# Workforce Intermediary Collaboration:

## A Strategy for Greater Impact and Sustainability?

by Rebecca Klein-Collins

Produced by the Council for Adult and Experiential Learning (CAEL)
For the Annie E. Casey Foundation

August 2008

CAEL
The Council For Adult & Experiential Learning

## Acknowledgments

CAEL is grateful to our Collaborators whose observations helped inform this paper. In particular, we acknowledge:

**Abby Snay**, Executive Director, Jewish Vocational Service ( San Francisco)
**Ben Seigel**, Vice President, Program Development and Technical Assistance, Seedco
**Steven L. Dawson**, President, Paraprofessional Healthcare Institute

Also interviewed for this report were the following CAEL staff:

**Phyllis Snyder**, Vice President, Government and Healthcare Services
**Amy Sherman**, Associate Vice President for Policy and Strategic Alliances
**Gabi Zolla**, Associate Vice President and Director, Office of the President
**Randall K. Johnson**, LiLA State Policy Director
**Stephanie Senuta**, National LiLA Technical Assistance Manager

We are also grateful to the Annie E. Casey Foundation for its leadership on issues regarding the sustainability and increased impact of non-profit workforce intermediaries.

Copyright ©2008 by the Council for Adult and Experiential Learning. All rights reserved.

55 E. Monroe Street
Suite 1930
Chicago, IL 60603
(312)499-2600
www.cael.org

# Table of Contents


Introduction 2

Entrepreneurial and Nimble, but often Small 2

What Do We Mean By Collaboration? 4

Types of Collaboration 4

The Partnership Matrix 5

Reasons for and Presumed Benefits of Collaboration 6

CAEL Collaboration Case Studies 7

Collaboration #1: CAEL and Jewish Vocational Service – Expanding our Reach to San Francisco 8

Collaboration #2: CAEL and Seedco – Feet On the Ground in New York City 10

Collaboration #3: CAEL, Paraprofessional Healthcare Institute and Jobs for the Future – U.S. Department of Labor Long Term Care Initiative 13

Summary of CAEL's Experiences with Collaborations 15

The Benefits 15

The Challenges and Risks 15

What Makes For a Successful Collaboration 17

Conclusion: The Promise and Pitfalls of Collaboration for Workforce Intermediaries 20

Cited Sources 23

Appendix A. Attendees of WI Scale and Sustainability Meeting, June 17, 2005 24

# Workforce Intermediary Collaboration:
## *A Strategy for Greater Impact and Sustainability?*

**by Rebecca Klein-Collins**

**Produced by the Council for Adult and Experiential Learning (CAEL)**
**For the Annie E. Casey Foundation**

**August 2008**

## Introduction

Some of the most innovative strategies for addressing workforce development have been tested and carried out by some of the smallest players in the field: nonprofit intermediaries. Intermediaries have helped to advance strategies such as career ladders and pathways, school-to-work and school-to-college transitions, employer skill needs assessments, work-based learning, prior learning assessment, and many others. Typically, these activities have been funded by grants, either from private foundations or the public sector. To have real impact, however, these kinds of strategies need to be offered at a much larger scale, and the organizations that provide them need to find sustainable ways to support their work.

One proposed solution to this challenge is to encourage these smaller intermediary organizations to collaborate: in other words, work together, integrate programs and services, and share information, resources, strategies, tools, responsibilities and risks. Organizations have long teamed up on various projects in order to take advantage of each others' contacts, expertise and capacity. But the term "Collaboration" is used in this paper to connote something that goes beyond mere partnership, often involving a change in organizational structure to facilitate a new kind of relationship between two or more organizations. One expert on this topic, David La Piana, chooses to capitalize the word Collaboration to emphasize that this is something more than an everyday working partnership.

This paper, prepared by the Council for Adult and Experiential Learning (CAEL) as part of a grant from the Annie E. Casey Foundation, examines the concept of Collaboration among non-profits in workforce development. The paper first examines what experts have to say about Collaboration in the non-profit world generally, including the types of Collaboration and the reasons for and benefits of Collaboration.

It then discusses CAEL's own experiences exploring the possibility for Collaboration with three other workforce intermediary organizations. Each short case study discusses the reasons for these Collaborations, the types of Collaborations they are, and the risks and benefits to each organization.

## Entrepreneurial and Nimble, but often Small

The most ground-breaking approaches in workforce development have been developed, tested and implemented by non-profit organizations – career pathways, bridge programs, and training programs that integrate assessment, post-placement follow-up, peer networks, support services, job readiness components, apprenticeships, internships, work-based learning, financing innovations, and prior learning assessment. Some have called these organizations workforce intermediaries (WIs), others call them workforce partnerships.

> **"Collaboration" goes beyond mere partnership, often involving a change in organizational structure to facilitate a new kind of relationship between two or more organizations.**

Intermediaries provide services to employers, individual jobseekers, and workers related to skill building, education and training, and job placement. Their role, however, typically goes beyond merely connecting workers to the training and other services needed for employment. They work with employers on assessing business needs related to human capital, they serve as brokers or coordinators to link various partners and funding streams, and they perform these functions while also being mindful of the larger economic development needs of the cities, regions and states in which they operate (Giloth 2004).

The challenge is that WIs are often small, locally-focused non-profit organizations with few, if any, sustainable sources of revenue. Most are highly (if not entirely) dependent upon government contracts and foundation funding to support their direct service work, with only modest resources available to support the very real costs of activities such as program development, relationship development, marketing, public relations or policy advocacy. It is rare for this kind of funding to support the kind of infrastructure development that may be needed to organizational growth, and the organizations themselves generally do not have a line of work (i.e., a service or product) that can generate operating surpluses that could help make that happen. Because of all of these factors, most WIs stay relatively small in scale and scope. They have limited impact in terms of the numbers of jobseekers and employers they can serve, as well as in the extent to which they can influence public policies locally, state-wide, or nationally.

The limited scale and sustainability of individual WIs have raised some important questions, namely, is this the only model that can succeed in the field of workforce development? Would greater scale help smaller organizations realize efficiencies, and would those efficiencies create the operational surpluses needed for sustainability? Would greater scale improve these organizations' overall impact, either through increased numbers of workers served or through policy influence that can achieve even greater impact? How can these small non-profits generate the operational surpluses needed for organizational growth while still staying true to their missions?

In June 2005, a group of WIs and private funders met in Chicago at the invitation of CAEL and the Casey Foundation to discuss the field of workforce intermediaries and to explore together ideas for improving the scalability and sustainability of WIs (see list of attendees, Appendix A). The group concluded that scale was really of secondary importance to the larger concern of WI sustainability. The reason for that distinction was that the mission and scope of work of these smaller non-profits may not permit organizational growth. For example:

- Intermediaries that are local and serve small employers are not likely to be able to position themselves to qualify for or repay debt on the kind of funding infusion needed to grow an organization, even through a foundation PRI (program-related investment, essentially a low-interest loan provided by some philanthropic organizations). They also are not likely to have good systems in place for tracking costs in order to understand their complete financial picture. Lacking those systems, it would be risky to take on the kind of debt needed to achieve organizational growth.

- Intermediaries with limited geographic boundaries (i.e., to a specific city or region) do not have as much potential to grow as does a national organization – and doing so would take away one of their most important qualities and assets, namely, their focus on local needs and concerns.

- Few intermediaries have lines of work that can generate any meaningful surplus or profit.

Despite these concerns, the group recognized that organizational growth and sustainability are needed in the field of workforce development in order to have a greater impact on the numbers of workers served and

on the ability to achieve system-level improvements for all workers and their employers. The idea of Collaboration therefore held some appeal, as a way to increase the impact of smaller organizations, achieve greater sustainability, and reach more workers in need.

