Partnerships for Impact: How Hybrid Organisations in Germany Collaborate with For-Profit Companies

Exploring Partnership Evolution, Resource Exchange and Collaboration Practices

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Abstract

Hybrid organisations (HOs) combine social or environmental missions with earned income from products or services, positioning themselves between nonprofits and for-profit firms. This dual nature creates opportunities for innovation but also structural tensions. Collaborations with for-profits (FPs) are especially relevant, as they bring together corporate resources and networks with the legitimacy and expertise of HOs. Yet such relationships are complex, shaped by different organisational logics, power imbalances, and shifting priorities.

This thesis examines how HOs in Germany initiate and sustain partnerships with FPs, guided by three questions: (1) how partnerships begin and evolve, (2) what contributions each side offers and how these support impact scaling, and (3) what practices enable or hinder success. A qualitative design based on semi-structured interviews with representatives from both sectors was analysed through reflexive thematic analysis, offering a dual perspective on expectations and experiences. Findings indicate that partnerships are usually initiated by HOs and evolve through credibility building, negotiation, and adaptation to ecosystem conditions. FPs mainly provide funding, expertise, and visibility, while HOs contribute legitimacy, social knowledge, and delivery capacity. Employee engagement emerged as a critical driver of partnership longevity. The study highlights word-of-mouth initiation, persuasion as an iterative process, and employee engagement as central to sustainable HO–FP collaboration.

Title: *Partnerships for Impact: How Hybrid Organisations in Germany Collaborate with For-Profit Companies — Exploring Partnership Evolution, Resource Exchange, and Collaboration Practices*

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Resumo

As organizações híbridas (HOs) relacionam missões sociais e ambientais com receitas da venda de bens ou serviços, posicionando-se entre as organizações sem fins lucrativos e empresas lucrativas. Essa dualidade gera inovação, mas também instabilidade para as organizações. Parcerias com empresas com fins lucrativos (FPs) são relevantes, pois reúnem financiamento, redes e know-how corporativo com a legitimidade e conhecimento social das HOs. Contudo, estas relações são complexas, marcadas por lógicas distintas, desequilíbrios de poder e prioridades em mudança.

Esta tese analisa como é que as HOs na Alemanha iniciam e mantêm parcerias com FPs, respondendo a três questões: (1) como começam e evoluem; (2) que contribuições cada parte oferece e como aumentam a potencialidade do impacto; e (3) que práticas favorecem ou dificultam o sucesso. O estudo adota uma análise qualitativa com entrevistas semiestruturadas a representantes de HOs e FPs, analisadas por uma temática reflexiva. Esta dupla perspetiva permite compreender como é que as expectativas e experiências se alinham ou divergem entre setores. Os resultados mostram que as parcerias são geralmente iniciadas pelas HOs, evoluindo de forma não linear com base em credibilidade, negociação e adaptação ao ecossistema. O estudo contribui ao evidenciar a comunicação, a persuasão como processo contínuo e o envolvimento dos colaboradores como motor de colaborações sustentáveis.

Título**:** *Parcerias para o Impacto: Como Organizações Híbridas na Alemanha Colaboram com Empresas Lucrativas — Explorando a Evolução, a Troca de Recursos e as Práticas de Colaboração*

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Palavras-chave: Organizações híbridas; Parcerias intersetoriais; Responsabilidade social corporativa; Alemanha

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1. Introduction

Addressing today's pressing societal challenges, ranging from climate change to inequality, requires innovative approaches that traditional sectors are not able to provide. In this context, hybrid organisations (HOs) have emerged as important actors. These organisations blend social or environmental missions with market-based practices, seeking to generate both societal value and economic sustainability (Haigh & Hoffman, 2012). Their dual nature positions them uniquely: while they share the mission-driven focus of nonprofits, they also adopt entrepreneurial models more typical of for-profit businesses.

Yet hybridity also creates instability, and many HOs face limited financial and human resources and rely on external support to sustain operations and scale impact (Zhao & Lounsbury, 2016). Collaborations with for-profit companies (FPs) have become a particularly relevant strategy. By combining the resources, networks, and technical expertise of businesses with the topic knowledge, legitimacy, and delivery capacity of HOs, such partnerships are often seen as mutually beneficial (Austin & Seitanidi, 2012a). However, despite their promise, these collaborations are complex. Differences in organisational logics, power asymmetries, and shifting priorities can complicate their development and sustainability (Park et al., 2018).

While the importance of such partnerships is widely recognised, existing research remains fragmented. Most studies focus either on corporate–nonprofit collaborations in the context of CSR or on analyses of single cases of HO-FP partnership. As a result, we have a limited understanding of how hybrid organisations more broadly initiate, manage, and benefit from partnerships with for-profits, especially in Germany.

The aim of this research is therefore to explore how hybrid organisations in Germany build and sustain partnerships with for-profit companies, addressing three research questions:

- ***RQ1:*** *How are partnerships between German hybrid organisations and for-profits initiated and developed over time?*
- ***RQ2:*** *What contributions do for-profits and hybrid organisations bring to the partnership, and how do these contributions support the scaling of social impact?*
- ***RQ3:*** *What practices support successful collaborations, and what challenges arise during partnerships?*

To answer these questions, the study adopts a qualitative research design based on semi-structured interviews with representatives from both HOs and FPs. A reflexive thematic analysis with a hybrid inductive–deductive approach was applied to identify patterns, relate them to existing theory, and highlight new insights.

2. Literature Review

2.1 Hybrid Organisations

The emerging global challenges of the 21st century, ranging from financial crises, wars and pandemics to the increasing effects of climate change and plastic pollution, have driven organisations to innovate sustainable development solutions. In this setting, there has been a rise in hybrid organisations (HO), which blend nonprofit goals with business practices. Although the first hybrids appeared in the 19th century, they've only become more common in the last few decades, as the boundary between nonprofits and for-profits has increasingly faded (Santos et al., 2015). This diffusion is evident in the literature: occurrences of the keyword "hybrid organisation" in titles and abstracts have increased more than fifteenfold over roughly two decades (Hallonsten & Thomasson, 2024).

HOs are characterised by their commitment to social or environmental objectives while generating revenue using market-based activities to sustain their mission (Haigh & Hoffman, 2012). As shown in *Figure 1, the Hybrid Spectrum* by Dees (1998), these organisations bridge the divide between traditional non-profits and traditional for-profits. Rather than relying solely on donations or profit-maximisation, hybrids pursue both social mission and market-generated revenue. Depending on their position on the spectrum, a varying proportion of the financial surplus is reinvested into the social objectives to address societal and ecological challenges.

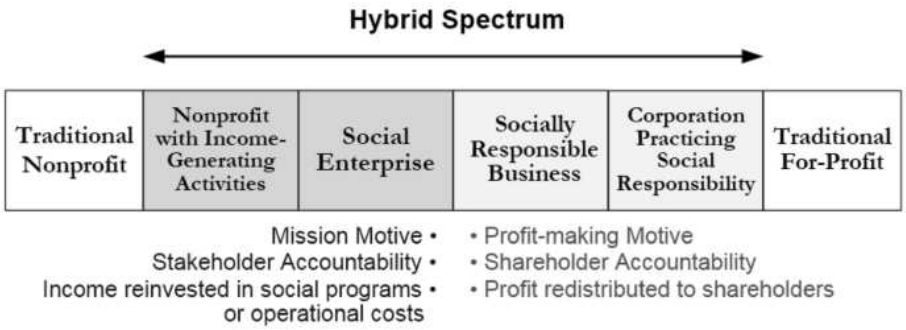

Figure 1. *The Hybrid Spectrum: Bridging the gap between traditional non-profits to traditional for-profits. Adapted from Dees (1998)*

This continuum can be understood through Santos' (2012) distinction between value creation (enhancing societal well-being) and value capture (appropriating returns for shareholders). Hybrids closer to the nonprofit end emphasise value creation, reinvesting most surpluses into their mission, whereas those toward the traditional for-profits end focus primarily on value capture (Mizik & Jacobson, 2003).

This thesis focuses on hybrids at the value-creation end of the spectrum: nonprofits with income-generating activities (NPs) and social enterprises (SEs). These organisations typically operate in fields with strong positive externalities, where the societal benefits extend far beyond what can be privately captured. In such contexts, as the potential for value creation outweighs the potential for value capture, traditional for-profit firms have little incentive to act, making nonprofits and social enterprises better suited to address these challenges (Santos, 2012).

Despite the unique opportunities that hybridity offers, such as increased flexibility and innovation, hybrids also face challenges, particularly in securing enough funding, shaping organizational culture, and maintaining strategic direction (Karré, 2020). Consequently, the hybrids on the left side of the continuum heavily rely on external resources such as funding, networks, and strategic partnerships with for-profit businesses, which provide capital, market access, and operational expertise (Zhao & Lounsbury, 2016). Given the relevance of partnerships for SEs and NPs, this thesis examines how these collaborations are initiated, managed, and sustained, what contributions each side brings, and how these partnerships support the scaling of social impact.

2.1.1 Hybrid Organisations in Germany

Germany's hybrid sector has grown into a diverse ecosystem active mainly in health, education, regional development, environment, and social inclusion (Ashoka & McKinsey, 2019). Precise numbers are hard to pin down due to definitional ambiguity, but recent estimates suggest on the order of tens of thousands of hybrid organizations (Fleischer & Pendl, 2024). Unlike some countries, Germany has no special legal form or official status for HOs, so it is not possible to determine an enterprise's business model solely by its legal form. Over half of German HOs operate under charitable legal status, which confers tax advantages but limits profit distribution. Common choices are registered associations (*eingetragener Verein*, e.V.) and the gGmbH - a

popular hybrid form that combines the limited-liability company structure with a public-benefit mission subject to non-distribution constraints (Weitemeyer, 2022).

In principle, existing legal forms are flexible enough to support non-profit or hybrid objectives through appropriate statutes - which is why policymakers have historically seen no urgency for a dedicated hybrid form. However, this approach often imposes structural constraints. German HOs face restrictions on how profits can be used, heavy compliance requirements, and legal ambiguity around which commercial activities are permitted - for example, whether a charitable association (e.V.) can run a café to generate revenue, or whether a gGmbH can engage in consultancy services without jeopardising its tax-privileged status. Such restrictions limit their entrepreneurial freedom and can hinder their growth (European Commission, 2020; Weitemeyer, 2022).

