UNLOCKING THE POWER OF SUSTAINED COLLABORATION
Insights from Partnerships for Nonprofits and Consultants
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The Sustained Collaboration Network (SCN) was launched in 2017 to promote structured collaboration among social impact organizations. Structured collaborations should result in “long-term and permanent change to the business or operating models of two or more organizations.”¹ The SCN is a network of nonprofit funders and intermediaries dedicated to making nonprofits more efficient, effective, and sustainable through sustained collaboration. The network includes 8 community-based and 2 national funder collaboratives supporting enduring nonprofit collaborations around the country — Arizona, Austin, Chicago, Dallas, Los Angeles, New York City, Philadelphia, and Pittsburgh. In each of these locations, funders have joined to offer the strategic option of sustained collaboration to maximize impact in the sector. Each fund assists nonprofits and funders to understand this capacity-building tool and financially supports nonprofits wishing to explore such collaborations.


About the Author

Michelle Shumate, Ph.D., is the founder and managing director of Social Impact Network Consulting (SINC). Through her work at SINC, she provides coaching and consulting services to nonprofits and networks seeking to improve their social impact. She is also the founding director of the Network for Nonprofit and Social Impact (NNSI) at Northwestern University. In addition, she is the Delaney Family University Research Professor at Northwestern University.

She is the author of the Networks for Social Impact, published by Oxford University Press. She has published 50 peer-reviewed journal articles. The National Science Foundation recognized her research with a CAREER award. The National Institutes of Health, National Science Foundation, Bill and Melinda Gates Foundation, and Army Research Office have funded her research. In addition, her work has been featured in Nonprofit Quarterly, Stanford Social Innovation, and the Conference Board.
Sustained collaboration can be a strategic option for social impact leaders seeking greater efficiency, effectiveness, and sustainability. However, every social impact leader has also experienced ineffective collaborations. These collaborations never advance past the talking phase or lack the resources necessary to succeed. Sometimes, conflict or poor management undermines the goals of the collaboration.

Throughout this research, we argue that there are critical lessons that social impact leaders (and the consultants that support them) can learn from how collaborations with documented positive outcomes differ from those without them. Based on a comparative case analysis of 14 collaborations with documented positive outcomes and 6 without them, the research highlights key lessons in collaboration design and management.

The Sustained Collaboration Network, which funded this research and nominated their grantees, offers critical lessons for other foundations and grantmakers. This research began by screening 58 projects nominated by the Sustained Collaboration Network Initiative Managers. Out of these 58, 55 ended in a finalized agreement and 3 did not. Of these 58 sustained collaborations, 45 agreed to participate in our research. This research conducted 118 interviews with funders, staff members, board members, and consultants/legal counsel.

Seventy-three percent of the 45 collaborations had some quantifiable or documentable positive outcomes. Although not representative of all the collaborations funded by these initiatives, the number of collaborations that achieved positive outcomes suggests these results are not an anomaly, but a common result of sustained collaboration. These outcomes were more than just feeling good about what the group had accomplished. Instead, these collaborations garnered greater funding, created new programs or services, or demonstrated a significant social impact because of their partnerships.

From the 45 screened collaborations, 20 collaborations were selected for deeper case studies — 8 integrated organizations, 6 shared program or service collaborations, and 6 alliance and network collaborations. Each type is defined below:

- **Integrated organizations**: This type merges all or part of two or more organizations. Common types include asset transfers, change of control, and statutory mergers.

- **Shared program or service collaborations**: These are undertaken by autonomous organizations. Shared program collaborations use joint resources to create a project, program, or service that produces a joint outcome. In shared service collaborations, organizations coordinate to address a common organizational need more efficiently or effectively than they could on their own. They may pool certain organizational functions or share space.

- **Alliances and networks**: This refers to groups of three or more organizations working together to achieve a common goal. These organizations balance their interdependence with others in the network and their organizational autonomy.

This report is written for nonprofits and consultants working to explore or implement sustained collaboration. Our companion report, *Nurturing Nonprofit Collaborations: Insights for Philanthropic Funders*, addresses lessons learned specifically for grantmakers in this space or those investigating the sustained collaboration strategy.
The sustained collaborations investigated produced some remarkable outcomes:

- greater innovation or new approaches to programs
- growth of existing programs to reach more people
- new funding from sources other than Sustained Collaboration Network initiatives
- launch of new projects that organizations could not have completed by themselves
- greater efficiency by sharing resources
- policy wins at the state level
- increased capacity to meet the demands of the served population
- development of community assets
- improved service quality

These case studies demonstrate key lessons, depending on the collaboration type (FIGURE 1).

**FIGURE 1**

*Key lessons by collaboration type*

<table>
<thead>
<tr>
<th>TYPE</th>
<th>KEY LESSONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Organizations</td>
<td>1. Be clear about goals. Merging does not necessarily lead to greater efficiencies, and there are a variety of possible goals.</td>
</tr>
<tr>
<td></td>
<td>2. Learn about the possible forms of integration and choose carefully, based on your goals, the types of assets attached to the acquired program or organization, and the risk you will assume.</td>
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<td></td>
<td>3. In the integrations we examined, none of the acquired programs or assets had sufficient funds to cover the program or integration costs over three years, and most didn’t have funds to cover the first year.</td>
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<td></td>
<td>4. Involve as many layers of the organization as possible. If you are going to integrate boards, ensure they are included. Involving staff early in the process leads to fewer issues.</td>
</tr>
<tr>
<td>Shared Services</td>
<td>1. Evaluate potential partnerships based on assets available that may lead to efficiencies. Consider both organizations with transactional relationships and other organizations with similar operations as potential partners.</td>
</tr>
<tr>
<td></td>
<td>2. Build the collaboration organically, focusing on how assets can meet partners’ needs.</td>
</tr>
<tr>
<td>Shared Programs</td>
<td>1. Start small and with little risk. Build on success.</td>
</tr>
<tr>
<td></td>
<td>2. Ensure commitment from senior leadership.</td>
</tr>
<tr>
<td>Alliances/Networks</td>
<td>1. Allow the goal to guide the alliance/network design. For example, the client or community experience is at the center of the work in a systems alignment network. Developing deep leadership trust and commitment is critical to policy and learning networks, since both require significant adaptation.</td>
</tr>
<tr>
<td></td>
<td>2. Acknowledge management dilemmas, such as managing the level of commitment from partners and managing tensions between organizations.</td>
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<td></td>
<td>3. Dedicate staff to the alliance/network.</td>
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</tbody>
</table>
## FIGURE 2
Sustained collaborations in this study

<table>
<thead>
<tr>
<th>TYPE</th>
<th>CASES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Integrated Organizations</strong></td>
<td>Asian Youth Center/Youth &amp; Parent Leadership Development Programs</td>
</tr>
<tr>
<td></td>
<td>Share Food Program and Uplift Solutions (Philly Food Rescue)</td>
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<td></td>
<td>Outreach House</td>
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<tr>
<td></td>
<td>Rebuilding Exchange</td>
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<td></td>
<td>Andy Roddrick Foundation and Learn All the Time</td>
</tr>
<tr>
<td></td>
<td>United Way for Greater Austin and Children’s Optimal Health</td>
</tr>
<tr>
<td></td>
<td>Beyond Foundation and Meet Me at Maynards</td>
</tr>
<tr>
<td></td>
<td>Full Spectrum Features</td>
</tr>
<tr>
<td><strong>Shared Services or Programs</strong></td>
<td>Early and Out of School Time Staffing</td>
</tr>
<tr>
<td></td>
<td>Kingsley Association</td>
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<tr>
<td></td>
<td>DEI for Civic Leaders in Arizona</td>
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<tr>
<td></td>
<td>Arts Access</td>
</tr>
<tr>
<td></td>
<td>One Voice for the Arts</td>
</tr>
<tr>
<td></td>
<td>Pennsylvanians for Modern Courts</td>
</tr>
<tr>
<td><strong>Alliances and Networks</strong></td>
<td>Spaces of Opportunity</td>
</tr>
<tr>
<td></td>
<td>Philanthropy California</td>
</tr>
<tr>
<td></td>
<td>DVBeds</td>
</tr>
<tr>
<td></td>
<td>Plunum Health</td>
</tr>
<tr>
<td></td>
<td>Sisters Place</td>
</tr>
<tr>
<td></td>
<td>Phoenix Youth Arts Collective</td>
</tr>
</tbody>
</table>

Case studies for each of the above are available on the Sustained Collaboration Network website (sustainedcollab.org).
Collaboration among nonprofit organizations has gotten a bad rap. Many nonprofit leaders have become disenchanted with mandates and incentives to collaborate without a goal. After all, many collaborations are unsuccessful.

However, this does not mean that collaboration is not a strategic tool for achieving significant social impact goals. This report takes a deep dive into what makes sustained collaboration work. The report details how collaborations with documented positive outcomes use resources to explore and manage their collaboration, structure their work to overcome obstacles, and evaluate their success.

This report chronicles how 14 collaborations with documented positive outcomes differ from 6 collaborations without them. This report describes three types of sustained collaborations:

- **Integrated organizations** describe a merging of all or part of two or more organizations. Common types include asset transfers, change of control, and statutory mergers.

- **Shared program or service collaborations** are undertaken by autonomous organizations. Shared program collaborations pool resources to create a project, program, or service that produces a joint outcome. In shared service collaborations, organizations coordinate to address a common organizational need more efficiently or effectively than they could on their own. They may pool certain organizational functions or share space.

- **Alliances and networks** refer to groups of three or more organizations working together to achieve a common goal. These organizations balance partnerships with other groups and the organizational autonomy necessary to fulfill their independent missions.

This report focuses on the interaction between funding initiatives and the collaborations they support. The first part of this report details the funding policies and grantmaker practices that catalyze sustained nonprofit collaborations. The second part of this report focuses on proposal evaluation guidelines for different types of sustained collaborations.

This report is written so that readers can learn from their experiences. More importantly, the goal of this research is to inspire social impact leaders and consultants to consider sustained collaboration for their organizations.

This research used a comparative case design method. This method requires gathering similar case studies. There must be enough cases to ensure a common conclusion among similar cases. No definitive conclusions are possible by analyzing only one case.

In addition, the design insured collaborations without documented positive outcomes did not apply the same practices as collaborations with positive outcomes. To that end, this research included a small set of collaborations that were not implemented, quickly dissolved, or had not yet demonstrated documented positive outcomes in the study.

Initiative managers from the Sustained Collaboration Network nominated 60 collaborations they had funded. Leaders of 45 collaborations agreed to participate in a 30-minute screening interview.

All 45 collaboration leaders participated in a 30-minute interview to review the history and results of the collaborations. Most of the collaborations (58%) were mergers or other types of integrated organizations, with fewer shared service/joint programming (22%) and alliances/networks (20%)
participating. Of the 45 screened collaborations, 33 (73%) had quantifiable or documentable evidence of success (see FIGURES 3 & 4).

Twenty collaborations were selected for a comparative case analysis. Out of these 20, 14 collaborations had quantifiable or documentable outcomes, and 6 did not. Six collaborations were alliances/networks, 6 were shared services/programming, and 8 were mergers/integrated organizations. They varied in size, collaboration model, region, and social issue, but they were similar enough to draw meaningful comparisons. More than 70% of collaborations studied had BIPOC executive or board leadership involved. The large number of collaborations with organizations with combined budgets over $10 million reflect the presence of several multi-organization alliances/networks.