## What Do We Mean By Collaboration?

The term Collaboration is used frequently by non-profit professionals. We who work at nonprofits collaborate with our colleagues on publications, on opinion pieces, on event planning, on technical assistance, and on projects that directly serve working adults. But such collaboration (with a lower case "c") rarely goes beyond the sharing of ideas and workload. A true Collaboration (with a capital "C") goes beyond the sharing of information or joint work on a specific assignment.

> **The idea of Collaboration held some appeal, as a way to increase the impact of smaller organizations, achieve greater sustainability, and reach more workers in need.**

A useful definition comes from Mattesich, Murray-Close and Monsey:

Collaboration is a mutually beneficial and well-defined relationship entered into by two or more organizations to achieve common goals. The relationship includes a commitment to mutual relationships and goals; a jointly developed structure and shared responsibility; mutual authority and accountability for success; and sharing of resources and rewards (2004, 4).

Collaboration involves changing how organizations are structured internally and changing how decisions are made within those organizations. The degree to which organizations make such changes is part of what defines the type of Collaboration.

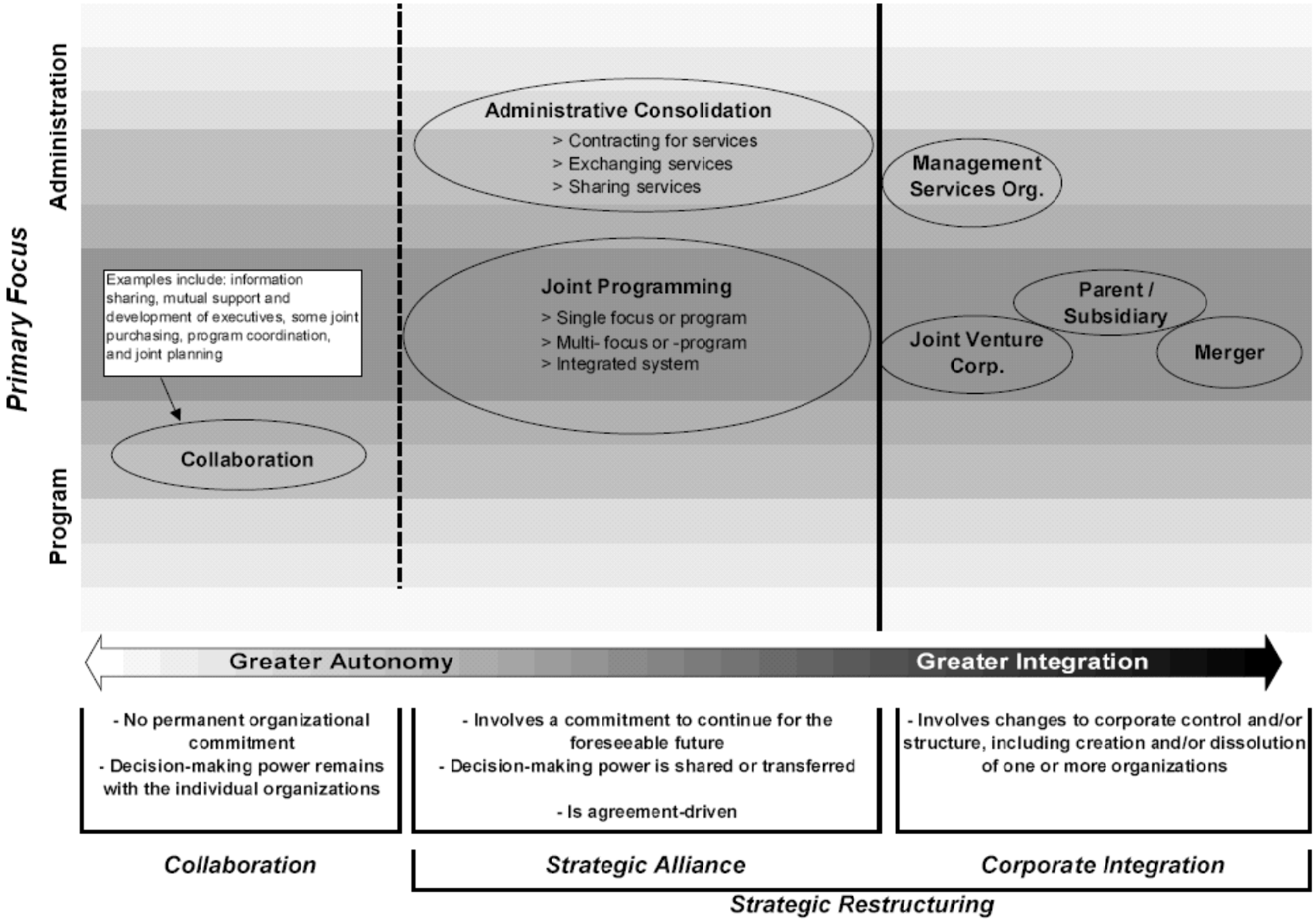
## Types of Collaboration

David La Piana of La Piana Associates, Inc. has published several works examining non-profit collaboration, and he has outlined a continuum of the types of Collaboration, as depicted in his Partnership Matrix (Figure 1). The far left side of the matrix shows a simple Collaboration, in which organizations maintain their individual autonomy and there is little integration of the organizational structures. This is the short-term, "small-c" collaboration in which many organizations engage regularly. Progressing to the right on the matrix, the types of Collaboration become more complex, with organizations giving up some of their own decision-making power for the sake of the benefits derived from Collaboration.

The mid-point of the matrix is the home of what La Piana calls "Alliances." Under this heading are models such as **administrative consolidation**, which is a restructuring that include sharing administrative functions to increase administrative efficiency, and **joint programming**, or the joint launching and managing of one or more programs to further the missions of the organizations (La Piana and Hayes 1999).

One example of a partial administrative consolidation is in Boulder, Colorado, where three higher education nonprofit groups share ownership of the building that houses their offices. In June 2005, the Western Interstate Commission for Higher Education (WICHE), the National Center for Higher Education Management Systems (NCHEMS), and the State Higher Education Executive Officers (SHEEO) used a Program Related Investment (low interest loan) from the Ford Foundation to purchase a building together. This new facility, the State Higher Education Policy Center, is home base for all three organizations. According to NCHEMS' Peter Ewell (telephone interview, 6 May 2008), the close proximity to one another has permitted the three organizations to share information and work more "synergistically" on their various state higher education policy projects. In addition, all three organizations realize some cost savings through the shared use of a data analysis software system; SHEEO and WICHE also share a telephone system. (We might call this a "partial" consolidation because the organizations have deliberately chosen not to merge other back-office activities such as accounting or human resources systems.) A second example is that of Unified Western

# The Partnership Matrix




(c) 1999, La Piana Associates Inc.

Grocers, which is a cooperative of small, independent grocery stores that helps that industry increase its scale "through the purchase and distribution of goods and services at discounted rates and through shared infrastructure" (Ratliff and Moy 2004, 6).

Joint programming is a type of Collaboration with which CAEL has experience. In our programs to demonstrate and pilot Lifelong Learning Accounts (LiLAs), which are described in greater detail later in this paper, we collaborate with organizations who serve as our local partners to administer the project. This goes beyond a simple partnership where there is a division of labor. In some projects, for example, CAEL has some degree of oversight over the staff of the other organizations working on the project, and the partners generally defer to CAEL for making decisions that affect public policy discussions about LiLAs or about how the program and processes are structured. While both partners benefit from the Collaboration, it is not an equal partnership, as the other organization gives up some authority, and some of the operations infrastructure (e.g., project oversight, fundraising, participant marketing, and the account management system) are to some degree integrated. Further, in this project, the Collaboration has been established with a formal agreement that defines roles and responsibilities and is designed to last for several years.

