

Strengthening Impact Through Collaborations

Nonprofit Finance Fund (NFF) offers a structured process to assess and manage collaborations that help two or more nonprofit organizations work together to improve quality of services, strengthen financial stability, upgrade systems, save money, and expand staff opportunities.

NFF's Collaboration Strategy: The C.O.R.E. Continuum

Linking Mission, Capacity, and Capital

Successful collaborations are developed out of a common sense of purpose and typically focus on shared strategic objectives:

Corporate

- Expand geography or market share
- Strengthen influence and build political clout
- Strengthen board leadership
- Address an executive vacancy or plan for succession

Operations

- Broaden and deepen services
- Improve and integrate client services
- Offer career ladders and improve staff benefits
- Increase fundraising capacity

Responsibility

- Develop stronger, integrated internal systems
- Save money through joint purchasing
- Improve quality of back office functions

Economics

- Save money through joint purchasing
- Realize economies of scale
- Gain access to capital and lower financing costs

While these objectives vary in degrees of integration and complexity, they share a common goal: to fulfill the participating nonprofits' missions in the most effective and impactful way.

Organizations interested in collaborating must have a clear sense of their reasons for coming together and a comprehensive understanding of each other's strengths to form a successful partnership. Additionally, the collaborating nonprofits must share the same or complementary goals.

Form Should Follow Function

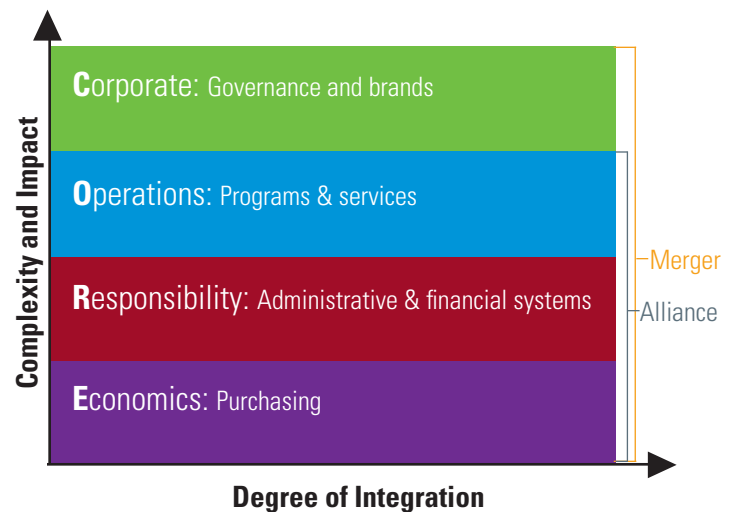
A collaboration's structure should directly reflect the objectives it seeks to achieve. NFF's C.O.R.E. Continuum of Collaboration™ helps clients articulate their motivations for collaboration and develop a structure that supports those objectives.

The C.O.R.E. model illustrates that nonprofits can collaborate on four functional levels. Collaborating organizations can choose to work on all levels or some combination of them. Nonprofits working collaboratively on all four levels is a merger; nonprofits working on any one or more of the O.R.E. levels is an alliance.

As organizations work their way up the levels, the collaboration becomes more complex and has a greater impact. The ultimate form of a collaboration and the degree of integration will depend on its intended function.

The C.O.R.E. Model

Organizations working on any of the O.R.E. levels have formed an alliance. Combining on all 4 levels constitutes a merger.



Building Organizational Strength and Impact

Effective Collaborations are Strength-Based

Our goal is to build a model for collaboration that preserves and builds upon strengths and shares best practices between the individual organizations. Through NFF's approach, the strengths of each unique nonprofit become system-wide assets that can ultimately increase efficiency and better position organizations to serve their community.

Collaborations Help Build Community

At times nonprofits produce significant savings by working together. However, the drive to collaborate is often not rooted in cost-savings, but in an expansive community-oriented vision. By working together, nonprofits are better positioned to achieve shared goals, advance missions, enhance long-term viability, and improve the delivery of services.

"We knew that strategically a merger made sense. NFF helped us understand the operational, financial and cultural issues that lie below the surface. Together we're more efficient and serve more people."

Juan Vega
Chief Executive of Centro Latino
NFF merger client

How Does NFF Help Nonprofits Create Successful Collaborations?

Process

Too often, collaborations fail. Internal politics, economics, confusion, and competing responsibilities derail many promising joint ventures. NFF has developed a disciplined process that eliminates much of the guesswork in decisions that impact institutional control and autonomy.

NFF's seasoned nonprofit specialists can lead your organization through the steps necessary for a successful nonprofit collaboration.

Feasibility Studies

Feasibility studies include a thorough internal assessment with cultural, organizational, and financial analyses; market research to understand the external drivers to collaborate; business model recommendations; and budget implications of a unified endeavor. Our outcome-oriented facilitation gets leadership working together productively.

Implementation Planning

Implementation planning produces a working, unified nonprofit venture. Our activities are individually tailored and vary significantly based on the type of collaborative undertaking the organizations choose to pursue. In all cases, our work builds organizational capacity in the areas of governance, strategy, programs, and operations.

Integration Support

Integration support helps organizations put the plan into action. We help navigate the numerous details that are necessary for a collaboration to achieve its highest and best potential.