Collaborations and Partnerships: The SCF Experience

An Assessment of the Strengthening Communities Fund Capacity-Building Program

Prepared by:

Saunji Fyffe, Carol J. De Vita, and Elaine Morley
The Urban Institute
2100 M Street NW
Washington, DC 20037

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Nonprofit organizations often work in collaboration with one another, but when economic times become tough and resources grow scarce, partnering and collaborating with other community players becomes even more critical. Nonprofit leaders view collaborations as a way to cope with environmental change and resource constraints. Funders often urge nonprofits to collaborate with one another as a way to expand the reach and impact of their dollars. Indeed, recent studies[1] have shown the benefits to developing inter-organizational relationships and collaborative networks.

Collaborations can be challenging, however, and many organizations, especially small nonprofits, do not know how to form collaborations; nor do they have resources to invest in these efforts. Recognizing the benefits of partnerships and collaborations, and the need to assist nonprofits in establishing these arrangements, the Office of Community Services (OCS), Administration for Children and Families (ACF), US Department of Health and Human Services made partnerships and collaborations a key component in the Strengthening Communities Fund (SCF) program.[2]

SCF comprised two separate grant programs: one targeted at lead nonprofit organizations (hereafter called Nonprofit Program grantees), the other at State, Local, and Tribal government offices such as those with responsibility for outreach to faith-based and community organizations (FBCOs) or organizations designated to administer the SCF grant on behalf of government entities (hereafter called Government Program grantees). Grantees of both programs provided training and technical assistance (T/TA) to FBCOs to build their capacity. In addition, Nonprofit Program grantees gave subawards to competitively selected FBCOs to support their capacity-building efforts. Government Program grantees did not give subawards.

This brief is based on work undertaken by the Urban Institute (UI) for OCS/ACF to evaluate the SCF program. It highlights the experiences of SCF grantees and the FBCOs that received capacity-building assistance. It also discusses the lessons learned in promoting partnerships and collaborations in local communities.[3]

Building Collaborations under SCF

What does it mean to partner or collaborate? These terms are often used to describe a broad spectrum of relationships that can include loose client referral arrangements between agencies, formalized agreements that stipulate each partner's roles and responsibilities, and alliances and coalitions that work to address a common concern. OCS did not specify the types of relationship(s) to be promoted, and it made no distinction between partnerships and collaborations. Thus, this brief uses the terms partnership and collaboration interchangeably.

To foster the development of relationships and networks, SCF designated collaboration and community engagement as one of the five core capacity-building areas on which grantees could focus their attention.[4] Grantees implemented a combination of T/TA, subawards, and other mechanisms to help FBCOs complete activities aimed at bringing about collaborations with public agencies, businesses, and other nonprofit organizations. The key objective for the collaboration and partnership component of SCF was for grantees and local FBCOs to develop inter-organizational relationships that could lead to positive outcomes, such as improved service delivery, enhanced data collection, and client referral systems.

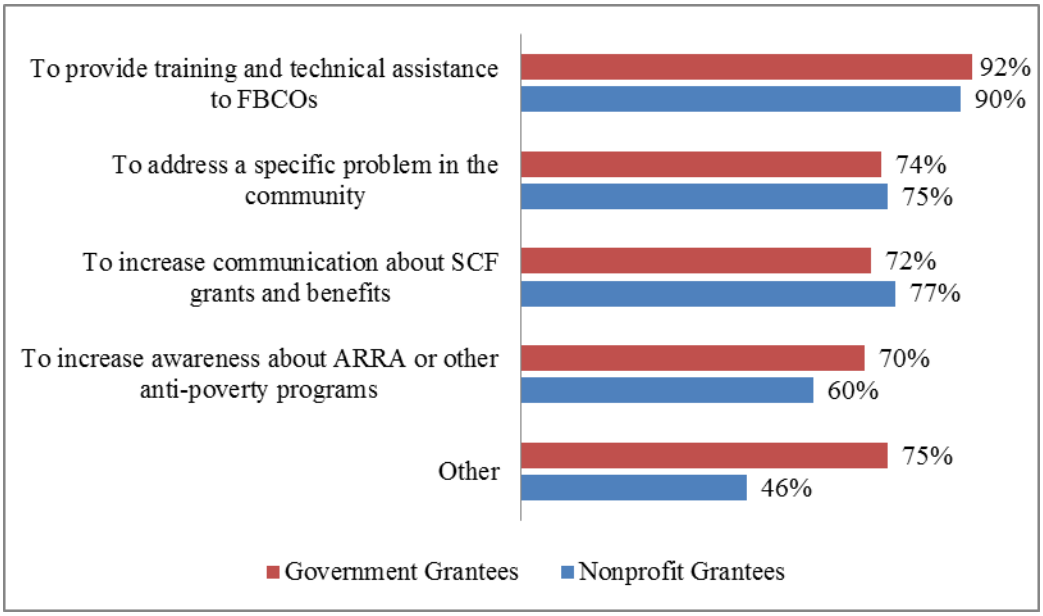
SCF Grantees' Perspective on Partnerships and Collaborations

