
Webinar

Partnerships & Collaborations

Facilitated by

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Acknowledgment of Indigenous Territories



"To recognize the land is an expression of gratitude and appreciation to those whose territory you reside on, and a way of honoring the Indigenous people who have been living and working on the land from time immemorial.

It is important to understand the long-standing history that has brought you to reside on the land, and to seek to understand your place within that history."

(Northwestern University Native American and Indigenous Initiatives, Land Acknowledgement).

We invite you to share in the chat the Indigenous Territory you are joining us from

<https://native-land.ca/>

Nonprofit Finance Fund: Where Money Meets Mission

NFF envisions a world where capital and expertise come together to create a more just and vibrant society

We unlock the potential of mission-driven organizations through

- **Tailored investments**
- **Strategic advice**
- **Accessible insights**

Guided by our Core Values



Group Norms

Today is a learning exchange in a judgement-free zone

- Speak freely and candidly
- Ask questions
- Respect confidentiality: What is said, stays in the room
- We are all here to learn: What is learned, leaves the room

Take care of yourself and each other

- Feel free to go off camera if needed, to get up and stretch

Honor multiple perspectives

- Speak from your own experience
- Every experience is valid



Learning Goals



Recognize the conditions for successful collaborations

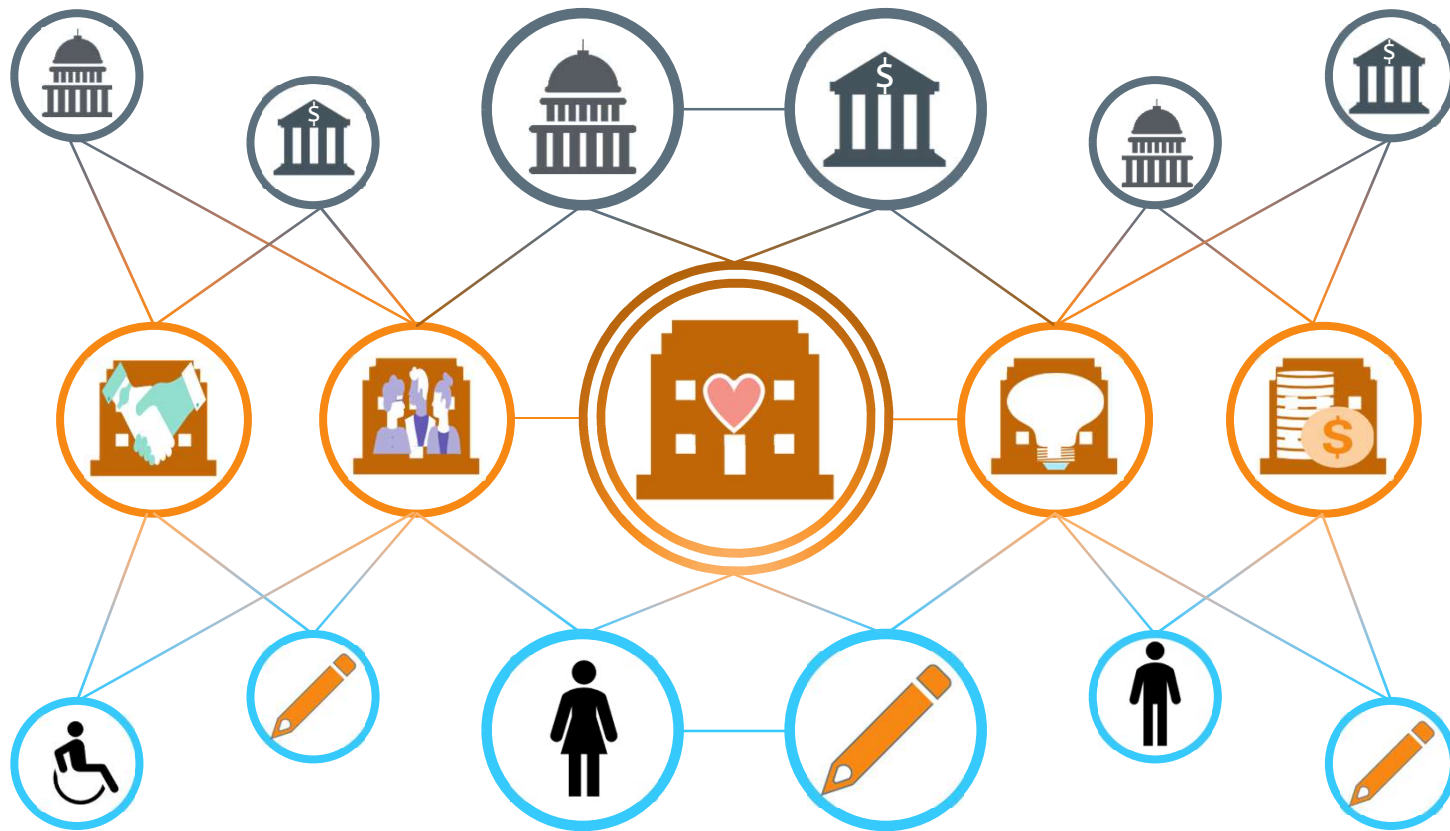


Assess your readiness, partnership prospects & facilitate productive conversations with potential partners



Identify financial considerations & risks (including full costs in partnerships and collaboration)