In the absence of a dedicated federal agency for HOs, the Social Entrepreneurship Netzwerk Deutschland (SEND) acts as the primary representative and advocacy organisation for HOs in Germany. The policy and advocacy discourse through SEND is framed under the broader concept of *social entrepreneurship*, which refers to the practice of applying entrepreneurial approaches to create social value. Because HOs are the most visible form of social entrepreneurship, many policy actors (such as SEND) use the terms interchangeably. However, SEND's network is not limited to registered "social businesses" but includes organisations of various legal forms (from non-profits to social startups), as long as they pursue societal goals through entrepreneurial means. For a common understanding of social entrepreneurship, SEND developed a definition framework.

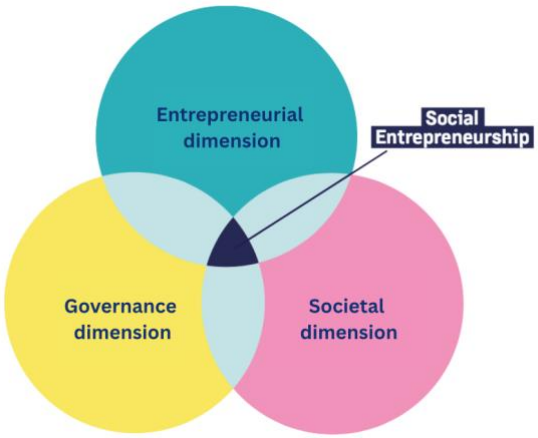

Figure 2. *The three dimensions of social entrepreneurship (SEND, 2021)*

In SEND's framework, a venture must first have a clear **societal** goal, addressing social or environmental challenges (e.g. contributing to one of the UN Sustainable Development Goals). Secondly, it must employ an **entrepreneurial** approach, using a sustainable business method (e.g. sale of products/services or a mix of earned income, donations and partnerships) to sustain and scale its impact. Thirdly, it should maintain **mission-centric governance**, meaning it reinvests profits into the social mission (rather than maximizing private shareholder returns) and embeds stakeholder participation and transparency to guard against mission drift (SEND, 2019). SEND has been campaigning for better policies, pressing for dedicated funding streams, a more appropriate legal form for HOs, and the creation of regional social innovation centres.

Beyond SEND, a range of incubators, accelerators, and funding initiatives support the sector, from universities' social innovation hubs to foundations that provide fellowship programs for leading social entrepreneurs. Government support remains nascent but is increasing: while German HOs historically faced low political awareness and scarce public funding, recent years have seen greater recognition in national policy strategy (OECD/European Commission, n.d.). Overall, Germany's ecosystem for hybrids is developing, even if formal structures lag practice.

2.2 Scaling Social Impact in Hybrid Organisation

Social impact is the ultimate objective of HOs. However, effectively achieving and expanding this impact requires addressing two interrelated managerial challenges: measuring impact and scaling impact. Over the past decade, these have emerged as critical topics in the domain of social entrepreneurship (Eiselein & Dentchev, 2021).

Measurement plays a vital role in establishing legitimacy and engaging stakeholders (Estrin, Mickiewicz, & Stephan, 2016), while also providing the foundation for managing scaling efforts in a structured way. However, monitoring social outcomes is both complex and crucial, since HOs must demonstrate the effectiveness of their operations (Hertel et al., 2020). A central challenge is capturing the true effects of social initiatives, as the outcomes often emerge gradually and may only become visible years after implementation.

Scaling social impact remains a complex and demanding process for most HOs, with no single definition in the literature. Some scholars define scaling impact in terms of expanding services to reach more beneficiaries (André & Pache, 2016; Kickul et al., 2018) or considerably reducing a problem and its negative effects (Bloom & Smith, 2010). Others emphasise systemic change,

focusing on modifying rules, norms, or institutional structures (Tjornbo & Westley, 2012; Han & Shah, 2019). To synthesise these perspectives, Islam (2020) identified five recurring themes:

- Positive societal changes in well-being and social conditions.
- Both quantitative and qualitative dimensions, encompassing reach and depth of transformation.
- The magnitude of impact achieved.
- The levels at which social problems are addressed, from individual beneficiaries to institutional transformation.
- A process perspective, recognizing that scaling social impact is an ongoing, dynamic effort rather than a one-time achievement.

In this view, scaling is not merely about organisational growth but about expanding the scope and depth of positive change in society. HOs pursue it through multiple pathways, often combining Organisational Growth with Ecosystem Growth strategies (see *Annex 1* in the Appendix (Islam, 2021)). These two scaling approaches are not mutually exclusive but rather complementary, as organizations often pursue both organizational and ecosystem development simultaneously to maximize their social impact.

Organizational growth

These strategies focus on direct expansion by increasing the HO's reach and operations while maintaining substantial control over implementation. One approach is product or service expansion, where HOs develop new offerings to address unmet needs, improve existing solutions, or respond to beneficiary demand. This expansion can take different forms, from internal development to partnerships with external organizations. However, not all expansions necessarily lead to greater social impact, as alignment with the HO's mission and the sustainability of operations remain critical concerns. Another approach is geographic expansion, namely scaling by entering new domestic or international locations. While expanding into new regions can enhance stability and increase impact, it does not always guarantee greater social change, as various contextual and operational factors influence its success.

Ecosystem Growth

Rather than focusing solely on direct expansion, HOs can scale their impact by fostering broader systemic change and strengthening the surrounding ecosystem. This involves advocacy to influence policymakers, organisations, and public awareness, as well as coalition building to amplify collective impact, and embedding effective solutions into institutional systems or public policies to ensure their sustainability (Santos, 2012). Establishing legitimacy enhances credibility for both individual HOs and the sector, while industry development supports the emergence of new social innovation fields. Training and advisory work, alongside infrastructure development, equips HOs and other entities with the resources needed to grow. Research and publication disseminate best practices, while financing work secures critical funding.

In short, scaling social impact requires a multidimensional effort. One prominent way HOs pursue both organisational and ecosystem growth is through partnerships with for-profits (Bretos, Díaz-Foncea, & Marcuello, 2020).

2.3 Partnerships between hybrid organisations and for-profits

As discussed, scaling social impact often requires both internal expansion and broader systemic engagement. Strategic collaborations between HOs and FPs are increasingly recognized as a practical approach to addressing complex social challenges at a scale that individual organisations may struggle to achieve (Pedersen et al., 2021). Rather than focusing solely on organisational benefits, which refer to the direct advantages each organisation gains from the partnership, these collaborations are often framed within the broader discourse of cross-sector collaboration. This approach involves cooperation between actors from different sectors working toward common social or environmental objectives that would be beyond the capacity of a single organisation or sector (Siemieniako et al., 2021). For instance, Danone and the social enterprise Grameen partnered to tackle child malnutrition in Bangladesh by selling fortified yoghurt at an affordable price, blending Danone's expertise with Grameen's local reach and reinvesting earnings into community development (Grameen Danone Foods Ltd., n.d.). Cross-sector partnerships can foster both organisational growth, by enabling HOs to expand their reach, resources, and capabilities through corporate partnerships, and ecosystem growth, by embedding solutions into wider systems and influencing policy, norms, and sectoral practices.

2.3.1 Motivations and benefits of HO-FP partnerships

While the social mission is the focal point of these partnerships, they are often initiated and sustained by a clear recognition of mutual benefits.

For companies

Corporate Social Responsibility (CSR) is a key motivator, particularly for large firms. CSR reflects a company's commitment to contribute positively to society beyond profits, and today's stakeholders – consumers, employees, and investors – expect visible responsibility (Clarke & MacDonald, 2019). Furthermore, businesses that align with a clear purpose gain a competitive edge, as purpose-driven companies tend to grow faster, outperform the market, and experience rising stock prices (Kantar Consulting, 2018). Collaborating with HOs helps meet these expectations while strengthening corporate credibility and relationships (Escher & Brzustewicz, 2021). Similarly, employees are more inclined to work for companies with strong CSR values, and with younger generations prioritising impact and purpose in their career choices, aligning with social enterprises can also attract high-potential employees, enhance loyalty and organisational culture, ultimately leading to greater productivity (World Economic Forum, 2024).

For Hybrid Organisations

Partnerships help HOs overcome resource constraints by providing funding, networks, human capital (e.g. corporate volunteers or experts), industry knowledge, technical expertise, and distribution channels, which can improve their operational efficiency and stability (Tasavori, et al., 2018). The structure and breadth of their networks also matter, as research shows that partnerships embedded in diverse networks not only expand access to resources but also enhance legitimacy, helping HOs to create social value (Choi et al., 2018). These collaborations also increase visibility and public awareness of social issues, allowing HOs to expand their reach and attract greater support (Herlin, 2015). Having credible partnerships can enhance a HO's legitimacy, strengthen operational capacity, and reputation with investors, customers, and the public, significantly improving chances of securing funding from these and other sources, ultimately increasing ability to create social impact (Chen, 2023).

These mutual benefits create a strong rationale for FP-HO partnerships. Each side brings something the other lacks: the social mission, community trust, and agility of the HO complements the financial resources, technical know-how, and market access of the FP. Together, they can achieve a greater combined impact than either could independently.

2.3.2 Collaborative value creation in partnerships

Partnerships are dynamic and evolve through various stages, requiring active management and deliberate effort to realise their full potential. Successful HO-FP collaboration often centres on the HO developing specific skills and routines to navigate the partnership process from formation to value creation (Alinaghian & Razmdoost, 2021). A systematic review of the literature by Alinaghian and Razmdoost (2021) found that HOs engage in four key practices (see *Figure 3*) to manage their business relationships.

***Figure 3**: HO-FP relationship management practices (Alinaghian & Razmdoost, 2021)*

1. **Initiation:** Strategically approaching businesses is essential to securing partnerships. The literature suggests four types of initiation: *individual-driven* (drawing on founders' personal networks), *community-driven* (building ties with local actors for legitimacy), *beneficiary-*

driven (involving disadvantaged groups in the value chain), and *market-driven* (forming relationships with mainstream businesses across sectors) (Alinaghian & Razmdoost, 2021).

2. **Persuasion**: HOs work to enhance their legitimacy and appeal by demonstrating how collaboration can advance the company's goals, motivating the business to commit. Alinaghian and Razmdoost (2021) found three key practices in the literature: *framing the benefits*, by defining social problems in ways that resonate with business priorities, *shaping solidarity*, by piloting projects and building coalitions that showcase feasibility and foster wider engagement, and *shaping the dialogue* through ongoing negotiation to reach a shared understanding of goals.