Grantees were expected to build and sustain their own networks in addition to strengthening the capacity of FBCOs. According to the UI survey that was part of this evaluation, 86 percent of Nonprofit Program grantees and 80 percent of Government Program grantees reported they formed new partnerships or collaborations during SCF.

Reasons Grantees Formed Partnerships

SCF grantees primarily formed collaborations to help them provide T/TA to FBCOs. Ninety percent cited this reason (Figure 1). Such collaborations enabled grantees to reach a wider pool of FBCOs and tap additional resources and expertise to better serve FBCOs. Although grantee staff either oversaw or provided T/TA, they also partnered with universities, consulting firms, professional coaching groups, other nonprofits, or a combination of these to deliver T/TA. As one grantee noted, "We partnered with organizations to carry out the SCF program, and those are probably the strongest partnerships to come out of it."

Figure 1. Reasons Grantees Partnered or Collaborated with Other Organizations



Source: The Urban Institute, Strengthening Communities Fund, Nonprofit Capacity Building Program Evaluation Grantee Survey (2012).

Other reasons grantees partnered were to expand communication about the SCF grants and benefits and to increase awareness of Federal economic recovery programs. The percentage of Government and Nonprofit Program grantees reporting each of these reasons was fairly similar—around 70 percent. Many grantees sought partnerships with organizations different than their own (e.g., United Ways, colleges and universities, and community foundations) to extend their reach beyond their usual contacts. This enabled them to reach FBCOs that may not have been familiar with the grantee. Thus, SCF widened grantees' networks, introduced them to new organizations, and provided an opportunity to work with different FBCOs.

About 70 percent of grantee survey respondents indicated they collaborated with other groups to address specific community problems. Some grantees formed coalitions by bringing together FBCOs, government agencies, and other local entities to build comprehensive networks around certain issues. For example, one grantee brought about a dozen financial institutions into a collaborative formed under SCF to promote financial fitness (e.g., financial literacy) to help address economic recovery of low-income individuals. A representative from a local college that participated in the collaborative explained, "The key was bringing the financial groups into the process."

Taking part in SCF-related collaborations was the first time that some grantees had ever worked with the other participating organizations. As one grantee said:

> Yes, SCF helped establish different partnerships. We ended up working closely with the Department of Social Services, and I don't think this is something we necessarily would have done without SCF. We ended up working closely with organizations that receive support from DSS through partnering with DSS for outreach. Also, we partnered with some of the more rural and smaller nonprofits to an extent that we had not done in the past.

Other grantees made similar comments about how SCF helped strengthen new and existing relationships.

