How will we capture value from the partnership?
Pre-requisite tools:
- Capability Match
- Value Chain Map

Next tools:
- Governance Charter
- Balance Sheet

How will we capture value from the partnership?
Partnership Canvas

How will we capture value from the partnership?

Partners need to understand how the collaboration will affect their business model and how it will generate value for their own organization. It is equally important for each partner to be transparent about its understanding and expectations of how its organization will generate value from the partnership. This tool enables partners to clarify these expectations and define the partnership activities that will result in value creation for both partners.

Why should we use it?

To establish how the partnership will generate value for each partner.

What will we accomplish?

Gain deep understanding of our respective business models and priorities
Agree on what each partner will contribute to and gain from the partnership
Assess how the partnership activities will affect our respective business models

Step-By-Step

Step 1
Share business models and priorities

Step 2
Define partnership activities

Step 3
Evaluate implications on business models

Tool source:
Adapted from the Partnership Canvas Mural template
Step 1:

Share business models and priorities

1.1 Individually fill in your Business Model Canvas (developed by Alex Osterwalder of Strategizer), then come together and share it with your partner.

For non-business organizations like NGOs or government units, you can still use the Business Model Canvas (BMC) to describe your organisation’s revenue and operational model. For a deeper understanding of how the BMC can apply to NGOs and other non-business entities, use the adapted BMC developed by Bryann Alexandros & Skylance.

1.2 Discuss the following questions to identify and share your priorities:

- What are your most pressing organizational priorities?
- How do your priorities relate to your motivations for partnership?
### Solar Freeze

#### Partner 1
**Expressions Global**: supplies affordable piped water for irrigation to rural smallholder farmers in Kenya.

#### Partner 2
**Solar Freeze**: Provides renewable energy-powered mobile cold storage units to rural smallholder farmers in Kenya.

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<thead>
<tr>
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<th>Value Proposition</th>
<th>Customer Relationship</th>
<th>Customer Segments</th>
</tr>
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<tbody>
<tr>
<td>Organizations with access to farmer groups</td>
<td>PHM Training &amp; Marketing</td>
<td>Cold Storage for rent</td>
<td>Farmer associations</td>
<td>Export &amp; local fresh produce traders</td>
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<tr>
<td>Building traders relationships</td>
<td>Storage unit installation &amp; management</td>
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<tr>
<td>Solar powered cold rooms technology</td>
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<td></td>
<td>Building Costs</td>
<td>Cold Space rental (10 sh/day/crate)</td>
</tr>
<tr>
<td>Land to build cold rooms</td>
<td></td>
<td></td>
<td>Operational expenses (salaries, marketing, training)</td>
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**Priority**: Access more farmers in need of cold storage
### Expressions Global

**Priority:** Increase the volume and quality of supply, to attract to export traders

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<td>Water piping &amp; billing systems</td>
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# Business Model Canvas

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2.1 Individually, fill in the Partnership Canvas from the perspective of your organization:

- **Created Value**: What value do you need to create for your organization? This value should correlate to one of your priority areas.

- **Desired Asset**: What capabilities or resources do you need from your partner?

- **Offered Asset**: What capabilities or resources can you offer your partner in exchange?

- **Transfer Activity**: What activities are needed for the partners to transfer the desired assets to each other? The transfer activities should logically lead to the new value created.

2.2 Together, compare canvases, connect, complete and discuss the following questions:

- Is there a match between what is desired by each partner versus what each partner is willing to offer?

- Is there alignment on the value exchange activities?

- Are these one-off or limited time exchange activities, or are they recurring?

- Does the partnership create important value for each partner?
Partnership Canvas

Worksheet 1:

- **Created Value**
- **Transfer Activity**
- **Desired Asset**
- **Offered Asset**
Example

Partnership Canvas

- **Value Offer**
  - Access to export market (better prices)
  - Cold storage units in proximity
  - Design and deliver joint training
  - Staff for cold storage security (landowners)
  - Amend land lease agreement
  - Access to land for storage unit
  - Staff for cold storage security (landowners)
  - Increase in sales (more units)

- **Transfer Activity**
  - Design joint farmer training
  - Access to Farmers
  - Relationships to export traders
  - Expertise in PHM

- **Created Asset**
  - Cold storage units in proximity
  - Staff for cold storage security (landowners)

---

**Partner 1**
*Expressions Global*: supplies affordable piped water for irrigation to rural smallholder farmers in Kenya.

