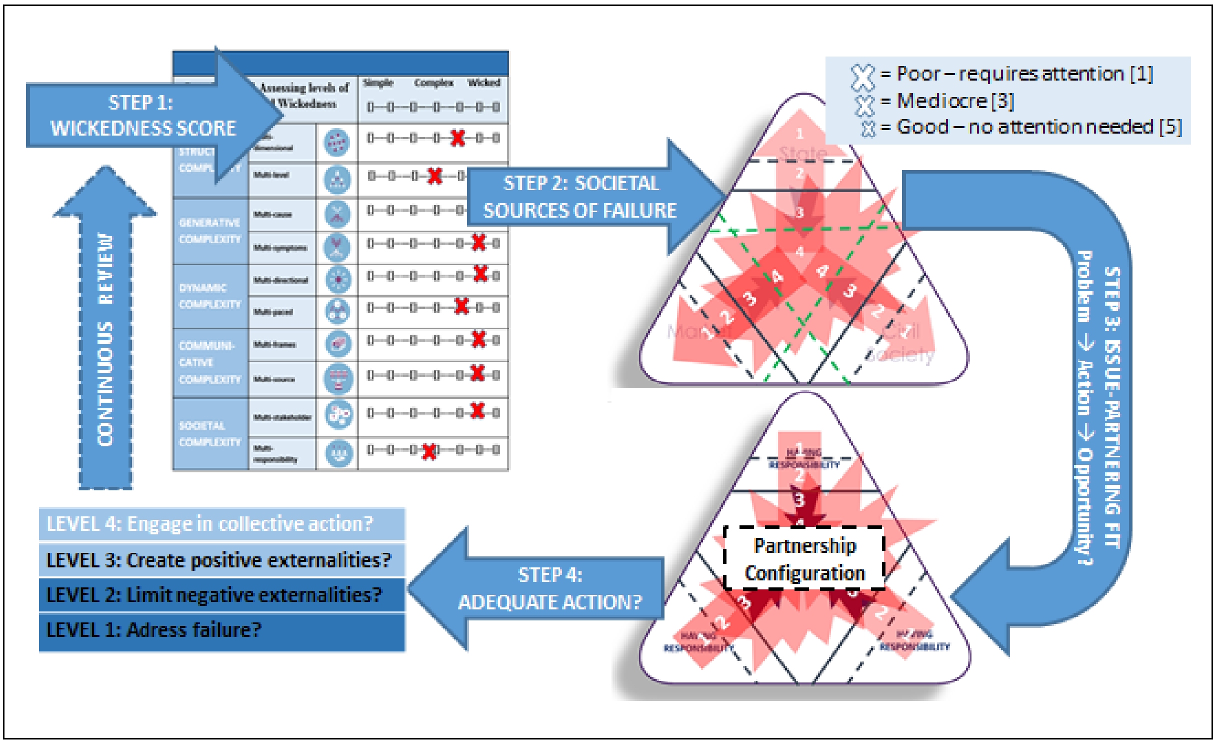
[excerpt from chapter 5 – conclusion]

The SDG agenda urges actors from all spheres in society to contribute to their achievement. But not all actors are equally well-positioned to contribute to all sustainable development themes. Certain topics foremost demand dedicated governmental action, while others primarily need the private sector to provide market-based solutions, or civil-society organizations to mobilise or tap into the relevant local social networks. The SDGs and their 169 SDG-targets are highly diverse, as are the varied national contexts in which the SDG agenda is to be implemented. The degree of (direct and indirect) control and the (direct and indirect) responsibilities that different societal actors have in working towards realisation, may vary considerably across targets and national realities. Furthermore, many SDG-targets are so complex that they require action at *all* levels of intervention (that is, address *and* sectoral failure, *and* negative externalities, *and* sufficient positive externalities creation, *and* common goods). These SDGs can only be achieved through a 'partnership of partnerships' that includes both intra-sectoral collaborative approaches (to address failure) and combined efforts of governments, companies and civil-society organizations in bi- or tripartite type of partnerships, of varying scopes and seizes and across national boundaries.

Making it practical – a step-by-step analysis

Badly aligned intervention strategies create either too complex interventions for relatively simple problems, or too simple interventions for reasonably complex problems (Figure 5.8). So where to start in considering: (a) what level of intervention is needed to address the problem, (b) who should be involved in what way, and (c) what degree of 'fit' is required to effectively address the issue? The analytical challenge here is to link the problem's degree of wickedness (*scoreboard #1*) to its societal origins, in order to create a match between 'having' and 'taking' responsibility for a specific intervention. This challenge requires a step-by-step approach; one that supports in navigating from a general analysis of the problem, to an exploration of 'fit for purpose' partnering approaches that have the greatest potential to create synergistic opportunities by adequately addressing the problem (Figure 5.9).

