

Image: Dean Hochman

Think tanks and the private sector: opportunities and challenges

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Abstract

Think tanks and private sector engagement is increasing across the world, yet little is little known about how they happen. This scoping paper seeks to address how and why think tanks engage with the private sector, as well as the challenges they face in doing so. Through a literature review and interviews to think tankers and key informants, this study found that the motivations for think tanks to engage with private sector actors are greater than accessing funds and resources, for some it is also ingrained in their organisational setup (e.g. they were founded by corporations or businesspeople), and for others stakeholder engagement is a key motivation (providers of access to others and an avenue for increased impact). The main risks found for think tanks are loss of self-determination, and stakeholder and reputational risks, both of which have the potential to affect the credibility of the think tank and their ability to engage with other actors. To address these risks and protect their credibility, organisations engage in several strategies: controlling funding sources and mechanisms, maintaining a strong intellectual, transparency, and risk and due diligence assessments. Addressing these challenges gives way to interesting engagement opportunities and to capitalise on them, think tanks need to first identify the different ways in which they can (and want to) work with the private sector and the benefits to be gained by both actors. Most importantly think tanks need to know why they are attractive to specific actors and what they are willing to offer. Capitalising and strengthening on their assets can increase their leverage when engaging with the private sector, paving the way for a more equal relationship in which both benefit.

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Introduction

Changing funding scenario

The funding scenario for think tanks is changing. Flexible and core funding is increasingly less prevalent as funders are directing their support to project and issue specific funding (Lah, 2017). Additionally, funding and aid to middle income countries is rapidly shrinking. The uncertainty in the funding environment is driving think tanks to reassess their funding models ([Mendizabal, 2018](#)): in order to survive think tanks need to adapt. Common strategies to face this scenario include diversifying their funding sources, providing a wider portfolio of services to a wider variety of actors, and reaching out to the private sector.

Engaging with the private sector is not an altogether new practice, as some think tanks (particularly in the United States) have done so since their inception. But, there is a clear upward trend, for example, the percentage of donations from corporations (over \$50,000, based on minimum disclosed amount) that Brookings received, rose from 5% in 2003 to 22% in 2013 ([Elliott, Hamburger, Becker, 2014](#)). But for think tanks in other regions, and particularly those graduating to middle income status, engaging with the private sector is a relatively new phenomenon. In an analysis of funding sources of –Think Tank Initiative funded– think tanks Lah (2017) found that 88% (sample of 34) received funding from bilateral organisations and 64% from multilateral organisations; but only 24% reported receiving funding from the private sector and 15% from corporate philanthropy. And although the aim is not for think tanks to solely rely on private sector funding, the opportunities and challenges of engagement with them should be further explored, both to fully take advantage of the benefits (which go beyond funding) and also to protect themselves against the risks.

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The challenges of engaging with the private sector

If private sector funding is a potential source of funding for think tanks, why then are think tanks not strongly working with them already? The answer is that engaging with the private sector is neither straightforward nor risk-free.

Private sector engagement for think tanks is subject to many risks and challenges. A key aspect is the risk of credibility loss. Credibility is paramount to think tanks, as having it validates their voice and gives leverage to their recommendations. Credibility is granted to organisations by stakeholders based on their assessment of several factors that influence it¹ (Baertl, 2018). And organisations working closely with the private sector are at risk of being perceived to lack intellectual independence and transparency, and of being pawns of corporate interests (see articles by [Judis, 2017](#), [Callahan, 2017](#)) which will negatively affect their credibility. Or, more worryingly, organisations can become pawns, not responding to their own interests and advancing recommendations based on the interests of their funders and not on quality research.

In terms of challenges, and particularly in countries where there is no tradition of domestic philanthropy and engagement with corporates, the private sector is not widely familiar with what a think tank is, what it does or why they should engage with them. And think tanks also struggle with the seemingly simple but deeply complex issues of: approaching private sector actors, the support and engagement that can (or should) be sought with them, or even explain what they do in a language that is understood by the private sector.

Key questions

Against this background, this scoping paper seek to address two main questions: *How do think tanks engage with the private sector?* and *How do think tanks protect their credibility when engaging with the private sector?*

Sub questions include:

- Why do think tanks engage with the private sector?
- What is the focus of the engagement?
- What challenges do think tanks face when engaging with the private sector?
- How do think tanks establish relationships with the private sector?
- What strategies are used to maintain independence and control of the research process?

To answer these questions, we begin by turning to NGOs and Universities, as they began engaging with the private sector and domestic philanthropy earlier. From their experience, and literature on the subject, lessons can be extended to think tanks.

1. See [credibility section](#) for a deeper discussion on this.

Scope

This scoping paper that draws its conclusions from a literature review² and interviews to think tankers, fundraisers and think tank experts. The focus is the relationship of think tanks with the private sector. The definition of think tank used is broad and includes any organisation that carries out research with the aim of informing public policies³.

The private sector is defined: as local and international companies, corporations, business and the individual actors that represent or are part of these organisations. Individual philanthropists and foundations, where there is no clear separation between the funders and the organisation, were initially considered, but their engagement with the think tanks interviewed was not prevalent, and so were excluded from the analysis. Large international private foundations were initially included in the definition of the private sector, but the interviews and case studies revealed a different pattern of engagement with them, as their policies and practices make them akin to international aid organisations (e.g. the Bill and Melinda Gates Foundation, Ford Foundation. etc). Nonetheless, the dividing line between them is fine and difficult to unravel so some overlap is possible.

This scoping study has no sectoral nor regional specificity, although due to the reliance on the author's contacts for interviews, Latin America is overrepresented⁴. The paper relies on interviews as the main source of information on think tank experiences and does not provide a systematic analysis of think tanks' budgets. Therefore, it does not claim to provide a full picture of the relationship of think tanks and the private sector, but it is an exploratory study that provides insights into the opportunities and challenges of liaising with the private sector and will hopefully give way to more systematic research in the future.

Methodology and sources

The methodology of the study is qualitative and relies on:

A literature review⁵ with two aims: to provide a conceptual framework of NGO and university engagement with the private sector, and to scope the research available on think tanks and private sector funding.

Key informant and case study interviews. In total 22 interviews were conducted⁶, nine thinktankers (used as case studies) and 13 as expert informants (composed of former thinktankers, fundraisers and think tank experts). The individuals interviewed were selected by convenience and through contacts (and are thus not a representative sample). Interviews were semi-structured (see Annex 2 for the full list of questions) and aimed at understanding different models of think tank engagement with the private sector, as well as to identify common practices and systems to engage with them.

2. The literature review draws on NGOs and universities engagement with the private sector and identifies key issues on private funding discussed in think tank literature.

3. It excludes organisations that define themselves as for-profit consulting firms, as well as university-affiliated centres that do not have an independent identity and whose actions are embedded in the universities'.

4. The analysis does not present quantitative solutions so the over representation of Latin America should not be an issue.

5. See annex 3 for the search terms and sources consulted.

6. See annex 1 for a full list of interviewees.



Image by: WOCinTech Chat

Private sector engagement with NGOs, universities and think tanks: a literature review

NGOs and the private sector

The relationship between NGOs and the private sector has developed and strengthened throughout the 20th century. But, in the 1990's as the concept of corporate social responsibility (CSR) began to gain traction, corporate-NGO relationships started to take hold and slowly became more prevalent across both sectors. Many companies⁷ began these engagements with the aim of responding to negative publicity (Cramer-Montes, 2017), although this was not the case for all. Ultimately, the widespread participation of corporations in the 2002 World Summit on Sustainable Development in Johannesburg represented a milestone in the NGO-Business relationship and established corporations as actors in the development field (Poret, 2014).

One of the factors that spiked the interests of NGOs (as well as bilateral development agencies) in engaging with the private sector was the decline of official development assistance (ODA). Additionally, the debates about ending aid dependency, increasing south-south cooperation, and economic growth rates and investment in so called developing countries, also played a role and contributed to the formation of NGO- business relationships (World Bank 2013).

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The literature on business-NGO relationship is vast and includes scholarly papers, media articles and grey literature. The focus usually rests on the type of relationship (collaborative or confrontational); or on an analysis of particular NGO- business relationships (either praising or condemning the engagement), or the benefits and risks of engagements. This scoping paper provides a brief (and non-exhaustive) account that focuses on collaborative business-NGO relationships, the drivers for said engagements, and the risks that NGOs need to assess before embarking in them. All of which could help understand think tank and private sector engagement.

7. Through the paper I will be using the terms companies, corporations and businesses alternatively to refer to the private sector.

Types of engagement

There are many ways to address the different types of relationships between NGOs and the private sector⁸. Molina-Gallart, (2014) proposes a categorisation which could also be applied to think tank-corporation relationships.

- **Funding/philanthropy**, in which the private sector donates to NGOs, either to support their work in general or for specific causes.
- **Partnerships** are agreements between NGOs and the private sector to carry out specific actions: i.e. joint work to improve value chains, facilitate research, work towards specific development outcomes, etc.
- **NGO-corporate campaigning** entails combining outside pressure (e.g. civil society or the media) with inside engagement from within businesses in an effort to change behaviour.

Drivers of engagement

The drivers for NGO-private sector engagement are many, and after an analysis of the literature they have been grouped into strategic and stakeholder engagement drivers. Strategic drivers are those that have as a goal a long-term organisational interest, and the collaboration with the actor will help in achieving them. Stakeholder engagements drivers are based either on pressures from or benefits to stakeholder engagement.

Reasons for the private sector to engage with NGOs⁹

Strategic factors

Strategic philanthropy. Philanthropy has long been enacted by actors within businesses who donate to causes of their interest. And though many organisations argue that their engagement with development initiatives is born out of altruism and moral values, there is a debate on whether companies can or should engage in CSR activities for ethical reasons (discussed in Poret, 2014). An interesting aspect of the moral and ethical drivers for corporations is the concept of strategic philanthropy, by which companies engage in social initiatives to improve their competitive context and reinforce their corporate strategy, and not just out of altruistic reasons (Porter & Kramer, 2006). Social conditions, transportation, education and health systems (to name a few) influence the activities and results of a company. Consequently, strategically supporting activities aimed at improving the context in which they operate (philanthropic aspect) can also enhance their long-term profits (strategic aspect). For example, a pharma company might be interested in supporting research in the health sector and a mining company might want to support rural development.

Creating value. Another key reason is that these activities can provide competitive advantage and profits; undertaking a socially responsible approach can strengthen market position and increase benefits in the long run. A McKinsey survey (2009) reported that more than two-thirds of CFOs and three-quarters of investment professionals surveyed agree that “*environmental, social, and governance activities do create value for their shareholders in normal economic*

8. See also the typology based on the *nature of the engagement* presented by Nelson (2007), on the *stages of the relationship* by Austin (2000) and on the *direction of the resources and information flow* by Darko (2014).