On the far right side of the Partnership Matrix are the higher-degree Collaborations that include **parent/subsidiary relationships, mergers, joint venture corporations**, and **management services organizations (MSO)**. These are Collaborations that integrate the different organizational structures in a way that creates a new organization or that effectively dissolves one or more organizations. In these kinds of Collaborations, there is a high level of strategic alignment between the organizations. The relationship between the organizations becomes a strategic tool, and the integrative nature of the relationship requires "high mission mesh" as well as shared values and joint benefit (Austin 2000, 36-37).

One of these types of Collaborations, a management services organization (MSO), is defined as the creation of a new organization in order to integrate administrative functions as a way to increase the administrative efficiency of participating organizations (La Piana and Hayes 1999). An example is the MACC Alliance of Connected Communities in Minneapolis, which was formed to serve a wide range of needs of community-based human service organizations in the Twin Cities area. Now serving 21 of these local organizations, MACC provides a structure for the sharing of their back office functions. Several organizations are sharing administrative functions including financial, human resources, technology, purchasing and facilities management (MACC 2006). The organizations also collaborate on leadership development activities and fostering civic engagement in their communities.

## Reasons for and Presumed Benefits of Collaboration

James Austin (2000) has summarized the presumed benefits to nonprofits from Collaborations as cost savings, economies of scale and scope, synergies, and revenue enhancement.

- **Cost savings.** One of the main reasons for Collaboration between and among nonprofits is the assumption that doing so will result in some cost savings. WICHE, NCHEMS and SHEEO, for example, could afford the purchase of an expensive software program because they were able to share the cost. Austin (2000) provides the example of the Children's Trust Fund and the United Way of South Carolina, which combined boards, staff and offices to economize on facilities cost, payroll, and volunteer time.

- **Economies of scale and scope.** Collaborations of smaller organizations can broaden the organizations' markets, client bases or purchasing power. Ratliff and Moy (2004) cite the United Western Grocers as a great private sector example of a Collaboration formed in order to increase the purchasing power of smaller grocery stores. In that example, the Collaboration provides economies of scale so that smaller units can join forces to buy in larger volumes and therefore at lower prices that allow them to compete with the bigger supermarkets. Economies also are realized by the MACC Alliance which can reach a larger number of communities on the issue of civic engagement through its Collaboration, and MACC leaders can realize some economies from joint training opportunities as well.

- **Synergies.** La Piana and Hayes (1999) have cautioned that organizations who primarily have cost savings as their reason for Collaboration may be disappointed. The stronger argument for Collaboration, in their view, is to achieve greater organizational effectiveness and an increased ability to advance the mission. Collaborations help organizations with similar missions create and take advantage of the synergies between two or more organizations. Austin (2000) points out that they can bring together complementary capabilities to accomplish more together than they can separately. But having different resources need not be a requirement. Simply having a common concern or a shared passion can be enough. Combining knowledge, financial resources, networks, or political power can also be a way to have greater impact and effectiveness.

> **Combining knowledge, financial resources, networks, or political power can be a way to have greater impact and effectiveness.**

- **Revenue Enhancement (or Funding Leverage).** Austin adds a fourth benefit, revenue enhancement, primarily because of examples of Collaboration between nonprofits and for-profit corporations in which there is direct financial support for the nonprofit from the corporation. A good example is Timberland's support for City Year, in which the for-profit company provides gear and financial support and in return gains good community relations as well as leadership and diversity training. A corollary in a nonprofit-to-nonprofit Collaboration might be the ability of a Collaboration to appeal to foundations and government agencies more effectively than the organizations submitting funding applications separately.

All of these benefits of Collaboration could be important for growing the field of intermediaries and other smaller organizations serving the learning and development needs of low-income, low-skilled workers. Saving on costs and enhancing revenues in new ways are important for developing better sustainability of these non-profit organizations. But the real appeal of Collaboration for intermediaries may be the "synergy" argument – the ability to become more effective, to enhance capabilities, and to expand service options by leveraging the knowledge and connections of other like organizations.

## CAEL Collaboration Case Studies

CAEL is a 34-year old non-profit organization with a long history of working in partnership with colleges and universities, labor unions, employers, associations and non-profit organizations. CAEL is not a typical workforce intermediary as it is national in scope and larger in size and budget than most intermediaries. This year, for example, CAEL has a total of 141 employees in four locations and revenue exceeding $15 million.

The main reason for CAEL's size is our line of work that provides fee-based services to employers on tuition assistance program administration and management along with career and educational counseling. Take away that line of work and other employer consulting activities and the rest of CAEL has more of the characteristics of smaller intermediaries. In these other lines of work, activities are primarily funded by foundations or public sector grants, the annual revenue is closer to $7 million, and the number of full time program delivery staff on these projects is in the range of 30-32. (This is an imprecise calculation, given that some staff do both foundation-funded and fee-based work. Also, these estimates of staff do not count what CAEL refers to as national operations staff including human resources, IT, accounting, marketing and the like.) The projects in these lines of work are those that are designed to test new ideas and program models to remove barriers to lifelong learning, conduct research, carry out consulting, work to create better linkages between regional stakeholders, or promote ideas for public policy change.

In recent years, Collaborations with other non-profit intermediaries – some large, and others small –have become an important part of CAEL's strategy for expanding the capacity and impact of our grant-funded areas. Some of these Collaborations are allowing CAEL to operate in new locations by relying on the staff of our partners who are well-established there. Other

Collaborations leverage the unique expertise of our partners in a way that allows CAEL to expand services and potential impact.

The next sections of this paper will describe these Collaborations as potential models for how other workforce intermediaries might work together to expand their reach and impact. While such Collaborations may not result in an organization taking a product or service to scale, the organization may be able to take a step in that direction. And while these Collaborations may not produce a sustainable intermediary, the lessons from the work with other organizations may provide the intermediary with a new product or service, or a new set of capabilities or expertise, that strengthens the intermediary, gives it greater flexibility to respond to changes in the environment, allows it to serve a greater number of workers, or have greater impact and influence in policy circles.

## Collaboration #1: CAEL and Jewish Vocational Service – Expanding Our Reach to San Francisco

In 2001, CAEL launched a demonstration of Lifelong Learning Accounts (LiLAs) in Chicago's restaurant industry, and six months later we expanded the program to nearby Northeast Indiana for manufacturing and public sector workers. LiLAs were a new idea that CAEL was piloting: a system for matched individual savings accounts for education and training. Individuals contribute savings to an account, those funds are matched by an employer contribution, and the project provided an additional match. The combined resources are then used by the individual for the direct costs of education and training.

For the Chicago and Indiana sites, managing the project was not too much of a logistical challenge. CAEL staff carried out the activities in the Chicago site and hired staff to work on the ground in Indiana. Activities included outreach to employers and their workforces, enrollment of workers and employers in the project, and individual advising of workers as well as account management. The Indiana site was close enough to allow for CAEL management to visit and oversee staff there, and Indiana staff could likewise travel to Chicago for occasional team meetings, training and project planning.

A third site was also planned for the project, but this third site was San Francisco – a two hour time difference and considerable travel distance from Chicago. It was clear to CAEL that given the amount of work involved in a LiLA demonstration as well as the need for strong relationships with employers, local funders, translators, and so on, hiring one person to be the face of CAEL on the ground would probably not be an effective or efficient strategy. A better approach might be to subcontract the work on the ground to another organization.

