

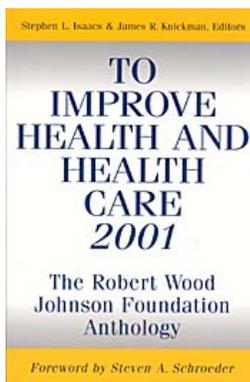
Partnership Among National Foundations: Between Rhetoric and Reality

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Robert Wood Johnson Foundation

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Editor's Introduction

A frequent question asked of Foundation staff members is, "How often do you collaborate with other philanthropies?" It seems that people outside philanthropy think that collaboration is a natural event, that there is a tight fraternity of philanthropies that want to work together on common problems.

In fact, as described in this chapter, collaboration among philanthropies is not so natural, and occurs less frequently than might be expected. Co-authored by Stephen Isaacs, who has written extensively on philanthropy over the past five years, and John Rodgers, a researcher at Health Policy Associates, the chapter examines partnerships involving national foundations generally and the Robert Wood Johnson Foundation specifically. It explores the theoretical and practical reasons that collaboration among foundations should make sense, why it does not happen frequently and what elements should be in place for partnerships among national foundations to succeed. As such, the chapter should interest both policy-makers and a general audience, including readers who want to understand how foundations operate.

Illustrating the discussion is a case study of a collaboration currently under way—the Turning Point Program—between the Robert Wood Johnson Foundation and the W. K. Kellogg Foundation. Turning Point seeks to strengthen the public health infrastructure in states and localities across the country. The authors take a hard look at the pitfalls and the potential payoffs associated with the partnership. They chronicle the efforts of the two foundations to attain the program's goals, but the end of the story will have to be told in a future *Anthology* chapter.

The fast growth of technology companies and the tremendous economic expansion of the 1990s increased the ranks of philanthropies in America, and the issue of collaboration will likely become more important than ever. This chapter offers a useful primer on how partnerships can work and when they are likely to be worth the great effort they involve.

J.R.K.

Partnership among national foundations is one of those values that are preached far more than they are practiced. Like most national philanthropies, the Robert Wood Johnson Foundation does not have a strong record of collaboration. While the idea of collaboration among like-minded foundations has obvious appeal, the difficulty of forging and maintaining partnerships poses nearly insurmountable barriers and helps explain why there is so little tradition of it among national foundations. Ironically, many national foundations insist that local organizations collaborate as a condition of applying for grants, while they themselves are unable to forge such alliances on a regular basis. Understanding the dynamics behind partnerships among national foundations and examining the experience of the Robert Wood Johnson Foundation might contribute to closing the gap between rhetoric and reality.

WHY SEEK PARTNERSHIPS?

There are many sound reasons that partnerships are theoretically attractive to foundations. A shared effort among foundations can signal the importance of addressing a specific problem—thereby increasing its visibility nationally and giving it a better chance of capturing the attention of the media and policy-makers. Other organizations sensing the momentum may choose to lend assistance, join the collaboration, or make grants in the area. When the Robert Wood Johnson Foundation and the W. K. Kellogg Foundation decided to work together to strengthen public health systems through the Turning Point Program, their collaboration sent a message to the field that *public* health was, and should be, a priority.

Partnerships can increase the financial resources directed to addressing a problem. In the 1970s and 1980s, under the impetus of the Ford Foundation, community development corporations in inner cities grew in numbers and sophistication as a way to overcome housing shortages for the poor and to incubate economic development. Seizing an opportunity to expand the reach of these community development corporations, the Rockefeller Foundation spurred the development in 1991 of the National Community Development Initiative, or NCDI, which is cofunded by a consortium of foundations and corporations, along with the Department of Housing and Urban Development. Because the NCDI was concerned with housing, not health care, the Robert Wood Johnson Foundation initially chose not to participate; it later joined when NCDI's mission was expanded to include the delivery of health services. Working through two intermediary organizations—the Local Initiatives Support Corporation and the Enterprise Foundation—NCDI makes grants and low-interest loans to spur community development in urban areas. In three rounds of funding, NCDI has received financial commitments of \$254 million.¹ When coupled with financial resources

committed by over 250 local partners, this support is expected to yield \$2 billion in community revitalization funding.