These collaborations addressed social issues including human services, food insecurity, domestic violence, and workforce development. These collaborations also worked in healthcare, the arts, philanthropy, and education. They were funded by seven SCN member initiatives throughout the United States.

The 20 collaborations selected participated in a more extensive case study. For these collaborations, researchers conducted at least three interviews and studied archival records, such as financial reports, grant proposals and reports, and MOUs/contracts. During this phase, research staff conducted 30-minute interviews of seven initiative managers, 11 board members, 42 staff members of social impact organizations, and 15 consultants or other professionals who supported the collaboration.
This study compared 14 cases with demonstrable positive outputs or outcomes for the organization, collaboration, or community that could reasonably be attributed to the collaboration with six that could not demonstrate positive results. Examples of these outcomes included:

- greater innovation or new approaches to programs
- program growth
- new funding from sources other than Sustained Collaboration Network initiatives
- new projects that organizations could not have completed by themselves
- improved efficiency by sharing resources
- policy wins at the state level
- increased capacity to meet the demands of the served population
- community asset development
- improved service quality

In contrast, the cases without positive outcomes varied. These collaborations never launched, were dissolved, or had yet to demonstrate positive outcomes.

One key insight from this study is that collaboration outcomes depend not only on the type of collaboration, but also on the theory of change associated with the collaboration. Theory of change describes how the alliance/network's activities result in positive outputs.

### FIGURE 5

**Outcomes by collaboration type**

<table>
<thead>
<tr>
<th>INTEGRATED ORGANIZATION</th>
<th>Outcome: Program Growth</th>
<th>Example: Asian Youth Center expanded from serving 200 families in 4 schools to 2,000 families in 12 schools after acquiring the Youth and Parent Leadership Program.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome: New Funding</td>
<td>Example: Rebuilding Exchange attracted over $1 million in state workforce grants within a year of merging.</td>
<td></td>
</tr>
<tr>
<td>Subtype: Asset Transfer</td>
<td>Outcome: Program innovation or quality improvement</td>
<td></td>
</tr>
<tr>
<td>Example: Outreach House co-located its food pantry, clothing closet, emergency assistance, and infant care programs to a single location, increasing service visits by 73%.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SHARED SERVICES</th>
<th>Outcome: Greater efficiency by sharing assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Early Childhood and Afterschool Time Staffing improved staff retention from 50% to 76% and made 85 staff placements with member organizations last year.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SHARED PROGRAMS</th>
<th>Outcome: Program-related outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Arts Access, a joint project of KERA and the Dallas Morning News, news coverage across their properties and engaged 59,000 digital visitors in summer 2023.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ALLIANCES/NETWORKS</th>
<th>Theory of Change: System Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome: Better quality outcomes for community or clients</td>
<td></td>
</tr>
<tr>
<td>Example: DVBeds improved shelter placements for domestic violence victims and reduced trauma, with over 50,000 annual logins from organizational partners.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Theory of Change: Policy Advocacy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome: Policy wins</td>
<td></td>
</tr>
<tr>
<td>Example: Philanthropy California established a new philanthropy liaison in the governor's office.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Theory of Change: Learning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome: Quality Improvement</td>
<td></td>
</tr>
<tr>
<td>Example: Plunum Health, comprising three federally qualified community health centers, improved services and innovation in telehealth, compliance, and AI-supported case management.</td>
<td></td>
</tr>
</tbody>
</table>
Integrated organizations describe a merging of all or part of two or more organizations. There are three common types:

- **Statutory merger**: the acquiring organization takes over the assets of the acquired organization.
- **Change of control**: the acquired organization is owned by the acquiring organization but remains a separate entity.
- **Asset transfer**: a part or whole of one organization is donated to another. Asset transfers for nonprofit organizations are common when a program is transferred from one organization to another.

This research highlights six integrations with documented positive outcomes. Three of the integrations were asset transfers, and three were statutory mergers. In asset transfers, programs improved and grew due to the transfer. In mergers, more clients were served because of the merger, and the merged organization attracted new funding.

**Key Lessons for Integrated Organizations**

*From these six cases, 4 key lessons emerge:*

**LESSON 1**

**Set strategic goals.**

In each case with documented positive outcomes, the acquiring organization developed a clear strategy. They considered their goals, and after a period of exploration, decided that the acquisition was a wise decision. After all, merging does not necessarily lead to greater efficiencies, and there are a variety of possible goals.

One example is the asset transfer of the Philly Food Rescue from Uplift Solutions to the Share Food Program. When Atif Bostic, President and CEO of Uplift Solutions, approached George Matysik, Executive Director of Share Food Program, about the asset transfer, Matysik was already considering acquiring a food rescue program. Matysik explained that “going into the food rescue space was something we really wanted to do. We were actively pursuing the technology, and we were actually reaching out to a couple of other food rescue organizations in the area, and we were also discussing mergers with them.”

Similarly, when Michelle Freridge, Executive Director of the Asian Youth Center, became aware that the Parent and Youth Leadership Program would lose its fiscal sponsor, she began looking for a way to make a cultural shift for the Asian Youth Center. She explained, “Historically, AYC has been just a direct service organization, and our initial funding and kind of affiliation was actually with law enforcement to do gang prevention, gang intervention, gang suppression, and with more of a traditional social service identifying gaps and then providing services that meet those gaps as opposed to advocacy and empowerment.” Freridge recognized that the funding landscape was changing, as were practices of working with at-risk youth.

Carrie Harlow, Director of the Nonprofit Sustainability Initiative, concurred, “Asian Youth Center was historically a probation-funded criminal justice program. The probation-funded programs are ending, and they’re moving towards a diversion and empowerment model. The Youth and Parent Leadership development culture and programmatic approach will be helpful for Asian Youth Center in making this evolution.”
Similarly, Outreach House was birthed out of a concern for clients. By merging the four different programs and co-locating them in one space, they were better able to meet their clients’ needs. Since the merger, they have served more clients and clients receive more comprehensive service.

**LESSON 2**

**Consider the type of integrated organization.**

Many nonprofit board members and senior staff are familiar with mergers but are unaware of the different types of integrated organizations. Social impact leaders should learn about the possible forms for integrating the organizations and choose carefully, based on their goals, assets of the acquired program or organization, and the degree of risk they are willing to assume.

Laura Solomon of Laura Solomon, Esq. and Associates (who provided technical assistance to Share Food Program) explained why asset transfer was the right choice for her organization.

“In contrast to a statutory merger, where we’re merging one entity into another, or even a change of control transaction, where liabilities of the merging entity or subsidiary remain and can arise in the future, in an asset transfer, there’s no need for a deep dive on due diligence. The scope is much narrower and contained, and we focus on due diligence of the program and assets only — rather than the entire organization. In contrast, if your agency is merging with or becoming the parent or subsidiary of another, rigorous due diligence is needed to make sure that the merger partner or affiliate is healthy, reputable, and has no significant or contingent liabilities. That means that we want to see every contract, set of board and committee minutes, all tax filings, litigation reports, every iteration of your articles and bylaws, your IRS Form 1023 Exemption Application, IRS exemption determination letter and related correspondence, employment records, and contracts and donor records.

A subsidiary structure, if done properly, shields the parent entity from the liability of the successor. Nevertheless, we do a level of diligence similar to a merger transaction because, while the parent may not directly inherit the subsidiary’s liabilities, it is taking on the responsibility and oversight of it and will have consolidated financial statements. If there is a contingent liability like a class action lawsuit filed later, or a bank default because the subsidiary didn’t obtain the bank’s prior written approval for the transaction, as required by its line of credit agreement, the parent will have to deal with it.”

**LESSON 3**

**Ensure sufficient operating reserves.**

Social impact leaders may not always understand the capital expenditure required to acquire another organization. Although the acquiring organization does not pay for the asset or the organization they are receiving, there are significant costs. Even when the assets included cash, social impact organizations in our study did not make money through the acquisition. None of the integrations we examined gained enough funds through the transfer to cover the complete costs of the program. As Executive Director of the Rebuilding Exchange, Aina Gutierrez, remarked, “You don’t save money in a merger. The expenses just got bigger.”

Having sufficient operating reserves to cover costs, especially in the first year of the integration, is key, according to Michelle Freridge, Executive Director of the Asian Youth Center (AYC). When AYC acquired the Youth and Parent Leadership Program, the program only had capital to last a few months. AYC covered about a year’s worth of operations from reserves before they could find funding to support the program.
Lesson 4

Involve board and staff from the beginning.

The biggest challenge we heard from social impact leaders in the integration process was the merging of two different work cultures. In cases with documented positive outcomes, leaders worked hard to ensure a smooth transition. They were involved in as many layers of the organization as possible. If the integration involved the boards, they also participated in the planning phase. Involving staff early in the process leads to fewer issues in the future.

Though this participatory approach was evident in all 6 successful cases, the Rebuilding Exchange merger was emblematic of this strategy. In the beginning, Lauri Alpern, founder of Open Door Advisors, helped design a participatory merger exploration process.

“Our aim was to take stock of the organizations individually and collectively for a few different purposes. Number one was getting the boards and staff acquainted with each other. Number two was really to understand the state of each organization and five key areas: strategy, workforce development, talent, board governance, and financial sustainability. Those five areas seem to represent the core areas of strategic operations and viability for nonprofit social enterprises operating workforce development programs. And so, we engaged in a process with a joint committee of the boards of both organizations to begin discussing them.”

That process continued even after the merger. Aina Gutierrez, Executive Director of the Rebuilding Exchange, summarized her approach: “The people piece could not be understated, even things like deciding our new name and logo. We put things up in the conference rooms, and people voted. I’m not going to wear the brand every day as executive director. But I have people who are going to wear the brand every day. I need them to be proud of it. I need them to understand what it represents.”

AYC staff, students, and schoolteacher allies who helped with the health clinic at Wilson High.
CASE: ASSET TRANSFERS

Although they conducted asset transfers in different social issue domains and different areas of the country, the Asian Youth Center, Share Food Program, and Andy Roddick Foundation’s program acquisition was similar. Both the Asian Youth Center and the Share Food Program acquired a program from another organization as an asset transfer. The Asian Youth Center acquired the Youth and Parent Leadership Program after Asian Americans Advancing Justice decided to refocus its programs and no longer act as its fiscal sponsor. The Share Food Program acquired the Philly Food Rescue program from Uplift Solutions after the organization began strategically refocusing. The Andy Roddick Foundation acquired the assets from Learn All of the Time and the original organization dissolved.

All organizations were interested in acquiring the programs to refocus their organizations strategically. Asian Youth Center wanted to move from a probation-funded criminal justice program to a diversion and empowerment model. The Share Food Program wanted to enter the food rescue space to have greater food acquisition and distribution flexibility. The Andy Roddick Foundation wanted to focus on out-of-school time.

Thanks to these transfers, all these organizations were successful. The Asian Youth Center attracted funding for the program and grew the organization. In 2019, before the merger, AYC recorded $2.2 million in contributions and grants. Their 2023 projections are $6 million. After the first year, they secured a $1 million grant to support the Youth and Parent Leadership Program. The program went from serving a couple hundred families in 2019 to almost 2,000 in 2022, as well as expanding from 4 to 12 schools.

