

Cooperating *to Survive and Thrive:*

Innovative Enterprises among Nonprofit Organizations

The benefits are enormous. Are you ready to take the risk?

BY AMELIA KOHM

B

y 1990, Wayne County Alcoholism Services (WCAS), in Wooster, Ohio, had outgrown its building. Bobbi Douglas, WCAS' executive director, faced limited options. It would be difficult to find existing office space that met WCAS' requirements. Developing their own building would require a long and intensive capital campaign. And competition for charitable dollars in northeast Ohio, as elsewhere in the country, was fierce.

In conversations with a friend who ran Every Woman's House, a local women's shelter, Bobbi learned that the two agencies faced similar space dilemmas. From these discussions emerged a possible solution for both organizations—a cooperative enterprise. Thus began a two-year, sometimes tedious, negotiation.

Yet, the benefits of collaboration have far surpassed Bobbi's original goal of finding a new home for WCAS. The two organizations jointly purchased a 32,000-square-foot warehouse which allows space for both agencies as well as a community room, a library, conference rooms, and rental space which provides income to both agencies. Even without tenants, both organizations will decrease their facility costs. WCAS and Every Woman's House are also exploring the possibility of sharing the costs of a payroll system, of keeping a clinical psychologist on staff, and of retaining the services of an accountant who specializes in nonprofit organizations. Additionally, they plan to set up a joint computer network.

Public reception has been quite positive. Their joint capital campaign has benefited from both organization's fundraising strengths. WCAS brings in public and corporate dollars, while the shelter is more attractive to individual donors. Both public and private funders feel that they're helping two organizations for the price of one.

The decision of WCAS and Every Woman's House to move in together and create a "nonprofit center" is one of several innovative strategies nonprofits are using to share expenses and improve management. Other approaches emerging around the country include: incubators for fledgling programs (similar in many ways to small business incubators), contractual relationships among nonprofits, and various types of networks, cooperatives, and membership organizations. All these approaches capitalize on the economies of scale of large organizations while maintaining the character, philosophies, flexibility, and community responsiveness of small ones.

An unexpected outcome of some cooperative ventures has been increased collaboration with partner agencies on a variety of issues. The trust built between two or more groups in developing and maintaining a building, a shared payroll system, or an insurance pool, can grease the wheels for further cooperation. Nonprofits involved in cooperative ventures may begin to think more broadly about program issues—looking for ways to better serve clients, members, audiences, or constituencies by planning across agencies and focusing on each group's strengths.

Nonprofits struggling with administrative problems can learn much from the successes and challenges of organizations which have tried these cooperative approaches. What follows is a review of several—apparently successful—cooperative efforts among nonprofits around the country. While this article provides an initial view of such endeavors, a fuller picture will require more in-depth explorations of the workings of cooperative ventures, both those which have failed and those which have succeeded.

Nonprofit Centers

In the last 10 years, nonprofit centers, similar to that of WCAS and Every Woman's House, have emerged in cities nationwide. While they differ in size, philosophy, and management structure, all aim to economize by sharing facility costs and, in many cases, equipment and administrative expenses. Those involved in the planning and management of nonprofit centers stress that a great deal of work is required up front for such enterprises to succeed. Despite large initial investments, many nonprofit centers believe that their benefits outweigh their costs.

The Center for Public Administration and Service in Washington, D.C. was created out of desperation. In 1986, the Metropolitan Washington Council of Governments (COG) in Washington, D.C., faced grave choices. Its 10-year lease had expired. Renewing would be so costly that COG would have to lay off 41 percent of its staff. Stephen Borko, COG's director of administrative services, considered several options with the help of a realtor. Among them was relocating to the suburbs to take advantage of lower rents. Another was to build new offices. Because COG preferred to stay in the city but could find no affordable urban rental space that met its needs, Borko considered another option: cooperating with other organizations. A number of factors came together to cement this idea:

- The real estate consultants advised Borko that, although COG only needed 50,000 square feet, it was more cost effective to build a larger structure. The consultants also suggested that financing could be more easily attained with reliable partners to share the risk.
- COG identified two other organizations, the International City/County Management Association and the International City/County Management Retirement Corporation, which also wanted to stay in the city but couldn't afford the escalating rents. They agreed to enter a partnership with COG to form the Center for Public Administration and Service, Inc. (CPAS).
- The media was full of stories of large associations abandoning the city for lower rents in the suburbs. In response, the city had instituted, but hadn't yet operationalized, a policy to slow their migration. Thus, municipal agencies were receptive when CPAS representatives met with them, stressing that all three organizations wished to remain in the city and seeking help to do so. After numerous discussions, CPAS negotiated a deal that involved acquiring land at one fourth its appraised value in an area the city was redeveloping. In addition, the City Council of the District of Columbia let CPAS phase in property taxes over 10 years, resulting in a savings of more than \$6 million.

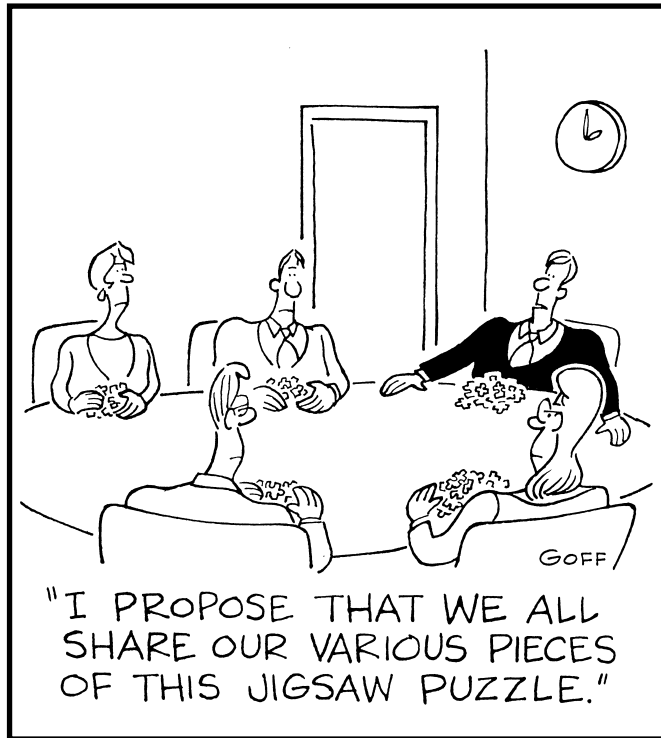
"I've never done anything more difficult," claims Borko. In addition to learning real estate development, he acquired important mediation skills, spending a great deal of time answering questions from skeptical board members and fostering confidence and open-

ness among the three CPAS partners. Borko estimates that, during the planning and construction period, he spent 40 hours a week on the building project *in addition to* 40 hours on his regular job at COG. But he feels his and others' efforts have been well worth it. COG and its partners have stabilized their long-term building costs and acquired space designed specifically for their current and future needs. CPAS partners raise additional revenue by renting space to 12 to 15 other nonprofits at below-market rates and reduce expenses by sharing a digital telephone system and copy center.

Borko describes the relationship among the three organizations as a marriage. He maintains that partners in such an enterprise must be dedicated to relationship-building. They should be willing to compromise and work out details without calling in an attorney. The executive directors of the three partner organizations and CPAS' board members address these details by collectively overseeing building operations. A vice president for operations—a position that rotates among employees of each of the partnership organizations—serves as a liaison to the company that manages building operations.

The Community Resource Center in Portland, Maine, like CPAS, was created due to space concerns. Preble Street Resource Center, an agency serving homeless adults, needed better facilities than its home in a church basement could provide. Several other local organizations serving the homeless also needed new space.

Another impetus for cooperation was the notion of providing homeless adults with a seamless continuum of care. By collocating, they could provide clients the convenience of "one-stop shopping" for services. The agencies also hoped that proximity would facilitate coordination and prevent duplication of effort. Preble Street's executive director, Mark Swann, feels that such a center helps agencies better help their clients. "This is a tough population to build trust with," states Swann. As homeless adults feel more at ease in an environment, the work of each organization is facilitated.