Partnerships can also spread the risk of funding innovative and potentially controversial new projects. Although the security of their assets coupled with the relative independence of board and staff should give foundations the courage to strike out on bold programming paths, the truth is that many foundations are timid; they do not like to have the nature of their investments criticized. Funding in AIDS and sex are good examples. In 1991, after political forces had thwarted the federal government from funding a survey on sexual behavior, justified in the context of AIDS prevention, the Robert Wood Johnson Foundation took the initial role in financing it. The effort was later joined by the Ford Foundation, the Henry J. Kaiser Family Foundation, the Rockefeller Foundation, the Andrew W. Mellon Foundation, the John D. and Catherine T. MacArthur Foundation, the New York Community Trust and the American Foundation for AIDS Research. There is security in numbers.

Partnerships give foundations the opportunity to pool intellectual as well as financial resources by bringing different perspectives and potentially complementary areas of expertise to common concerns. Under the Local Initiative Funding Partners Program, the Robert Wood Johnson Foundation shares in the funding of projects identified by local foundations. This sharing plays to the strengths of both partners: local foundations' superior knowledge of their communities and the Robert Wood Johnson Foundation's large resource base and expertise in health. In another case, the Corporation for Supportive Housing played to the interests of three collaborators: the Ford Foundation and the Pew Charitable Trusts, which wanted to increase the number of units of housing in inner cities, and the Robert Wood Johnson Foundation, which wanted to improve health care. "Program officers from the three foundations were able to learn from one another," says former Robert Wood Johnson Foundation staff member Stephen Somers, who represented the Foundation in the partnership.

Collaboration with a more experienced foundation can bring credibility to a new foundation and help its staff learn the craft of philanthropy. Shortly after Rebecca Rimel, now the president and chief executive officer of the Pew Charitable Trusts, joined Pew, in the 1980s, she got in touch with senior executives at the Robert Wood Johnson Foundation. She wanted to gain expertise in health philanthropy from a foundation with more experience. This led to the first of several partnerships between Pew and Robert Wood Johnson—a program called Health Care for the Homeless. "These collaborations were pivotal in helping us to learn how to design programs, how to conduct evaluations and how to use money

strategically," Ms. Rimel says. "They enabled us to establish a national reach quickly." So meaningful was the collaboration that Ms. Rimel keeps a framed copy of the cover of the Call for Proposals of the Health Care for the Homeless program on the wall of her office; it is the only business-related piece of memorabilia to have such a place of honor.

Having a partner or partners can also bolster the resolve of the collaborating foundations to remain involved over the long term. One area where partnership among foundations seems to have been most effective is in creating new institutions—the Social Science Research Institute, the International Rice Research Institute, the Puerto Rico Community Foundation, the National Center for Tobacco-Free Kids and Grantmakers in Health, to name a few, were initially supported by collaborative efforts of foundations. "It takes at least a decade for a new institution to take hold," says Susan Berresford, president and chief executive officer of the Ford Foundation. "You need to have an explicit understanding that you're going to be there in five years and ten years. Partnerships are one way of doing this, because you can all reassure one another that you're in for the long haul."

BARRIERS TO COLLABORATION

Despite the potential advantages of working together, the barriers to creating and maintaining effective partnerships are so formidable that they threaten to sabotage the concept at all stages. The dearth of collaborations among national foundations may well reflect a decision, reached unconsciously or consciously by program staffs and boards, that they are simply not worth the effort.

In the first place, every foundation likes to see itself as fulfilling its own distinctive and important mission. Each wants to make a difference and to fund innovative, creative solutions to social problems. Working to fulfill somebody else's mission is often viewed as a diversion of energies and resources.

In fact, the barrier is probably less one of noncomplementary missions and more one of who gets credit. Boards and staff want to have *their* foundation's name on major initiatives. They want to take credit for having developed programs—not simply being a member of a team or, even worse, a bit player. Unlike commercial ventures, where success is measured by rising stock prices, increased market share and compensation or other monetary reward, success in philanthropy is, to a great extent, measured by public visibility and appreciation. Second billing—or even shared billing—threatens one of the reward systems that drive philanthropy.

