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**Cross-Sector Collaboration:
Lessons from the International
Trachoma Initiative**

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Cross-Sector Collaboration: Lessons from the International Trachoma Initiative

Diana Barrett, James Austin, and Sheila McCarthy

In November 1998 The Edna McConnell Clark Foundation and Pfizer, Inc. announced the formation of the International Trachoma Initiative (ITI), an organization with the immediate goal of implementing a multi-faceted strategy to combat trachoma, a disease that blinds millions in developing countries. The creation of the ITI represents the latest phase of a strategic alliance between the Edna McConnell Clark Foundation (Clark), a large private New York-based philanthropic foundation that in 1998 awarded \$28 million in grants, and Pfizer, a global pharmaceutical company that in 1998 generated over \$13.5 billion in revenue. An analysis of its evolution offers lessons of the potential power of this type of collaboration to more effectively leverage philanthropic resources.

In his book, *The Collaborative Challenge*ⁱ, James Austin argues that cross-sector partnerships will increase in frequency and importance in the coming years, given the political, economic and social forces that are driving more and more for-profit corporations and nonprofit organizations to increase the scope and nature of their collaboration. Many are moving from an arms length “philanthropic relationship” towards more strategic collaborative relationships that are more intense and involve joint value creation. The shift represents an opportunity to magnify the social value and the benefits to the partners, but carries with it greater challenges and managerial demands than the traditional financial donation. Harvard Business School professor Michael Porter recently argued that the philanthropy must focus on the creation of value rather than simply a donation of money, and that foundations, given the tax status that they enjoy, have a social obligation to do this.ⁱⁱ He suggests that a way to do this is for foundations to act as catalysts for partnerships.

This paper aims to deepen our understanding of the process of cross-sector collaboration in the public health arena and the factors contributing to effective partnering. It will examine the evolution of the Clark-Pfizer alliance, with particular reference to research findings from other studies of strategic partnerships between nonprofit organizations and corporations. After a brief description of trachoma we will provide an overview of the evolution of the Clark-Pfizer relationship and then examine in more detail critical elements in the partnering process in terms of connection, congruency of mission and strategy, creation of value, and relationship management.

TRACHOMA

According to the World Health Organization (WHO), about one out of every ten people in the world are at risk of getting trachoma, over 150 million people have the disease, and approximately six million are blind from it.^{iv} Caused by the *chlamydia trachomatis* bacterium, the disease produces infections of the upper eyelid. Repeated infections over the course of many years deform the eyelid causing damage to the cornea,

Africa	Middle East	Asia
Chad	Algeria	Myanmar
Ethiopia	Morocco	Nepal
Gambia	Oman	Pakistan
Ghana	Yemen	Vietnam
Guinea Bissau		
Mali		
Niger		
Tanzania		

which eventually leads to blindness. Trachoma disproportionately affects women and has devastating consequences, both economic and otherwise for families.^v Importantly, the disease is both treatable and preventable. However, given the economic and development status of the

countries World Health Organization (WHO) identified as priority (Table 1), resources to combat the disease are often scarce. Adding to the difficulty is the range of resources needed for effective control of the disease. In 1997, WHO formed the Global Alliance to Eliminate Trachoma by 2020 (GET 2020) that involves representatives from the research, governmental, nonprofit and for-profit sectors. According to the report of its first meetings, it saw as its challenge “to coordinate activities and to mobilize resources to assist national governments with trachoma control programs as part of primary health care.”^{vi}

The activities of the Global Alliance were centered on a multi-faceted approach to control trachoma, known by the acronym, SAFE, which included:

- Surgery to correct advanced stage trachoma
- Antibiotics to treat active infection
- Face washing to reduce disease transmission
- Environmental improvement to increase access to clean water, better sanitation and health education.

As part of its Program in Tropical Disease Research, the Clark Foundation had supported many of the studies that had contributed to the understanding of the disease and the SAFE control strategies. Beginning in 1985, it had provided grants for studies that formed the scientific basis for the development of the SAFE strategy.^{vii} The SAFE strategy underscores the complexity of the trachoma control and the need for a comprehensive approach.

EVOLUTION OF THE CLARK-PFIZER RELATIONSHIP

Austin’s research on alliances between nonprofit organizations and corporations revealed that they sometimes evolve along a “Collaboration Continuum.” This

over the existing tetracycline treatment, which required topical application twice a day for six weeks.