A range of organizations and individuals began to meet to explore the idea of a nonprofit center focused on the needs of homeless adults. Beyond representatives of the agencies which eventually moved into the center, these meetings included representatives of the local United Way, mental health agencies, the business community, and others concerned about homeless issues. The group met for two years to discuss how various organizations could function together before deciding to form The Community Resource Center (CRC).

Unlike CPAS, CRC didn't purchase its building collectively. Some of the

organizations are volunteer-run and didn't have the capacity to purchase real estate. Public-agency partners were hampered by political obstacles to buying property. Thus, Preble Street took the lead in raising funds and purchasing a building. The rental income from tenant organizations helps to offset Preble Street's mortgage.

Today five organizations are located at the center, and over 20 agencies offer a range of outreach, classes, counseling, food pantry, and employment services. Although some agencies were at first reluctant to offer off-site services, with time many have seen the advantages of taking programs to clients. Preble Street doesn't charge outside groups for the space they use at the center, nor do they charge Preble Street for the services they provide.

The greatest challenge has been building trust among the partners.

Like CPAS, Preble Street and its partners have gained significant financial advantages by cooperating. They conduct joint fundraising campaigns drawing on each member's strengths. Preble Street, a secular agency, brings in United Way and private foundation money. The public health clinic at the center receives Medicaid funds and grants from the Department of Health and Human Services. The resident church pro-

grams are more attractive to the local faith communities and to national church foundations. Swann notes that grant proposals “look better” to potential funders, who are intrigued by innovative, cooperative approaches. The center also has won a great deal of local press coverage, which has facilitated fundraising efforts.

The only legal agreements among CRC partners are the leases agencies have signed with Preble Street. However, according to Swann, the partners share a commitment to operating cooperatively. To address ongoing partnership issues, the Community Resource Center Council meets regularly. The council is composed of a representative of each tenant organization plus several clients of CRC agencies. Swann notes that the council met more often early in the partnership, but as each agency has adjusted to its new home and common policies were established, the council has had fewer issues to address.

For the most part, Swann feels the center has realized its goal of sharing resources while preserving the individual character and approaches of each partner agency. Yet the balance hasn’t always been easy to maintain. During the planning phase, for example, several church

groups dropped out of the partnership when the health clinic decided to distribute condoms. Another challenge is the perceived dominance of Preble Street. Because it owns the building, is the largest agency located there, and relies the most on fundraising, Preble Street has increased its profile in the community. Other member organizations sometimes feel that they have become lost in Preble’s shadow. Swann acknowledges that they need to do more work—mostly in the form of clearer communications—to emphasize that the center is a partnership among *separate* organizations.

Nonprofit Enterprise at Work, Inc., (NEW) in Ann Arbor, Michigan, houses many nonprofits, each of which benefits from below-market rents, interagency collaboration, and shared resources. What differentiates NEW from CPAS and CRC is its emphasis on community development and support of the local nonprofit sector.

Ten years ago, a number of community activists were looking for ways to revitalize a depressed 15-acre area of the city known as Lansky’s Junkyard. Another group was interested in starting an incubator for new community organizations. A merging of interests led to the idea of a nonprofit center. Civic leaders, nonprofit staff, community volunteers, business professionals, and others spent six years developing the concept. When their research revealed a drastic increase in nonprofits nationwide, they altered their original intention to develop a nonprofit incubator. Instead, they decided to build a center that would strengthen the local nonprofit infrastructure for existing agencies. A start-up grant from the McKinley Foundation helped to launch the construction of the NEW center, which opened its doors in 1993.

NEW’s composition, services, and management structure all reflect its mission to be a broad resource for Ann Arbor’s nonprofit sector. Its charter requires the housing of a range of groups representing the larger nonprofit community, including those concerned with arts, ecology, and human services. In addition to below-market rents and shared resources such as office equipment, computers, conference space, and kitchen facilities, NEW offers its tenants—as well as other local nonprofits—management classes and a nonprofit reference library.