Meshing the cultures of two or more institutions can pose a major challenge. Foundations are on different timetables; boards require different kinds and amounts of information; the authority of program officers varies from place to place; some foundations take a hands-off approach with grantees, while others are very directive. Financial and narrative reporting requirements differ among foundations. The more foundations involved in a collaboration, the more cultures that must blend—or at least co-exist in relative harmony. And the harder grantees have to work to satisfy all the partners, particularly when, as often happens, each has its own reporting requirements and schedule.

Moreover, partnerships are a hassle: time consuming, heavy on process and requiring an inordinate amount of time spent in meetings. For staffs and boards impatient for results, the transaction costs are high. In the world of philanthropy, time is extremely precious; the work involved in developing and maintaining a partnership can be viewed as wasting a valuable asset.

Program officers receive few, if any, rewards for furthering collaborations. Foundations often judge their program staff on the basis of the number and the quality of the grants with which they are associated; because partnerships take so long to develop and are labor-intensive to maintain, they impede the work upon which career advancement is based. Additionally, partnerships may require ceding decision-making authority to a partner; as a result, program officers run the risk of being blamed for mistakes beyond their control.

And staff turnover can be high. Even where trust has developed, the departure of a key staff member can slow the momentum of a partnership. Each new program officer has to learn about the program and develop personal links all over again. Health of the Public, initially a collaboration between the Pew Charitable Trusts and the Rockefeller Foundation and later a partnership between Pew and Robert Wood Johnson that was designed to help academic medicine fulfill its social contract, is an example. There were so many changes in the people overseeing the program at the foundations that Jonathan Showstack, the national program codirector, observed, "The National Program Office became Health of the Public's institutional memory and source of training for the frequently revolving program staffs of the foundations involved."

With the economy booming and the stocks that form the basis of foundations' assets at all-time highs, many large national foundations have the money to fund programs themselves. Even though

collaborative funding could free funds for other initiatives, many officials of the more well endowed foundations feel little financial imperative to seek out partners.

Finally, there is the danger that collaborative decision-making may lead to a lowest common denominator approach and stifle innovation. Although the coalescing of many viewpoints can foster creativity, it can also lead to an exclusion of ideas outside the mainstream as decisions are hammered out on a consensus basis. Along the same lines, a partnership may give the appearance of collusion. A group of organizations may dominate thought about an issue and unduly sway the agenda of others who might have acted differently. Organizations outside the collaboration may feel that the collaborators are ganging up on their rivals.

All in all, these are powerful incentives *not* to establish partnerships and potent factors that can threaten their viability once they are established.

THE CONTINUUM OF PARTNERSHIPS

Even though every partnership is unique, on a general level, partnerships tend to fall along a continuum, as illustrated by Figure 10.1, from loose arrangements where the partners merely talk to one another to deeper collaborations where the partners cede individual control and truly merge their interests.

INFORMATION SHARING

This is the weakest form of collaboration—if it qualifies as collaboration at all. In its most primitive form, it includes foundation presidents getting together at the Council on Foundations and other locales, program officers from different organizations talking about matters of common interest, meetings of so-called "affinity groups," and the like. Sharing information among colleagues can be a first step leading to more profound partnerships or it can be a rudimentary form of collaboration in itself—as when foundations working in the same thematic or geographic area learn what others are doing in order to avoid overlap or working at cross-purposes.

COFUNDING ARRANGEMENTS

Here foundations not only share information but also fund the same grantee—often buying into the vision of a strong individual able to put together a package of funding. There may be a lot of communication among the foundations, but there does not necessarily have to be. The Robert Wood Johnson Foundation has, with other foundations, supported organizations such as the National Health

Policy Forum, Grantmakers in Health and the National Center on Alcohol and Substance Abuse at Columbia University.

JOINT PARTNERSHIPS WITH SENIOR AND JUNIOR PARTNERS

Sometimes a foundation has an interest in funding an activity but feels that it needs additional collaborators. In this case, the first foundation often serves as the senior partner in the collaboration. In the All Kids Count Program, for example, the Robert Wood Johnson Foundation had funds for only 15 sites in a national demonstration program to develop childhood immunization registries; by enlisting the support of the David and Lucile Packard Foundation, the Annie E. Casey Foundation, the California Wellness Foundation, the Flinn Foundation and the Skillman Foundation, All Kids Count added nine more sites. Similarly, when the Robert Wood Johnson Foundation first considered establishing the National Center for Tobacco-Free Kids, the staff felt that the advocacy goals would be advanced and the political risks reduced if the project were undertaken in collaboration with other foundations. (The Foundation also wanted to be sure its funds were not used for lobbying purposes.) The American Cancer Society, American Heart Association, American Academy of Pediatrics, American Lung Association, American Medical Association and the National PTA joined Robert Wood Johnson to provide initial funding to the Center.

