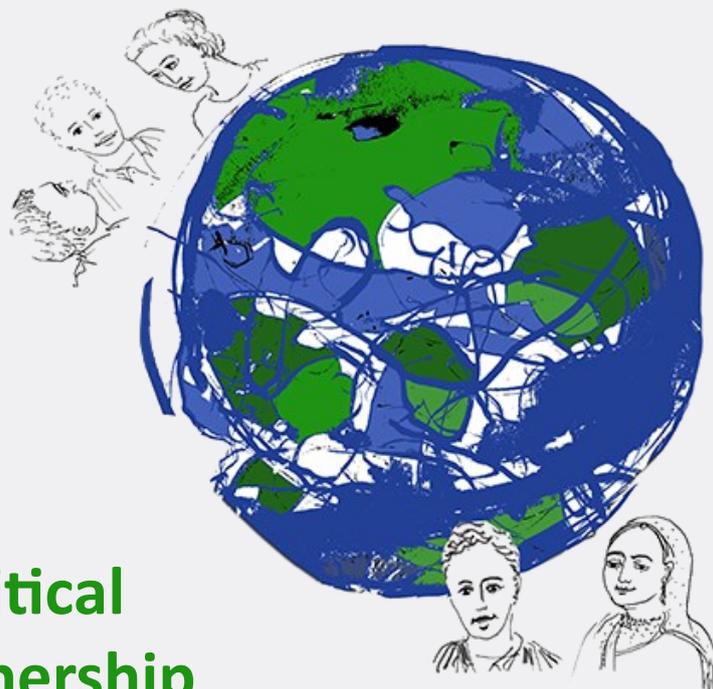


# STORIES FROM PRACTICE

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## Why managing trust is critical in a donor-recipient partnership

The term partnership is often used to describe donor-recipient relationships in the humanitarian and development sector. However, few of these relationships actually represent a partnership with equal relations between donors and recipients. To promote empowerment of local organisations and locally driven social change, equality is an important key. This paper explores the importance of establishing and managing trust in partnerships to raise equality, and how partnership brokers can re-shape donor-recipient partnerships to enable organisations and individuals to maximise the impact of their partnering work.

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# Why managing trust is critical in a donor-recipient partnership?

It is widely acknowledged that trust is critical for the success of a partnership. In the humanitarian and development sector, everyone agrees that a partnership should be formed in a way that establishes trust amongst the partners. But do we understand **why managing trust is important or how to inspire it in a partnership?**

To my mind, the ability to establish trust is a critical competency of a partnership broker, while managing trust is one of the key issues to be aware of in partnership brokering. During the last twelve years, I have worked for an international humanitarian mission that, in collaboration with local partners, delivers assistance to vulnerable communities. My work has given me a strong insight into the role of trust in partnerships.

In the humanitarian and development sector working in partnership has become the leading framework for mobilising resources and addressing the escalating number of complex social challenges we face. The adoption of the 2030 Agenda for Sustainable Development, in particular, Goal 17: Partnerships for the Goals, has further crystallised the notion that sustainable development can only be achieved if we work in collaboration. The implementation of humanitarian and development assistance largely rests on the funding delivered from northern to southern entities. Thus, the term partnership is most frequently applied to relationships between northern-based donor organisations and southern-based recipient organisations and characterises the donor-recipient type of partnership.

We often misuse the term partnership within the humanitarian and development community, since it rarely represents equal relations between donors and recipients. Frequently, in a donor-recipient partnership, a donor's control of the funds, greater operational influence and final word on decisions are common sources for disparities between the notion of partnership and the way it is realised in practice. Instead of being a mechanism that promotes the empowerment of local organisations and locally driven social change, a donor-recipient partnership may create a situation where the weaker partner (recipient) plays only an implementing role and is disempowered by the partnership process. This is demonstrated in a quote from a survey I conducted on donor-recipient partnerships: *"We [recipient side] were not a partner just implementers. We were provided with instructions on what to do. We felt that they [donor] knew better what is needed and what is right."*<sup>1</sup>

To my mind, by reinforcing trust in a partnership, a partnership broker can re-shape the way a donor-recipient partnership is executed, as well as maximise its outcomes. This paper aims to contribute to partnership practice by increasing the understanding of what makes trust such a powerful asset in partnerships. It consolidates insights from my professional experience with those from the existing body of knowledge on how trust shapes a partnership process. This paper also offers suggestions on how to inspire trust while developing partnerships.

