



ONTARIO NONPROFIT NETWORK

BUILDING COLLABORATION IN AND WITH THE NONPROFIT SECTOR

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Innovation Works: The Practice of Collaboration in and with the Nonprofit Sector

Collaboration can be defined as two or more different partners (*e.g. individuals, organizations, networks*) coming together from various sectors, groups or regions to work toward common goals. Collaborative arrangements span a wide continuum and include an extraordinary range of diverse partners that are collaborating through networks, learning groups or communities of practice, strategic alliances, partnerships, coalitions and mergers.

For Ontario's nonprofit sector, collaboration is becoming a critical strategy for achieving goals and addressing complex issues across the province, the country, and all over the world. Nonprofit and cross-sector collaborations are achieving significant impacts that range from more coordination of services for increased client impact, to the tackling of complex and pervasive social, economic and environmental issues. Having overcome significant obstacles and challenges to date, and addressing further challenges every day, the nonprofit sector demonstrates commitment and leadership in advancing collaborative practice.

In the past many collaborative relationships were formed to generate greater efficiencies and reduce costs. However, the most successful collaborations are motivated by a shared desire to achieve greater impact, not to deliver more services for less money. Evidence demonstrates that collaborations work best when funders enable relationships to form organically, rather than mandate them. When enabled, partners self-identify those who share and are committed to common goals, and can work most effectively together to solve problems.

The partnership project has begun in a collaborative way, and shows promise to continue evolving into an excellent example of successful collaboration for the benefit of all partners and their shared constituents. As Dr. Hoskins stated, a stronger partnership between the provincial government and the nonprofit sector means a stronger nonprofit sector – and a stronger nonprofit sector means a stronger Ontario.

In order for our promising partnership to be realized, and for it to support and nurture collaboration in the nonprofit sector, it is important to realize the distinct nature of collaboration's processes and approaches. In particular, it is worth noting the difference between collaborations and organizations. While organizations are single entities with fairly static structures, collaborations, and the structures they develop, intentionally remain flexible to meet emerging needs. These evolving structures foster strong working relationships, and allow many diverse partners to negotiate shared goals and outcomes as they grow, mature and transform. Collaborations, therefore, need to be supported and funded in different ways.

Fostering Collaboration & Reaping the Benefits

Four key developments in the public sector would allow Ontario's nonprofit and cross-sector collaborations to bear the strongest results. These could be summarized as a commitment to:

- **Ensure flexibility and coordination in government support**
- **Sustain promising and innovative collaborations**
- **Tolerate Risk**
- **Harvest learning and knowledge**

Each of these commitments corresponds to a fundamental element of successful collaboration.

A) ENSURE FLEXIBILITY AND COORDINATION IN GOVERNMENT SUPPORT

New forms of governance and organizational structure are evolving in the sector to support the work of collaborations. As a result, nonprofit collaborations work in ways that are not yet recognized by standard government guidelines and requirements. The highly complex and diverse relationships that characterize collaborations tend not to fall neatly within specific Ministry mandates, and many collaborations cross over and between traditionally defined regions, cultures, populations and sectors.

Currently, collaborations must work around – rather than with – government guidelines and requirements in order to succeed. As well, without coordination across different government departments, collaboration teams are required to spend a significant amount of time and resources on managing multiple funder relationships, applications and reporting procedures. To the detriment of beneficiaries, funded collaborations, and funders, valuable resources are tied up in meeting these often divergent sets of requirements rather than on achieving outcomes.

Recommendation:

In order to effectively respond to the unique characteristics of nonprofit collaborations, the partnership project's efforts should ensure government departments have greater flexibility and mechanisms for coordination across departments and Ministries to effectively fund collaborations.

B) SUSTAIN PROMISING AND INNOVATIVE COLLABORATIONS

With the long-term horizons required to manage complex issues and relationships and to achieve and sustain community outcomes, collaborations cannot flourish if funding is concentrated on short term, one-time and project specific initiatives.

While not all collaborations should be resourced over the long-term, there is a great, untapped opportunity to sustain effective and promising collaborations. With a restructured funding system, collaborations that have something important to contribute to the sector could have the resources to demonstrate effectiveness and promising and innovative initiatives could be scaled up for greater impact.

Recommendation:

Structural changes put in place through the partnership project should enable longer-term funding commitments and meaningful, engaged partnership with the sector and its stakeholders to sustain promising and innovative collaborations.

