The Collaboration Canvas: Tools for Creative Partnerships

Information and resources to support effective collaboration in the cultural and creative sectors

This toolkit has been produced by Figurative and Eastside People - July 2025.

Figurative

Eastside People

Supported using public funding by ARTS COUNCIL ENGLAND

Figurative is an independent charity dedicated to impact, investment and innovation in the cultural and creative sector. As a global expert in impact investment for arts and culture, it specialises in raising and managing impact funds and attracting new philanthropy into the sector.

It conducts and supports research to make the case for impact investment and continuing innovation in the sector to funders, policymakers and the public. It also provides advisory services to support organisations and funders with impact and funding models, and helps international peers to achieve their goals.

Figurative was established in August 2024 through the strategic combination of Arts & Culture Finance (formerly part of Nesta) and New Philanthropy for Arts & Culture (now Figurative Philanthropy for Arts & Culture). It manages three impact investment portfolios, including the Arts & Culture Impact Fund (ACIF).

Eastside People is a community of experienced professionals from diverse industries and backgrounds focused on helping social sector leaders to build the capacity and impact of their organisations. For over a decade it has sought out highly skilled individuals from diverse backgrounds who are passionate about using their skills and knowledge to bring about social change. These people are committed to advising social sector organisations as consultants, interims and mentors or taking on leadership roles themselves as senior executives and trustees.

Eastside People have authored this toolkit and collated the case studies, thank you to all the organisations who have shared their stories so that we can benefit from their experience. We are passionate about supporting collaboration and partnerships in the third sector.

Eastside People has helped with over forty-five mergers in the last decade, and has a pool of over twenty merger experts that can help with: finding a partner, conducting a feasibility study or a due diligence report and finally with merger implementation.

figurative.org.uk - eastsidepeople.org

Acknowledgements

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Introduction

The Collaboration Canvas is a practical collaboration toolkit designed specifically for cultural and creative sector organisations in the UK.

Why this toolkit exists

This toolkit emerged from grassroots conversations happening across the cultural sector – discussions about the need for more imaginative approaches to collaboration, and crucially, a structured way to understand what models are actually possible. Arts and cultural organisations were expressing curiosity about working together, but often felt overwhelmed by buzzwords like "mergers" and "shared services" without having a clear framework to understand their options.

Fittingly, given the content of this toolkit, it came about through collaboration itself – an informal alliance of organisations and funders coming together, with generous support from Arts Council England, to create something that the sector needed.

The challenge we're addressing

Collaboration is key to so much of the creative and cultural activity we enjoy, but what does it actually entail? The reality is that organisational partnerships exist on a continuum – a spectrum that has full mergers at one end, but simple informal partnerships at the other. Understanding this spectrum is crucial for making informed decisions about collaboration.

Our approach

Our aim is to demystify collaboration in all its forms, because whatever your goals – artistic, strategic and/or operational – collaboration has the potential to unlock new opportunities to help you to achieve them.

Rather than treating collaboration as a single approach, we recognise that there are many different ways organisations can work together, each with their own characteristics, benefits and challenges. By mapping out this spectrum clearly, we hope to help organisations understand not just whether to collaborate, but how to collaborate in ways that best serve their aims.

Whether your organisation is actively considering collaboration or simply curious about working more closely with other organisations, this toolkit provides practical information and guidance to improve your understanding of the many ways collaboration can happen – and how to do it well.

In the following pages, we explore five different models of collaboration, providing tips and resources on each, together with real-world examples. We also outline the factors and questions for collaboration-curious organisations to consider. At the back of this toolkit we have included further resources to support organisations embarking on collaboration.

Contents

Why Consider Collaboration?

Every organisation is different, and so it follows that each will have a unique set of strategic needs and aims motivating its interest in collaboration.

Broadly speaking, notwithstanding individual circumstances, we can categorise the reasons for collaboration as follows:

- To create a continuum of services – a coordinated range of support and programs that address the varying and evolving needs of individuals or communities over time
- To achieve cost savings from working together, as well as administrative cost reductions*
- To increase sustainability by finding new funding sources
- To achieve greater geographical scale or reach
- To achieve greater profile and voice
- As a tool for innovation
- To improve their talent pool
- To improve the quality of their offer

***Health warning:** Many strategic partnerships do ultimately bring some savings, but these rarely come straight away. Often, in the first instance, collaboration brings additional costs, either cash costs or in kind – investing sufficient time, effort and resources into a partnership is crucial to its success.

Partnership is a tool, not a strategy

Ultimately, none of the reasons listed here should be a sole motivator for partnership. Instead, ask: what is our organisation's ultimate strategic goal? Then explore how collaboration might help achieve that strategy.

Myth Buster

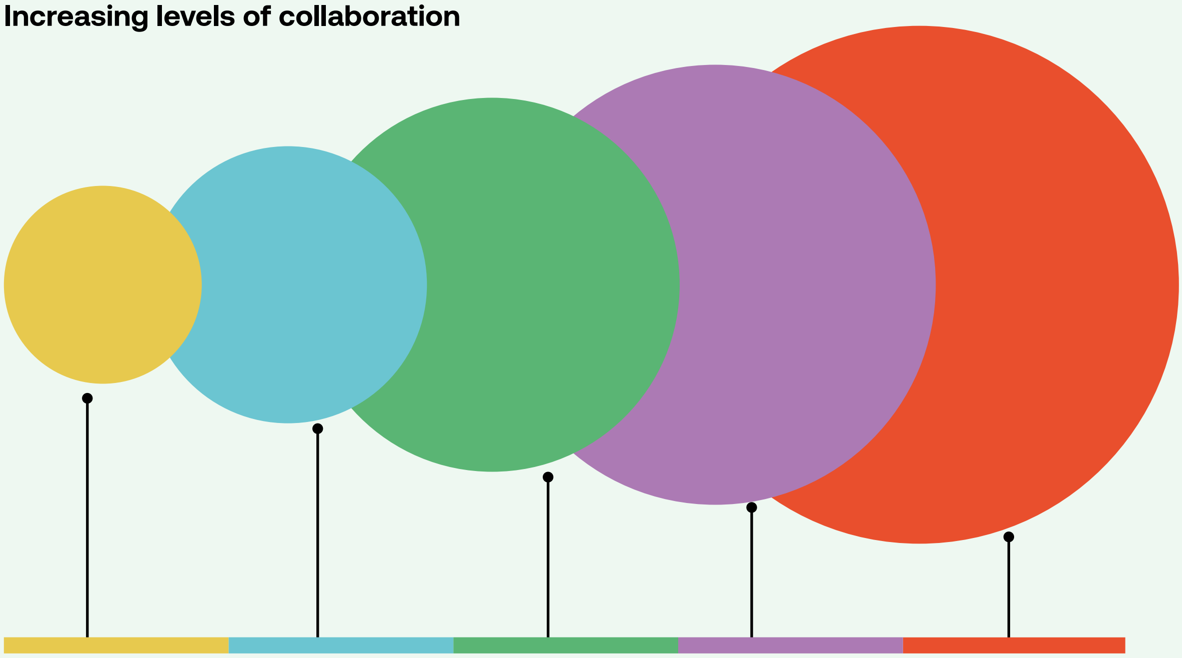
Not all organisations that look to partner do so from a state of distress. While this can be a prompt for some organisations, it is just one of many reasons an organisation might seek a strategic partnership.