At this stage, the Pfizer and Clark relationship can be viewed as philanthropic. While the two organizations collaborated at some level on these studies, the scope of activities was narrow and the interaction centered around the research and clinical staff in the Pfizer's international pharmaceutical group, and the researchers funded by Clark. However, the relationship started to shift as both Pfizer and Clark began to recognize the potential of Zithromax® in broader trachoma control efforts and the opportunities that this presented.

In 1994 and again in 1995, Joe Cook, MD who headed the Program for Tropical Disease Research at the Clark Foundation, had briefed Paula Luff, Manager, Corporate Philanthropy Programs at Pfizer, Inc. on the status of the Zithromax® pilot studies and in 1995 discussed the possibility of piloting a trachoma control program in Morocco. The international pharmaceutical group was also monitoring the progress of the ACT study and had begun thinking about the possibility of donating Zithromax® once the ACT study had been completed and the World Health Organization had recommended the use of Zithromax in the treatment of trachoma. In November of 1995, an interdivisional working group was formed at Pfizer to analyze the possibility of such a donation program. Of immediate concern, was whether to recommend that Pfizer support a pilot project in Morocco. This project would involve significant collaboration with the Clark Foundation, the Ministry of Health in Morocco, and Helen Keller International, an operating nonprofit involved in blindness prevention with a strong presence in Morocco. The working group met on a regular basis to work through the various issues associated with the project.

The relationship migrated from the philanthropic to the transactional stage with the decision to move forward with the Moroccan pilot. This was a focused activity in which both sides were contributing specific resources. As this trial went forward the level of engagement between Clark and Pfizer increased and the strategic importance of the program increased for both organizations. Clark, with 25 years of experience in tropical disease research, provided the expertise of its Tropical Disease staff and funding. Pfizer, in addition to donating Zithromax® for the pilot project, also provided grants for public education to support other components of the SAFE strategy. Moreover, from the outset, the working group began to plan for expansion. The pilot was viewed by Pfizer's working group as an opportunity to better understand both the effectiveness of Zithromax®, and the challenges associated with its incorporation into a larger public health program.

Over the course of the Morocco Pilot, the interactions between Clark's Tropical Disease staff and Pfizer's working group intensified. Indeed, the Moroccan Pilot required partnership not only with Clark but with a range of organizations within the country. Thus, when the senior leadership at Pfizer and Clark made the decision to expand the trachoma program, the strategic centrality of the activity, the level of engagement, and the magnitude of resources all increased significantly, moving their collaboration into the

“integrative stage.” This culminated in the creation of the International Trachoma Initiative, which represented a joint venture with shared funding, combined governance, and the fusion of both organizations’ core competencies. Let us now turn to the key elements that drove the relationship.

MAKING THE CONNECTION

Cross-sector partnerships do not happen; they are built. To trigger the relationship there generally needs to be an emotional connection with the social purpose. The prospect of a program that prevented blindness from trachoma resonated with leaders in both Clark and Pfizer. The Clark foundation had spent 25 years funding research to prevent tropical diseases and now had an opportunity to leverage this experience and see its research applied in affected communities.

Leaders at Pfizer were also able to connect on an emotional level with this initiative. As one Pfizer manager put it, “One of the reasons people enjoy working at Pfizer is that we conduct medical research that helps with the illnesses that mankind suffers.” Indeed, this type of initiative fit with Pfizer’s stated value of providing care to those in need. Specifically, managers throughout Pfizer, including its marketing and clinical staff were motivated to pursue the use of Zithromax® in the prevention of trachoma. Indeed, the internal working group that was formed to analyze the issues surrounding a philanthropic program was voluntary and required participants to take on this work over and above their existing responsibilities. Clearly there was an emotional connection that served as a powerful motivator.

But connecting with the social purpose is not enough. The key staff involved in the collaboration must also be compatible. Bad interpersonal chemistry can quickly kill an alliance. Therefore, a “getting acquainted” period and process is needed to ascertain compatibility and develop a positive relationship. Clark and Pfizer interacted over eight years, beginning with the initial pilot studies in the early 1990s. This interaction intensified through their collaboration on the Moroccan Pilot. This incremental engagement process also enabled them to undertake a due diligence assessment of each other to assess attitudes, capabilities, and commitment. Internally, Pfizer had considered several options in managing a trachoma initiative. These options including housing the program internally, partnering with other organizations, or partnering with Clark. In the end, the group recommended a partnership with the Clark foundation citing among other things the history of successful collaboration with the Clark, both in the initial studies and the Moroccan pilot.

