which insurance premiums, also all parties should carry out their own risk assessment to ensure there are no unreasonable gaps in cover.
- **Should partnerships fail, what are the repercussions?** Have a good negotiating team to try and overcome any obstacles and ensure there's no bad blood between organisations. If things go wrong, issues may be caused for your organisation and others. It's hard to predict reactions when a party feels let down, therefore, try to ensure a parting on good terms. A confidentiality clause will help prevent negative press.
- **Intellectual property should be protected.** Do you need to have an agreement in place about what information and ideas are not for replication by others? Are patents in place for your own ideas that need protecting?
- **Consider governing documents and charitable objects**. Do your objects match those of the supportive organisation, if not will this affect the output able to be put in place by any partner?
- **Regulatory bodies** may have a view of work that goes into an organisations relationship. E.g. if a registered charity collaborates with a not for profit organisation and the resources given don't justify the charitable gain, then the charity commission may investigate the workings of this arrangement.

What are useful connections?

Organisations who enter relationships should ensure there is a give and take:

- **Infrastructure support organisations** may be approached to source specific and tailored support.
- **Organisations with similar missions or similar beneficiaries** may be approached to better working practice through sharing techniques and resources.
- **Local authorities** may be approached to identify what is happening in the community at large and to best implement tactics to compliment what is already available to meet a charitable need.

How to begin the connections?

You may approach an organisation / your organisation may be approached. To decide if this is a useful contact:

- **Look at the organisation platform** e.g. media coverage (of mission and reputation) to decide if this the type of organisation to become involved with.
- **When thinking about partnerships** why not try a test enquiry before making the initial approach? This will give first-hand experience of what the organisation does and if there is a gap for you to work together.
- **Use a representative to build a rapport**. This will help to instil confidence before forming any agreements or vies versa remove confidence and allow you to put a stop to entering an agreement before it is too late.
- **Risk assess** all relevant variables such as health and safety, the people involved and assets etcetera.
- **When sharing income or expenditure is a factor, then negotiate** to get a favourable deal e.g. on the share of income, who will pay tax and bills. Also make terms in writing based on negotiations.
- **Agree conditions** on the specific type of organisation relationship.
- **If a partnership is formed,** name it report this to HMRC and any other applicable governing bodies.

Is the relationship proving to be beneficial for your VCS?

Once any relationship begins, be vigilant to the mechanics:

- Does the give and take ratio look fair and is it to agreement / up to standard?
- Are there any unforeseen risks?
- Is the relationship proving to be helpful or a drain on resources?

How to move forward?

When your organisation relationship progresses, remain vigilant to the quality of output, this may involve feedback, questionnaires, efficiency and other sources of quality identifiers:

- Determine what is working well and continue these practices.
- Determine what is not working well and if this can this be easily fixed.
- Take note of the key representatives. By identifying the person who offers the most useful support it's possible to try to build this working relationship / instil loyalty. Keep at least one other person on par in case of staff changes.
- Show respective logos / support in publications to make partners feel valued / identifiable and build trust.
- Ensure the parties assigned do follow reporting regulations, fulfil agreements and allow for transparency. This will help to assure your project remains compliant and allowed to continue.

Ending a poor business relationship

Business relationships require work, although with all the best intentions things can go wrong. If this happens:

- Try to fix problems with varied approaches e.g. by training or changing team members, swapping resources or other innovative ideas. When this fails it may be time to end the relationship.
- Is there strain on resources outweighing the benefit? If so it may be time to cut the losses and try something new.
- Try to keep a good rapport on endings, reducing the chance of repercussions. Future support may present.
- Offer feedback to allow negativities to be identified and hopefully fixed.
- Are there debts / breach of agreement to consider? If unable to resolve breach independently, seek legal advice.
- Who is liable for partnership initiated work that may result in future liability issues? This is something that should have been in the initial agreement and organisations should stand to the agreed terms in the future.
- Never play the blame game, this is detrimental to growth and prevents identification of your own faults.

Is there support or guidance available?

- Gov.uk website to form a partnership - https://www.gov.uk/set-up-business-partnership
- Spectrum futures for back of office support - http://spectrumfutures.co.uk/
- To see a directory of groups in Rotherham - http://www.rotherhamgismo.org.uk/
- Rotherham Pay it Forward for peer support - https://www.varotherham.org.uk/rotherham-pay-it-forward/