The Collaboration Spectrum

Collaborations between organisations exist on a spectrum, which spans everything from loose, informal arrangements, to a comprehensive merger.

Understanding the characteristics of the various types of collaboration is the first step to identifying how collaboration can support your organisation to achieve its strategic goals.

Increasing levels of collaboration



Informal Alliance

An arrangement that is essentially informal, based on good relationships and understandings that may be written but are noncontratual.

Contract Based Alliance

A relationship that is underpinned by a contract between the parties that sets out the objectives, respective roles, cost-sharing and charging arrangements.

Joint Venture

The parties establish a legal entity, which they jointly control, for the purpose of undertaking specified functions.

Group

One example of a group structure is when parties agree to become controlled by a holding entity, which owns or controls the parties (subsidiaries preserve their original identity).

Merger

The parties merge on whatever basis is agreed. This either creates a new entity (where there is relative equality between the joining parties) or enlarges an existing entity. The latter is more properly referred to as a 'takeover'.

Collaboration Spectrum credit: Eastside People

The next section of this toolkit explores each of these types of arrangement in detail – describing their main characteristics, their pros and cons, key considerations and providing real world examples of each.

When considering these models, remember that partnership is a tool, not a strategy. We recommend that first and foremost, organisations identify what it is they are seeking to achieve through collaboration and only as a next step after that, should they consider the type(s) of collaboration that might best achieve this.

Informal Alliance

Just as it sounds, this is an informal arrangement between organisations.

In general, informal alliances arise organically. They tend to be based on pre-existing good relations between two or more organisations that see an opportunity to work together to strengthen an area or programme of activity.

The cultural and creative sectors across the UK are naturally collaborative. Whether you think of it as an informal alliance or not, it is more than likely that your organisation already collaborates informally with others.

Perhaps you already share expertise, links to resources and/or opportunities with another organisation? Do you have a 'go to' peer in the sector whom you ask for professional advice? Do you regularly speak at another organisation's events? Or do you showcase and promote each other's work when the opportunity arises? These loose, collaborative arrangements are all indicators of an informal alliance.

While informal alliances can be more structured than this, and even codified in writing (perhaps a charter, memorandum of understanding, membership agreement or terms of reference), they are always non-contractual arrangements.

Informal alliances can also exist between multiple, collaborating organisations. Networks, free membership organisations and other specific interest groups are good examples of informal alliances between multiple organisations.

Pros/Cons

Pros:

- Organisations retain autonomy entirely
- Flexible, non/low-committal arrangements
- Easy to establish and low cost/effort to maintain
- Often built on pre-existing trust and goodwill

Cons:

- Flexible, non/low-committal arrangements can prove unreliable
- Alliances built on individual relationships may change with a change of personnel
- Informality can risk a lack of clarity – Do you know what good looks like? Do both/all parties agree on this?

Key Points to Note

- Non-contractual arrangements
- Most organisations already collaborate informally with others
- Highly flexible, low-commitment form of collaboration
- Relatively simple to establish and maintain
- Networks, free membership organisations and other specific interest groups are types of informal alliance
- These relationships thrive on trust, so regular communication is key to maintaining and getting the best out of this partnership
- The purpose and goal can be less clear than with a formal arrangement
- To make the most of an informal alliance, monitor its impact in some way – do you know what good looks like?

Creative Newham

Case Study

Creative Newham began as an unsuccessful funding bid in 2019 but transformed into a thriving informal alliance of over 130 organisations working to strengthen Newham's cultural ecosystem. What started as a collaborative response to Arts Council England's Creative People and Places programme has evolved into a cross-sector convening body that has secured millions in investment for the borough whilst maintaining the flexibility and autonomy that characterises informal alliances.

Background

In 2018, Newham was among the boroughs in the lowest 33% of engagement in arts across the country. A passionate group of leaders, led by Sanaz Amidi, then Chief Executive of Rosetta Arts, came together to respond to Arts Council England's Creative People and Places programme. They ambitiously pursued a £2 million bid, galvanising input from over 60 organisations and reaching the final three before ultimately being unsuccessful.

However, the collaborative process had sparked something remarkable. At the decision meeting in August 2019, gathered around cake and awaiting the disappointing news, there was a resounding response from members: "This has been amazing. This cannot stop. This is the first time we are talking openly and honestly about what it would take to improve Newham's cultural ecosystem."

Prior to Creative Newham, multiple previous attempts at collaboration had failed. Arts Council feedback consistently highlighted that Newham's cultural organisations were "disjointed" and "not communicating with each other." Some years saw multiple competing bids from the same borough, with organisations unable to align around a shared vision. Newham was missing out on significant opportunities due to this fragmentation.

The 2019 original bid was called Creative Newham, and in September 2019, the Creative Newham alliance was officially launched, taking its name from that unsuccessful but catalytic funding application.

Cultural Producers Cohort © Erefua Boakye

Creative Newham

Summer Social, © Creative Newham

Project Timeline and Priorities

September 2019 - March 2020: In the first six months, Creative Newham focused on separating out two distinct agendas: what the alliance would do to strengthen the creative ecosystem, and what a future Creative People and Places programme would deliver for residents. This clarity of purpose became fundamental to their informal structure.

March 2020 onwards: When the pandemic hit, just 36 hours before the Creative People and Places bid deadline, Creative Newham quickly adapted to become a critical lifeline for its members. The alliance demonstrated the flexibility that characterises successful informal collaborations, pivoting to meet urgent sector needs. One of those needs was the dearth of cultural producers from underrepresented backgrounds.

2022-2023: Creative Newham secured £75,000 seed funding to run a pilot programme, addressing the identified shortage of cultural producers representative of East London and its audiences. This project achieved exceptional success, with 88% of participants securing paid work before the programme ended.

2022: When Creative People and Places funding reopened, Creative Newham was successful in its second attempt, securing £1.4 million for the borough.

2024 onwards: Creative Newham secured £1.6 million for the Newham Place Partnership programme. The University of East London became their managing and accountable organisation, employing Creative Newham's staff and providing infrastructure support.
The alliance's priorities evolved organically but consistently focused on three key areas:

- Securing investment for the borough by identifying opportunities and bringing organisations together
- Developing the creative workforce through programmes like the cultural producers initiative as well as pre-application bootcamps, and an alumni network
- Advocacy and lobbying, providing a collective voice for members whilst challenging and holding partners accountable

Outcome

Creative Newham now represents over 130 member organisations spanning arts, cultural, educational, heritage, social, and voluntary sectors. Membership is deliberately simple and open access - organisations need only be working in Newham and sign up to the mission of strengthening cultural mobility. There are no membership fees, with the business model based on pro bono support, grants, and commissions.

The alliance operates through multiple communication channels that exemplify informal collaboration best practices. A monthly newsletter facilitates B2B communication between members, with strict guidelines ensuring it serves member-to-member information sharing rather than audience development. Steering group meetings occur five to six times yearly, mostly online for accessibility, whilst larger network meetings happen two to three times annually.