What are potential benefits of collaboration?



“Form Follows Function”



*The Wainwright Building, St.
Louis, MO*

1. What **goal(s)** are we trying to achieve?
- 2. What collaboration **structure** is necessary to achieve the goal(s)?

A Model of Capacity Building: McKinsey & Company Capacity Framework

FIGURE 8.1 ■ McKinsey & Company Capacity Framework



Source: This figure is taken from the report "Effective Capacity Building in Nonprofit Organizations," Copyright 2001, Venture Philanthropy Partners (VPP), which was prepared for VPP by McKinsey & Company. All rights reserved. Used with permission.

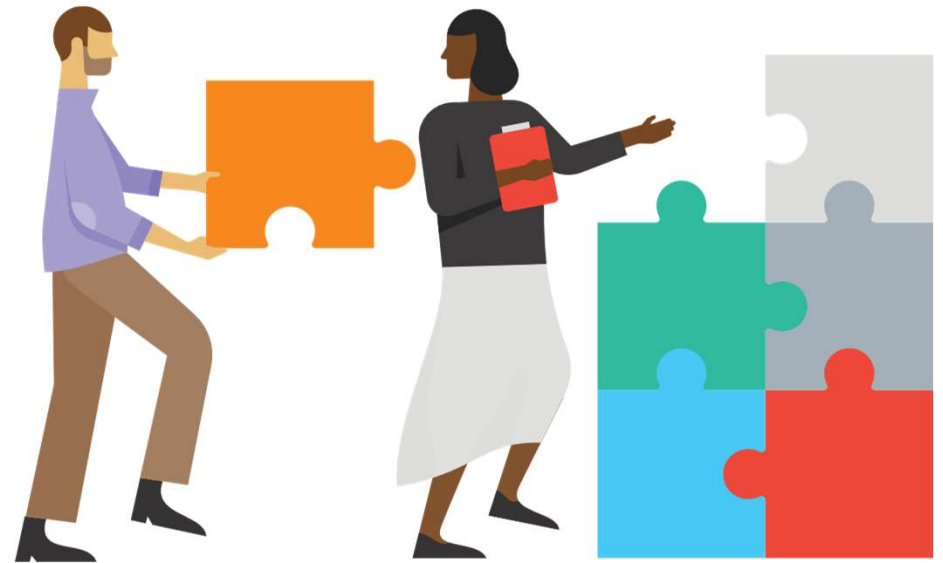
Partnership v Collaboration

What is the difference?

Partnership – cooperative relationship formed with specified rights and responsibilities



Collaboration – cooperation for a common goal; may be formal or informal.



Forms of Collaboration Vary by Level of Integration

Compete	Co-exist	Communicate	Cooperate	Coordinate	Collaborate/ Partner	Integrate
Competition for clients, resources, partners, public attention	No systematic connection between agencies	Inter-agency information sharing (e.g., networking)	As needed, often informal, interaction, on discrete activities or projects	Organizations systematically adjust and align work with each other for greater outcomes	Longer term interaction based on shared mission, goals; shared decision-makers and resources	Fully integrated programs, planning, funding, mergers

Less Integration



More Integration

- Relationship structure should align with collaboration objectives:
Form follows function
- Many structures are possible: **Not one-size-fits-all**
- All forms can influence a program or organization's business model

Why do Nonprofits Collaborate? What are Common Collaboration Areas?

