

Preparing For Collaboration



PEPPERGRASS
Partnerships

Sheila Marsh

Why We Need To Collaborate

Most nonprofits too small to:

- Have infrastructure that allows for learning best practices
- Be cost - effective
- Bring programs to scale needed to achieve results
(90% in US under \$500,000; 50% in Bermuda under \$25,000)

US Example – Vast increases in giving and number of nonprofits has not achieved corresponding decrease in social problems.

- 1980 – 2005 US annual charitable giving grew 255%; US dropped from 2nd to 12th in OECD health, education and economic opportunity
- e.g., \$40,000/year/homeless person spent in Richmond, VA, USA

Bermuda

- Need for data sharing
- Higher impact in our communities

Partnerships That Work

A tool

- An effective vehicle for doing the work

A desired result

- More value to the community than the partners could deliver individually, and
- More value to each partner than each partner gives

NOT to please funders. NOT to reduce the number of nonprofits.

What is
“Partnership?”

What is
“Collaboration?”

Defining Partnership

1. *Informal Cooperation* - no defined deliverables or metrics.

- Works where neither agency has a stake in the outcome produced by the other.

2. *Sharing of Resources*. Works like a purchase of services.

- Works where one party needs something the other can provide, or where both need the same resource and can purchase it more economically together, but do not intend to use it for a shared purpose.

Defining Partnership

3. *Community-wide nonprofit consortium* – open door; no enforceable obligations

- Works where the community can benefit from having a forum for information sharing and cooperation, but there is - or is not yet - shared goal or metric.

4. *Collective impact initiative* –shared agenda, metrics, central coordination

- Works where the community is addressing a problem requiring systemic change and has the resources and will to do so.

Defining Partnership

5. *Funder-led, or single-party led multi-participant solution* – leader is the “producer” using resources from all sectors (e.g., Meth Project, www.methproject.org);).

- Works where confronting fragmentation, lack of coordination, inadequate infrastructure, weak influence of participants, and minimal accountability. (Kramer, Mark, Catalytic Philanthropy, Stanford Social Innovation Review, Fall, 2009)

6. *Partnership* - (i) each must contribute resources; (ii) each shares in management, and (iii) each shares “profits and losses” (benefits and burdens).

- Works Where – Each needs something from the other to deliver on its own mission.

Defining Partnership

7. Joint Venture – jointly established single program or entity with its own, stand-alone management, “partners” serving as board, not staff.

- Works Where the partners have overlapping missions, each has complementary resources it can dedicate wholly or substantially to the shared mission (\$\$, staff or tangible resources).

Merger is NOT a collaboration

What's In It For Me?

Outward Facing:

- What we want to achieve for our community by means of partnership that we cannot accomplish alone

Inward Facing

- Increasing Our Capacity to Serve
- Gauging Our Value as a Partner

What's In It For Me? –The Inward Looking Aspect

Identify opportunities for gain, e.g., –

- PR opportunities;
- Staff development;
- Cost savings;
- Grant opportunities;
- Gaining or retaining relationships with clients;
- Opportunity to shape agenda;
- Advance toward a strategic goal;
- Access to data or data gathering and processing tools that will help you be more effective;
- Passing off tasks to others that will allow sharper focus on core programs;
- Reputation;
- Access to funder relationships;
- Other?

Make It Concrete

Why try to quantify it?

- Cross check your intuition.
- Add perspective.
- Get everyone on the same page.

Using your valuation

- Don't walk away from a potentially valuable partnership.
- Convert what you hope to gain into stated deliverable from the partnership.
- Understand the balance between what you will give and what you will gain.
- Be sure the net benefit is the best use of your resources.
- Be a committed partner

Calculating Value

How To

- Cost – benefit analysis
- Rank in order of value
- Using ROI analysis to compare value or alternative investments
- Use SWOT analysis to value opportunity or compare values

Connecting With The Community

Relation of “What’s in it for me?” to our community obligations.

- *Effective* partnerships

What’s in it for the community?