3. **Conflict Resolution**: As the relationship develops, differences or misunderstandings can emerge (over goals, methods, timelines, etc.) and HOs need to address and resolve conflicts, ensuring that frictions do not disrupt the partnership. The literature identifies five ways HOs manage conflicts with FPs: *avoidance* (partnering with like-minded organisations to reduce risk of conflict), *hybridisation* (adapting both social and market logics to find common ground), *negotiation* (interactive processes to balance competing objectives), *generating institutions* (creating rules, standards, or boundary objects to structure collaboration), and *acceptance* (conceding to the partner's logic when necessary, while still pursuing higher-level social goals).

4. **Value Creation**: In this mature phase, the HO and business leverage their combined resources and capabilities to implement joint initiatives, creating a synergy that showcases the partnership's impact on the wider community. Alinaghian and Razmdoost (2021) identify three main approaches: *resource utilisation* (accessing and integrating external resources, such as funding, expertise, and networks into the organisation); *joint resource utilisation* (both sides combine complementary assets for efficient and innovative outcomes); *replication* (scaling proven models to spread impact beyond immediate operations).

While Alinaghian & Razmdoost (2021) help explain the processes that lead to value creation, they offer less insight into the types of value that partnerships generate. For this, the Value Creation Spectrum developed by Austin and Seitanidi (2012a; 2012b) offers a complementary perspective. It distinguishes between multiple categories of value:

- **Associational value**: refers to the credibility and legitimacy gained simply through affiliation, as organisations reputation benefits from being linked to credible partners.

However, this effect depends strongly on the quality of organisational fit (Kim, Sung, & Lee, 2011).

- **Transferred resource value**: the direct exchange of assets, such as funding, expertise, or technology. These contributions may be temporary (e.g. a financial donation) or more enduring (e.g. a new capability or skill), and require continual renewal to remain attractive over time.
- **Interaction value:** stems from the processes of working together and includes intangible but crucial benefits such as learning, new capabilities, access to networks.
- **Synergistic value***:* the highest form of collaboration, where the unique resources of each side combine to generate outcomes unattainable alone. This value is often linked to innovation and can trigger transformative social, economic, or even systemic change at multiple levels.

2.3.3 Success factors & challenges in partnerships

Research on cross-sector partnerships has identified several factors that are crucial for success. Trust may be the single greatest predictor of collaborative success (Austin & Seitanidi, 2012a), as this enables partners to rely less on formal controls and to engage more in innovative joint activities (Alinaghian & Razmdoost, 2021). Open and frequent communication supports alignment of expectations and helps prevent misunderstandings. Studies highlight the importance of establishing a strategic alignment - a shared vision of success - and ensuring each partner feels the exchange of value is fair. When partners' goals and values are aligned, it *"lowers the level of conflict between partners, facilitates communication and promotes trust"* (Austin & Seitanidi, 2012b).

Another success factor is resource complementarity: each side should contribute distinctive resources or capabilities that the other lacks, creating a win-win exchange. When partners see a strong fit and mutual gain, they are more likely to invest in the relationship and co-create value (Sakarya et al., 2012). Governance mechanisms also support collaboration: formal tools like contracts, defined roles, and joint steering committees provide structure and clarity, while informal mechanisms (shared norms, social bonds, leadership support) provide flexibility and resilience (Bryson, Crosby, & Stone, 2015). In practice, successful collaborations often report strong top-management support in each organisation that nurtures the partnership (Van Tulder et al., 2016). Indeed, strong top-management support in each organisation is often reported as

a success factor, as leadership can resolve obstacles and institutionalise the partnership (Van Tulder et al., 2016).

Despite their promise, HO-FP partnerships also face significant challenges and risks that can undermine their success. One major concern is power imbalance. Typically, the FP partner (especially if it's a large company) holds more financial resources and bargaining power than the smaller HO. This asymmetry can produce an imbalanced relationship where the stronger partner dominates decision-making or imposes its practices, potentially leading to instability or dependency. Importantly, *resource dependence theory* reminds us that when an organization relies heavily on external resources, the resource provider can influence its strategic choices (Pfeffer & Salancik, 1978). In line with this, Park et al. (2018) observe that HOs partnering with large firms are "destined for resource dependence," which can paradoxically turn the partnership into another burden for the social enterprise if not managed carefully. One major concern is the risk of mission drift for the HO, the danger that, in closely working with a profit-driven business, the HO's focus might shift away from its social mission toward more commercial priorities (Davies & Doherty, 2019). This erosion of mission can happen subtly and over time, but it can undermine the HO's integrity and its trust with beneficiaries or donors. However, if businesses view the HO primarily as a vehicle for fulfilling their own CSR needs, they might reinforce the HO's social activities. Cultural differences present another layer of complexity, as HOs and FPs often operate under different institutional logics that shape how success is defined and pursued (Austin & Seitanidi, 2012a). These divergent goals can lead to tensions in strategic direction, resource allocation, and performance metrics. Without proactive alignment, this can lead to friction, with each side perceiving the other as either overly idealistic or excessively result-driven (Huybrechts et al., 2017).

2.3.4 Partnerships in the German Context

In recent years, HO-FP collaborations in Germany have gained momentum, reflecting a broader trend toward cross-sector solutions for societal issues. According to the latest German Social Entrepreneurship Monitor (SEND, 2024), more than half of surveyed HOs report active collaborations with companies. Major German corporations have launched initiatives to support HOs – for example, SAP's social sabbatical and corporate volunteering programs offers pro

bono consulting and technical assistance. It's worth noting that many of these alliances are evolving beyond traditional philanthropy into more integrated "shared value" arrangements. Companies are increasingly seeing HOs not just as charity recipients but as innovation allies. As a result, the number of such partnerships in Germany has risen steadily over the past decade, and they are now seen as a key mechanism for scaling social innovations while also generating business benefits.

Nevertheless, German HOs face several challenges in establishing and maintaining partnerships, expressing a strong desire for better networking opportunities and procurement systems that favor social enterprises (SEND, 2024). Financing also remains the top challenge for the sector. The Ashoka and McKinsey (2019) study further highlights that, despite the growing eagerness for collaboration, many German HOs still lack systematic access to corporate networks and strategic support structures that could help them scale their impact. They also reported their struggle to navigate rigid and bureaucratic structures often present in large corporations, which complicate decision-making and partnership formation.

Currently, thanks to the efforts of SEND and other ecosystem builders, policy advocacy is in motion to incorporate social value into procurement criteria and to test new legal forms that facilitate social-business joint ventures. As these systemic supports improve, it is expected that more partnerships will form and thrive. Building robust networks and long partnerships is critical for unlocking the full potential of HO-FP collaboration in Germany, which could provide German HOs with stability and resources, ultimately strengthening the country's capacity to tackle social challenges in a sustainable way.

2.4 Research gap

The importance of cross-sector alliances is well established (Austin, 2000; Seitanidi & Ryan, 2007; Jamali et al., 2011), but much of the broader collaboration literature centres on CSR-driven nonprofit–corporate partnerships (Ebrahim et al., 2014). Research that explicitly examine HO–FP partnerships is often restricted to single-case studies and is highly context-specific (Austin & Seitanidi, 2012a, 2012b; Park et al., 2018; Le Pennec & Raufflet, 2018; Alinaghian & Razmdoost, 2021).

Where partnerships with hybrids are studied, the focus tends to be on motivations and success factors (Park et al., 2018) or on the value generated in individual partnerships (Le Pennec & Raufflet, 2018). Fewer studies explore how hybrids and for-profits experience partnerships simultaneously, with limited dyadic approaches that capture both sides of the relationship (Alinaghian & Razmdoost, 2021). This has left gaps in our understanding of how expectations and experiences align - or diverge - between hybrid organisations and for-profit partners.

Overall, existing research provides useful insights but is still dominated by single-case or single-perspective studies, with only limited attempts to build broader, more generalisable knowledge about HO–FP collaborations (Ostertag et al., 2021; De Bell, 2024). The German context is particularly underexplored: despite the growing popularity of HOs, empirical research on how they establish and sustain partnerships with FP in Germany is scarce. Available reports (SEND, 2024; Ashoka & McKinsey, 2019) provide valuable overviews of the social entrepreneurship landscape in Germany, but do not thoroughly examine the dynamics of these partnerships.

This study addresses these gaps by:

1. Adopting a dual perspective that integrates the voices of both hybrids and for-profits;
2. Analysing multiple cases to move beyond single experiences;
3. Situating the analysis in Germany, where partnerships are both increasingly relevant and underexplored.

In doing so, it contributes to building more generalisable knowledge about HO–FP collaborations and the conditions under which they create sustainable impact.

3. Methodology

This chapter provides an explanation of the methodological approach selected to answer the following research questions:

RQ1*: How are partnerships between hybrid organisations and for-profits initiated and developed over time?*

RQ2*: What contributions do for-profits and hybrid organisations bring to partnerships, and how do these contributions support the scaling of social impact?*

RQ3*: What practices support successful collaborations, and what challenges arise during partnerships?*

3.1 Procedure

To achieve this, a qualitative, semi-structured interview design was selected, as it best addresses the exploratory nature of the research question, which aims to understand the subjective experiences, motivations, and relational dynamics involved in cross-sector collaborations (Creswell, 2014). A qualitative method is particularly suited for studying processes and perceptions in real-life contexts where variables are not easily isolated and pre-defined categories may not fully capture the complexity of the phenomenon (Flick, 2018). Given that HOs–FPs partnerships are shaped by organisational culture, power asymmetries, and context-specific goals, a qualitative design enables a more comprehensive investigation into these multidimensional elements.

Rather than seeking generalizable truths, the goal is to gain in-depth, nuanced insights into how different stakeholders perceive and navigate partnership experiences. As Austin and Seitanidi (2012a) note, cross-sector collaborations are dynamic and evolve through different stages of value creation, making a flexible and context-sensitive research strategy essential.

Accordingly, semi-structured interviews were selected as a data collection method because they facilitate comparability across different interviews while also letting new ideas and themes emerge. Structured interviews were discarded since they are mostly suited to quantitative research, and unstructured interviews were deemed impractical, not only because they are highly time-consuming to conduct and analyse, but also because their open-ended nature makes cross-interview comparison challenging (Cassell, 2015).

The researcher developed a list of 11 questions rooted in the literature review (*Annex 2*). Some questions differed based on the respondent (HO or FP), but all interviews covered the topics of partnership initiation, design and dynamics, challenges encountered during collaborations and recommendations for building successful cross-sector partnerships.