- **To achieve economies of scale:**

- Organizations potentially save money through efficiencies

Cost savings

- **To advance mission through a more efficient outreach/referrals process:**

- Similar groups collaborate to provide each other a steady flow of clients

Expand reach/ impact

- **To expand the value proposition of each organization:**

- Organizations collaborate to expand their offerings or services without necessarily increasing their budget

- **To guard against risk:**

- Partners are able to “share the risk” inherent with experimentation and innovation

Mitigate against risk

Are you **READY** to **ACHIEVE** your Collaborative Aspirations?

Assess Your Readiness:

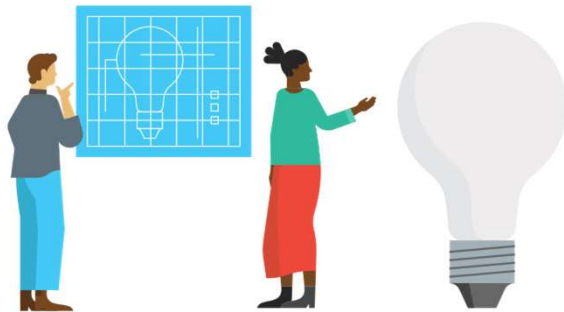


- **Knowledge:** Do you have enough information?
 - **Trust:** Have you built solid relationships?
- **Resources:** Do you have resources to invest?
- **Risk:** Can your organization sustain the work?

KNOWLEDGE: *Do you have enough information?*

Challenges

- Uncertainty that collaboration is the right strategy for your organization
- Unforeseen partner issues
- Clear understanding of necessary collaboration structure

