



**Australian Association of the Order of Malta Limited
Strategic Alliance Guidelines as approved at July 2022
(Guideline Number: AAOML_G_003)**

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1 Purpose

The purpose of these guidelines is to identify, secure and manage strategic alliances in a way that protects the integrity of the “Order of Malta” name and hence the value of its brand. Overuse through fragmented strategic alliances will dilute its value and diminish what it stands for in the eyes of the general public. Strategic alliances can take the form of:

- a. major corporate gifts (in cash or kind);
- b. relationship or partnership arrangements.

These guidelines have been developed to aid decision makers within the Australian Association of the Order of Malta (Order of Malta Australia) identifying, securing and managing strategic alliances effectively.

2 Definition

A strategic alliance, or strategic partnership, is a collaborative relationship between one or more entities to work towards shared objectives. Any strategic alliance must occur within a context of understanding the common and divergent interests that each entity brings to the alliance, and occur within a framework of clear relationship understandings, in order to maximise opportunities and minimise risk.

For the purposes of this document, Order of Malta Australia includes the National entity, all Australian state/territory Order of Malta Australia entities and entities in New Zealand, unless specified otherwise.

3 Standards

These guidelines align with the Strategic Alliance Standards endorsed by the National Executive Council, which are:

- 3.1 The National Executive Council will approve agreements for national strategic alliances before they are finalised. Regional Councils, through Regional Hospitallers, will regularly advise the National Executive Council of Regional strategic alliances. Regional Councils will advise the National Executive Council of any Regional strategic alliances prior to agreements being finalised.
- 3.2 To assess opportunities, and to manage the associated risks, proposals for a strategic alliance are to be assessed against the following criteria:
 - a. the potential alliance is with an established organisation that has high standing in the community;
 - b. the alliance has specified objectives and conditions, and will provide quantified net benefits to Order of Malta Australia;
 - c. the alliance is consistent with the Australian Association’s mission and values and does not involve any conflicts of interest;

Australian Association of the Order of Malta Ltd Strategic Alliance Guidelines

- d. the alliance is complementary to other alliances with Order of Malta Australia and does not risk the their continuance;
- e. Order of Malta Australia has the resources to manage the relationship and meet the partner's needs;
- f. does not compromise the confidentiality of records held by Order of Malta Australia (e.g. require the handing over of any Australian Association mailing lists);
- g. Order of Malta Australia retains control over the use of its name and branding at all times;
- h. there is an agreed exit strategy which, if it has to be used, does not involve costs that would jeopardise the on-going activities of Order of Malta Australia.

4 Guidelines

4.1 Guiding principles

- Any strategic alliance entered into must align with Order of Malta Australia priorities.
- The need for a strategic alliance must be established prior to entering into any alliance.
- The organisation proposed for entering into a strategic alliance must be determined to be appropriate.
- The benefits of any strategic alliance must be appropriate and established.
- Procedures for the effective management of strategic alliances must be implemented.
- The impact of any strategic alliance must be evaluated over time and reported on at appropriate points during the strategic alliance.
- Appropriate behaviours should be observed in all interactions involving strategic alliances.

4.2 Alignment with Order of Malta Australia priorities

- 4.2.1 Order of Malta Australia should aim to form strategic alliances with entities that share similar objects, missions, values or goals to Order of Malta Australia and/or the program(s) or activities the alliance intends benefit/assist.
- 4.2.2 An alliance must not conflict, or be perceived to conflict, with the values, goals and mission of Order of Malta Australia.
- 4.2.3 Any strategic alliance entered into by Order of Malta Australia should not entitle any partner to influence any decision or the values, goals and mission of Order of Malta Australia.
- 4.2.4 Order of Malta Australia should not enter into an alliance or partnership with any entity where association with the prospective partner or acceptance of sponsorship would jeopardise the financial, legal or moral integrity of Order of Malta Australia or adversely impact upon Order of Malta Australia's brand, standing and reputation in the community.
- 4.2.5 Any strategic alliance proposed or formed must not be influenced by political considerations.
- 4.2.6 Order of Malta Australia will ensure that any proposed alliance does not pose a conflict of interest, is complimentary to other Order of Malta Australia strategic alliances and is in the interest of the Australian Association. Considering the interest of Order of Malta Australia must extend beyond the entity to which an alliance pertains, the interest for all Order of Malta Australia entities must be considered. This may be achieved for example, by advising other Order of Malta Australia entities of any proposed alliance, providing particulars in relation to the same and seeking feedback with respect to potential conflicts of interest. Order of Malta Australia entities are also responsible for advising the National Executive Council of all strategic alliances in line with Guideline 3.1 above.
- 4.2.7 Due diligence must be performed by those tasked with managing strategic alliances to ensure that Guildelines 4.2.1 to 4.2.6 above have been considered by the Order of Malta Australia entity proposing to enter into a strategic alliance.