Figure 5.9 Creating a dynamic 'Issue complexity - Partnering' fit



Step 1: Wickedness analysis: defines the level of wickedness that the issue portrays (while differentiating between 10 dimensions of complexity that may display a dispersed range of complexity scores).

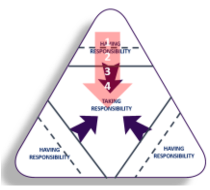
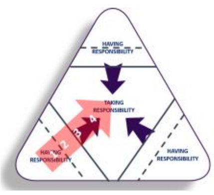
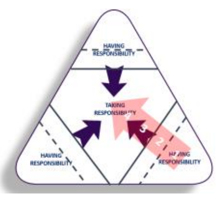
- Apply **scoreboard #1** (chapter 4). This exercise helps to delineate the general level at which an issue primarily needs to be addressed. Level 1 issues (failure) probably show a totalled 'wickedness score' of below 20. Level 2 issues, often related to an inadequate approach to negative externalities, score approximately 20-35. Level 3 issues score between 35-50 and involve insufficient creation of positive externalities. Level 4 issues score highest in terms of wickedness, and also show the least direct commitment of actors to take responsibility (low degree of having responsibility).

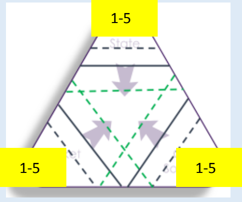
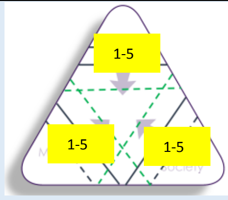
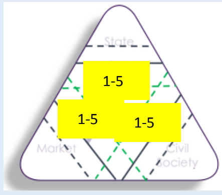
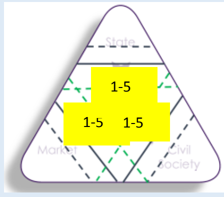
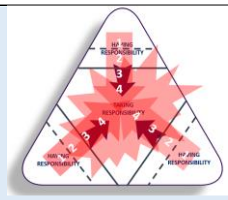
Step 2: Societal gap and resilience analysis*:* zooms in on scale 9 and 10 of the wickedness framework ('societal complexity'). It delineates the societal sources of failure (section 5.2.1) that explain the institutional origins of the challenge and the type of organizations that need to get involved (section 5.2.2). The societal triangulation technique requires you to consider the four complementary roles that constitute the basic repertoire of each of the three societal spheres (state, market, civil society). How does each sector 'score' on the issue at hand, at each of the four intervention levels? (See section 5.3).

- **Scoreboard#2** helps you to identify the sources of failure per societal sector (*the horizontal arrow*), and at each intervention level (*the vertical arrow*). For each of the three societal sectors, you can (intuitively) score their performance on the defined issue, for each of the 4 levels at which they could create value for society. The five point Likert-scale facilitates an approximate assessment of the extent to which each sector can be considered to have a poor to a fairly good performance (good[5] – mediocre[3] – poor[1]).

Notice that this gap assessment is exploratory, in a comparable fashion as with scoreboard #1. Depending on the breadth and level of expertise involved, the effort and time spent on context-specific analysis, and the degree of inter-rater reliability that can be achieved through collaborative analysis, the assessment may prove more intuitive or more robust. The assessment is foremost intended to help *navigate* change by providing guiding questions. It can be executed by experts, by practitioners, by participants, by students or others. It is designed as an exercise that can be done on the basis of desk-research, by a consultant, by the managers of a partnership or following 'wisdom of the crowd' rules. The principles of sociocracy and peer-review – as explained in chapter 4 – apply here as well.