The Share Food Program also enjoyed success, with the Philly Food Rescue expanding significantly. Before COVID-19, the Philly Food Rescue program gathered about 45,000 lbs. of food a month (excluding some distribution from the USDA Farmers to Families Program). In 2023, the program rescued 500,000 lbs. and volunteers deliver around 110,000 lbs. of food monthly. Receiving food from Philly Food Rescue partners allowed more people to access the food, including those who were undocumented and unwilling to sign a form to get food.

The Andy Roddick Foundation gained a network of about 40 out-of-school time providers. Through professional development workshops and a program evaluation, the foundation disseminated and implemented their model of a quality after-school program. Through their acquisition of Learn All the Time, they were able to scale their program more quickly.

These successes demonstrate that asset transfers can be a powerful way for social impact leaders to achieve their strategic goals. Because asset transfers are simpler than other types of integrated organization arrangements (see KEY LESSON #2), they can be completed relatively quickly.

Philly Food Rescue is an asset that was transferred from Uplift Solutions to Share Food Program.
In 2019, the Evanston Rebuilding Warehouse and the Chicago Rebuilding Exchange began exploring a potential merger. Supported by an exploratory and implementation grant from the Mission Sustainability Initiative, a member of the Sustained Collaboration Network, the programs worked together and determined that a merger made sense for both organizations. In January 2020, the boards of the organizations approved an intent to merge.

2020, of course, was the year of the COVID-19 pandemic. Both businesses closed briefly and paused the merger. Since it was an essential business, the Evanston Rebuilding Warehouse was fully operational by August 2020. The Rebuilding Exchange was operational shortly after. At that point they decided just to keep going.

In the second phase of the project, the joint board worked on three committees: program, finance, and fundraising. Both boards created an integration plan that would become a shared strategic plan for the new organization once the merger was complete.

The merger was finalized on March 1, 2021. The organizations could have merged earlier, but both had received economic injury disaster loans. Completing the merger earlier could have violated their loan conditions.

However, legally completing the merger was only part of the process. Gutierrez quickly realized that the merger meant she was, in some ways, creating a new organization.

“We weren’t just putting together two halves and then stitching it. We put two halves together, and it made a new thing. It was almost starting a new organization. We developed a new vision, a new mission, and a new set of values … We are now regional. How do we operate two stores seamlessly? What does our data look like? What’s our name? We started a new chart of accounts and Quickbooks because neither chart of accounts made sense for accounting. So, it felt like we were starting something new in the merger. I don’t think I anticipated that at the time.”

The results of the merger were impressive. In 2020, the Evanston Rebuilding Warehouse and the Chicago Rebuilding Exchange had expenses of $1.1 million and $815,000 respectively. After the merger in 2021, the newly created organization had expenses of $2.25 million. In 2022, the newly merged Rebuilding Exchange received $500,000 from Illinois Works and a second contract of $575,000 over two years. Their budget in 2023 was just under $3 million.

One of the biggest successes of the merger was the expansion of the workforce development program. Six months after the merger, the state of Illinois announced funding opportunities for workforce development and building trades tied to the capital plan. The Rebuilding Exchange applied for these grants and received two state contracts, something that neither individual organization had been able to do before. Gutierrez credits the merger. “I’m not convinced that either entity on our own would have gotten it. We didn’t have the staffing and size to administer and accomplish outcomes for a state contract.” The workforce development program went from serving 36 people to serving over 100 people. They added a pre-apprenticeship program thanks to the funding.

Elizabeth Schuh, then board member of Chicago Rebuilding Exchange and now a member of the newly merged board, concurred that, “The big star in the merger has been the workforce development.” Both the scale and quality of the program improved. “Now, we are building connections with the unions to make sure that our pre-apprenticeship training results in going into a full union apprenticeship. We’re working with those unions and talking about their trajectory. We’re trying to aim our trainees into jobs with better long-term prospects.”
In 2019, Hester Bury was working hard as a volunteer for a food pantry in the United Methodist Church in Lombard, Illinois. Within a couple of blocks, there were many services for those experiencing material hardship, but these services lacked coordination. Hester explained,

“Two different churches, one housed the food pantry and the clothes closet. The other has infant needs (diapers, infant clothing, and infant hygiene) and emergency assistance. We were literally across the street from each other, and we knew that a lot of guests were going to both locations. But having to go here one day and another place the next because we weren’t open at the same time, which didn’t seem to make sense.”

Neither location was ADA-accessible, which was a problem for volunteers and guests with disabilities. Because the food pantry was part of the 501(c)3 of the United Methodist Church and the church council had to approve every decision, the group was limited in its fundraising. A merger of the program seemed like a wise choice.

Exploring a merger

The group applied for and received an exploratory grant from the Mission Stability Initiative (MSI), a member of the Sustained Collaboration Network. The MSI also provided a consultant and pro-bono lawyer who worked with the group. Referrals like these are essential for nonprofits looking to merge or engage in other types of sustained collaboration.

The group worked with Jessica Bullock, formerly of AltruNext. The merger talks happened virtually, due to the COVID-19 pandemic. “As a committee, we met mostly in somebody’s backyard outside, but we were on Zoom with the consultant. She laid out a thoughtful plan over six months of the milestones we needed to hit in terms of the legal piece of merging the two organizations. I think, really, we just needed that structure.”

Both organizations were small. Neither had full-time staff, and there were no substantial assets to manage. In some ways, mergers between small organizations can be simpler than those between large ones and can move much faster.

The merging of the Outreach House with the Lombard/Villa Park Food Pantry and the Clothes Closet at First United Methodist Church was completed in August 2021. The result of the merger was an increase in net assets from $80,000 to $225,000 in the first year.

All under one roof

In August 2022, Outreach House joined the four programs in a building on Main Street in Lombard.

The facility was a significant improvement. To begin with, it had one floor and was ADA-compliant. Second, the location on Main Street made the organization much more visible. Most important, however, was that all organizations were finally in the same building.

The co-location of services has been transformative for guests. Jean Stawarz, a volunteer who helps manage the clothes closet, describes the transformation:

“It’s wonderful to know they can come in and get help with a water, gas, or electric bill. They can get the clothes they need for the month and the food they need for the week. They can come for diapers. People have taken advantage of a variety of services. When we first opened and they realized that we were all together in one building, we got such positive feedback from people.”
Bury concurred: “The guests love it. They love being able to shop and choose their own groceries ... Our goal was to provide a better service.”

As a result of the merger, there has been a significant increase in the number of families served, the number of times those families visit, and the number of resources they receive. In 2022, Outreach House served 3480 unique families (10% increase since 2021) over 11,949 visits (73% increase since 2021). They distributed 747,959 pounds of food (41% increase), 102,869 diapers (48% increase), and 600 winter coats (194% increase). Piatt-Eckert reflected on their accomplishments, “I think one of the obvious things was the almost immediate increase in service population that they experienced. I think that’s sort of the most measurable and why they reported it. But also, a really clear indicator of the impact they have.”

Community funders and supporters have also recognized the difference. Stawarz remarked, “I have been very, very positively impressed with the community. People have really stepped it up. We have a lot of local businesses that their employees will come and volunteer with us for a day. We have schools that will do little projects for us. The response has been fantastic.” In addition, in 2023, Outreach House became a top-rated nonprofit by Great Nonprofits and was awarded an NBC Universal Local Impact grant.

The Outreach House demonstrates how mergers can make a larger social impact by prioritizing the client experience. The new organization provides a better quality of service for clients. Both the community and funders have recognized the valuable impact Outreach House is making in Lombard, Illinois.
Mergers and asset transfers are an often-overlooked strategic tool to innovate and build capacity. The 2022 merger between the United Way for Greater Austin and Children’s Optimal Health (COH) is a clear example. Through this merger, these organizations combined their expertise to form and manage a coordinated health and human service network – Model Community.

Children’s Optimal Health (COH) is a collective leadership initiative that promotes community change to help children in central Texas. The organization excels in data acquisition, maintaining a secure data environment, and implementing Geographic Information Systems (GIS). The organization uses deidentified proprietary data to create maps that are overlaid with various data points. These maps allow leaders to identify “hot spots” for further investigation and intervention. Susan Millea, then interim executive director at COH, describes the utility of these tools: “In one project, based on developmental assessments we could identify at a neighborhood level where children were lagging and would struggle to succeed in school before they even entered school. We mapped the geography at the neighborhood level, noting the early childhood desert in the area.”

Though the program was innovative, the merger was too specialized to sustain long-term, especially as GIS technology became more available. Susan McDowell, a board member at COH, remarked, “My impression of what we were experiencing at COH was a core strength and purpose that is very relevant for the community, but not perhaps enough to be able to sustain the weight, expense, and effort of an entire organization.” In 2019, COH’s longtime executive director retired. The board approached Millea to serve as the interim executive director and to “find an exit strategy for COH that could still sustain the value of the work.”

The COH board considered many possible partners, but it was most enthusiastic about working with the United Way for Greater Austin. In 2020, COH partnered with United Way to analyze and map their 211 program data points to regularly update by ZIP code the changing patterns of need identified beginning just prior to the COVID pandemic and beyond, creating a shared community tool for localized COVID response. In addition, the United Way for Greater Austin executive director joined the COH board.

From the United Way’s perspective, there were two critical advantages to merging with COH. Amy Price, Vice President of the Navigation Center at the United Way for Greater Austin, explained them:

“We were looking at COH as having the potential to strengthen several projects through this merger. Model Community could be strengthened, and other efforts could be strengthened through a merger. Their board had many leaders of large nonprofits, superintendents, city and county leaders, and healthcare executives. A lot of those individuals were also participating in the Model Community space. Some conversations were starting to overlap a little bit. So, there was an opportunity to utilize that board’s time and potential better. And the data analysis and evaluation capacity of that team. We missed that with many of our navigation services and Model Community efforts.”

In short, according to Millea, “there were skills and talent that were held at COH that the United Way didn’t have. And there were resources and other skills and assets that the United Way had that COH lacked.”
Progressing toward merger

Despite the interest of both parties, the process stalled. Millea admits that she was stuck. She could not find the solution to several issues. Perhaps the thorniest of these issues was ensuring how the proprietary, FERPA-sensitive, and HIPAA-sensitive data that COH held would remain secure during the merger, and how to manage existing legal agreements related to the data. After all, the United Way for Greater Austin was not yet HIPAA-compliant. After a few months, a board member suggested that COH and the United Way for Greater Austin approach Austin Together.

Austin Together, a member of the Sustained Collaboration Network, supports various collaborative initiatives, including mergers. McDowell explained:

"Part of the Austin Together Fund process is that they’ll give you money for different levels of planning. They’re awesome. They ask, ‘What do you need?’ And they might weigh in a bit on what they think is advisable. ‘Oh, you need an attorney to look at legal implications or an excellent facilitator to get board members.' It’s going to be different for everybody. They are very, very savvy about providing just the right level of direction and support.”

Millea agreed: “[Austin Together] was an opening for me because if we could be successful in our approach to them, I could find the resources I needed to help me with my mental block. These were fundamentally legal issues and I’m the HIPAA officer. So, I wouldn’t budge until we got this one done. And so that’s what helped to unlock my thinking.”

