The Costs and Benefits of Collaboration for Public and Nonprofit Managers

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Why networks?

• Often chosen after organizations and markets have failed.
• Problems are complex and multifaceted
• We need to bring the relevant organizations together in a collaboration to address the problem that no one organization can handle
• This is the network “value proposition.”
What are Networks?

- The web of relationships connecting individuals or organizations, given certain boundaries.
- Ties based on many factors: trust, advice, resources, shared information, friendship, referrals, contracts, etc.
- Trust and reciprocity are the coins of the realm.
Networks: Nodes and links that take many different forms

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The Truth about Collaborative Networks

• Don’t use a network unless you have to. Working with other organizations is inherently difficult and resource consuming.

• Unless you can only accomplish a task with others, it’s more efficient to use a single organization.

• If you use a network, you won’t be wholly in control and leadership will likely be shared.
Networks do not make people more Collaborative

- Human behavior in a network isn’t better or worse than in an organization.
- Networks don’t make people more altruistic, especially if they don’t share the mission of the network.
- There are “toxic nodes” who are invested in the network’s failure.
The Two Hats Problem
Possible Implications of the Two Hats Problem

- Varied commitment to network mission
- Organizational cultures clash
- Turf/power/autonomy issues
- High coordination costs
Collective Impact as a Solution?
What is Collective Impact?

- **Common Agenda**: All participating organizations have a shared vision for social change that includes a common understanding of the problem and a joint approach to solving the problem through agreed upon actions.
- **Shared Measurement System**: Agreement on the ways success will be measured and reported with a short list of key indicators across all participating organizations.
- **Mutually Reinforcing Activities**: Engagement of a diverse set of stakeholders, typically across sectors, coordinating a set of differentiated activities through a mutually reinforcing plan of action.
- **Continuous Communication**: Frequent communications over a long period of time among key players within and across organizations, to build trust and inform ongoing learning and adaptation of strategy.
- **Backbone Organization**: Ongoing support provided by an independent staff dedicated to the initiative.
Collective Impact: What does it Mean?

• After seven years of extraordinary hype what does it really mean?
• Philanthropies are wondering what it means when they receive proposals that replace the term ‘collaboration’ with ‘collective impact.’
• Researchers are perplexed that it looks very similar to what they have studied for years.
• Leaders in communities are confused about what it really means to put collective impact into action.
Collective Impact and Network Research

• Collective Impact is a normative model of how networks can have a positive impact on social change in communities
• Many researchers would agree that it is a promising model.
  – Three problems
    • The five conditions are a very high bar for a network to meet
    • How do you maintain “fidelity” to the model during implementation?
    • If they do meet these conditions, how do you know they work better than networks that don’t meet these conditions?
Network Leadership: Managing Dilemmas
The Dilemma of Network Leadership

• The good news is you are managing a program with hundreds of employees. The bad news is that none of them think that they work for you.

• Managing in the absence of a typical chain of command is a craft skill that relies on trust to make reciprocity do the work of hierarchy.
Dilemmas of Network Leadership

- **Efficiency**: Limiting partner involvement in the decision process to limit decision costs
- **Inclusiveness**: Participation in decision process to ensure diversity of perspectives
- **Internal legitimacy**: Ensuring that members perceive network activities as desirable
- **External legitimacy**: Ensuring that the external stakeholders perceive network activities as desirable
- **Flexibility**: Ensuring rapid network response to environmental threats and opportunities
- **Stability**: Ensuring consistent responses to stakeholders and increasing efficiency
Questions network leaders need to ask

• What is the shared vision we are working toward?
• What is our starting point? What beliefs and assumptions do we hold?
• Who needs to be at the table?
• How do we set the table?
• Periodic checkup. Are we becoming more trusting with each other? If not, why not?
• Is our network changing with the problem or policy it was created to address?
• What does network success look like?
“Terms of Reference” or Writing a Constitution

- Which organizations should be included?
- What kind of governance model is needed and why?
- Should core agencies be governed differently than peripheral agencies?
- What kinds of incentives will be used?
- Who handles finances?
The Network Way of Working

• Create a narrative: “The network way of working” or “family centered care.”

• A passion for sharing the credit.

• Be comfortable with loyalty to your network and your organization. Own both hats.

• Soft governance. A team of network facilitators, terms of reference, incentives like paying for conferences, etc.
Network Leadership Skills

- Leadership in networks is about creating incentives to participate.
- Manage the agenda
- Keep the network stable. If change is necessary, make it incremental if possible.
- Have a relationship budget – costs and benefits
- Recruit new members constantly but selectively
- Manage networks carefully knowing you are likely in the shadow of hierarchy.
Manage Networks Like a Border Collie Herds Sheep