FBCOs' Perspective on Partnerships and Collaborations

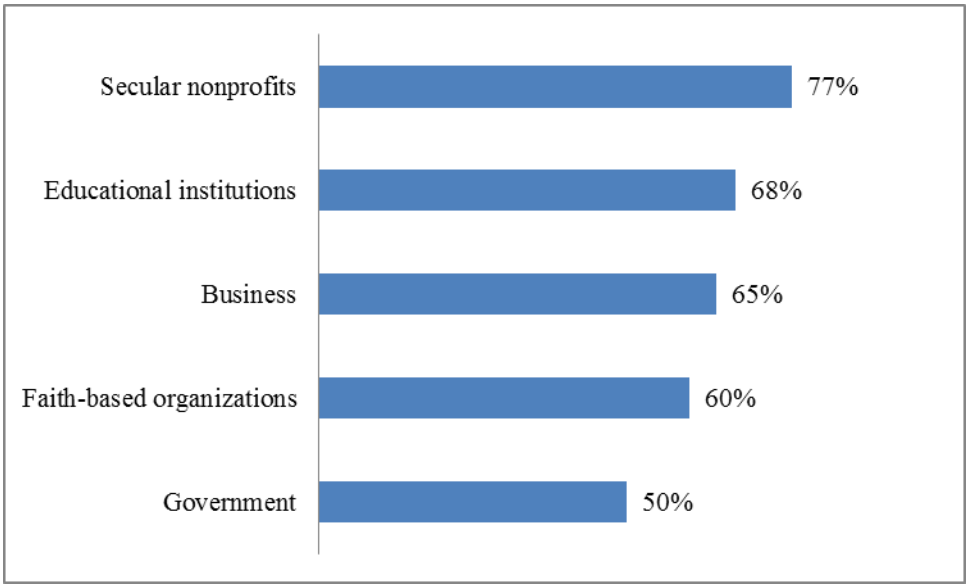
Because collaborating is not something FBCOs always do, these activities may have been difficult for some organizations. About half the SCF grantees believed that FBCOs in their area had "considerable need" for learning how to partner and collaborate, with Government Program grantees more likely than Nonprofit Program grantees to hold this opinion—58 percent versus 49 percent, respectively.

Nearly 70 percent of FBCOs reported they formed a new partnership or collaboration, and about 45 percent joined an existing partnership for the first time.[5] Very small to medium-sized FBCOs were significantly more likely than large FBCOs to enter into partnerships.[6]

Most Common FBCO Partners

FBCOs formed partnerships with various types of organizations. The most common partner was secular nonprofit organizations (reported by three in four FBCOs), followed by educational organizations and business groups (Figure 2). The size of the FBCO did not affect the likelihood of partnering with these types of organizations.

Figure 2. Types of Organizations That FBCOs Partnered With



Source: The Urban Institute, Strengthening Communities Fund, Nonprofit Capacity Building Program Evaluation FBCO Surveys (2012).

About 60 percent of FBCOs partnered with faith-based organizations, with very small FBCOs significantly more likely to do so than large FBCOs—70 and 44 percent, respectively. The survey did not probe the reasons for this difference.

Although government was the least likely partner, half the survey respondents reported government as a partner or collaborator. Again, organization size is a significant factor in predicting which FBCOs will partner with government. Nearly 60 percent of large FBCOs reported partnering with government, while roughly 45 percent of small and very small FBCOs worked with government.