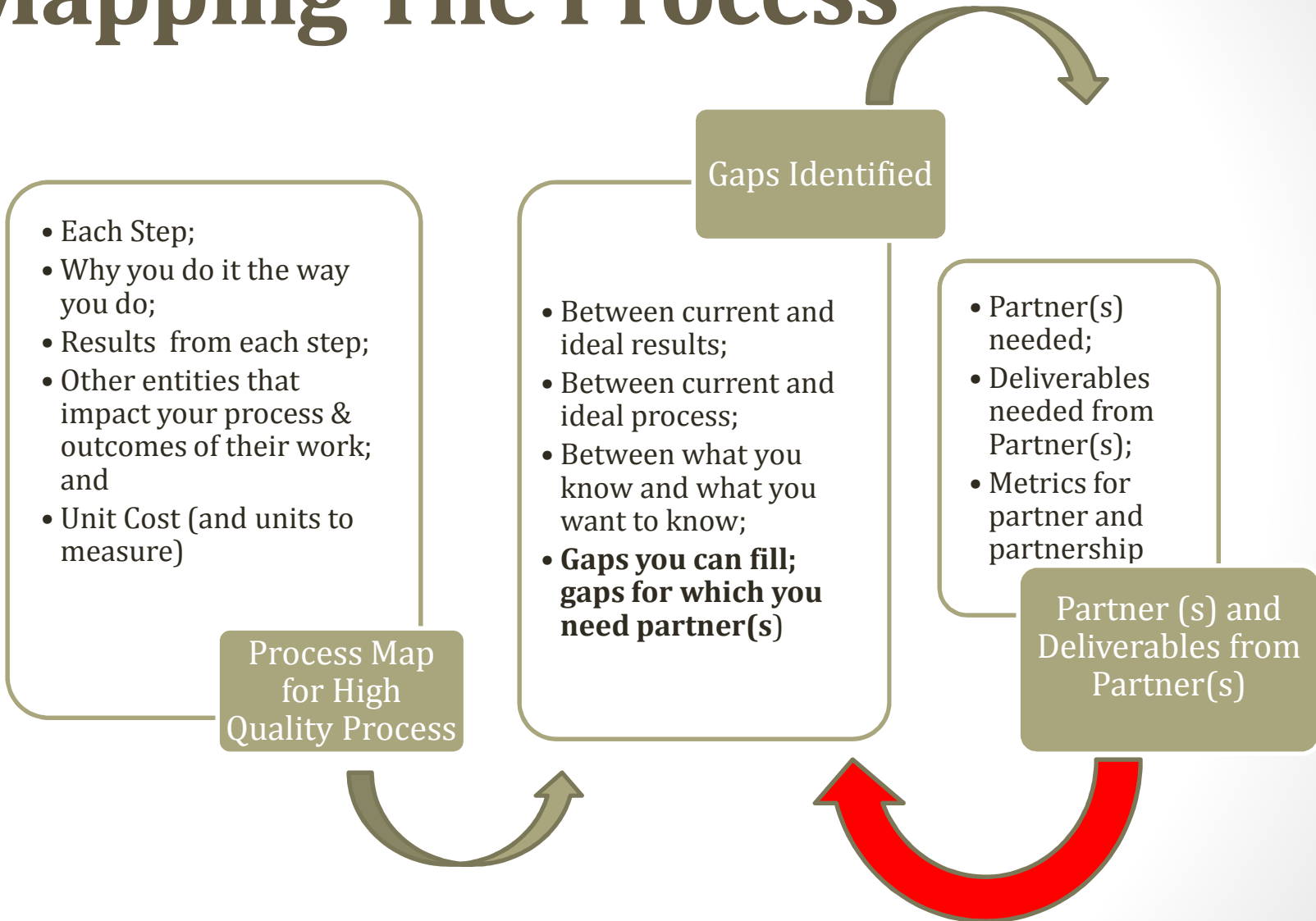
- Resources I need to deliver results for the community
- What I have to offer

Begin By Knowing Where You Are

Learning from Business

- Process Mapping
- International Standards Organization (ISO) process

Mapping The Process



Process Mapping: Sample Case Study

Superficial Description of Jobs Program

- We provide jobs training for X No. of homeless people each year.
- Our program is led by Ph.D. job rehab specialist.
- We partner with all homeless service providers and several employers.
- We have a program partner that is one of the leading staffing firms in the city.
- 72% of those engaged in the program succeed in getting jobs.

Process Mapping results:

- Our program produces almost no results and costs hundreds of thousands of someone else's money.
- Our program could have been “best of kind” through use of effective partnerships.