C) TOLERATE RISK

Collaborations often address a highly complex set of inter-related issues and factors. When responding to such challenges ‘trial and error’ is an essential way to turn ideas into useful practices. Knowledge is always incomplete and environments are continually changing. Collaborations also deal with a complicated set of relationships. When risk is acknowledged as a necessary part of solving social challenges, it enables innovation and allows for diverse partners to tackle difficult issues.

Recommendation:

Funders need a comfort level with reasonable risk, so that the surprises and unintended outcomes are allowed to yield effective practice. To foster collaborations' great potential to address complex issues and effect broader social change, funders should formally recognize the need to share risk with collaborative partners in the non profit sector.

D) HARVEST LEARNING AND KNOWLEDGE

There is an increasing amount of knowledge and research in the sector about collaboration. The growing number of mature collaborations are an important resource for learning and more experts and leaders have expertise and experience to share with others. With support, the full extent of lessons learned to date can be harnessed to strengthen future initiatives. The sector can have a greater impact much faster if knowledge and experience are made readily accessible to a wider audience. Translating raw data and information into practical resources that can be easily implemented will strengthen the cycle of learning and practice that produces and sustains effective impacts.

Recommendation:

Structures and processes developed to strengthen the relationship between the sector and the government should invest in the sector's capacity to harvest the learning and knowledge about effective and innovative collaborations, translate it into easily applied tools and resources and disseminate it more widely to advance collaborative practices.

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Critical Issues of a Government-Sector Partnership

Given the new and evolving collaborative landscape, there are significant issues that need to be addressed in order to prepare and position the nonprofit sector to effectively use collaboration strategies, to ensure it has the capacity to achieve significant outcomes and to continue to innovate and evolve collaborative practice. This section elaborates on the issues described in the recommendations.

Funders are working more collaboratively

There is a growing interest among funders to position themselves as collaborators with the sector, not just as sources of funds. As well, there are a growing number of funder collaborations that create learning networks, accomplish joint strategies, streamline processes and/or address issues. The same best practices that apply to nonprofit collaborations also apply to funders.

Spawning new governance models, crossing boundaries and generating new ways of working

Emerging trends and innovations in collaborations within the nonprofit sector landscape lead to new definitions and understandings of collaboration and new governance and organizational models. Traditional sector boundaries are blurring — businesses are developing not-for-profit subsidiaries, corporations are seeking to be socially responsible; nonprofits are developing fee-for-service programs; social enterprise is both a source of funds and a means to tackle social issues outside of traditional nonprofit programming; and social entrepreneurs are bringing a different kind of energy and innovation to solving issues. As well, a significant number of collaborations between nonprofits are crossing over sectors, geography, cultures and populations.

Intermediaries are playing an increasingly important role in supporting and catalyzing effective and innovative collaborations by acting to foster, broker, streamline and facilitate them. They take diverse forms, such as community leaders or institutions that convene partners to discuss issues and explore the potential for mutual support and action. They may be organizations that incubate initiatives by connecting groups, bringing in experts, brokering funding, or providing space and back office resources during the developmental stages of a collaborative. They can also be funders who bring grantees together, in a particular community, sector or across sectors, to foster dialogue and share learning and promising practices.

Collaborations require different supports at various stages of development

The ‘one size fits all’ approach to creating, maintaining, supporting and evaluating organizations does not work for collaborations. Collaborations form more organically than organizations, and therefore different supports and measurements are required at different stages of development. A number of typologies found in the literature describe

four distinct stages in collaboration. These range from the initial exploration and building of relationships to the formative stages, in which partners formalize relationships, through implementation and achievement of outcomes, to transformation or dissolution.

The support required for evolving collaborations to produce the best results must also evolve. It must also be able to respond to the different needs of various collaborations occurring at the same time. In particular, it needs to be recognized that there is a vast difference between the challenges faced and the needs of a collaboration working on a single issue versus those which are addressing multifaceted and complex issues.

Strong collaborative relationships need to build and sustain trust

Research on collaborations confirms that the most successful collaborations are the ones that happen because individual, groups and nonprofit organizations identify a shared need, not because a funder requires it or because it will necessarily generate more efficiency. Collaborations are motivated by a desire to share knowledge, resources and expertise; to better serve clients and gain greater reach; and to generate a stronger collective voice.

At the heart of these successful collaborations is trust. In order for collaborations to build trust, they need the time, resources and ‘space’ for individuals to develop authentic working relationships. Not only does this process require a unique set of skills, it also requires the breathing room to identify shared values; find common cause; build clear and agreed to structures and processes; and to shape and reshape outcomes.