The steering group of 16 leaders operates organically, with the principle that anyone willing to "roll up their sleeves" and contribute can join. This informal approach has generated remarkable engagement, with rarely more than two to three people missing meetings.

Since its inception, Creative Newham has helped secure approximately £4.7 million in investment for the borough across various programmes. The second cohort of the cultural producers programme achieved 100% success in securing paid work or opportunities, and by completion, nearly 50 young adults will have been trained as cultural producers.

Perhaps most significantly, the alliance has created what Sanaz Amidi describes as a "safe space" for honest conversation about improving Newham's cultural offer. The informal structure allows for the "agility" needed to respond to unexpected opportunities and challenges - from pandemic response to new funding streams.

Cultural Producers Cohort © Erefua Boakye

Creative Newham is currently transitioning from purely informal governance to a more formalised structure, developing clear terms of reference whilst maintaining the collaborative, community-driven ethos that has made it successful. This evolution demonstrates how informal alliances can mature whilst preserving their essential characteristics.

The alliance exemplifies the key strengths of informal collaboration: it has retained organisational autonomy whilst creating genuine collective impact, built on trust and regular communication, and maintained the flexibility to adapt to changing circumstances whilst pursuing shared goals. As Sanaz Amidi reflects: "If you're always doing the right thing, then hopefully you land in the right place."

Contractual Alliance

As the name suggests, a contractual alliance is a relationship between two or more organisations, underpinned by a contract between the parties.
In this arrangement, the parties make a formal agreement to collaborate for mutual benefit. Typically, contractual alliances focus on a specific project or arrangement (e.g. resource sharing or supply chain).

For example, organisations that secure funding to deliver a joint programme of work would be well-advised to formalise the terms of their collaboration in a legally binding contract; the contract will articulate exactly what is required of each party, and exactly what each party will receive in return. The contract should also detail the parties' shared objectives, respective roles, resource sharing and financial arrangements (income and cost sharing), confidentiality and dispute resolution mechanisms.

Codifying (i.e. formally writing down) the collaboration in this way will manage expectations, provide accountability and, ultimately, legal recourse should the relationship break down.

Contractual alliances tend to be project based/ fixed term, so that the duration of the alliance is linked to a pre-determined time frame, set by the terms/milestones of the joint activity that has given rise to the need for a contract.

Pros/Cons

Pros:

- Organisations retain autonomy outside of the terms of the contract
- Relatively straightforward to implement, while providing a clear framework for substantial, close collaboration
- Provides certainty for the duration of the contract

Cons:

- Little scope for flexibility once terms agreed (legal amendments can be costly due to need for legal support)
- Provides no certainty beyond the duration of the contract

Key Points to Note

- Collaboration based on a legally-binding contractual agreement (no new legal entity is created)
- Contract based alliances are generally project/ activity-based
- Brings structure and clarity to the terms of collaboration, while organisation retain autonomy outside of the terms of the contract
- Provides a clear framework for a broad range of collaborations – from supply chain arrangements, to delivery of a joint programme of work or resource/cost sharing arrangements.
- Little scope for flexibility once the contract is in place
- Less suitable for ongoing collaborations (with no end date)

Circus for Every Body

Case Study

Extraordinary Bodies celebrates 'Circus for Every Body' by devising, creating and showcasing performances that bring together and platform D/deaf, disabled and non-disabled artists.

After several years running the project as an informal collaboration, in 2018 Diverse City and Cirque Bijou, the two organisations behind the project, entered a contract-based alliance. Doing so enabled them to bring in significantly more funding for the project, extending its reach and impact.

Background

Diverse City is a 20+ year old charity that champions, advocates and models equal representation in the performing arts. It is committed to increasing the visibility of D/deaf and disabled artists.

Cirque Bijou is a 25+ year old professional, commercial circus company that produces accessible and popular modern circus. It works with renowned choreographers, designers, creative riggers and circus artists of all kinds to make ambitious and unique shows.

In 2010, when the founders of Diverse City and Cirque Bijou first encountered each other's organisations, both quickly saw the potential for artistic collaboration. As a professional circus company, Cirque Bijou held a lot of the production capability, while Diverse City brought expertise on inclusive practices and community engagement. For Diverse City, the partnership had the potential to accelerate their work increasing the visibility of disabled artists through an 'Unlikely Alliance'.

> "If you have a disabled artist in the air, on a high, high, aerial rig off a crane – that can do more, more quickly, in terms of shifting expectations, than any amount of research papers, case studies, fringe performances, community projects [...] and traditionally circus is a popular art form. In its very nature it's quite accessible, because it's non-verbal, big and often outdoors in public spaces."
> **(Becky Chapman, Joint Chief Executive of Diverse City)**

In 2012, the organisations collaborated for the first time, Cirque Bijou was already working with Street Theatre specialists - Desperate Men – on a performance for Olympic Sailing opening ceremony in Weymouth. Diverse City joined them to make a huge performance that was a success, generated interest and opportunities for Cirque Bijou and Diverse City to collaborate further.

Diverse City Extraordinary Bodies CIRQUE Bijou

In 2013, Unexpected Exeter Festival commissioned Diverse City and Cirque Bijou to collaborate once again on a show for their festival. For Diverse City, the lead in time for the show was tight, but as a client and market driven, responsive, commercial enterprise (albeit one underpinned by a clear social ethos), Cirque Bijou were experienced at delivering shows quickly. “They have that nimble production mechanism,” says Becky Chapman, “This is how Cirque Bijou works.” So together, they decided to go for it, naming their collaboration Extraordinary Bodies.

> “That was saying yes to something we didn’t know we could do.”
> **(Becky Chapman)**

The show was such a success that the two collaborators remounted it in 2014. Both organisations were able to contribute a similar level of money towards the show, which they pooled, running a joint budget – all on an informal basis.

To keep the momentum going in the years that followed, Diverse City and Cirque Bijou began to look at ways to bring in additional funding, and develop the collaboration into a more formalised project.

> “The momentum was as much about the artists we were working with, as it was about our two companies. We’d started to set expectations for D/deaf and disabled artists, both those involved and those who wanted to be involved. So, we felt a real responsibility to answer that need, that express need from the disabled, artistic community.”
> **(Becky Chapman)**

Waldo Circus of Magic & Terror © Paul Blakemore

Project Timeline and Priorities

By 2016, the partners were putting on a new Extraordinary Bodies show every 18 months to two years. Meanwhile, Diverse City was preparing to apply to become an Arts Council England National Portfolio Organisation (NPO). Given the success of the Extraordinary Bodies collaboration, it made sense to work with Cirque Bijou to incorporate a strategic plan for Extraordinary Bodies within the NPO application. As part of the documentation supporting the application, Arts Council England wanted to see a collaboration agreement between Diverse City and Cirque Bijou. Other funders were also asking for evidence of a formal relationship that underpinned the collaboration.

Weighting © Chris Bahn

So at this point, Diverse City and Cirque Bijou formalised their partnership, codifying their roles in a four-year contractual arrangement. In this way, while Extraordinary Bodies did not become a legal entity, it was now underpinned by a legal framework that codified each organisation's legal responsibilities in staffing, delivering and managing the funding for the project.