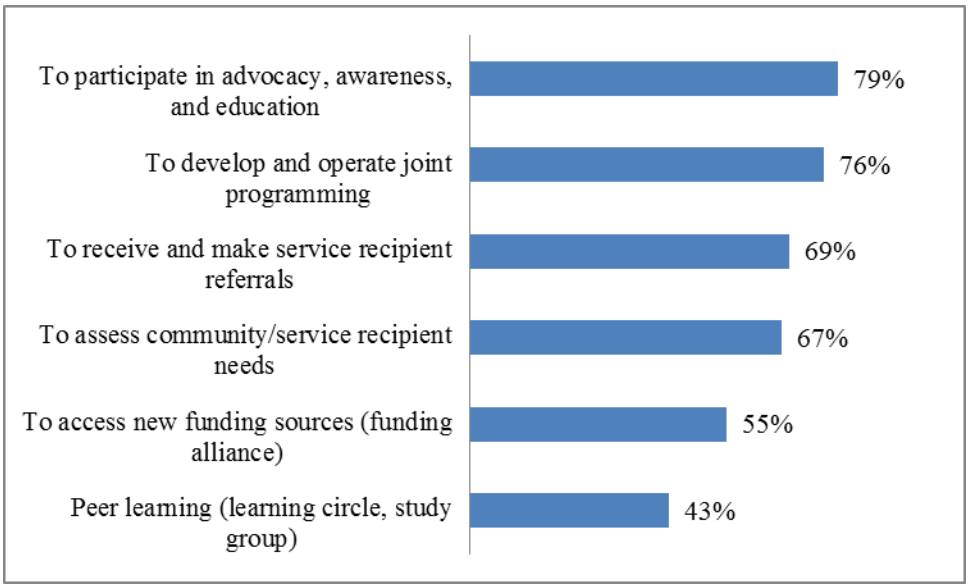
Reasons FBCOs Form Partnerships

According to the UI survey, the two most common reasons that FBCOs sought partnerships were to participate in advocacy, awareness, and education that would enhance community engagement and to develop and operate joint programs with other organizations (Figure 3). More than three-quarters of survey respondents cited these reasons.

About two in three FBCOs formed partnerships and collaborations to make and receive client referrals or to assess community or client needs. Roughly half (55 percent) of survey respondents indicated they partnered with other groups to access new funding sources. The least frequently

cited reason was to join a peer learning group. The FBCO's size did not have a statistically significant effect on why an organization entered into a partnership.

Figure 3. Reasons FBCOs Formed Partnerships and Collaborations



Source: The Urban Institute, Strengthening Communities Fund, Nonprofit Capacity Building Program Evaluation Grantee and FBCO Surveys (2012).

Outcomes of Partnerships and Collaborations

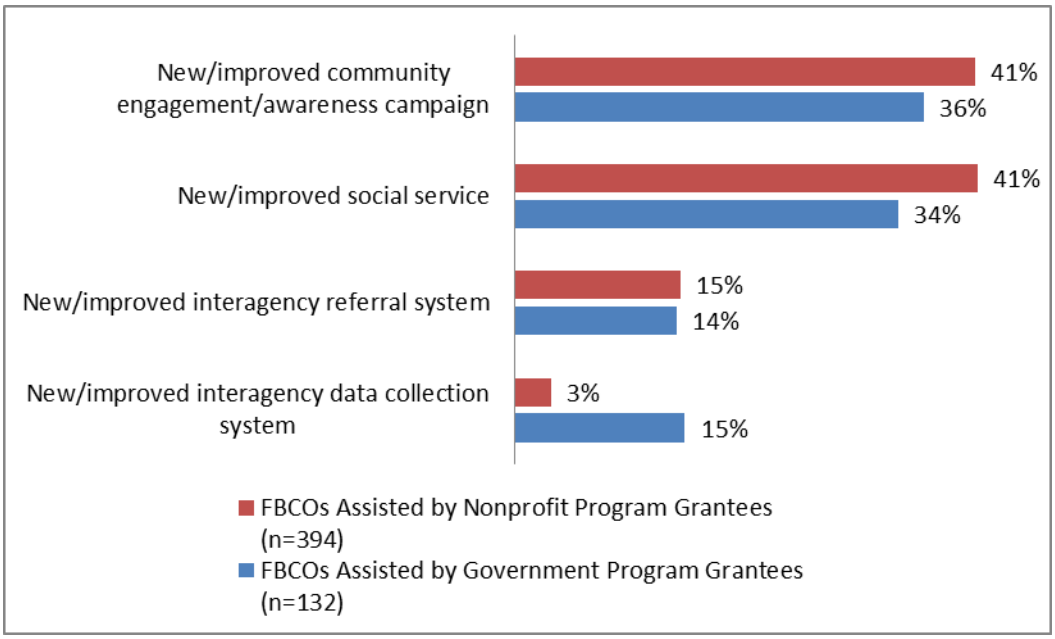
Measuring outcomes of partnerships and collaborations was challenging. OCS instituted a standard reporting format to try to capture the results of SCF capacity-building assistance accurately and consistently. Grantees were to report the results of FBCOs' participation in new or improved collaborations or partnerships on their quarterly Progress Performance Report (PPR). Results were to be reported only in cases where the FBCO's participation in a partnership was attributable to the SCF project and where the FBCO contributed staff time, money, and/or volunteers to the effort. SCF grantees were instructed to use four standard indicators to assess outcomes resulting from the capacity-building activities completed by FBCOs receiving 10 or more hours of T/TA or financial assistance. These four areas were to create/improve social services, referral systems, data collection systems, or community engagement/awareness campaigns.