> **CAEL needed a local partner to help access local funding and to simply get the job done.**

One of our long-time contacts at the Levi Strauss Foundation introduced CAEL's Amy Sherman to Abby Snay at Jewish Vocational Service in San Francisco. The two explored the idea of a Collaboration on delivering LiLAs in San Francisco, talked through the various implementation and funding issues and activities, and began investing time in building a relationship. At that time, Sherman traveled to California frequently and over a long period of time to spend time with JVS staff and leadership. During those trips, Sherman and Snay went together to visit funders. It was that experience that sold Sherman on the partnership. "What helped was doing the joint fundraising and appreciating each other's style. It became a bonding experience for us," says Sherman. LiLAs was officially launched in San Francisco by both organizations in January 2003.

Both partners agree that the Collaboration has gone beyond a subcontracting relationship. In fact, they have now launched a second round of LiLAs, focusing on mature workers, in the Bay Area. The partners see a difference in how the Collaboration worked during round one compared with this second round. Even when starting out, the relationship was more of a joint venture. CAEL had developed the LiLA model, and JVS was given the role of providing local direct service. In that first partnership, CAEL played a more active, visible role at the local level, working closely with JVS on marketing and outreach to employers. JVS had the primary role of enrollment and advising, with CAEL providing support

and guidance from a distance. Issues and trouble-shooting on policies and practices were discussed by both organizations, with the final decisions about how to proceed resting with CAEL.

In round two, Snay notes, JVS's role has gone beyond that. "We're not just doing the program but helping to shape the whole effort," she reports, "We are involved in decisions about how it should be set up and involved in the policy framework locally." While CAEL is still involved in the project, it has ceded even more of the on-the-ground responsibilities to JVS staff, though ultimate decision-making authority still remains with CAEL.

Yet, as Sherman notes, JVS does not have the same level "ownership" of LiLAs that CAEL, which developed the model, does. LiLAs are still considered by both organizations to be driven by CAEL on the national front. However, there is a true partnership and collaboration at the regional and state level, and Sherman considers JVS as a valuable advocate on the federal policy drive as well.

## *Benefits*

CAEL gained – and is continuing to gain – a great deal from this Collaboration with JVS. While CAEL brought national funding to the initiative, we needed a local partner to help access local funding and to simply get the job done. CAEL also benefited from the workforce experience of JVS, its connections to local employers and training programs, and the systems JVS already had in place for providing advising and counseling to individual workers.

An unanticipated benefit from the Collaboration is that JVS staff is not just delivering a service under contract but is also contributing to strategic discussions about LiLAs, for the purposes of local policy discussions as well as for the national LiLA model and policy activities. Sherman gives JVS credit for helping to secure a pledge from the Jewish Political Action Committee (J-PAC) to promote LiLAs in the California legislature as well as nationally.

JVS certainly gains from the revenue that comes with the project, although Snay reports that some of the demands of the project make it difficult to cover all of their costs (more on that in the discussion on challenges and risks). Yet, the project helped JVS deepen and expand its employer relationships in healthcare and test different strategies for healthcare career advancement. All of this coincided with a realignment of organizational and staffing structure along sector lines, with healthcare being one of the strategic sectors in that reorganization. More recently, JVS had been interested in developing and testing programs for mature workers, and so the second round of LiLAs is providing JVS an opportunity to develop experience with that population.

JVS also sees LiLAs as an opportunity in other ways. Snay says, "It's been really exciting to participate in a landmark program. It's taken us into policy discussions that we hadn't been in before. And there have been opportunities for us to do some national presentations, giving us some exposure outside of the Bay Area." In addition, JVS sees LiLAs as an opportunity to provide a new service to local employers, which has helped to deepen those relationships. The employers have appreciated this focus on career advancement and how this adds to how JVS works with them.

## *Risks and Challenges*

From CAEL's perspective, there are a few risks in a Collaboration on LiLAs. The biggest concern is related to the loss of some control over the delivery of services and how this could potentially affect the product, LiLAs. At the same time that we are engaging with players like JVS in San Francisco and Seedco in New York City on the delivery of LiLAs locally (more on the Seedco Collaboration in the second case study), CAEL is also working with several states and at the national level on promoting the LiLA model through legislation, policy change strategies, and LiLA pilot programs. CAEL's challenge in all of these activities is in ensuring that core principles of LiLAs do not get lost in the various adaptations of the model. It is important for CAEL that LiLAs do not evolve, for example, into another government voucher program or a strategy for funneling more tuition resources primarily to higher skilled workers. Another risk would be if a demonstration program is not run well, since that could potentially harm the reputation of both CAEL and LiLAs at the local level, with national funders, and in policy circles.

One might also expect that a Collaboration on the delivery of LiLAs would also introduce some concern about competition with the partner, as there is little to prevent an organization like JVS from taking the model and pitching it to another funder to implement without CAEL's involvement. In the contract with JVS, there is a non-compete clause, but as Sherman notes, "This is really where the trust comes in." In her view, the Collaboration with JVS has a very high level of trust, which makes the competition factor with LiLAs of minimal concern.

JVS also is taking on some risk. Part of the reason for CAEL engaging in the Collaboration is for the purpose of leveraging JVS's relationships with local funders. This is not an easy thing for any organization to offer in a Collaboration. Most non-profit organizations face a limited pool of funders for their work, and approaching funders often needs to be done strategically. Allowing the CAEL LiLA initiative to tap into those funding relationships may pose a significant risk because it may compete for dollars for JVS's other work. In addition, if the LiLA Collaboration were to go badly, the relationship with the local funder could be damaged for years to come.

## *Reflections on the Collaboration*

On the whole, both organizations view the Collaboration positively. The model of a national organization collaborating with a local one is powerful, says Snay, because it "combines different competencies, perspectives and networks – the on-the-ground capacity of a local organization with the scope, reach and perspective of a national organization," adding that this Collaboration has been "exciting, productive, and fun." In fact, JVS and CAEL received an award for most innovative program at a recent International Association of Jewish Vocational Service conference. From CAEL's perspective, the Collaboration with JVS has the potential to lead to other joint projects – not just with the San Francisco JVS but also with the other JVS organizations nationally. The 2003 LiLA Collaboration became the strong foundation upon which more can be built to expand impact, influence and capacity. Sherman says, "If CAEL needed local partners for another multi-site initiative, JVS would be worth looking at."

## Collaboration #2: CAEL and Seedco – Feet on the Ground in New York City

When looking at the JVS Collaboration today, it is easy to see that it works well, there is a high level of trust between the organizations, and there is a clear sense of how the two organizations need to work together to make LiLAs a success. But it is a Collaboration that is now in its fifth year. There was a time when that Collaboration was new, the roles were still not entirely clear, and both organizations were still trying to figure each other out and understand what role LiLAs might play in helping each organization fulfill its mission.

Now five years later, CAEL is exploring the launch of new LiLA programs in additional locations as a result of our work promoting LiLAs to policy leaders. In some locations, CAEL is administering the program; in others, state agencies are taking the lead with technical assistance from CAEL. But in New York City, we are again working to establish a Collaboration with a local non-profit, Seedco, to be the face of LiLAs on the ground.

