The Relationship Spectrum

Counterproductive

0
Competing
Active competition for clients, donors, resources, partners, public recognition.

Example: Organizations aggressively trying to discredit, destroy, or sabotage another organization.

Key Indicators: Negative competition is a Zero-sum Game wherein the success of one entity means the failure of another ("I win/you lose") Actions of negative competition can be damaging and tend to promote resentment, lack of respect, and pessimism.

Why?: Highest level of autonomy, brand recognition likely.

1
Confining
Closed-off or kept in isolation from other organizations; Siloed intentionally.

Example: A nonprofit chooses to work alone due to a lack of trust of other orgs. There is no exchange of information despite the mutual benefit.

Key Indicators: Reduced operational efficiency and low staff morale which leads to the demise of a positive office culture. Hindered communication and cooperation.

Why?: Organization can accomplish goals much faster by working alone.

Comparative

2
Co-Existing
No shared systems between agencies, but there are cordial, yet arbitrary, inter-agency idea/information exchanges.

Example: The leaders of two similar nonprofit organizations meet occasionally for lunch to compare notes on community needs, program effectiveness, etc.

Key Indicators: Existing separately, but peaceably, often while remaining rivals or adversaries.

Why?: By fostering a knowledge-exchanging relationship with organizations who have a like mission, target audience, or programming, your organization's work in the community becomes stronger. Knowledge is power.

3
Communicating
Willingness to actively exchange information across institutional boundaries for mutual benefit. The roles are loosely defined and flexible, with informal communication and minimal decision-making, if any.

Example: Information is intentionally exchanged with others for the benefit of the greater good.

Key Indicators: Effective communication is about more than just exchanging information. It's about understanding the intentions behind the information and being able to listen in a way that gains the full meaning of what's being said while making the other person feel heard and understood.

Why?: Reduced likelihood of duplicated projects, programs, or events.

Cooperative

4
Cooperating
Shared goals and participation is limited, but joint programming and support of one another's pursuits is common. Informal, supportive interaction on distinct activities or projects, yet with no legal contract in place. Roles are somewhat defined, through an MOU, with planned, frequent communication, yet limited decision-making.

Example: Two nonprofits with similar clientele refer clients to each other for complementary services.

Key Indicators: Working with others, instead of against each other, to be productive while understanding that cooperating is a process, not a program.

Why?: When cooperating with another organization, there will always be a variety of resources that can be shared. One organization may be an expert in one field and can help the other organization learn about it—together the efforts help both to better serve the community at-large.

5
Coordinating
Willingness to alter activities to achieve a common purpose. Organizations systemically adjust and align work with each other for greater outcomes. Partners are engaged in mutual projects and initiatives, modifying their own activities to benefit the whole. Therefore, roles are defined/formalized via an MOU, but each group retains autonomy. Regular communication, shared decision-making around joint work, and shared resources are common.

Example: An organization will pivot on a project's timeline to work together with another organization to increase impact.

Key Indicators: Organizing people or groups so that they work together properly and well.

Why?: When an organization encounters problems that hinder it from achieving its goals, the other organization may be able to help.

Collaborative

6
Collaborating
Participants learn from each other to enhance each other's capacity. However, there is no permanent organizational commitment. Decision-making power remains with individual organizations; however, there are significant joint activities with shared goals being directly related to mutual goal achievement. Still a high level of autonomy, yet a MOU is needed to help with this typically longer-term interaction to outline specifics on shared mission, goals, evaluation, communication, decision-making, and resources.

Example: Two or more nonprofits, with the same mission, target audience, and/or purpose work together to expand a program and its impact.

Key Indicators: Working together to create or achieve the same goal on a specified task or project.

Why?: Collaborating creates synergy that manifests itself in reduced costs, economies of scale, more flexibility in adapting to changes, improved capabilities, expanded results, and increased publicity.

Corporate Alliance

7
Shared Service/ Administrative Consolidation
This is a strategic alliance in which shared administrative services are formalized in a longer-term commitment for the future. Decision-making power is shared or transferred; although this does not require a change in corporate structure, a MOU would need to be in place outlining the parameters of the agreement to accommodate this new, shared staff member. Mid-level autonomy over this employment partnership.

Example: Nonprofits jointly fund a shared administrative assistant, accountant, grant writer, etc. when neither organization could fund the full-time employee on their own.

Key Indicators: Organizations open to a shared service relationship are more responsive to changing business needs and more conducive to building trust.

Why?: Organizations can expand their programs, gain access to in-house expertise and became more efficient in the delivery of services; often easier to hire a full-time employee than a part-time employee.

8
Joint Programming
This is a strategic alliance which involves a longer-term commitment for the future. Decision-making power is shared or transferred. This does not involve a change in corporate structure, but joint operations, programming, or ventures should be formally documented via a MOU. Mid-level autonomy over this programming activity.

Example: More than one organization working jointly with others to accomplish a specific outcome that would be difficult to achieve alone. To carry out specific tasks or provide specific services jointly, organizations would have similar missions, programming, target audiences and/or goals.

Key Indicators: This approach brings partners together to define a common vision, a strategic agenda, and a management structure in order to address a grand challenge that can better be addressed together.

Why?: The alliance of organizational programming reduces operational redundancies and administrative functions. They are now better positioned to withstand fluctuations in funding and can prove to funders that they are proactive about maintaining efficiency while simultaneously being effective.

Corporate Integration

9
Parent/Subsidiary Relationship or Type 1 Supporting Organization (SO)
Parent public charity adopts subsidiary supporting organization for the purpose of asset management, grantmaking, or program implementation, or the creation of a new charity or program. Supporting Organizations legally organize as a nonprofit with full board and staffing. This type of SO is supervised by the Supported Organization who appoints a majority of the board of the SO; this interlocking board leads to a close and a continuous working relationship. Supported organization must have a significant voice in grantmaking and directing use of income and assets of SO. May evolve into an independent public charity later.

Example: A SO is organized exclusively for the benefit of its supported public charity, potentially to oversee a charitable program or to incubate a fledgling program.

Key Indicators: Ability to keep your nonprofit status yet deemed a public charity by virtue of your relationship with an affiliated public charity (the supported organization). Must be both organized an operated exclusively for charitable purposes.

Why?: The social issues that nonprofits address are larger, more complex, and call for scaled-up solutions.

10
Corporate Merger/Acquisition
Formal combination of two or more entities. Decision-making power is transferred or combined. This involves changes to corporate control and/or structure, including creation and/or dissolution of one or more organizations. Autonomy has been fully integrated with programs, planning, and funding; roles are formalized via written agreement/contract. There is frequent communication, plus ideas, decision-making, and resources are shared.

Example: Two or more nonprofits are formally and legally merged into a 501(c)(3) nonprofit corporation to ensure the long-term financial stability of at least one of the merging organizations or to save programs and services that might otherwise be lost without the merger.

Key Indicators: The combination or absorption of two or more organizations; typically, with similar goals, missions, or target audiences.

: By merging, the smaller organization benefits from key leadership and finances of the larger organization to continue to develop new systems. The larger organization benefits from getting developed programs that have already met a desired level of success. Occasionally, this is a quality solution to ensure clients receive continued services if one organization is approaching a closure.

Autonomous *"Coming together is the beginning. Keeping together is progress. Working together is success." – Henry Ford* Integrated

Connection recommended.

Group Norms recommended.

Memorandum of Understanding (MOU) recommended.

Strategic Corporate Restructuring: Legal contract required.