A Guide on the Side

One of the unique aspects of partnering with Austin Together was the use of community guides. These volunteer guides were senior executives of other organizations who had completed mergers or had expertise in the topic. Karen LaShelle, executive director of Austin Together, explained, “Our guides tend to be the most involved in the first stage. Many of our groups barely bring in consultants in that first stage, if at all. [In the early stage], it is values alignment, defining the why, and figuring out the right people in the mix. It’s more emotional than tactical.”

Susan McDowell and Trish Young Brown, a CEO with an extensive background in healthcare, served as guides. It’s highly unusual for a board member in a merger to serve as a guide. However, thanks to McDowell’s extensive knowledge of mergers, both parties quickly agreed that she should fill the role. McDowell explained:

“I felt that I gave the United Way and Children’s Optimal Health just the right amount of support. One of the things I love about being a guide is you could just show up for whatever they need. If one of the executive directors needs to call and say, ‘Okay, I just need to talk this through,’ … I don’t want them worried about the project. It’s the safe place to ask whatever you need to ask as you’re finding your way through this process in a self-determining way. And having been in the place of those executive directors numerous times, I know how valuable it can be to have a party just as vested in getting to the best outcome of this discernment process.”

Consultants

Guides provide general support, but consultants also play an important role in mergers. Austin Together provides funds to hire the necessary consultants and technical experts to successfully complete a merger. In this case, the two organizations hired Woolard Nichols Torres Consulting. The consulting firm conducted a series of interviews to assess the critical concerns of stakeholders and the due diligence required.

During due diligence, the consultants examined contracts, data, staff, and board governance transitions. The due diligence included a financial
review and cost and revenue projections over the two years following the merger. The analysis showed that at the end of FY 2023, a year after the merger, COH would only have $8,000 in reserves. In FY 2024, the program would operate at a $90,000 loss.

Carol Johnson, associate at Woolard Nichols Torres Consulting, worked primarily on the financial review. She said, “I think that there were major challenges in terms of funding going forward and the partners committing funds. They had committed funds in prior years and saw much of that work as done. They had to change priorities, and their funds’ commitments were a moving target. The difficulty in the financial projections was that we could see that we had enough to fund this project for about a year, but after that, there had to be other types of funding. So that was a risk to United Way.”

In addition to the financial aspect, there were concerns about maintaining the validity of the work. Ingrid Taylor, a former COH board member, described the situation: “We, the board, didn’t know what the United Way’s capacity to absorb a new entity was, and so it was imperative that Susan Millea and Dan Millea, with their incredible level of expertise and knowledge and experience with data and specifically data that COH held, should be considered as a valuable resource.”

Woolard, a principal at Woolard Nichols Torres Consulting, concurred: “I think that the biggest concern we heard, especially from the COH board members, was that COH would disappear within the larger United Way structure.” Many of these conversations centered around the issues of decision-making and control. In the initial plan, the COH board would become an advisory council member. Ultimately, the organizations agreed to place 1-2 COH board members on the United Way for Greater Austin board.

However, both organizations also needed to reach an agreement on the new roles of the two remaining COH staff, Susan Millea and Dan Brown’s roles. Brown joined the data and evaluation team at the United Way, while Millea became the Model Community Backbone director of strategy, data and evaluation. Ingrid Taylor, a former COH board member, also joined the United Way as Chief Impact Officer. Taylor noted, “It’s unusual in my experience for a merger to work where a person leading a nonprofit voluntarily demotes herself like Susan Millea did. And she did that with a lot of humility, grace, and enthusiasm. And I haven’t witnessed many things like that. I don’t think it would have worked in the way it has with other “personalities.” Millea noted, “I have plenty of ego strength. I know who I am and what I want to do. I’m purpose driven and not entirely vested in my role in any organization.”

The outcomes

The two boards finalized the merger in May 2022, and Millea and Brown joined United Way shortly after. Millea and Brown greatly contributed to the team at the United Way. According to Price, Brown “has been responsible for building a 211 dashboard. There are lots of other pieces of COH work that he has integrated into our work, and then he has added value in other projects as well.” Taylor concurred: “Just in terms of the people assets, we’ve seen huge value in having the two of them on staff in terms of the work they did ... I don’t think Model Community would be where it is without Susan Millea, not to diminish anyone else working on it. It’s just that she adds a lot of value.”

United Way provides backbone support for Model Community, a collective impact effort to address the local policies, systems, and resource limitations which make it difficult to access needed care and services, and thus perpetuate racial and health disparities. They convene members of marginalized communities, community organizations, health clinics, and education institutions to offer more holistic delivery of social services.” The framework, which relies on the ConnectATX platform, gives providers a comprehensive view of individuals’ needs and allows them to coordinate cross-organizational support. And the new data systems benefit from the expertise gained from the COH merger. Though Model Community is still new, it has the potential to become an exemplar for integrated data systems that are more community led.
Consultant’s Toolbox for Integrated Organizations

Most integrated organization efforts require legal counsel and operational consultants. Nonprofit leaders do not always know what they need, since the integration process is often less familiar than strategic planning or project evaluation. Kate Piatt-Eckert, Director of the Mission Sustainability Initiative, explained, “If you need a strategic planning consultant, you know how to Google strategic planning consultant. However, developing partnerships requires so many different levels of expertise that organizations typically engage in once in their careers.”

A legal counsel conducts due diligence evaluation. As Laura Solomon (see KEY LESSON #2 in this section) highlights, due diligence evaluates the assets of the entity to be acquired, identifies liabilities, and investigates potential risks. The degree of due diligence depends on the type of integrated organization, with statutory mergers requiring the greatest level of evaluation and asset transfers the least.

In contrast, management consultants focus on addressing the operational or staffing issues arising from the acquisition. In the cases with documented positive outcomes, management consultants conducted exploratory analyses with the board and staff, identifying areas of common ground and potential misalignment. They created a project management timeline, provided technical assistance with shared software systems, and offered strategic planning for the new shared entity.
Shared Projects and Services

Unlike integrated organizations, nonprofits maintain their autonomy during shared project and service collaborations. Instead of merging, they find ways to collaborate. In shared project collaborations, both organizations offer resources to create a project, program, or service that produces a joint outcome. In shared service collaborations, organizations coordinate to address a common organizational need more efficiently or effectively than they could on their own.

This research highlights two case studies with documented positive outcomes. Arts Access, a collaboration between the Dallas Morning News and KERA, an NPR affiliate, is the first joint project. In the second project, 9 professional development organizations across Arizona joined to create a DEI professional development curriculum for civic leaders. The two shared service collaboration cases are Early Childhood and Out-of-School-Time Staffing (ECOST) and a unique set of co-located relationships among organizations in the Kingsley Association.

Key Lessons for Shared Project Collaborations

There are two key lessons for shared project collaboration.

Lesson 1

Ensure commitment from senior leadership.

For both Arts Access and the DEI Curriculum Project, commitment of senior leadership was crucial to success. For Arts Access, the cooperation started at the top: KERA President and CEO Nico Leone, the CEO of DallasNews Corporation, and President and Publisher of The Dallas Morning News, Grant Moise. The leaders became personal friends and communicated their commitment to the project. Their staff enjoyed a great deal of freedom to try new things and flexibility to use their resources as they saw fit.

Similarly, senior leader commitment was essential in developing the DEI curriculum for civic leaders. Each leader in the 9-organization collaborative sought approval from their boards before continuing. However, not every board was initially willing to collaborate. Scott Koenig, Executive Director of Arizona Center for Rural Leadership, explained: “My board did not want to go in on a press release about it before we had created the curriculum. Their point was that they hadn’t seen the curriculum yet, so they didn’t want to put their name on it ... but the [collaborative] never made me feel like an outsider.” Eventually, the board approved the curriculum, and the Arizona Center for Rural Leadership became one of the first programs to test it.

In contrast in one of the cases without positive outcomes, Pennsylvania for Modern Courts, the collaboration didn’t have buy-in from senior leaders of their partners. Their legal advice hotline was going to be promoted by community organizations. However, the community partners did not receive direct compensation for their work. They were offered gift cards to distribute to community members, but the organizations received no direct support. According to Michelle Jordan, Director of External Affairs, this lack of compensation was not apparent at the beginning. “They thought they would receive funding by being part of this collaboration.” Without adequate outreach, the hotline received very few calls.
Lessons 2

Start small and avoid large risks.

Both project collaborations with documented positive outcomes were considered low risk. Low-risk projects provide the opportunity to test the collaboration and, depending on the results, expand the scope or depth of the collaboration in the future.

Low-risk projects can be catalysts for building relationships among organizations. Nora Hannah, Director of Arizona Together for Impact, noted that building collaborative connections among Arizona’s nine civic leadership programs was a priority when considering the application. Hannah noted, “We are not here to build curriculum. We are here to build collaborations.” Evidence of new collaborations among organizations was evident, especially among smaller rural organizations. Shereen Lerner, President of Tempe Leadership, explained that one of the best outcomes of the project was “getting to know these people. I feel much more comfortable. Because when you meet once quarterly and have an agenda, you pretty much go through the agenda, and you’re done. I think that this has created a much tighter community than we might have otherwise had.” Indeed, participants were looking for new ways to expand their collaboration. No one wanted to return to those quarterly meetings where they talked but did not collaborate.

Similarly, Arts Access was considered a low-risk partnership between the for-profit newspaper and the nonprofit KERA. The arts was a great place to start, partly due to its low risk. Jennifer Altabef, board member at KERA, explained: “Not as many people read arts coverage as much as I would like. It wasn’t going to be a colossal, visible failure if it didn’t work. It seemed extremely low risk.”

Ultimately, this paved the way for both organizations to develop stronger ties and create better coverage for the entire community. KERA President and CEO Nico Leone stated, “We’re not in an era where a single organization can meet the community’s needs for fact-based news. So, part of our motivation was to think about how we cover the Metroplex with partners.”

Arts Access is a joint project of KERA and The Dallas Morning News.
CASE: ARTS ACCESS

In 2020, Jennifer Altabef, a board member at KERA (a National Public Radio affiliate), introduced KERA President and CEO Nico Leone to the CEO of DallasNews Corporation and President and publisher of The Dallas Morning News, Grant Moise. Altabef is a passionate supporter of the arts. She thought both leaders could build a relationship and knew something more was possible, especially related to the arts. In 2019, The Dallas Morning News (owned by DallasNews Corporation) had laid off most of its arts reporters to cut costs. Altabef summed up the situation, “Resources had just been slashed and slashed and slashed, and there was just nobody covering arts consistently anymore.”

KERA took the lead in submitting a planning grant application to the Better Together Fund, a multi-funder collaborative dedicated to driving large-scale social change by supporting nonprofit collaboration. Margaret Black, Managing Director at LH Capital and a Better Together Fund’s steering committee member, was assigned to lead the discussion. She recalls:

“The opening line of their proposal says, ‘The arts in North Texas are in an existential crisis.’ The timing of when they came together is really important. It was about nine months into the pandemic. Journalism was already having its separate crisis. Arts patronage was imploding. No one was back in theaters, so I don’t think it was an exaggeration to say that a motivating factor was this existential crisis. Both of these stewards of local news realized that arts coverage was at risk of being cut. We were confident that funding the exploration of a collaboration was especially catalytic during that time.”