Scoreboard # 2 Defining an Intervention Logic for the issue

1. Needed ? (degree of wickedness)	**LEVEL 1 Address failure**	**LEVEL 2: Deal with negative externalities**	**LEVEL 3: Create positive externalities**	**LEVEL 4: Engage in collective action**	**Societal gap analysis: Total scores Per sector**
Sources of Societal Failure and/or Success:					
2. Description: Whether organizations	…take up their primary role	… deal with negative	.. .try to create positive	.. .engage in collective action systemic problem	
A. State: Public value creation through…	Mandating: Laws and regulation Poor[1] Good[5] []—[]--[]--[]—[]	Facilitating: subsidies and regulation against public *bads* Poor[1] Good [5] []—[]--[]--[]—[]	Endorsing and facilitating other organizations to create positive effects Poor [1] Good[5] []—[]--[]--[]—[]	Trilateral partnering for systems change Poor[1] Good[5] []—[]--[]--[]—[]	 4 10 15 20 []—[]--[]--[]—[]
B. Market: Private value creation through…	Competitive production of goods and services Poor[1] Good[5] []—[]--[]--[]—[]	Minimize negative effects (e.g. pollution) Poor[1] Good[5] []—[]--[]--[]—[]	Optimize positive external effects through innovation and scaling Poor[1] Good[5] []—[]--[]--[]—[]	Trilateral partnering to create systems change Poor[1] Good[5] []—[]--[]--[]—[]	 4 10 15 20 []—[]--[]--[]—[]
C. Communities: Civic value creation through…	Creating social value through Mutual support Poor[1] Good[5]	Advocacy within, towards other sectors Poor[1] Good[5]	Service delivery to create positive effects Poor[1] Good[5]	Trilateral partnering to create systems change Poor[1] Good[5]	 4 10 15 20

	[]—[]--[]--[]—[]	[]—[]--[]--[]—[]	[]—[]--[]--[]—[]	[]—[]--[]--[]—[]	[]—[]--[]--[]—[]
Societal gap analysis: Scores per intervention level					 **Alignment challenge**

[a] The vertical combination of the scores indicates the degree of ‘*resilience*’ or – in case of poor scores – the ‘*vulnerability’ of the whole society* (as demarcated for the issue) on that specific intervention level. Chapter 1 already defined a ‘resilient’ society as one in which all three sectors of society are ‘in balance’. We can now make that observation more concrete. For example, if in a given country all three sectors have a good score (5) at level 1 (that is: no failure in fiduciary duty), it is easier to take up a wicked challenge than in the case where one or two of the three sectors score poorly on fulfilling their primary responsibilities. A ‘failed government’[1] (score 1), for instance, seriously affects the ability of the market and civil society sectors to fulfil their roles, at all levels of intervention, either within their own sector or in cross-sector partnerships. The weaker balanced a society is – particularly at levels 1 and 2 – the greater the societal trust gap becomes, and the more vulnerable society will be to external shocks. Such conditions also imply a greater challenge to create a dynamic fit for any type of partnership.

[b] The horizontal combination of the scores of one societal sector indicates the overall ‘resilience’ of that sector (on each intervention level). Very often, this exercise will show a ‘mixed’ score on many accounts. In case the sectors score poorly on level 1 (fiduciary duty and primary responsibilities), we can also expect them to score poorly on most other levels. But other patterns have been found as well. For instance, companies with a poor score at levels 1 and 2 due to extremely polluting activities, may have an incentive to use their philanthropy activities (at level 3) to compensate for the negative externalities they create. It can be a means of seducing or influencing communities and governments to develop activities that (partially) take over the primary responsibility of the company. Most probably, this will not create a lasting effect and reiterate vulnerabilities in later stages. Governments that score poorly on level 1 (for instance because of corruption, nepotism or lacking separation of powers), will try to influence society by subsidizing activities (intervention levels 2 and 3). But this type of act will probably not provide them with the legitimacy and trust needed to engage in effective partnerships with other governments or the other sectors. A sufficient score at level 1 can be considered a *hygiene factor* (‘license to exist /operate’) for effective bi-sectoral or tri-sectoral collaboration at the higher levels of intervention.

As a first rough estimate of the *sectoral* resilience/vulnerability, the following scores apply:

- 4 = very poor on all accounts: vulnerable sectors make unreliable partners; due diligence and trust-building is needed;

[1] The US Fund for Peace introduced a ‘fragile state’ index (previously ‘failed state’ index) to identify states where the government is not able to exercise its primary role of ‘mandating’, and consequently weak and ineffective in providing public goods, preventing corruption, and creating safety. In 2019, the top 5 of fragile states were: Yemen, Somalia, South-Sudan, Syria and the Democratic Republic of Congo.

- 5-10 = poor on most accounts; probably stronger on level 1 and less so on other levels;
- 10-15 = probably strong on levels 1 and 2, with more moderate scores on levels 3 and 4; 15-20 = strong on all accounts; strong potential partner with a good record.