3.2 Sampling and data collection

Saunders (2016) defines sampling as a selection of participants from the target population. This study employed purposive sampling to identify and recruit interview participants. Initially, the author contacted HOs via company email, but response rates were low. A more personal approach via LinkedIn connection requests with brief introductory messages proved more successful. Prospective interviewees were identified using the keywords "CSR Manager," "Partnership Manager," "Impact Business," "Social Enterprise," and "Impact Partnerships," filtered for Germany. Target participants included HOs' founders, CSR managers and partnership managers with at least three years' experience in their current role. Before sending a LinkedIn connection request, the author reviewed each company's website to confirm the presence of relevant partnerships. Within purposive sampling, this study employed a maximum variation strategy to capture a wide range of perspectives on the topic (Patton, 2002), including both for-profit companies and hybrid organisations, as well as participants in different roles (e.g., CSR managers, partnership managers, founders). These individuals represent the most relevant stakeholders in HO–FP collaborations, as they are directly responsible for initiating, managing, and sustaining such partnerships. From the perspective of stakeholder theory (Freeman, 1984), incorporating stakeholder views is essential, since organisations' strategies and outcomes are shaped through interactions with these key actors.

Of approximately 50 connection requests and InMail messages sent, eleven individuals agreed to participate (four from FPs and seven from HOs). Because recruitment relied on LinkedIn responses, the sample also has aspects of convenience sampling, since all those who responded and were available for an interview were included in the study. Data collection was concluded once it became clear that no new themes were emerging, as interviews began to generate similar insights, a sign that saturation had been reached. Out of 11 participants, 8 are German natives, while 3 are international. Interviews lasted an average of 35 minutes and were conducted over Zoom during July, in English. One session combined German and English because the

participant (FP1) was not fully comfortable expressing their views in English. All participants were based in Germany at the time of the interview. All interviewees from FPs explicitly required anonymity; one required approval from their PR department (FP2), and two corporations did not permit recording (FP2, FP3), so notes were taken instead. All hybrid-organisation interviews were also anonymised. After obtaining participant consent, the remaining sessions were recorded, transcribed using Descript, and after the data analysis, recordings were deleted. *Table 1* offers an overview of the interviews, providing information on the type of company and the role of the interview participant. To give more context to the reader, while preserving anonymity, the most relevant SGD for the HOs and the size of each company is also reported, following the EU Commission's SME thresholds (EU Commission, 2003), as: small (< 50 employees), medium (50–249), large (250–999), and corporate (≥ 1 000). A code has been given to each interview to facilitate data analysis.

Code	Type of company	Size	Relevant SDG	Participant's job title	English level
SE1	Social Enterprise (GmbH)	Small	SDG 3: Good Health and Well-being	Founder	High
SE2	Social Enterprise (e.V.)	Small	SDG 10: Reduced Inequalities	Partnership manager	Medium
SE3	Social Enterprise (GmbH)	Medium	SDG 13: Climate action	Founder	High
NP1	Non-profit with income generating activities (gGmbH)	Medium	SDG 4: Quality Education	Partnership manager	Medium
NP2	Non-profit with income generating activities (gGmbH)	Large	SDG: 16 Peace, Justice and Strong Institutions	Partnership manager	High
NP3	Non-profit with income generating activities (e.V.)	Large	SDG 2: Zero Hunger	Partnership manager	High
NP4	Non-profit with income generating activities (gGmbH)	Large	SDG 1: No poverty	Partnership manager	High
FP1	For-profit company	Large	-	CSR manager	Low
FP2	For-profit company	Corporate	-	Head of CSR	High
FP3	For-profit company	Corporate	-	Impact manager	High
FP4	For-profit company	Corporate	-	Partnership Manager	High

***Table 1**. Overview of Interview Participants*

3.3 Data analysis

In qualitative research, analysing data means systematically searching the interview transcripts to obtain an evidence-based interpretation of the research question (Rubin & Rubin, 2005). For this study, the author carried out a Reflexive Thematic Analysis (RTA) with a hybrid inductive-deductive coding strategy. RTA was considered the most appropriate approach because it allows the researcher to actively interpret patterns and theoretical ideas, rather than treating themes as simply "emerging" from the data (Braun & Clarke, 2019, 2021). Inductive coding allowed new and unexpected insights to be captured, while deductive coding allowed creation of themes directly from concepts identified in the literature. This hybrid strategy balances openness to participants' perspectives with attention to existing research (Fereday & Muir-Cochrane, 2006).

As Braun and Clarke (2019) emphasise, transparency and clarity are important for credible qualitative analysis. To ensure this, the analysis followed the six phases of thematic analysis: (1) familiarization with the data, (2) generating initial codes, (3) searching for themes, (4) reviewing themes, (5) defining and naming themes, and (6) producing the report.

3.3.1 Familiarization with the data

After transcribing the interviews, data were organised in Excel, with questions in columns and participants in rows. This provided an organised overview of the answers received for each main topic, facilitating access to the data, which is compiled in a single file, and comparison of responses.

3.3.2 Generating initial codes

The Excel file was imported into NVivo, one of the most widely used tools in qualitative research (Woolf & Silver, 2018). The author then applied inductive coding to each segment of data that captured something interesting about the research question. Reflexivity was central to this step of the analysis, as themes were actively constructed by the researcher through their interpretation, meaning the result is one possible reading of the data, and not an objective discovery (Braun & Clarke, 2019, 2021). At the end of the process, 50 different codes emerged. Refer to *Annex 3* for an extract of the initial codes.

3.3.3 Constructing themes

To identify themes, the initial codes were examined and grouped according to similarities and conceptual links. This process was also inductive, ensuring that early theme development focused on participants' perspectives without imposing pre-existing theoretical frameworks. Through this process, 5 themes were developed. While most codes contributed to one theme, some overlapped across themes, reflecting the complexity of the data.

3.3.4 Reviewing themes

The provisional themes were reviewed to ensure that coded data within each theme formed a coherent pattern and that themes were distinct from one another. At this stage, a deductive element was introduced by comparing the themes with concepts from the literature, allowing links to be made between participants' perspectives and existing research.

3.3.5 Defining and naming themes

Each theme was then refined to capture its specific focus and scope. This involved identifying the central meaning of each theme and clarifying how it related to the research question. Subthemes and codes were grouped under broader categories to provide structure and highlight relationships within the data. Concise and descriptive labels were chosen to make the themes clear for the reader. An overview of the final set of themes, subthemes, and codes is presented in *Table 2.*

3.3.6 Producing the report

In the final stage, the themes were organized into a coherent narrative that directly addresses the research question. This involved selecting illustrative extracts from the transcripts, interpreting them in relation to the themes, and connecting the findings to the literature. This is presented in in the following chapters.

Theme	Subtheme	Code
Partnership evolution	Initiation	Who initiates contact
		Networks
	Persuasion	Alignment with FP mission/CSR strategy
		Credibility
	Development	Collaboration over time
Benefits of partnership	Contributions from For-Profits	Funding
		In-kind contribution
		Connections
	Contributions from Hybrid Organisations	Topic expertise
		Project delivery & impact reporting
		Communication material
Outcomes of partnerships	Demonstrating impact	Visibility
	Scaling Impact	Organisational growth
		Ecosystem growth
Success factors	Strategic alignment	Clear expectations
		Long-term collaboration
		Co-creation
		Employee engagement
	Open communication	Transparency
		Educate the partner
	Relationship quality	Trust
		Take care of partners
	Self-awareness	Know your value (HOs)
		Criteria for collaboration
Challenges	Operational difficulties	Impact measurement difficulties
		HO lacks resources
	Power & Control	Different priorities/expectations
		Power imbalance

Table 2. *Themes, Subthemes, and Codes from Interview Analysis*

4. Findings

This chapter presents the themes constructed through the qualitative analysis of the interview data, with the aim of exploring how hybrid organisations in Germany experience and manage partnerships with for-profit companies. The findings are structured into five sections, each corresponding to a theme identified in the analysis:

1. Partnership evolution
2. Benefits of partnership
3. Outcomes of partnerships
4. Success factors
5. Challenges

Each theme is enriched with interview extracts to remain grounded in participants' perspectives. The interpretation of these findings in relation to the research questions and existing literature is developed in the following discussion chapter.

4.1 Partnership evolution

The theme of partnership evolution captures how collaborations between HOs and FPs are initiated, negotiated, and developed over time. Interviewees described trajectories beginning with first contact and credibility building, then evolving into long-term collaboration or termination.

Theme	**Subtheme**	**Code**
Partnership evolution	Initiation	Who initiates contact
		Networks
	Persuasion	Alignment with FP mission/CSR strategy
		Credibility
	Development	Collaboration over time

Initiation

The interviews revealed that partnerships are typically **initiated by HOs** through acquisition, networking, or, less often, cold outreach. NP1 explained:

> *"In 9 out of 10 cases, we reach out. We do acquisition, research, and networking. Occasionally companies approach us, but real, long-term partnerships usually come from our outreach."* (NP1)

NP1 also explained 3 criteria that they use to decide whether to pursue a potential partnership, called the *Three Cs framework*: *Capacity* (do they have the funds?); *Connect* (do we have a link through people or networks?); *Care* (do they care about our mission?). HOs' interviewees stressed the importance of following up if no answer is received: *"You need persistence without sounding desperate."* (NP1).

Several participants emphasised that industry ecosystems provide visibility and access to potential corporate partners. By joining **networks**, HOs gain platforms where companies can learn about their work, as well as opportunities to connect with other nonprofits and share leads. For early-stage HOs, selecting the right networks was described as crucial:

> *"You need both general impact startup networks, where you can access funding, pro bono consulting, and startup support, and topic-specific networks that connect social businesses facing similar challenges around funding and private stakeholder engagement." (SE1)*

In addition to formal ecosystems, personal recommendations and word-of-mouth were consistently described as powerful enablers of new partnerships. SE3 noted that *"when few people know what you do, personal connections and word of mouth are vital,"* while SE1 added that trusted recommendations had been their "*primary marketing*" for over a decade. Participants acknowledged that such personal ties are not highly scalable, yet they often provide the most effective entry point into partnerships.

Though less common, when FPs initiate contact, often tied to a new CSR strategy, the process is smoother. In these cases, HOs could *"simply moderate expectations and co-design solutions"* (SE3), rather than having to pitch themselves. Participant FP4 explained:

> *"Most of our partners didn't apply to us: we were defining our new CSR strategy and then looked for suitable organisations. When we receive an unsolicited outreach, say, via LinkedIn, we'll consider partnering if they meet our standards, but many get*

> *excluded because they duplicate existing activities or don't match our expectations."* (FP4)

These examples show that credibility and perceived fit with the company's goals are particularly important in convincing the FP of the partnership's value.