Although the Better Together Fund focuses primarily on nonprofit collaboration, the potential social impact of a partnership between a for-profit newspaper and a nonprofit was too compelling to ignore. In addition, KERA had previously received funding from Better Together Fund for another collaboration, creating a statewide newsroom where all the Texas NPR affiliates work together on national coverage. They had a successful track record, which bolstered the application.

KERA and The Dallas Morning News used the planning grant to hire Boston Consulting Group. The group helped both organizations identify risks and determine how to approach the collaboration. This technical assistance was vital in developing the collaboration. Leone summarizes, “Part of what helped us do that is making sure we understood what a do-no-harm approach to each of our businesses would look like. So, we were comfortable pursuing it. It gave us confidence that we could do it without damaging our business models. That was what we needed to move it forward.”

Leone and Moise assigned key staff to finalize the details. At The Dallas Morning News, Christopher Wynn, former Art Director, now Assistant Managing Editor Specialty Reporting and Innovation, and Thomas Huang, Assistant Managing Editor, were appointed. Anne Bothwell, VP, joined the team for KERA. The three met and made two critical decisions. Their partnership would allow them to raise money for arts coverage, and both organizations would jointly produce that coverage.

Bothwell and Wynn spent a lot of time brainstorming in those early days. They finally decided to learn by doing. Bothwell explains, “We decided to kick things off and figure out some of the mechanics of working together. We would collaborate on a series about the impact of the pandemic on the arts and culture scene. This was before we had hired an Arts Access team. That was even before we really had the Arts Access name. It helped us think through what some of the issues would be in the course of collaborating.”
There were many issues to resolve: different content management systems, styles, and newsroom cultures. Some of the differences were expected, and some were surprising. Huang of The Dallas Morning News explained: “The differences in newsroom cultures surprised me. I think public media, or at least at KERA, are very deliberative. They talk through things a lot, and then it feels like a slower pace than at The Dallas Morning News.”

The choice to define the collaboration by working on a coverage piece together before they had developed the operations was significant. Huang explained, “There needs to be a period where you’re learning about each other and actually doing real work together. And that work will surface these differences. You know everything from hiring to deciding coverage areas to when to meet.”

They began most of their pandemic coverage with existing staff. They hired a freelance editor, Kathy Lu. She worked with the two news organizations’ staff to start building the content. Together, KERA and The Dallas Morning News told “the biggest story in the arts,” Bothwell said. “And together, we created more impactful content than we would have separately.”

In late 2021, KERA applied for an implementation grant from the Better Together Fund for the newly formed Arts Access. This time, the grant was to extend Arts Access coverage to “help North Texans engage more deeply with local arts and culture through the lens of access and equity.” They received the grant and continued to expand.

It wasn’t until January 2023 that they had raised enough money through their joint fundraising efforts to hire Samantha Guzman as Coordinating Editor. The program staff are housed in both organizations. The coordinating editor is a Dallas Morning News employee. Guzman manages two Arts Access reporters, both of whom are KERA hires. The Arts Access team developed their collaboration significantly. For example, the team began using the copy desk of The Dallas Morning News. Both marketing teams had an independent relationship with Arts Access. According to Bothwell, this collaborative spirit only works if you “let go of your sense of the way things always are and think about what makes sense in this situation. You can only do that without ego.”

Although Arts Access had audiences across a variety of platforms, the digital audience was the easiest to measure. The Arts Access section on the KERA website had grown to just under 14,000 users in the summer of 2023, and Arts Access coverage was performing better than their other digital arts coverage. 45,000 users visited the Dallas Morning News Arts Access coverage the same summer. These numbers demonstrate that Arts Access reached a growing community of readers, telling stories about the health of the arts economy and examining the arts through the lens of access and equity.

In addition to their audience, Arts Access succeeded in getting new organizations interested in supporting arts journalism, supporting the collaboration beyond the Better Together Fund. Margaret Black, of the Better Together Fund, believed this was the collaboration’s most positive outcome. She said, “When it was first proposed, we anticipated the collaborative would augment existing resources among their two teams. We were thrilled and delighted that they collectively grew the resource pie because of the new business plan and outreach. The effort is now a fully embedded community-funded journalism initiative supported partly by new funders who had not previously invested in local arts journalism.”

This additional philanthropic support from funders, such as the Communities Foundation of Texas, was essential for both organizations. It could serve as a national model for covering important issues that traditional subscription models may not support.
Sustained collaboration is an underutilized tool to build the capacity and quality of out-of-school and early childhood education programs. But one innovative collaboration in Dallas, TX, demonstrates how a shared service model help provider address one of their most pressing issues: locating and retaining high-quality staff. In 2018, Dallas Afterschool and Early Matters Dallas began a process to investigate how out-of-school and early childhood providers could work together to solve this issue.

Early Matters Dallas and Dallas Afterschool began identifying the staffing challenges in programs affiliated with their respective organizations. For example, Dallas Afterschool worked with Inspire, Inc., a nonprofit consulting firm with consultants from Bain, Deloitte, CY Parthenon, and LEK. They interviewed out-of-school-time employees and found two key issues: role mismatch and poor employee experience. Role mismatches occur when the role lacks sufficient or suitable hours to meet the employee's needs. A lack of support and insufficient coaching led to a poor employee experience. The report suggests that these two experiences explained addressable turnover.

Dallas Afterschool and Early Matters Dallas applied for a seed grant to the Better Together Fund to explore a collaboration to solve addressable turnover. Brittani Trusty of the Better Together Fund describes that initial application:

"Low-cost and free out-of-school time providers are exempt from our state licensing requirements in Texas. Dallas Afterschool was already working with these out-of-school time and early childhood education groups because they do training. They had learned that a lot was having a hard time maintaining quality staff just because of the nature of the work. It was part-time. It’s low income. So, and what was really exciting for us is that no other agency was focused on staffing out-of-school time providers and early childhood education programs.”

Trusty noted that equity was a crucial consideration in the grant process, because children in low- or no-cost programs deserved high-quality instruction and stable connections with staff. The Fund awarded the group $60,000 to explore the initial collaboration.

A group of early childhood and out-of-school providers reviewed several possibilities, including substitute teachers and a full staffing model. Lisa Marshall, Vice President of Programs for Readers to Leaders, recounts those early meetings. “It wasn’t exactly a focus group, but you could call it something akin to a focus group or many focus groups. And then Dallas Afterschool took that feedback and those ideas and developed the Early Childhood and Out of School Time (ECOST) theory.”

After many iterations of this model (see KEY LESSON #2 in shared service models), they identified possible solutions. In 2022, ECOST placed 85 professionals in the program. The organization was able to help out-of-school agencies retain employees, increasing their retention numbers from 50% to 76%. Retention is essential for providing high-quality out-of-school instruction and developing relationships with students. ECOST demonstrates how one sustained collaboration model made an impact through a shared service model.
Key Lessons for Shared Service Collaborations

Shared service collaboration lessons revolve around identifying the partners’ needs and organically finding ways to meet those needs. Key lessons include:

**LESSON 1**

**Evaluate partnerships based on available assets.**

When prospecting partner agencies, consider both organizations with transactional relationships and those with similar operations. Both models were successful in cases with positive outcomes.

ECOST combined the interests of early childhood and out-of-school time providers to find qualified staff and combat turnover. The Kingsley Association, one of the cases with demonstrable positive outcomes, found ways to deepen the relationship with their tenants to promote each other’s work.

In both arrangements, the partners identified multiple ways the organizations could support one another. They allowed that arrangement to evolve as member needs became more apparent and opportunities arose.

**LESSON 2**

**Build the collaboration organically, focusing on how assets can meet partners’ needs.**

For the Kingsley Association, the collaboration started with a mindset shift. Instead of considering tenants as just tenants, the Kingsley Association focused on how they could support each other as organizations under one roof. Dexter Hairston, Executive Director of the Kingsley Association, explains, “We consider them part of our extended family, and we treat them that way by supporting all their different ventures. They see that, hear that, and feel that.” All the tenants signed long-term lease agreements. The organizations found opportunities to partner on events in the building, increasing exposure. The Environmental Charter School began using the Kingsley Association’s basketball courts as their team’s “home” court. Recently, the school placed their juniors and seniors in internships at the Kingsley Association.

Similarly, the ECOST shared service continued to evolve. In 2019, after the ECOST model was developed, Dallas Afterschool received an implementation grant of $200,000 from the Better Together Fund. The award is among the largest grants the Better Together Fund has given. The implementation grant would create a staffing agency for out-of-school time. The initial cohort of 7-10 agencies would pilot the program for the first year. In 2019, 165 staff members were placed in the program.

However, a great plan does not always mean a successful implementation. As Marjorie Murat, the CEO of Dallas Afterschool, expressed, “That’s what happens during the implementation phase. You just don’t know what you’re going to get.” One key lesson was that minimum wage for providers needed to be at least $15/hour. However, $20/hour was much more effective at retaining employees. Therefore, providers received funding to supplement the salaries of ECOST-placed staff; the agency would pay $15, and ECOST would pay the other $5. They realized that while out-of-school providers could pay $20 per hour, many early childhood providers could not. Murat explains, “The majority of those employed in the early childhood sector are part-time employees, and their hourly range is $10-$13/hr. Placing someone at a center at $20/hr would especially raise concerns amongst their peers. It worked well for the out-of-school time sector because many of those folks are part-time.”
Because the Early Childhood providers had different needs, the group received another grant focused on workforce development. For example, early childhood providers could receive tuition reimbursement. This model became a better choice after the impact of COVID-19.

After COVID-19, agencies' needs shifted dramatically. Murat reflected on their new direction.

"We've successfully adapted, shifted, and aligned ourselves with the current demands of the out-of-school time landscape. I've been proud that we were able to say: 'This model works, but why have some of our partners not embraced the opportunity to engage in placing individuals despite this available resource? How do we make this different so that they can currently invest in the people they have already in the field instead of us (Dallas Afterschool) or a staffing agency bringing on somebody new?""
CASE: DEI CURRICULUM DEVELOPMENT FOR ARIZONA

When many social impact leaders think of networks or alliances, they envision the quarterly meetings they attend with like-minded organizational leaders. These meetings allow groups to share their current initiatives and events, but they rarely result in the type of impact described by the Sustained Collaboration Network. How can leaders grow the impact of these light-touch meetings?

A group of leadership programs in Arizona did just that. The Flinn Foundation hosted quarterly lunches among Arizona’s leadership programs. These meetings primarily consisted of sharing updates, but there was no long-term collaboration among the organizations. The murder of George Floyd and the subsequent racial reckoning in the United States was a catalyst for change.

The conversation began at the quarterly meeting. Each organization included DEI in some programs, but none had a separate leadership training program focused exclusively on DEI. The group saw an opportunity to create something better together and received a grant from Arizona Together for Impact. The collective started with about 12 organizations discussing how they could collaborate. They didn’t want to be a “flash in the pan,” according to Dave Brown, CEO of Valley Leadership. Instead, the collective decided to commit to offering the curriculum over time and continue refining it. To ensure that the commitment extended beyond the organization’s senior leader, each leader went to their board for approval to participate.