Based on valid outcomes reported,[7] the two most frequently achieved outcomes were new/improved community engagement and awareness campaigns and new/improved social

services (Figure 4). Approximately 40 percent of FBCOs assisted by Nonprofit Program grantees and 35 percent of FBCOs that worked with Government Program grantees reported these outcomes. FBCOs that reported outcomes in these two categories described activities such as joining and forming new networks to raise awareness of their programs and services, collaborating to deliver such services as GED classes and art workshops, developing training curriculums, or partnering with other organizations to expand services to clients.

The share of FBCOs reporting other outcomes is much lower. About 15 percent of FBCOs from both groups reported new/improved interagency referral systems. There was a substantial difference in those reporting new/improved data collection systems: FBCOs working with Government Program grantees were five times more likely than those working with Nonprofit Program grantees to report this outcome (15 percent versus 3 percent). The emphasis within government at all levels for greater measurement and accountability may have encouraged Government Program grantees to place more focus on data collection systems. Further research is needed, however, to explore this idea.

Figure 4. Improved Interagency Collaboration Outcomes



Source: Summaries of PPR data provided to Urban Institute by National Resource Center (8/10/2012).

Promising Practices for Fostering Collaboration among FBCOs

Grantees implemented various tactics to promote the development of partnerships as part of the T/TA they provided to FBCOs under SCF. Among the more promising practices that might be used in future capacity-building efforts, the following five stand out:

1. **FBCOs need a venue and time to meet and network with one another.** Training workshops were often used to facilitate the formation of productive partnerships and collaborations. The workshops generally were targeted at FBCO executive directors, although some included other management staff and Board members. The sessions provided a space where leaders could meet regularly, participate in discussions, and learn about and from one another. As one FBCO leader said:

   > Nonprofits feel like the Lone Ranger or are afraid someone might come in and do what they want to do. SCF helped address turfism. On a monthly basis, you're encouraged by, learning about, and seeing the other people working in the same area. It is good to be aware of them and start building relationships with these people. It is a very positive thing.

   Several grantees made an effort to designate time primarily for networking during scheduled training workshops, and some took steps to ensure that interaction occurred. One grantee explained:

   > We set aside a half hour prior to the start of our workshops for networking time. Everyone who arrived early received raffle tickets for prizes such as gift cards for office supply stores or a book relevant to the training topic. To facilitate discussion, each participant was given a card with a few questions related to the training topic (e.g., what is the biggest challenge with your board?) that they were to ask other participants. We adopted this practice because FBCOs told us they wanted more networking opportunities.

   Some trainers assigned small teams of FBCOs to problem solve or work jointly on a topic as a way to promote collaborations and partnerships.

   One grantee had FBCOs work in teams to address community needs. One team developed a plan and proposal for a partnership to obtain and share a van that would operate on a "loop" to bring clients of the respective agencies to various service agencies.

2. **Leaders need to be open to new ideas, and buy-in must occur across all levels of the organization.** While workshops and networking events coaxed FBCOs out of their silos, the willingness of nonprofit leaders to form alliances with other organizations is an essential characteristic to successfully engage in partnerships and collaborations. "There is a level of self-control that [the FBCO executive] must give up in order to collaborate," the head of one such group explained. "Partnering starts with leadership at the top." To promote leadership buy-in, grantees made sure executive directors and other senior leaders of FBCOs attended T/TA sessions. Based on feedback from the FBCOs, this requirement proved effective.
3. **FBCOs need information about partnerships.** To promote willingness to enter collaborations or partnerships, FBCOs need to better understand how, and under what circumstances, such relationships will succeed. A common barrier to collaboration is limited guidance on how to evaluate and structure such potential arrangements. SCF grantees that focused on collaboration made a concerted effort to build the capacity of their FBCOs by providing them with information meant to broaden their knowledge about how to partner. Specifically, grantees implemented T/TA intended to help FBCOs better understand and address the challenges associated with collaboration and equip them with the skills and tools to develop productive and successful networks. One grantee commented, "We had training sessions focused on it [collaboration] and consistently encouraged them to work with each other, and identified non-participating entities to collaborate with and how to go about doing that."
4. **Mergers can sometimes enable an FBCO to fulfill its mission.** Collaborations and partnerships sometimes are not enough to meet an organization's goals. Several SCF grantees provided information to the FBCOs on the benefits and challenges of merging with another organization, as illustrated in the following examples.