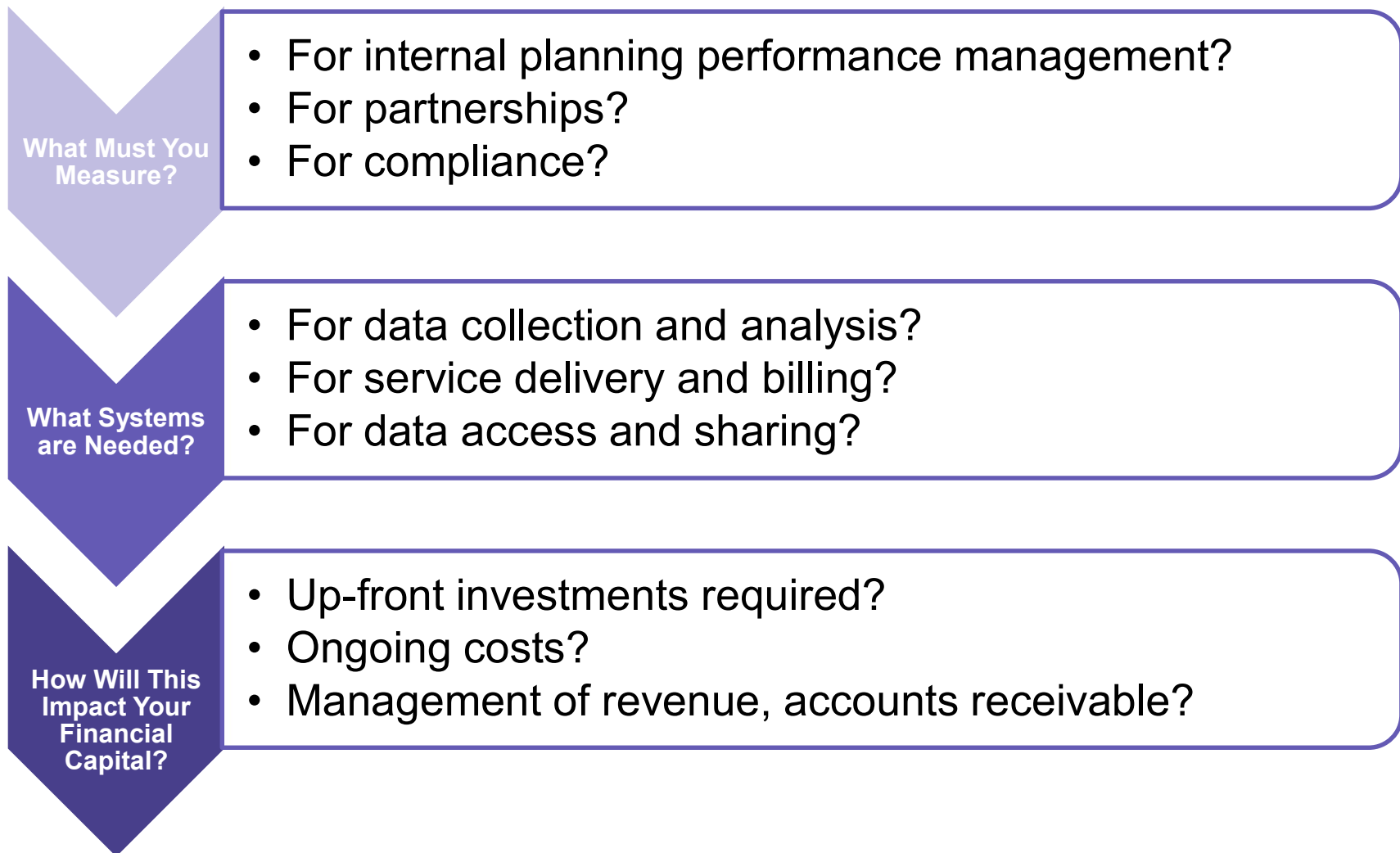


Recommended Practices

- Conduct open and candid strategic planning process
- Assess your organization's existing inventory of knowledge and skills
- Research collaboration in your sector and/or hire an experienced consultant(s)

Example: Data Knowledge Gap

Impacting Intellectual and Financial Strengths



TRUST: *Have you built solid relationships?*



Challenges

- Fear...of uncertainty, of change, of loss of control
- Incompatible cultures
- Lack of transparency

Recommended Practices

- Consider partnering within existing relationships
- Create opportunities for staff and board members to build informal relationships
 - *Food and drinks often help!*
- Identify alignment *and* gaps, and address the difficult issues early on
- Write commitments down: A handshake works until it doesn't
- Know your alternatives to collaboration at all times

RESOURCES: *Do you have resources to invest?*

Challenges

- Collaboration requires considerable senior staff and board time commitment
- One-time **financial costs** of exploring, planning, and implementing
 - Consultants
 - Technology/systems change
 - Re-branding
 - Personnel-related changes
- Cost savings can be difficult to realize in the short-term
- Fear of funding loss

Recommended Practices

- Collaborate for mission reasons first
- Designate a task force of key senior staff and board members, plan for significant time investment
- Communicate clearly and candidly with funders when the time is right
- Seek funding for one-time costs & determine the business model for ongoing expenses



RISK: *Can your organization sustain the work?*

**A strong capital structure (balance sheet)
is the best shield against risk!**

- If your organization has...
 - No unrestricted cash or receivables
 - A fully drawn line of credit
 - Little or no reserves available to management
 - Significant wear-and-tear of fixed assets

...it has very little ability to adapt its services, **forge new partnerships,** and take on new risks.

- Risk – Cash = Crisis



What are the Full Costs of Collaborating?

One-time and ongoing needs

Collaborations must think of both startup and ongoing needs. This impacts expenses in two ways:

One-Time, Upfront or Periodic Costs

- Technology upgrades
- Capital investments
- Consultants
- Feasibility studies



Additional Annual Expenses

- New staff
- Program supplies
- Evaluation costs
- Fundraising capacity

- It is important for both individual organizations and the collaborative to understand and articulate their full costs

Self-Assessment: Core Strengths

It's important to understand the full set of strengths and resources we bring into a situation:

- **Relationships & Reputation** – our partnerships, networks and reputation, and access to community resources
- **People & Skills** – the skills, expertise, experiences of staff, board and volunteers
- **Data & Know How** – how we know what we do works, how we understand our mission impact
- **Financial** – the alignment of financial resources to pay for what we do - delivering and supporting the mission in the immediate and longer term



People & Skills

Skills, knowledge, and abilities of staff, management, and leadership to deliver on mission now and in the future



What Does This Require?