Nine organizations moved forward: American Express Leadership Academy at the ASU Lodestar Center, Arizona State University Lodestar Center for Philanthropy and Nonprofit Innovation, ASU Leadership Institute, Greater Tucson Leadership, Public Allies Arizona, Scottsdale Leadership, Tempe Leadership, Valley Leadership, and Arizona Center for Rural Leadership. The collective applied for an implementation grant from Arizona Together for Impact. These organizations all offered training to leaders but were very different in their size and the communities they served. Nora Hannah, Director of Arizona Together for Impact, thought there was an opportunity for these leadership organizations
to work together, and she was delighted to see the grant application. The group demonstrated a sincere commitment to long-term collaboration and had identified a facilitator to help them through the process.

The group hired Teniqua Broughton, Executive Director of the State of Black Arizona, as their facilitator. Brown explains why Teniqua’s work was essential:

“Not only as a Black woman and someone trained in DEI but as the leader of the State of Black Arizona leadership program, she could really move this along. There were lots of other consultants who wanted to help and guide us. And I think what stuck out about us with Teniqua was that durability philosophy of this as a marathon and that she knew us. She’s in a leadership group and has been part of this group. She knew the leadership programs were at different points in their racial justice journey. And she’ll need to be flexible with how we meet people where they are.”

The group immediately experienced a tension that all networks experience: the desire to build momentum in achieving their vision and respect for differences among each organization. This respect for differences continued through the curriculum design. The group created a modular curriculum where different elements could be implemented. This design allowed each group to customize the curriculum to the type of programs they offered and to their own racial justice journey. They first tested out the curriculum in their collective, acting as participants. These conversations allowed leaders to get to know each other and helped refine the curriculum.

After this step, the curriculum was ready for pilot testing. Arizona Center for Rural Leadership was the first organization to pilot the curriculum with their leaders. Their evaluation surveys revealed that the curriculum was too lecture-based and lacked time for discussion. The group revised and tested the curriculum again, and the results were positive. The revised curriculum was deployed among all nine organizations.

As of late 2023, more than 200 leaders have completed the new DEI program. The collective is currently completing a more robust evaluation, but their survey results suggest that participants like the curriculum and find it valuable to their work. Beyond the survey results, the leadership has anecdotal evidence of the program’s impact. For example, Koenig recalled,

“We had a farmer from Yuma, our rural part of the State’s agricultural base. He’s a third-generation farmer, probably in his late twenties, and super smart and college-educated. During the training, we kept saying, ‘Maybe you’ve had this in your work before. Maybe you had this type of training before,’ and he’s like, ‘no, this is my introduction into this subject matter, and it just opened my eyes.’”
CASE: THE KINGSLEY ASSOCIATION

Not all sustained collaborations emerge from a crisis or a desire to accomplish a particular project. Instead, sustained collaboration can develop by deepening transactional relationships. Consider Kingsley Association’s partnerships with its tenants and how those relationships grew into something more.

The Kingsley Association is a 130-year-old community center in the East End of Pittsburgh. For the last 20 years, they have enjoyed a prime location, near bus routes and downtown. They maintain a fitness center, a basketball court, community meeting rooms, and an indoor pool. In addition to these, there are also tenants on their property. These include the Environmental Charter School, Jeremiah’s Place, and the British Swim School.

- The Environmental Charter School is a public, tuition-free K-12 school. It uses an eco-literacy-based program and infuses real-world challenges into its curriculum.
- Jeremiah’s Place is a 24/7 emergency childcare service for children aged 0-6. Children can stay for a few hours or even days.
- The British Swim School offers regular swim programs to children. They are a private franchise-based company.

Building relationships

When Dexter Hairston, Executive Director of Kingsley, accepted the job at Kingsley, he saw an opportunity to transform these relationships.

“At that point, we had four full-time tenants here. I just figured if we were going to share a building, I needed to have some conversation just to gauge what the relationships had been like before me. Across the board, they all mentioned that it was really a tenant/landlord relationship, and nothing more. I shared with them that I didn’t think that was in any of our best interests. If we’re going to share space and we’re going to be in the same area doing some of the same work and want to serve the same people, it would make sense if we built relationships, and we could partner and collaborate when it made sense.”

Joint marketing

After COVID, an opportunity for greater collaboration emerged. People wanted to come back to in-person events, and there was an opportunity to increase awareness of all that Kingsley Association and the location had to offer. Krista Williamson, Development and HR Manager at Kingsley, noted, “We have such an asset of a building in our location and the programs that we offer that we wanted to really market Kingsley, not just our programs. But what else is inside our four walls, which were those three primary collaborators we worked with through the project.”

The group applied to the Forbes Fund, a Sustained Collaboration Network initiative, to develop a joint marketing plan. Olivia Benson, Chief Operating Officer of the Forbes Fund, recalled, “They wanted to bring on a very specific marketing consultant, which very rarely do you hear about, at least for me, in nonprofits… I thought this was thoughtful, not only for Kingsley, but maybe other spaces that exist in other communities where they are housing tenants that are vital to the community. This is a model that other communities with a similar setup could emulate.”

Jodi Segal of Big Change Consulting, who worked with Kingsley on the project, agrees. Some of her clients have rented space to organizations in their buildings, but the idea of jointly marketing programs with tenants was new for her. “They wanted to be able to extend the goodwill and the physical space that they had to benefit the community as much as they could. And so, they were looking at how they could collaborate with the individual tenants, and one of the things they wanted to do was figure out how to do some shared marketing.”
Finding organic synergies

Although the marketing materials did not have the reach they wanted, the relationships among Kingsley tenants continued to evolve organically. All the tenants signed long-term lease agreements. The organizations found opportunities to partner on events in the building, increasing exposure. The Environmental Charter School uses Kingsley basketball courts as their team’s home court. Recently, they placed their juniors and seniors in internships at Kingsley.

Through organic partnerships, the organizations found ways to support each other. Hairston explains, “We consider them part of our extended family, and we treat them that way by supporting all their different ventures. They see that, hear that, and feel that.”

The Kingsley Association proactively informed the community of the resources available through the partnership. Benson explains,

“If you look at where Larimer is in the city of Pittsburgh, it’s the flattest land in the city. The land is primed for development. I think they did something proactive by continuing to tell the storytelling and highlighting exactly how much of a community resource and access hub this is. I don’t see it stopping gentrification. But it gives folks a reason to change the lens they’re looking at Larimer through because of the value that’s already there — not necessarily needing to tear down and build, but to invest in what’s already working.”

The Kingsley Association became the host of a community center and a community asset rather than just a landlord. By organically finding opportunities to strengthen each other’s programs, the tenants more effectively reached their community. In addition, they bolstered the reputation of both the Kingsley community hub and their community.
Consultant’s Toolbox for Shared Projects and Services

There are two essential practices for consultants considering shared projects or services. First, consultants engage in feasibility analysis. They often interview leaders of relevant organizations and determine if there is a market for the shared program or service. In addition, they may conduct an environmental scan, determining if any similar programs or services are available and the advantage of the proposal relative to existing projects.

Errika Flood-Moultrie, Founder and CEO of Connections Multiplied, conducted the feasibility analysis for ECOST.

“I spent time interviewing some of the out-of-school time and early childhood education programs CEOs and program directors to find out 1. What is it that people would need? 2. Would this be something that you’d be interested in? And 3. How much could you afford to be able to pay to be able to do the work?” These early conversations became the basis for planning a shared service agreement.

Second, consultants working on shared programs and services focus on program and project planning. They often keep project management timelines, budgets, and contracts. They play an integral role in increasing the capacity of social impact organizations already at their limit.
Alliances and networks refer to groups of three or more organizations working together to achieve a common goal. These organizations balance the interdependence needed to achieve their goal and their organization’s autonomy to fulfill their independent missions. Alliances and networks are perhaps the most diverse category of sustained collaborations because they can implement more than one theory of change to achieve their goal.

In this research, alliances and networks used four of the five theories of change. Spaces of Opportunity used a shared space to launch several new programs, including a farmers’ market, outdoor play space, and community garden. Plunum Health engaged in a joint grant opportunity to pilot a new technology-enabled system to address health-related social needs. In project-based alliances like these, the programs created social impact.

In addition, Plunum Health’s results across the federally qualified health centers was based on a learning theory of change. Because each organization improved its operations, they achieved a greater social impact, which was an improvement in the quality of telehealth and compliance.

Philanthropy California primarily used a policy-based theory of change. Their joint advocacy efforts, on behalf of their member organizations, created a state-level philanthropy liaison in the governor’s office. This policy win is an example of the social impact produced through policy-based theories of change.

No network in this research used a catalyst theory of change. However, alliances and networks that use this theory have a proven model or program. They expand their social impact by increasing the number of organizations or regions that use the model or program.

Finally, two alliances and networks with documented positive outcomes used a systems alignment theory of change. DVBeds system, which identifies available beds across independent domestic violence shelters in Texas, is a potent example. The program empowered organizations in the system to serve more people.

Similarly, Philanthropy California became the state’s central coordinating body for climate and disaster recovery. State agencies in California directly connect potential donors to the Philanthropy California website, and the alliance determines which funds and organizations to highlight.

For Spaces of Opportunity, the new programs worked well together. New farmers working their parcel of the shared land sold their produce at the farmers’ market. The regular events in the once-abandoned plot of land became a site of community transformation and empowerment.
Key Lessons for Alliances and Networks

Three key lessons appear from these case studies for nonprofits and consultants considering alliances/networks.

LESSON 1

Let the goal guide the design.

Alliances and networks are designed and configured in many different ways. For example, the client or community experience is at the center of the work in a systems alignment network. Developing deep leadership trust and commitment is crucial to policy and learning networks, since both require significant adaptation.

There is often a shared coordinating body or board in smaller networks with multiple goals. This board is made up of the leaders, often a board member and staff, of each of the member organizations. This arrangement allows the group to move nimbly as they take on each initiative. Philanthropy California, Spaces of Opportunity, and Plunum Health used this structure.

In contrast, in larger networks that primarily operate for the goal of systems alignment, there is often a central organization that coordinates much of the work. That organization may fund the network and operate much like the lead organization in a shared service collaboration. DVBeds operated this way, as did the Kingsley Association and the ECOST. In each case, a single organization often sought funding, provided staff, and coordinated the collaboration functions.

LESSON 2

Acknowledge management dilemmas.

By definition, alliances and networks balance interdependence and autonomy of individual organizations. In extreme cases, tensions between management teams may never reach a resolution. Common management dilemmas for networks include efficiency vs. inclusion, bottom-up vs. top-down decision-making, managing turnover versus reaching impact, adapting to change vs. scaling what works, and addressing resistance vs. making changes. In each of the dilemmas, prioritizing one aspect leads to increasing pressure on the other aspect (see FIGURE 7).

Acknowledging the dilemmas and allowing for movement between poles of tension was critical for enduring alliances. One example is Plunum Health. Two of its 4 partner organizations decided to merge. The merger was a distraction from the partnership, but the other two organizations adapted.