**Partner 2**
*Solar Freeze*: Provides renewable energy-powered mobile cold storage units to rural smallholder farmers in Kenya.

[Read more here](#) about the tool application to this case.
### Step 3:

**Evaluate implications on business models**

#### 3.1
To understand how the partnership activities will affect your respective organizations, go back to your respective BMCs and attempt to integrate the agreed upon exchange activities and the newly captured value. Make a note of any questions that you need to clarify with your partner.

#### 3.2
Reflect individually on the implications of these new elements on your organization’s BMC.

- **Value check:** How will the value created and accessed assets affect your organization’s value proposition and revenue model? (right side of the BMC)

- **Cost check:** How will the exchange activities affect your organization’s activities, resources and cost structures? (left side of the BMC)

#### 3.3
Share and discuss these implications together. Document what each partner needs to do to build their capacity in order to engage in the partnership.
# Solar Freeze

## Key Partners
- Organizations with access to farmer groups

## Key Activities
- PHM Training & Marketing
- Building traders relationships
- Storage unit installation & management
- Building traders relationships

## Value Proposition
- **Joint Training**
  - PHMA practices? How will knowledge be transferred? How much will it cost? Expected conversion rates?
- **Cold Storage for rent**

## Customer Relationship
- Farmer associations
- Traders organizations
- Solar-powered collection centers close to farms

## Customer Segments
- Export & Local fresh produce traders
- Small scale farmers

## Key Resources
- Solar powered Cold Rooms technology
- Land to build cold rooms

## Channels
- Solar-powered collection centers close to farms

## Cost Structure
- Building Costs
- Operational expenses (salaries, marketing, training)

## Revenue Streams
- Cold Space rental (10 sh/day/crate)

## Access to land and staff
- How much land? security? staffing needs?

## Access to farmers
- How many? How many units? Where to locate them?

## Increased revenues
- What minimum occupation rates?
## Expressions Global

### Key Partners
- Local community (landowners)
- Local Government
- Agridealers & extension agents
- Trainers
- Local Micro Finance institutions

### Key Activities
- **Joint Training**
  - Who will deliver it?
  - Will it cost anything extra?
- Build Dams
- Water pumping & billing
- Cold storage close to farms
  - Where to locate it?

### Value Proposition
- Linkage to reliable produce supply
- Supply of affordable & reliable water for irrigation
- Access to export markets
  - How much of an increase in prices?
- Land lease amendment
  - How will it affect present lease?
  - What will the landowner require in exchange?

### Customer Relationship
- GAP Training
- Linkage to credit
- Local self-help groups

### Customer Segments
- Local Fresh produce traders
- Export traders
  - Where to find them? What crops? Quality? Volumes?
- Small scale farmers

### Key Resources
- Local community (landowners)
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### Cost Structure
- Dam construction costs
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### Revenue Streams
- % commission on traded produce (30% of revenues)
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Facilitation tips

Step 1
Individual brainstorming + Sharing

- This tool is designed to be used by only two partners. In the case of partnerships involving more partners, consider using it in pairs of partners from within the group.

- If possible, have the partners fill in their BMC in advance of the workshop. Otherwise plan for an extra 20 min to do this individually.

- Encourage partners to ask clarification questions when the BMCs are being presented.

- Point out any similarities in the partners’ BMCs or priorities.

Step 2
Individual brainstorming + Sharing + Collective reflection

- Print or take a picture of the partnership canvas and give it to each participant to use in future conversations, if needed.

Step 3
Individual reflection + Sharing + Collective reflection

- Make sure the partners address all questions on each other’s lists.

- Have a few questions from your own analysis ready to prompt constructive dialog and raise important issues.