NEW has proven to be an asset to the community. A new building has replaced a public eyesore. From an initial 200 inquiries, 19 nonprofits were chosen as tenants. NEW estimates that since its start tenants have been able to shift \$300,000 from rent and utility to program budgets. Rental income and workshop fees cover one-third of the center’s budget. Foundation grants, corporate contributions, and individual donations cover the rest. NEW’s emphasis on creating efficiencies through cooperation has attracted contributions from the business community.

NEW also is a community leader for human service and nonprofit issues. In 1994, the center held a conference on the proliferation of nonprofits and the importance of identifying efficiencies among organizations in a climate of scarce resources. NEW’s president and chief executive officer, Jay Conner, also feels that the building provides a “psychic physical presence” for organizations to pursue community building and collaborative activities. For example, NEW is exploring the feasibility of a unified management information system.

“It seems ridiculous that if you have a dozen organizations, you also have a dozen executive directors, a dozen office leases, a dozen marketing departments.”

ARE YOU READY FOR INNOVATIVE COLLABORATIONS?

BY JILL MUEHRCKE

Before entering into a cooperative enterprise, ask yourself these questions. The more times you answer “yes,” the more ready you are for collaborative ventures. If you have more than a couple “no” answers, you have more thinking to do.

- **Could you save money by sharing** the fixed costs of such resources as a building, an administrator, office equipment, employee benefits, or a computer system?
- **Are you looking for a more cost-efficient way** to manage your operations?
- **Are you eager to build** on the richness and strengths of all the partners?
- **Do you have a cooperative spirit** and a willingness to compromise on small issues?
- **Have staff, board,** and everyone else who will be affected “bought into” the idea of the partnership?
- **Will the collaboration benefit** your organization’s stakeholders? Will it, for example, provide your clients with better care? Will it meet the expectations of your funders and donors?
- **Are you willing to commit yourself** to handshake agreements without calling in an attorney?
- **Do you consider an environment of trust** one of the most important assets an organization can have?
- **Do you have a clear goal** for the partnership and a fierce commitment to that goal?
- **Are you prepared** to meet regularly with your partners to work out details?
- **Are you committed** to the advancement of the entire nonprofit sector?
- **Do you regularly share** books and articles on the advantages of collaboration with your board and staff members?
- **Are you ready** to risk, trust, and experiment without preconceived notions?

Such a system could track individual clients across nonprofit human service agencies and facilitate collective, community-wide planning. While addressing the turf issues involved in such a venture is a challenge, a convener like NEW makes such discussions possible.

The Independence Square Foundation (ISF) in Rhode Island, provides a model for organizations wishing to avoid the long process of negotiating partnerships to form a nonprofit center. The impetus for ISF came not from nonprofit managers or community leaders but from a businessperson. In 1982 Kenneth Kirk, a member of several nonprofit boards in Rhode Island, became frustrated watching nonprofits compete for limited dollars to maintain low-quality facilities. He and two partners thus began ISF, which builds or rehabilitates buildings to lease to nonprofits.

With each of its developments, ISF identifies a community that could benefit from a shared facility. Jack Padden of ISF stresses that each community has its own needs and political climate. Taking such issues into account, ISF (which is itself a 501(c)(3) organization) conducts a capital campaign. ISF also negotiates bond issues and takes advantage of state and county incentives to develop nonprofit centers. Nonprofits, according to Padden, usually don’t know the “nuts and bolts” of funding and developing a building. ISF uses its expertise in this area to build and renovate space for shared nonprofit facilities. Because the buildings are funded through capital campaigns, ISF holds no mortgages and can offer tenants below-market rents.

After building and renting the buildings, ISF also manages them. The space is specially designed to facilitate sharing among nonprofit tenants. One ISF facility, for example, includes a shared gymnasium, cafeteria, and auditorium. Additionally, ISF provides high-quality office equipment and secretarial services and charges tenants on a per-use basis. As with other nonprofit center models, proximity has facilitated collaboration among tenant organizations.

With a waiting list of potential tenants, ISF has shown that its approach is viable. Because rental income sustains its operations, ISF doesn’t compete with its tenants for donations. It is now expanding its work beyond Rhode Island with a new project in Miami, Florida.

