

# PARTNERSHIP STRATEGY

January 2018



## ACRONYMS

AOP:	Annual Operating Plan
AOPB:	Annual Operating Plan and Budget
ASEAN:	Association of Southeast Asian Nations
BSC:	Balanced Scorecard
CBO:	Community Based Organization
CSO:	Civil Society Organization
CSP:	Country Strategic Plan
CO:	Country Office
ECOWAS:	Economic Community of West African States
FBO:	Faith Based Organization
INGO:	International Non-Governmental Organization
IO:	International Office
LOA:	Letter of Agreement
LS:	Life Stage
MOU:	Memorandum of Understanding
NFM:	New Funding Model
NGO:	Non-Governmental Organization
OAS:	Organization of American States
PDD:	Project Design Document
SAARC:	South Asian Association for Regional Cooperation
SADC:	Southern African Development Community
UN:	United Nations

## INTRODUCTION

ChildFund’s ability to be an international force for greater development effectiveness and accountability is reliant on the quality of our programming interventions, strength and influence of our advocacy efforts, and our continued uniqueness in working with and through Partners at all levels. We believe that by acting in partnership we can achieve long-term sustainability of social impact and programs and have a multiplier effect on society—reaching marginalized and vulnerable children directly, but also involving parents and other civil society actors and organizations who are responsible for child development and upholding child rights. Working with one or a combination of Partners, communities can respond in locally relevant ways to the challenges of growing up poor, and this contextualization of ChildFund’s programming maximizes our impact.

Since 2009, ChildFund’s Global Strategy has focused on building a strong core program. Experience has shown us, however, that to achieve a strong core program, Partner intentions must be supportive of ChildFund’s core intent & core outcomes, and Partners must be able to design and implement, and/or contribute to programs that meet an acceptable standard of program quality. At the same time, ChildFund needs to be nimble and responsive to a variety of types of Partnerships, and to be clear about what value it brings to its relationships.

## WHY A STRATEGY UPDATE

Since the 2014 launch of the existing partnership strategy, we’ve made progress on a number of fronts: 1) issued a New Funding Model (NFM) which enables Country Offices to exercise their authority in determining how much to fund Partners, 2) conducted in depth local partner 5C capacity assessment study; 3) updated the Letter of Agreement (LOA) that brings greater focus to partner performance; 4) began the process of developing Program Models as a set of “technical packages” that will help us to realize consistent quality at scale more effectively and efficiently; 5) initiated the creation of Country Program Strategies; 6) initiated the Balanced Scorecard (BSC) measurement with definitions and indicators for strong partners; and 7) conducted a BSC strong partner assessment.

These measures, though not an exhaustive list, were intended to assist ChildFund address new realities—less funding (subsidy has dropped by 30% over the past 5 years); INGO’s facing a more restrictive funding and regulatory environment, while at the same time, the number and strength of “local” NGO’s is increasing in a large number of countries; our belief that partners are able to give voice to priority issues influence others, are able to leverage other resources, and sustain efforts over the long-term; and the role of “local” organizations—especially strong ones—will continue to grow.



The Partnership Strategy update is a deliberate effort to further align, strengthen and evolve our partnerships in supporting [Destination 2020](#), and its [Balanced Scorecard \(BSC\)](#) . It is not intended to replace our practice of working with local partners, rather it addresses the necessity to make more progress toward our core intent & core outcomes, to sharpen our evolving identity, and give us a competitive edge as an INGO in the current international development landscape. It puts forth a vision

of partnership as a driving and defining force that makes ChildFund more impactful and compelling, with greater clarity of purpose for when, how, with whom, and to what end we partner. It helps us make a shift from our current one-partner-at-a-time focus toward the building of, and working with, a strong Partner Portfolio based on mutually defined and shared aspirations, and rooted in ChildFund’s core intent & core outcomes.

## THE VISION

Our aspiration is that ChildFund becomes a preferred INGO working with a portfolio of strong and strategic Partners that are a visible and powerful force, capable of delivering a core set of child development-focused programs at the very local level, while contributing to broader efforts to advocate with and on behalf of children’s development, rights, and protection at national, regional, and global levels. To do so, we require [strong partners](#), thereby creating a strong portfolio of partners, and the Partnership Strategy puts forward a vision for this future; a vision that allows us to gain a competitive edge by harnessing our relationships with Partners, giving ChildFund access to marginalized and vulnerable populations during both normal times and disasters; expanding our geographic reach; co-creating innovations; legitimizing and deepening our advocacy efforts; increasing the value for money of our program delivery models; and positioning us to acquire increased grants and other funding from foreign and local donors.

A strong, fit-for-purpose, and purpose driven, portfolio of partners will demonstrate ChildFund’s value add and provide us with a competitive edge. It should be developed and nurtured utilizing a strategic partnering approach that supports the fulfillment of Country, Regional, or Organizational-level strategies. This approach focuses on long term programmatic objectives; bases partnering decisions on an analysis of contributions to achieving a shared mission, purpose, goals or objectives; links to outcomes; and requires compatible organizational values and mission.

The portfolio of partners will, in turn, leverage a key asset of ChildFund – that we work with strong partners in long-term relationships—into a credible external reputation. Members of the partner portfolio will have a clear role in meeting strategic objectives and be able to meet program, management, and governance standards that make them strong, elevates ChildFund’s brand, raises their profiles, and increases opportunities.

