

A Review of the Non-profit Sector of Windham County, Vermont: Opportunities for Strategic Restructuring

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Abstract

Windham County, Vermont has one of the highest concentrations of non-profit organizations in the country. The cost of operating these organizations is nearly five times that of those in neighboring Cheshire County, New Hampshire. This research project explores the challenges related to funding and supporting the high number of non-profits in Windham County, Vermont. Local philanthropists and non-profit leaders were interviewed to determine if they believe there are opportunities for strategic restructuring; that successful restructuring could lead to greater effectiveness and efficiencies; and what has prevented organizations from considering these options. Research results indicate that the current climate may not be conducive to successful strategic restructuring among Windham County non-profits. An initial action plan proposes a comprehensive study of the non-profit sector in Windham County as a catalyst for further exploration of strategic restructuring and its potential benefits.

Dedication

I would like to dedicate this paper to my family. To my children, Sean and Laryssa, and my husband Steve, thank you for your understanding, support and patience during the countless hours of work on this project.

Acknowledgement

There were many people who made this project possible – the paid and volunteer leaders of the organizations and foundations in Windham County, Vermont who agreed to share their opinions and insights; the Board of Directors of the Meeting Waters YMCA who provided me with the support necessary to undertake this endeavor; and the countless number of people who, upon hearing of the topic I had chosen to explore, encouraged and supported the project, expressing the need to bring this issue to light. Thank you.

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A Review of the Non-profit Sector of Windham County, Vermont:
Opportunities for Strategic Restructuring

Non-profit organizations around the country are struggling with issues such as increased competition, economic and political pressures, taxpayer revolt and rising community needs. With the increasing number of non-profits vying for funding from the same sources, the same leadership and volunteers, and the same “customers”, non-profits and their funders are beginning to consider how to deliver services more efficiently and effectively while best meeting the needs of their multiple constituents. While the issues are creating concern for non-profits and funders, it also creates opportunities to consider several forms of strategic restructuring.

The non-profits that serve Windham County, Vermont are no different. In a county with a population of 43,898 (U.S. Census Bureau, 2006) covering 789 square miles (U.S. Census Bureau, 2000), there are 573 non-profit organizations (TaxExemptWorld.com, 2008). They have a total budget of just under 508 million dollars (TaxExemptWorld.com, 2008).

The large number of non-profits in Windham County, Vermont and the high cost of delivering their services provide fertile ground for strategic restructuring. Benefits of doing so might include enhancing the efficiency and effectiveness of service delivery by reducing overhead costs of delivering services, reducing competition for philanthropic support and volunteer leadership, and improving the quality and accessibility of services. However, this is not an isolated or local problem.

Literature Review

In *Beyond Collaboration: Strategic Restructuring of Non-profit Organizations* (1998), David LaPiana reports that as many as 30,000 new tax-exempt organizations are created each year in the United States. “Many of these new organizations are providing valuable services,

mobilizing community resources, and developing innovative approaches to problems. At the same time, duplication of effort, wasted resources, unnecessary competition for limited funds, and an increasing level of organizational failure are becoming endemic to the sector” (p. 9). LaPiana (1998) suggests that “continually forming new non-profits rather than reevaluating existing structures is contributing to and accelerating these troubling trends” (p.9).

Strategic Restructuring

Strategic restructuring is seen in many forms in communities across the country as a solution to the complex issues facing non-profit organizations. By definition, strategic restructuring is a situation where “two or more independent organizations establish an ongoing relationship to increase the administrative efficiency and/or further the programmatic ends and social mission of the organizations through shared, transferred or combined services, resources or programs”(Kohm et al. as cited in Working Together, 2001). Research on the subject suggests that strategic restructuring falls into three main categories: collaboration, alliance and integration.

Collaboration

Collaboration is defined as a partnership where there is no permanent organizational commitment (Grace, 2001). The decision making power remains with the individual organizations. Collaborations can include coordination of services, joint grant writing, collaborative programming and other joint ventures.