Nonprofit Incubators

Like nonprofit centers, nonprofit incubators provide a range of administrative support, services, equipment, and facilities at a lower cost than an organization could find on its own. These facilities, however, are temporary homes for fledgling nonprofits. Based on the small business incubator model, nonprofit incubators are incorporated as 501(c)(3) organizations, usually with a small staff to provide management support to the organizations in the incubator. Large foundations also sometimes serve as incubators to new projects.

By lowering start-up costs, incubators let new organizations focus on building their programs rather than on obtaining 501(c)(3) status, developing payroll systems, or obtaining a benefits package. Incubators also help lower the expenditure of resources on ideas which prove unviable.

The Fund for the City of New York is one of the most prominent nonprofit incubators in the country. An operating foundation created in 1968, it seeks, assesses, adapts, and applies innovative technologies that help government agencies and nonprofit organizations improve their performance. Toward this end, the fund’s Incubator

Program launches innovative new projects, houses short-term projects, and occasionally assists an existing project in its maturation process. The fund provides office functions for its 20 incubator projects, most of which have their own office space. For the several incubator projects that share the fund's office space, the fund provides meeting rooms, a computer network, Internet access, office equipment, and reception services. Technical assistance is handled informally by program staff from the fund and incubator project directors as needs arise. Likewise, each project's graduation from the program is handled in discussions that begin as the project comes on board with a preliminary plan and evolve as the new organization develops.

Although the fund receives requests for this service, the Incubator Program is more an internal capacity that the fund uses to launch projects with which it is in some way involved. While the fund staff carefully manage their relationship with incubator projects and closely oversee finances, they try to stand back from program development, letting organizations find their way, offering assistance when requested or when a pitfall is in sight. Projects span the fund's program areas, including children and youth, government management, technology, and urban environment, and add a synergy to the collective work of the fund, according to Michael Rosen, the fund's director of fiscal and administrative services. The fund charges six percent of project expenses as a service charge to finance the operation of its program.

Cooperation can provide clients the convenience of "one-stop shopping."

Community Partners in Los Angeles, California, offers financial and administrative oversight (including payroll, employee benefits, accounting, tax filings, and financial audits) along with management training and technical assistance to start-up nonprofits. More formal than the fund's incubation program, Community Partners was initiated by civic leaders who identified a community need. Community Partners' mission, much like the NEW center, is to broadly support LA's nonprofit sector. In addition to incubation services, the staff works to build alliances with other organizations and consultants that provide management assistance in Los Angeles to avoid duplication and to facilitate referrals for specialized training or expertise.

Albert Rodriguez, an L.A. attorney who received many requests from start-up nonprofits for pro bono legal assistance, provided the spark which eventually became Community Partners. Not knowing how to allocate his limited resources, he joined with other civic leaders concerned about the many individuals and groups wanting to enter the "community service marketplace" but struggling with legal, financial, and administrative hurdles to doing so. While Los Angeles had many organizations assisting existing nonprofits in management issues, none provided a laboratory for innovations. Community Partners was established in 1990 to lower "the legal and procedural thresholds of the charitable marketplace (by) support(ing) and nurtur(ing) successful nonprofit ventures, and allow(ing) for the cost-efficient failure of unworkable ideas."¹

During its first two years of operation, Community Partners received more than 500 inquiries. It now incubates approximately 60 start-ups, ranging from those with no financial resources to groups with budgets of \$100,000. Criteria for selection include: a project's fundraising potential, leaders' abilities, and potential public benefits. Community Partners supports its operations with revenue from the 9 percent administrative fee it charges projects and a small amount of grant funding from local and national funders.

The greatest challenge to running a nonprofit incubator, according to Community Partners' Karen Mack, is attending to the needs of projects which differ in size, program, and focus. Community Partners' staff are generalists who don't always have the specific expertise projects require. Also, staff sometimes have difficulty encouraging projects to take full advantage of Community Partners' technical assistance services. They are considering making some of these services—such as fundraising workshops—mandatory.

Nonprofit Contractors

The fixed costs of a building, an administrator, or a computer system sometimes result in excess capacity for organizations. Some nonprofits have found creative ways to capitalize on such resources.