Process Mapping “How To”

Who

- Staff and client; Qualifications of staff; Characteristics of those you wish to serve

What - Program content, goals and metrics for (i) each decision point; (ii) each transition point, (iii) each interface with a third party.

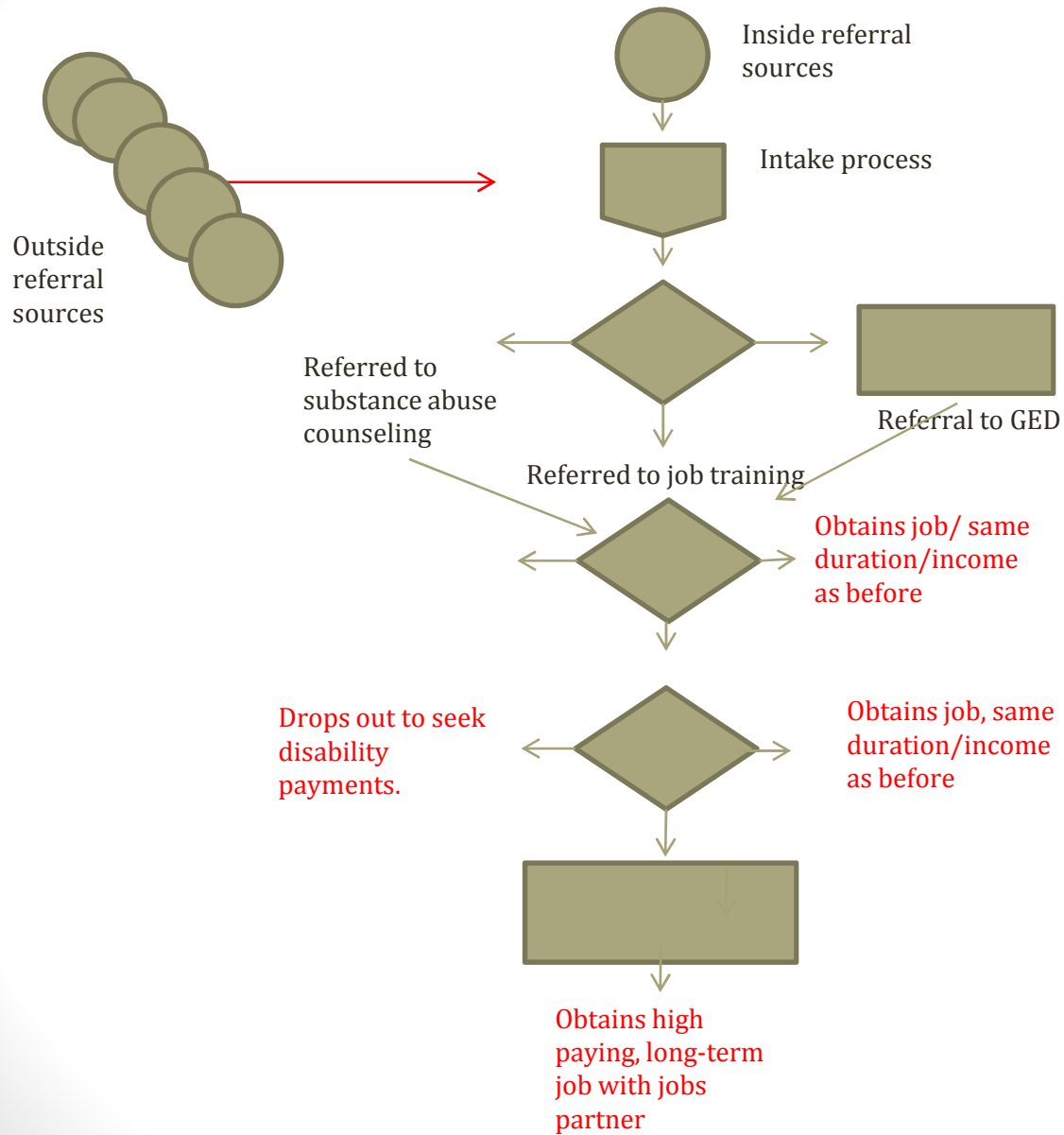
Include:

- When - Event; time frame; hours of service
- Where - Physical resources
- How -
- How Much - What does it cost us ? What does it cost others?