Creating a successful collaboration requires the ability to work with unknowns

Successful collaborations, particularly those that address complex issues and work towards broader social change, require a certain level of risk. Collaboration partners need funders to have a comfort level with risk so surprises and unintended outcomes are allowed and there is an opportunity to learn from mistakes and take different directions as a result.

One of the challenges that emerges in a risk averse environment is a lack of funds for research and development in the sector to support the ‘let’s try it and see’ kinds of activity that can be characteristic of collaborative initiatives. Sector stakeholders are seeking to try new things, and in the process, to share risk – not only with organizational partners, but also with their funders.

Achieving significant impacts and innovative solutions needs long term commitment

Achieving significant impacts through collaboration takes time and resources. Some successful collaboration initiatives have taken five to ten years to deliver on impacts, while others can have shorter or longer timeframes. Research has demonstrated that collaborations can’t be effectively done without the time and resources to manage

complex issues and relationships, including coordinating multiple stakeholders; arriving at consensus decisions; and developing processes that work with diverse and sometimes competing agendas. As well, managing the multiple and differing funder applications and reporting procedures can take significant time and resources.

A lot is known about collaboration but little is widely accessible

A great deal of research is available on frameworks, typologies, and models as well as key success factors and ingredients of effective collaboration. However, this knowledge is not readily accessible or translated into easily applied tools and resources. While there are an increasing number of experts or leaders from mature collaborations who can share their knowledge and mentor other collaborations, they do not have sufficient resources to do it effectively.

There is also an opportunity to more effectively link researchers and practitioners across regions, sectors, communities and even nations to share what they are learning and to prompt further sector innovation.

More research is required to understand how to best measure success in collaboration

Collaborations, especially those with social change goals, are challenged by demands for outcome evaluation that seek short term results. There is a need for more research on the best approaches to measuring collaborations, such as developmental evaluation, and to identify metrics that can be used to evaluate its different types, stages and forms. It is also important to understand and document the unintended impacts and ripple effects that can come from collaborative efforts.

Strategies and Approaches

- The recent Ontario Trillium Foundation research identified a number of broad strategies and approaches that could advance collaboration practice in the nonprofit sector in Ontario. These are applicable for the Ontario government as well as the nonprofit sector and all of its stakeholders and supporters.
- Continue to support core capacity in nonprofit organizations so they have the resources and time to reflect and effectively engage in collaboration as a strategy to achieve mission.
- Ignite relationships between individuals, groups and nonprofit organizations by supporting and creating opportunities to explore common cause, particularly across different sectoral, cultural, and regional boundaries.
- Allow trust to build in the early stages of collaboration development by facilitating the acquisition of skills and the time and capacity to put processes and structures in place that will help ensure success.

- Recognize that collaborations can be complex and that achieving outcomes takes time and resources by building higher risk tolerance and longer term horizons into granting processes; supporting mutually acceptable outcomes; and allowing for repeat funding along the continuum of collaboration development.
- Help leverage funding and policy support for those promising collaborations that are continuing to transform and achieve significant impacts.
- Provide adequate support for collaborations, recognizing that collaborations are a means to achieving greater impacts, not a strategy to do ‘more with less’.
- Seek out different ‘lead organizations’ as a way to nurture leadership and capacity building while also finding alternative ways to fund collaborations so there isn’t the need for one partner to receive the funds.
- Remove decision-making and eligibility barriers to funding collaborations that cross over boundaries (e.g. geography, populations, sectors) and present different governance forms.
- Encourage funders to be strategic partners with the not-for-profit sector and to model effective collaboration practice in the way they work with the sector and each other.
- Promote funder collaboration where appropriate as a way to streamline application processes; address joint projects and issues; and find ways to generate and exchange knowledge.
- Support the work of intermediaries to play a unique and important role in nurturing diverse collaboration initiatives.
- Increase the body of knowledge about promising and innovative practices in collaboration by ensuring it is accessible and can be easily applied; by building bridges between universities, colleges, researchers and practitioners; by identifying and supporting strategic gaps in learning; and by generating, integrating and sharing learning for the benefit of the sector as a whole.
- Support recognized collaboration leaders so they have the resources to share their knowledge, and to coach and mentor other collaborative initiatives.
- Find ways to better evaluate collaborative processes and impacts for different types and stages of collaboration, factoring in short and long term indicators as well as the unintended outcomes.
- Celebrate success in collaborations in order to generate stories, share learning and demonstrate impacts for the sector (e.g. recognition awards).