An example of a successful collaboration described in *Non-profit Collaboration & Mergers: Finding the Right Fit* (Wasserman, n.d.) is the United Way Family Enrichment Center of Ozaukee County, Wisconsin. Ten Health and Human Service organizations in Milwaukee came together in a shared space to provide services in a more efficient and effective way. The

Family Enrichment Center now houses Balance, Inc., Big Brothers Big Sisters of Ozaukee County, COPE Services Administrative Offices, Independence First, Lutheran Social Services Birth to Three Program, Ozaukee Family Services, Ozaukee Works, United Way of Greater Milwaukee, Volunteer Center of Ozaukee, and the Youth and Family Project. Though there were initial concerns about the loss of identity and loss of donors, those concerns were never realized. Instead, the organizations experienced increased visibility, decreased duplication of services, convenient access to integrated individual and family focused service, and increased opportunities for program collaboration and coordination. According to Cheri Farnsworth, Executive Director of Ozaukee Family Services, “For those of us who were involved from the beginning, it’s truly a dream come true; for our clients, it’s an amazing place for them to come and get the services they need in one place”(Wasserman, n.d., p.14).

Alliance

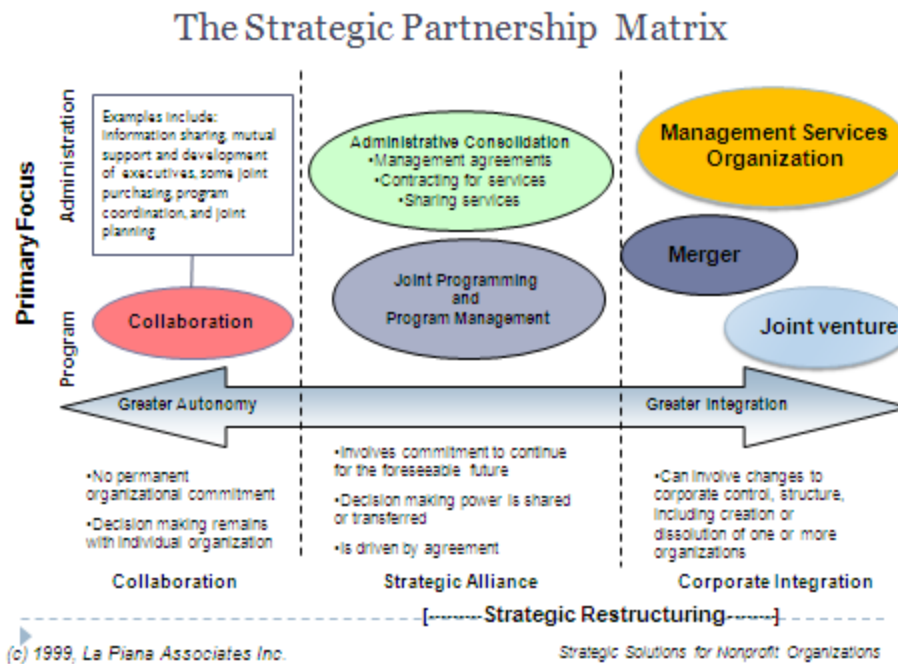
In an alliance structure there is shared or transferred organizational decision-making power. The organizations involved generally expect to continue the alliance for the foreseeable future (Grace, 2001). Alliances may involve administrative consolidation – sharing, exchanging or contracting administrative functions – or joint programming and program management.

In Manhattan nine museums that were hard hit by the events of September 11 have come together to form an alliance in the hopes of rebuilding attendance and revenue. The museums, which include the Museum of American Financial History, Museum of Jewish Heritage, and New York City Police Museum, will work together to create a publicity campaign to give the museums a collective identity (Whelan, 2002).

Integration

Integration involves a change in corporate control and structure to create or dissolve one or more organizations (Grace, 2001). The depth and breadth of integration can vary. It might take the form of sharing administrative functions by creating a new management organization; a joint venture which brings two or more organizations together to create and share in the governance of a new entity; a parent-subsidary structure where a larger organization takes over a smaller one for administrative efficiency while the smaller maintains its programmatic identity; or merger in which all administrative and programmatic functions are integrated resulting in the dissolution of one (or more) of the organizations.