## GOALS & OBJECTIVES OF PARTNERSHIP STRATEGY

To achieve this desired future state, ChildFund must find a way to more effectively leverage our vast partner base. This brings us to our **Strategic Goal: To achieve a competitive advantage by leveraging ChildFund’s portfolio of partnerships, differentiating ChildFund from our peers, and catalyzing impact to broaden our reach, and deepen our well-being, protection, and advocacy interventions for children.**

This requires us to de-emphasize ‘building a network’ and focus on strengthening our portfolio of partners, diversifying our partner base, innovating and developing partnering models that increase our impact, and assuring our current and new partners are strategically a good fit to assure programmatic excellence and positive impact for children. A Strong Partner Portfolio will:

### **Leverage**

- Be comprised of a strategic, fit-for-purpose, mix of partnerships that demonstrate ability to address relevant and timely child, family, and community needs

- Be appropriately structured and resourced to meet the program, administrative, and sponsorship requirements
- Have the optimal balance of funding in program and program support
- Have a community and national infrastructure able to increase efficiency of sponsorship care and program & sponsorship integration
- Demonstrate value for money that surpasses our peers and attract donor interest and new investment

### ***Differentiate***

- Have the quality of partnerships that can demonstrate progress against M&E standards
- Reach its desired impact group as defined by its strategies in prioritized geographic areas
- Align partners' interventions and specializations with one another and ChildFund to realize scale
- Spearhead our Disaster Risk Reduction, especially through youth and community led approaches and act as frontline to launch our emergency responses

### ***Catalyze***

- Have the set of stakeholder, network, and donor relationships to advance social impact and advocacy objectives at local, national, regional and international levels
- Aggregate knowledge and support learning by generating and disseminating evidence
- Showcase technical packages and delivery models that increase interest and investments in effective programming
- Maximize our linkages with civil society and government at various levels

The Partnership Strategy contains three outcome goals:

**Outcome Goal 1: Partnership portfolios are able to *leverage* by being strategically developed, sufficiently resourced, efficiently managed, and demonstrating value for money.**

#### **Objective 1.1: Partnerships and partnership portfolio is developed with strategic intent**

What is strategic partnering? “Strategic alliances are critical elements to many business strategies. No organization can do everything, so alliances become powerful means of enriching the solutions and value we provide our customers, improving our access to new markets and customers, and growing our own knowledge, capabilities, and companies. We can extend our core competencies through entering into relationships with organizations that have capabilities that complement ours.”<sup>1</sup>

Strategic partnering relations are therefore carefully calculated relationships developed between businesses, organizations or individuals that involve working with each other toward a collective goal. As we develop our strategic partnerships we need to consider 1) What types of partnership make most sense for ChildFund; 2) How ChildFund can use partnerships to enhance programmatic and emergency response effectiveness; 3) How ChildFund can use partnerships to grow efficiently; 4) How to best market ChildFund to potential partners; and 5) Which local, national, regional and international partners to target.

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<sup>1</sup> *Creating Effective Strategic Partnerships* by Dave Brock (Partners in EXCELLENCE, 1999)

As we do this we must consider that effective partnerships are a combination of the following factors:

- Shared Risk: Each partner bears a fair and appropriate share of the risk in the alliance. No partner has a disproportionate level of risk;
- Shared Resources: Each partner commits an appropriate proportion of the resources, whether they are capital, people, knowledge, technology or other;
- Shared Rewards: Each partner shares appropriately in the rewards, the partners work together to create mutual wins;
- Shared Vision: The partners share a common view of the objectives, results and outcomes of the alliance. They share a common vision of the importance of the relationship;
- Shared Values and/or Interests: They share common value systems and complementary cultures. This shared value system is the bedrock of the relationship, providing the means, motivation and commitment to resolve problems with the relationship and growing the relationship.<sup>2</sup>

Strategic partnerships can come in many forms—Cooperation, Collaboration, Official/Formal Agreements—and partners will usually play one or more of the following roles: implementing partner, intellectual partner, technical partner, leveraging partner, and funding partner. Given the varying possible roles, our partners can include a vast array of types: Governments; Regional bodies (ASEAN, ECOWAS, OAS, SAARC, SADC); Local NGOs, CBOs, FBOs, and other CSOs; Academic institutions and think tanks; International NGOs and technical services firms; Consortia; National, regional, and global coalitions; Corporate partners; Donors (governments, foundations, etc.); UN Bodies; Multilaterals, etc.

What is important to remember when assessing a current partner for strategic fit, or a new potential partner, is to begin with the end in mind, i.e. start with an exit strategy. In short, Strategic Partnering does not:

- Focus only on short term objectives
- Base partnering decisions on convenience or habit without analysis
- Define success solely by outputs
- Require shared organizational objectives and values

Rather, Strategic Partnering does:

- Focus on long term objectives
- Base partnering decisions on an analysis of partners' contribution to mission, project purpose, goals or objectives
- Link to outcomes
- Require compatible organizational objectives and values

Annex A gives an illustrative view of the strategic partnering approach that a Country Office (CO) can use as they develop their partner strategies and identify potential new partners.