On occasion, the Robert Wood Johnson Foundation enters a collaboration as the junior partner. In a program called Eye of the Child, the Robert Wood Johnson Foundation joined a number of other foundations, under the leadership of the Carnegie Corporation of New York, in an effort to publicize the importance of early childhood development. The Robert Wood Johnson Foundation contributed money and its staff attended periodic meetings, but it never sought to exercise leadership.

JOINT PARTNERSHIPS RUNNING ALONG SEPARATE TRACKS

In this form of partnership, foundations fund a common grantee, but each maintains control over a specific portion of the project. Some planning may be done jointly, and meetings among the partners and grantees may be held periodically. Turning Point is an example. So is the Corporation for Supportive Housing, a joint venture among the Ford Foundation, the Pew Charitable Trusts and the Robert Wood Johnson Foundation. Begun in 1991, this program funded affordable housing for people with AIDS and other serious disabilities. In a roughly equal partnership, the three foundations pursued their distinct but mutually supportive objectives.

JOINT PARTNERSHIPS RUNNING ALONG A SINGLE TRACK

In this kind of collaboration, a number of foundations work together to plan an initiative and then merge elements of implementation or monitoring. There might be a single national advisory committee and a single national program office. Strengthening Hospital Nursing, a collaborative effort between the Pew Charitable Trusts and the Robert Wood Johnson Foundation, is an example. Pew was interested in looking at ways to improve the health professions, and was working its way through them one at a time—dentists, pharmacists and so forth. Robert Wood Johnson felt that it was important to prepare hospital nursing for an era of managed care. With the Health Care for the Homeless collaboration already under their belts, another collaboration involving the same parties seemed logical. Not only did the two foundations jointly fund this \$27-million program, they also established a single national program office to administer it, and a single national advisory committee to provide guidance.

THE TURNING POINT PROGRAM

The barriers to collaboration and the perseverance needed to navigate a partnership are amply demonstrated by the Turning Point Program, a \$24-million, six-year collaboration between the W. K. Kellogg Foundation and the Robert Wood Johnson Foundation to "transform and strengthen the public health infrastructure in the United States." Like many marriages, this partnership has endured some rocky times, but both partners are still together, feel that the strengths of working in partnership outweigh the difficulties and are determined to continue the relationship.

Turning Point, which emerged in 1996 from a web of institutional and personal relationships, began as something of a coincidence. From the early 1990s on, senior executives of the Kellogg Foundation and the Robert Wood Johnson Foundation had been meeting from time to time to explore ways in which the two foundations could collaborate. "We focused on three areas," says Tom Bruce, a former program director of Kellogg. "Public health, Native Americans and the health professions." Parallel to these conversations, a small public health working group at the Robert Wood Johnson Foundation under the leadership of Nancy Kaufman, a vice president, and Marilyn Aguirre-Molina, a senior program officer, had been meeting to devise ways in which Robert Wood Johnson could help modernize and strengthen *state* health departments. At roughly the same time, the Kellogg Foundation, under the leadership of vice president Gloria Smith and program directors Steven Uranga-McKane and Tom Bruce, was working to develop an initiative to strengthen *local* health departments.

In November, 1996, Kaufman and Bruce attended a small meeting in San Diego of some of the key people interested in improving public health nationally. As the participants went around the table and

introduced themselves, Kaufman said that the Robert Wood Johnson Foundation was looking into ways to strengthen state health departments, and Bruce said that Kellogg was thinking of doing the same thing on the local level. Kaufman and Bruce had dinner that night. "We decided that the only way to do this is together," Kaufman says. "Why have two separate initiatives when we could have a partnership?"

When the idea of a collaboration was broached at the Robert Wood Johnson Foundation, there was considerable excitement about it. After all, two major foundations working together to solve the same problem ought to have more impact than two foundations working in isolation. Bruce and some of his colleagues from Kellogg were invited to Princeton for discussions, and the principals from both foundations began to meet, share information and make plans together.