9. This section draws heavily on the drivers identified by Poret (2014) and complements them with other sources.

times". This driver is like strategic philanthropy, but the key difference is that the motivation for this one is geared towards organisational gain (creating value) than to benefiting others.

Influencing regulations. The self-regulation, codes of conduct and policies that CSR activities often call for are a way for business to prevent the intensification of public standards. These self-imposed regulations and practices are a way to negotiate and delay other potential regulations (Egels-Zandén, 2009).

Information, knowledge and outreach. NGOs provide knowledge and community level information to businesses; and are also able to convene actors outside a company's reach. As such international NGOs are sometimes seen as '*one stop shops*' (Bobenrieth and Stibbe, 2010). The *C&E Barometer* (2017) listed *access to people and contacts* as the second most common reason (72%) that corporations give for engaging with NGOs, as they have the advantage of being able to '*tap into*' other constituencies in a way which would not be possible without them. (Molina-Gallart, 2014)

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Stakeholder engagement

Social contract¹⁰. Companies and the societies they operate in have a social contract, and when they breach it companies lose legitimacy towards their stakeholders. Civil society (of which NGOs are a key player) is one of the stakeholders whose authorisation must be maintained to operate successfully, hence engaging with them is a way to build legitimacy (Poret, 2014). In this vein, investing in development, arts or culture is a way to maintain their social contract, and it can also be a reason to invest in education, universities or research.

Credibility and public trust. The *C&E Corporate-NGO Partnerships Barometer* (2017)¹¹ reports that building credibility and public trust is the main reason that corporations cite for engaging with NGOs (92% of respondents reported this). Businesses seek partnering with NGOs to capitalise on the public trust that NGOs generate, steer away criticism (sometimes generated by environmental and financial scandals), and to be seen by the public as working towards the public good (Darko, 2014).

Peer pressure. When large global actors (for example the United Nations) convene an action, corporations have a reputational incentive to engage. Participation is a form of competition with peers in public relations, and they need to participate to maintain their standing and not be seen as free riding on others. Peer pressure is especially prevalent for joint policy, stakeholder engagement and advocacy work (Darko, 2014).

10. A social contract for businesses (as described by Donaldson, 1982) refers to the (unwritten) indirect obligations that businesses have to the citizens, government and environment they operate in.

11. A survey focused on UK based corporations and NGOs.

Reasons for NGOs to engage collaboratively¹² with the private sector

Strategic reasons

Access to funds. Public and bilateral funds have decreased while the number of NGOs has increased. This is one of the reasons that has led NGOs to find new funding sources and reach out to the private sector (Poret, 2014; Molina-Gallart, 2014). The C&E Barometer (2017) highlights that access to funding is the most cited reason for NGOs to engage with the private sector (93% said so), and it is well above any other reason.

Realpolitik and impact. NGOs are aware of the role and influence that multinational companies and local companies, as economic and political actors, have at the global and local level. Hence engagement with them can be important to fulfil their objectives and achieve lasting change (Molina-Gallart, 2014). The C&E Barometer (2017) cited long-term stability and impact as a driver for NGO engagement with corporations (68% of NGOs reported this as a reason). And more specifically when engaging in joint policy and advocacy work, undertaking it with other powerful actors has the potential for systemic change (Darko, 2014)

Internal change. Partnerships serve to sensitise companies (and their other stakeholders) to an organisation's cause. Hence, NGOs seek partnerships with companies in an effort to change internal corporate behaviour (Heap 2000; Nelson 2007; Poret, 2014).

BOX 1:

STRATEGIC APPROACHES TO PARTNERING WITH COMPANIES

A strategic approach to partnering with companies involves identifying the societal issues in which a corporation is most invested in and best equipped to help resolve (Poret, 2014). Porter and Kramer (2006) establish a framework for companies to sort out societal issues into three categories: *generic social issues* are those that are not impacted by the company's operations nor affect its long-term competitiveness. *Value chain impacts* are those that are significantly affected by the company's actions in the course of business. And *competitive context issues* are contextual issues that impact competitiveness where the company operates. Which issues fall in which category depends on the company and the specific context in which it currently operates.

Stakeholder reasons

Reputation and credibility. The C&E Barometer C&E (2017) showed that 52% of participating NGOs listed enhanced reputation and credibility as a reason for working with the private sector. Partnerships and collaboration with the private sector can strengthen an NGO's reputation and political influence due to the increase in their public visibility (Poret 2014).

Outreach. The C&E Barometer C&E (2017) reports that access to people and contacts is the second most popular reason that NGOs report for engaging with corporations, as it allows them reach out to their constituencies in ways not possible by NGOs alone (Molina-Gallart, 2014).

12. NGOs can also engage in confrontational relationships with the private sector, as seen in the typology established by Nelson (2007), but this is not the focus of the paper and will therefore not be discussed.

Risks and problems of NGOs in engaging with the private sector

Involvement with the private sector also entails risks and problems. Indeed, some of the potential benefits can even become negative outcomes of the relationship (as will be seen below). The main risks and problems identified in the literature can be grouped into: ethics and values, stakeholder reputational risks, and self-determination issues.

Ethics and values

Ethical risks arise when support comes from a source whose objectives are in opposition to what the organisation is trying to achieve. By accepting support an NGO could be indirectly contributing to generating the harm they are trying to alleviate. For example, a health-focused organisation receiving funds from a cigarette or alcohol company would be in breach of their values (Adams, 2007¹³).

BOX 2: REFUSING CORPORATE SUPPORT

Miller & Kypri (2009) discuss their reasons for refusing funds from foundations with corporate backing from industries that relate to the issues they are trying to address (alcohol abuse). The reasons are: incompatible purposes; lack of independence of the foundation from their corporate donors; lack of transparency; opportunity for funders to whitewash themselves; and reputational damage by engaging with them.

Stakeholder/ Reputational risks

Reputational risks denote the negative public perceptions that can arise from accepting private funds. Other actors may stop their engagement to avoid being directly or indirectly linked to these specific private sector organisations (Adams, 2007). Alternatively, NGOs stand to lose credibility and legitimacy to their audiences, by the actions of their partners. For example, if a company is involved in a scandal or behaves unethically, partner NGOs can lose credibility by being associated with them (part of their network). Additionally, NGOs, are at risk of being, or being perceived as, too dependent on corporate funding to work objectively, thus losing their ability to choose the work they focus on, or not being able to challenge companies in their practices if needed.

Loss of self-determination

The loss of self-determination is the most widely mentioned risk for engaging with the private sector. There are several aspects within it:

Power imbalances. NGOs and businesses have different positions in terms of their, social, economic and political power, which depend not only on the size of the organisation but on contextual factors. And although there are some very influential NGOs, power is usually held by the funder (Molina-Gallart, 2014). Power imbalances affect grant-making processes and can alter the aims and impact of joint efforts, skewing them in directions that NGOs might not necessarily like or be comfortable with, but that they accept as they have less power in negotiations.

13. Adams (2007) specifically assessed the risks taken by health, research and community organisations when accepting to receive funding from dangerous consumption industries (e.g. alcohol, gambling etc).

The loss of self-determination is the most widely mentioned risk for engaging with the private sector.

Governance risks. Governance risks mainly relate to the organisations' capacity to self-determine their future as reliance on a funder increases. There may come a point when they no longer wish to accept funding from them, but it is their only choice to continue operating; or alternatively, the donor may cut the support without them being prepared to operate without it (Adams, 2007).

Agenda-setting. When organisations operate in environments of funding uncertainty, and competitions for scarce resources occur, NGOs' interests and even their missions can (and tend to) align with donor preferences, acting like for-profit contractors in order to survive (Cooley and Ron 2002).

Resource dependence theory. This problem relates to the extent by which the discretionary actions of an organisation are limited by a funder, and dependent on them (Batley 2011). Because of the need for funding, as well as power imbalances, organisations sometimes give in to the demands of their funders, which threatens their independence, organisational autonomy, and legitimacy (Mitchell, 2014).

Strategies to manage or adapt to the risks of private sector engagement

NGOs have developed various systems and tools to manage the risks and problems involved in liaising with the private sector. Fundraising policies and risk assessments are the most common tools to manage relationships with funders (Molina-Gallart, 2014¹⁴). Fundraising policies are developed to determine whether an NGO enters a relationship with specific businesses. Most large-scale organisations have a set of policies, but the content, format and specifics differ. Some organisations also develop risk-assessment guidelines to gauge the risks and opportunities of specific relationships (and also their nature and terms).

Batley (2011) and Mitchel (2014¹⁵) describe the strategies that NGOs use to navigate relationships with powerful funders. These are grouped into adaptation, avoidance and shaping strategies¹⁶.

Adaptation strategies

These are employed when organisations are not strong enough to deter external control (Batley, 2011, Mitchel 2014) and their self-determination is affected. They are named adaptation strategies as the organisations simply adapt to the issue instead of taking action to remedy it. Mitchel (2014) identified the following:

- **Alignment.** NGOs adjust their programmes to adapt to preferences of funders.
- **Subcontracting.** To raise funds some organisations become contract driven, instead of mission driven.

14. The article also specifies procurement policies as a way to manage relationships with the private sector and align their consumption patterns with their ethical values (Molina-Gallart, 2014).

15. The paper specifically focuses on government – NGO relationships, but most of the strategies can be used in any other funder – organisation relationship.

16. Only the strategies and issues that are relevant for think tanks are being discussed, for a full account see Mitchel (2014).

- **Perseverance.** Organisations engage in a loop of securing contracts and grants to maintain the cash flow. It is a mixture of the previous two, but it also entails adopting tactics to react to a scarce resource environment without resisting or changing it.

Avoidance strategies

Avoidance strategies are named so because organisations try to avoid the problems of the engagement by taking some actions against it. These strategies lead to a lower level of vulnerability to external control (Batley, 2011, Mitchel 2014). Mitchel (2014) further identified the following:

- **Revenue diversification** allows more stability to organisations, as when one source fails the other are not impacted, it also gives more freedom and enables strategic choices.
- **Commercialisation** funding tactics involve fee-for service programmes, cost recovery and revenue generating actions.
- **Funding liberation** aims at securing a mixture of restricted and unrestricted contributions.
- **Selectivity** entails rejecting funding that is not aligned with the organisation's mission.
- **Specialisation** means becoming highly specialised in a specific (niche) area, ideally in which there is high donor demand and low supply.