Australian Association of the Order of Malta Ltd Strategic Alliance Guidelines

4.3 Establishing the need for a strategic alliance

- 4.3.1 The goal or purpose of any strategic alliance should be to enable Order of Malta Australia in achieving more than it could on its own or adding value to the work of Order of Malta Australia. Should Order of Malta Australia be able to achieve the goals or benefits of a strategic alliance on its own, the proposed alliance would be considered redundant and should not be entered into – a strategic alliance should not be an end in and of itself and Order of Malta Australia should at all times ensure that a strategic alliance is the most appropriate method of achieving its goals.
- 4.3.2 The need for a strategic alliance should therefore be established based on an identified gap (for example in service delivery, capacity, capability or products) or the potential to add value to Order of Malta Australia (for example to increase corporate identity, community credibility, support or attract new audiences).
- 4.3.3 In any proposed strategic alliance, the purpose, aim, objectives and strategies should be clearly defined and agreed upon by all parties. It is essential that all aspects are realistic and achievable.
- 4.3.4 In any proposed strategic alliance, it is important to establish whether other organisations are already undertaking similar projects in the community. If so, it may be important to ascertain that work they are undertaking is not being duplicated by Order of Malta Australia entities (or in the case of duplication, establishing need or market for the product or service) and that the proposed alliance is the best way forward for both Order of Malta Australia and the proposed partner.
- 4.3.5 It is important that Order of Malta Australia establish the proposed partner's level of commitment to the alliance and their understanding of the strategies proposed to achieve the goals of the alliance. For example, has the proposal been supported at the highest level and clear commitment/support been given?
- 4.3.6 It is essential that any strategic alliance entered into must compliment any other strategic alliance already entered into by Order of Malta Australia.

4.4 Ensuring alliances with appropriate organisations

- 4.4.1 Managers of proposed strategic alliances must perform due diligence to ensure that the entity is in high standing in the community, and the entity is compatible with Order of Malta Australia's goals, vision and mission. Performing due diligence might entail, for example:
 - reviewing copies of the entity's annual reports
 - ensuring the entity is not financially unsound or engages in ethically unsound business practices
 - does not have links to individuals of poor repute
 - the entity is not before any crime or misconduct body or any other legal or financial body for investigations into allegations of fraud or misconduct
 - performing internet searches (e.g. to look for positive or negative publicity)
 - seeking information about the entity's past alliances and their outcomes
 - gaining information about any parent company, subsidiary or affiliates, and
 - obtaining any other relevant company records.

4.5 Appropriate benefits

- 4.5.1 It is important that any alliance has benefits for all parties and that these are negotiated in advance and documented. This will ensure that all parties are satisfied with the outcome(s) of the alliance.
- 4.5.2 It is essential that Order of Malta Australia fully understands a partner's stake or interest in the alliance's to ensure its success. Open and transparent discussions should be held to establish such information.
- 4.5.3 It is important to ensure that the benefits of any alliance are commensurate with the level of support or sponsorship being provided and that the goodwill of either party is not undervalued.

Australian Association of the Order of Malta Ltd Strategic Alliance Guidelines

- 4.5.4 The National Hospitaller, Regional Hospitaller or Responsible Officer of the Order of Malta Australia entity of the proposed alliance is responsible for ensuring that all appropriate exercises to quantify the net benefits of the alliance to Order of Malta Australia are undertaken.

4.6 Management of partnerships

- 4.6.1 The nature of the alliance should be determined to ensure that partners are clear about their roles and responsibilities.
- 4.6.2 Any alliance formed between Order of Malta Australia and another entity should be underpinned by a formal Agreement such as a Memorandum of Understanding, Sponsorship Agreement or other legally binding Agreement that details relationship understandings. The nature of the Agreement should be appropriate to the scope and scale of the benefit derived.
- 4.6.3 Any Agreement entered into should include (but is not limited to):
- the date of the Agreement;
 - the scope of the Agreement;
 - the main objective of the alliance;
 - the specific work areas/tasks to be undertaken by each party;
 - any agreement reached regarding use of Order of Malta Australia branding;
 - the duration or expiry of the Agreement;
 - options for termination by either party stating an agreed upon notice period. Order of Malta Australia must ensure that such termination does not involve costs or penalty that may jeopardise the activities or financial security of Order of Malta Australia. Termination of an Agreement should be in writing with reasons for termination supplied by the terminating party;
 - conditions for variation of Agreement;
 - any other general commitments, conditions or relationship understandings by both parties under the Agreement.
- 4.6.4 Any Agreement entered into should not impose, bind or imply conditions that would limit Order of Malta Australia's ability to carry out its functions.
- 4.6.5 Regarding sponsorship or gift arrangements, Agreements will state that funds raised should be used exclusively for the purposes agreed on between the parties.
- 4.6.6 Legal advice may be sought for any proposed Agreement with respect to a strategic alliance at the discretion of the National Executive Council, Regional Council or Board of the Order of Malta Australia entity the alliance pertains to.