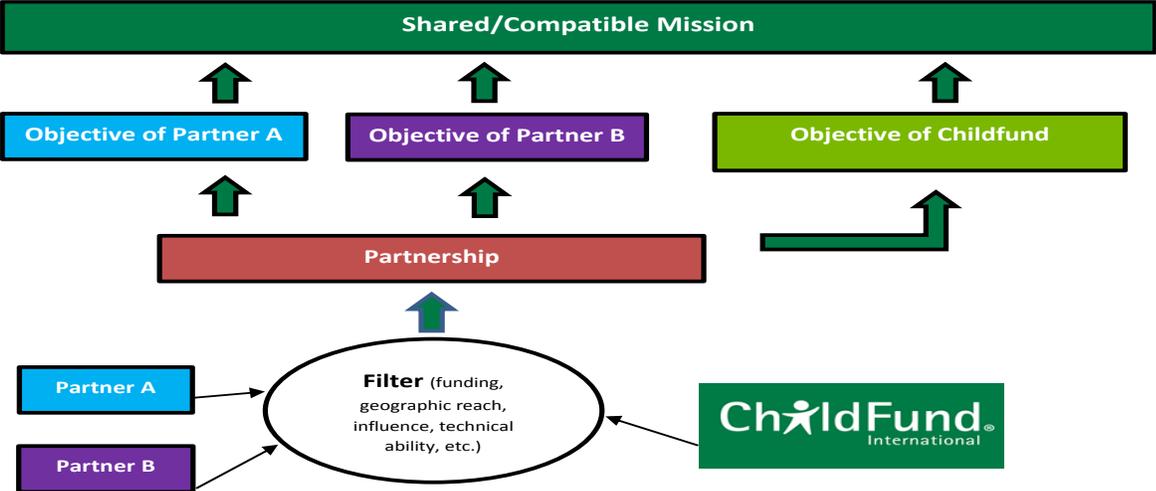
When identifying new potential partners or during a regular review of our current partners for assuring strategic fit (during the approval process of their [Project Design Document \[PDD\]](#) and Annual Operating Plan and Budget [AOPB] for example), we must use a set of criteria, or filter. Using a 'filter' approach allows both the partner or potential partner and ChildFund to analyze several aspects of the potential partnership (financial, geographic presence, technical expertise,

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<sup>2</sup> Ibid.

implementation roles, ability to leverage outside funds, etc.) to assure their respective objectives can be met and the anticipated results support the shared mission. Using this approach also puts expectations and roles in the forefront and could reduce tension later in the relationship if issues arise. **Diagram 1** is illustrative of the filter process that a CO might use with their partner and potential new partners.

**Diagram 1: Build Effective Partnering Relationship**



**Objective 1.2: Partners within the Partnership Portfolio are appropriately resourced according to their role, activities, and performance**

Globally, 50% our partners receive more than 90% of their funding from ChildFund. This unbalanced reliance is a threat to their sustainability and could hinder the development of a strong and strategic Partner Portfolio as new partners with different and complementary roles and capacities may be brought in. With the introduction of the [New Funding Model \(NFM\)](#) in FY 2017, ChildFund COs gained the ability to incentivize and support high performing partnerships, to allocate available funding to where it has the most impact, where the efficiencies are best, where performance is best, and to partners that can best show their contribution to the mission, project purpose, goals or objectives.

To this end, and considering the basics of ‘strategic partnering’, COs should be allocating funding based on a combination of the role the partner plays in the portfolio (What do they provide? What do they do? etc.), other funding and opportunities they may have to leverage, their performance meeting administrative and programmatic objectives and if relevant, their intended response to an emergency, or child enrollment numbers.

Currently it is expected that partners submit a PDD covering a set number of years, outlining their intended activities per [Life Stage \(LS\)](#) and a detailed budget, that gets approved and codified in a [Letter of Agreement \(LOA\)](#). Though the documentation may be different depending upon the type of partner and what role they play within the portfolio, this process should be followed by any partner with a role in the activities of the CO\*. When submitted by a partner, the CO should review the PDD as would a donor reviewing a proposal. If there are clear activities, aligned outputs and outcomes, and a detailed budget, it is easier for the CO to regularly measure performance and assist the

partner adjust their activities throughout the life of the proposal. This ability to adjust the activities, outcomes, and budgets is particularly important during emergency response activities, or if the partner is long term and the children being supported are transiting through different LS.

*\*The PDD and LOA is currently used for a traditional implementing partner. Other types of partnerships-technical, service provision, etc., will likely use different documentation e.g. MOU, contract, etc. assuring their roles and activities are formalized, and an agreement is signed. Once these documentation templates are agreed upon and finalized, they will be shared with the COs.*

### Objective 1.3: Partnership portfolio is strong, efficiently managed, and demonstrates value for money

As previously stated, we want to work with a strong portfolio of partners. While a [strong partner](#) is defined as one that meets or surpasses ChildFund’s minimum standards for compliance, governance, strategy and programming; a strong portfolio of partners is one that leverages resources, differentiates ChildFund within the marketplace, and catalyzes impact.