## **What is trust?**

Trust is closely linked to the concept of social capital, where social capital defines the effective functioning of social groups through interpersonal relationships and coordination and cooperation for mutual benefit.<sup>2</sup> The Oxford English Dictionary defines trust as a “belief in the reliability of your partner.” Dictionary.com describes trust as a “reliance on the integrity, strength, ability, surety of a person or thing” and the “confident expectation of something”.

While trust between individuals is the first thing that comes to mind when we think about trust, the trust model suggests there are “two broad types of trust that parties are always relying on: interpersonal trust and procedural trust.”<sup>3</sup>

Procedural trust refers to “the trust we place in a structure or process we are involved in, as opposed to the individual.”<sup>4</sup> Interpersonal trust refers to our judgment of another person’s honesty, values and credibility. It answers the question about how comfortable we are “taking a given level of risk with a specific person” and eventually defines how much we trust a person.<sup>5</sup> Procedural trust is significantly different from interpersonal trust, as it can be agreed and developed amongst partners through establishing reliable procedures. Interpersonal trust is harder to establish pro-actively by simply agreeing to trust each other. Yet, it is the strongest form of trust. A partnership will likely benefit from more open communication, a deeper understanding and respect of diverse interests, faster conflict resolution and a more collaborative approach amongst the partners.

## **Why manage trust in a donor-recipient partnership?**

Trust, as a belief in the reliability of a partner, is a particularly sensitive issue in donor-recipient partnerships. My experience in these types of partnerships indicates that local partners (recipient side) often attribute the lack of trust by a donor to a lack of belief in local competences and their ability to manage funds effectively. In instances when a local partner is not confident in their counterpart (donor side), they tend to solve problems on their own to avoid accusation or criticism from the donor. This in turn may create a situation in which problems and failures are held back or not communicated properly, influencing the eventual partnership outcomes.

For example, in a case involving the delivery of medical assistance to over thousand internally displaced people, a local partner (recipient) confirmed its ability to quickly put together a list of people with severe health conditions through its close cooperation with a local health administration. However, when the cooperation with the health administration did not work out, due to poor registration records, the local partner tried to solve the problem on its own without proper communication with us (donor) to avoid criticism. This eventually caused complications and delays to the implementation process. This is consistent with other studies on donor-recipient partnerships that refer to a lack of trust as a potential risk to accountability and partnership outcomes, resulting in situations of creative reporting and showcases to satisfy donors.<sup>6</sup>

In partnerships, building and maintaining a strong working relationship amongst the partners is a cross-cutting issue throughout the entire partnering cycle. Across the literature, trust is argued to be a core ingredient of strong working relationships.<sup>7-8</sup> Wildredge et al. (2004) point out that, although it is possible to work jointly with low trust between partners, the most successful partnerships have a high level of mutual trust.<sup>9</sup>

In my view, while the scoping and building stage of a partnership's development rests on a shared vision, the success of managing and reviewing a partnership largely rests on the mutuality in trust amongst the partners. The survey I conducted amongst people who participated in the implementation of donor-recipient partnerships confirms that trust is a critical factor to ensure a healthy partnership environment and a smooth advancement towards partnership objectives.<sup>10</sup> The following are the reflections, from the survey, on partnerships where trust building was managed in a positive way:

Donor: *"Faster advancement with the goals and objectives of the partnership."*

Recipient: *"Critics are perceived positively and as a motivation for improvement."*