These interactions build understanding and trust, which are important building blocks for strategic alliances. Ongoing management of an effective alliance or collaborative venture requires a mindset and a set of attitudes that allows them to function in an environment characterized by risk, instability and, the unknown. Indeed, many collaborations evolve in rather unpredictable ways, depending to a great extent on trust and confidence.^{viii} Pfizer Senior Vice President Lou Clemente observed, “We felt comfortable with Clark from the beginning. We didn’t have to sell them on things that

were important to us. They knew what we were about, what would be important to us. And I think we were sympathetic with what they wanted to achieve.”

Austin’s work on cross-sector collaboration, supports the importance of the emotional connection. He has found that beyond traditional measures of effective leadership such as involvement, consensus building, and strategic implementation, these innovative partnerships are fueled by the emotional connection that key participants make not only with the social mission but also with their counterparts in the partnering organization.^{ix} Perhaps this personal connection is at the nexus of the confidence and trust that allows these collaborations to develop. Personal connections become invaluable in developing the necessary levels of trust to proceed as the alliance unfolds and matures. This is particularly important when operating in an uncertain environment without the clear benchmarks that corporate managers are often used to.

There was a range of personal connections that helped to facilitate and solidify the Clark -Pfizer relationship. Some of the researchers funded by Clark had worked previously with Pfizer’s scientists, so the two organizations had a small historical base of cooperation. This scientific connection continued in the trials of Zithromax®. At the corporate level, the positive relationship between Ms. Luff, and Dr. Cook was facilitated by a personal connection that helped to initiate the relationship. Ms. Luff, recounted: “There were a couple of fortuitous things. I came to Pfizer from CARE and it was around that time Clark’s Tropical Disease Research Program had hired someone who used to work for me at CARE. She informed her boss, Joe Cook, that I was at Pfizer, and so we had breakfast at the Harvard Club and that is how it all started. At the same time internally, our marketing and clinical trials folks had been working with Joe and they came to us and said, ‘We’ve got a great opportunity here, but we do the commercial side of things and we need help figuring out how to launch an international humanitarian effort.’”

Both Dr. Cook and Ms. Luff were instrumental in building support for this collaboration within their respective organizations. It is important to note that Austin’s research revealed that top leadership support for the business-nonprofit collaborations studied was essential to their becoming strong alliances. Within Pfizer, Ms. Luff and the working group were able to present the program to senior management and to build a “business case,” Ms. Luff stressed that they needed to demonstrate that it was a sound, workable program that would achieve results. The pilot program in Morocco provided an opportunity not only to learn about complexities of implementing this type of program but also to build support within the company and the personal relationships among the two organizations. For example, several of Pfizer’s key top management made field visits to Morocco, as did senior leaders from the Clark foundation.

Likewise, Dr. Cook was able to build support for this program within the Clark foundation. The support of senior leadership at both the Clark Foundation and Pfizer for the trachoma program was clear and vital. As one Foundation official put it, “If Mike Bailin had not been convinced of this, it never would have happened.”

ACHIEVING STRATEGIC CONGRUENCY

In addition to emotional connection, strong alliances require a congruency of mission and strategy. Both Clark and Pfizer had missions that were supportive of eradicating disease. Clark was dedicated to improving the lives of poor, disadvantaged, underserved communities, with one of its strategic funding areas in tropical disease research. This program had a long history of funding scientific research on the epidemiology and treatment of tropical disease. It had also funded studies to analyze the issues surrounding drug availability. Pfizer's mission as a for-profit pharmaceutical company had both economic and social dimensions. As William Steere, Jr. Chairman of the Board and Chief Executive Officer stated in its 1998 annual report, Pfizer was focused on "discovering, developing, and bringing to market innovative medicines to save, protect, and enhance the lives of humans and animals." Moreover, a Pfizer manager stated, "We want to make sure that we develop medicines that work, that actually help people. We also would like to be a very profitable company, so it's kind of a dual motivation. And I think increasingly society is not seeing anything wrong with that." However, while there was overlap in missions, the strategies of the two organizations, initially, were somewhat different: Clark's strategy involved funding research; Pfizer's involved developing and commercializing pharmaceuticals. Shifts in strategy on both sides created a strong convergence.