> We did a workshop around strategic alliances/collaborations and mergers—that was well received. It gave new insights to CEOs—how to assess whether to pursue a merger or how to manage a merger. Because of the tight times, it gave CEOs a framework for how to go about [these things].

> Funding is never going to be what it was, so we had a heavy focus on strategic planning and on the value of partnerships and collaborations. We convened a panel on partnering and collaborations to help educate nonprofits on the value of possibly merging as a way to build capacity and accomplish their mission.

5. **Technology and social media can connect FBCOs.** Grantees used technology in various ways to encourage relationship building and foster alliances among their participants. For example, at the request of its FBCOs, one grantee created a free online discussion group that allows the FBCOs to participate in threaded conversations to share information and stay in touch. Several grantees used online web tools to bring FBCOs together for training and other networking activities. At a time when many organizations are operating with fewer resources, this format allows FBCOs to interact with other organizations without having to spend time and money traveling to a meeting site.

> After the final training, we [the grantee] set up a Google group for participants so they could stay in touch. This was at the request of the FBCOs. They are now using it to share information. We also encouraged the FBCOs to use community resources—e.g., the annual conference on nonprofit management and the Google group to share information on what's available. Ten TA recipients were involved in creating or updating a web site, and we encouraged them to link their web sites to each other. Most FBCOs created Facebook and Linked-in pages.

> We [the grantee] created something like a Facebook vehicle so organizations that participated in the training could network with each other via Internet. As a result, organizations that never knew the other existed have gone on to develop partnerships outside of us – for example, some of the literacy providers have developed strong bonds.

Lessons Learned

Developing partnerships and collaborations are important ways to expand service delivery and promote the efficient use of scarce resources. SCF's focus on helping FBCOs build capacity in this area addressed a critical need for many nonprofit human service organizations. However, because the terms partnership and collaboration were broadly defined, a wide array of activities were captured under this definition. For many grantees, it simply meant the arrangements they made with other organizations to provide T/TA services to FBCOs. For FBCOs, it could encompass a range of things, from a one-time consultation to get a software program installed to an ongoing arrangement with another organization to make client referrals or to operate a joint service delivery program. A more precise definition of collaboration and partnership would help distinguish one-time or episodic collaboration (which might be along the lines of informal technical assistance) from ongoing and in-depth collaboration.

Having grantees report their outcomes in a uniform and detailed way was relatively new for both grantees and Federal program monitors. OCS provided considerable training and technical assistance to implement the system.[8] Although progress was made in this ground-breaking system, there is still much work to be done to refine and smooth the process of collecting outcome data from grantees, particularly when grantees are required to obtain and report outcome data from organizations they assisted in addition to their own outcome data.

Despite the ambiguity embedded in the terms partnerships and collaborations, the evidence suggests that FBCOs were eager to build their capacity in this area. Many FBCOs interviewed as part of this study said they discovered other organizations in their community that were doing similar or complementary work, which led to FBCO leaders exploring ways in which they might work together to provide better services and to stretch their resources.

But relationship building does not happen organically or in a vacuum. It needs to be nurtured and promoted. SCF training forums often provided the venue for FBCO leaders to come together and explore opportunities for common ground and joint activities. SCF grantees used various techniques to stimulate interaction in these venues, such as team projects or exercises, informal discussion during coffee breaks, and meet-and-greet time before or after training sessions.