The CAEL-Seedco Collaboration, which has been officially underway for approximately one year, has its origin in meetings with five other workforce intermediary organizations that CAEL organized for the Annie E. Casey Foundation in January and April 2006. The purpose of these meetings was to discuss opportunities for Collaboration among two or more of the organizations. The five organizations CAEL convened were:

- District 1199C Training and Upgrading Fund
- Capital IDEA
- Paraprofessional Healthcare Institute (PHI)
- Seedco
- Wisconsin Regional Training Partnership (WRTP)

Over the course of two meetings, the group discussed possible ways to collaborate with each other. The first step in the process was a very candid sharing of information about internal organizational challenges as well as areas of management expertise, through which it became clear that there was much that the organizations

could learn from one another as each faced the stresses and challenges of growth, increased impact, and sustainability. The second meeting pursued these topics further, while examining potential Collaborations around successful program models. One of the program models discussed was a possible Collaboration between CAEL and Seedco to offer LiLAs to frontline workers in New York City, modeled after the CAEL-JVS Collaboration.

The CAEL-Seedco LiLA Collaboration received some initial funding from the Ford Foundation and New York Community Trust for planning activities. With this support, CAEL and Seedco have been working together to design the program, identify systems for data collection and service delivery, mapping our roles and responsibilities, and working to secure implementation funds. CAEL has considerable experience in planning and implementing LiLAs, but CAEL does not have the on-the-ground familiarity with New York City employers, local frontline workers, funders, and potential financial management partners. In addition to this local capacity, Seedco also has experience bringing pilot programs to scale and leveraging public and private systems and resources. These organizational complements, plus the fact that this is the first time the two organizations have worked with each other, has led to a highly collaborative planning process.

As we worked on an implementation plan together, CAEL shared the details of experience with each program component, laying out some of the options for how each component might be implemented. Seedco discussed with us the different options, made suggestions, and helped refine what the Collaboration considers for the model. This process has been particularly important for discussing options related to financial management and individual advising. The implementation plan was developed strategically by considering the strengths, capacity and interests of each partner, and decisions were made through consensus.

At the end of the 12-month planning and design phase, the plan is for the NYC LiLA demonstration to serve up to 200 frontline workers over the course of a three-and-a-half year implementation phase. During this phase, Seedco will take the lead on employer marketing, individual participant outreach, and ongoing program administration. Seedco and its community organization partners will also use Seedco's EarnBenefits technology tool to provide information, screenings, and facilitated enrollment for income-enhancing public benefits and work supports for which low-wage workers are often eligible. CAEL will provide technical assistance to Seedco, while also overseeing the account management and vendor payment systems by leveraging our current relationship with Bank of America and CAEL's comprehensive Tuition Assistance Management System (TAMS). For the advising component, the project will tap into CAEL's NYC-based advisor network to provide career and education advising services to participants. CAEL and Seedco are exploring possibilities for providing train-the-trainer sessions to build Seedco's advising capacity over the course of the three-and-a-half year demonstration.

## *Benefits*

As mentioned above, one of the main benefits to CAEL from the Collaboration with Seedco is the opportunity to leverage local contacts as well as Seedco's understanding of politics, players and funders in New York City. Seedco's contacts with city agencies such as the mayor's Center for Economic Opportunity have been important for forging connections between LiLAs and local economic development priorities and to raise the visibility of the initiative with the city. In addition, Seedco understands the politics of local relationships – whom to contact at various organizations and how best to pitch the concept of LiLAs. As CAEL's Gabi Zolla notes, "If we were to go to New York City on our own, we would not know all of that. While working in Collaboration with another organization takes a lot of time upfront, having an organization like Seedco on board – someone on the ground that understands the relationships – really helps to move things along." Having these connections also helps with fundraising and helped us secure the right people for the project's advisory board, including employers and key local stakeholders.

Another benefit to CAEL is the potential leveraging of Seedco's service delivery models for LiLAs. CAEL and Seedco have explored the use of Seedco's Job Asset Training Coaches as career and educational advisors in the project, though they may ultimately use CAEL's NYC-based advisor network. In addition, CAEL and Seedco see some interesting possibilities for integrating LiLAs into Seedco's EarnBenefits initiative in order to provide comprehensive employee benefits to low-skill, frontline workers.

The LiLA initiative is at an important stage of development, and today more than ever before there is a focus on the kinds of systems and processes that need to be in place for LiLA scalability. That has especially been a focus of CAEL's work with Seedco, and it is clear that Seedco really understands why this is important. In the process of identifying a financial management partner for the project, Seedco Senior Program Manager Becky Gray said, "Isn't the reason we're doing it to think about scalability?" In CAEL's view, having a partner "get" that the project's purpose goes beyond just putting in place what is needed to serve the 200 or so participants in a pilot is a valuable benefit. During the course of the pilot, Seedco will look to build on its lessons learned from large-scale programs that have a financial management component, such as Opportunity NYC (the conditional cash transfer program that Seedco is implementing with the mayor's Center for Economic Opportunity), and to identify other potential models for financial management and vendor payment. We also seek to identify aspects of our education and training advisement services that can be automated and/or incorporated into Seedco's existing infrastructure, thereby increasing service efficiency. On its own the Seedco pilot would provide an alternative model for states and regions to consider, expanding our toolbox of options. But in addition, Seedco is helping to think about how one specific component might be rolled out through a federally-funded, multi-site demonstration.

Seedco sees the benefits much the way JVS does. As Seedco's Ben Seigel notes, CAEL's LiLA program is "a good fit with Seedco's priorities around career advancement and job quality, as well as an opportunity to learn from CAEL's experience providing career advisement services."

## *Risks and Challenges*

From the beginning, Seedco has expressed interest in LiLAs and has seen it as a good fit for Seedco's mission as a non-profit intermediary. But as with JVS, LiLAs are not the only thing that Seedco does. Combined with the fact that establishing trust with CAEL is a process that takes time, planning for a new initiative in a new location is time-consuming as well. More planning time has been needed than is funded through the planning grant, which is a real challenge for the collaborating organizations who both want to ensure that the final product is a good one.

One issue for Seedco in leveraging its existing relationships with funders is potential competition with its other programs. Seedco has a lot more on its plate than just LiLAs, so it is understandable that they, like JVS, might worry about jeopardizing funder relationships or possible funding opportunities for non-LiLA projects, especially in a market like New York City where there are many organizations doing good work in the workforce development arena, but only a handful of funders that support this work. Those concerns can lead to a kind of paralysis in the project until a strong sense of trust can be developed. The Collaboration has been able to overcome this, however. As Seigel notes, "We have addressed these challenges through constant communication and I think a dedication and commitment from both organizations to make this partnership and program work, which includes compromising when necessary."

CAEL is also taking greater risks at this stage in the process, possibly because in this Collaboration the local partner may be taking on a greater role than did JVS in the first round of LiLAs in San Francisco. In San Francisco, CAEL was much more involved in outreach to employers and funders, going on joint visits with JVS. In New York, Seedco is carrying this out more independently since the strategy is to introduce employer contacts to LiLAs in the process of carrying out work for their other projects. While this saves on travel and staff costs for the Collaboration, one drawback for CAEL is that our name is not as strongly associated with LiLAs as is Seedco for these stakeholders. CAEL may be losing the opportunity to enter this market and establish a local presence of its own. Similarly, while Seedco's suggestions for alternative financial management processes for LiLAs provide important options for consideration, CAEL recognizes that going with an alternative implies giving up control over an important component of the project. That would be a big step for CAEL to take.

## *Reflections on the Collaboration*

Despite the risks and challenges there is much value that both organizations see in this Collaboration, and there is a sense that this will result in something new and exciting for our understanding of alternate LiLA models as well as for new ideas for scale and sustainability of the various program components. From CAEL's view, it took deliberate effort on the part of both organizations

to overcome the challenges that stemmed from working at a distance while also trying to establish good interpersonal and working relationships. It is sometimes important for CAEL staff to remember that the JVS Collaboration had "growing pains" during its early stages as well, and that an equally effective, though different, working model has emerged from the Seedco Collaboration, given Seedco's great contributions to our thinking about scalability issues. CAEL finds it exciting to work with another organization that can contribute at a high level on this kind of topic.