- Leadership team with strong strategic & analytic mindset
- Program teams with strong subject matter expertise
- Ability and resources to recruit, retain, and train talented staff
- Communication and transparency with internal and external teams

Partnership Questions

- What sort of organizational culture would match or complement yours?
- Do you need additional staff or new expertise?

Relationships & Reputation

Connections with external stakeholders (community members, funders, service providers, etc.) to help you advance your mission.



What Does This Require?

- A culture of trust and transparency
- A willingness to share experiences broadly, despite the risks
- Commitment to partnership in times of ambiguity
- Collaborative 'muscle' in coordinating partnerships
- Perspective on the services you provide in relation to your 'ecosystem'

Partnership Questions

- Which organizations do you already have good relationships with?
- Is there a match in your existing network?

Data & Know How

A culture of learning that uses real-time quantitative and qualitative data to enhance service delivery and decision making



What Does This Require?

- People to manage, measure, and interpret data
- Dollars to pay for the systems and processes
- Relationships with others to share information

Partnership Questions

- Is your goal to serve more people or go deeper with them in your partnership?
- How can a partner add value to your programs/ services?

Financial

The alignment of your resources to deliver and support your mission in the immediate and long term



What Does This Require?

- Understanding the Full Cost of mission delivery
- Staff and leadership to realize earned and contributed revenues
- Systems to track and analyze funding
- Relationships with funders and a strong reputation

Partnership Questions

- What sort of organizational culture would match or complement yours?
- Do you need additional staff or new expertise?

What do you **BRING** to a collaborative relationship?



What do you **NEED** from a collaborative relationship?