Persuasion

Credibility was described as essential. HOs said they must appear as trustworthy and professional actors, backed by evidence of their impact:

> *"For companies to partner with you, you need to be credible, with a track record of your impact, concrete KPIs and a clear mission."* (NP4)

Beyond credibility, **alignment with CSR strategy** was decisive. NP2 advised reframing the approach to resonate with business logic:

> *"Instead of saying 'please give us money,' approach companies with a problem statement. Businesses solve problems - that's their DNA - so speak their language."* (NP2)

FP representatives confirmed mission alignment was decisive for long-term outlook. FP3 said they looked for overlap in the first meeting and then formalized partnerships through discussions and agreements.

Development

Participants had mixed experiences with how **partnerships evolve over time**. Overall, there was no single trend: while some collaborations expand and deepen, others remain stable or decline. Development depended on multiple factors, as explained by NP2:

> *"Growth is always the goal, but there's no single pattern… factors like markets, performance, finances, management changes, or compliance rules influence this."* (NP2)

FPs shared that partnerships often stay stable, but they are depending on budget and internal priorities, so they should never rely on just one partner, because things in for-profits can change quickly, like a new CSR strategy in place or a new person in charge.

Other participants reported that, from their experience, most partnerships remain steady rather than growing. FP3 explained:

> *"I would not say I recognise a growing trend. We have many partnerships, and we aim to keep everyone engaged and happy. If a partner comes to us about a specific project that they need support with, and we have the funds to help them, we do. But most partnerships are stable throughout the years."* (FP3)

However, a few participants shared strategies for fostering long-term growth, like involving management for a stronger collaboration, or starting small and scaling gradually:

> *"We usually begin with a pilot project: a 'minimum viable product.' Both sides learn how the other works, what expectations exist, and what reporting is required. If it works, we then move to framework agreements and multi-year cooperation."* (NP4)

Overall, participants said partnership development is not linear but shaped by priorities, finances, and context. Some deepened into multi-year commitments, others stayed stable or declined.

4.2 Benefits of partnership

Partnerships were described as mutually valuable exchanges, with FPs and HOs contributing resources the other could not access alone. Participants stressed that impact work depends on these contributions.

Theme	Subtheme	Code
Benefits of partnership	Contributions from For-Profits	Funding
		In-kind contribution
		Connections
	Contributions from Hybrid Organisations	Topic expertise
		Project delivery & impact reporting
		Communication material

Contributions from for-profits

Financial support has consistently been mentioned as a critical contribution in partnerships. As SE3 put it: *"Without partners, we don't have enough money to generate consistent impact".*

Participants also stressed value beyond money: *"capacity building, innovation, and reach" (NP2)*. NP1 emphasised:

> *"They're really important, not just because of the money, but also because of the strong brands, the knowledge, structure, and networks they bring."* (NP1)

In-kind support was also reported as valuable when aligned with concrete needs and "*if it makes logistical and economic sense." (NP2).* Contributions reflected FP capacities (logistics, tech, consulting). NP4 said the ideal is funding plus expertise:

> *"For example, logistics companies know better than anyone how to efficiently run supply chains, and tech companies can help with data management."* (NP4)

FP2 shared how they contribute beyond financial aid:

> *"We provide logistical support; partners have access to a platform where they can request in-kind support from us, or even vehicles for their operations. They can count on our employees coming every week to volunteer."* (FP2)

Some participants also highlighted that FPs also provide good **connections**: to relevant people, companies, or other social organisations, and sometimes "*invitations to networking events, in-house events, introductions to other companies or even politicians"* (NP1).

All for-profits stressed that while they provide funding and resources, it is thanks to the HOs' contributions that those resources translate into meaningful outcomes.

Contributions from hybrid organisations

FP partners said HOs are crucial to meet CSR goals. HOs bring in-depth **topic expertise** and were described as drivers of **project design and delivery**, bringing *"capacity building, innovation, and reach that we wouldn't achieve alone"* (FP2). FP4 added that HOs "*contributed research, data, visual materials, and sometimes network access*".

NP2 said FPs expect *"detailed reporting systems and measurable outcomes."* FP4 confirmed: "Every promise must be trackable with clear evidence" (FP4), and HOs are expected to provide **impact reports** as the partnership evolves.

HOs often produce **communication material** for CSR reporting. SE3 said:

> *"We document and prove how their money turns into measurable outcomes, and we assist them with tailored internal and external communications. This helps to position them as contributors to our mission, which can support ESG goals and even drive sales among eco-conscious customers."* (SE3)

Together, these contributions strengthen FPs reputation, provide credible evidence of impact, and make CSR investments more visible.

4.3 Outcomes of partnerships

Interviews highlighted that one major function of partnerships is demonstrating positive impact. Creating and scaling impact was described as occurring on multiple levels.

Theme	Subtheme	Code
Outcomes of partnerships	Demonstrating impact	Visibility
	Scaling Impact	Organisational growth
		Ecosystem growth

Demonstrating impact

The topic of increased **visibility** due to the partnership emerged in the interviews. SE1 said: *"Through partnerships, we gained visibility and new clients."* For FPs, it showcased CSR engagement and ESG alignment. FP4 shared.

> *"Our impact partnerships had great traction both internally, between employees and externally. The impact created hasn't gone unnoticed, and we got to present our results at very big events. This certainly creates a positive connection to our company" (FP4)*

Several participants emphasised visibility as a central motivator, not just a by-product of the partnership.

Scaling impact

Interviewees stressed that the main goal of partnerships is generating and growing impact. FP4 explained how their support enabled both expansion and innovation:

> *"All our partners were able to develop and increase their impacts with our support; with one, we created products from plastic that they removed from the ocean; with another partner, we supported them to expand their activities in a new country with the help of our local business branch" (FP4)*

At the same time, several examples illustrated how partnerships can also contribute to systemic change. NP3 described how one project had policy-level effects:

> *"We have some projects in Africa, and the local government's budget for water delivery increased significantly due to our project's success. This was true impact: institutional change, not just infrastructure, and it was possible because the partner was willing to invest not only in visible outputs like wells, but also in structures and systems (NP3)"*

Some for-profits also acknowledged they have partnerships dedicated exclusively to systemic change. FP3, for instance, supports a social enterprise working to implement entrepreneurial innovation education at universities. Overall, the findings indicate no single route to scale: collaborations tended to begin with either organisational or ecosystem work and, when viable, later broadened to include the other.

4.4 Success factors

Interviewees identified several factors for successful partnerships. These ranged from strategic alignment and long-term collaboration to employee engagement and co-creation, all of which contribute to sustaining and strengthening relationships over time.

Theme	Subtheme	Code
Success factors	Strategic alignment	Clear expectations
		Long-term collaboration
		Employee engagement
		Co-creation
	Open communication	Transparency
		Educate the partner
	Relationship quality	Trust
		Take care of partners
	Self-awareness	Know your value (HOs)
		Criteria for collaboration

Strategic alignment

Participants stressed that being **explicit about expectations** from the outset is crucial to avoiding misunderstandings and conflict later. FP3 explained:

> *"In our initial calls, we shared our expectations and goals. The partner would draft a pitching document matching our goals to their proposed KPIs and deliverables. We'd review and refine that internally until we reached mutual agreement." (FP3)*

Several HOs noted that this clarity was equally critical for them to understand what kind of support they could realistically expect from a partner. They also emphasised the importance of securing **long-term collaborations**, which provide stability in service delivery and job security for their teams. SE3 reflected:

> *"We work in Asia and hire local staff to achieve impact. So, we seek multi-year partnerships to guarantee job security and sustain operations. (SE3)"*

For FPs, continuity was seen as cost-efficient and necessary to observe results over time. FP4 described:

> *"We always prefer long-term agreements, typically two to three years, because they give organisations sustainable income and allow us to see impact over time. For us, it's cost-efficient: setting up operations in year one demands most of the investment, but running the program in subsequent years requires far less. That stability benefits everyone." (FP4)*

Some partnerships extended well beyond this, with examples of collaborations sustained for over a decade. These were characterised by regular exchanges, joint planning, and evolving practices such as employee engagement. FP2 described one such case:

> *"We have partnerships in place for more than 10 years, and there is a structured exchange with the partners, held four times a year, which also includes discussions about employee engagement." (FP2)*

Across cases, both HOs and FPs expressed a preference for strengthening existing relationships rather than constantly seeking new one. This also helps developing an **employee engagement programme**, which participants described as a strong factor in partnership longevity. As FP1 put it:

> *"Employee engagement programs are not mandatory, but they work much better because we can all get something out of it." (FP1)*

FP3 confirmed this sentiment, noting that *"the long-term goal of a partnership is to engage employees"*. From the perspective of HOs, such initiatives not only provide additional resources and visibility but also make disengagement less likely. However, some HOs argued that due to the nature or geographical location of some projects, it is sometimes challenging to involve

employees into daily operations. **Co-creation** was another factor described as central to building stronger partnerships, as it requires active involvement from both sides, but often conditional on the level of financial commitment from the FP, as SE3 explained:

> "Based on the budget, we propose core activities plus optional modules such as employee workshops, school campaigns, and awareness events. Sponsors above a certain financial commitment level can co-design these modules and propose their ideas." (SE3)

For other HOs, co-creation also involved tailoring projects to fit the partner's strategic interests and to leverage their technical expertise, as NP4 describe:

> *"I tailor the project to the specific interests of the partner, highlighting the areas that match their focus. When we co-create projects, we integrate that expertise into the design, which makes the partnership stronger."* (NP4)

Together, employee engagement and co-creation emerged as practices that not only add tangible value but also help cement partnerships over the long term, by creating a sense of shared ownership and mutual investment.

Open Communication

Participants stressed that communicating openly and **being transparent** helps prevent misunderstandings and strengthens the collaboration:

> *"Being transparent is everything. Address problems early, ask for solutions, and involve partners in finding them." (FP2)*

Honesty about expectations, limitations, and priorities was seen as the basis for building trust and respect, which in turn fosters collaboration. Several HOs also explained that communication is not only about logistics or deliverables, but about **educating partners** on the realities of the social mission**.** As SE3 noted, "*educating sponsors about on-the-ground realities has been critical*," since many companies lack expertise in specific sectors. This educational aspect also extended to ensuring culturally sensitive communication. NP2 described this:

> *"We do education work with partners, ensuring communication respects the people we work with. We discuss which pictures are okay, what behaviours are appropriate, and how to engage respectfully. Over time, they learn, and it becomes a true partnership." (NP2)*

In short, open and transparent communication, combined with efforts to educate corporate partners, not only prevents conflict but also helps align both sides in a respectful and informed way.