Clark's Strategic Shift and Issues

The Clark Foundation, like other foundations was concerned with finding new ways to increase its social impact and was reexamining its traditional approach. Its President, Michael Bailin, had come to the Clark Foundation in 1996 from an operating nonprofit and as such had a perspective on the role of foundations that was somewhat different from Clark's previous leadership. In Clark's annual report, he outlined his view that foundations in general, and Clark in particular, had a unique opportunity to leverage expertise and focus on building capacity in the field. He suggested "a more deliberative philanthropic investment needed to be made—of both dollars and ideas—in the organizational strengthening of our grantees and the strategic cohesiveness of the fields in which we work.^x

The trachoma program presented an opportunity to move in this direction of institution building. Clark, by the mid to late 1990s, had reached a decision point with regard to its Tropical Disease Research Program and more specifically trachoma. Several researchers commented that Clark had had an enormous impact in tropical disease, providing funding over a decade that served to move the field forward. However, it needed to decide how, if at all, it should carry this program forward. There was key decision to be made by the board. Mr. Bailin explained:

We basically took the idea to our board. We explained that we had supported a lot of scientific research in trachoma and trachoma control and that this was an opportunity for us to focus on implementing the results. It also allowed us to remain involved, but at the board level. Instead of simply phasing out

Trachoma funding and leaving it to others to apply the research, which is what we typically did in the past, this gave us an opportunity to create some long term sustainability for trachoma control programs. The board agreed with this.

This strategy shift raised several issues for Clark.

- **Need to Partner.** Given both the complex nature of trachoma control and the legal constraints of foundations, Clark would need to partner with other organizations in order to build sustainable programs. It would need to rely on others to make operational the research that it had funded.
- **Shift in Strategy Requires Different Organizational Capacity.** Shifting to an “investment” approach rather than a funding approach requires different management and organizational resources. For example, the need to assess the impact of programs becomes very important. Indeed, the Clark Foundation hired a Director of Assessment to begin this process. Like many strategic shifts it also challenged the culture of the foundation.

Despite these challenges, the trachoma program presented a unique opportunity to test this type of approach and came at a time when the Foundation was in process of rethinking its approach to programs. Mr. Bailin commented:

This type of program was exactly the kind of strategic shift we wanted to make as a foundation. Instead of simply sending out our goals and having people respond to them in a proposal, we were thinking of ourselves as investors. We wanted to take a much more entrepreneurial approach and fund sustainable programs that would have a long-term impact. The ITI was a good opportunity for us. We hope to learn from it and to see not only if it is successful in terms of its stated goals to eradicate trachoma, but, just as importantly, whether this type of organization would be a model for us going forward.

Pfizer’s Strategic Shift and Issues

While the company had been involved with philanthropic ventures, such its “Sharing the Care” program, which makes available its advanced pharmaceuticals at no charge to the uninsured, the donation of Zithromax® focused around a single disease presented a new and different type of undertaking . It created a distinct opportunity as well as significant challenges for Pfizer. The opportunity seemed clear. Pfizer possessed an antibiotic that had proved effective in controlling one of the world’s leading causes of preventable blindness. Indeed, it was considered to be a significant improvement over the tetracycline treatment and was recommended by WHO as the antibiotic component of its SAFE strategy.^{xi} However, it was also clear that there was no viable commercial market for this application, given the poor economic conditions of the countries affected by trachoma. Instead, if it wanted to see Zithromax® used for the treatment of trachoma, it would need to find a way to provide the drug at no charge to those affected by this disease. In addition to the potential impact on the affected population, a move to give away or donate

the drug was an opportunity for Pfizer to demonstrate its commitment to improving the health of those in need. However, this proposition carried with it a number of risks.

In general, the pharmaceutical industry has a mixed history with regard to drug donation programs. Merck's donation of ivermectin, a drug for the treatment of river blindness, generally is viewed as a success both inside and outside the company,^{xiii} which positively influenced Pfizer's deliberations. This program was housed within an independent entity, the Task Force for Child Survival. Merck had committed to providing the drug for as long as it was needed.