Shaping strategies

All relationships involve some form of resource exchange: usually funders offer resources (money, expertise, information etc) and NGOs offer expertise, specialised capabilities and legitimacy. Some NGOs are strong enough, and the resources they can offer are broad enough to enable them to resist external control and even alter the direction of the influence or shape their funders. (Batley, 2011, Mitchel 2014) Mitchel (2014) further identified the following:

- **Donor education** happens when organisations shapes and conditions the preferences of their funders.
- **Compromise** is a process of engagement and discussion in which both parties influence and learn from each other and reach a compromise on what needs to be done.

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Universities and the private sector

Academic engagement, understood as any knowledge-related collaboration, between the private sector and universities is also experiencing an upward trend, and there has been an increase of the share of research grants coming from the private sector in OECD countries (Hottenrott & Lawson, 2012).

There is a large body of research on the relationship of the private sector and universities, and it mostly focuses on collaborations in the natural sciences and engineering¹⁷, the fields with the strongest links to the private sector. For example, almost half of UK researchers in the physical and engineering sciences reported engagement with the private sector in 2009 (D'Este and Perkmann, 2009). The humanities have the least connections with the private sector, and the social sciences are somewhere in the middle but closer to the humanities (Ylijoki, O.-H., 2003).

Think tanks can also derive lessons from university-private sector relationships, because as boundary organisations, they share similarities with universities, as well as the problems and risks associated with engaging with the private sector.

Think tanks can also derive lessons from university-private sector relationships, because as boundary organisations, they share similarities with universities, as well as the problems and risks associated with engaging with the private sector.

To avoid repetition, the next subsections will focus mostly on aspects that are specific to university-private sector collaborations, and only mention briefly the issues that have already been covered. Therefore, the level of attention to each aspect will not represent its importance in university-private sector collaboration, but rather it aims to complement what has already been discussed.

Types of engagement

Collaboration between universities and the private sector can be formal or informal in nature. Formal activities include collaborative research, contract research, consulting, spin-off companies, intellectual property transfers (e.g. patenting or licensing). Informal engagement entails: participation in conferences, meetings, networking or ad hoc advice. The relationship may be purely financial (payment

17. In universities in Europe, Canada, USA and Australia.

for academic work) or include other non-financial aspects, e.g. access to materials, idea sourcing, data for research etc. The partners involved usually have broader goals than the academic value of research, and seek to generate utility out of it (Perkmann et al., 2013¹⁸).

From the formal activities, collaboration is the most frequent and can take the following forms (D'Este and Perkmann, 2009):

- **Collaborative (or joint) research.** Aimed at cooperation in research and development initiatives, these types of initiatives are often subsidised or complemented by public funding.
- **Contract research** is commissioned by business, tends to be applied research and has commercial relevance to business (and therefore not usually complemented by public funds).
- **Consulting projects**, similar to contract research, usually also commissioned by the private sector but the income generated is often for individual researchers or channelled to the university to support further research.

Unlike what is seen in the NGO- private sector relationship (where despite potentially beneficial for both, it is NGOs that tend to reach out to the private sector) both universities and the private sector seek each other for collaboration.

Drivers of engagement

Unlike what is seen in the NGO- private sector relationship, where despite potentially beneficial for both, it is NGOs that tend to reach out to the private sector, both universities and the private sector seek each other for collaboration (Berman, 2012).

Drivers for universities and academics

Research and knowledge related reasons are the dominant reasons for academics to collaborate with the private sector. Commercialisation drivers, although relevant, appear to be the least important.

The main drivers for universities and academics are¹⁹:

Research and knowledge

Access to funds and resources. Liaising with the private sector is an effective tool for mobilising resources, and may even substitute endowments (at highly ranked institutions) (Perkmann et al., 2013). Academics seek industry funds to complement their existing work and secure funds for graduates, lab equipment, etc. (Lee, 2000, D'Este and Perkmann, 2009, Banal-Estanol et al 2013). Some academics also seek the private sector as they can be source of or give access to *in-kind* resources: materials, equipment, data for research and even expertise (D'Este and Perkmann, 2009).

Learning –Source of ideas. Collaboration with the private sector is sought to source ideas from industry, gauge the applicability of research (Lee, 2000), receive feedback from them, and expand networks and contacts (D'Este and Perkmann, 2009).

18. See Perkmann et. al 2013 for an extensive literature review on university-industry relations.

19. Although the drivers for universities as organisations might differ from individual academics they will be presented jointly.

Commercialisation

Another driver is the potential commercialisation of the technology or knowledge, for immediate income, patenting or development of spin-off companies. However, this driver is one of the least important ones, as reported by academics (D'Este and Perkmann, 2009).

Drivers for the private sector

Berman (2012) argues that as some companies cut their own research funding in the 1970s, they sought out universities to replace the research they were no longer doing. Hence the private sector, and specifically industry related businesses, are interested in engaging in collaboration with universities as they derive benefits from accessing the specialised knowledge that universities produce and the equipment they have.

Additionally, the private sector collaborates with academics to: work on solutions for their operational problems (solving technical or design problems, product and process development and quality improvement), to access knowledge (workshops, seminars etc), to develop relationships with universities, to identify graduates to hire, and to conduct research (either research that leads to patents or research in which there is no immediate practical application) (Lee, 2000).

Potential problems and issues to consider

Effects on research productivity

One of the most important concerns is the effect that engagement with the private sector can have on an academic's research productivity, though research on this issue is inconclusive. Some have found that researchers with private sector backing publish as much as their colleagues without it (Gulbrandsen and Smeby, 2005, in Perkmann et al., 2013). However other studies show that researchers with private sector links publish less over the length of their career (Lin and Bozeman, 2006 in Perkmann et al., 2013). A longitudinal study of the impact of university-industry collaboration on academic research output (in engineering departments of 40 major universities in the UK) found that researchers' productivity increases with the strength and frequency of industry associations, but only up to a point (up to 30-40% of all research), above which it declines (Banal-Estanol et al (2013).

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Additionally, and moving from individual academics to university departments, Hottenrott & Lawson (2012) found that departments that sourced more ideas from the private sector had lower publication rates and fewer citations, but this effect is seen only when engaging with large firms. When the relationship is with smaller firms the effect was opposite and even resulted in more patents in which professors were listed as inventors.

Effects on research agendas

There is some concern that partnerships with the private sector might slowly shift an academic's research agenda towards applied topics, reducing their basic/pure science outputs. With time and continued engagement, funders may become the source of research ideas for specific projects, which may influence future research, directly or indirectly.

Hottenrott & Lawson (2012) found that, in German universities, the higher the funding from the private sector that a university has, the higher the probabilities of departments to source ideas from the private sector, and the higher the probabilities of the private sector influencing their research agendas (but only when engaging with large firms). Others have also found that academics with industry backing are more prone to say that their research interests are influenced by their commercial potential (Blumenthal et al. 1996, in Perkmann et al., 2013).

Effects on knowledge

Available research suggests that commercially oriented scientists are more secretive about their work than open science-oriented researchers (Perkmann et al., 2013). Nelson (2004, in Banal-Estanol et al. 2013) argues that collaborating with the private sector delays or suppresses publication or dissemination of preliminary results, thus harming the '*intellectual commons*' and open science. Additionally, consulting and contract research may include specifications on the ownership of results (Hottenrott, and Lawson, 2012) which adds to this problem.

Effects on research quality

Ylijoki, (2003) finds that in Finland the increased market orientation of universities does not displace more traditional academic practices and values, and that researchers are able to navigate the new entrepreneurial activities efficiently. However, achieving balance between the two value sets (short-term contracts and longer-term pursuit) of academic research is difficult and creates tensions on researcher's works, and can even endanger the quality of research.

Staff and administrative issues

As private sector -university collaboration tends to be more short-term, the continuity of a line or researcher- and even employment continuity cannot be guaranteed- and thus the prospects for career advancement are poor (Ylijoki, 2003). This leads to issues around the status of contract researchers and questions on their labour stability and rights.

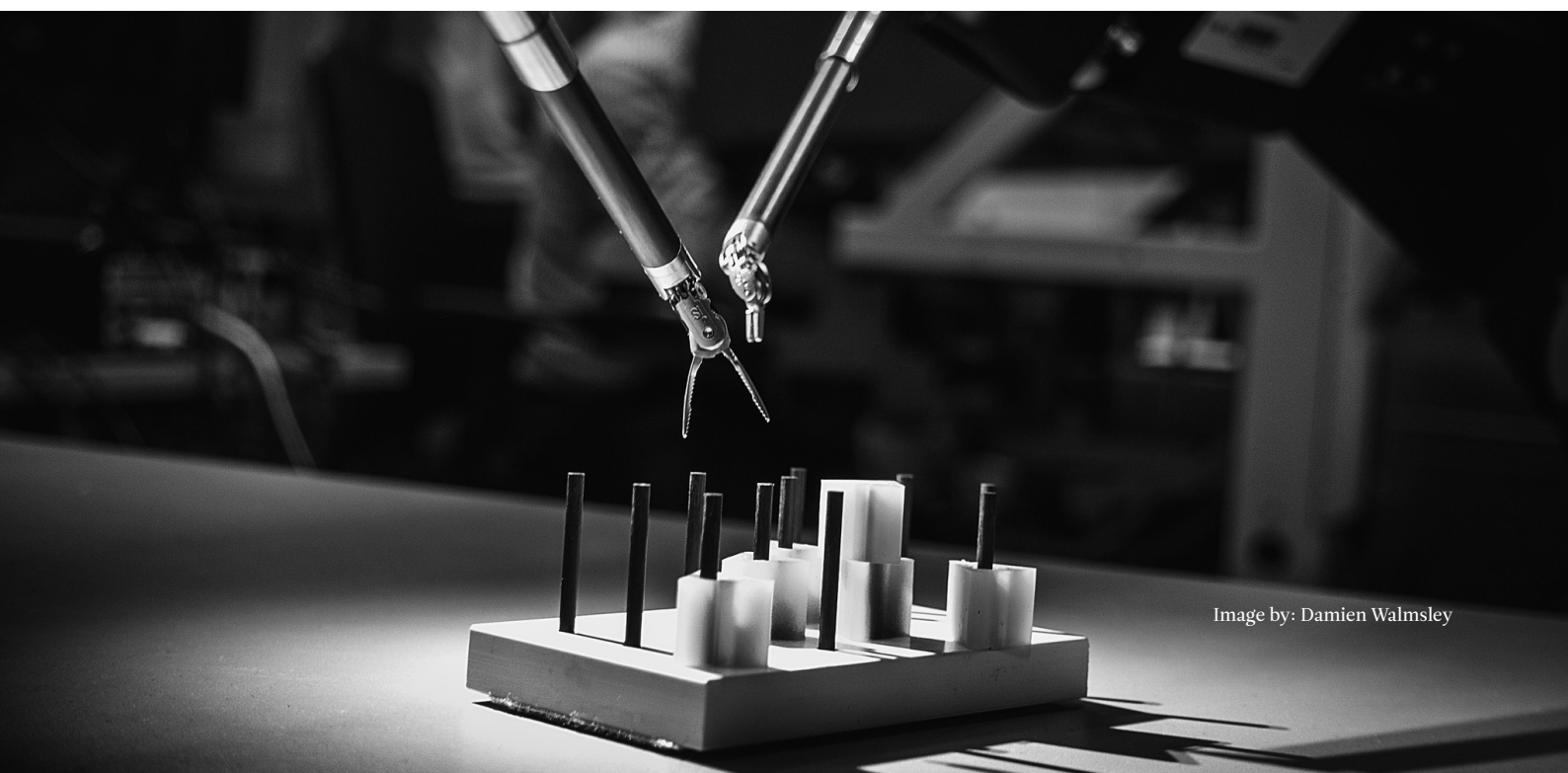


Image by: Damien Walmsley

Think tanks and the private sector

As boundary organisations think tanks occupy several spaces simultaneously and navigate economic, academic, political and media fields. This allows them to engage with different actors and draw on the capitals of the different spaces they inhabit and make use of them in new contexts (Medvetz, 2012). This characteristic facilitates collaboration with the private sector and makes them attractive to it.

