This checklist is an extract from DCED (2017): 'How donors can make the transition to

<u>strategic private sector engagement: Programming innovations and organisational</u> <u>change</u>'. The Note documents pioneering changes in policies and procedures, staff roles and team structures, as well skill-sets and incentives implemented by donors and

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international NGOs. A two-page summary of the report is available <u>here.</u>

Examples of guiding questions to review 'organisational readiness' for private sector engagement

1. Is there an appropriate leadership position on all aspects of private sector engagement in the agency, or can it be created? Options include

• Hiring new staff from outside the organisation with extensive experience in or with the corporate sector, or, changing responsibilities of existing staff

- 2. What systems are in place to reach out to companies and respond to private sector engagement enquiries and can they be improved? For example, is it possible
 - to allocate more time to attending networking events and initiating a dialogue with promising contacts?
 - to assign members of staff as relationship managers for strategic business partners?
 - to nominate a focal point and create a single webpage for informing interested businesses (and agency staff) about options for collaboration?
- 3. How do different teams, units and government departments share and divide responsibilities on private sector engagement? Are current configurations sufficient to promote private sector engagement across the donor organisation? Is a coherent offer to the private sector across government departments in place? Specifically
 - is there a need to enhance the role and capacity of a central private sector engagement unit?
 - are there opportunities for enhancing cross-functional collaboration among teams?
 - Can exchange and coordination between donor headquarters and field offices, as well as other government departments be optimised?
- 4. Has the agency identified which of its *existing partners are most strategically important* for the achieving sustainable, large-scale development outcomes? How are relationships with these companies managed? There may be opportunities
 - to review the existing portfolio of business collaborations in order to filter out the most strategic partners; and
 - to develop processes for developing deeper relationships and more substantive, shared value collaborations over time.

5. What programmes and processes are used to by the agency to develop partnerships?

• Specifically, are there opportunities to shift from transactional mechanisms to more collaborative processes for cocreating development solutions, directly with businesses or via/ together with NGOs?

• Are flexible funding mechanisms in place to respond to collaboration opportunities in a nimble way or could they be created?

6. Are formalised systems for *due diligence* already in place or do staff require more support, assessment and/or process guidelines?

- 7. Are skill sets in the private sector engagement team and/ or other relevant units (including legal advisory teams) appropriate for private sector engagement or do they need to be developed or brought into the organisation? What skills development initiatives (workshops, training, secondments, day-to-day mentorship etc) are in place and are they sufficient? In addition to in-house capacity-building, could implementing partners be supported better (financially or technically) to lead discussions with business on behalf of the donor?
- 8. What processes to develop and refine organisational change priorities are in place or could be created going forward? Options include

• An internal task-force to develop new ideas on how the organisation can engage the private sector more strategically and effectively.

• Drawing on cross-functional task teams to hold regular brainstorming sessions or organise workshops with other development organisations to discuss options for adapting to new private sector engagement tasks.

• Working with staff and implementing partners at all levels to learn from existing collaborations and solicit feedback from businesses on how the organisation can respond more effectively to their needs;

• Independent advisors can be a source of innovation and for identifying further pathways for organisational change.

9. Is the Development Minister interested in championing organisational change for private sector engagement?

• Ministers can play a critical role in 'walking the talk' of strategic private sector engagement, e.g. by launching new, strategy development processes based on business consultations, and actively encouraging relevant organisational changes