Then the first storm clouds began to appear. While the Robert Wood Johnson Foundation was just beginning to consider how to approach the issue of improving public health, the Kellogg Foundation was pretty far down the road with *its* project. Kellogg had already decided what it wanted to do and how it was going to do it, and had made an agreement with the National Association of County and City Health Officials, or NACCHO, to manage the program. Although everybody liked the concept of collaboration, when it came down to it, the thought of bringing in the Robert Wood Johnson Foundation and involving *state* health departments was initially somewhat problematic for the Kellogg Foundation and NACCHO. "We didn't realize what we were getting into," says Vincent Lafronza, national program director of the Kellogg-funded portion of the Turning Point Program, based at NACCHO. "We had no idea that Turning Point would not move unless the states were involved." Meanwhile, some people at the Robert Wood Johnson Foundation, which was just dipping its toes into the public health waters, were developing their own reservations about the collaboration. The concerns on both sides were addressed by keeping the state and local elements of Turning Point separate for the most part. Although a single national advisory committee was appointed to provide overall guidance, two separate national program offices were designated to manage the program: NACCHO for the Kellogg-funded local health component and the University of Washington School of Public Health and Community Medicine for the Robert Wood Johnson-funded state health component.

Cultural differences showed up almost immediately. "The two foundations have fundamentally different values," says Bobbie Berkowitz, the national program director of the Robert Wood Johnson Foundation-funded portion of Turning Point. "Kellogg is a community-oriented, grass roots kind of organization really interested in the community. Robert Wood Johnson is more large scale, systems oriented and

interested in having a major impact nationally. The differences in values and philosophy have manifested themselves throughout the life of the program—in discussions about what should be expected of grantees, how the Call for Proposals should be written, how the program should be funded, how it should be evaluated and which sites should be selected as grantees."

The Robert Wood Johnson Foundation tends to be precise about what it expects of grantees. It prefers proposals whose success can be measured by observable outcomes. In contrast, the Kellogg Foundation tends to be less directive and more responsive to the desires expressed by the community. "Kellogg initially wanted to give local health departments very wide latitude about what they could do under Turning Point. Robert Wood Johnson had a tendency to let the health departments know what results it expected them to achieve," says Marilyn Aguirre-Molina, formerly the senior program officer at the Robert Wood Johnson Foundation overseeing Turning Point and now a professor of public health at Columbia University.

The Robert Wood Johnson Foundation traditionally develops program ideas by talking to a wide variety of people knowledgeable about a field, by digesting and refining the ideas it gathers, and, ultimately, by letting potential grantees know specifically what it wants through a Call for Proposals. Within the culture of the Robert Wood Johnson Foundation, a Call for Proposals is a detailed, carefully prepared document that is approved at the highest levels. Kellogg takes a fundamentally different approach. "We tend to send out an announcement generally describing the areas we wish to fund and ask the field for its ideas," says former Kellogg program director Tom Bruce. Steven Uranga-McKane, former lead program director for Turning Point at the Kellogg Foundation, adds, "Often, a potential grantee will simply send a letter of intent. If the idea appears to have potential, the program staff works with the grantee to shape something that can become a proposal." Merging these two approaches to announce a new program where the two foundations still weren't wholly clear about what they wanted to accomplish proved to be a challenge. As it turned out, the Call for Proposals was a compromise. It let potential grantees know in general terms about the new program to "provide support for states and local communities to improve the performance of their public health functions through strategic development and implementation processes," and informed them that certain outcomes—such as "developing and initiating a community health improvement plan to enhance policies and programs for advancing the public's health"—were expected.

At the meeting to select the sites held late in 1997, the tension between the grass roots/community-based approach of Kellogg and the national policy/systems change approach of Robert Wood Johnson quickly

surfaced. Teams consisting of members of the two foundations, the two program offices and the national advisory committee had visited potential grantees. "Kellogg has a strong commitment to communities and to diversity," says Barbara Sabol, program director at the Kellogg Foundation overseeing Turning Point. "It was very clear that the projects to be selected must reflect ethnic and class composition of the community." While committed to diversity, Robert Wood Johnson was also concerned with the potential to make policy changes that would have national significance. "Somebody from Robert Wood Johnson would say, 'We had a tremendous site visit to, say, New Hampshire or Wisconsin,'" says Susan Hassmiller, senior program officer at the Robert Wood Johnson Foundation overseeing Turning Point. "Then somebody from Kellogg would respond, 'But we need a southern rural state' or 'It's not diverse enough.'" Eventually, the two foundations agreed to fund 14 states with 41 local partners.