Social media and online groups are an increasingly important way to share information. Some FBCOs that received intensive T/TA created or joined online groups to continue to discuss issues of common interest and serve as support groups for one another. Common web sites also were created under SCF to post common forms and directories that can be shared by all online users.

A critical and unanswered question, however, is whether the progress made in promoting partnerships and collaborations can be sustained. Experience suggests that it is easier to start a partnership or collaboration than to keep it going over time. A member of a newly formed collaborative worried that new leadership at a participating FBCO might lack commitment to the collaborative and thereby weaken, if not jeopardize, the existing arrangements. Other interviewees spoke about the challenges of finding financial resources to support a collaborative effort. Given SCF's two-year time frame, it is too soon to assess if any partnerships and collaborations started under SCF will continue into the future.

SCF successfully introduced capacity-building activities to local FBCOs. This type of effort and instruction is rare in the nonprofit world. Much has been learned that might be used to tailor future programs to address more specific needs of FBCOs. For example, the partnerships and collaborations formed by government and FBCOs and those formed among FBCOs themselves differed considerably. More work is needed on defining partnerships and collaborations and on how to appropriately measure outcomes of these arrangements. Interest in facilitating partnerships and collaborations is just beginning, and it holds promise for the future.

Notes

[1] See for example, Bin Chen and Elizabeth A. Graddy, "Exploring Perceived Effectiveness of Nonprofit Lead-Organization Networks for Social Service Delivery," *Nonprofit Management & Leadership* 20, no. 4 (2010): 405–22; Heather McLeod Grant and Leslie R. Crutchfield, "Creating High-Impact Nonprofits," *Stanford Social Innovation Review* (Fall 2007): 32–41; Sally Coleman Selden, Jessica E. Sowa, and Jodi R. Sandfort, "The Impact of Nonprofit Collaboration in Early Child Care and Education on Management and Program Outcomes," *Public Administration Review* 66, no. 3 (2006): 412–25; Jane Wei-Skillern and Sonia Marciano, "The Networked Nonprofit," *Stanford Social Innovation Review* (Spring 2008): 39–43; and Priscilla Wohlstetter, Courtney L. Malloy, Guilbert C. Hentschke, and Joanna Smith, "Improving Service Delivery in Education through Collaboration: An Exploratory Study of the Role of Cross-Sectoral Alliances in the Development and Support of Charter Schools," *Social Science Quarterly* 85, no. 5 (2004): 1078–96.

[2] SCF was authorized under the American Recovery and Reinvestment Act of 2009 (ARRA).

[3] Under contract with OCS/HHS, the Urban Institute conducted an evaluation of the SCF (see *An Assessment of the Strengthening Communities Fund Capacity-Building Program* at http://www.urban.org/publications/412862.html. The analysis presented here is based on data from grantees' quarterly Performance Progress Reports, Urban Institute telephone interviews and site visits with SCF grantees, and surveys conducted by the Urban Institute of SCF grantees and the FBCOs that received assistance under SCF.

[4] The other four areas were organizational development, program development, leadership development, and evaluation of effectiveness. See full report, "An Assessment of the Strengthening Communities Fund Capacity-Building Program," for further detail.

[5] Findings based on data from the Urban Institute survey of SCF grantees and FBCOs.

[6] The size of an FBCO was based on the organization's 2011 budget, which ranged from $0 to $200 million. Very small organizations had budgets of less than $500,000; small ones had budgets from $500,000 to $1.9 million; medium ones had budgets from $2 million to $4.9 million, and large ones had budgets of $5 million or more.

[7] The information about FBCO outcomes was self-reported to the SCF grantees who, in turn, reported the information on the PPR. OCS program specialists, assisted by the National Resource Center and the Urban Institute, reviewed the entries to determine if the descriptions provided by grantees were consistent with the outcome definitions established for each outcome category; the data reported were not externally validated.

[8] See Urban Institute's full evaluation of the SCF program, *An Assessment of the Strengthening Communities Fund Capacity-Building Program* at http://www.urban.org/publications/412862.html for a more detailed discussion of the reporting system and assistance provided by OCS.