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Abstract

Since the beginning of the 21st century, the development partnerships between business and public development actors have proliferated. The central proposition of the phenomenon is that through these partnerships both development and economic objectives are reachable. A public-private partnership (PPP) programme is one of the most frequent public instruments to combine these objectives. From the private sector perspective, the development partnerships approach creates before anything new business opportunities. The study is conducted to fill up the research gap and to provide companies with information about the underlying business opportunities of the approach. Therefore, the research question of the study is *how can the private sector benefit from development partnerships?* The research problem is divided into three sub-questions: 1) why companies participate in a public development partnership programme, 2) how companies benefit from it and 3) what is the development impact of this activity.

The research question is answered by forming theoretical frameworks from existing literature and then by examining the phenomenon through four Finnish companies that have all had a project with the Finnish business partnership programme Finnpartnership. The theory discusses the definition, rationale and practice of development partnerships and utilizes a recent framework that divides partnerships into different stages. The approach of the study is a qualitative multi-case study that involves two large and two micro companies. The primary empirical data is collected through personal semi-structured interviews.

The findings indicate that the motives of larger companies to get involved in development partnerships are related to market conditions and competitive reasons. For micro companies the motives are related to business but as well to ethical aspiration in a personal level. Thus, the development objectives are more present for the micro companies. The benefits for companies are principally financial, secondary related to organizational learning. All the companies contributed to the development in the target countries mainly by providing employment and building local capacity. The case companies cooperated with Finnpartnership principally for financial reasons. They would have realized the projects also without public support. Overall partnership objective and the companies' individual objectives were generally met: three out of four companies were able to generate viable and profitable business that has positive impact on the local economic development. The theoretical framework did not suit with the research object for all its parts because applying and receiving a grant cannot necessarily be defined as a partnership.

Key words	business partnership programme, development partnerships, development cooperation
Further information	