In other words, to have a strong partnership portfolio we must first have strong partners, each with a clear and appropriate role. However, not every partner needs to be strong in all capacity areas—specialization in terms of technical capability, advocacy, emergency response, and grant acquisition, for example, enhances the value of a portfolio. What is key, is that the CO identifies and supports the strategic role of each. Showing value for money will require strong partners in their respective activities. By highlighting and supporting the partners’ role in the portfolio, and allowing them to focus on their specific specialty, efficiencies can be created, impact can be enhanced, and the portfolio can begin to illustrate value for money.



Determining the strength of our partners is often no easy feat. Along with the monthly or quarterly performance assessments of our partners used to apply NFM decisions, we also conduct partner strength assessments. The

Department of Assurance conducts one for assessing risk, while in FY 2017, the International Office (IO) developed and initiated the first formalized [BSC Strong Partner Assessment](#) conducted by the CO and their partners in line with the BSC indicators and processes.

These two assessments—Assurance and BSC, measure two different concepts and the CO must be cognizant of that fact in developing their plan of action in the case of either assessment indicating that partners are weak or high risk. Though certain components of the assurance partner survey are included in the BSC partner survey, the assurance survey measures risk from an audit and compliance standpoint. A partner’s risk level does not necessarily directly correlate to their overall strength in achieving their objectives or fulfilling their role in the partner portfolio.

This IO developed assessment, as well as future assessments is intended to assist the CO classify partners, their areas of strengths and weaknesses, and develop a plan of action for moving forward to build the strong portfolio. Generally speaking, COs have limited options with respect to weak or

high-risk partners. Once weaknesses are identified, the CO can either implement targeted capacity building activities or work toward re-constituting their partner portfolio.

If funds and/or skills are available or can be identified, including the appropriate use of the [Partner Effectiveness Fund \(PEF\)](#), for the capacity development of partners, the CO should review the results of the particular partner assessment and target interventions that will have a measurable impact on their strength. COs can utilize the [Local Partner Capacity Development Plan guidance](#) developed in 2015 to assist them respond to the 5C assessments done with partners.

The other option—reconstituting their partner portfolio gives the CO greater leeway albeit an often more complex road to success. This option allows the CO to consolidate and re-balance the partner portfolio—pruning, merging, and changing partners, as appropriate. The CO may decide to terminate partner relationships, merge partners, or augment the portfolio with partners who might assist the CO more effectively reach program, advocacy and fundraising objectives. The CO may want to review the [Guidance to Address High Risk Local Partners in Country Offices](#) to assist them decide on a path forward. **Annex B** illustrates a sampling of various partner models that COs may want to consider if reconstituting their portfolio is a desired option, and appropriate strong partners are available.

**Outcome Goal 2: ChildFund and its partners *differentiate* from our peers by delivering consistent program value to deprived, excluded and vulnerable impact groups, in prioritized geographic areas, at scale.**

**Objective 2.1: Partner program interventions meet or surpass ChildFund programmatic standards**

If leveraging strategic partners in a strong Partner Portfolios is the approach ChildFund has chosen to use to gain the competitive edge in our field, our programs are the product. ChildFund programmatic standards for intervention include but are not limited to following technical standards—aligning to program strategies, meeting M&E thresholds and standards, and demonstrating program principles in action.

ChildFund programming is based on our [Life Stage Theories of Change](#), which is ChildFund’s hypothesis about how we expect change will happen in the world. Our dual purpose, or core intent, is to help deprived, excluded and vulnerable children improve their lives and become adults who bring positive change to their communities, and to promote societies that value, protect and advance the worth and rights of children. The outcomes we seek as ChildFund center upon children’s optimum development at each stage of their lives. We work with and for children across the continuum of their first decades of life, but our Life Stage approach helps us tailor our interventions to the different developmental needs of children as they progress from infancy through young adulthood, rather than



disconnected individual thematic activities. In each of the three LS, our programs aim for the healthiest development of the whole child at the center of his/her physical and social

environment, and comprehensively consider his/her needs, rights, and capabilities. Each LS is composed of proposed individual pathways which are evidence based interventions designed to assist us and our partners identify appropriate programmatic interventions to have positive impact on lives of children.

Our programming interventions are intended to be guided by [Program Models](#), which is one way that Child Fund operationalizes a program strategy. Program Models articulate an approach to our work that is guided by our theories of change and assists us to operationalize by outlining how we work, with whom we work, and how we will ensure quality programming that delivers outcomes with and for children. A Program Model seeks to deliver outcomes in multiple, linked pathways, using a child protection lens, over a specified time period, for a specific impact group. Program Models are developed in response to Life Stage Program Strategies, where impact groups, key contextual issues for those groups, and opportunities for ChildFund and partners' actions are identified. A Country Strategic Plan (CSP) will support the development and implementation of Program Models through affirming priorities and allocating resources toward testing and developing the Model. COs implementing Program Models should use the Model as the basis for Partners' project designs and AOPBs, and should allocate subsidy and PEF in ways that enable the successful implementation of the Model.



It is our intent that ChildFund's monitoring, evaluation and learning systems generate evidence of effectiveness, spread learning,

and catalyze social change. As such, ChildFund's approach uses a common set of minimum M&E requirements. We focus on our overall program, using common, global universal minimum set of indicators for all COs; measure 3 core "levels" - basic accountability, core program/program quality, program effectiveness; support common data collection, storage, aggregation, analysis and learning processes across partners, Country Offices and at Regional & Global levels; focus on improving management practices to inform decision-making to enable core outcomes for deprived, excluded and vulnerable children; emphasize learning and reflection; and codify the types of accountability, core program/program quality and effectiveness data that is tracked globally.