Both Seedco and CAEL are also happy to have this opportunity to learn from each other. As Seigel says, "LiLAs has helped both our organizations get a sense of each other's 'inner workings' and processes." Learning a new set of best practices is an important strategy for workforce intermediaries to expand their capacity and ability to provide services in new areas – an attractive selling point for new funders. In addition, notes Seigel, the field can benefit from these innovative program practices that can be replicated at scale.

## Collaboration #3: CAEL, Paraprofessional Healthcare Institute and Jobs for the Future – U.S. Department of Labor Long Term Care Initiative

Along the continuum presented in LaPiana's Partnership Matrix, the two Collaborations for piloting LiLAs land somewhere in the middle. There is not complete integration of the partner organizations, but there is some integration for the purposes of joint programming, and the organizations each give up some degree of autonomy and decision-making power. Other types of Collaborations, falling on the far left of the Partnership Continuum, are characterized by a lot less integration. They are more of a "working partnership" where organizations work together, divide the labor, and share expertise.

A Collaboration of this latter type also emerged from the Annie E. Casey intermediary convenings between CAEL and Paraprofessional Healthcare Institute (PHI). CAEL had previously subcontracted work to PHI for our nursing career lattice initiative, and the two organizations had worked together on an examination of healthcare career ladders in New York City. In the concept paper that resulted from Casey-sponsored discussions, one Collaboration proposed was for CAEL and PHI to work together on national demonstration models within long-term care, particularly those that could attract USDOL or state funding.

The two organizations got the opportunity to follow through on this Collaboration idea through a US Department of Labor project to provide technical assistance to six sites that are developing regional programs to train, place, and retain employees in long term care facilities. The three-year contract began with an emphasis on group-oriented technical assistance but has since evolved into a one-on-one technical assistance model. A third partner in the Collaboration, Jobs for the Future, was ultimately brought into the project as well, at the suggestion of the USDOL, as a way to leverage even more expertise for the project.

The focus of this section of the paper is on how CAEL and PHI, as original members of the Annie E. Casey convenings, view this particular Collaboration (JFF staff were therefore not interviewed about its role). CAEL and PHI were interested in doing this project together because of the common purpose of improving career opportunities for workers in healthcare. PHI's expertise in home healthcare and long term care is an important contribution to the Collaboration, for while CAEL has been developing expertise in healthcare in recent years, it has not been our sole focus. CAEL, meanwhile, brings expertise in adult learning as well as extensive experience providing technical assistance to government initiatives and agencies, and JFF brings additional research and administrative expertise to the Collaboration. For CAEL and PHI, the organizations have enough complementarities to make a Collaboration worthwhile.

The chance for CAEL and PHI to collaborate on this project is a welcome one for CAEL. As CAEL's Phyllis Snyder explains, "Having the opportunity to again test how our two organizations work together and share decision-making is important. If we conclude that we are successful in this Collaboration, that would open us up to the possibility of other Collaborations with them down the road. In a sense, it's kind of like dating. Is this someone who shares your values? Do you complement each other in important ways?" PHI's Steve Dawson recalls that the reason he felt comfortable in taking

another shot at Collaboration with CAEL was that the staff of the two organizations felt very comfortable working with each other on the nursing career lattice project as well as the New York City initiative that came afterward. "We had gotten to know each other and respect each other's work," Dawson explains, "Mutual respect was the basis for collaboration."

This Collaboration differs from the LiLA ones in notable ways. None of the three organizations involved – CAEL, PHI, and JFF – is locally focused. The purpose of the Collaboration was more to leverage each other's expertise and reputations rather than leveraging on-the-ground service capability. In addition, the Collaboration is not designed to integrate organizational structures in any way. Instead, the Collaboration is designed around joint planning and decision-making, with each organization taking the lead on different elements of the project. Initially, PHI was focused on the development of a cost-benefit analysis tool, CAEL was responsible for the delivery of technical assistance through webinars and convenings, and JFF was responsible for preparing case studies and other background materials for the convenings. Says Snyder, "Each organization has been given the latitude to work to our strengths, but all are involved in leading the project." Because of a change in DOL staff overseeing the project, some of this division of labor has changed somewhat with all three organizations providing individual technical assistance to sites.

## *Benefits*

Both CAEL and PHI see this Collaboration as a way to learn from each other. Dawson points to CAEL's broader focus as an organization and its work with many different sectors as a valuable contribution to the Collaboration, while Snyder observes that PHI's specialization in long term care gives the Collaboration the benefit of deep knowledge of the people who fill the jobs in long term care. Dawson likes to think that the Collaboration is helping the organizations focus more on where they can complement each other.

Snyder agrees, pointing out that the work has been well-structured and delineated to take advantage of each organization's strengths and expertise. This was, after all, the original intent of the Collaboration: to establish a partnership that strategically combined complementary core strengths. In addition, Snyder appreciates having a "thought partner" in the project, as that has helped CAEL learn about another organization's experience and approaches.

## *Risks and Challenges*

Despite the efforts to focus on areas where the organizations complement each other, there is also recognition that there is some degree of overlap in the work of CAEL and PHI. Dawson, whose organization has the greater healthcare-specific expertise in the Collaboration, believes that "the world is big enough." Musing about a theoretical possibility of CAEL learning from PHI and using that knowledge in CAEL's own work, Dawson dismisses it as a real concern. "Since the market is so large, and since our mission is to have a broad impact on the industry, we know we can't do that alone. It's in our own mission interest to have others like CAEL pick up our perspective and expertise." Snyder, too, sees the Collaboration as more complementary than competitive.

Snyder and Dawson also agree that part of the challenge of this Collaboration is that any of the three organizations involved could probably have carried out the USDOL work on its own. In the end, it is a relatively small contract, particularly when divided three ways. And, Snyder notes, it may not be the most efficient use of resources since the staff time required by the Collaboration – for the purposes of joint planning – goes far beyond what any one organization would have spent doing the work alone. But Snyder and Dawson agree that there was a strong selling point to the USDOL in having both organizations bidding for the work together. Says Dawson, "The fact that we share requires that we share a smaller part of the pie. But we might not have gotten it at all without the partnership."

## *Reflection on the Collaboration*

Both CAEL and PHI see good things coming from a Collaboration where there is a strong, healthy and respectful relationship between two organizations and where there is complementary expertise. But neither is under any illusion that the Collaboration would move any further to the right on the continuum in the Partnership Matrix. It is not the same kind of Collaboration as the one between CAEL and JVS, where JVS is providing a service that CAEL would have difficulty providing on

its own. With PHI, says Snyder, "There's more similarity than difference so we don't see it moving toward an integrated model." Dawson agrees, adding that it is not really in either organization's interest to integrate further and doing so would be a lot of work. "If there were a real geographic logic to the Collaboration, then there might be reason to join forces in a real way." Repeating the same kind of Collaboration, notes Dawson, would not be outside the realm of possibility, given some of the ways in which the organizations do complement each other. He notes that such opportunities are most likely to arise at the federal level, where it would make sense to have the same division of labor on a larger scale.

## Summary of CAEL's Experiences with Collaborations

Reflecting on the three Collaborations profiled above, there are many lessons about the benefits to Collaboration, the challenges and risks that may be involved, as well as what we have learned about what it takes to create a successful collaboration.