Think tanks are attractive to private sector funders because of their ability to convene, provide access to other actors, generate knowledge to support policy outcomes and their ability to influence public opinion, among others. These think tank functions are an asset worth capitalising on, but, as mentioned in the introduction and from what can be seen in the case of universities and NGOs, engaging with the private sector does not come without risks, and capitalising on these may make them attractive to corporations that could seek to use them as pawns for their own agenda.

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Pawns or independent actors?

Much of the public discussion on think tanks and private funding centres around the idea of think tanks being fronts for corporate lobbying or pawns of corporations (see for example: [Lipton, Williams & Confessore, 2016](#), [Judis, 2017](#), [Callahan, 2017](#)). But, excepting some cases, are all think tanks pawns of a corporate elite?

Theoretical approaches to studying think tanks have followed elitist, pluralist, and field theory approaches (McLevey, 2014). In the elitist tradition, think tanks are seen as intellectual pawns of the elite (corporate and political) and used to consolidate corporate capital and the interest of the powerful (Domhoff, 2009). Under this approach, private sector engagement could be seen as proof that think tanks are indeed corporate pawns.

Conversely, the pluralist view sees think tanks as organisations with diverse interests, that respond to their contexts and the interest of a diverse set of actors, competing on having their voices heard in a politically diverse world. To be credible voices in the discussion, they showcase their intellectual independence and limit and downplay their allegiances to other groups (McLevey, 2014).

More recent field theory approaches recognise think tanks as operating in complex environments, occupying several spaces at the same time. The different spaces imply managing relationships with a diverse set of stakeholders as well as with sponsors with more economic and political power (Medvetz, 2012). In this sense, a think tank's position regarding each field they occupy, and the relationships with other actors, affects their standing in other fields and how different actors perceive them. Thus, being heavily backed by corporate funding can weaken an organisation's credibility in the eyes of certain stakeholders (Gonzalez-Hernando, & Williams, 2018).

To test these approaches, McLevey (2014) assessed the funding sources of Canadian think tanks and found that they are either primarily funded by private donors or by the state. Interestingly: almost

all think tanks not funded by private donors were centrist,²⁰ think tanks mostly funded by private donors were conservative, and the two most progressive were also heavily privately funded. With these findings, the study argued that the elitist approach exaggerates integration, and there is no unified elite using all think tanks as their pawns. Nor is there a plethora of interests that think tanks represent (as in the pluralist theory). The analysis of funding sources gave support to the field theory approach and the idea that think tanks are plural actors that reflect the views of many groups but are also influenced by them and, in particular, by their funders, evidencing resource dependency issues.

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Building on Medvetz's (2012) ideas, think tanks must present themselves as independent to navigate multiple relationships, even distancing themselves from their sponsors while being attractive to them. In summary, think tanks can be corporate pawns or independent actors depending on how they negotiate and manage their relationships with stakeholders, especially their funders.

Credibility

The reputation of think tanks is often linked to particular ideologies or political sectors which influences the type of funding they are able to secure, or even try to engage with. The areas of interest of a think tank, its expertise, rhetoric and style, etc. is the start of an organisation's brand, which with time influences the funding it attracts, favouring support from specific types of funders, sometimes in detriment of the others. For example, think tanks that tend to support free-market initiatives are more likely to harness support from the corporate sector, sometimes in detriment of their relationship with other more academic sources (Gonzalez-Hernando, & Williams, 2018).

Additionally, funding mechanisms can send opposite messages to stakeholders. In McLevey's study (2014) contract research was seen (by those who received it) as a way of limiting funders influence because, by stipulating terms in a contract, they reduced the influence of donors to what was explicitly agreed. However, think tanks that did not do it saw contract research as compromising independence, and those that did it were perceived not to be 'real' think tanks.

Given that think tanks operate in uncertain and changing environments while navigating various relationships, they need to develop strategies to protect themselves from the influences of others and assure their credibility in the environment that they operate in.

At its core a credible think tank is trusted to have relevant expertise and believed to be able and willing to provide information that is correct and true. Credibility is granted by stakeholders to a think tank, it is a subjective evaluation based on perceived qualities and context. As such, an organisation can be credible to some but not to others (Baertl, 2018). In order to be heard, play a role in policy influence and navigate their relationship with their various stakeholders (and in various fields), think tanks must strive to protect their credibility with different actors. Thus, to understand how think tanks manage private sector relationships, it is important to examine how they protect themselves from their influence and protect their credibility.

20. These organisations were also starting to generate revenue on their own (i.e. events, book sales etc.)

The following factors affect the evaluation of the credibility of a think tank (Baertl, 2018). They provide a useful framework to identify and understand how think tanks avoid being co-opted by their funders, being useful to frame the findings on the engagements of think tanks and the private sector. The factors that affect the credibility of a think tank are: *networks*, all connections, alliances, and affiliations; *impact*, any effect on policy, practice, media, or academia; *intellectual independence* to self-determine their research agenda, method, and actions; *transparency* in funding sources, agenda, affiliations and partnerships; *credentials and expertise* of the organisation and its staff; *communications and visibility*, how and how often a think tank communicates with stakeholders; *research quality* to produce policy relevant research; *ideology and values* that guide an individual or organisation; and *current context*.

Literature review summary

The literature review has provided an overview of how NGOs and universities engage with the private sector, namely the types of collaboration, the drivers for it and the risks and difficulties that they entail. Think tanks, as boundary organisations, share spaces and similarities both with NGOs and universities, so their experiences can serve to understand the relationship of the private sector with think tanks. This will serve to illustrate the findings from the case studies.

In summary, the drivers for seeking a relationship with the private sector are most importantly access to funds for both universities and NGOs, which puts NGOs and universities at risk of resource dependencies and loss of self-determination. But collaborations also happen for other strategic reasons – access to specific resources, commercialisation opportunities – and stakeholder-related reasons – possibility of reaching other actors.

The limited information on private sector drivers for collaboration shows differences for engaging with universities and NGOs. The private sector works with NGOs for a variety of reasons, but there is a clear inclination to do so for stakeholder reasons, public relations and marketing, and also for strategic reasons – improving the context in which they operate. Engagement with universities have a different approach as the resources that they offer – research and knowledge – are more coveted, which offsets some of the risks.

As discussed above, the main risk for both universities and NGOs is related to the loss of their self-determination, as resource dependence might lead them to be unable to determine their research agenda, mission or the programmes they focus on. The reflection on the problems that might arise for universities, in particular the effects on knowledge and research agendas, are also important to bear in mind. For NGOs there are also legitimacy issues, in which engagement with the private sector might lead to sharp credibility loss by the association with actors whose objectives oppose theirs. The strategies that NGOs embark upon to navigate donor influences – adaptation to the funder, avoidance of influence or shaping funders – provide a serviceable framework to understand how think tanks protect their credibility when engaging with the private sector.

Finally, the discussion on think tanks and funding has led to the reflection that think tanks operate in a complex environment (field theory) and are subject to many influences which they must navigate. To do this they would need to employ many strategies to protect the different factors that influence their credibility.

Think tanks and private sector funding: case studies findings

Engaging with the private sector

This section will respond to the questions of *how* and *why do think tanks engage with the private sector?* As well as *what is the focus of their engagement?*

Focus of engagement

Relationships between think tanks and the private sector were varied. Akin to university-private sector collaboration they happened both formally and informally. Formal relationships included donations, contract research, participation in boards; and informal engagements happened mostly at conferences and meetings (organised by the think tank or others).

Using Molina-Gallart's (2014) categorisation of NGO-private sector collaboration, some of the collaborations found between think tanks and the private sector can be categorised in the funding/philanthropy category (donations to the think tank), but most are located in the partnerships category as they were centred around agreements to carry out specific actions.

However, more than the type of engagement, it is its focus that is the key aspect to understanding how think tanks relate to the private sector. Relationships centred on governance issues, funding and resources, and stakeholder communications. And, as can be seen in Table 1, relationships can be had in any or all of the three areas.

Governance-related

Interviews showed that private sector actors could be founders of think tanks (as the cases of FIP and IMCO show); board members, or members of private sector advisory boards. Individuals could be participating on a personal basis (but as members of the broader private sector) or representing their organisations.

Funding and resources

In terms of funding and resources think tanks receive: non-ear-marked donations from businesses, grants for specific projects, in kind-resources or undertake consultancies.

Stakeholder communications

Additionally, engagement between think tanks and the private sector is done around stakeholder communications, and the latter can be: providers of access to other actors and contacts, actors to be consulted in the research process (as experts, advisers, or to provide data), or actors to be informed about the results.

Table 1: Summary of case study engagement with the private sector

	Atlantic Council	IMCO	FUNDAR	CaPRI	FIP	Grupo Faro	GRADE	CADEP	ACODE
Governance									
Founded by the private sector		●			●				
Private sector board members	●	●		●	●	●		●	
Members of advisory boards	●					●			
Fundraising									
Receives non ear-marked donations from businesses	●	●		●	●			●	
Receives private sector grants		●							
Engages in consultancies with businesses (cross-sectoral and with a public policy outlook)		●			●		●		
Receives in kind resources	●								●
Stakeholder communications									
Actors to be consulted in the research process (when pertinent)				●			●		●
Actors to be informed about the results		●		●	●	●	●		●
Providers of access to other contacts		●			●	●		●	

Source: Author's elaboration based on study findings.

BOX 3:

WHY DO SOME THINK TANKS STAY AWAY FROM THE PRIVATE SECTOR?