*We do not need to pretend to be better than we are."*

A lack of trust in a partnership, on the contrary, creates an unhealthy environment for the functioning of a partnership. For both donor and recipient, a lack of trust in a partnership hampers progress towards objectives and decreases motivation for work. The following are the reflections of people when trust building was a failure:

Donor: *"You do not concentrate on the goal and fall into an energy trap. Trust is the most important, otherwise you start playing police control."*

Recipients: *"Over control and at the same time a lack of proper support."*

*"Our opinion was doubted on many occasions."<sup>11</sup>*

Furthermore, trust shapes the vital components of any effective partnership development: communication and power sharing amongst partners. The lack of trust in a partnership compromises openness in communication flow and reduces decision-making opportunities for the weaker partner. In her study, Casey (2008) points out that developing trust is a prerequisite for facilitating the effective sharing of knowledge.<sup>12</sup>

The following are reflections on communication where trust had been established in the partnership:

Donor: *"All issues on the table are freely discussed. Running into the problem doesn't seem a problem and can be solved through consultations."*

Recipient: *"Your opinion is always asked for and you understand your role and importance in the partnership."<sup>13</sup>*

At the same time, experience with insufficient communication gives the impression of hidden agendas, slows down the implementation process and contributes to a demotivating environment for a partnership. These are reflections on communication where there was a lack of trust:

Donor: *“Communication has to be so diplomatic that you spend more time and energy than working on the common goals.”*

Recipient: *“There was a lack of the full picture, only portions of information about what to do.”<sup>14</sup>*

The power distribution among partners is a strong marker of the degree of inclusiveness of partners. It distinguishes a collaborative partnership, with balanced decision-making power, from a mere operational partnership, where decision-making power is mainly retained by one partner. The studies reflect on the unequal nature of power distribution that frequently accompanies donor-recipient partnerships because of the dominant value placed on the funds in a partnership compared with other resources, such as local expertise and knowledge of local realities.<sup>15</sup> Fernando and Hilhorst (2006) highlight the power differentials in donor-recipient collaborations and the often misleading notion of partnership, as it suggests a relationship of equality.<sup>16</sup>

In my experience, the lack of decision-making power in donor-recipient partnerships frequently leads to bypassing local expertise and compromising the relevance of assistance. In contrast, engagement in decision-making is a strong source for increasing the competences and self-determination of the weaker partner in a partnership. These are a recipient's reflections on their experience with decision-making power in a partnership with established trust: *“We felt that our knowledge and experience was very important for the final result. We felt participation in the process. Each time, decisions were made together.”<sup>17</sup>*

In most humanitarian and development interventions, we are under pressure to achieve tangible results in a short time and with limited resources. Trust building is frequently challenged by a lack of time and resources, but also by the ability of the partners to establish trust. Trust is less tangible and easy to leave out in a results-oriented approach. Yet, in my view, it is crucial for local engagement and empowerment, which can trigger a locally driven social change.

Also, in failing to invest time and effort in trust building, we should be conscious that a lack of trust amongst partners can create a situation of constant doubt, with checking and re-checking that money is being spent in the agreed manner or activities implemented in the proper way. From my experience, it may increase the time and energy required for implementation and cause delays in delivering partnership outcomes. In one situation that I was involved in, instead of paying attention to establishing a relationship with a local partner and focusing on delivering assistance in a timely manner, we were occupied with validating, checking and re-checking operational procedures with the local partner. This caused a three-month delay in the delivery of assistance to the community in need.

## **How to inspire trust in a partnership?**

Trust building remains the most time-consuming and challenging task in partnership functioning.<sup>18</sup> There is no shared understanding of what inspires or inhibits trust in partnerships. In partnership development, we can address three aspects of trust building: create procedural trust, facilitate interpersonal trust and raise awareness of the partners' organisational cultures.