**Objective 2.2: Partner programmatic interventions target the right beneficiaries in the appropriate Life Stage levels, and are sufficiently resourced to meet their goals and objectives**

Providing appropriate interventions at the appropriate time in a child's life at a reasonable cost are keys to success and assurance for having impact. The heavy reliance on Sponsorship funding and the vital importance of the sponsor experience for retaining long term donors, adds numerous complexities to a CO Strategy development and Partnership Portfolio building. As our program activities are based on LS, and children grow older each year, the visioning and flexibility of adapting our program interventions and partners becomes evident.

As such, the CO needs partners who can fulfill the programmatic needs of children in the appropriate LS, and have a plan for adapting those activities dependent on the % of the children in each LS

cohort over time. During emergencies, ChildFund’s partnership portfolio will enable rapid assessments and timely interventions focused on children’s needs in affected communities; and expansion of ChildFund’s response activities to new areas if resources permit and child protection risks are not addressed adequately by other actors.

As previously mentioned, not every partner needs to be strong in all capacity areas, in this case LS, however, the CO should have relevant partners within their portfolio that there are no gaps, therefore creating a holistic and comprehensive approach to programming. This will entail the need for a regular review of not only the partner performance, but their overall role and strategic fit. The CO will also need to take a systematic and analytical approach to allocating the budget available. A partner’s intervention activities, cost of doing business, and performance, to name a few, should all be taken into consideration.

**Outcome Goal 3: ChildFund *catalyzes* impact by increasingly working with and attracting strong partners and investments that spread effective programming and advocacy for social change at local, national, and global levels.**

**Objective 3.1: ChildFund staff assume an active role in country, regional, and international level networks that allow us to highlight our work and advance our mission and purpose**

ChildFund seeks to be a recognized and respected Child Development INGO working through a Child Protection lens. Though the impactful programs and strong partner portfolio are foundations of success, visibility and communication is key. Without recognition, which we can only get through increasing our visibility and sharing our successes, our organization and network of partners risks stagnating and becoming irrelevant.

Networking and highlighting our work is vital. Nearly every country where ChildFund is present, including the USA, has NGO networks and/or technical working groups led by NGOs, Government, Donors, etc. These coordination structures usually meet regularly and respond current needs in programming, advocacy, etc., and are particularly active during emergency situations, where ChildFund can play a critical role ensuring that response planning includes Child Protection needs. ChildFund needs a seat and a voice at the table, and only ChildFund staff and our partners can adequately represent us there.



Experience has shown however, that just being present is often not enough. It is ChildFund’s expectation that staff and our partners will take an active role in networks and/or working groups. What does ‘active’ mean? It means participating, volunteering to lead a group, lead the network, volunteer to be Chair, Vice Chair, Secretary, or another role. It could mean hosting meetings, offering your office space to be used by others, all the while sharing our successes by attending workshops, conferences, and other forum, and proactively participating—asking relevant questions, providing insight, and highlighting our work, particularly around Child Development and Child Protection.

### Objective 3.2: ChildFund and its partners attract new investments

As visibility and knowledge about ChildFund and our successes increases, opportunities are likely to follow suit. Strong programming which delivers on promised outcomes is critical for resource mobilization.

Just as important, due to ChildFund's operating model, will be the composition and performance of our partner portfolios, and our readiness and willingness to act on new opportunities. As COs structure or restructure their partner portfolio, or roles within it, it is important to keep in mind that we need partnering models that increase our impact in Child Protection and well-being; that allow us to assemble voices of young people, parents, and local actors, to enlighten about the issues that aren't being addressed, and advocating about investing in bringing solutions to those marginalized places where we work; that empower partners to access in-country resources that they can more readily access than us; and partners who can experiment with us and help create a flexible way of spurring innovation, attracting grants, maximizing the impact of sponsorship funds, and accrue learning.

COs should be in constant preparation stage for the next funding opportunity that fits our partner portfolio and programming strategies, be they normal development activities or preparation for emergency response, and be setting the groundwork to pursue. This could mean preemptively establishing teaming agreements, identifying consortia members, developing off-the-shelf proposal outlines, anticipating emergency response needs, and getting insight on upcoming opportunities before they are released. Ultimately it is our knowledge, products, operating models, efficiency, and readiness that will give ChildFund the competitive edge.

## **BUSINESS IMPLICATIONS AND RISKS**

The Partnership Strategy is intended to be cost neutral to our business model, for the remainder of current Destination 2020 Strategy. It includes a continuing investment from strategic funds, PEF, and working fund, yet will have business implications in the way that we operate; including resource flows and the internal controls environment, our people and culture, direct line management, leadership structures, and our organizational governance. Achieving the vision laid forth in the Strategy will require careful planning within each division, as well as consideration of the linkages across divisions, so that we are all moving in the same direction. **Annex C** highlights some initial implications of the Strategy for divisions within ChildFund. We believe that not acting poses the greatest risk to our business model, but there are also risks associated with the proposed actions. **Annex D** lists a sampling of assumptions and risks inherent in the Strategy, as well as how each risk could be mitigated. Both Annexes will be updated as implications of applying the Strategy become evident.