The American Symphony Orchestra (ASO) in New York City began a relationship with Concordia Orchestra three years ago. Concordia was looking for a more cost-

efficient way to manage its operations. ASO was interested in increasing revenues. Their differences and similarities made a collaborative relationship mutually beneficial. Because they offer different types of music productions, the two groups aren't competitors. They are, however, similar in their management and administrative needs. After some negotiation and discussion, Concordia, the smaller of the two groups, decided to contract with ASO to perform its administrative functions. The organizations now share an executive director, marketing director, address, and most other administrative staff. However, each organization maintains its own board of trustees, financial books, artistic vision, and logo. As a result, Concordia has reduced its administrative costs by 40 percent. ASO earns additional income by providing management services—some of the earnings of which are used to strengthen its administrative capacity, thus benefitting both organizations.

"It seems ridiculous that if you have a dozen organizations, each producing a small number of events every year, you also have a dozen executive directors, a dozen office leases, a dozen marketing departments," notes Eugene Cart, executive director of ASO and Concordia. "None of the organizations can really afford to engage as much staff as it needs." Due to the differ-

ences in their musical focus, Lorna Dolci, ASO's general manager, says they haven't had problems maintaining

An unexpected outcome has been increased collaboration with partner agencies on a variety of issues.

the individual identities of the two orchestras. In fact, the relationship has been so successful that ASO is discussing providing similar management support to another organization in New York.

ArtsWeb in New Jersey was born from a need to manage the fixed costs of a sophisticated database. Five years ago, the McCarter Theatre at Princeton realized that it needed to upgrade its information system. Because the technology and expertise required to run such a system made it quite costly, McCarter decided to share its costs and benefits with other nonprofit performing arts organizations in New Jersey.

Eleven groups now comprise ArtsWeb and are linked through McCarter's computer system. They share a database which includes information on 450,000 households and over a million patrons. Each organization uses this data to conduct targeted market

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analyses and forecasting. Information in the system also supports fundraising and subscription sales. The system makes possible a “Regional Ticketing Network” as well. Theatergoers can now buy tickets for performances by any of the 11 groups at any of their box offices. While McCarter paid for the software and manages the system, the cost of operating the network is divided among the 11 ArtsWeb organizations.

The alliance, according to Alan Levine of the McCarter Theatre, has resulted in some unforeseen benefits. For instance, the 11 groups were able to negotiate new credit card commissions, saving \$40,000 per year in fees. Also, monthly phone meetings among the partners have led to a variety of collaborations and information sharing. Recently, ArtsWeb won a grant to develop a market research capability. This resource will improve each organization’s marketing and fundraising efforts by combining ticketing, subscription, and donor data with demographic and lifestyle databases. Such a database and the expertise to run it would be prohibitively expensive for any one of the ArtsWeb organizations.

The trust built between two or more groups greases the wheels for further cooperation.

The greatest challenge of the partnership, according to Levine, has been building trust among the ArtsWeb organizations. It took time for members to feel assured that confidential information—such as data on donors—was safe in the system. Members were also concerned at first about receiving the same amount of benefits, given that operating costs are divided equally. Levine feels that these concerns have faded with time and experience.

Other Cooperative Approaches

In addition to nonprofit centers, incubators, and contractual arrangements, other networks, cooperatives, and membership organizations exist to strengthen the administrative infrastructure of nonprofit organizations. Insurance pools can reduce the high cost of health insurance for small organizations. Through group-purchasing, nonprofits can realize significant savings on computers, telephone systems, and advertising. Membership organizations that provide such services exist in most urban areas.

The Federation of Protestant Welfare Agencies in New York City, for example, offers a wide range of services to nonprofits, including technical assistance, staff training, management consulting, resource and program development, volunteer training and recruitment, group purchasing, meeting space, and fundraising information. Begun in 1922 to coordinate the activities of New York’s Protestant child care agencies, the federation is now a network of more than 260 social service agencies. The federation also provides a forum for joint advocacy among members.

Tides Center in San Francisco, California, models another cooperative approach. Tides is a nonprofit center without walls—similar in some ways to incubators. It began informally as an effort of the Tides Foundation to help small organizations handle grants by serving as their sponsor. The program separated from the foundation in 1996 and now employs approximately 60 people.