### *Procedural trust*

People particularly need trust in structures and procedures when personal trust is limited or still developing. An important precondition for a partnership to function effectively is to establish fair structures and procedures. When acknowledging the imperative role of strong working relationships in a partnership, it is also worth noting the drawbacks that may be associated with it. An over-reliance on strong working relationships makes partnerships vulnerable to changes in individuals and may potentially generate an uncritical perception of the implementation process, outcomes, accountability and risks of corruption.<sup>19</sup> In this case, procedural trust is both a protection mechanism and a foundation for the further development of interpersonal trust.

### *Interpersonal trust*

The way interpersonal trust will develop is probably the most difficult thing to predict in a partnership, as it frequently brings together people with different personal characteristics, backgrounds, experiences and prejudices. Trust also largely depends on people's ability and willingness to be attentive and other-centred. The majority of recommendations on trust building rest on executing certain types of behaviours.

For behaviour patterns, I suggest looking at the framework of "13 behaviours for inspiring trust" proposed by Covey, who argues that they are based on universal principals that govern trusting relationships.<sup>20</sup> Covey points out that the quickest way to decrease trust is to violate the behaviour of character, while the fastest way to increase trust is to demonstrate the behaviour of competence. Thus, the suggested thirteen behaviours represent both character and competence.

The five behaviours of character include: being honest; demonstrating respect; creating transparency; acknowledging being wrong; and showing loyalty. The five behaviours of competence include: delivering results; seeking feedback and learning from mistakes; managing issues not people; clarifying expectations without assuming that they are valid and shared by everyone; and practising accountability by holding yourself accountable first and others second. The final three behaviours are a mixture of character and competence: listening first for what matters to your counterpart; keeping commitments – make implicit and explicit commitments carefully, but keep them at all costs and communicate when you fail to keep them; and, finally, extending trust by demonstrating a propensity to trust and not withholding trust because of the potential risks.

Undoubtedly many of those behaviours are familiar and being applied by a partnership broker while developing partnerships. But I think it is important to keep reflecting on them to ensure their value is understood by all parties. In determining how to reinforce trust in a given partnership, I find it helpful to go through the list of behaviours to assess to what extent I and the other participants in the partnership display those behaviours. I identify potential behaviours that need improvement in myself and others. Furthermore, I identify the steps to be taken to create positive change, either through modelling the behaviour, raising awareness of the value of behaviour, or facilitating an individual or group discussion to understand the reasons why people behave in one way or another.

### *Organisational culture*

In a partnership, trust building can be also challenging due to inherent differences in the organisational culture of the partners. Thus, in re-enforcing the procedural and interpersonal trust in partnerships, it is important not to overlook the diverse characteristics of the organisational culture of the different partners.

Organisational culture is broadly described as “the collective unwritten rules of a group” including the shared practices, norms and values that guide the group’s behaviour.<sup>21</sup> There are a number of tools available for assessing and comparing the characteristics of organisational culture. I usually refer to Hofstede’s cultural model. In spite of the fact that the model has been criticised for its oversimplification of cultural dimensions, I think it is useful for a rapid assessment of the existing characteristics of organisational culture and their potential influence on the professional behaviour of partners representing different organisations.

The Hofstede model rests on four main dimensions: power distance, or the degree to which people accept an unequal power distribution; individualism-collectivism, or the degree to which people associate themselves with a group; masculinity-femininity, or the value of achievements and material awards (masculinity), as opposed to cooperation and solidarity (femininity); and uncertainty avoidance, or the degree to which people prefer or accept situations with clear behavioural rules versus unstructured situations.<sup>22</sup>

During the mediation of conflict situations, I have observed how behaviours related to the expectations of people’s own organisational culture can be misinterpreted as rude or ineffective by another partner, and, thereby, compromise trust. In one example, the donor organisation placed a higher value on individual opinions and a results-oriented approach to task delivery, while the local partner’s organisation (recipient) placed a higher value on group work and good relationships amongst team members. In other words, the donor representatives’ approach to work was more individualistic and results-oriented, in accordance with their organisational culture, while the local team valued more collective work in their organisational culture. Tensions had risen because, for donor representatives, the local team was insufficiently independent in achieving results: “*They [local team] spend a lot of time discussing things. It takes them too long to arrive at a decision. You can hardly get any individual opinion on any topic.*” For the local team, the donor representative’s behaviour was somewhat rude: “*She does things on her own and rarely discusses things with us. She is too results-oriented.*”<sup>23</sup>