4.7 Appropriate authorisation and accountability

- 4.7.1 The National Executive Council is responsible for authorising any Agreement entered into regarding a strategic alliance for the National Organisation.
- 4.7.2 With the approval of the National Executive Council, the Regional Councils or Boards of Management are the responsible entity for authorising any Agreement entered into regarding a strategic alliance for any Order of Malta Australia entity.
- 4.7.3 The National Hospitaller or Regional Hospitaller of the entity the alliance pertains to is accountable for implementing and overseeing the particulars of forming a strategic alliance, including the terms of any Agreement entered into, and the effective management of the same.

4.8 Acknowledgment of alliance

- 4.8.1 In all strategic alliance interactions, the integrity of the Order of Malta Australia brand must be upheld through sound brand management practices.
- 4.8.2 Acknowledgment of an alliance must be mutually agreed on by all parties. Generally, Order of Malta Australia will undertake to acknowledge the partner on all relevant materials and in all relevant forums, as appropriate and as negotiated.
- 4.8.3 Order of Malta Australia will retain all rights and control over use of its branding at all times.

Australian Association of the Order of Malta Ltd Strategic Alliance Guidelines

- 4.8.4 Alliance partners may use the Order of Malta Australia logo as per the terms negotiated under any Agreement or at the discretion of the National Executive Council.
- 4.8.5 Arrangement for acknowledgement of the alliance or a partner, and any use of Order of Malta Australia branding, must be for a fixed term and stipulated in the Agreement.

4.9 Resourcing management of alliances

- 4.9.1 The cost of managing an alliance should not exceed the value or benefit of the alliance to Order of Malta Australia.
- 4.9.2 It is important that Order of Malta Australia ensure that the alliance is appropriately managed, utilising effective management processes in order to achieve the goals of the alliance and maximise benefits.
- 4.9.3 The National Hospitaller or Regional Hospitaller of the Order of Malta Australia entity entering into a strategic alliance is responsible for determining that Order of Malta Australia has the resources to effectively manage any strategic alliance prior to entering into an alliance (no alliance should place Order of Malta Australia in a position of undue strain or financial risk). This determination should be done by developing a Strategic Action Plan that includes, for example:
 - a capacity and capability analysis to establish what skills are required within the staff team
 - inputs required by Order of Malta Australia
 - alliance activities
 - proposed outputs
 - anticipated outcomes or targets
 - measures of success/performance
 - key responsibilities.

4.10 Evaluation/reporting

- 4.10.1 Measures of performance against agreed and stated targets should be determined and agreed upon prior to the formalisation of any alliance.
- 4.10.2 Methods for reporting to Order of Malta Australia's partners should be negotiated with the partner and agreed upon prior to the formalisation of any alliance.
- 4.10.3 Order of Malta Australia should establish at least one indicator of success for each specific task or strategy. Indicators of success should be measurable, with measures of success determined prior to the formalisation of the alliance.
- 4.10.4 Impact should be measured both in the short and long term during the duration of the alliance. For example, for an alliance over three years, impact may be measured quarterly for the first year and then at 24 and 36 months.
- 4.10.5 The National Hospitaller or Regional Hospitaller of the implementing Order of Malta Australia entity is responsible for preparing a written evaluation for any strategic alliance entered into and reporting to the National Executive Council or Regional Council meetings of the Order of Malta Australia entity that the alliance pertains.
- 4.10.6 It is important that all parties realise that the purpose, aims, objectives and strategies of an alliance are not static and may need to change based on assessment of indicators of success. Provisions for flexibility must be included in any Agreement and incorporated into any variation clause. This is part of a quality improvement framework.