Some organisations decide not to engage with the private sector as it goes against their values, ideology, research, and/or advocacy agenda. For others, it limits their ability to challenge the private sector. So, to maintain their independence and ability to challenge and question their practices, they choose to steer away from establishing relationships with them.

This relates to the risk to *ethics and values* discussed in the literature review. As organisations assess the risks to their identity and legitimacy they decide that engagement is not worthwhile. And adopt the *avoidance* strategy of *selectivity* (Mitchel, 2014) which entails rejecting funding that is not aligned to their values and mission.

For example, Fundar works against corruption in México, and as some Mexican companies have been involved in corruption scandals, they have decided not to seek nor accept donations from any company or corporation. That way they avoid any conflicts of interest, maintain their independence and can do their research and advocacy work undeterred.

This is not to say that all corporate funding leads to a loss of credibility, it is just to highlight that some organisations decide to opt out of the engagement altogether as a strategy, and their reasons echo those provided by Miller & Kypri (2009) in box 2.



Image by: AUCD

Drivers for engaging with the private sector

As can be deduced from the previous section, the drivers for collaboration are broader than securing funds. The main drivers are: strategic, engrained in their organisational identity and as part of stakeholder engagements. These are interconnected, and usually more than one motivates the collaboration.

Strategic: accessing funds and resources

As evidenced by interviews, the main driver is a strategic one: access to funding and resources. All organisations that sought relationships with business had this as one of the main reasons. Ideally, organisations strive for non-ear marked donations, followed by grants for specific projects, but it is not always possible. However, securing funds or donations is not a simple task, nor do think tanks want to be primarily privately funded, as doing so limits their ability to question their benefactors.

Some organisations undertook consultancies as well, but these were always handled with care. They are seen as good way to secure funds, but they are more likely to be a funder-led process, in which their intellectual independence needs to be adequately managed. As a result, most set specific parameters to the type of work that they will do, and specifically how it aligns with their overall research agenda (see the [funding arrangements section](#) for a more detailed description of this). Those that carry out consultancies do not have them as their priority, as interviewee I-16 reported “*we work at a think tank because we want to influence policy, if we wanted to do consultancies we would have gone to KPMG or PwC*”.

In some cases, the private sector is not accustomed to engaging with think tanks or supporting them (nor are think tanks accustomed to working with them). In these instances, the businesses are sought for in-kind donations or access to resources.

Accessing funds and resources is a driver shared with both NGOs and universities. Private sector funding is a coveted source for all three actors. The difference lies in what can each offer in exchange, which for think tanks is their research (as in the case for universities), their ability to engage and capitalise on resources from different fields, and their legitimacy in policy debates.

Ingrained in their organisational identity

Some think tanks work with the private sector, as it is deeply ingrained in their organisational setup: having been founded by corporations or businesspeople or having them as board members since their inception. As such, relationships with the private sector are part of their organisation’s identity and brand, so moving away from them is analogous to parting with their organisational identity.

CASE:

ROOTED IN THEIR IDENTITY - FUNDACIÓN IDEAS PARA LA PAZ (FIP)

Fundación Ideas para la Paz is a Colombian think tanks founded by a group of businesspeople in 1999. In their early days they were completely funded by companies, but as they grew, they also secured funding from government, foundations, bilateral and multilateral organisations. This coincided with (or maybe caused) a reduction of their engagement with the private sector, compared to other funders. In 2016 they undertook an organisational assessment which showed that they had lost their strong connection with the private sector, which to them was an important part of FIP's identity (and legitimacy). As a result, they “*turned back to their roots*” and started to actively seek a stronger relationship with the private sector, for funding and for wider stakeholder activities. The motivation behind this was to recover the organisational identity that strong collaborations with the private sector gave them, and fundamentally with the role that they believe the private sector has in the construction of peace in Colombia.

Stakeholder engagement

The private sector is an important stakeholder in many of the issues that think tanks focus on. Consequently, business and corporations can be an important actor *to be consulted during a research project*. Their expertise on specific issues is important to consider, and sometimes they can even provide access to information and data needed for research.

Alternatively, they can also be one of the *audiences to inform* about the research findings and recommendations. Therefore, engagement happens as part of a communication strategy, in the process of disseminating results and striving for the uptake of research.

Additionally, they can also provide access to their own networks. As was the case with NGOs, *outreach* is a key reason for seeking a relationship with private sector actors, because they can provide access to others (private or public) and convene spaces for think tanks to engage with them. Interviewee I-16 said that “*corporations often had good contacts with government and/or political leaders, and we could use those to help disseminate our findings to people of influence*”.

Finally, as the private sector is one of the main actors in a country's development, they are also an avenue for increased impact. Companies and corporations have substantial power to influence policymaking, and can also impact development and the economy, not only through their internal actions and practices but by pressuring, convincing or motivating other powerful actors. Additionally, engagement with them can have the objective of encouraging them to implement recommendations stemming from research undertaken by think tanks.

CASE:

STAKEHOLDERS IN RESEARCH TOPICS- CARIBBEAN POLICY RESEARCH INSTITUTE (CAPRI)

CaPRI strives to include stakeholders at several stages of the research process to increase its impact and the uptake of recommendations. When they are first planning out the research, they identify the stakeholders they need to connect with, and when pertinent private sector actors are included. They are thus invited to participate in stakeholder consultations during the research process and/or are informed about the results.

Drivers for the private sector to engage with think tanks²¹

The motivations of the private sector have been organised based on the categories found in the literature for NGO and private sector relationships, they are: stakeholder engagement and strategic factors. Based on interviewee experiences most businesses liaise with think tanks for strategic or stakeholder reasons

Additionally, and as before, the drivers are interconnected, overlap at some points, and it is usually several of them that drive specific collaborations.

Strategic reasons

Strategic philanthropy

Companies and corporations are sometimes driven to liaise with think tanks out of philanthropic reasons and the desire to contribute to the development of a country. Some are specifically motivated by the desire to contribute to the evolution of thinking of an idea in a particular area.

CASE:

PRIVATE SECTOR'S CONTRIBUTION TO DEVELOPMENT- FUNDACIÓN IDEAS PARA LA PAZ (FIP)

Fundación Ideas para la Paz was founded by businesspeople with the motivation to reflect on Colombia's conflict and work towards securing a peace process. They believed that they had a responsibility to do so, because their role as businesspeople gave them power and leadership in the country, and so they aimed “to understand the unrest existing in the country, by exercising the needed leadership for the mobilization of citizens, government officials and the business sector around the common goal of building a peaceful society.” (FIP).

Research outputs

Companies and corporations mainly reach out to think tanks and policy research organisations for the same reason that they seek with universities: research. They are interested in understanding a problem they are encountering, or solutions to it, to understand the implications of a piece of legislation, to understand a sector better etc. Those that work with think tanks also understand that the type of report that they will produce is different to that of a consultant.

Knowledge, advice and expertise

Also, like universities, policy research organisations are also sought after by the private sector to provide knowledge and advice. This driver is similar to seeking research outputs, but different because the advice is more important than the output in this case. Some engagements might start with initial advice from a think tank's experts or be a product of a relationship that was established as a result of a donation, consultancy contract, or through contacts and networks. In any case, some companies and corporations recognise the expertise of think tanks and seek out their advice.

21. As no private sector funder was interviewed, these are only an indication of the potential drivers for engagement.



Image by: Third Way Think Tank

Engaging in the debate

Collaborations with think tanks, providing funds or contracting research is a way for companies and corporations to participate in debates of their interest. It is a way for companies to have a voice in a debate and be in a position to influence its outcome. It helps raise their profile in general, and, more importantly, in political circles. It is also a way to attain credibility, because being part of a think tank's network raises their profile and makes them more credible to other actors.

This does not mean that the companies that engage with reputable think tanks²² influence research methods, results or the recommendations. Interviewee I-16 stated “*our funders know where we stand, so, if they are not interested in the way we work or want a report that says something specific they would not come to us*”, this indicates that companies would know which think tanks, and consultancies to collaborate with for what. And so, by working with reputable organisations and funding research, they might want to signal to decision makers that they are interested in a specific issue. Some corporations would then use the research to reach out to policymakers and get their views across.

Staff

A final reason suggested was that companies might also benefit from identifying future employees in a think tank (a driver also shared with universities).

Stakeholder engagement

Public relations and legitimacy

Collaborating with, and funding, think tanks is also part of the public relations strategy of companies. And the aim is to raise the organisation's profile to a wide variety of stakeholders. It is an opportunity for marketing and logo placement, and showing stakeholders they are committed to the improvement of the context they operate in.

22. There are accounts and claims of biased organisations, but this is not the focus of the present study and so shall not be discussed. See [Tricket, 2018](#) for an account of this in the UK.

CASE:

PEER PRESSURE AND FUNDING THINK TANKS-CAPRI

A form of peer pressure is been evidenced in the case of the private sector funding strategy of CaPRI. Given the size of the Jamaican business sector, and the business that are already supporting CaPRI, not supporting them can be seen as free riding on the companies that do. So, a driver to donate to them is the informal pressure exerted by other companies.

CASE:

THE POWER OF A BRAND -UNICEF

UNICEF's brand is a powerful one, and although not a think tank, its case serves to illustrate why the private sector seeks collaborations with organisations that provide a public good, to raise their profile and increase their legitimacy. For example, the Football Club Barcelona proudly showcases UNICEF's logo, and Avianca's flights started to announce (in 2018) that they are the first airline to support UNICEF. As much as they do desire to support the work of UNICEF, and their interest in the well-being of children (philanthropic reasons), engaging with and capitalising on a partnership with UNICEF has also a public relations objective and is a marketing tool for companies: it shows their good intentions, and aims to convince listeners to continue engaging with them.

UNICEF's case is a particular, as their brand is known worldwide, and supporting children is a cause almost everyone agrees on, which gives them leverage to negotiate support. Nonetheless, the case is a good example of the improved public relations and legitimacy that companies seek when engaging with organisations that aim to provide a public good or service.

Risks for think tanks

The main risk found for think tanks that enter relationships with the private sector is the risk of losing their *self-determination*. As evidenced by interviews, access to funds and resources is the most important driver for think tanks to engage with the private sector. This places think tanks at risk of resource dependencies and power imbalances that can lead to funders influencing their research agenda (as happens with universities), shifting it to their own interests or favouring an ideological line that will best place them to access their funding (as McLevey, 2014, showed). Furthermore, the loss of their self-determination can lead to influences in their research methods thus affecting their research quality (as was also seen in the case of universities).

Additionally, there are *stakeholder and reputational risks* for think tanks. A strong connection with the private sector can affect their ability to connect with other actors. Think tanks need to actively manage their relationships with a plethora of actors and altering the relationship with one group can have implications in their relationships with others as Medvetz (2012) suggests.