However, there have been problems with other donation efforts that raised concerns. For example, Eli Lilly received criticism in the press for problems that occurred when it donated an antibiotic to assist in the treatment of wounded in the Rwandan civil war between the Hutus and Tutsis.^{xiii} The company was accused of dumping expired drugs for the purpose of a tax write-off. And while the company contended that this was not true and that in fact, the drugs expired due to logistical problems over which they had no control, the accusations did not help the company's public image. Glenna Crooks argues that this case is a leading example of what can go wrong both in logistical and public relations terms with drug donation programs.^{xiv} Pharmaceutical companies also have been accused of donating drugs purely as a marketing tactic to allow them to gain a foothold in certain countries, rather than to assist those most in need.^{xv}

There are also a range of logistical problems that need to be overcome some of which are highlighted in research by Harvard School of Public Health professor Michael Reich, Ph.D., in the report "International Strategies for Tropical Disease Treatments." His report focused on the experience of praziquantal, a drug found to be effective in the treatment of schistosomiasis, but due to logistical problems did not reach many of the people most in need.^{xvi}

Within this context, a decision to donate Zithromax® for the treatment of trachoma raised a number of issues for Pfizer:

- **Logistical and bureaucratic issues.** In addition to legal and regulatory issues, Pfizer was also concerned that the existing infrastructure would not allow the drug to reach those in need. The experience of other programs, as well as Reich's research, had highlighted the complexity of this process. Indeed, any program would require coordination with the local ministries and support of each country's governments. It was important that the use of Zithromax® in the treatment of trachoma was supported by the World Health Organization.
- **Leakage of Zithromax® onto the black market.** Given the logistical issues, there was a risk that the donated drugs would make their way onto the black market and cannibalize existing sales.^{xvii} Unlike Merck's ivermectin, which was primarily a veterinary product, Zithromax® was a valuable drug that could be used to treat a number of human conditions. By 1998, according to Pfizer's Annual Report, it was the most prescribed branded oral antibiotic in the United States and a leader in

international markets, generating over \$1 billion in revenue for the company. It was used to treat respiratory infections in both adults and children. One of Zithromax®'s advantages was that it was rapidly distributed from the blood serum into the tissues. This allowed a shorter course of treatment compared to many other antibiotics. Importantly, migrating white blood cells absorbed extra quantities of the drug allowing it to be delivered to the site of the infection. Zithromax® was also considered one of the most potent anti-chlamydia drugs known.

- **Need for SAFE Strategy.** Research had shown that effective trachoma control included more than the antibiotic, such that simply providing the drug would only have a limited or temporary impact on the disease. In fact, prevalence after tetracycline ointment has usually risen to previous levels in about 12 months.^{xviii} Indeed, WHO's SAFE strategy recognized the range of components necessary for effective trachoma control. Thus, the effectiveness of Zithromax® in trachoma control depended upon the implementation of a broader program that encompassed all components of the SAFE strategy.
- **Need for Collaboration with In-Country Organizations.** Research funded by Pfizer and Clark supported the notion that collaboration was a necessary component of trachoma control. The two organizations had funded a report on the institutional dimensions of trachoma control in an effort to better understand what kind of institutional capacity was needed for an effective trachoma control program.^{xix} Part of these findings pointed to the need to partner with a multitude of organizations including ministries of health and non-governmental organizations (NGOs) in the countries where the disease is endemic. Such partnering magnified the complexity of the undertaking.
- **Selection Process.** Another issue for Pfizer was ensuring that the decision to launch a program in a particular country was guided by objective criteria. These criteria would help to ensure that the decisions were made based on what was best for the development of the program. Pfizer and Clark provided funding for a study to develop county selection criteria which was completed in early 1998. These criteria included: political stability, government support and ministry level activities in trachoma control, strong partners on the ground, data on disease prevalence and commitment to all components of the SAFE strategy.

This criteria provided guidance for the expansion of the program and helped to protect the program from internal and external pressure and provided support for the selection of certain countries over others. This was particularly important because Pfizer wanted a phased project that allowed it to learn from its experience. Thus, it did not want to launch programs in all sixteen of the WHO priority countries in its initial phase. Instead, it wanted a staged implementation that allowed it to gain experience and better understand the complexity of trachoma control.

- **Damaging Public Relations Situation.** A problem with any of the above would open the company to criticism. Thus, Pfizer could begin the program as a philanthropic effort and would be less likely to encounter implementation problems that could lead to a damaging public relations situation. Handling of this would require additional resources to manage and improve the situation.

CREATING VALUE

Strategic alliances seek to create value for each partner. Cross sector alliances also create social value—value that could not be created by either of the partners independently. The greater and more balanced the value, the stronger the alliance. Clark and Pfizer each brought unique assets to their relationship that were complementary and would help to manage many of the risks raised by the proposed trachoma control program. Clearly, each organization could independently add some level of value to the trachoma control efforts, but that value could be multiplied if they combined their complementary capabilities and entered into a more formal collaborative and strategic relationship.