Relationship quality

Interviewees consistently described **trust** as decisive factors for sustaining partnerships. SE1 shared that, "*especially for social impact work, trust is paramount*", as it is not only the foundation of collaboration but also a driver of growth. NP3 added that trust also helps financially:

> *"Trust is important: as they get to know us, it becomes easier to secure larger contributions. "(NP3)*

Beyond trust, participants underlined the importance of **taking care of partners** and building personal rapport alongside professionalism**,** noting that *"people give to people." (NP2).* For NP1, relationships also represent a safety net:

> *"Build relationships, invest in them, and do good key account management because you never know when a partnership might end." (NP1)*

This suggest that relationships make collaborations more resilient and easier to maintain.

Self-awareness (HO)

Another recurring topic brought up in the interview factor was the ability of HOs to act with self-awareness, **knowing their own** value and setting clear boundaries. Several participants stressed that organisations should not undersell themselves:

> *"Act with confidence and don't give away your services for free but instead ensure the work you do and the value you provide is properly compensated." (FP1)*

While early-stage organisations may accept less favourable terms for the first partnerships, interviewees suggested sticking to core values. Clear **criteria for collaboration** were also highlighted as part of this boundary-setting. Several HOs (NP2, NP3, NP4, SE2, SE3) explained that they refuse to work with companies that operate in industries conflicting with their mission, such as tobacco, weapons, or arms. NP3 described their approach:

> "*If a company has more than 10% in such industries, we don't partner with them. We check their past behaviour on human rights, certifications like UN Global*

> *Compact, and any issues they've had. If there's a potential risk (...) we need to hear their motivation, whether they're serious or just greenwashing." (NP3)*

HOs agreed that setting ethical boundaries is not only essential to preserve integrity but also to attract the right partners and avoid unsustainable collaborations**.**

4.5 Challenges

Across interviews, participants identified challenges arising in two domains: the operational management of partnerships and the balance of power between organisations.

Theme	**Subtheme**	**Code**
Challenges	Operational difficulties	Impact measurement difficulties
		HO lacks resources
	Power & Control	Different priorities / expectations
		Power imbalance

Operational difficulties

An operational issue that was mentioned multiple times in the interviews concerned **impact measurement** and reaching KPIs. SE3 noted that some businesses expect *"off-the-shelf services and quick returns, but social work is complex and socially driven"*. SE1 said something similar:

> *"A major challenge is patience around impact measurement. Businesses often operate on short cycles and expect us to do the same, while true social impact takes time to materialize." (SE1)*

Others pointed out that unpredictable external factors complicate reaching agreed results:

> *"Our work is in fragile countries. Weather, elections, pandemics, or natural disasters can delay plans. Companies need to learn that timelines may shift for reasons beyond our control." (NP3)*

While most agreed that impact reporting is essential to justify financial contributions, SE1 acknowledged its limitations:

> *"If we are honest, impact is impossible to measure. We can track our actions and define KPIs, but the long-term impact cannot be quantified."* (SE1)

From the FP perspective, some noted that at times issues arose due to insufficient resources of the HOs. For example, FP4 shared that they had to press one partner to hire staff and establish proper data processes. Two HOs admitted resource constraints limited their ability to nurture relationships or expand geographically, even when corporate partners were supportive.

Power and control

Participants shared that another common source of tension in partnerships arises when expectations or **priorities are not aligned**, particularly when corporates focus elsewhere, as SE3 described:

> *"After entering a long-term partnership with a corporation, we expected a little more traction to follow after announcing this partnership, which didn't happen… and this was hard to understand for us, but corporations have their priorities that we can't always grasp." (SE3)*

Similarly, NP3 reflected that pro-bono projects often became deprioritised because companies focus on fee-paying clients first. To manage this, they now limit such engagements to short-term, clearly defined activities. For-profit participants confirmed that priorities change in big companies. NP1 noted:

> *"Strategic changes at the corporate level can end partnerships even when the working relationship is good, especially with international companies whose global CSR priorities shift." (NP1)*

In such cases, the power imbalance of partnerships became more evident. Some HOs felt that resource asymmetries give corporates more leverage, particularly in the early stages of negotiation. One participant said:

> *"We've learned to try to clarify expectations early, but it's hard, because we need their support to keep operations going, and the power balance is in their favour." (NP2)*

SE2 shared that they never had conflicts with FPs because *"monetary contributions were small and came with less power imbalance"*. From the FP side, participants generally acknowledged the risk of imbalance but emphasised their intention to act fairly. They also pointed out the necessity of having a written contract to avoid future conflict. However, sometimes contract negotiation is where the conflict starts, as *"companies need to protect their assets, we need to protect our beneficiaries, so finding the middle ground takes time"* (NP4).

For-profit participants also highlighted that compliance with internal processes often slowed partnerships down, as FP1 explained:

> *"Legal issues were sometimes a challenge. We occasionally had to make compromises regarding our internal legal requirements, while they had to accept that contracts could not exist without, for example, proper data protection clauses" (FP1)*

Despite these difficulties, participants across both sides agreed that conflicts were usually resolved through open dialogue and compromise. NP4 summarised:

> *"What grounds us is the shared goal: delivering impact to the beneficiaries." (NP4)*

Overall, while challenges were common, they were rarely insurmountable. Clear communication, setting boundaries, and compromising usually enabled partners to resolve tensions and stay focused on delivering impact.

5. Discussion

This chapter discusses the findings in relation to the three research questions and positions them within the existing body of literature, while also identifying practical implications for HO entrepreneurs and for-profit actors. This thesis aims to explore how hybrid organisations in Germany build and sustain partnerships with for-profit companies, by examining how these relationships evolve, what resources are exchanged, and which practices enable or impede successful collaboration. To address this aim, three research questions guided the study:

RQ1*:* *How are partnerships between hybrid organisations and for-profits initiated and developed over time?*

RQ2*:* *What contributions do for-profits and hybrid organisations bring to partnerships, and how do these contributions support the scaling of social impact?*

RQ3*:* *What practices support successful collaborations, and what challenges arise during partnerships?*

5.1 Partnership Initiation and Evolution (RQ1)

The research findings reveal dynamics that strongly reflect the framework proposed by Alinaghian and Razmdoost (2021). However, this study shows that their practices do not unfold as distinct "stages," but rather as overlapping and iterative processes.

From the interview emerged that partnerships between HOs and FPs are most often initiated by the HOs themselves, usually through active acquisition, targeted networking, or personal referrals. Only occasionally did corporations take the first step, typically when a new CSR strategy was introduced. This pattern aligns with Alinaghian and Razmdoost's (2021) review, which emphasises that hybrids must take a proactive role in approaching businesses. According to them, partnership initiation can be **individually driven** (FP4), **community driven** (SE1, SE2, FP2), **beneficiary driven** (FP3), or **market driven** (SE3, NP1, NP2, NP3, NP4, FP1), practices that reflect those reported by participants in the interviews. Market-driven strategies were the most common among the participants, because many HOs in this study were already sufficiently established to target mainstream businesses beyond their immediate networks or communities. For smaller HOs like SE1 and SE2, the choice of networks was described as particularly critical, with general startup ecosystems providing visibility, and topic-specific

networks offering access to more targeted leads. This shows that partnerships depend not only on the initiative of the organisations themselves, but also on the broader ecosystems and industry networks that support them. Beyond formal networking, personal recommendations and word-of-mouth emerged as powerful enablers of new partnerships. While these informal mechanisms have received limited attention in the literature, the findings suggest they are especially influential in the early phases, when visibility is limited, but they are also relevant for small HOs that mostly work through personal networks.

Convincing the for-profit partner also emerged as a critical step in partnership development, echoing Alinaghian and Razmdoost's (2021) persuasion stage, which argues that hybrids must actively frame the value of collaboration in ways that resonate with businesses. For example, NP2 explained that companies should be approached with a problem statement framed in "business language" rather than a simple request for funding. In the interviews, HOs consistently emphasised the need to demonstrate credibility through impact reporting and concrete KPIs, while aligning proposals with corporate CSR objectives or the business' mission. These practices reflect the literature on **framing the potential benefits**. The findings also resonate with the notion of **shaping solidarity**: beyond simply framing the problem, some HOs reported using pilot projects to persuade businesses of their value as partners. NP4, for instance, described starting with a small-scale "*minimum viable project*" that allowed both sides to test the collaboration before moving into multi-year agreements. Elements of **shaping the dialogue** were also present, as several participants emphasised the importance of adjusting language and proposals to corporate logics. The interviews revealed little evidence of **persuading institutions**. None of the participants referred to actively trying to influence policies that facilitate partnerships, which may be because the focus of this study was on organisational-level practices rather than sector-wide advocacy.

Conflict has also emerged as a recurring topic, with participants agreeing that all big partnerships at one point encounter challenges. Common reasons included expectations, priorities, and impact measurement (challenges discussed in RQ3). By contrast, smaller HOs noted that collaborations involving small amounts of money or simple in-kind contributions tended to be conflict-free, as these came with fewer power imbalances. Ways to avoid, manage and overcome conflict reflected the literature (Alinaghian and Razmdoost, 2021). For example, several HOs (SE2, SE3, NP2, NP3, NP4) avoid collaborations with companies in industries conflicting with their mission (**avoidance** practice). Others relied on **generating institutions**:

contracts, compliance clauses, and reporting requirements structured collaboration and resolved disputes. **Negotiation** was a recurring theme, as NP4 noted: "*Companies need to protect their assets, we need to protect our beneficiaries, so finding the middle ground takes time*". Some cases also illustrated **acceptance**, where HOs conceded to corporate processes (e.g., legal or compliance requirements) for the sake of the impact. The findings also reflect the practice of **hybridisation** described in the literature, as multiple participants (SE1, SE3, NP2, NP3) were well-versed in KPIs and "*corporate lingo*", enabling them to make collaboration appear both socially meaningful and managerially sound, reducing the risk of misunderstandings.

Most participants shared that conflict is very often resolved to achieve the bigger goal of value creation. Interviewees shared that the easier collaborations to manage are those where the HO simply benefits from **resource utilisation,** like funds or in-kind contributions, with freedom to manage the resources as they see fit. The more balanced partnerships allow for co-developing initiatives, but require more effort from both sides, so they are rarer. Finally, **replication** was also mentioned in the interviews (FP4 supported a partner expanding abroad) but was not as relevant as the others.