By formalising their partnership in a contract-based alliance, Diverse City and Cirque Bijou created a structure that allowed them to deepen the collaboration between the two organisations, developing Extraordinary Bodies as a successful project in its own right, but also one that strengthened each organisation.

In 2018, Diverse City's application was successful, and they became an NPO. Diverse City committed to granting Cirque Bijou an annual amount for the shared management of Extraordinary Bodies and together they committed to delivering an ambitious strategic plan for the project. This was both extremely demanding on the two organisations, and extremely successful. As Becky Chapman reflects, "the level of work produced was phenomenal, and the impact was huge."

Working so closely together, both organisations gained new knowledge and skills, increased their reach and impact. The relationship also brought a financial resilience that was critical to both, enabling them to withstand the effects of the Covid-19 pandemic.

Earth, Wheels, Air © Paul Blakemore

Outcome

It's been 13 years since Diverse City and Cirque Bijou first partnered at the 2012 Olympic Sailing opening ceremony in Weymouth. As their ambitions for the collaboration have grown and evolved, so has the form it's taken. At first, they worked together in an informal alliance to pilot Extraordinary Bodies. Then, as the project gained momentum, they put a contractual agreement in place. This allowed them to access levels of funding so that they could develop Extraordinary Bodies to meet their increasing ambitions. Looking to the future, the organisations have now considered what the next evolution of Extraordinary Bodies might be.

For both organisations, since the beginning of the collaboration, this partnership work has been an exciting and ambitious way to test and expand the limits of their programmes of activity – but it has never been the sole focus for either. Throughout, each organisation has retained its own identity, and a separate portfolio of activities outside of the Extraordinary Bodies partnership.

In this context, at various points along the way, the organisations have considered whether to establish Extraordinary Bodies as an entity in its own right – perhaps launching it as a joint venture – with its own executive producer, development manager etc. However, conscious of the resources it would require to make this financially viable and practically sustainable in the long term, they have held back. Instead, underpinning their collaboration with fixed-term contractual agreements has allowed both organisations, and Extraordinary Bodies itself, a degree of security, alongside the ability to stay agile.

> "Always ask why – why are we in this partnership together? What is the purpose for each organisation? Is it artistic innovation? Is it social change? Be really clear about the why and keep coming back to that, because it changes."
> **(Becky Chapman)**

Indeed, in 2025, the organisations have written a new collaboration agreement, to reflect their current ambitions for Extraordinary Bodies.

> "We know each other so well, the relationship is so trusting, that now we can evolve towards a more fluid partnership."
> **(Becky Chapman)**

In particular, as Diverse City and Cirque Bijou look to move away from the grant-funded model of previous years, they are seeking to test the project's commercial viability in the longer term. In this way, they hope to continue collaborating on Extraordinary Bodies so that the project continues to thrive, while also ensuring that each organisation has the time and space to continue to develop and focus on their own, separate goals and ambitions.

Splash! © Billy Alwen

Joint Venture

Joint ventures bring organisations considerably closer to each other. In this form of collaboration, organisations jointly own, control and manage a separate legal entity established for a specific purpose. A joint venture provides a robust yet flexible structure to the collaboration – organisations can use joint ventures for a broad range of purposes, from one-off projects to experimental new ventures.

Whatever its purpose, the parties to a joint venture are in a deep collaboration, pooling resources and sharing the risks and costs of the joint venture. As such, joint ventures require ongoing, joint-decision making from the parties and usually also a degree of integration of technologies and business practices.

Joint ventures tend to be longer-term commitments than contract-based alliances. Indeed, they can be open-ended arrangements.

By creating a separate entity for the collaborative activity, organisations can ringfence its risks and costs, retaining their autonomy and separateness outside the joint venture.

At the same time, organisations considering joint venture should expect to invest time and money in a rigorous due diligence process before embarking on such a long-term, close collaboration.

Pros/Cons

Pros:

- Allows for close collaboration on an ongoing basis
- Encourages a degree of integration of technologies and business practices, which may bring cost savings and other efficiencies
- Enables organisations to take risks on new ventures, by sharing these with partners
- Organisations retain autonomy outside the scope of the joint venture

Cons:

- More complex to implement than a contract-based alliance
- Parties to a joint venture do relinquish some decision-making power, as decisions are made jointly
- Enmeshes the parties to the joint venture in a long-term relationship that can be challenging to unpick if the relationship sours – dissolving a joint venture is legally complex

Key Points to Note

- A deep collaboration, where partners pool resources, share costs and share risks
- A means to take on new ventures that would be too risky/large-scale for an organisation to manage alone
- The joint venture is a legal entity, requiring its own governance, leadership, and financial accounts
- Requires a degree of integration between partners, though each retains autonomy outside the scope of the joint venture
- A relatively complex structure to set up
- Parties to a joint venture generally share decision-making powers
- A long-term arrangement, often open-ended
- Challenging to unpick if the relationship sours

Arts Impact Fund

Case Study

In 2015, Arts Council England, Nesta, Esmée Fairbairn Foundation and Bank of America came together to pilot a new type of funding for arts and culture organisations. They collaborated to launch the world's first impact investment fund specifically for the arts and cultural sector – a joint venture called the Arts Impact Fund. Impact investment is a type of repayable finance that looks for positive social change in addition to the financial payback.

Between July 2015 and September 2019, the Arts Impact Fund invested £7.2 million across 27 organisations. Its success demonstrated the potential and impact of repayable finance in the arts and culture sector and paved the way for more investors to get involved in bigger impact investment funds in the years that followed.

Of Land and Tongue. Theo Clinkard © Zoe Manders

Background

Since the early 2000s, arts and culture organisations in the UK have operated in an increasingly difficult financial environment. Often reliant on grant-making, which is often project-based and restricted to specific uses, organisations have struggled to access funding to invest in their assets and develop new income generating activities. At the same time, mainstream banking and financial services generally haven't offered suitable financial products for arts and culture organisations, with perceived levels of business model risk being an issue.

In 2008, the global financial crisis accelerated these financial challenges and by the early 2010s, there was growing interest in alternative funding models for the sector.

Then in 2014, Nesta (the UK's innovation agency for social good) published The New Art Of Finance report, which looked at what could be done to increase innovation in funding for arts and culture and to make existing funding work harder. One option it examined was social impact investment, intended to fill the space between purely commercial finance and grant subsidy.

In this context four organisations came together to think about what impact investment in the sector could look like.

ARTS IMPACT FUND

The Organisations were:

- **Nesta,** which itself already had a longstanding history of supporting the creative economy through innovation programmes, partnerships and research
- **Arts Council England,** which invests money from central Government and the National Lottery to support creativity and culture across England.
- **The Esmée Fairbairn Foundation**, which had already taken some steps to make social investment into arts and culture, but was interested in measures to stimulate more demand and develop specialist lending skill sets
- **Bank of America**, an organisation that had long supported the arts through its Corporate Social Responsibility activities and offered community development finance in the USA – this was an opportunity to support community lending in the UK.

While the four organisations were themselves very different, they were all well-known to each other. Most importantly, from the outset, they were also aligned on the fundamental mission of the project – experimenting with funding innovation in the UK's cultural sector.