The strategies that think tanks use to fend off these risks and protect their credibility will be discussed in the section organisational strategies to protect credibility.

Establishing relationships

This section responds to the question *how do think tanks establish relationships with the private sector?* And *what challenges do think tanks face when engaging with the private sector?* It will focus on how think tanks establish contact with the private sector, the strategies and tools used to fundraise, give an overview of the most common funding mechanisms, and offer a discussion on the main difficulties for engagement.

Strategies used by think tanks to establish contact

Establishing contact with private sector actors is the first step, and usually a difficult one as not all organisations have access to spaces in which they can encounter and network with private sector actors. Two related aspects have been identified as relationship facilitators (between think tanks and private funders). First, a *congruent agenda* between the think tank and private funder. And, in the same vein, *shared values and ideology* (anti-market think tanks will seldom engage with corporations).

The main avenues (typified below) are interconnected and separating them serves to clarify them, but most organisations rely on a mix of them to establish contact with private sector actors.

Organically

Some organisations have private sector actors in their board, committees or as founding members, and some frequent spaces and participate in networks that private sector actors also take part of. In these cases, establishing contact happens organically: at board meetings, events they host, or are invited to etc. These think tanks need to make less of a purposeful effort to reach out to private sector actors for they are already engaging with them in a regular basis.

Using contacts

This strategy has been separated from organic engagement as it implies a purposeful effort to reach out to private sector actors. Think tanks identify board members, directors, staff or any other contacts that might be able to connect them with specific companies, corporations or actors, and use their networks to establish contact.

CASE:

IDENTIFYING PRIVATE SECTOR ACTORS TO REACH OUT TO- CADEP

When CADEP, in 2016, decided to actively fundraise from the private sector they asked for the support of one of the members of their consultative council (comprised of policymakers and private sector actors). This person helped them identify, and secure meetings with, businesspeople that they deemed *atypical*, in the sense that they were in tune with social issues and the importance of research. He also participated in the meetings (along with CADEP's director) and helped establish the connection between parties. His presence also increased the credibility and legitimacy of CADEP towards the private sector and served to explain what the organisation did in a way that was understandable by the private sector actor.

Relying on brand

All organisations rely on their brand, and the credibility it holds, as a credential to connect with actors in all fields. But some think tanks rely on it specifically to establish contact, meaning that they directly call businesses or actors they are interested in working with and request meetings. As organisations are expected to know about them, and do know them, they do not rely on intermediaries to connect them.

Furthermore, organisations with an established brand are contacted *by* the private sector. And do not always need to seek establishing the connection themselves.

Private sector councils

Another strategy is to establish private sector councils to maintain a direct and committed line of communication with the private sector. The main objective in setting up these councils is to tap into the expertise and knowledge of private sector actors and benefit from their advice on funding, sustainability, economic and political issues, among others. Private sector councils also serve as a bridge between actors, since through sustained engagement private sector actors learn the functions of a think tank and can then act as ambassadors and explain their importance to their networks.

CASE:

GRUPO FARO'S PRIVATE SECTOR COUNCIL

Grupo Faro started working on establishing a private sector council in 2015 with the objective of understanding the private sector's outlook on the country's development; and involve them in the organisation's fundraising and sustainability. Establishing the council took time because of the wariness of the private sector in antagonising the government in any way, which leads actors to be very careful about how they position themselves, who they engage with, and how. But by 2017 they have had a couple of successful meetings and the council had begun to take shape.

The members of the council are elected after a political and strategical analysis that identifies strong actors in the country. This analysis focuses on identifying actors with: a good reputation, open to social and political issues, with no previous issue with the government or civil society, that have no conflict of interest with the work of Grupo Faro, and who have previously shown interest in them. They avoid individuals with strong opinions (in any direction) to maintain a neutral line.

The main difficulty experienced in setting and managing it has been identifying an agenda that is interesting and useful for all involved. They have also struggled to achieve commitment because of the poor philanthropic culture of Ecuador.

Strategies to fundraise from the private sector

The following is a compilation of the main strategies, actions and tools that think tanks use to fundraise from the private sector. The strategies presented relate to the occasions in which think tanks seek private sector funding and resources. They do not take into account strategies for when the private sector sought think tanks to undertake specific work.

Research companies and corporations

The first step that many organisations take is researching which companies, corporations or actors to reach out to, and for what purpose. This research is done to understand how they operate, their sector, value chain (intended and unintended impact) and customer base etc. Knowing them in depth allows think tanks to evaluate and understand their common ground, potential areas of interest and prepare better proposals. In this way, many take a strategic approach to partnering with companies, as done by NGOs (Poret, 2014), and identify the issues that a corporation could be most invested (and/or best equipped) in helping resolve and from which they would gain more benefits.

Preparing the pitch: highlighting the benefits of the engagement

Meetings to establish a relationship between think tanks and private sector actors centred around two main aspects: who and why? Namely a description of the think tank and the benefits of the engagement.

Who? A description of the think tank

Presentations made to companies or corporations included: benefits to the company the sector they operate it or the country in general, specific research projects and/or the think tanks agenda, a description of the organisation, and a specific ask (funding for a project, becoming part of a committee etc.)

Think tank's organisational descriptions go beyond who they are and what they do, and included their research agendas, specific research projects and composition, among others. Most importantly they highlight the aspects that, in their view, make them credible organisations. For example, *interviewee 16* mentioned that in their presentations they highlight that they are independent and not aligned to any party, as well as their achievements and expertise in the subject at hand. In summary in terms of the credibility factors discussed in the literature review (Baertl, 2018) they highlight their impact, intellectual independence, credentials and expertise and that they have self-determined values.

With their organisational descriptions think tanks aim to appeal (consciously or not) to one, or several, of the main drivers for engagement for the private sector. By showcasing their impact, composition and networks they are showcasing which spaces they operate in, their ability to influence public opinion and which actors they have access to.

Why? Benefits of the engagement

Think tanks also showcase the benefits of the collaboration. These vary by country, organisation, sector, and the specific proposal. And each think tanks emphasizes different aspects depending on what they want out of the engagement, and what are they willing to offer. But essentially the benefits are to the company *and* to the country and society in general.

Benefits to the company. Investigating and understanding a company helps think tanks plan for how to present their interests in a way that is attractive to the company, and how to show clear benefits to them, the sector they operate in, their value chain, public relations etc. The main objective is to showcase how it will add value to the company. Additionally think tanks highlight the research outputs that they'll offer, the knowledge, advice and expertise that they can share, and how they can help them participate in various debates. These benefits relate to the drivers for the private sector– university engagement and are again tapping into the previously identified drivers for think tank–private sector engagement.

The country and society in general. A key aspect emphasized is how the work of a think tank is a public good. Organisations emphasize in their pitches that better-informed policies will benefit the sector a corporation operates in, the competitiveness of the country and/or most importantly the improvement of the country in general. Thus, by supporting the work of think tanks, companies will be operating in a better environment. Interviewee I-4 mentioned that they “*expect that through continued engagement and communication with companies they will understand how their work affects the economy and convince them to support them*”.

This argument used to induce think tank– private sector collaboration relates to the concept of strategic philanthropy (seen in the literature review), as a corporation's contribution will lead to improved operating conditions for them. For example, a construction and housing development company could be interested in supporting the work of a think tank that studies urbanism and city growth, as findings can be used not only to inform planning and policies to make better cities, but also to identify business opportunities for companies.

CASE:

CAPRI AND THE PROMISE OF A BETTER JAMAICA

CaPRI focuses their pitch to companies on the promise of a better Jamaica, explaining how the work that CaPRI does will lead to it. They argue that, unlike other countries, Jamaica does not suffer from deep structural problems, but the problems the country faces could be easily address through policy change. As a result, the return on investing in research and informed policy is potentially great.

Language and communication tools

A recurrent issue addressed in interviews was the difficulty that think tanks (as well as NGOs and universities) found in communicating with the private sector. A frequent comment was that businesses “*speak a different language*” not only on the terms used but most importantly, they have a different view of social issues and the best way to deal with them. Hence, engagement also meant learning how to communicate with the private sector and improving their (private sector actor's) understanding on social and economic issues.



Image by: One Team Gov

Additionally, most interviewees mentioned that they tailored their communications tools to the private sector (akin to what good practice suggest should be done for all funders). In summary, the main actions included:

- Altering the style to make it more strategic, concise, direct and avoiding the use of jargon.
- Key points addressed quickly and clearly; long and deep explanations were perceived not to be successful.
- Presentations and brochures specifically tailored for the private sector, were common tools. Some avoided documents longer than two pages as they thought they were not read and even worked against them. Videos were seldom used.
- Anticipating the questions that private sector actors would ask and reflecting what would be interesting to them to include in the presentation.

Funding arrangements

The main arrangements found for private sector actors: were monetary donations, membership fees, grants, consultancies and in-kind support.

Monetary donations

Monetary donations were ideally (but not always) non-ear marked and could be used by organisations for any means, carrying out research, capacity development, administration, etc.

CASE:

FIP AND IMCO: PRIVATE SECTOR FOUNDED ORGANISATIONS

Both FIP and IMCO were founded by private sector actors (group of businesspeople the earlier and business association the latter) and had had core funding from them since their establishment. These donations let them establish themselves and start working, but after a while both started looking (and receiving) funding from other sources as well (foundations, governments, etc). Both have never ceased to receive private sector donations but the percentage of this out of their total budget has decreased as they grew bigger. As of 2017 4% of FIPs total income came from the private sector and IMCO receives around 30% of its annual budget from the Mexican Business Council (the private organisation that founded them).

CASE:

CAPRI AND CADEP: FUNDRAISING FROM THE PRIVATE SECTOR

CADEP and CaPRI are cases of organisations that decided to reach out to the private sector to increase their funding base and to build in flexibility and sustainability to their organisations

CAPRI receives non-ear marked donations from 12 companies (as of September 2018), and each provides a minimum of USD 10 000 a year. In total private sector donations represent 30% of their overall budget. This funding is very important to them as unlike what happens with grants and projects *“with untied funding, when a crisis arises, we can respond quickly, and use these resources to produce the information that the government needs in three months. This also explains our impact, because we can be timely”*. Engagement with the private sector started with a member of their board, a well-known businessperson who donated to the organisation. From then on, they relied on their brand and credibility to secure meetings with other business and ask for their donations.

CADEP’s experience developed out of sustainability strategy (in preparation for the ending of the core funding that the Think Tank Initiative provided them). After realising that there was interest from the private sector in the work that they did, they decided to reach out to them and ask for donations. One of the members of their consultative council helped them secure meetings, in which they asked for their support in the form of donations (minimum of USD 1 000). In 2017 they visited 10 companies and secured the support of 7, and their donations represented 2.7% of their budget. This was seen as a good start, but they aim to increase that amount in the next couple of years.