Notice that sectors normally score better at lower levels of intervention. In case this appears the other way round, it is worth looking more closely at what explains for this.

Step 3: Issue-partnering fit: delineates the type of (cross-sector) partnership configuration that would best match the level of complexity of the problem. This analysis links the required level(s) of intervention (section 5.3) and the type of change required, with actors from those societal sectors that have (and/or are able to take up) primary, secondary, tertiary or collective responsibility for resolution of the problem (Figure 5.5 and section 5.5.2). Parties that are part of the problem, preferably should be engaged in addressing the sources of failure.

- Level 1 type of problems: should lead to individual action and/or intra-sectoral partnerships by those actors who are main responsible for the issue;
- Level 2 type of problems: require bi-sectoral partnership configurations (preferably in addition to intra-sectoral initiatives among those that bear primary responsibility for the issue to appear);
- Level 3 type of problems: require bi- or tri-sectoral partnerships; their effectiveness strongly depends on the proven strength of each involved sector in having their level 1 and 2 type of responsibilities effectively straightened out;
- Level 4 type of problems: require tri-sectoral partnerships (collective action) that can only be effective if the involved partnering organizations do not contribute to major sources of failure at the lower levels of intervention.

Step 4: Dynamic fit: provides a 'reality check'. It is directed towards improving the actual partnering set-up that is adopted in practice to effectively impact the issue. Considering all the provisos and conditions under which partnerships are created in practice, it can be expected that the initial partnership configuration constitutes a 'coalition of the willing' that is not immediately 'fit for purpose'. The 'dynamic fit' analysis considers to what extent the adopted partnership approach matches a 'coalition of the needed' as required for the level of change and impact it envisages (section 5.5.3). The challenge for later stages of the partnership can then be formulated along the relevant levels of intervention, for instance:

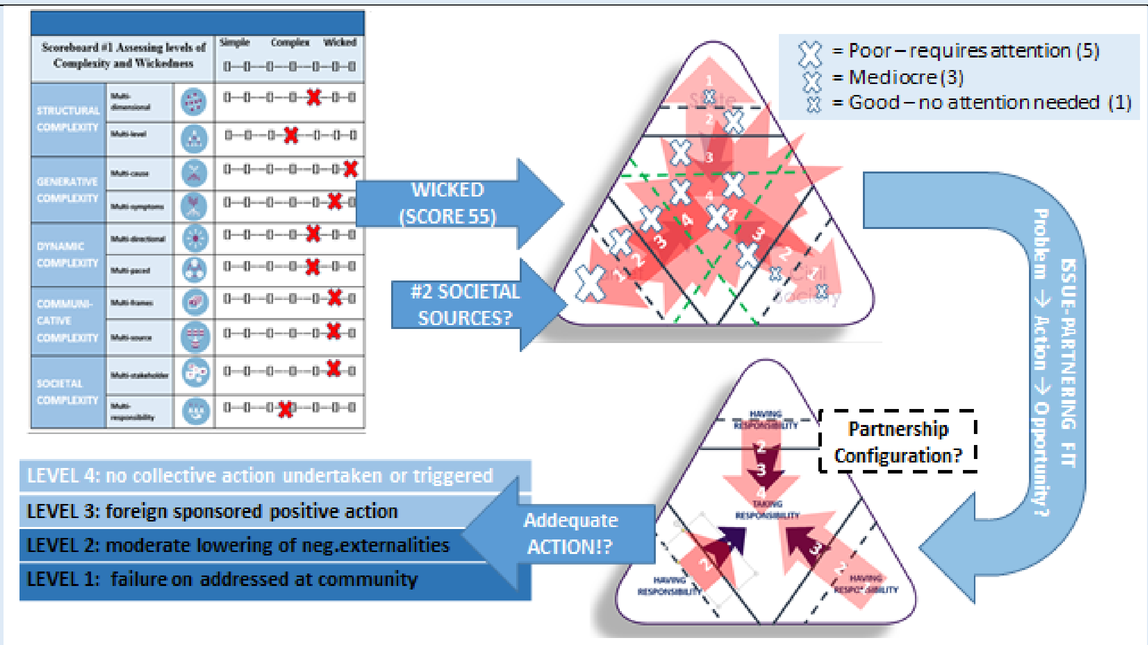
- Level 1: what next steps should each of the partners take themselves to integrate the project in their core activities (the 'internalization challenge') to enhance the effectiveness of the partnership;
- Level 2: should new (cross-sector) partners be approached – or present partners be let go of – to enhance the effectiveness of the partnership and impact on the issue? Key to this consideration is the ability of existing partnering parties to activate their constituencies in controlling for negative externalities;
- Level 3: should new (cross-sector) partners be approached that can expand the effects of the existing partnership to other sectors so as to scale impact;
- Level 4: should the intervention logic (Theory of Change) be enhanced, what potential collaborative advantage has been under-utilised, does the partnership resemble the right 'balance' in partners, what value creating competences are additionally required?