Finally, **partnership development** was reported as dependent on multiple factors (e.g. market stability, management or strategic changes), but the findings revealed two distinct trends. Larger corporations with a large partner portfolio tended to define the type and level of support at the beginning and maintain this until the contract expired, after which they re-evaluated. While consistent and reliable, these arrangements rarely evolved into deeper collaboration, often remaining at the level of transferred resource value theorized by Austin & Seitanidi (2012a; 2012b). By contrast, companies with fewer, more selective partnerships were more inclined to grow with the HO, investing not only funds but also networks, expertise, and strategic commitment to "*bring the partner to the next level*" (FP4). These partnerships displayed stronger elements of interaction value (mutual learning, capability building) and, in some cases, synergistic value, where joint co-creation produced outcomes unattainable by either side alone.

Overall, the findings confirm much of Alinaghian and Razmdoost's (2021) framework but also extend it in several ways. First, while the four initiation pathways (individual-, community-, beneficiary-, and market-driven) were all observed, this study shows that in the German context, market-driven strategies dominate once HOs are sufficiently established, whereas smaller and younger HOs rely heavily on networks and word-of-mouth. Second, persuasion

emerged not as a single practice but as an ongoing negotiation of credibility and alignment that starts already during the initiation phase**,** and where impact reporting and "speaking the business language" were seen as indispensable. Third, conflict seems an inherent feature of larger partnerships, and is managed through contracts, negotiation, or strategic acceptance. Smaller collaborations, by contrast, often avoid conflict because of lower stakes. Finally, value creation did not always progress to the level of co-creation or replication; in most cases, it stalled at resource utilisation, with only a few cases of interaction or synergistic value and scaling across contexts.

5.2 Resource Contributions and Impact Scaling (RQ2)

The findings highlight that FPs and HOs contribute complementary resources to partnerships, increasing their ability to scale impact. This supports prior work on resource complementarity in cross-sector collaborations (Tasavori et al., 2018).

For-profits most often provide **financial support** through donations, project funding, or operational cost coverage (NP1, SE3, FP1). While essential for stability, short-term arrangements rarely allow for impact creation, and HOs stressed the need for predictable, multi-year commitments to move beyond survival mode (NP2, SE2). FPs often contribute **human capital** in the form of corporate volunteering or consulting (FP1, FP2, NP4), transferring knowledge, technical expertise, and management skills, helping HOs to professionalise their operations and expand capacity. These align with the definition of transferred resource value by Austin & Seitanidi (2012a; 2012b). **Networks** and visibility were another recurring form of support, as corporate partners introduced HOs to wider ecosystems, new clients, or international opportunities (SE1, FP4). These are what Austin and Seitanidi (2012a;2012b) define as associational benefits, which often enhance the legitimacy of HOs. For example, SE3 described that *"just being seen next to a big company opened new doors for us."* The reciprocal nature of associational value was also evident, as FPs gained reputational benefits from partnering with credible social organisations (Escher & Brzustewicz, 2021). NP2 highlighted this explicitly, explaining that companies have to pay to use their logo because of the value it carries.

Literature and interviews are aligned on the contributions of HOs, namely **social expertise**, **credibility**, and **delivery capacity** that transform FPs' resources into tangible outcomes. Corporate partners confirmed that HOs were *"drivers of project design and implementation"*

(FP3, FP4), bringing legitimacy, topic knowledge, and trust. HOs also delivered impact reporting and **communication material**, producing KPIs, case studies, and visuals that allowed companies to justify and publicise their social engagement (SE3, NP2). Measurement and storytelling emerged as among the most consistently valued contributions: they were not minor add-ons, but central to how corporates justified CSR expenditure to boards, employees, and customers. In this sense, HOs were not passive recipients but active value creators, converting corporate resources into visible social and reputational returns. One of the most important features of partnerships in the eyes of FPs is employee engagement opportunities. While noted in the literature, this research reveals the centrality of such opportunities for partnership longevity. FP3 even defined employee engagement as "*the end goal of partnerships*." In fact, two of the corporations interviewed had a wide portfolio of partners that they supported, and many provided ways to engage with the employees, showing that it might be a valuable element that makes the difference.

The findings highlight that scaling pathways are not fixed. Partnerships often began by strengthening organisational growth (for instance, by expanding services to more beneficiaries or into new geographies) and sometimes evolve toward ecosystem-level scaling when co-creation deepened and both partners aligned strategically. This supports Islam's (2021) argument that scaling is best seen as a dynamic process and that one type of scaling can, under the right conditions, feed into the other type. However, such progression depended heavily on the nature of the partnership. Where collaborations remained transactional and stable, scaling impact was limited to the agreed-upon terms (for example, financing work only or product expansion). Only in deeper, more integrative partnerships did the potential for both organisational and ecosystem growth emerge, but from the findings, these seem to be rather the exception.

5.3 Good Practices and Challenges in Partnerships (RQ3)

The findings show that successful HO–FP partnerships are built on a combination of clear structures and relational practices. This aligns with prior research emphasising the role of trust, transparency, and resource complementarity in sustaining collaborations (Austin & Seitanidi, 2012a; Sakarya et al., 2012).

Strategic alignment and **clarity of expectations** were consistently described as critical. All participants stressed that discussing goals and deliverables early in the relationship prevented later misunderstandings. **Long-term agreements** emerged as the preferred option on both sides: for HOs, they provided operational stability and job security (SE3), while for FPs, they allowed for observable impact over time (FP4). However, some FPs highlighted that due to the CSR strategy changing every few years, it is not always possible to offer long-term contracts.

Co-creation was another marker of strong partnerships, allowing projects to be adapted to corporate expertise and interests. As NP4 noted, tailoring projects to a partner's focus "*makes the partnership stronger*." However, co-creation often depends on the level of financial commitment from the FP. The research echoed Austin and Seitanidi's (2012b) argument that dialogue and learning processes are central to collaborative value creation, with FP2 stressing the importance of transparency and "*addressing problems early*". An interesting insight from the interviews was the need for HOs to educate partners about "*on-the-ground realities*" (SE3), both to be clear about the potential problems that could arise during the operations, and to guide partners on culturally sensitive topics, ensuring respectful engagement with project beneficiaries.

The most common suggestions to HOs included building **personal relationships** - not only professional ones - and having a good amount of self-awareness. Several interviewees added that maintaining personal rapport was essential, with NP2 stressing that "*people give to people*". Several participants argued that hybrids must "*know their value*" and avoid underselling themselves (FP1). As one HO stated, "*we don't accept funding at any cost*" (SE2). Even though early-stage organisations often faced weaker bargaining positions, most emphasised the importance of sticking to core values and setting non-negotiables. These insights are a result of the long experience of partnership managers and add nuances to concepts that are already present in the literature.

Challenges were frequently reported, especially around **impact measurement**. Reporting impact is not easy, as standard KPIs usually do not grasp the depth of impact, as "*true social impact takes time to materialise*". And while FPs seem to expect off-the-shelf products, highlighting the different temporal logics of FPs and HOs (Huybrechts et al., 2017), HOs should provide comprehensive impact reporting to justify the financial commitment of FPs and guarantee visibility of the partnership. Another challenge concerned power asymmetries and shifting priorities. Some HOs described feeling dependent on FPs' resources, which could lead

to imbalances during negotiations, and others shared that pro-bono projects were often deprioritised relative to fee-paying clients. The **power imbalance** is evident, and FPs confirmed these dynamics, adding that they have their own priorities, and **global strategy shifts** could terminate partnerships despite good working relationships. This highlights the need for better policies to support long-term partnerships, a dedicated funding stream and stronger government involvement.

5.4 Summary of Discussion

This discussion has shown that partnerships between HOs and FPs in Germany both confirm and extend existing frameworks while also revealing important nuances. Consistent with prior work, partnership evolution followed the stages of initiation, persuasion, conflict management, and value creation (Alinaghian & Razmdoost, 2021), yet the findings also challenge the linearity often assumed in the literature. In practice, many collaborations plateau at resource utilisation, and synergistic value creation remains the exception rather than the rule. Similarly, while persuasion is acknowledged as a phase, the interviews highlight it as an *ongoing negotiation of credibility and alignment*.

The analysis also identified contributions beyond what existing frameworks emphasise. Employee engagement emerged as a central driver of partnership longevity, described by one corporate participant as "*the end goal of partnerships*", which elevates its importance beyond the marginal treatment it typically receives in the literature. Likewise, informal mechanisms such as word-of-mouth and personal recommendations proved decisive, especially for smaller HOs, even though such nuanced relational factors are often overlooked in academic accounts. The role of *self-awareness*, knowing one's value, setting boundaries, and rejecting unsuitable partners, also adds to the literature. This concept emerged as essential to sustaining mission integrity, pointing to the agency of hybrids in navigating asymmetric relationships.

Finally, the study revealed contextual dynamics specific to Germany. Unlike frameworks that assume institutional persuasion is part of partnership practice, HOs in this study showed little evidence of advocacy or policy-level influence, perhaps due to the weak institutional frame of the German hybrid ecosystem. Moreover, corporates with broad partnership portfolios tended to keep collaborations stable and transactional, while those with fewer partnerships invested more deeply and enabled scaling, an important distinction that did not emerge from prior work.

Taken together, these insights suggest that while existing frameworks capture much of the partnership logic, their application must be understood as non-linear, context-dependent, and strongly shaped by both organisational agency and ecosystem conditions. This study highlights the need to view collaboration as a flexible process that adapts to resources and institutional conditions.

5.5 Practical Implications

The findings also yield implications for practice. For HOs, investing in credible impact reporting and persuasive storytelling is crucial for initiating and sustaining partnerships, while maintaining self-awareness and setting boundaries helps preserve mission integrity. Providing FP employees with opportunities to engage directly with social initiatives emerged as a key driver of partnership longevity. Strategic networking, including both formal ecosystems and informal referrals, is vital for visibility. Building personal rapport, not only professional ties, further strengthens partnerships.

For FPs, the results suggest that partnerships are most effective when framed as long-term collaborations rather than short-term CSR projects. Companies may therefore benefit from treating partnerships as co-created ventures, recognising the expertise and legitimacy that HOs bring.

6. Conclusion

This thesis explored how hybrid organisations (HOs) in Germany initiate and sustain partnerships with for-profit companies (FPs), focusing on partnership evolution (RQ1), resource contributions and impact scaling (RQ2), and practices and challenges (RQ3).

The findings show that partnerships are usually initiated by HOs, particularly through networks and referrals, while FPs only rarely take the first step. Persuading the FP in embarking on a partnership emerged as an ongoing process of credibility building, alignment with CSR strategies, and structured impact reporting. Conflict was common in larger collaborations but typically managed through contracts, negotiation, or selective acceptance, whereas smaller partnerships with contributions of limited size often reported no conflict due to lower power imbalances. Partnership evolution proved non-linear, shaped by both organisational agency and broader ecosystem support.