## **CONCLUSION**

The Partnership Strategy focusses on positioning ChildFund as a preferred Child Development and Protection INGO by working with and through a strong portfolio of partners toward the achievement of our core intent & core outcomes, and in a continued trend toward greater development effectiveness and accountability. This implies not only that ChildFund will provide increased value to our Partners, and Partners to ChildFund, but that together our portfolio will reach shared goals and objectives for children, families, communities, and civil society in ever more efficient and effective ways.

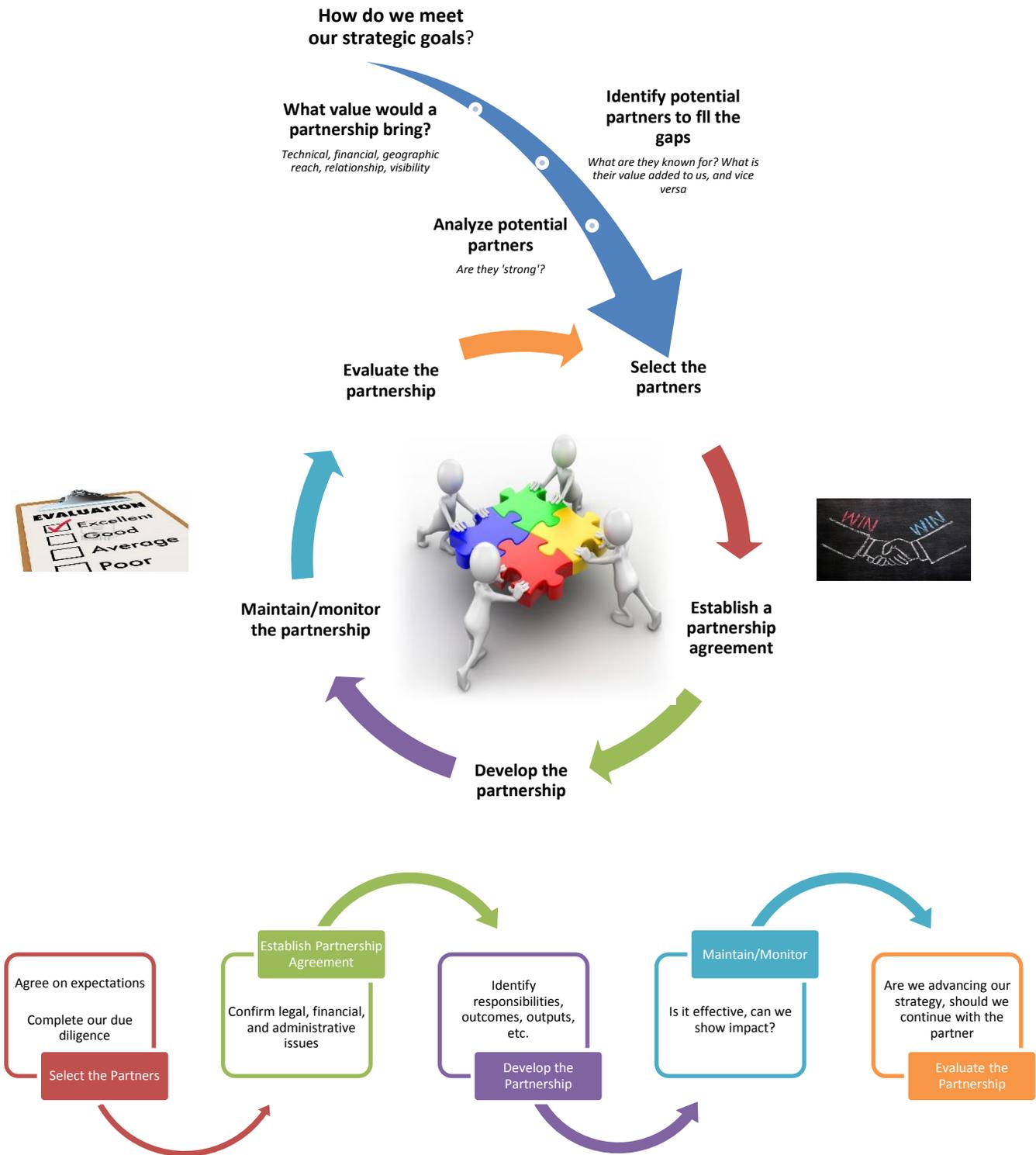
Central to the Partnership Strategy is the creation of a strategically developed, fit-for-purpose portfolio of strong partners that will enable ChildFund to gain a competitive edge by harnessing our relationships with Partners, giving ChildFund access to marginalized and vulnerable populations during both normal times and disasters; expanding our geographic reach; co-creating innovations; legitimizing and deepening our advocacy efforts; increasing the value for money of our program delivery models; and positioning us to acquire increased grants and other funding from foreign and local donors.