> "I think it's quite interesting what happens when people with different backgrounds come together to work on a shared project. It can be really powerful and unlock new learning and insights. But it requires a clear vision of what you want to achieve, clear rules of engagement and governance, and a focus on the big picture and main objective, rather than it being about the potential benefit for any one partner."
> **(Seva Phillips, Head of Arts & Culture Finance at Nesta, and now Chief Innovation Officer at Figurative)**

Central School of Ballet, Paris Gardens © Bill Cooper

Project Timeline and Priorities

Recognising each other's strengths and differences, in 2014, the four organisations began to discuss the possibility of developing a pilot impact investment fund together.

From early on, it was clear that the project was viable, but partly due to the size and governance models of the relatively large organisations involved, it took over a year to make the fund a reality - to determine the best financial and legal structure for the fund, to define its objectives, and to get official sign off to participate at board level from all the parties. During this time, the parties took external legal advice on how best to structure the fund. As relatively large organisations undertaking a complex financial project, each organisation also had an in-house legal team reviewing the structure in addition to external counsel

This pilot, which was called the Arts Impact Fund, aimed to:

- Support the development of investment-readiness in the arts and cultural sector by working with organisations seeking repayable finance and supporting them through the investment process and due diligence.
- Encourage the development of enterprising and financially resilient operating models.
- Support the financial resilience of arts and cultural organisations by providing them with affordable finance flexible to their needs.
- Help arts and cultural organisations improve their understanding of social impact and their ability to measure and articulate their impact to internal and external stakeholders.
- Promote the wider positive impact art and culture have on society and support more organisations to benefit individuals and communities through their work.

> "So long as you have motivations that are not self-interested necessarily, but are there for something greater, then that could be a good reason to have something like a joint venture."
> **(Fran Sanderson, Chief Executive Officer, Figurative)**

The Arts Impact Fund was set up by Nesta as a new Limited Liability Partnership, sitting entirely within the Nesta group. However, funding agreements and governance arrangements involving the other funders meant that:

- The fund's costs would be borne by the funders collectively;
- Investment decisions would be made by the funders (with the exception of Arts Council England, who would sit on the investment committee as an observer);
- Decisions about the fund's future and strategic direction would be made by the funders together.

> "Governance, and codifying that governance is key, I think, to a successful project; it's particularly important when you've got different organisations, different stakeholders coming together for a shared purpose."
> **(Seva Phillips)**

The Arts Impact Fund was a pilot, and so inevitably, there were many variables and many unknowns. At the same time, each party had its own priorities and expectations for the project. To Seva Phillips, it was key to the project's success that each of the four investors were committed to a level of involvement and financial risk that suited their needs and expectations.

> "In the design of the joint venture, we had to optimise for many different variables and constraints. [...] In any joint venture, you have to go through the same exercise of identifying a model that will meet each party's different expectations."
> **(Seva Phillips)**

Beyond the legal structure and investment decision-making processes for the fund, the parties also needed to establish a fund manager – someone needed to set up all the systems and processes for the pilot fund, engage with organisations seeking funding, manage applications and the portfolio of investment over the life of the fund. While some of the activities of this fund manager role were specific to an impact investment project, much of their role also covered the systems, processes and day to day management tasks required to successfully run any joint venture.

The parties decided that Nesta had the most relevant experience for this role, and so it also took on the role of fund manager.

> "In the 2010s, Nesta was a real centre of expertise for impact investing. They were at the forefront of thinking in that area, and they'd been a supporter of the arts. So the parties felt that Nesta was best set up to be the fund manager."
> **(Fran Sanderson)**

Nesta, as the fund manager, publicised the fund through all the investor organisations' communications teams and networks. Initially, this proved challenging, as impact investment was still a relatively new type of funding for the arts and culture sector. So part of the fund manager role included raising awareness of the fund model, as well as explaining to the sector how this funding could work for them.

Outcome

It took longer than expected to distribute all the funds, but by 2018, the Arts Impact Fund had distributed £7.2 million in loans to 27 arts and culture organisations.

> "Unrestricted funding is rare and the grants available are generally very project focussed. In most cases, the fund has enabled beneficiaries to do things that they otherwise would have struggled to find capital for."
> **(Seva Phillips)**

The Arts Impact Fund was originally due to close by July 2022. Following loan extensions granted to support organisations over the Covid-19 pandemic, it is now due to close by July 2026. However, by 2018, it had already proved that impact investment has potential to positively affect the arts and culture sector. By then, the level of uptake by organisations demonstrated appetite for this type of funding in the sector, and funders had received clear indications that many organisations would repay.

That year, Nesta also established its Arts & Culture Finance division, to manage and develop new initiatives in this area. Arts & Culture Finance went on to spin out of Nesta as a separate entity in 2024 and merge with New Philanthropy for Arts & Culture to form Figurative, a new, independent not-for-profit supporting impact, investment and innovation in the cultural and creative sector.

Then in 2020, the original Arts Impact Fund funders all returned, joining forces with a further four investors to support a new, bigger Arts & Culture Impact Fund.

> "The initial funders were happy with the way it was working. They were happy decisions were being made and the fund was being managed. So that's why they felt emboldened to expand the pilot and make it bigger. The scale up from the initial pilot hadn't been scoped out as part of the original feasibility, so the development was able to incorporate learnings from the pilot."
> **(Fran Sanderson)**

Managed by Figurative, the Arts & Culture Impact Fund will distribute £18 million of social impact investment to socially driven arts, culture and heritage organisations in the UK. Reflecting on the success of the original pilot Arts Impact Fund:

> "The joint venture formed for the Arts Impact Fund wasn't just a legal structure, but a framework for collaboration. As well as pooling resources, the partners brought together expertise in finance, innovation, social impact and arts and culture. By working together in this way, we were able to navigate the complexities of a new funding model, learn together and ultimately prove the case that social impact funding in the arts and culture sectors is a powerful tool that can sit alongside grant funding in supporting the sectors' resilience, dynamism and growth. Our success with Arts Impact Fund enabled us to be confident in working together again in the Arts and Culture Impact Fund and in scaling it up and broadening its reach, bringing on board additional partners and so further resources and expertise."
> **(Ben Lane, Senior Manager, Business Innovation, Arts Council England)**

East London Youth Dance Company © Roswitha Chesher.

Group Structure

Group structures offer the closest level of collaborative partnership without the full integration of two organisations into one.

Subsidiary Model

One organisation becomes a 'wholly owned' Subsidiary of another.

Group structure type collaborations include the subsidiary model, where one organisation becomes a "wholly owned" subsidiary company of another.

Often, this model appeals because it allows a smaller organisation to retain its own identity, while enjoying the benefits of being part of a larger group. In some cases, it is used as a stepping stone towards a fuller merger.

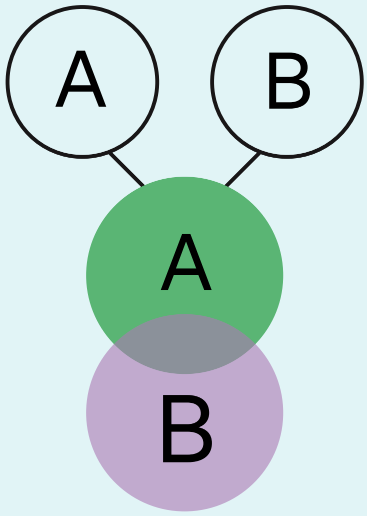


Diagram credit: Eastside People

Group Structure

Two or more organisations transfer activities and assets to become part of a group.