On resource contributions, FPs primarily offered funding, expertise, and visibility, while HOs provided know-how, legitimacy, and delivery capacity. Measurement and storytelling were especially valued, as they justified the partnership to internal and external audiences. Employee engagement opportunities also emerged as a central driver of partnership longevity, with some corporates describing it as the factor that most balances the collaboration (win-win situation). Importantly, the study revealed two corporate logics: firms with a wide partner portfolio tended to keep collaborations stable and transactional, while those with fewer partners invested in deeper co-creation and scaling. Scaling impact was found to be a dynamic process, often beginning with either organisational or ecosystem growth and then expanding toward the other type when partnerships deepened.

Successful collaborations were characterised by strategic alignment, long-term commitment, transparent communication, and trust. HOs stressed the importance of self-awareness: knowing their value, setting boundaries, and refusing unsustainable collaborations. Challenges persisted around impact measurement, shifting corporate priorities, and power asymmetries. Yet, participants agreed that conflicts were usually resolved through open communication, underlining their willingness to compromise as a commitment to the final impact.

This study contributes to the literature by: (1) showing the importance of informal mechanisms such as word-of-mouth in partnership initiation, which remain underexplored in academic

accounts; (2) reframing persuasion as an iterative process of alignment and credibility building; and (3) highlighting employee engagement as an overlooked but decisive factor for partnership longevity.

In conclusion, HO–FP partnerships in Germany are complex, negotiated relationships rather than linear exchanges. When well-managed, they can move beyond resource transfer to generate shared learning, innovation, and systemic impact. Yet this potential is realised only when FPS approach the partnership as a co-created, long-term endeavour rather than a short-term CSR move.

6.1 Limitations and Future Research

This study has several limitations that must be acknowledged. First, the sample of eleven interviewees, while diverse, is not representative of the full diversity of HO–FP partnerships in Germany. The recruitment strategy relied heavily on LinkedIn, which risks excluding less visible actors; a snowball sampling approach might have enhanced representation by reaching participants beyond the researcher's reach. Second, while thematic sufficiency was reached, the small sample size limits claims of full data saturation. Third, the exploratory, single-country focus restricts the transferability of findings to other contexts or types of partnerships. Finally, the qualitative design provided depth but restricted generalisability; a more quantitative or mixed-methods approach could test the prevalence of these findings and uncover relationships between variables.

These limitations also point to fruitful directions for future research. Large-scale quantitative or mixed-methods studies could validate and extend the findings, while comparative or longitudinal designs could examine how partnerships vary across contexts or evolve over time. In addition, some underexplored dimensions might benefit from closer attention: the role of employee engagement in sustaining partnerships, and the dynamics of partnership exit or failure. Another promising line of inquiry would be to compare nonprofit–corporate and HO-FP partnerships to assess whether hybridity introduces distinct dynamics compared to traditional nonprofit collaborations, a question that remains largely unexplored despite the extensive literature on nonprofit–business alliances. Finally, more systematic analysis of how different partnership models affect power distribution would help clarify the conditions under which HO–FP collaborations achieve not only social impact but also equitable relationships.

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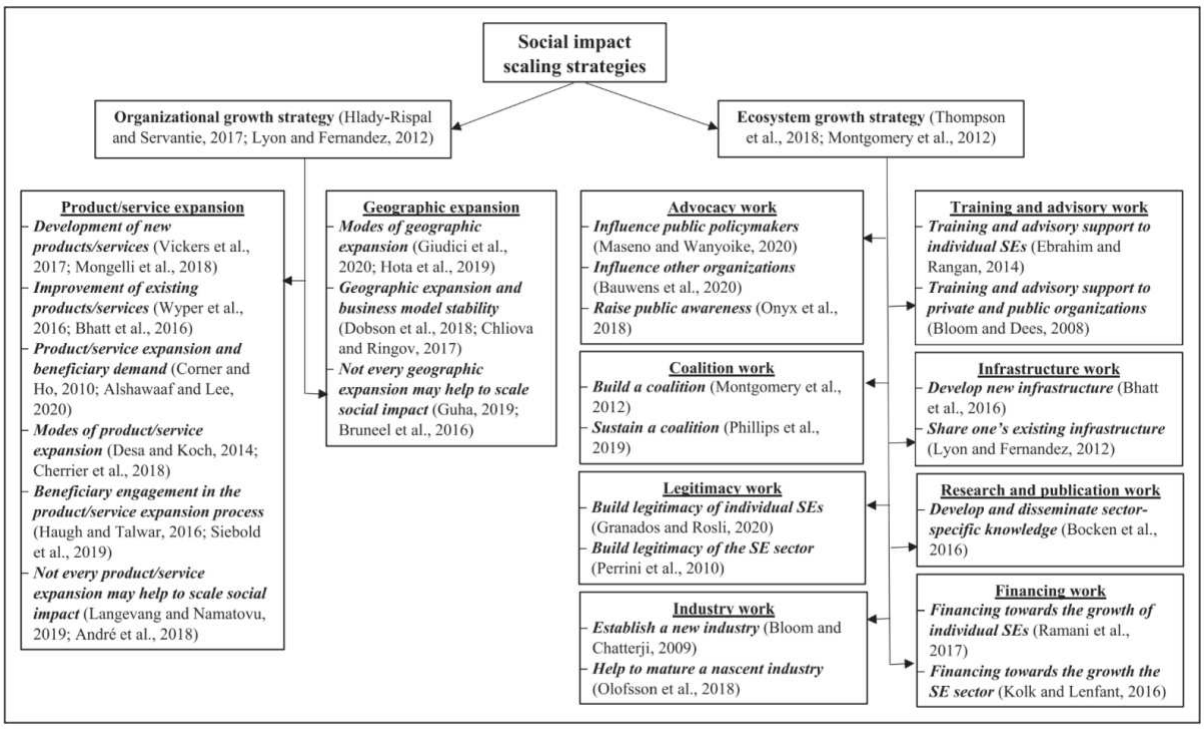
Appendix

Annex 1: *Overview of social impact scaling strategies (Islam, 2021)*



***Annex 2**:* Interview script and questions

Thank you very much for taking the time to speak with me today. I'm currently working on a master's thesis that explores how partnerships with for-profit companies contribute to the growth and impact of hybrid businesses. For this thesis, I am considering hybrid businesses those companies that have a social mission but also generate income, namely social enterprises and non-profits with income-generating activities.

This interview should take around 30 minutes. I'll ask you a series of questions about your company's partnerships with hybrid businesses/for profit companies. If your company has been involved in multiple partnership, feel free to either:

- talk about your experiences more generally across multiple collaborations, or
- focus on one or two examples, especially if they help illustrate different outcomes (for example, one more successful and one more challenging).

If anything is unclear or you need me to rephrase a question, just let me know, I'll be happy to clarify. There are no right or wrong answers, I'm just interested in your company's perspective and experience.

Questionnaire for HOs (a) and FPs (b)

	Question	Goal	Clarifications	Literature
1a	**What is your organization's main mission, and how do you achieve your impact?**	Understand core goals and operations related to impact.	Describe activities that directly contribute to your mission.	Pache & Santos (2013);
1b	**Can you describe the focus of your CSR activities and how important CSR is for your company?**	Understand the role of CSR	Describe how your company contributes to society and creates positive impact through CSR.	Clarke & MacDonald (2019); Escher & Brzustewicz (2021)
2	**I saw you have partnerships with for-profits/hybrid organisations. How do partnerships usually initiate?**	Understand how partnerships are initiated (who gets in touch first, how they find each other…)	Explain how initial contact was made and by whom.	Alinaghian & Razmdoost (2021

3	**What were the objectives of these partnerships?**	Identify partnerships general goals.	Briefly mention the main reason or goal behind the partnership.	Austin & Seitanidi (2012a); Pedersen et al. (2021)
4	**Why did your organization decide to partner with this company? How did you ensure your organization's goals aligned with your partner's goals?**	Understand motivations and explore methods for aligning objectives.	Possible motivations: funding, skills, visibility, expertise. Possible methods: describe tools or processes (e.g., joint planning sessions, meetings).	Clarke & MacDonald (2019); Tasavori et al. (2018)
5	**Thinking about your partnerships, can you identify a trend that shows support in these cross-sector collaborations grows with time?**	Think if resources provided and total impact has increased with time.	Maybe start with a one-year partnership contract or a big donation (applicable to NP only) and then with time it developed with more reciprocal projects, to cocreating initiatives and maybe even reaching systemic change**?**	Islam (2021)
6	**What did your organization and your partner each contribute to the partnership? What specific benefits have you gained?**	Clarify the resources and value each party provided and outcomes of partnerships.	Like: funds, skills, expertise, networks, visibility or other resources.	Austin & Seitanidi (2012a); Pedersen et al. (2021)
7	**Can you share successful outcomes achieved through the partnership?**	Highlight tangible impacts of the partnerships.	Provide concrete examples or measurable results.	Herlin (2015); Chen (2023)
8	**What challenges or difficulties have you faced during the partnership and how did you manage them? Was power imbalance ever an issue?**	Identify key challenges (e.g.: mission drift, power imbalance, cultural differences, different organisational cultures). Understand conflict resolution methods.	Examples: pressure to adjust social mission or way of working to meet expectations of the partner; power imbalances, cultural differences (how quickly decisions were made, or how impact was measured)	Davies & Doherty (2019); Huybrechts et al. (2017); Alinaghian & Razmdoost (2021)
9a	**On a scale from 1 to 10, how important have partnership with FPs been to increase your impact?**	Assess the significance of partnerships for HOs.	-	-

9b	**On a scale from 1 to 10, how important have partnership with HOs been to meet your CSR goals?**	Assess the significance of partnerships for FPs.	-	-
10	**What support systems (e.g., networks, incubators, government initiatives) have been most helpful in forming partnerships, if any?**	Identify valuable support structures in Germany.	Mention and explain helpful resources.	Ashoka & McKinsey (2019); OECD/European Commission (n.d.)
11	**From your experience, what advice would you offer to hybrid organisations seeking successful partnerships with for profits?**	Collect practical recommendations and best practices that facilitate successful partnerships.	Share key insights or lessons learned.	Van Tulder et al. (2016); Bryson et al. (2015)

Annex 3: Phase two of the six phases of thematic analysis of Braun & Clarke (2019): generating initial codes.