How this can work in practice as an analytical tool for assessing both the action of parties and the effectiveness of partnerships, will be further elaborated in Part III in chapter 7 ('making it resilient') and chapter 11 ('making it collaborative') on the basis of actual partnering cases.

HYPOTHETICAL CASE:
SDG 1 – 'Alleviating poverty in all its forms'

The context: consider the case of SDG1 (poverty alleviation) in country Y. Companies in this country are strongly efficiency driven, reap monopoly profits and are not concerned with the negative externalities of their action, let alone be concerned about creating welfare for all. The government is functioning but small, partly because of neo-liberal principles. It focuses on law making and enforcement, and nothing else. Civil society is well-organised and takes good care of its own communities, but is not really interested in common pool goods.

The partnering case: In country Y, a 'coalition of the willing' has been formed between an international donor organisation (government), a local NGO and the corporate foundation of a local company (a bank). They have formulated ambitious goals: to come up with micro-finance schemes to create social enterprises that are aimed at providing employment and services for people living at the "bottom of the pyramid". They have agreed upon an ambitious budget as well: $10 million for three years. What can we expect from this partnership?



A general analysis: a first assessment of whether the hypothesized partnership potentially creates a 'fit for purpose' configuration.

- ***Step 1***: SDG 1 in country Y is a wicked problem (Score: 55 on scoreboard#1). There is enormous ambiguity around the issue of poverty, its definition, how to approach it, and who is primary responsible for addressing it. For instance, the culture of the country considers ‘poverty’ the result of ‘fate’, more than the result of a poorly functioning economic system.

- ***Step 2***; this can also be explained by more closely considering the societal sources of the problem (zooming in on scales 9 and 10). An assessment points to major sources of failure within the market sector, which scores poorly in comparison to the other sectors on all levels of intervention (total score 20 on scoreboard#2). The government is limited in its intervention repertoire. Civil society appears the strongest and more resilient sector with higher scores at levels 1 and 2, but is not really very ‘entrepreneurial’ (level 3).
- ***Step 3***: The wickedness score suggests the need for level 4 type of interventions in tri-sectoral partnership (collective action through the pooling of complementary logics and competences from all three societal sectors). A well-aligned issue-partnering fit seems difficult to establish though. Major gaps in society appear at levels 2, 3 and 4, with the market sector as the weakest link on all levels (with serious fiduciary duty issues at level 1).
- ***Step 4:*** Does the proposed partnership address these complexity-configuration alignment issues? That can be seriously doubted. This ‘coalition of willing’ partners aims at ‘solving’ poverty by subsidies (level 3 and 4 interventions from a foreign donor, not the country’s own government) and sponsoring from foreign and local NGOs. The company participates at level 2 through its corporate foundation, but is not really interested in ‘internalizing’ the partnership by integrating the project’s goals in its core business activities and improving its business model. It considers contributing to micro-finance as a philanthropic activity. Its commitment to the partnership is not strategic and might be terminated if the company changes its sponsoring policy.

This exploratory analysis of a hypothesized case indicates – on the basis of a number of general characteristics – that the partnership appears not ‘fit for purpose’ in at least two ways. First, it is not well-aligned with the nature and complexity of the problem (level 4). Second, the configuration itself (‘partner fit’) rests on an unequal and unbalanced fit between ‘willing’ partners, yet with quite different motivations, ambitions, risk and responsibility appetites, legitimacy positions, competences and time horizons.

Can it be improved? Probably not, because the formulated transformational ambition and the chosen intervention logic (philanthropy, subsidies, voluntary collaboration) do not seem aligned. In case the partners consider this first step as ‘a pilot’, to actively grow into a more effective partnership, the NGO participant should be very aware of the weak performance of both the government and the market partner to address the sources of failure at their side of society. The partnership might even be an excuse for not addressing the multi-faceted nature of poverty in the country and precious time might be lost due to unfounded hopes put on this project to contribute to SDG1.