In the world of business alliances Doz and Hamel argue that alliances have at least three distinct purposes: co-optation, co-specialization, and learning and internalization.^{xx} The first, co-optation, turns potential competitors into allies, effectively neutralizing potential rivals. Co-specialization results from combining previously separate resources, skills and knowledge sources. When these resources are bundled together, they in fact become far more valuable than when they are kept separate. Bundling was clearly the opportunity facing Clark and Pfizer.

Pfizer brought the drug production and logistics capability and management skills, as well as financial and staff resources, and Clark brought financial resources, its network of relationships with in-country organizations as well as its credibility with governments, WHO, non-governmental organizations, and the research community. Under the leadership of Dr. Cook, the Tropical Disease Research Program had developed relationships with the scientific community, ministries of health in some of endemic countries, and non-governmental organizations working in trachoma control, which would be instrumental to programmatic success. Both organizations were using their core capabilities and combining them synergistically to create additional social value.

In addition to the social value, there were benefits to be gained by each partner. Pfizer could enhance its reputation with external stakeholders and create pride and motivation among its employees. Merck's ivermectin donation program had clearly demonstrated that sizable benefits in this regard could be harvested. Moreover, in some, but not all, markets, it could create more awareness about the benefits of Zithromax® in the treatment of other diseases. Clark could also realize benefits. Because of its strategy shift, Clark saw the partnership as an important learning laboratory. One Foundation official stated, "We are very interested in the issue of the creation of a new intermediary institution, because it is a possible strategy of investment partnerships for some of our other programs."

Research by Austin, as well as Doz and Hamel, suggest that alliances may also be an avenue for learning and internalizing new skills that can in turn be leveraged into other activities at future points in time.^{xxi} If Pfizer learns to work effectively with a foundation and is able to manage an alliance and add value to the work it could accomplish alone, these skills are likely transferable and valuable to both additional work with Clark, but also to other possible collaborations. In fact, one might argue that cross-sector alliances are so complicated, that the lessons learned in this arena might be enormously useful in intra-sector alliances. Likewise, the lessons for Clark would likely be applicable to other collaborations with both for-profit and nonprofit organizations.

Central to value creation is understanding your partner. One Clark official observed that you cannot create value “unless from the very beginning you sincerely inquire into what the other partner needs. For instance, our communications office encouraged us to be receptive to what the corporate entity was saying about its communication needs. I think some foundations might have shied away from some of the communications requirements and the negotiation over wording. If there is going to be some announcement, they want to be absolutely clear about everything. And they were right about that. I think our foundation is learning about this.” Pfizer Sr. Vice President Lou Clemente similarly observed, as noted earlier, “I think we were sympathetic with what they [Clark] wanted to achieve.”

STRATEGIC INTEGRATION: LAUNCHING THE ITI

The experience with the Morocco pilot had led to a decision within Pfizer to expand the program, however, it wanted to maintain its ability to manage the process and closely monitor the progress of the initiative. Of central importance to Pfizer was its ability to demonstrate an impact on trachoma and not simply donate product. Likewise, Clark saw expansion as an opportunity to “institutionalize” much of the research it had funded. The key issue was creating a structure that allowed for appropriate control, program credibility, and multi-institutional collaboration in selected countries. That is, as the partners moved from the transactional stage into the integrative stage, they faced the decision as to how best to fuse the resources to bring the trachoma control program to fruition.

The ITI was set up as a 501(c) 3 that was governed by a joint board of directors with equal representation from Pfizer and Clark. The joint ITI board denotes a high degree of organizational integration at the governance level. The ITI sought to carry out its mission by supporting the implementation of the SAFE strategy and as such became a member of the Alliance for the Global Elimination of Trachoma by the Year 2020 (GET 2020).

The ITI consisted of a small secretariat, the Trachoma Expert Committee (TEC) and the ITI Governing Council, as well as a series of national and international implementing partners. The ITI secretariat supported the TEC and the ITI Governing Council as well as its partners. It coordinated technical assistance in program planning, monitoring and evaluating, and developed and processed applications for ITI support. The Secretariat

also oversaw external communications regarding ITI activities and made recommendations to the TEC and the ITI Council. The Trachoma Expert Committee included a range of experts including experts in trachoma as well as individuals with expertise in international philanthropic programs. The TEC broadened the spectrum of stakeholders and expertise, thereby enhancing the credibility of the undertaking.