Muriel Nouwezem, Saban Community Clinic CEO, described the permission to step back from the collaboration during the merger:

“While they merged, their focus was really on merging the two cultures. But they kept coming back to the collaboration because they saw the benefit, and they knew that trust allowed them [to take a step back]. We could have an honest conversation about it. [We could say,] ‘We understand you dealing with this merger. We will give you some space, and we’ll give you some grace. We are going to pick up the slack on this and that. Come back when you have a little bit more capacity and bandwidth.’”

FIGURE 7

Alliance/network management dilemmas
**LESSON 3**

**Ensure sufficient staffing for the alliance/network.**

In the long term, all the alliances and networks in this study with documented positive outcomes created dedicated staff positions. Ultimately, they recognized that a part-time employee was not enough to maintain the alliance or network.

Philanthropy California leaders recalled the moment when they realized they needed better staffing well. In the early years, Karen Freeman (now Chief Operating Officer at Southern California Grantmakers) managed much of the day-to-day operations of Philanthropy California. As each organization grew, it became clear that it was impossible to manage all five priority areas of the initial network. Freeman explains, “We realized it wasn’t physically possible to manage operations, HR, and finance jointly. It was me. So, I was flying across the state, doing everyone’s finances, HR, and my SCG role. And it just wasn’t physically possible.”

The group eventually developed a greater focus on policy and hired a full-time executive director for Philanthropy California.

In two of the alliances and networks in this report, hired dedicated full-time staff resulted in obtaining an independent 501(c)3 status for the network. Both Spaces of Opportunity and Plunum Health opted for this path. Initially, both operated as a fiscally sponsored program of one of the agencies but chose to create a new legal entity. In contrast, full-time collaboration staff are employees of one of the member organizations for Philanthropy California and DVBeds.

Spaces of Opportunity began as a grassroots network of five organizations working to revitalize a 19-acre vacant lot in South Phoenix.
How can philanthropy-supporting organizations use sustained collaboration to make a more significant social impact? Philanthropy California’s story provides evidence of how philanthropy can harness the power of collaboration with proper support.

Northern California Grantmakers (NCG), Catalyst of San Diego & Imperial Counties (formerly Catalyst), and Southern California Grantmakers (SCG) began discussions regarding enhanced collaboration between the three California Regional Associations in May 2014. This gathering of CEOs and key board members from each organization laid the groundwork for how the three organizations could work together in programming, membership, communications, public policy, and back-office support. This meeting resulted in forming a steering committee, consisting of the CEO and two board members from each organization.

At around the same time, the group applied for and received support from the Nonprofit Sustainability Initiative. With the grant, they hired The Giving Practice to build the deep collaboration needed for a multi-issue network. Audrey Haberman, former managing director of The Giving Practice and current CEO of the Sheri and Les Biller Family Foundation, reflected on why the process worked. The senior leaders “were caring towards each other, clear in their needs, honest when the going got tough and always committed to the mission and the belief that this was worth the work and resources. A structure is only a structure. It’s the people, leadership, and values that make collaboratives work.”

The collaboration and trust extended beyond the leadership team. By bringing together staff from all three associations and across California, there was significant participation in developing the initial strategy for Philanthropy California. “Collaborative development of the strategy led to ownership and led to trusted relationships between the staff of the organization,” Mark Sedway, Senior Advisor at The Giving Practice, noted.

The Early Years

In 2017, NCG, Catalyst, and SCG announced the founding of Philanthropy California. They initially announced five priority areas: (1) staff efficiency in operations, (2) connecting member and collaborative programs, (3) development of strategies to support member public policy work, (4) facilitating joint membership for statewide and national funders, and (5) branding the alliance for the purpose of speaking with a unified voice. However, the alliance would be shaped as much by the emerging issues in California as by these initial plans.

Almost immediately, they began working together on funding the census, working closely with a national organization focusing on the census. They supported a statewide strategy and funding table. They then began focusing on redistricting. Karla Mercado, Director of Philanthropy California, summarized:

“During the latter part of the census work, we started slowly talking to some foundations about redistricting. We started hosting some funder education on what redistricting is, what it’s not, and why philanthropy should care about it. I think that caught the eye of a big funder in the state that supported redistricting the previous cycle. And they asked if we would house a pooled fund with some of their seed money. That was incredible because it was the first Philanthropy California pooled fund. Considering that we just rolled out in 2017, we didn’t realize that we could get to a point where we could manage a little bit over $2.8 million in the fund. We quickly learned the value of having three regional organizations working on redistricting and the pooled fund. Although we were a statewide platform, we quickly realized that we could not redistribute those grants to just statewide organizations. There was a lot of local work … So, it was a combination of statewide and regional tables funded through Philanthropy California’s pooled fund.”

Case: Philanthropy California

Philanthropy California
Managing Leadership Transitions

Within a couple of years, two of the three regional CEOs left their roles. Such a transition might have put another network at risk. However, Philanthropy California had made two moves that allowed them to continue their public policy momentum despite the leadership transitions.

First, all of the organizations had a formal commitment at the board level. Second, the initial process of developing Philanthropy California included the entire staff. As a result, Freeman explained, Philanthropy California "really became a thing right away. It was something that we all believed in ... I think we just built a great partnership among staff. The staff knew each other. They trusted each other. They saw this as part of their job."

That trust also allowed Philanthropy California to continue evolving while maintaining a high level of commitment. In the early years, Karen Freeman (now Chief Operating Officer at Southern California Grantmakers) managed much of the day-to-day operations of Philanthropy California. As each organization grew, it became clear that it was not possible to manage all five priority areas of the initial network. Freeman explains,

“We realized it wasn’t physically possible to manage operations, HR, and finance jointly. It was me. So, I was flying across the state, doing everyone’s finances, HR, and my SCG role. And it just wasn’t physically possible. And we didn’t discuss why we shouldn’t hire somebody else and do it. We just decided that wasn’t going to be the focus. We wanted to have a more external focus. We focused on public policy and how we could have an agenda encompassing the whole state.”

Carrie Harlow, Director of the Nonprofit Sustainability Initiative, reflected on this transition and noted it was part of a trend among philanthropy-serving organizations.

“It’s reflective of a trend that we’re seeing across the field of philanthropy, in the sense that philanthropy-serving organizations are no longer content just to serve the immediate needs of their region. The member organizations that participate in these organizations are interested in impacting policy and having a larger impact. That requires influence, and it requires a larger megaphone. And this structure they’ve come up with of joining together across the philanthropy serving organizations across the state enables them to have a larger voice and to connect on what they will prioritize.”

Initially, the external focus was on educating their 600 members. The three regional philanthropy serving organizations engaged in joint racial justice training and educated members on the full costs of a grant. They also conducted bus tours of rural areas in the state that were less likely to receive funder attention. Each of these joint initiatives increased the capacity of their member organizations for greater advocacy.

Public Policy Focused

By 2022, Philanthropy California had codified its public policy vision. The 2022 Focus Areas summary states:

“The goal is to come together to maximize our deep regional expertise and connections to increase philanthropy’s impact to build a thriving, equitable, and inclusive California. Philanthropy California’s work focuses on key issues impacting our state and nation— equity and racial justice, inclusive democracy, climate change and disaster resilience, and economic resilience and sustainability.”
Indeed, Philanthropy California emerged as a significant advocate. The leaders of the three organizations credit the collaboration with allowing them to have a bigger impact. Freeman noted that representing “600+ foundations across the state rather than each organization going in there alone” allowed the group to enjoy larger successes in Sacramento and Washington, DC.

One of these successes was establishing a permanent philanthropy liaison in the Governor’s office. That person liaises with the CEOs each month, helping elevate the philanthropic perspective. This role is a vital contact when issues arise. Megan Thomas, President & CEO of Catalyst of San Diego and Imperial Counties, described the impact:

[The Senior Advisor on Social Innovation has] ‘a liaison in each of the [state] agencies, giving her insight into what they are thinking and a connection there. If there is something that has statewide implications, she has that megaphone. And some people respond to a message coming out of the Governor’s office differently than when it comes from their (albeit trusted) regional philanthropic liaison. That helps us elevate issues of statewide or national importance.”

This statewide platform made Philanthropy California a trusted leader in the state’s climate and disaster reliance plan. When a disaster occurs, state agencies direct potential donors to Philanthropy California’s website to learn about their pooled funds.

Thomas summarized the impact of Philanthropy California today. “We are a stronger voice in the state capital and beyond when we speak with the voice of a statewide coalition of philanthropy.” This advocacy structure demonstrates how philanthropy-serving organizations can make a greater social impact by working together.
How can community healthcare centers collaborate to innovate and deliver higher-quality healthcare? Plunum Health, a five-year-old joint venture among three federally qualified healthcare centers in Los Angeles, demonstrates one model. The collaboration evolved into an innovation hub that benefits all their patients.

Bobbie Wunch of Pacific Health Consulting Group remembers the beginning. “About ten years ago, a couple of things happened. Some of the four members went to a conference where a couple of programs from Chicago were highlighted, and they thought that working together to improve systems and population health work across several health centers might be an advantageous way to go.” In 2015, based on that initial idea, they applied for a grant from the Nonprofit Sustainability Initiative, a Los Angeles-based member initiative of the Sustained Collaboration Network. The Nonprofit Sustainability Initiative provided a negotiation grant for exploratory conversations between four community health centers: Venice Family Clinic, South Bay Family Health Center, Eisner Health, and Saban Community Clinic. Carrie Harlow, Director of the Nonprofit Sustainability Initiative, recalled, “What was exciting to the funders from the beginning was that it was several very large organizations, community health centers, in Los Angeles County that are collectively serving a huge number of patients. So, in terms of scale and potential impact, the case they were making was enticing.”

Evolving Partnership

From that grant, the four health centers initiated the Ensemble project to identify ways to pool resources. They agreed to share best practices such as joint staff training, data sharing, and certain services that were not universally available (e.g., street medicine, substance use disorder programming). The partnership continued to evolve, both in structure and in focus. In 2018, it became a more formal joint venture under the name Plunum Health, with fiscal sponsorship from Eisner Health. The entity filed for independent 501c3 status in 2019 and was governed by a board with representatives from each participating health center (CEOs and board members).

There were changes in leadership as well. All original CEOs left their organizations and two of the participating health centers, Venice Family Clinic and South Bay Family Health Center, merged. While this level of change might have derailed other partnerships, several vital factors made this partnership resilient. First, even in the initial conversations, the collaboration planning included both the CEOs and their board chairs; Wunsch noted that “we knew that if anything substantial was going to happen, we needed the boards on board, so to speak.” Second, conversations also involved senior staff and, eventually, staff across the different levels of the health centers; greater participation guaranteed commitment at multiple levels of the organizations.

Perhaps most importantly, each group allowed participation in the long-standing collaboration to evolve as the organizations changed. Muriel Nouwezem, Saban Community Clinic CEO, described the permission to step back from the collaboration during the merger: “While they merged, their focus was really on merging the two cultures. But they kept coming back to the collaboration because they saw the benefit, and they knew that trust allowed them to take a step back. We could have an honest conversation about it. [We could say], ‘We understand you dealing with this merger will give you some space, and we’ll give you some grace. We are going to pick up the slack on this and that. Come back when you have a little bit more capacity and bandwidth.’”