Another type of collaboration in this category is the pure group structure model. This is where two or more organisations transfer their operations and assets into a new group structure, so that both become subsidiaries of a new parent/holding entity.

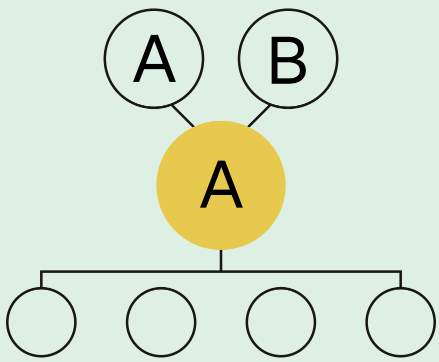


Diagram credit: Eastside People

In this situation, both organisations can retain their separate identities, which can appeal to organisations of a similar size seeking close collaboration without loss of identity. While it brings potential for greater efficiencies than the subsidiary model, legally, it is a more complex process. Once completed, running the new parent/holding entity is likely to entail some ongoing, additional costs.

While organisations entering into a group structure with each other may choose to maintain separate brands/public-facing identities, beyond that, they will be closely intertwined across all operational areas of the business. Risks, costs and decision-making across all areas of each organisation will take place through the mechanisms prescribed for the group – there may be little or no scope for autonomy outside of the collaboration, especially for a smaller organisation joining a larger, pre-existing group.

Organisations embarking on a group structure collaboration should expect to invest significant time and money in the process, which should include a comprehensive due diligence exercise.

Once the group structure takes effect, it will require ongoing investment to embed consistent ways of working and a coherent culture across the group.

Note that strictly speaking, group structures are types of mergers, as they do involve a structural change for the parties. However, in this toolkit, we have given them a specific section. This is because they mark a distinct stage on the collaboration spectrum, as they do not involve two or more organisations fully integrating, or merging.

Case Study

In producing this toolkit, the authors wanted to find an accurate Group Structure case study from the cultural and creative sector. However, despite searching far and wide, they were unable to! If you know about an appropriate case study we could include here, please let us know and we will update the guide accordingly.

Pros/Cons

Pros:

- Allows organisations to join together while maintaining separate identities
- Enables a high degree of integration across areas of the business, especially in back-office services, bringing some potential for cost savings and efficiencies
- The parent company can offer guidance and support to the smaller organisations

Cons:

- A complex, lengthy process that will require significant investment of time and money
- Organisations joining a group structure as a subsidiary will lose their autonomy
- Organisations joining together in a new group structure will be ultimately governed by the new parent company

Key Points to Note

- The closest level of collaboration where parties can retain separate identities
- Subsidiary models are a common form of group structure – where a smaller organisation joins a pre-existing, larger group as a subsidiary
- Organisations of a similar size can also join together to create a new group – where both organisations become subsidiaries of a new parent/holding entity
- Risks, costs and decision-making across all areas of each organisation will take place through the mechanisms prescribed for the group – this is a significant loss of autonomy for organisations becoming subsidiaries of a pre-existing or new group
- A complex and lengthy process, requiring a significant investment of time and money and a comprehensive due diligence process
- Where the parties become subsidiaries of a new parent company, the new entity will require additional, ongoing running costs
- Strictly speaking, these are types of mergers, though they do not involve the full integration of the parties
- Ultimately, group structures have the potential to bring efficiencies and savings, particularly in relation to back-office services

Merger

Merger

Two or more organisations join to form a new organisation.

This term denotes the closest form of strategic partnership. We use it to cover a range of legal structures that integrate two or more organisations.

A **merger** occurs when two or more organisations join together to form a new organisation. Generally, all assets and activities from both organisations are transferred into a new entity, and their former, separate legal entities cease to exist.

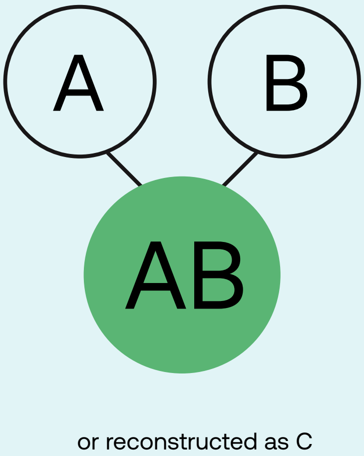


Diagram credit: Eastside People

Takeover

One organisation transfers its assets and activities to become a part of another.

A **takeover** is when one organisation transfers their assets into another organisation, becoming part of that receiving organisation. It is often the case that the partners work together to ensure that the takeover feels less like a takeover and more like a merger to the organisation being taken over.

Myth Buster

Technically, a takeover is not the same as a merger. However, the word 'merger' is often used to describe a technical takeover because people are often more comfortable with the language of merger, compared to the language of takeover.

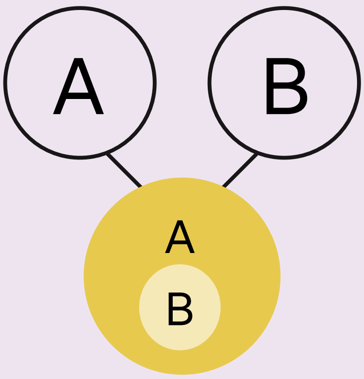


Diagram credit: Eastside People

Swapping services or assets

Transfer or swapping of services, and in some cases assets.

A common but less well-known type of merger, is an **asset or service swap**. This is where, for example, one organisation gives a programme of work to another organisation, because they see a benefit either for themselves in relinquishing it, and/or for the programme. In return, the receiving organisation may give them a different programme of work. We define this as a type of merger, because the assets or services involved move out of one organisation and merge into another. The swap may involve the transfer of legal entities out of one group structure into another. Indeed, the assets or services transferred can amount to large programmes of work, that have their own systems, processes, structures and even branding. Where this involves employees transferring from one organisation to another, this will require a formal consultation process, in accordance with TUPE* regulations.

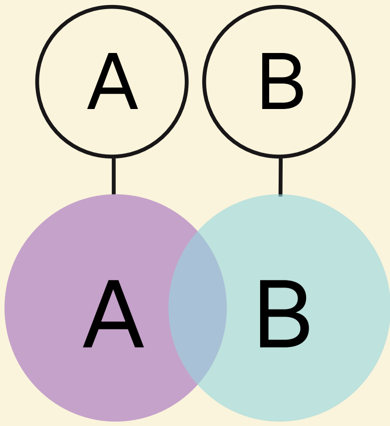


Diagram credit: Eastside People

* Transfer of Undertakings (Protection of Employment) regulations, which protect employees' rights when they transfer to a new employer.

Mergers are permanent structural changes, where two or more organisations fully integrate with each other, losing their separate identities in the process (with the exception of the asset or service swap). In most cases, there will be duplication among the executive and non-executive leadership roles across the two merging organisations, and therefore not all senior leaders will have a role in the new organisation – some senior executives will lose their jobs, and some board members will lose their positions.