In Rhode Island, two organizations, Self Help, in East Providence and New Visions for Newport County, in Newport integrated their organizations. Initially the organizations entered into an agreement that created a joint human-resource department and consolidated other parts of their organizations. Through these efforts, they saved money by streamlining their management structure. They have also realized savings in other areas of their organizations. Now, in an effort to win a grant that emphasizes the need to provide a variety of services economically and effectively, the two organizations are embarking on a merger. The new organization will maintain local advisory boards as a way to address the concern regarding loss of local identity. It is anticipated that this merger will create more opportunities for efficiency and cost savings while creating greater opportunities for funding (Whelan, 2001).



Elements for Success

The most common reasons cited by organizations for consideration of strategic restructuring options include a desire for increased efficiency; increased competition for funding; increased overhead expenses; pressure from funders as well as leadership challenges; a tired board; and an opportunity to better serve the community (Wasserman, n.d.).

As a greater number of non-profits embark on strategic restructuring it becomes more important to understand the elements necessary for success. In studies by United Ways and foundations, committed leadership is reported as one of the most important elements for successful restructuring. It has been shown that when partnerships of any sort are initiated by key staff and board members and viewed as an integral part of the everyday activities of those leaders, the initiatives are more successful. Other important elements for success include board encouragement and support, a clear set of mutually identified, realistic goals and a shared vision.

The organizations involved must have clearly defined roles for each organization and key staff, as well as explicit objectives. There should be a plan in place to revisit the goals and objectives as well as the process on a regular basis in order to refine and improve the approach. When executed with these key elements, strategic restructuring has saved essential non-profits from extinction, resulted in improved market position, and opened the door to new opportunities.

Barriers to Success

Some organizations are unable to achieve success with their efforts. While opinions vary as to the barriers and obstacles to successful collaborations or other forms of strategic restructuring, it is generally agreed that a requirement by funders does not lead to long-term success. When funding is dependent upon collaborations of any sort, there is less likelihood that the process will be clear, objectives identified and outcomes positive. Though a mandate by a funder might initiate collaboration, those efforts diminish when the funding ends. Non-profits should come together because “they perceive potential synergies, not because a funder encouraged them to do so” (LaPiana – as cited in *Non-profit Collaboration & Mergers*: p. 5). A better role for funders is to introduce potential partners and provide expert advice regarding options for strategic restructuring.

Other roadblocks to strategic restructuring tend to be a concern for loss of autonomy, a challenge to the self-interest of staff and volunteers, and cultural differences and expectations within organizations (LaPiana, 1998 p. 9 & 10). Open communication and discussion regarding these concerns is essential to mitigating these problems.

Summary

It is evident from the literature that each organizational situation is unique and opportunities for strategic restructuring of any sort should be considered carefully. It is

important for leadership to assess their organization's readiness prior to embarking on collaborations, alliances or any other form of integration. Non-profits who regularly explore these opportunities and are open to them are better equipped to deal with the complications and obstacles. Pursuing strategic restructuring of any sort under duress, as a requirement for funding, or as a means to keeping the organization afloat seldom yields good results.

The literature also shows that more and more non-profit funders, boards and leaders are considering options for strategic restructuring. The research and follow-up study of those organizations that have been involved in strategic restructuring over the years has given much needed guidance for best practices.

Community Assessment

Demographics

Windham County is nestled in the southeastern corner of Vermont. The county is bordered on the east by New Hampshire (Cheshire County) and to the south by Massachusetts. There are four distinct regions that make up Windham County. The Deerfield Valley, with Wilmington as its hub, is a ski and tourist area with a health center and an active prevention coalition but little in the way of non-profit service organizations. The West River Valley is made up of rural towns and a small hospital that offers a depth of health services unusual for a community of its size. As in the Deerfield Valley, non-profit agencies are minimal. The Bellows Falls region, on the northern end of the county, is well known for its social, health and economic challenges. There are several non-profits and state agencies in Bellows Falls, including "out-posts" of several Brattleboro-based organizations. In each of these regions, many people feel that they are left out when it comes to the wealth of health and social services in the

Brattleboro area. But, despite the prevalence of services in Brattleboro, the youth and families of that region face many of the same health challenges as the other areas in the county.