Membership programmes

Some organisations have established membership programmes to obtain a reliable source of funding from private sector actors, either individual or corporations. Membership programmes offer services, access to studies, webinars, closed events etc, to events, to funders in exchange for their support.

CASE:

ATLANTIC COUNCIL’S MEMBERSHIP PROGRAMMES

The Atlantic Council has two separate membership programmes, one for individual supporters and the other for corporate support. Individual membership offers participation in worldwide events, exposure to experts from government and private sector, and research and analysis done by the Atlantic Council. They have established several categories with differentiated benefits and fees range from USD2500 to \$50 000. Corporate memberships offer engagement in partnerships to focus on areas of common interests, networking opportunities, event sponsorship, and corporate membership, there are three levels of membership, above USD 25,000, above USD 50,000 and above USD 100,000.

Grants

Another funding arrangement identified is support for specific projects or programmes, in which akin to grants from foundations and international organisations the money is earmarked for a specific project or action. In these cases, the information and research outputs were made public.

Consultancies

Although consultancies were not the preferred funding arrangement for any of the organisations assessed (as reported by interviewees), some did carry them out. However, all those that did consultancies mentioned imposing some form of limitation on them, this was done to differentiate themselves from the work that consultancies do. The limitations pertained to any (or all) of the following:

Use of results. Many only undertook consultancies if the results could be made public and used for further research when the consultancy finished. But not every think tank did this, and some did produce research that was owned by the company, and it was them who decided if, how and when to communicate it. This can potentially have effects on a country's accrued knowledge. As seen in the case of universities, collaboration with the private sector can harm the '*intellectual commons*' (Banal-Estanol et al. 2013).

Approach. Some organisations only did cross-sectoral analysis with a public policy outlook and did not look at specific actors. Others did not do research in which it was obvious that the company funding it was better positioned than their competitors, and thus only doing as a marketing tool to outshine competitors.

Methodology. This was a non-negotiable aspect and all interviewees mentioned that the think tanks they worked on set the methodology for the study. Although, some did allow funders to have an opinion or advice on the methodology, but not decide on it.

In-kind support

In-kind support was only mentioned by one organisation (that did not have any other private sector support). The support had been in products or services that the company produced or commercialised, for example office supplies from stationery companies or offices space for meetings and events.

Main difficulties for engagement

Poorly developed philanthropic sector

The development and strength of the philanthropic sector varies by country, but it is less developed in Latin America and Africa, than in Europe, the United States or Canada (as reported by interviewees); thus, it is more difficult to secure corporate support in Africa than in Europe. In an analysis of the sources of funding of -think tank initiative funded- think tanks²³ Lah (2017) found that 54% reported receiving funding from foreign philanthropy while only 24% reported receiving funding from domestic philanthropy which evidences the still developing philanthropic sector in this region.

23. The Think Tank Initiative supported think tanks from Latin America, Sub Saharan Africa and South Asia.

Additionally, most companies that start donating and engaging with civil society, rather work with service delivery NGOs and support tangible outcomes. Although, as they increase their engagement with civil society organisations, some move on to being interested in the ‘*root of the problems rather than the symptoms*’. For example, if they aim to help children achieve quality education, a progression is to help build schools, then support teacher training and some move on even higher up and want to impact policies and practices that lead to teachers being well trained in the country. And that is when research comes starts to be seen as necessary.

Opposite interests

A final difficulty relates to the nature and focus of a think tank’s work. Often is the case in which the research and recommendations of a think tank criticises companies or are against private sector interests. Hence, engagement is minimized first by think tanks, to be able to keep criticising them when needed. And it is also minimised by the private sector as they do not want to establish relationships with their critics.

Lack of established modalities for developing partnerships

Not all think tanks have established strategies and modalities for creating partnerships with the private sector. And some that have not, struggle to create them and thus limit engagement with companies.

CASE: ACODE

The interviewee from ACODE (Uganda), reports that although they would like to have more support from local and foreign companies, they have not yet institutionalized the modalities that would lead to creating lasting partnerships and support networks from the private sector. But, the interest to create them is not necessary a strong one as ACODE sometimes criticises companies that deviate from good practice and challenge them to do better (e.g. challenging oil and gas companies to protect the environment, implement local content, protect communities etc.). Thus, both the organisation and the private sector are hesitant to work with each other.

BOX 5:

ROOM FOR IMPROVEMENT: EXPLAINING THE REASONS AND IMPACT OF THE WORK OF THINK TANKS

Think tanks claim that they aim to show the benefits and impact of their work, but they struggle, in general, to explain why the work they do is important. And some even struggle to explain in simple terms exactly what they want to research and why. No interviewee that currently worked at a think tank mentioned this difficulty, but it was mentioned by many key informants and experts. Interviewee I-17 mentioned “*Think tanks are quite bad at explaining what they actually do, and therefore it is difficult to create interest*” and argued that most think tanks speak in policy jargon and fail to mention the effect of work they do. The motivations and effects of their work are indeed difficult to identify, but a better effort can be made to explain it in terms that can be understood by anyone, not only by experts.



Image by: ubarchives

Organisational strategies to protect credibility

This section will respond to the questions of *how do think tanks protect their credibility when engaging with the private sector? And what strategies are used to maintain independence and control of the research process?*

Credibility is granted to a think tank by its stakeholders, based on a subjective evaluation of their perceived qualities (Baertl, 2018). This evaluation is based on several factors (see [credibility](#) section above) some of which are influenced by the funding sources of an organisation. As discussed in the literature review, and seen in the case studies findings so far, there are many risks that can affect the functioning and the credibility of an organisation. The interviews evidenced the concern of think tankers to manage relationships with private sector actors and avoid the potential risks, namely the loss of their self-determination, as well as stakeholder and reputational risks. Managing private sector engagement entails different strategies and practices to ensure that the relationship is positive for both parties, that it generates the outputs agreed upon, and that the credibility and independence of the organisation is maintained.

Interviewed organisations mostly undertake avoidance strategies²⁴ (Batley, 2011, Mitchel 2014) to increase their resistance to external control and manage stakeholder and reputational risks.

The presented strategies are connected and might overlap in some respects as all aim to guard the credibility of the organisation, by ensuring their self-determination and minimise stakeholder risks.

24. Avoiding the risk by taking action against it.

Controlling funding sources and mechanisms

Frequently think tanks enact one or all of the following strategies:

Funding liberation: limiting donations to non-ear marked donations

Some organisations only seek and accept non-ear marked donations from the private sector. This limits the private sector's control over them and is used as a strategy to give think tanks independence and flexibility in the choice of issues to focus on. This is a strategy as organisations actively turn down some or all contracts and consultancies, with the objective of avoiding any control of their research agenda.

Selectivity (avoidance of specific funders)

Some think tanks do not seek alliances with specific organisations (private or otherwise) as they do not share the same principles, or because they are linked with actors that they would rather not be associated with (networks). Some organisations develop lists of vetoed individuals or funders, or businesses they would not seek or receive funding from. The reasons for non-engagement relate to the nature of the businesses e.g. alcohol, tobacco; sources where money cannot be traced to legal origins; or sources that conflict with their agenda and interests.

Revenue diversification

Having multiple funding sources, and from different streams, is good practice for sound financial management. But, more specifically, some organisations aim to have a wide and evenly distributed private funder support base to avoid over-reliance on one (and risk of being perceived as non-independent). Although being able to garner the support of many corporate sponsors, requires a wide support base, as well as strong credibility and an ability to convene spaces and actors.

Additionally, some organisations have internal policies to limit how much can funding from groups of funders or specific actors can represent (out of their total budget).

Agreement management

Consultancies and contracts with private corporations are a way to generate income but are dealt with care by most organisations. A key strategy for think tanks to guard their credibility is to accept, deny or negotiate specific issues in the agreements they reach with private sector actors, and the contracts they sign (as discussed in the [consultancies](#) section above).

These are some of the practices found to deal with this issue:

- Writing contracts or MOUs, even for small donations to clarify the role of each party, the objective of the collaboration, and the use of the knowledge generated.
- Limiting the type of research that they carry out for private sector actors.
- Some only do in consultancies if the report and results can later be made public.

Each organisation had a different set of requirements and had different specifications for what they would or would not do in a consultancy or specific research project. The specific set of rules responded to their context, history and their relationship with different actors.

Intellectual independence

To ensure their intellectual independence from private sector funders think tanks rely on two main strategies: commitment to a strong research agenda, and limiting the involvement of funders through the research cycle.

The most important tool to guard an organisation's intellectual independence is developing an independent policy relevant research agenda, and then following said agenda. Although some flexibility is important to respond to nascent issues, but without losing track of the organisation's aims.

To ensure their intellectual independence some think tanks reported that they avoid or limit the involvement that private funders have during the research process. Some stipulated from the beginning the roles that funders can have while others avoided recommendations through the research project and did not share preliminary reports, thus negating the possibility of commenting on the results or recommendations.

Even though these strategies were reported by think tankers as ways to safeguard their intellectual independence, this study had no way of measuring how much funders really influence their agenda or their ideological leaning. McLevey's study (2014) showed that think tanks funded by the government, in Canada, maintain a centrist approach which was argued to be the result of engaging with the funder, they needed to be attractive to whoever is in power, so a central line was favoured. In this study it cannot be assessed if think tanks did or did not maintain their intellectual independence, just that they took measures towards it.

BOX 6:

PRE-REGISTRATION FOR CONSULTANCIES

Pre-registered studies offer an interesting approach that could be emulated for a think tank to guard its intellectual independence in consultancies. In a pre-registered study elements of research design (sample size, hypothesis, analysis etc) are defined and pre-agreed on before carrying out any analysis (Erlich and Gilbreath, 2017). By stipulating in the contract of a consultancy the methodological design of a project think tanks can prevent being pushed to do analysis they don't agree on with the threat of withdrawing funding.

Transparency

Another strategy to guard their credibility is transparency in all processes and open communication with stakeholders. Transparency can be enacted in three main facets: funding, research process; and results dissemination. Transparency of founding sources in general and of specific research products was reported as key for maintaining the credibility of an organisation, although the extent to which it was practiced was not measured in this study.

Transparency of research design, specifically on methods and sources, was also mentioned to safeguard credibility. Interviewee *I-14* mentioned that at one point they were criticised as biased because one of their reports made a recommendation that agreed with what private sector actors were advocating for. In response, they made the research methodology and databases public, to prove that they had come to their conclusion out of sound research and not corporate pressure.