4.11 Partnership behaviours

- 4.11.1 A Communication Strategy should be negotiated and developed for any strategic alliance. The Communication Strategy should include the required frequency of communication between alliance partners, nature or style of communications, and the type of information that is required to be shared.
- 4.11.2 Where significant issues arise that may impact a strategic alliance, whether to do with a project that pertains to the alliance or changes in the entity, it is imperative that such information is shared openly and transparently between partners in the alliance.
- 4.11.3 Any employee or volunteer involved with the management of a strategic alliance must declare any conflict or interest as soon as becoming aware of such conflict.

Australian Association of the Order of Malta Ltd Strategic Alliance Guidelines

- 4.11.4 Strategies for performance management, including trouble shooting or conflict management, should be openly developed and negotiated prior to the formalisation of the alliance. Attempts to resolve disputes with any entity subject to an alliance will be in good faith.
- 4.11.5 Order of Malta Australia must consider what actions must be taken for the duration of the alliance to stay engaged with the alliance and to ensure that benefits are maximised for all parties.
- 4.11.6 High standards of ethical behaviour must be observed and demonstrated by all Order of Malta Australia members, candidates for membership, employees and volunteers with a role in the management of a strategic alliance. An member, candidae for membership, employee or volunteer of Order of Malta Australia must not receive, or be perceived to have received, any personal benefit from a strategic alliance.
- 4.11.7 Sponsorship and/or gifts for any entity linked to bands, goods or services that are considered harmful to users, for example tobacco, gambling and alcohol distribution, sale or production, are prohibited.
- 4.11.8 Any donation or sponsorship received by Order of Malta Australia must not be linked to a requirement for Order of Malta Australia to endorse any product, policy, services or organisation that might be interpreted as a constraint or may impair or damage the Order of Malta Australia brand, reputation or image and affect Order of Malta Australia's ability to carry out its humanitarian mission and goals.
- 4.11.9 All interactions or dealings to do with any strategic alliance will observe organisational privacy and confidentiality requirements. Order of Malta Australia will take all necessary actions to protect commercially sensitive information or commercially valuable ideas and strategies that are not the subject of a strategic alliance. The *Privacy Act 1988* (Cth) applies in all interactions.

5 Related Policies and Documents

- 1. Financial Delegation of Authority Policy
- 2. Conflict of Interest (Register of Interests) Policy

6 Review

This Guideline will be reviewed periodically and updated when required.

The National Hospitaller, Chancellor and Company Secretary is responsible for overseeing the review, and recommending changes to the National Executive Council.

This Guideline is approved by the National Executive Council.



Checklist – Evaluating Potential Strategic Alliances

A template to assist Responsible Officers evaluating a potential Strategic Alliance

1. Ask the potential partner to be explicit as to their primary and secondary objectives. Are they congruent with what we are hoping to achieve for the mission of Order of Malta Australia?
2. How do they describe Order of Malta Australia and the mission of the Sovereign Order of Malta?
3. What are their values? Are they in reasonable alignment with Order of Malta Australia?
4. What do your instincts tell you about the quality of communication between you and the people that will be involved in directing and also implementing the actions involved in the alliance?
5. What do they want Order of Malta Australia provide? Realistically can we deliver this?
6. What track record and experience do they have of working in an alliance? Do they give contact details for references that we can follow-up?
7. How do they define an alliance? Does their definition show insight as to the difference between co-operation and collaboration in terms of the nature of the relationship and resource required?
8. How does Order of Malta Australia members view this potential partner? What is their reputation in the press? Research may be required here.
9. What are the alternatives? Could any other organisation provide what they are offering? How easy will it be to explain to Order of Malta Australia members why we decided to go with this organisation?
10. Is there a strategic fit?
11. What is the relationship like between Responsible Officers? Do they get on with each other? Is the dialogue open, frank and friendly?
12. Are there any resource or skills gaps? Will other organisations be required to make the alliance successful?
13. Is the proposed timeframe realistic? Is it open ended or closed?
14. How will the alliance be managed and nurtured on a day-to-day basis?
15. What options are there to test the relationship on a smaller scale before full committal so both parties can get to know each other?

Considerations – Partnering pitfalls

It is useful to be aware of some of the common difficulties and pitfalls, and early warning signals, so the Order of Malta Australia can have a plan of action if they occur.

Here are four to consider:

- In the selection process a classic mistake is to partner with organisations that we know already, rather than first focusing on the type of organisation Order of Malta Australia should consider partnering with. It is about what Order of Malta Australia needs, not who we know.
- Trust is the most accurate predictor of success, so if this breaks down, take quick steps to find out what happened and see if it can be repaired.
- The arrangement needs to sit well in our members minds. No matter how good it looks on paper, if it is not well received, it will struggle.
- Unequal priorities, where the partnership is much more important to one parties. The partner for whom it is more important is likely to end up doing more of the work.