CASE: PLUNUM HEALTH
Throughout this these changes, the Nonprofit Sustainability Initiative has continued to support Plunum Health. Harlow explains, “There have been multiple rounds of funding as there typically is with NSI. We provide exploratory funding and implementation funding, and in addition, we’ve had at least once, maybe twice, hosted a convening to give the organizations an opportunity to share their progress with the funders. And not just our current funders within the initiative, but also a broader community of funders interested in the work they’re pursuing.”

**Becoming an innovation hub**

More importantly, the benefits of the collaboration also changed. Eleanor Huntington, program manager of Plunum Health, explains, “As the project and program have evolved, it’s focused on quality improvement, metrics, and processes that can be applied across the three clinics. And it has become a method for sharing best practices.”

The organizations created work groups to address common issues. Nouwezem explains how Plunum Health enabled the clinics to share best practices.

“[It started very organic, where we would have various workgroups. I remember at the time, there were a lot of regulatory changes in the pharmacy, reimbursement, and all that. So, there was a workgroup with each clinic’s pharmacy director. Compliance had a different workgroup. From some of my direct reports, I know that [those workgroups] helped. They liked having a peer at another clinic they could call on any given day.”

As the relationships developed, the health centers began considering how they could complete innovation projects as a group. Plunum Health has more recently become a hub for innovation, allowing them to research and pilot new ideas, models of service delivery, and technology. Huntington provided some insight:

“There has been about a year of conversation leading to this idea of improving the care management and care coordination practices across the three clinics. We recognized that this was an area where each clinic was doing different work, some to a greater extent than others. But the group recognized that we needed dedicated staff for each organization, and some didn’t have that. And so [Plunum Health began] finding a method to do that and getting the payers to participate. The quality improvement leaders at the different organizations meet monthly to discuss data practices, and then the clinical teams meet less frequently. But we’re hoping to change that, especially as we start implementing some of the Quality Improvement strategies through an AI learning mechanism that we’re implementing. We want the three clinical implementers to meet to discuss best practices. Some of it is very formal, like the monthly standing meetings. Some of it is more informal as we are heading into this implementation stage across the three clinics, where each clinic is at a different stage.”

Nouwezem explained the value of Plunum Health as an incubator. She noted it was “something we wouldn’t have been able to run independently. And by coming together, we could tap into funding that we wouldn’t be able to tap into had we done this project on our own.” Ultimately, the group hopes to use technology to better understand the complete risk profile of the patient.

The shared case management system is just one of several innovation projects that Plunum Health completed. The health centers supported one another in the areas of telehealth, compliance, and AI-supported case management. The group demonstrated how health collaboratives can be more innovative by working together.
CASE: SPACES OF OPPORTUNITY

Spaces of Opportunity, a sustained collaboration initiative in South Phoenix, Arizona, began by focusing on one community asset: 19 acres of vacant land situated near three community schools in the center of the community. In 2015, about 15 organizations joined to brainstorm how this asset could benefit the community. After discussion, the group decided to pursue urban farming to bring business development, fresh food, and information about sustainable environments to the community.

Once the goal was identified, five organizations committed to the project: Tiger Mountain, the Desert Botanical Garden, Orchard Community Learning Center, the Roosevelt School District, and Unlimited Potential. The group identified the community as the “6th collaborator.” John Wann-Angeles of Orchard Community Learning Center explains that to turn “an urban desert into productive agricultural land — it means collaborations. There are just literally hundreds of people that need to collaborate to make this work.” The work was a grassroots effort and required hours of manual labor to clear debris, balance the pH of the soil, and develop irrigation needed for the desert climate. In 2018, the first crops went into the ground.

Over time, Spaces of Opportunity turned what was a vacant lot into a community resource. Executive Director of Unlimited Potential, Emma Viera, described it as a “place of healing,” regardless of a person’s circumstances. Darren Chapman of Tiger Mountain Foundation described it as a space where “folks from all over the world are doing farming of different kinds and starting businesses.”

In the pandemic, the farm began producing more crops. In 2020, it produced 50,000 pounds of produce. The space included an incubator farm, community garden, and farmers’ market, as well as a nature play area for young children. It became a hub for food distribution during the early days of the COVID-19 pandemic. The number of visitors speaks for themselves. In the 2020-2021 academic year, there was a monthly average of 1019 visitors to the 19 acres. The farmers’ market hosted, on average, 30 vendors, 14 farmers, and seven growers from the incubator farms on site.

Nora Hannah, Director of the Arizona Together for Impact Fund, explains:

“This is a great example of how you don’t have to merge to be highly collaborative and highly integrated with another organization. They are contingent and dependent on each other for their future success. But it doesn’t require you to fully integrate or give up your autonomy. It just requires that you lean into this relationship.”
CASE: DVBEDS

DVBeds began in Dallas, Texas due to a change by the Dallas Police Department. In 2012, the police department implemented the Lethality Assessment Protocol (LAP). When an officer was called to a home for a domestic dispute, the officer would conduct a screening. If the lethality assessment was positive, then the officer would immediately contact a domestic violence shelter. The new policy had an immediate impact. Paige Flink, former CEO and board member of The Family Place, recalls that The Family Place and Genesis Women’s Shelter saw “an almost 100% increase in calls that we weren’t expecting.” This influx of calls stretched the limited capacity of shelters to their breaking point. The 3rd Annual Domestic Violence Task Force report captured the problem. In Dallas, over 7,950 women, children, and men were turned away from shelter due to lack of capacity.

Six emergency shelter programs approached the Better Together Fund to conduct a feasibility study. With a grant of about $18,000, they began to explore whether the shelters could work together. While each organization was already stretched to capacity, they knew that prioritizing this project was essential. Emily Maduro, a board member at The Family Place, shared her perspective: “You can’t say, ‘Look, this isn’t the right time’. It’s never going to be the right time. If you’re in a social service agency, your plate will never be empty enough. You just have to make the effort to do it anyway.”

Once the idea for DVBeds was developed, leaders again turned to The Better Together Fund. This time, they were ready to build out the new technology and create agreements between the organizations. The Better Together Fund remained enthusiastic about the project. Black describes the evaluation of the implementation grant proposal: “This project has been compelling since the beginning. When we looked at it each of those times, as long as they were willing to continue to invest and expand, we were ready to support them all along.”

At first glance, DVBeds appeared to be a technology solution to ensure coordination. Indeed, the technology made it easy for users to search for available beds in specific categories (e.g., family units, units that would accommodate a teenage boy, etc.). However, the agreements and active participation of the agencies were even more critical. In the Memorandum of Understanding that each agency signed with The Family Place, they agreed to “report accurate uploads of data of open beds as they become available through the use of the application at a predetermined schedule and transfer domestic violence hotline callers to agencies with available bed space and provide warm referral to participating agencies.” Without daily participation from each of the agencies, DVBeds would not have worked.

DVBeds expanded to 29 shelters and 12 non-shelter facilities. As it expanded, daily collaboration remained at the heart of DVBeds; Mary Beth Kopsovich of The Family Place puts it this way: “It is through the collaboration of the partnerships of the 40 different agencies that make DVBeds a success. It’s not just a tool through technology to help survivors find safe shelter solutions. And what I mean by that is that it takes everybody to make this thing successful.” The National Domestic Violence Hotline uses DVBeds to find shelter for survivors in Texas. There are over 50,000 logins to DVBeds annually; this means that over 50,000 times each year, agencies in the system log in to find shelter for a survivor or to update their bed availability.
All the interviewed consultants stated that working with alliances and networks was more challenging than working with mergers. Alliances and networks involve more actors, and the management dilemmas (see **KEY LESSON #2** in this section) could easily overwhelm the network. However, there were some common themes.

**Reaching a common agenda**

All consultants spent time in the early stages of the alliance or network determining if there was enough common ground for organizations to sacrifice some autonomy in exchange for interdependence. In some cases, there wasn’t enough agreement to proceed.

Tiffanie Dillard and Lori Howard of Avenir Consulting Partners initially worked with the Phoenix Youth Arts Collective to explore the idea of a shared youth performance space. According to Howard, one of the first steps was to determine if there was a broader interest in a shared performance space than just ASA. She recalled, “We spent quite a bit of time interviewing those potential members. We went out to their sites. Some organizations didn’t have offices and locations. Some of them had big locations, but they needed space and renovations.”

After conducting those initial interviews, they invited all the youth arts organizations in the area, business leaders, heads of arts and culture for the city, and the mayor’s staff to an all-day retreat. The goal of the initial meeting was to discuss what they could accomplish together. Even in that first meeting, it was clear that not everyone supported the vision of a shared space.

Similarly, Cassie Breecher of Beyond Strategy Consulting recognized that Spaces of Opportunity needed a set of orienting conversations. Although the group initially described the work as a strategic plan, Breecher quickly realized that more fundamental issues were at play.

“There was a challenge around identity, where the distinction lived between their individual organizations and the collective whole. The second challenge was agreement about how they were going to operate together to get from where they were in that moment to their future ideal. Now, as we got into it, their future ideal didn’t actually exist.”

**Scenario planning to stress test design**

After a group decided to begin creating an alliance or network, consultants often turned to creating organizational structures, statements of shared values, and agreements on how the new collaboration would be governed. However, some consultants, like Breecher, recognized that these plans needed to be stress-tested before they could be implemented. She engaged in scenario planning with the leaders of the participating organizations to help them mitigate risks.

“A lot of the work that I did was working them through scenarios that were sort of the like yucky case scenarios: when we disagree, when there’s a financial crisis. What if? And in doing that, it kicked up a lot of dust along the way. In full truth, not all of that dust settled on all the things. But what it resulted in was essentially like a version of bylaws or of operating agreements that really detailed out not just in great times, but in those times when nobody wants to get into.”
Customer journey for systems alignment

Consultants working with networks and alliances who engage in systems alignment and organizations who develop shared service agreements, like ECOST, often have to orient organizations to work differently. One of the tools they use is the customer journey.

For example, DVBeds worked with Suzanne Smith of Social Impact Architects. Smith’s first order of business was to orient agency leaders to the client experience. She explains, “I always tell people to take off your organizational hat and walk people through what the best client scenario is because nonprofits exist to serve the community. Part of my goal with collaboration is to get people out of their organizational box and into the client box or the community box.” Through that client experience work, each organization became aware of the ways that working independently created unnecessary trauma for survivors. For instance, clients had to tell their stories multiple times as they searched for a shelter with space.
Sustained collaboration is a powerful vehicle for greater resilience in organizations and more significant social impact. The fourteen successful collaborations in this report demonstrate that sustained collaboration can:

- be a vehicle for strategic change for the organizations involved
- establish new programs or improve and expand existing programs
- develop new efficiencies through shared assets
- create policy wins
- encourage innovation
- produce better quality outcomes for clients and the community

However, as with all social impact strategies, there are some key steps. The first is to learn about the types of sustained collaboration available, from asset transfers to alliances. Each type of sustained collaboration offers unique benefits, design challenges, and support requirements. Second, leaders can learn more about each collaboration described in this report. They can go even deeper with full case studies available on the Sustained Collaboration Network website. Finally, social impact leaders should explore collaborations in partnerships. Contact a Sustained Collaboration Network initiative and inquire about exploratory grants. These grants support a series of conversations between potential partners and are not a commitment to a lasting partnership. However, they can be an essential first step to a sustained collaboration.

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