However, the state and local grantees were placed on different timetables from the start. Because public health was a new area for Robert Wood Johnson, the Foundation authorized only two years of funds for planning and agreed to consider additional funds for more sites and for implementation at a later time. Kellogg authorized three years of funding up front for both planning and implementation at its sites. Gloria Smith, vice president of the Kellogg Foundation, notes, "It would have been far better for both foundations to have been on the same timetable from the start and to plan the program around a common framework."

Even as these fundamental differences in values and operating styles threatened the collaboration, the partners worked together to develop the program and make it succeed. The key factors, according to former Robert Wood Johnson staff member Marilyn Aguirre-Molina, were the commitment, the good will, and the mutual trust of the key players at the two foundations and the two national program offices: "The two national program directors—Bobbie Berkowitz at the University of Washington and Vincent Lafronza at NACCHO—have been able to give the program a strong sense of stability and collaboration." Even with substantial staff turnover—within two years, the original program officials at the Kellogg and Robert Wood Johnson foundations and the original national program directors at the University of Washington and NACCHO had all moved on—the relationships among the program's leadership were, on the whole, warm, open and productive.

Friendly relationships notwithstanding, tensions within the partnership continued. Perhaps the most important conflict arose at the time of the decline in the market value of Kellogg stock, the primary source of the Kellogg Foundation's assets, in October, 1998.² Shortly before the second annual meeting

of state and local grantees—which, coincidentally, was scheduled to take place in October, 1998, in Phoenix, Arizona—NACCHO sent a letter to its 41 grantees informing them that because of the stock market decline, the activities of the Turning Point grantees would have to be curtailed significantly.

Neither the staff of the Robert Wood Johnson Foundation nor that of its national program office at the University of Washington knew about the letter beforehand; they were disappointed to learn about it only on the eve of the meeting. For its part, Kellogg was struggling with its own internal financial situation, which took precedence over giving advance notice to its partners. The lack of communication among the partners eroded much of the trust that had been so carefully nurtured, and had a detrimental impact on the partnership.

But the program—and the partnership—was still important to the public health community. Many people in the foundations, the national program offices and the states and communities had worked exceedingly hard to make Turning Point a reality. Officials at both foundations felt the partnership was making a difference. "We were able to support some incredible public health partnerships that never would have occurred without Turning Point," Kellogg's Barbara Sabol says. And there *was* a basic respect in each foundation for the strengths of the other. "The melding of the two cultures made Turning Point a terrific opportunity to learn from each other," Robert Wood Johnson's Nancy Kaufman says. "When we set up the national advisory committee, for example, Kellogg introduced us to an incredible array of community leaders whom we had not known before. The breadth and diversity was terrific." If it was possible, key staff members of both foundations felt, the relationship had to be maintained.

To put things back on track, Sue Hassmiller of Robert Wood Johnson suggested holding a retreat for the key people from the two foundations and the two national program offices. The retreat, which was held in Chicago in August 1999, turned around the flagging collaboration. Everyone recognized that the serious problems of communication and trust had to be addressed, and the participants were able to agree upon a plan of regular communication to repair the damage. The partners were then able to turn to more mundane programmatic matters, such as the whether or not to bring in additional states. The Robert Wood Johnson Foundation decided to fund seven more states.

The Chicago retreat appears to have led to a greater resolve between the foundations to communicate more fully and openly. "The next Turning Point meeting was a national Forum held in Atlanta a few months later. It was one of the best meetings I ever attended," Robert Wood Johnson's Susan Hassmiller

says. "There was a complete turnaround—a sense of true collaboration. Not only between the two foundations but also among the state and local partnerships. I had this same feeling at the next Turning Point meetings as well. Things seem to be back on track."