### *The Benefits*

Earlier in this paper, we noted four presumed benefits of Collaboration outlined by James Austin (2000): cost savings, economies of scale, synergies and revenue enhancement. The benefits that CAEL and its partner organizations have been gaining from these Collaborations primarily fall in the synergy and revenue enhancement categories:

- **Synergy – Expanded capacity for expanded impact** – With the JVS and Seedco Collaborations, CAEL is able to expand its geographical reach without having to open a new office or significantly expand internal staffing.
- **Synergy – Greater visibility** – For some locally-focused organizations such as JVS, a Collaboration with a national funder on a ground-breaking project is an opportunity to gain national visibility in a way that may not otherwise be easily achieved.
- **Synergy – Cross-organizational learning** – In all of the above Collaborations, there are opportunities for each of the organizations to learn from each other – the service delivery models of JVS and Seedco, the healthcare/paraprofessional expertise of PHI, and the employer outreach, learning account management, career and educational advising and adult learning expertise of CAEL. All organizations understood that the knowledge gained from the Collaboration would help the organizations in the long term to have a greater impact and a greater ability to fulfill their missions.
- **Revenue enhancement through leveraged expertise and reputation** – The PHI Collaboration takes advantage of the specialized knowledge and experience of the partners. In this particular case, joining forces and expertise on a bid for a US Department of Labor technical assistance grant may have improved the organizations' chances of winning the bid.
- **Synergy and revenue enhancement through leveraged contacts and funders** – The JVS and Seedco Collaborations also help CAEL raise funds and operate more effectively in a new geographic location, in terms of knowledge of local players and strategies for approaching local funders.

### *The Challenges and Risks*

LaPiana (1998) and others have discussed the many challenges and roadblocks to successful Collaborations, particularly strategic restructuring. Three important ones for LaPiana are the loss of autonomy, the self-interest of the organizations involved, and culture clashes.

- **Loss of autonomy** – The loss of autonomy is a real issue for the JVS and Seedco Collaborations. LiLA is CAEL's initiative, and so CAEL has the primary decision-making role over strategic direction and core principles of the program, which requires somewhat of an adjustment in how JVS and Seedco are used to operating. Similarly, though, CAEL must give up some decision-making authority on the day-to-day implementation issues on the ground and cede some of that leadership to its partners.
- **Self-interest** – The issue of self-interest was also evident. PHI observed that CAEL could potentially take the lessons from PHI and go with them, while CAEL noted that same risk in its LiLA Collaborations. JVS and Seedco, meanwhile, needed to be strategic about local fundraising for LiLAs so as not to jeopardize existing relationships or other organizational priorities.

## Components of Successful Collaboration

In Collaboration: What Makes It Work (Mattessich, Murray-Close and Monsey, 2004), the authors outline twenty success factors for successful collaboration.

| | |
|---|---|
| Factors related to the environment | 1. History of collaboration or cooperation in the community |
| | 2. Collaborative group seen as a legitimate leader in the community |
| | 3. Favorable political and social climate |
| Factors related to membership characteristics | 4. Mutual respect, understanding and trust |
| | 5. Appropriate cross section of members |
| | 6. Members see collaboration as in their self-interest |
| | 7. Ability to compromise |
| Factors related to process and structure | 8. Members share a stake in both process and outcome |
| | 9. Multiple layers of participation |
| | 10. Flexibility |
| | 11. Development of clear roles and policy guidelines |
| | 12. Adaptability |
| | 13. Appropriate pace of development |
| Factors related to communication | 14. Open and frequent communication |
| | 15. Established informal relationships and communication links |
| Factors related to purpose | 16. Concrete, attainable goals and objectives |
| | 17. Shared vision |
| | 18. Unique purpose |
| Factors related to resources | 19. Sufficient funds, staff, materials and time |
| | 20. Skilled leadership |

- **Culture clashes** – In the three CAEL Collaborations profiled above, the clash of cultures was not identified as an issue. In fact, JVS's Abby Snay and CAEL's Amy Sherman have both observed that part of the success in that Collaboration is the fact that the organizational cultures of the partners are so similar.

## *What Makes For a Successful Collaboration*

The literature has much to say about what makes for a successful collaboration. One framework by Mattessich, Murray-Close and Monsey (see sidebar) provides 20 different factors that contribute to success.

A few lessons on successful Collaboration also emerged from our conversations on the Collaboration that is furthest along in terms of its evolution: the CAEL-JVS LiLA Collaboration.

- **A good Collaboration takes time.** The CAEL and JVS Collaboration model is now at a point where we can claim success, primarily because enough time has been spent working on developing the relationships, building trust, and figuring out how best to work together. Amy Sherman reports, "It really took a lot of time to build the relationship at the beginning, but that was important for making the project work. We were then able to leverage that relationship for the next LiLA project that developed, and we could be more effective and efficient that next time around. Having established that relationship helped us weather some challenges better as well." Abby Snay of JVS agrees, saying, "While it's definitely useful to leverage the strengths of the organizations, we tend to underestimate the time it takes to do a good partnership. That's important to make it really productive." CAEL has learned this lesson from other non-profit Collaborations as well.

- **Good Collaborations need good partners.** Part of what has helped make the CAEL-JVS partnership effective is that the two organizations work well together. Sherman credits that in part to compatible cultures and in part to just having the right people at the table who understand the give-and-take of working with another organization.

- **Collaborations require an evolutionary process.** To some extent, this lesson is a corollary of the first one, that Collaborations take time. However, the evolutionary notion touches on the fact that a Collaboration needs to start from a shared vision or passion, emerge through experimentation and discovery, grow while building trust, and evolve into something bigger than the sum of its parts. As Snyder noted in her description of the PHI Collaboration, it is kind of like dating. In all three of the Collaborations described above, CAEL and the partner organization started by working together, testing the relationship, developing mutual respect and learning about each other. In the case of the JVS Collaboration, enough time has passed to see where that discovery process can lead. Meanwhile, CAEL is exploring possible new Collaborations with PHI, and the Seedco LiLA Collaboration is moving toward implementation.

> **A Collaboration needs to start from a shared vision or passion, emerge through experimentation and discovery, grow while building trust, and evolve into something bigger than the sum of its parts.**

This last lesson is one that is mentioned frequently in the literature, partly as a warning to funders who might be tempted to encourage the speedy establishment of Collaborations without allowing for that time of mutual exploration, discovery and trust-building – or for the opportunity subsequently to back off and say, "This is as far as this particular Collaboration should go."

La Piana notes:

> Ironically, while this early stage of Real Collaboration may look less viable than the typical grant-born and grant-funded formal Collaborative structure, it is probably the

> more likely to survive and thrive over time. The formal Collaborative that comes together for the limited and specific purpose of seeking a grant may fall apart when the grant funding ends. In contrast, the informal relationships that characterize [...] Real Collaboration, and that naturally satisfy the genuine, self-defined needs of the partners, may well continue on an informal basis for a long time. Alternatively, they may naturally mature, over time, into something more formal and far-reaching (2001, 7-8).

Austin, too, stresses the importance of this discovery process in which "the partners explore a limited collaborative activity as a means to get to know one another better and test their compatibility. Serious relationships, organizational and interpersonal, should not be rushed." Giving a Collaboration this kind of time to evolve helps to establish a better fit among the organizations as well as more evolved objectives and improved abilities of both organizations (2000, 69). In other words, you need to date before rushing into marriage – and to take that analogy further, if you need to go with an arranged marriage, be sure that there is a long engagement with a clear opt-out clause.

## Conclusion: The Promise and Pitfalls of Collaboration for Workforce Intermediaries

The purpose of this paper was to explore the concept of Collaboration as a strategy for improving the sustainability and impact of non-profit workforce intermediaries, looking in particular at the lessons learned from three Collaborations in which CAEL has been involved.