Image by: One Team Gov

Involving a variety of relevant stakeholders through the research process, was another strategy mentioned by interviewees to maintain a think tank's credibility. In this way, they are also strengthening relationships and working on the uptake of their recommendations. To achieve this, think tanks consult various actors, civil society, government, other academics, and even the private sector, at various steps of the research. The research is reviewed and critiqued, but the think tanks reserves the right to include recommendations or not.

Risk and due diligence assessments

Most organisations interviewed had mechanisms to evaluate if they accepted specific private sector proposals and to decide which actors to collaborate with. The objective of these mechanisms was to understand who the think tank is working with and protect itself from people that might tarnish their reputation. In general, they were done ad hoc, and very few formally established practices were found. This is possibly because the think tanks interviewed do not engage with as many private sector funders as their counterparts from Europe, the United States and Canada. The actions found among think tanks were:

- Overall company assessments which included: their track record, how much it respects domestic provisions.
- Cross referencing opinion from other actors i.e. government, media, civil society etc.
- Ethical policies that stipulate who they can or cannot fundraise from.
- Two step analysis: of the organisation itself and if approved of the actual work proposal.
- Board or executive meetings to discuss proposals and evaluate if the engagement should be made. In these meetings they assessed the alignment with their agenda, or any potential conflict of interest.
- An organisation had developed specific criteria to assess private foundations: *Where does the money come from? How did they constitute themselves? Who is behind them?* The answers helped them establish if the collaboration would be beneficial or not.

Conclusions

This paper began stating that the funding scenario for think tanks is changing as traditional sources of funding are dwindling. As a result, think tanks are increasingly seeking new income sources, the private sector being one of them. And though this is not an altogether new practice, it certainly is new for many. However, engaging with businesses is neither straightforward nor risk-free.

With that in mind, this scoping paper sought to understand how think tanks engage with the private sector and how they protect their credibility while doing it. Through a literature review and interviews it has uncovered key challenges and opportunities of and for engagement.

Connecting with private sector actors. Accessing the private sector is a struggle for some (but not all think tanks), as they don't usually participate in the same spaces. But, for others connecting is not an issue as they have built (or were founded with) several lines of communication and engagement: board members, councils, long-standing relationships with key actors, etc.

A difficulty most organisations struggle with is convincing private sector actors of the value of funding research, and even more so there is a difficulty in explaining, in simple terms, what they are, what is the value of their work and why they do it. This is an issue in which think tanks should focus on, to expand their networks and engage actors in other fields they need to get better at explaining what they do and its value.

The main challenges found when establishing relationships with business and corporations is *maintaining a think tank's self-determination and safeguarding their credibility*.

Maintaining self-determination. A crucial challenge for think tanks is maintaining their self-determination, evidenced in a co-opted research agenda, fraught research quality, and being used to serve the interests of their funders. Think tanks are at risk of losing their self-determination as access to funds and resources is their most important driver for engagement, which places more power on business and corporations (as resource dependence theory suggested).

Safeguarding their credibility. Finally, the main challenge for think tanks is safeguarding their credibility and dealing with reputational risks. Being too close to the private sector can affect their ability to engage with other actors, as relationships with one group (and field of actors) can have implications in their relationships with others as Medvetz (2012) suggests.

To address these challenges organisations, engage in several strategies. Most actively manage the funding mechanisms; limit donations to core-funding, avoid specific funders, diversify sources, and incorporate clear specifications when undertaking consultancies, and more generally in all agreements. Additionally, transparency is a tool to protect their credibility when their research quality is contested. Maintaining their intellectual independence by committing to a strong research agenda, as well as limiting the involvement of funders through the research cycle, is another strategy used by many. Finally risk and due diligence assessments are used to evaluate potential partnerships and understand who they will be working with and protecting themselves from those that might tarnish their reputation.

Addressing and managing these challenges gives way for interesting engagement opportunities with the business and corporations. To take advantage of these, think tanks need to understand the different

areas in which they can establish relationships with the private sector, and the benefits to be gained. The focus should not only be in sourcing funding, but alliances and relationships can be had at many other levels. Private sector actors can be part of advisory committees, provide advice, and even access to their networks. Business and corporations are also stakeholders in many of the issues that think tanks focus on, and as such are also audiences to engage in research uptake. These relationships can also be alternate avenue for impact, as these are powerful national and international actors.

To overcome the aforementioned challenges and take advantage of the opportunities that the private sector offers think tanks need to identify why they are attractive to business and capitalise on those issues. As the study found the motivations of the private sector are stakeholder engagement (public relations and legitimacy) and strategic factors (strategic philanthropy, research outputs, knowledge, advice and expertise, engaging in the debate, staff opportunities).

Think tanks should research potential partners to be able capitalise on the aspects that make them attractive, while also strengthening their position when negotiating agreements so that their self-determination is not lost, nor their credibility tarnished. The key strengths in which to build the strategies are the legitimacy and credibility that think tanks can provide, as well as research outputs (akin to universities) specialised knowledge and expertise. Capitalising and strengthening these assets can increase their leverage when engaging with the private sector, paving the way for a more equal relationship in which both benefit.

Further research should consider the ideology of the think tank in its approach to private sector actors, as some key informants suggest it to be an important issue. Additionally, it would be useful to understand the private sector's perspective on collaborating with think tanks, to uncover the drivers and benefits they see. Finally, a quantitative survey mapping the focus of the engagements, funding arrangements, overall budget percentages, and strategies to maintain their self-determination would be very interesting, as it would provide an overview of the state of the sector.

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Annex 1: List of sources

Interviewees spoke on a personal basis, sharing experiences from the organisations they belong too, and others they knew of. They did not speak in an official manner; therefore, their opinions and experiences do not constitute the official view of their organisations.

Think tank case study interviews

Region	Country	Name	Affiliation	Role	Date of interview
North America	United States	Carrie Kolasky	Atlantic Council	Vice President for Development	May 2018
Latin America and Caribbean	Mexico	Regina Ganem	Fundar	Funder Relationships Manager	July 2017
	Mexico	Guadalupe Mendoza	Instituto Mexicano para la competitividad (IMCO)	Director of Institutional Development	August 2017
	Jamaica	Damien King	CaPRI	Founder & Director	August 2018
	Colombia	Milena Gaitán	Fundación Ideas por la Paz	Financial and Administration Director	September 2018
	Ecuador	Adriana Arellano**	Grupo Faro	Director of Research and Knowledge Management	July 2017
	Perú	Ricardo Fort	GRADE	Senior Researcher	November 2018
	Paraguay	Maria Belén Servín	CADEP	Director Research	November 2018
Africa	Uganda	Sebastiano Rwengabo*	ACODE	Fellow (Oil and Governance)	July 2017

* Roles and affiliations were current at the time of the interview, but have may have changed

** Adriana Arellano worked in Grupo Faro until May 2018

Key informants

Name	Affiliation
Annapoorna Ravichander	Head, Policy Engagement and Communication at Public Affairs Centre India- India overview
Annie Lewis	Independent fundraiser in International Development- UK Overview
Anthony Dolphin	Former Associate Director of Economic Policy at the Institute for Public Policy Research – United Kingdom
Caroline Fiennes	Director of Giving Evidence – UK Overview
Enrique Mendizabal	Founder & Director, On Think Tanks
Hans Gutbrod	Transparify
Jaime Gonzalez- Capitel	Public Policy Scholar – Spain overview
Jenny Lah	Independent Consultant
Jordan Tchillingirian	University of Bath
Juliana Hauck	Think Tank Scholar – Brazil overview
Mar Alonso	Programme Manager United Way (NGO) Peru
Till Bruckner	Transparify and Transparimed
Tomás Garzón de la Roza	Corporate Research and Due Diligence Officer at UNICEF

* Roles and affiliations were current at the time of the interview, but have may have changed

Annex 2: Interview question list

Study brief

On Think Tanks is undertaking a Scoping Study on Think Tanks and Private Sector Funding. The study aims to explore the institutional arrangements, policies and practices that think tanks use to safely and effectively approach and manage private sector funding (private funders include: companies, corporations, private foundations and individual funders). We would appreciate if you could help us sharing your experience with it.

Question list

General questions about your organisation

1. What type of organisation do you work for?
2. What is its size?
3. What is your role?
4. What proportion would you say each of this type of funders contribute to your organisation's overall budget? (estimate) Government, Domestic Companies/Corporations, Foundations (e.g. William and Flora Hewlett, Ford, etc), Bilateral or Multilateral organisations (e.g. USAID, World Bank), Foreign Philanthropists (Individuals), Domestic Philanthropists (Individuals) Others
5. How do you see the future? How do you think this funding scenario will change? What are your plans regarding funding?

Attracting private funding

6. Do you actively look for private funding? Why? (if yes or no)
7. What funding mechanism do private funders prefer? (in your experience) E.g. grants, contracts, services etc? Do they cover all costs or do they ask for matched funding?
8. What sort of funding from private funders are you looking for? Does this depend on the funder? (e.g. core funding from crowdsourcing, contracts from foundations etc.)
9. How do you look for private funding? Do your efforts vary depending on the type of private funder? How?
10. Are you looking more actively for a specific type of funder? Are you looking for private funders to fund a specific line of work/need? How so?
11. Do you have any internal policies or practice (formal or not) that guides who you accept money from and for what?

Managing private funding

12. Does the source of funding affect the way in which knowledge production happens?
13. Do private funders ask for anything in terms of the research or your organisational arrangements? Do they ever disagree with your results? Have you ever had an experience when they ask you to change anything from your research? Please share your experience if so
14. How important is it to maintain your independence/ integrity? How do you ensure this?

15. Do you publish your funding sources? Do funders ask to remain anonymous? Why?
16. What do private funders ask for? Work reports, financial reports? How does this vary by type of funder?
17. Do you have standardized policies or practices to deal with private funders?
18. Do private funders ever set a limit of what can you do with the results? Do you discuss who owns the research outputs? Please share some examples or usual practice

Country and thematic considerations

19. Are there any laws in your country that promote or limit private sector funding?
20. Do you think there are themes that private funders donate more readily too? Or themes that are more difficult to ask for funds?
21. Do you have different policies or practices within your organisation depending on the theme that you want funding for?

Annex 3: Search terms

The following search terms were used:

Google Scholar:

- think tank funding (results viewed up to page 12)
- policy research funding (results viewed up to page 12)
- private funding ngos (results viewed up to page 6)
- funding advocacy ngos (up to page 6)
- corporate funding advocacy (up to page 6)
- corporate funding ngos (up to page 6)
- corporate funding think tank (up to page 6)

Google:

- financiamiento think tank (up to page 6)
- empresa think tank (up to page 6)
- corporate funding think tank (up to page 6)
- think tank funding (up to page 6)

Additionally, the references of articles that were found useful were also reviewed and further articles were identified through method.