Through meeting each of the three outcome goals in the Partnership Strategy, some transformations that we will see are:

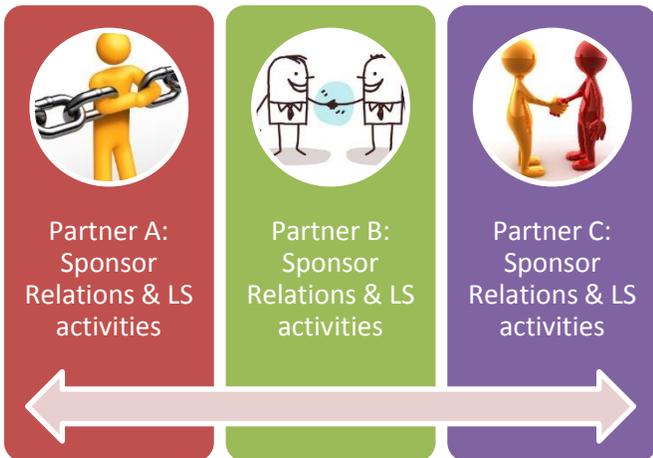
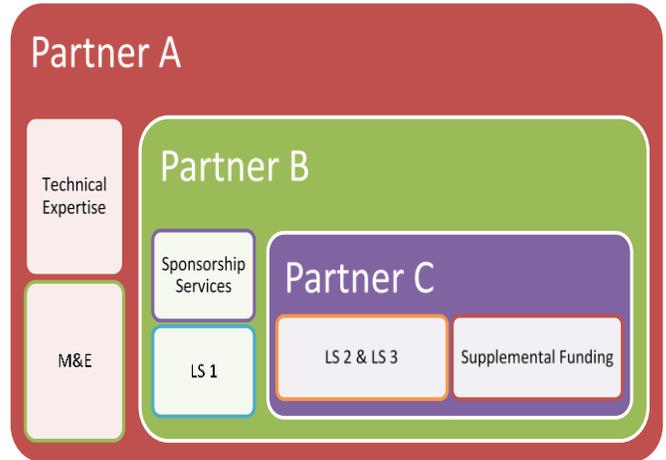
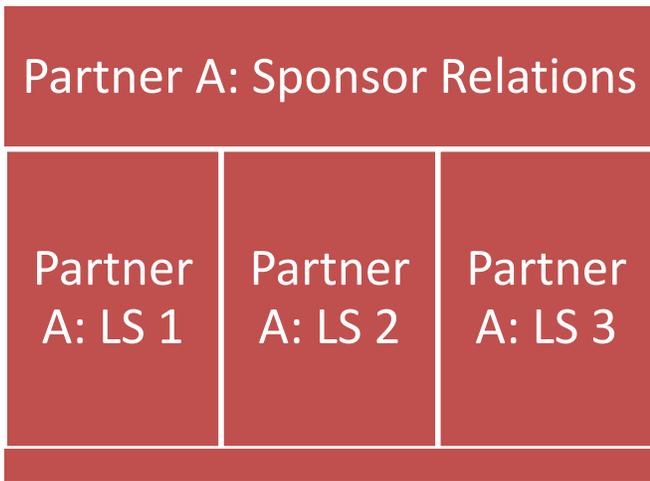
- COs working with and within innovative, well managed, and efficient fit-for-purpose, and purpose driven Partnership Portfolios that meet relevant community needs and attract new investment;
- Relevant and timely programmatic interventions at scale, consistently surpassing industry standards for quality;
- ChildFund being increasingly recognized at local, national, regional and global levels as a leader in Child Development and Protection.



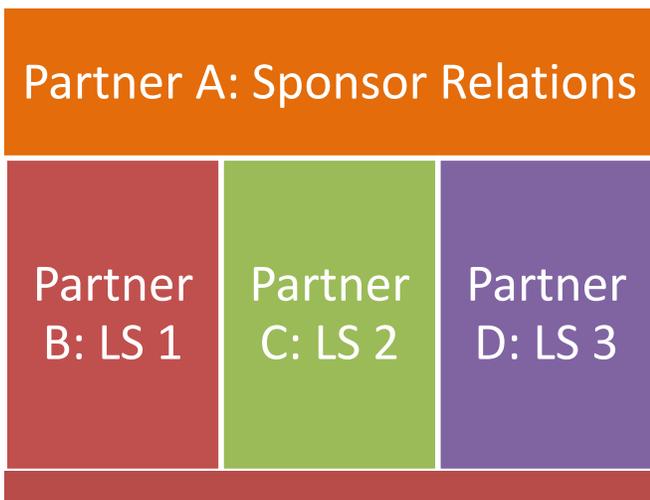
# ANNEX A: STRATEGIC PARTNERING APPROACH



## ANNEX B: EXAMPLES OF PARTNER PORTFOLIO MODELS



### Partner A: LS 1



### Partner A: Supplemental Funding



## ANNEX C: BUSINESS IMPLICATIONS BY DIVISION

Initial implications are identified as follows:

Division	Implications
Program	<ul style="list-style-type: none"> <li>Partner performance measured regularly, results aggregated, and information on health of the partner portfolio monitored and disseminated</li> <li>Leadership in setting direction in Child Development, Protection and I advocacy efforts</li> <li>Need for increased resources, through grants, to fund partnership innovations; creation of synergies across a variety partners (sponsorship, grants, advocacy)</li> <li>Incentivize Partners' meeting of program standards and performance criteria</li> <li>Provide options and capacity building &amp; learning tools for staff to engage with those Partners deemed to be appropriate with respect to their own organizational development</li> <li>Incentivize Partners' meeting of sponsorship standards and performance criteria</li> </ul>
Finance & Operations	<ul style="list-style-type: none"> <li>Monitor legal risk associated with the Letter of Agreement (LOA), respond to challenges requiring legal counsel, and support the development of new types of legal agreements with new types of partners</li> <li>Increased options to improve and enhance performance management of partners</li> </ul>
Fundraising and Engagement	<ul style="list-style-type: none"> <li>Minimize revenue loss, when ChildFund wants to terminate and/or if partners are unwilling or unable to meet performance and program standards</li> <li>Provide consultation on revised sponsorship structure, staffing &amp; processes as appropriate</li> <li>Sponsor Portal populated with content by and about Local Partners</li> <li>Educate sponsors about role, importance &amp; risk of working with Partners when appropriate</li> </ul>
Global Human Resources	<ul style="list-style-type: none"> <li>Potential for restructured or new positions dedicated to partnership development, capacity, and support</li> <li>Define, and help to build, core &amp; job-specific skills and competencies for healthy partnering relationships</li> <li>Change management, including determining with business holders the type and quality of support needed to realize the Strategy</li> </ul>
Information Technology	<ul style="list-style-type: none"> <li>Support COs with data management needs with respect to portfolio management of partners</li> </ul>
Alliance Relations	<ul style="list-style-type: none"> <li>Explore implications of Local Partner Strategy, and future alliance/federation options and programming</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>Support execution capability at portfolio, program, and project management levels, as well as across the five critical requirements (talent, change management, agile business systems, supportive tools and technologies, and accountability system)</li> </ul>

## ANNEX D: ASSUMPTIONS AND RISKS

*The Partnership Strategy comes with a set of assumptions and risks, some of which are as follows:*

Assumptions	Risks
Civil society organizations will continue to flourish, enabled by a global movement toward greater development effectiveness and accountability, thereby elevating further the potential role of National Organizations and setting higher expectations that both INGOs — such as ChildFund — and their Partners will be required to meet.	The movement toward greater development effectiveness and accountability is exaggerated. The return on investment will be low.  <b>How Mitigated:</b> <i>Demonstrate that there is value for money in our operating model and programmatic investments.</i>
In the longer term, we will face greater competition for identifying and securing new “strong” partners, especially as our programming and advocacy aspirations grow, increasing donor interest is supporting local organizations and consortia, and growing restrictions on civil society’s advocacy space in many of the countries in which we operate	We cannot develop appropriate incentives to attract and retain new partners.  <b>How Mitigated:</b> <i>Broaden the types and mechanisms of working with partners</i>
ChildFund has a long-term interest in aggregation of the voices of children and communities for advocacy purposes, and our interests are not confined to the transactional fulfillment of a sponsorship commitment, one child at a time or one Partner at a time.	Partners and/or ChildFund will not have the capacity to carry the weight of program expectations, and therefore the partner portfolio won’t fulfill expectations associated with leveraging our size or bringing scale to our impact.  <b>How Mitigated:</b> <i>Invest in the execution capability of frontline staff in order to achieve the goals of the network.</i>
ChildFund and Partners will be able to evolve together from largely transactional, one-to-one relationships to relationships that are defined by common goals, and where self-interests are not only satisfied but magnified by our collective results.	The habits of the past are too ingrained for the relationship to evolve— and if the building of a strong portfolio will not resolve these issues, we will not get any closer to a strong core program.  <b>How Mitigated:</b> <i>Focus efforts on high capacity partners, and create incentives for other partners to want to bring their own capacity up to the level of the high performers.</i>
ChildFund will be able to identify and put in place the core and job- specific competencies that it requires to support high Partner performance, within the constraints of our funding and operating models.	Our change management abilities will not be up to the task; the required delicate balance between relational competencies and stronger performance management of partners will not be achieved, and partner satisfaction with ChildFund will decline.  <b>How Mitigated:</b> <i>Assure Program and Global Human Resources linkages exist</i>
As ChildFund seeks more cost-effective models to achieve the same level of results for children, we will be able to consistently deliver sustained growth in grants and contributions, combined with relative stability in sponsorship funding, so that we have the required levels of unrestricted money needed to innovate and invest in this transformation.	Due to limited growth or stagnation, ChildFund’s unrestricted funding base will not keep pace with the investments needed to revolutionize our partnering arrangements.  <b>How Mitigated:</b> <i>Continued investment in basic GAM function, but also deliberately pursue institutional grants specifically focused on local civil society, child protection, child development, advocacy, etc.</i>
Ending relationships with long-standing traditional partners may carry reputational risks and affect relationships with enrolled children, families & communities; create disruption of personal relationships between CO and partners and/or between the CO and communities, as well as affecting sponsored child quotas	ChildFund reputation takes a negative hit with in-country partners government, and Donors, and Sponsors satisfaction is negatively impacted.  <b>How Mitigated:</b> <i>Throughout transition processes we need to communicate regularly and continue to keep our focus on our commitment to change and our aspirations for improving children’s lives as the driver for changing relationships.</i>

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**January 2018**