Once the merger has formally taken place, it will require a significant ongoing effort to establish a new organisational culture and fully integrated ways of working.

All forms of merger require the parties to invest significant time and money in the process, which should include a comprehensive due diligence exercise.

Pros/Cons

Pros:

- Allows organisations to join together completely
- Enables full integration across all areas of governance and operations, bringing potential for the most significant benefits, efficiencies and cost savings of all the collaboration models
- Once the merger is complete, its governance structure will be more straightforward and simpler to administer than a group structure model
- For beneficiaries, the merger may bring a clearer route to access the organisations' services and support

Cons:

- A complex, lengthy process that will require significant investment of time and money
- Parties to the merger lose their separate identities*
- Once the merger is technically complete, the new organisation will need to focus considerable resource on establishing the new organisational culture and fully integrated ways of working
- Usually, some people in senior leadership positions will lose their roles as a result of the merger
- Some members of staff may resist the merger, and opt to leave the organisation instead of becoming part of the new organisation

*Note that this is unlikely to be relevant to an organisation that is taking over another organisation.

Key Points to Note

- Mergers are the closest form of collaboration, where parties fully integrate, losing their separate identities
- A merger occurs when two organisations join together to form a new organisation
- Technically, when one organisation is absorbed by another, this is a takeover, but the word merger is often used here too
- An asset or service swap is a type of merger, where part of one organisation fully merges into another organisation
- Mergers have the potential to bring the most significant benefits, efficiencies and cost savings of all the collaboration models
- A complex, lengthy process that will require significant investment of time and money
- Post-merger, considerable resource will be required to establish the new organisational culture
- Expect some loss of senior leadership personnel

FABRIC

Case Study

Following a five-year process, Dance4 and DanceXchange, two prominent Midlands based dance development organisations merged in August 2022 to form FABRIC.

FABRIC brings together 60 years of combined experience and strives for more ambitious dance to be made, produced and nurtured in the Midlands.

Background

Prior to the merger, DanceXchange and Dance4 were both financially secure, successful organisations delivering high-quality programmes of dance development activity.

In its 30-year history, Dance4 had achieved significant success, reaching over two million people through residencies, research, training, participation, festival and touring. It held a strategic role in dance development across the East Midlands, working with partners, venues and people, to bring communities and individuals in the dance world together.

Apaches in R&D © Anthony Shintai

Likewise around 30 years old, DanceXchange was a Birmingham-based dance organisation that sought to make dance as widely accessible as possible, working in partnership with artists and dance companies to create artistically ambitious, entertaining and engaging work. At a regional level, it also worked to help dance artists across the West Midlands thrive and progress.

In the lead up to the merger, both DanceXchange and Dance4 were operating in an increasingly competitive environment, where public funding was stagnating and collaboration was discouraged. It was becoming harder to find further opportunities, resources and interventions that could develop and nurture dance artists and their work and bring this to the public.

Then, in 2017, the CEO of DanceXchange stepped down after 17 years and the organisation entered a period of transition, with an interim CEO stepping in to lead the organisation for an initial one-year period.

The CEO of Dance4 was also brought in by the board of DanceXchange as an Associate Director to support the interim artistic leadership of the organisation, specifically the Birmingham International Dance Festival.

Project Timeline and Priorities

In this context, the interim CEO of DanceXchange and the CEO of Dance4, began a conversation that encompassed both DanceXchange's future direction, and the wider competitive context. Based on their initial conversations, both leaders recognised the potential value of addressing the challenges they faced together, rather than separately. By joining forces, they could reduce competition in their region – for funding, but also influence – and in doing so, believed they could achieve more investment and growth in the dance sector.

"It took more time to be competitive, than it did to have open conversations about working together." (Paul Russ, former CEO of Dance4 and current CEO of FABRIC)

By October/November 2017, the CEOs recognised that there would be merit in considering the possibility of close collaboration, including merger.

Towards the end of 2017, both CEOs asked their Chairs whether they would support merger discussions, and both Chairs said yes to progressing such this proposition.

For six months, each organisation worked internally, to explore whether a merger was right for them, and what a successful merger would look like. Alongside this internal work, the two CEOs worked together to develop a concept paper, detailing the rationale for the potential merger.

BIDF Friday Night © Paul Stringer

The main priorities for the merger were to:

- Create a larger platform, which would enable more opportunities for the dance sector in the Midlands
- Influence policy and strategic public discussions around what is possible for dance outside of London
- Create a new type of dance development structure. While both DanceXchange and Dance4 were positioned as experts in the field, the new organisation would seek to respond more fully to the needs of the dance sector – the intention was to create an organisation that would support and grow the Midlands-based dance community, rather than one that 'does to' the sector.

> "Outside of London, organisations had hit a ceiling. By bringing the two organisations together, it was possible to break that ceiling, forcing a different conversation – how dance might positively inform policy."
> **(Paul Russ)**

FABRIC Centre for Advanced Training EM © Josh Hawkins

The Pantograph by Company Banks © Paul Stringer

In mid-2018, the boards of the two organisations met formally for the first time.

At this stage, the intention was to move quickly; drawing from the concept paper, the merger team developed a model, working towards a formal merger of the organisations in spring 2020. The prospect of instigating positive change for the dance sector by coming together, underpinned this desire for momentum. The parties were poised to register the new organisation at that point… and then the Covid-19 pandemic hit. This created numerous complications, including limits to the funding and resource available for the merger project.

While pandemic-related delays upended the intention to proceed quickly, they did also allow trustees to engage with the implications of merger more thoroughly – thinking which Paul Russ believes has been extremely beneficial to the new, merged organisation. Throughout 2021-22, both Dance4 and DanceXchange worked together, carrying out due diligence, planning programmes and developing the new brand.

All along the way, the parties received support from a number of critical friends, including one who continues to provide advice and support three years post-merger.

Outcome

The new organisation was ultimately registered in the late summer, 2021 and then on 8 August 2022, the two organisations formally merged, combining their operations, assets and liabilities in a new organisation, FABRIC. Paul Russ, CEO of Dance4 became CEO of FABRIC.

> "Speaking to people involved in other mergers, I know that they did a lot of that work before arriving at formal merger, so that they knew what the new systems would be like from day one. We just weren't in that place."
> **(Paul Russ)**

Since formal merger, alongside the day-to-day delivery of services, FABRIC has conducted a root and branch overhaul of all its systems.

In the early years of its life, the new organisation has certainly faced challenges. Pre-merger, the intention was to bring all employees from both merging organisations into the new organisation, and in the first instance, this happened. However, six months post-merger, the cost-of-living crisis hit. FABRIC had no option but to restructure its senior team.

Reflecting on the process, Paul Russ sees that it took over two years for the new organisation to settle, stabilise and establish its culture. Now, three years on, while some of this work continues, FABRIC is achieving significant success, as a more transparent, accessible organisation that either of its predecessors.