The ITI initially committed to working with partner organization in five priority countries that were selected during the planning stages based on the criteria developed by researchers at the Harvard School of Public Health. These countries included: Mali, Tanzania, Vietnam, Morocco, and Ghana. The ITI invited applications from governmental and non-governmental organizations to support trachoma control programs and stressed that the partners should “demonstrate the capacity to plan, manage, and evaluate trachoma control activities.”^{xxii} The ITI was set up to assist partner organizations with three types of support: (1) technical assistance, (2) donation of Zithromax®, and (3) targeted financial support.^{xxiii}

The decision by Pfizer and Clark to launch the International Trachoma Initiative as a separate entity with funding for two years offered several advantages:

- **Joint Control.** This provided Pfizer with some protection from potential criticism as well as internal and external pressure, since it shared governance with Clark but gave day to day decision making power to the secretariat. For Clark, it provided an equal voice that was important given Pfizer’s size relative to Clark, which could lead to a power imbalance that would distort the partnership.
- **Independence.** The structure allowed the collaboration to develop the management processes and a culture that were appropriate for its strategy and the environment within which it was working. It created for some independence from the founding organizations, which would allow it to establish greater credibility. It also provided a path for the evolution into an organization that is eventually governed and funded by others than just the two founding organizations.

Many collaborations among companies have led to the formation of joint ventures designed to share known risks.^{xxiv} In this instance it seems as if the problems likely to occur were so predictable that the alliance needed to be set up as a separate business. It allows the alliance managers to forge their own identity, an identity that is fundamentally different from each of the partner organizations. This guarantees that the agenda does not become subsumed under the overall corporate or cross sector agenda and stays on center stage as it develops and matures.

• **Network Development.** For the trachoma initiative to be successful, a network of other international, governmental, and nongovernmental organizations must be involved.^{xxv} This was demonstrated in the Moroccan Pilot which involved Helen Keller International and the Ministry of Health. Their involvement was cited as an important success factor in the pilot.^{xxvi} Moreover,

each country needed to establish a unique set of partnerships that were appropriate to its situation. For example, the Tanzanian effort requires partnership with eight partner organizations in addition to the Tanzania's Ministry of Health. These organizations include: Helen Keller International, Sight Savers International, Christoffelblinden Mission, World Vision, Tanzanian Christian Refugee Services (now known as SEMA), the Arusha Rotary Club, and WAMA (the Tanzanian affiliate of WaterAid).^{xxviii} The Morocco program involved the Ministry of Public Health, the Ministry of Basic Education, Helen Keller International, National Office of Potable Water, and Fondation Hassan II (Ophthalmology).

The ITI strategy of partnering with organizations and government with in-country expertise and experience was designed to encourage these partnerships to develop.

- **Focused Program.** The commitment of interventions in the five countries over an initial two year period, allowed it to manage some of the risks. This provides a clear time frame for evaluation. It also focuses the ITI's initial efforts and allows it to learn from its experience.

However, the structure and time frame also creates a number of management and organizational challenges, including:

- **Some Loss of Control by Founding Organizations.** This appears to be greater issue for Pfizer which needed to ensure that Zithromax® was used appropriately and its distribution was managed in a way the minimized the threat of leakage.
- **Need for Strong Leadership.** The ITI must develop its own credibility within the field. While the founding partners bring a history and credibility to the ITI, as an organization, the ITI must establish its own credibility, which takes time and strong leadership. It also requires that bridges and connections be built between the new organization and both of the partners—an ongoing management challenge. However without such bridges, the downside of establishing a separate organization to achieve the goals of the alliance is that the new organization will become insular, not draw on the skills of the existing partners and will not provide new learning for the “parent” organizations. With the appropriate leadership however, agendas should be reinforcing rather than competing and the separateness of the new entity should guarantee the necessary resources to add value without the constant need to argue for additional resources in a resource constrained environment.
- **Additional Administrative Resources.** The establishment of a separate organization requires additional resources or overhead separate from the two founding organizations. Financial resources would need to be dedicated to staffing the ITI in addition to the in-country partner organizations.