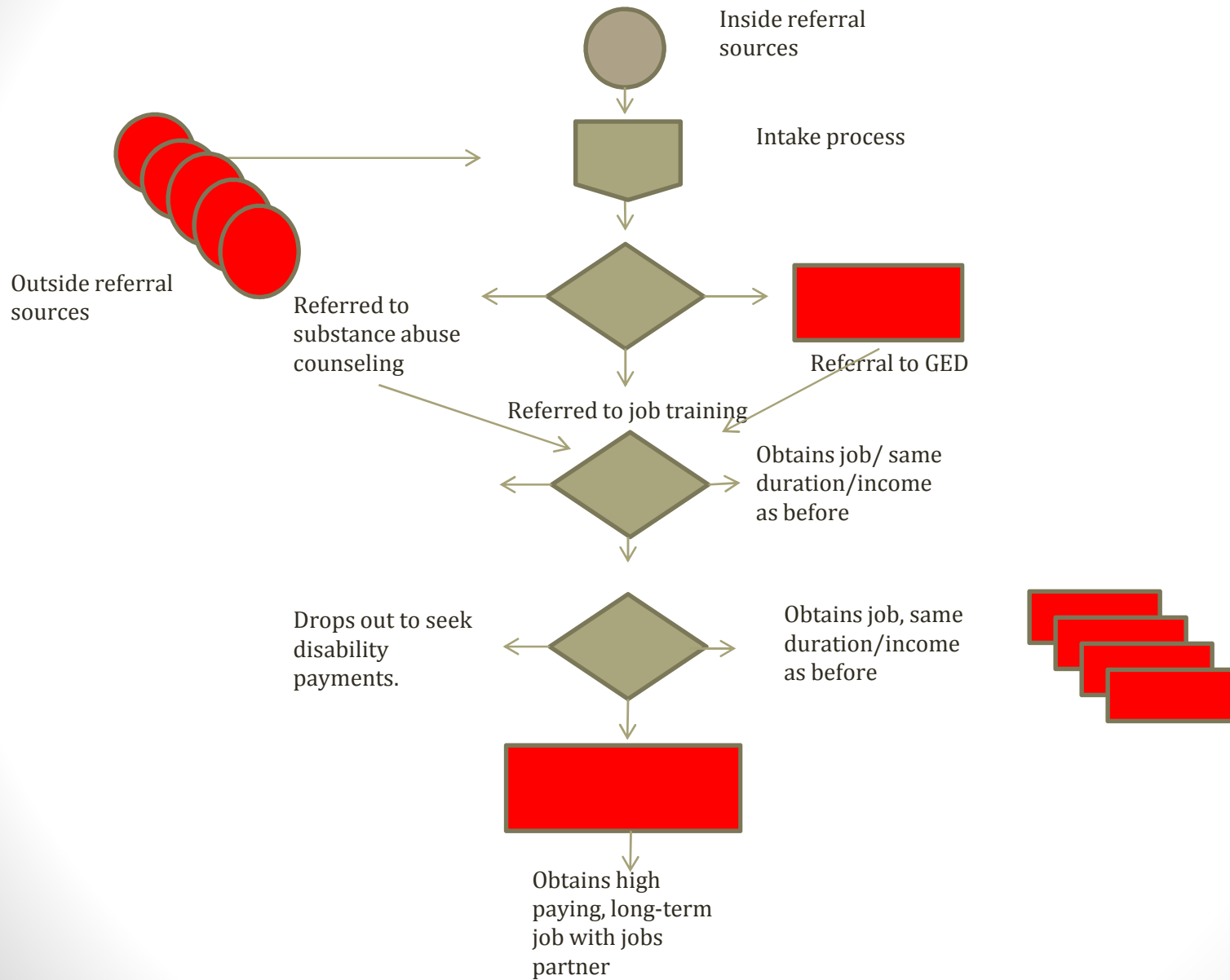
Why

- Theory of change
- Is it the best practice?

Draw A Picture



Draw A Picture



The “Magic” Of Partnership

Moving away from doing what we can with what we have, toward getting what we need to produce high quality results.