PRINCIPLES FOR DEVELOPING AND MAINTAINING PARTNERSHIPS AMONG FOUNDATIONS

The experience of national foundations in developing collaborations offers a number of principles that can serve to guide future partnerships. The six principles that follow can help to identify areas where the pluses of partnerships are likely to outweigh the minuses; to structure partnerships in a way that will minimize problems; to prepare in advance for problems that are likely to occur; and to provide **incentives that encourage collaborations where collaborations are appropriate.**

1. Before entering into a collaboration, each of the potential partners should conduct hard-headed analysis to be sure that the partnership will further its own priorities and that it can work with their potential partners.

In a business partnership, such analysis would come under the rubric of "due diligence." Not only should each foundation view the partnership as advancing its own mission—which is usually pretty general—but the potential partnership should also be seen as furthering more narrow goals or objectives. "There should be clarity among all involved—board and staff—concerning a foundation's rationale for entering into a partnership and what it expects to get out of it," says Denis Prager, president of Strategic Consulting Services of Portage, Wisconsin. It is equally important that each foundation understand, to the extent it is possible, the culture and the operating style of its potential partners. Ideally, the cultures will be compatible or, at least, complementary. This means that part of the due diligence should consist of an examination of the potential partners' values, style, approach to grantmaking and manner of doing business.

2. The partners should develop clear, limited and achievable objectives.

Although formulating clear objectives is desirable in any case, it becomes more important when many parties—each of which can interpret things differently and is likely to undergo staff changes—are involved. Susan Berresford, president and chief executive officer of the Ford Foundation, has said that collaborations should be driven by "a clear and shared vision of what is to be accomplished."³ William Richardson, president and CEO of the Kellogg Foundation,

observed, "Clear goals prevent ambiguity and, more important, give the partnership a sense of purpose and urgency." He uses Project 3000 by 2000 as his example of clarity in goal setting. Writing in 1998, he observed, "This effort, which is funded by the Kellogg Foundation, the Robert Wood Johnson Foundation and the Association of American Medical Colleges, has an unmistakable goal: to increase the number of African-American, Native American and Hispanic students entering the nation's 125 or so medical schools. When this partnership reaches its goal of 3,000 students by the year 2000, it will mean that 19 percent of the students entering medical schools are of minority status."⁴

3. Build considerations of people into the planning and implementation process.

It is deceptively easy to think of collaborations as arrangements among institutions. However, people make partnerships; institutions only lend their names. Rosabeth Moss Kanter, in a landmark study of partnerships involving 37 businesses, observes, "Successful alliances build and improve a collaborative advantage by first acknowledging and then effectively managing the human aspects of their alliances."⁵

The good will shown by the staff of the Robert Wood Johnson Foundation and the Kellogg Foundation, for example, saw the Turning Point program through some rough seas. Similarly, lack of personal relationships has torpedoed a number of potentially fruitful partnerships. The personal element of collaborations can be strengthened by taking steps such as these:

- *Involve senior foundation executives—vice presidents or higher—at all stages.* The influence of a senior staff member can be important in directing attention to a collaborative program and building support for it, as well as bringing resources to bear to solve problems. Conversely, lack of support can mean that a partnership will languish. "At the Robert Wood Johnson Foundation, a partnership simply won't go anywhere without the strong support of a vice president," observes Rush Russell, a former senior program officer at the Foundation and currently a consultant to it.
- *More than one or two people at a foundation should feel a sense of investment in a partnership.* Given the high staff turnover at foundations, it is unlikely that the same people who initiated a collaboration will be there at the midway point. Yet continuity and continued commitment remain important. The Health of the Public and Strengthening Hospital

Nursing programs, for example, suffered because key foundation staff members left. The more people invested in a partnership, the less the potential damage when staff members depart.

- *Arrange staff changes so that new staff members can overlap with departing staff members.* Since people leave unexpectedly and, sometimes, with little notice, this is not always possible. Where overlap can be arranged, programs benefit.
- *There is no substitute for face-to-face meetings, which should be scheduled regularly.* Even in an age of e-mails, faxes and teleconferences, the importance of meeting one's colleagues in person should not be underestimated. Jan Eldred, vice president of the California HealthCare Foundation, notes, "The Bay Area Independent Elders Program—a collaboration of three relatively big California foundations, one smaller foundation and Kaiser Permanente—worked in large part because the CEOs of the major foundations met in person every six months or so. By the third year of the program, the presidents of all three foundations had changed and the priorities of at least one of the foundations had shifted. But because of these in-person meetings and the commitment they implied, the program continued despite the personnel and programmatic changes."