The center provides its projects with financial management services, administrative and project oversight, and human resources management, including a generous benefits package. Although Tides has room in-house for a few programs, most of its projects aren’t located at the center. Approximately 50 percent of Tides’ projects are in the Bay Area, and Tides also provides support to programs nationwide. To select projects, Tides Center staff evaluate a sample funding proposal and assess the project director’s background and qualifications. A national board of nonprofit and philanthropic leaders oversees the center, which sustains itself by charging a 9 percent overhead rate.

The center’s experience, according to program director Miyoko Oshima, attests to the need for and viability of its model. Given the scarcity of resources for nonprofits, Oshima feels that organizations that provide management services to others help to strengthen the nonprofit sector by more efficiently managing resources.

Interestingly, Tides Center itself recently relocated to a nonprofit center. Along with the Tides Foundation and several other organizations dedicated to social change and environmental stability, the center is now housed at the Thoreau Center for Sustainability. The Thoreau Center’s main building is a rehabilitated hospital built in 1889 and located in the Presidio National Park.

In response to Congress’ demand that the Presidio find a way to pay for its \$25 million a year in maintenance costs, the park began looking for creative ways to form part-

nerships. The Thoreau Center provided an answer.

The result of this effort is new income for the park (tenants are paying market-driven rents) and rehabilitation of historic buildings. Most important, it provides a new home for Tides and 50 other organizations—all working, in Oshima's words, "to cultivate a sustainable and peaceful vision of the future."

Successes, Challenges, Lessons

Improved facilities, more sophisticated technologies, higher-quality management services, more comprehensive employee benefits—and all at reduced or below-market costs—are some of the advantages of cooperation. Cooperative efforts can facilitate information-sharing across organizations as well as collaborative programming. Clients who use or participate in several co-located agencies also benefit from one-stop shopping. Cooperation has fundraising and public relations benefits as well. Organizations can share their fundraising strengths when conducting joint campaigns, and donors are attracted to the notion of supporting several organizations for the price of one. Additionally, because they share risks, cooperative partners may have an easier time securing loans.

From a broader perspective, cooperative approaches offer a way to more efficiently distribute scarce resources to nonprofits. Organizations with diverse missions, approaches, clients, or audiences, often have similar needs for accountants, insurance, facilities, office equipment, and meeting space. Nonprofit cooperatives have found ways to maintain their individual characters and missions while capitalizing on such similarities.

The challenges of making a cooperative venture work are significant. Most of the projects examined for this article spent years in the planning phase with much time and attention focused on building trust among partners. No matter how carefully contracts and other agreements are crafted, tying one organization's fate to another can be a frightening process. It requires a new orientation, a cooperative spirit, and a willingness to compromise on small issues.

Another challenge to planning and managing cooperative ventures is the lack of information available on existing models. While the literature on business incubators and shared service cooperatives in agriculture, health care, and other fields provide valuable analogies, there is a dearth of information on issues facing nonprofit cooperatives. Without knowledge of the failures and successes of similar efforts, those involved in cooperative nonprofit ventures rely on trial and error.

"We were flying by the seat of our pants," admits Bobbi Douglas of Wayne County Alcoholism Services when speaking of planning a nonprofit center with a women's shelter. Studies of cooperative ventures in the United States and elsewhere (such as Australia and New Zealand's system of "community houses") would be of great value to many nonprofit managers looking for new approaches to supporting their programs.

Certainly, "reinventing" nonprofit management is not the whole solution to the concerns and needs of nonprofits and the diverse communities they serve. However, a broad perspective on organizations' resources—and how those resources are best used—can lead to innovative strategies for strengthening individual organizations as well as the entire nonprofit sector. ■

Footnotes

¹Community Partners, *An Incubator Supporting Charitable Sector Leadership: Innovation and Excellence in Southern California*, p. 1.

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Nonprofit World • Volume 16, Number 3 May/June 1998
Published by the Society for Nonprofit Organizations
6314 Odana Road, Suite 1, Madison, WI 53719 • (800) 424-7367