Turning It Into Money

- **Between current and ideal results;**
- Between current and ideal process;
- Between what you know and what you want to know;
- Gaps you can fill; gaps for which you need partner(s)



Greater success/
Greater likelihood of success

$$\text{Value} = \frac{\text{benefit}}{\text{cost}}$$

$$\text{Value} = \frac{\text{benefit} \times \text{likelihood of success}}{\text{Cost}}$$

Bridging The Gap

How do I turn my plan for collaboration into reality?

- Configuration vs. conversation

Where do I get the resources to do this?

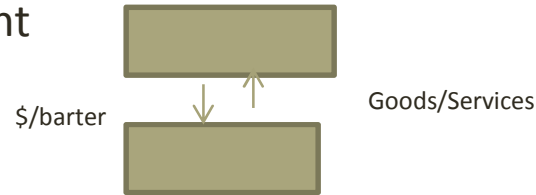
- Funders as third party neutrals
- Funders as partners

Seven Different Forms

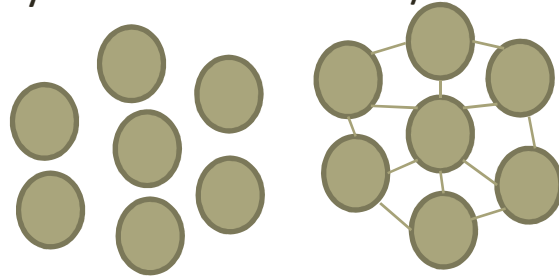
1. Cooperation - Memorialized Aspiration



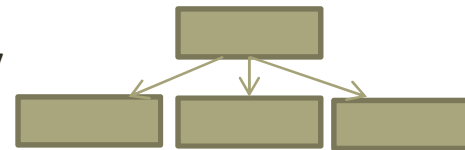
2. Purchase Agreement



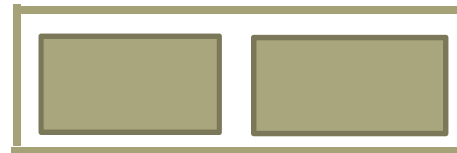
3 and 4. Community-Wide Consortium/Collective Impact



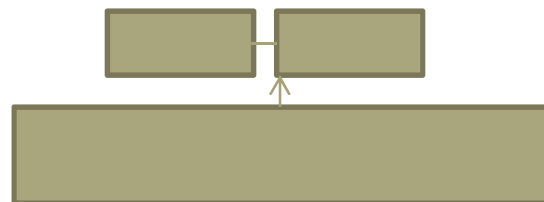
5. Prime contractor – Sub – catalytic philanthropy



6. True Partnership



7. Joint Venture



How Do We Like Where We Are Now?

Agency View

- Push we get?
- Help we get?
- Participation we get?
- Leadership we get?

Funder View

- Leadership we see?
- Things we would like to see from agencies?
- Barriers we see?
- Level at which we want to participate?

What Many Foundations Say

Why We Want Nonprofits To Collaborate

- We fear that the large number of nonprofits is wasting cost on infrastructure.
- We need agencies to operate on root causes, not on narrow focus.
- Nonprofits don't collaborate well because of big egos and because they are territorial.

What We Are Willing to Do

- We are not satisfied with what we see in collaboration, but we are not ready to get involved; we want agencies to lead the way.
- We don't want to get in too deeply on a financial basis, because we will not be able to sustain the commitment.

How We Move Forward

Helping Individual Organizations Prepare

- Understanding what the nonprofit needs to do to prepare
- Providing resources
- Knowing who is ready and helping link ready partners

Helping the Community Prepare

- Convening the community for discussion
- Identifying gaps
- Identifying specific, potential collaborations

Funders As Partners

Deciding if/how they want to be partners

- Ford
- Edna McConnell Clarke
- Omidyar
- Small Foundation Example



Preparing For Partnership

- Similar process to that of nonprofit service providers
- with nonprofits

Wrapping Up

Nonprofit service providers

- Don't be afraid to focus on "What's in it for me?" Be bold about it.
- Use your "gaps" as opportunities to change the game through collaboration.
- Don't settle for doing the best you can with what you have if you can do more through collaboration.
- Be the collaboration leader funders want you to be.
- Engage your funders as leaders when you need them to be.

Funders

- Recognize what nonprofits need to do to partner effectively.
- Consider the ways in which you can assist. Develop ways to participate in a manner that suits your organization.
- Consider self-assessment:
<http://www.effectivephilanthropy.org/index.php?page=assessment-tools>

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