In this situation, both parties behaved in accordance with their organisational culture. In the mediation, I bridged the different characteristics as a root cause of the tensions between the partners. It allowed people to detach themselves from judging individual behaviours, place those behaviours in the broader framework of organisational culture and eventually re-store trust. Understanding the characteristics of one's own organisational culture and having an awareness of the characteristics of one's partners should help to identify synergies of and challenges to building relationships for effective partnership functioning.

### **The role of a partnership broker in managing trust**

Trust building requires impartiality in judging the situations faced by partners and the ability to break down stereotypes about partners (e.g. donor organisations possessing better expertise than recipient organisations, or the superiority of technical expertise over local-context knowledge). The role of a partnership broker is to create a better partnership that is fit-for-purpose, through taking a lead in consolidating strong working relationships, ensuring fair and relevant governing and operational procedures and helping partners keep their commitment and engagement to a partnership.<sup>24-25</sup> Thus, to my mind, a partnership broker is best placed to manage and inspire trust in a partnership.

A partnership broker can model trusting behaviour, and facilitate similar behaviour amongst partners, to inspire interpersonal trust. A partnership broker can contribute to procedural trust by impartially assessing the fairness of procedures in accordance with objective standards. A partnership broker can raise awareness and support bridging organisational culture differences amongst partners to avoid misinterpretation of partners' behaviours. In other words, due to its more impartial position, a partnership broker can more effectively, compared to other partners, create a high-trust environment for executing effective partnership outcomes.

To my mind, due to frequent power imbalances, a donor-recipient type of partnership would particularly benefit from assigning an internal or external partnership broker who can impartially manage a power balance, ensure smaller partners are seen as bringing equal value to the collaboration through local knowledge or local legitimacy, and keep partners' focus on local ownership and empowerment as a pre-condition for building resilient and capable local communities.

## Conclusion

*Earn trust, earn trust, earn trust.  
Than you can worry about the rest.  
Seth Godin*

The success of a partnership is intrinsically related to trust. The need for partnership, common objectives or a shared mission amongst partners does not necessarily correspond to successful partnership functioning and effective outcomes. Building effective and durable partnership solutions requires developing strong working relationships, with trust being a central component. The failure to establish trust is a barrier to open communication, effective decision-making power distribution, local engagement and the eventual sustainability of partnership outcomes.

Trust is a powerful asset in brokering partnerships. Trust sounds like an abstraction, but the behavioural consequences of low and high levels of trust are likely to be tangible. It should not be overlooked due to time pressures or resource constraints. The efforts invested in trust building should offer considerable returns in decreasing the time and energy required for problem solving during an implementation process, delivering results or conflict resolution. By managing trust, we manage the likelihood of an effective collaborative approach in a partnership, as described in these reflections:

Donor: *“Running into the problem doesn’t seem a problem and can be solved through consultations.”* Recipient: *“We do not need to pretend to be better than we are.”*

Inspiring and maintaining trust is a challenging task that requires certain personal characteristics and competences. Tasked to strengthen the partnering process, a partnership broker is best placed to support trust building in a partnership. To establish trust in a partnership, three aspects have been recommended: creating procedural trust, through assessing the fairness and relevance of partnership procedures; modelling trusting behaviour to grow interpersonal trust; and bridging organisational culture diversity amongst partners, through raising awareness of the varying characteristics and their influence on professional behaviour.

To conclude, in many aspects the notion of trust and partnership brokering principles are mutually reinforcing – the process of building trust strengthens the adherence to partnership principles and, in turn, the higher adherence to principals re-reinforces the trust in a partnership. Adhering to the partnership brokering principals of sharing knowledge generously, being reflective, striving for diversity and being ethical and responsible are practices that can increase trust in a partnership.

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