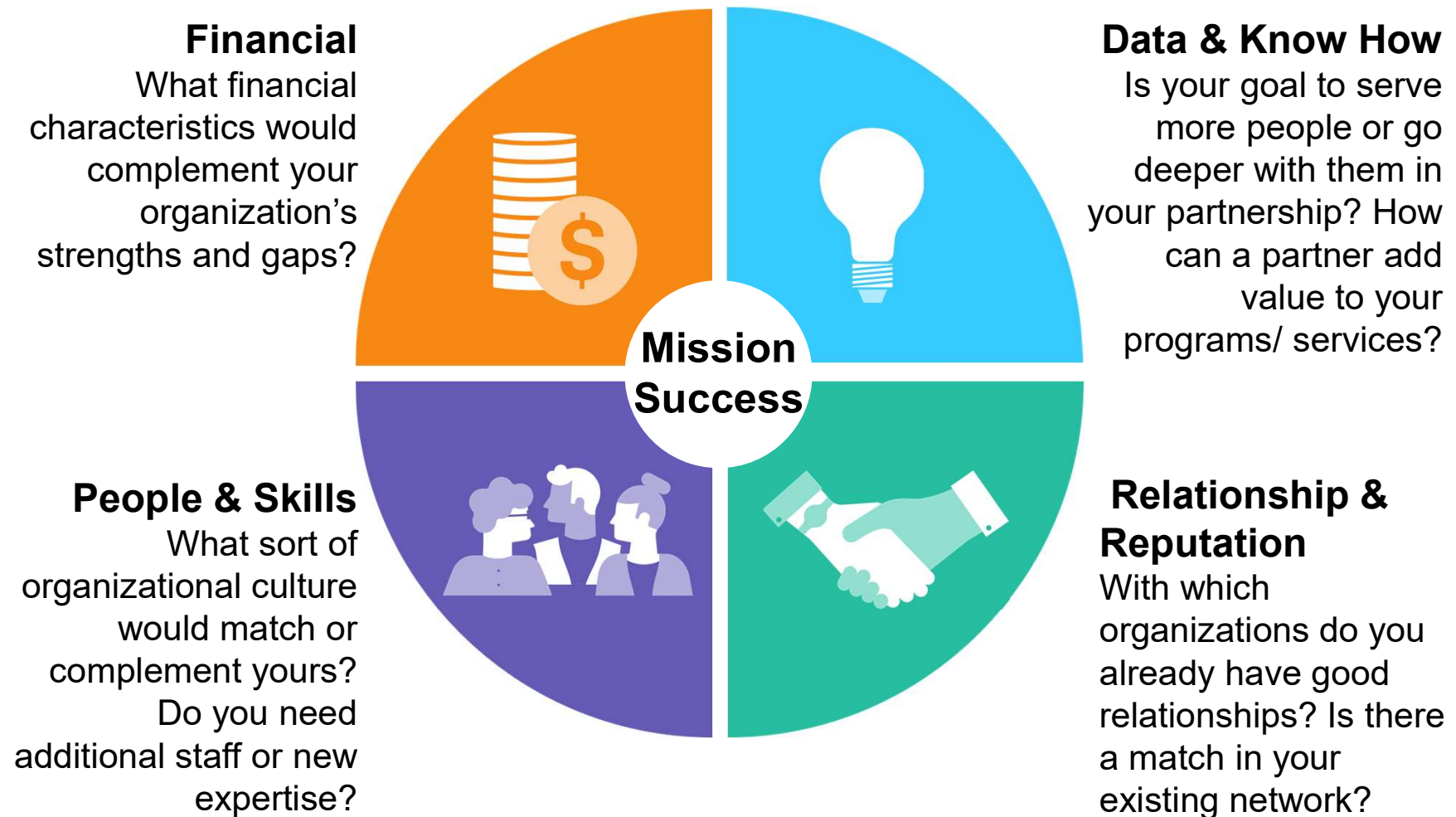


What Do You **Bring To** and **Need From** a Collaboration?

We offer: <ul style="list-style-type: none"> • Strong philanthropic relationships • Board-designated reserves 	<u>We seek:</u> <ul style="list-style-type: none"> • Proven track record of implementing new programs successfully 	We offer: <ul style="list-style-type: none"> • Continuum of services • Measurable results 	<u>We seek:</u> <ul style="list-style-type: none"> • Commitment to identified issues
We offer: <ul style="list-style-type: none"> • Long-tenured staff • Credentialed professionals 	<u>We seek:</u> <ul style="list-style-type: none"> • Experienced leadership • Committed staff 	We offer: <ul style="list-style-type: none"> • Deep local partnerships with other community orgs • Great reputation 	<u>We seek:</u> <ul style="list-style-type: none"> • Advocacy voice at local-level <ul style="list-style-type: none"> • Great reputation • Ability to keep our brand



RECAP: Assessing Partner Organization(s)



Developing Your Collaboration Value Proposition

**Compelling
Problem to You
& Your Partner**

**How Your Org
Provides a
Solution & the
Outcomes Sought**

**Why You're Better
than the
Alternatives**

**Support You
Need**

Developing Your Collaboration Value Proposition

Compelling Problem to You & Your Partner

- What is the problem you're looking to address?
- Why is it of concern to your partner (i.e. what are their motivations)?

How Your Org Provides a Solution & the Outcomes Sought

- What outcomes do you produce?
- Among what target pop(s)?
- What services does your organization deliver to achieve these outcomes?
- What pre-existing relationship/track record do you have with your partner(s)?

Why You're Better than the Alternatives

- How does your organization deliver results better than a partner or peer's alternatives?
- What unique strengths do you bring to the table (human, social, intellectual, financial capital)?

Support You Need

- What capacities will need to be acquired, expanded or bolstered to partner?
- What are the corresponding resource needs (financial and otherwise)?

Up Next

Financial Leadership for Boards

- Board members can better serve nonprofits when they are well-versed in financial management and understand their roles as stewards. This webinar reviews how boards can help guide nonprofits by thinking big-picture in identifying strengths, gaps, opportunities, and risks; understanding financial health and performance; and supporting an organization through times of crisis.

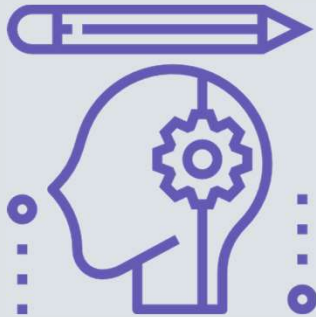


Check-Out

Please share via voice or chat your response to any of all of the following questions:

Head

What did you **learn** from today's session?



Heart

How did today's session make you **feel**?



Feet

What **actions** will you take to bring this back to your organization and community?



Questions?

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