4. Expect to face cultural differences among the partners and plan in advance how to deal with them.

The single most pervasive institutional obstacle to successful partnerships is differences in institutional cultures—the way the partners solicit and make grants, monitor grantees, disburse funds, provide assistance, evaluate activities and so forth. While an organization's culture is integral to its identity and cannot be expected to change, steps can be taken to reduce and deal with the tension arising from the mingling of different cultures, among them:

- *Recognize that cultural tensions are inevitable.* This will eliminate surprises when they occur. To the extent possible, anticipate areas where clashes are likely to occur and try to preempt them. Tom David, vice president of the California Wellness Foundation, notes, "There should be agreement on the mechanisms for decision-making and group governance, a detail that is often dealt with only after a partnership has been established."
- *Approach partnership cautiously rather than plunging in.* Co-funding arrangements, such as the 3000 by 2000 program, require less collaborative effort and ceding of authority—and, therefore, less chance of cultural clashes arising—than do more complete partnerships

where planning and monitoring are done jointly. Short-term, less comprehensive collaborations can always be expanded; it is more difficult to cut back an unsuccessful partnership.

- *Keep talking.* As long as the lines of communication remain open and partners are treated with respect, overcoming differences is possible. "A partnership is like a marriage," says the Robert Wood Johnson Foundation's Susan Hassmiller. "You've got to communicate, communicate, communicate."

5. Ensure transparency in decision-making and open channels of information sharing.

Decision-making in partnerships can be a tricky business. Which decisions and issues are the prerogative of a single organization? Which necessarily involve all the organizations in the partnership? While the answer will be different in different cases, the value of openness is indisputable. Transparency involves sharing all relevant information before any decisions that may affect the partnership are made—regardless of who has jurisdiction for the decision. While transparency may not ameliorate differences of opinion or interpretation, it preserves the core ethics of fairness and shared responsibility—the pillars upon which trust is built.

6. If partnerships are important, change the reward system to encourage them.

Right now, program officers engaged in or trying to develop partnerships with other foundations tend to be penalized rather than rewarded. They get no credit that will advance their careers; must fight to get the program through the staffs and boards of more than one foundation; must defend against criticism of program elements included at the insistence of the partner; must attend a lot of meetings just to maintain the partnership; and, in general, must go to a lot of trouble. Program officers or senior executives seeking to advance must ask themselves the question "Why bother?" If foundations are serious about engaging in partnerships, they must find a way to reward those who attempt to create them.

CONCLUSION

Partnerships among national foundations are desirable in many, but not all, circumstances. Although they can have the decided benefits of bringing attention to a field, of increasing financial and intellectual resources devoted to a problem, and of decreasing risk in controversial fields, the pitfalls are also great. For a grantee, partnerships among funders can be a mixed blessing: on the one hand, they have the

advantage of bringing additional resources, adding credibility and lessening dependence on a single donor; on the other, they can cause a great deal of extra work and subject grantees to contradictory directions emanating from the different partners.

While every situation will have different pros and cons, there are some instances where collaborations appear more likely to be fruitful:

- Developing new institutions where every partner in a group of funders can put up money in the initial stages.
- Entering areas of potential controversy where a consortium approach can distribute risk more widely.
- Addressing large, difficult-to-solve problems like rebuilding inner cities or reducing urban poverty that require a great deal of money and lend themselves to a variety of approaches.

Before entering into a partnership, each party should be clear that the potential benefits of collaboration are substantially greater than the potential drawbacks and that the commitment of all the parties is sufficient to see the partnership through the difficult times that are likely to arise.

Notes

¹ C. J. Walker and M. Weinheimer. *Community Development in the 1990s*. Washington, D.C.: The Urban Institute, 1998.

² M. Dundjerski. "Instilling Healthy Competition." *Chronicle of Philanthropy*, December 3, 1998.

³ S. V. Berresford. "Principles for Partnership." *Ford Foundation Report*, Winter 1999.

⁴ W. Richardson. Speech to Grantmakers in Health on February 27, 1998.

⁵ R. M. Kanter. "Collaborative Advantage: The Art of Alliances." *Harvard Business Review*, 1994, 72(4), 96–108.

FIGURES

10.1 The Continuum of Partnerships