FABRIC now regularly hosts gatherings, inviting conversations with the sector and creating a culture of dialogue. As Paul Russ explains, he now receives numerous emails and phone calls from artists who tell him they can see the shift in approach. They share feedback, concerns and ideas directly with him – these might relate to their own career, the dance sector or indeed FABRIC itself – and they tell him they wouldn't have raised these with either DanceXchange or Dance4, but they feel they can say it now, to FABRIC.

Paul Russ also notes that reducing competition for commissioning artists and for audiences through merging the two organisations could attract some criticism. Recognising this, to ensure the merger achieves success for the sector, it has been vital to be, and be seen to be, in 'listening mode' post-merger.

The new organisation continues to evolve. Two years post-merger, the leadership realised it was necessary to re-energise the organisation: "We realised we'd been living way too much into the transition. Now, we need to look ten years into the future – what do we want to change in ten years' time? That's been wonderful. To be ambitious on that scale, it's given the organisation new life, and new purpose." (Paul Russ)

Looking ahead, the creation of FABRIC has also, in itself, created professional development opportunities. The organisation operates on a larger scale than either party did pre-merger, which has expanded some job roles, particularly in the leadership team. It has created greater opportunity for specialisation and at the same time, more ambitious strategy work.

> "I feel energised still by what's been created and what's possible."
> **(Paul Russ)**

Fabric, Centre for Advanced Training WM © Kate Green

Fabric, Nottdance 22 Seke © David Wilson Clarke

Navigating the challenges of collaboration

As our deep dive into the five different collaboration models has shown, there are pros and cons to all forms of collaboration – but the closer the collaboration, the higher the stakes.

Like every organisation, every collaboration is unique, bringing its own benefits and challenges.

The guidance on this page highlights some of the key challenges that come with collaboration, in particular closer collaborations (joint ventures, group structures and mergers).

Resourcing and cost

Close collaborations (joint ventures, group structures and mergers) do require considerable time and money. For many, overlaying this activity onto business as usual can place a real strain on the organisation for a considerable period of time.

We recommend you consult peers in the sector with recent experience of a similar collaboration, consultants or other relevant professionals, in advance, to get as clear a sense as possible of the investment required before embarking on a close collaboration.

Loss of autonomy/identity

The closest collaborations – some group structures, and certainly mergers – will usually entail a loss of organisational identity and a shift in purpose.

We recommend that you work through the implications of this internally, at a very early stage. Are you clear on what this means for your culture? Your staff? Your activities and services? What collateral negatives or positives could it bring?

Lack of knowledge

Collaborations can feel mysterious and confusing – how do they come about? Why? What do they look like?

We hope this toolkit goes some way to demystifying collaboration. The Further Resources section includes resources to help your organisation explore the potential benefits of collaboration. It also includes links to further, free online resources that include more detailed information.

Identifying the right strategic partner(s)

For some organisations, the right strategic partner(s) will be obvious – perhaps it is a peer in the sector, or an organisation up or down their supply chain.

For others it may be far less clear. It isn't always easy to find the right collaborative partners... and even if you have identified a potential partner, it isn't always obvious how best to initiate a conversation about collaboration. External consultants are available to support with a partner search. Eastside People - who've contributed to this toolkit - offer these services, as do other organisations.

Senior leadership roles

In reality, those making the big decisions for an organisation are often the most likely to be personally affected. Some people in senior leadership positions usually do lose their roles, or the seniority of their roles, as a result of a merger/becoming a subsidiary in a group structure. For some, this will feel acceptable, even positive – merger can form part of a CEO's exit strategy. For others, this will prove a significant challenge – a clear understanding of the personal implications of the merger from an early stage can go some way to mitigating this challenge.

Further Resources

1. The Good Merger Index: 11 years of reporting on mergers (Eastside People)
2. The Good Merger Guide (Eastside People)
3. Thinking about ... merger, a publication produced by IVAR (Institute for Voluntary Action Research)
4. Should you collaborate? online guidance produced by NCVO (The National Council for Voluntary Organisations)
5. What are you looking for? A guide to explore how collaboration might benefit your organisation (see below)
6. Key Steps to Successful Collaboration (see below)
7. How to merge charities, online guidance produced by the Charity Commission for England and Wales
8. Charity Merger Guide (Eastside People)

What are you looking for?

A guide to explore how collaboration might benefit your organisation.

We recommend working through these steps in sequence, and in discussion with your senior leadership team and board.

Step 1: What is the ultimate outcome you are seeking to achieve?
- The first step is inward looking – putting aside thoughts of collaboration, are you clear on your organisation's north star? (i.e. its strategic aims and priorities)
- Reach a consensus before moving on

Step 2: How might a strategic partnership help you reach your strategic aims?
- Discuss the potential benefits of collaboration, with specific reference to your organisation's north star?
- See Why are you considering collaboration? for prompts
- Reach a consensus on the top three reasons (ranked) before moving on

Step 3: What does your organisation have to offer?
- Perhaps it's easy to identify your ideal strategic partner(s), but what's in it for them?
- Explore the reasons a partner would want to collaborate with your organisation?
- Reach a consensus on the top three reasons
- What sort of organisation are these attributes likely to attract?

Step 4: What are your search criteria?
- Keeping your north star in mind, what are you looking for in a partner?
- Consider the following categories:
  - Assets
  - Clientele/service users/beneficiaries
  - Culture/Ethos/Values
  - Funding
  - Geography
  - Governance
  - Sector
  - Skills/Knowledge

Step 5: What matters most?
- Reach a consensus on the top three reasons (ranked) / search criteria
- Why are these so important?
- What do they tell you about your organisation?
  - Where are your boundaries?
  - Where would you refuse to compromise?

Step 6: You have reached the beginning!
- The previous steps are fundamental groundwork for a collaboration curious organisation
- Whether you are actively searching for a strategic partner, or an opportunity to collaborate presents itself to you, this groundwork will bring clarity of purpose as you explore the possibility it brings.

REMEMBER: Collaboration is a tool, not a strategy.

6. Key Steps to Successful Collaboration

These steps apply to all models of collaboration:

1. Align Visions
This is fundamental. Both parties need reasons to believe in the collaboration, reasons that root the collaboration in their ultimate strategic goals.

Will the collaboration increase geographic reach into a target area? Will it foster innovation? Will it raise awareness/profile? Gain critical mass? Increase efficiency or reduce administrative burden? Both parties need to be crystal clear on their goals and ensure that their visions for the purpose and intended outcomes of the collaboration align.

2. Build Trust
Like any other type of partnership – professional or otherwise – successful collaborations are based on trust.

3. Communicate, Communicate, Communicate
Communication needs to be clear, regular and straightforward. Agree the best way to communicate with your partner from the outset and make sure you keep checking and recalibrating if necessary, to ensure the communication is working for both parties.
Effective communication will manage expectations and allow the parties to address any issues promptly.

4. Discover
The closer the collaboration, the more due diligence required. For Joint Ventures, Group Structures and Mergers, it is essential that each organisation conducts legal and financial due diligence, to understand the legal and financial implications of the partnership.

5. Define What's Shared
Clearly define how the collaboration will work in practice. What resources will be shared – financial, human, technical, material? And how will they be managed? Make sure this is clear before collaboration begins.

6. Monitor
Set up mechanisms to monitor progress and evaluate the impact of collaboration, to be clear on whether it is achieving its purpose.