- **Clear Communication and Reporting Mechanisms.** Research on other alliances points to the importance of communication between the partners as essential to preserving an effective relationship.^{xxviii} This partnership evolved based on strong personal relationships and open communication. However, as the ITI matures it will be important to institutionalize these communications, so that they remain even if staff or leadership changes.
- **Management of other Stakeholder relationships.** While ITI is governed and was initially funded by Pfizer and Clark, its success in achieving its ultimate goal is dependent upon relationships with other stakeholders. For example, WHO is an important stakeholder as are in-country organizations. The two-party alliance expands into an implementation coalition. This increases the managerial and political complexity of the undertaking. One of the critical challenges will be to achieve a clear definition of institutional roles and responsibilities and create the coordinating mechanisms and incentives that ensure efficiency and accountability.
- **The need to demonstrate short term outcomes.** While the short time frame provides focus, it also require that the ITI demonstrate progress in a relatively short period of time.

CONCLUSION

It is too soon to evaluate whether the ITI will attain its ultimate goal of improving the control of trachoma. Indeed at the time this paper was written, it had rolled out programs in only three of the five countries. Nonetheless, the organizational model of the ITI offers some key lessons for foundations and organizations that are attempting to collaborate to solve politically charged and complex social problems. From the standpoint of a for-profit entity, such as Pfizer, the model provides for control while minimizing some of the risks by creating an independent organization that can establish credibility for a philanthropic program by protecting it from actual or perceived pressure from the for-profit organization. It also allows the program to develop the operating mechanisms and expertise appropriate for the program, which might be somewhat different than the collaborating organizations. For foundations, this type of model allows leveraging of expertise that developed in program areas to build sustainable implementing institutions that can exist beyond the foundation's funding commitment.

That being said, building an enterprise like the ITI, if it really is going to be a sustainable enterprise that makes a difference in eradicating trachoma, is an example of real organizational complexity. It involves the management of the Clark-Pfizer relationship that has moved to a highly integrative relationship of strategic importance to both organizations with high levels of engagement and managerial complexity. However, it also involves the establishment and maintenance of other alliances with organizations such as WHO, as well as the various non-governmental and government organizations in each of the selected organizations. This requires a tremendously complex structure that must exist in multiple counties and relies on symbolic as well as operational leaders.

Moreover, it requires a commitment to range of outcomes important to the various stakeholders.

Although the outcome of the ITI remains to be seen, the Pfizer-Clark collaboration does provide a rich example of how the core capabilities of corporations and nonprofit organizations can be powerfully combined to create mutually and socially beneficial undertakings. Cross-sector collaboration clearly holds significant potential for contributing to societal betterment.

ⁱ James E. Austin, *The Collaboration Challenge: How Nonprofits and Businesses Succeed Through Strategic Alliances*, Jossey-Bass Publishers, 2000

ⁱⁱ Porter, HBR

ⁱⁱⁱ WHO Figures

^{iv} WHO stats on Trachoma

^v *Trachoma Matter: A Newsletter of the International Trachoma Initiative (ITI)* “Social Burden of Blinding Trachoma exceeds US \$1 Billion a Year. January 2000 Vol.2/Issue 1.

^{vi} WHO Alliance for the Global Elimination of Trachoma, WHO Programme for the Prevention of Blindness and Deafness “Report of the First Meeting of the WHO Alliance for the Global Elimination of Trachoma” Geneva, Switzerland 10 June - 1 July 1997. P.3

^{vii} INSERT CITES

^{viii} article..

^{ix} Austin

^x From President’s essay.

^{xi} Prior to Zithromax®, tetracycline was the recommended antibiotic. The treatment consisted of application of an ointment x times of day for 6? weeks.

^{xii} Pubic Health Letter other studies

^{xiii} Drug Donation: Protecting Industry Philanthropy.

^{xiv} Ibid.

^{xv} NEED CITATION FOR THIS. I THINK THERE IS AN ARTICLE ABOUT THIS IF NOT WE CAN RELY ON INTERVIEW NOTES. NEED TO REVIEW FOR SPECIFIC REFERENCE.

^{xvi} International Strategies for Tropical Disease

^{xvii} Internal Pfizer Documents

^{xviii} Conversation with Dr. Joseph Cook, October, 1999

^{xix} Reich Study

^{xx} Doz, *ibid.* p. 5

^{xxi} Austin, Doz, *op cit*

^{xxii} ITI Program information

^{xxiii} *ibid.*

^{xxiv} Doz, p. xv

^{xxv} Reich study

^{xxvi} Reich study

^{xxvii} Pre-release

^{xxviii} Austin, *op cit*