It should be noted, however, that since we initially began these discussions around organizational Collaboration, two other initiatives involving collaborative approaches have emerged in the workforce development field: the National Fund for Workforce Solutions, which is promoting funding collaboratives to support the efforts of workforce intermediaries, and Innovation Network for Communities, which has hypothesized that a Collaboration or network of innovators in the field can support the development and scaling up of innovations that can dramatically improve impact and outcomes (see sidebar, page 19, for more on these two initiatives).

But returning to the original notion of organizational Collaboration, what has our examination of three CAEL Collaborations ultimately taught us?

One lesson is that there can be real benefits to Collaboration that expand the impact of any one organization. Collaboration was a successful tool for CAEL in expanding our reach to San Francisco through the work of JVS. We were able to serve a larger number of participants, in a new location, without having to start from scratch to build local relationships with employers and funders. That capacity growth has been important to the LiLA project in other ways as well, such as by allowing us to demonstrate how another organization can replicate CAEL's work efficiently and effectively.

> **Collaboration models may help each organization expands its capabilities and, hopefully, its effectiveness and impact**

Another lesson is that Collaboration models may help us to expand impact in other ways, such as through learning new processes, approaches and content knowledge. It is too early to say how the Seedco and PHI Collaborations will evolve, but CAEL is learning a great deal from them that we can take with us in new situations. They, too, will take lessons from CAEL's work and expertise to other projects. Thus, each organization expands its capabilities and, hopefully, its effectiveness and impact.

Yet, as promising as these models are for expanding the impact, capacity and capability of individual organizations, Collaboration takes considerable time. It takes time to develop the trust needed for a successful Collaboration, and it takes a lot more time at first – because of the necessary joint planning and coordination – merely to get things done. Each organization needs to feel passionately about the Collaboration and its purpose in order to give it the kind of time that is needed to succeed. But even when that passion is there, for some non-profits, that time requirement makes Collaboration a dead-end proposition, unless there are resources from funders for that purpose or even market incentives that make the time investment worthwhile.

A third lesson – heavily underscored in the literature and supported by our own examples – is that Collaboration cannot be forced or required. So, while promoting the notion of Collaboration for workforce intermediaries could be a strategy to encourage capacity-building and improved impact, the literature suggests that success will depend on those Collaborations developing somewhat organically, through trial and error, through exploration and discovery.

The lesson, then, is one of caution: Collaborations may be good strategies for improving the sustainability and impact of intermediaries, and increasing capacity and capabilities, but those Collaborations cannot be dictated from funders and must be given the space and time to evolve on their own terms.

## Alternative Models of Collaboration in Support of Workforce Intermediaries

In the past year, two new kinds of "collaborative" initiatives have emerged to address the challenges of the workforce development field.

The **National Fund for Workforce Solutions** is forming local collaborations of funders to help address sustainability, scalability, impact and capacity of workforce intermediaries. The NFWS is a partnership of the Ford Foundation, the Annie E. Casey Foundation, the Hitachi Foundation, the John S. and James L. Knight Foundation, the Harry & Jeanette Weinberg Foundation, and the U.S. Department of Labor. This partnership will be disbursing $50 million over five years to local funding collaboratives in an effort to grow and accelerate investments in local "workforce partnerships." The Fund's investments will support local initiatives by providing financial support, technical assistance, evaluation, research, and other capacity-building services. According to its website, the NFWS is seeking to build local funding structures that will sustain investment in workforce partnerships that serve both businesses' needs for a qualified and competitive workforce as well as job-seekers and workers looking to advance their careers (see National Fund for Workforce Solutions website, http://www.nfwsolutions.org/).

A second alternate collaborative model is from the **Innovation Network for Communities**, or **INC**, which is spearheading an effort to promote social innovations in several different social sectors. Specifically, they hope to develop and spread social innovations that "transform the performance of community systems." In workforce development, INC has been working in partnership with CAEL to identify potential innovations to transform the workforce development field. A core hypothesis is that "social innovation at the community level can be supported and leveraged by drawing upon knowledge and other resources from individuals and institutions operating at national and international levels." INC adheres to a "network theory of innovation" (taken from Andrew Hargadon's book How Breakthroughs Happen), which states that innovation comes from "recombination" or combining existing people, objects and ideas in novel ways rather than inventing new ideas and objects. INC, CAEL, Jobs for the Future, and other potential partners in this work recently gathered to discuss potential innovations to promote. INC's goal is for a similar group of practitioners to form an Innovation Hub that would organize and manage the specific elements of the innovation process, including scanning; concept; design; prototyping; funding; launch and scaling.

Through this kind of Collaboration, the innovation hub is "part R&D lab; part best practice networker; part business incubator; and part intellectual property commercializer" (See Innovation Network for Communities website, www.in4c.net).

## Cited Sources


Austin, James E. 2000. *The collaboration challenge: how nonprofits and businesses succeed through strategic alliances*. New York: The Peter F. Drucker Foundation for Nonprofit Management.

Giloth, Robert P. 2004. Introduction: a case for workforce intermediaries. In Giloth, Robert P. (Ed.) *Workforce intermediaries for the 21st century*. Philadelphia: Temple University Press.

La Piana, David, and Michaela Hayes. (1999) *A Partnership Continuum. From simple alliances to complex mergers, partnerships can promote organizational effectiveness*. http://lapiana.org/research/continuum2.html

La Piana, David. 1998. *Beyond collaboration. Strategic restructuring of nonprofit organizations*. Revised education. NCNB Funder Briefing. A publication of the James Irvine Foundation and the National Center for Nonprofit Boards.

La Piana, David. 2001. *Real collaboration: a guide for grantmakers*. Ford Foundation.

MACC. 2006. MACC *Alliance of Connected Communities Strategic Plan 2006-2009*.

Mattessich, Paul W., Marta Murray-Close, and Barbara R. Monsey. 2004. *Collaboration: what makes it work, 2nd edition*. Amherst H. Wilder Foundation. St. Paul, Minnesota.

Ratliff, Gregory A. and Kirsten S. Moy. 2004. New pathways to scale for community development finance. *Profitwise News and Views*. December.

## Appendix A. Attendees of WI Scale and Sustainability Meeting, June 17, 2005

Carol Berde
Executive Vice President
The McKnight Foundation

Shari Berenbach
Executive Director
Calvert Foundation

John Colborn
Program Officer
The Ford Foundation

Maureen Conway
Director, Workforce Strategies Initiative
The Aspen Institute

Steve Dawson
President
Paraprofessional Healthcare Institute

Terri Feeley
Executive Director
SanFrancisco Works

Cheryl Feldman
Director
District 1199C Training and Upgrade Fund

Bob Giloth
Director
Annie E. Casey Foundation

Jeff Jablow
President
Origin, Inc.

Becky Klein-Collins
Consultant
CAEL

Warren McLean
VP and Chief Credit Officer
Community Reinvestment Fund

Kirsten Moy
Dir. Economic Opportunities
The Aspen Institute

Allen Okagaki
Vice President
Shorebank Corporation

Eric Parker
Executive Director
Wisconsin Regional Training Partnership

Greg Ratliff
Economic Opportunities
The Aspen Institute

Marlene Seltzer
President
Jobs for the Future

Amy Sherman
Director of Public Policy
CAEL

Neil Silverston
Worksource Partners

Phyllis Snyder
Vice President
CAEL

Karen Steinberg
Executive Vice President
CAEL

Pamela Tate
President and CEO
CAEL

Bob Weissbourd
RW Ventures