According to the 2000 U.S. Census, Windham County's population was 44,216. The 2006 U.S. Census now has it at 43,898. While all other counties in Vermont are experiencing population growth, the number of citizens in Windham County is declining. About one-fourth of all residents in Windham County are under the age of 18 (U.S. Census Bureau, 2006). The fastest growing segment of the population is 55-64 year olds and census projections (2000) predict an increase of more than 3,000 people from this age group in this decade. There are slightly more women than men in Windham County, a fact that mirrors the state statistics (U.S. Census Bureau, 2006). Also as in the state as a whole, Windham County's racial and ethnic mix is 96% white and 4% non-white (U.S. Census Bureau, 2006). Slightly more Windham County residents have graduated from high school and from college than the state averages, although median household income is significantly less in Windham County than the state as a whole (U.S. Census Bureau, 2006).

Challenges. Despite its many positive attributes, the region faces some serious social, health and economic challenges. According to the Vermont Department of Health's "Health Status Report 2008," only 28% of the teens of Windham County get regular physical activity, 11% spend five or more hours per day using a computer and/or watching TV, only 15% consume three or more servings of vegetables each day and 12% are overweight or obese (pp.9-10). The "Health Status Report 2008" also shows that teens in Windham County are above the state average in many high-risk behaviors including binge drinking, teen pregnancy, smoking, marijuana use, and juvenile delinquency (pp.3 & 8).

Families in Windham County are under stress. Rates of domestic violence, single women with children under 18, poverty, and adult obesity—important social factors affecting families with young children—are all relatively high compared with the state as a whole (Vermont Agency of Human Services, 2008). Some of the stresses may be due to the economic conditions in the area. Windham County lagged behind the rest of the state in growth employment between 1990 and 2000 (10.4% vs. 17.8%). Growth in Brattleboro, the county’s hub of economic and social activity, was just 3.2% in that time period (Livermore, 2002, sec. VI).

Research Methods

Objectives

The goal of the qualitative research was to gather input from area non-profit leaders and philanthropists regarding:

- whether they believe there are opportunities for strategic restructuring;
- whether they feel that successful restructuring could lead to greater effectiveness and efficiencies;
- factors that have, to date, prevented organizations from considering these options.

The research also explored what foundations, support organizations and volunteer leaders could do to overcome barriers, provide incentives, catalyze, give birth to, provide tools and resources for, or otherwise nurture the development of new ways for non-profits to work together.

In addition, quantitative data was collected from several sources to compare various demographics of Windham County to those of other communities within Vermont, and bordering communities of similar size in New Hampshire.

Procedure

Non-profit leaders and philanthropists were selected based on recommendations from the Executive Director of the United Way of Windham County and other non-profit leaders. The criteria for selecting paid and volunteer non-profit leaders to interview included involvement/experience with multiple organizations, significant length of service, and availability. It was also necessary that they have a broad knowledge of Windham County and the non-profits that exist within the county. In total, eight leaders were interviewed in person following a format of questions. The questions were developed with support of fellow classmates of the Executive Master's program at Springfield College and the Executive Director of the United Way of Windham County (Appendix A.)

Philanthropists and foundation leaders were selected for their history of support of non-profit organizations within Windham County. Philanthropists were invited to participate in a focus group or, due to availability and time constraints, be interviewed individually either in person or over the phone. Due to lack of participation in the focus group, most philanthropists were interviewed individually. Six philanthropists were interviewed for this study. The format for interviews was the same as that for focus groups (Appendix B.)

All participants signed consent forms and were assured of anonymity. Interviews were recorded and are the property of the researcher and will not be made public at any time.

Data Analysis

The recorded interviews were transcribed and compiled into lists corresponding to the interview questions for each group - philanthropists or leaders. Additional comments and suggestions were also cataloged. The lists were then reviewed and major themes were extracted and compiled with the results being organized according to the common themes related to the

interview questions (Appendix C.) Finally, the responses from the two groups were compared with the results being reported below.

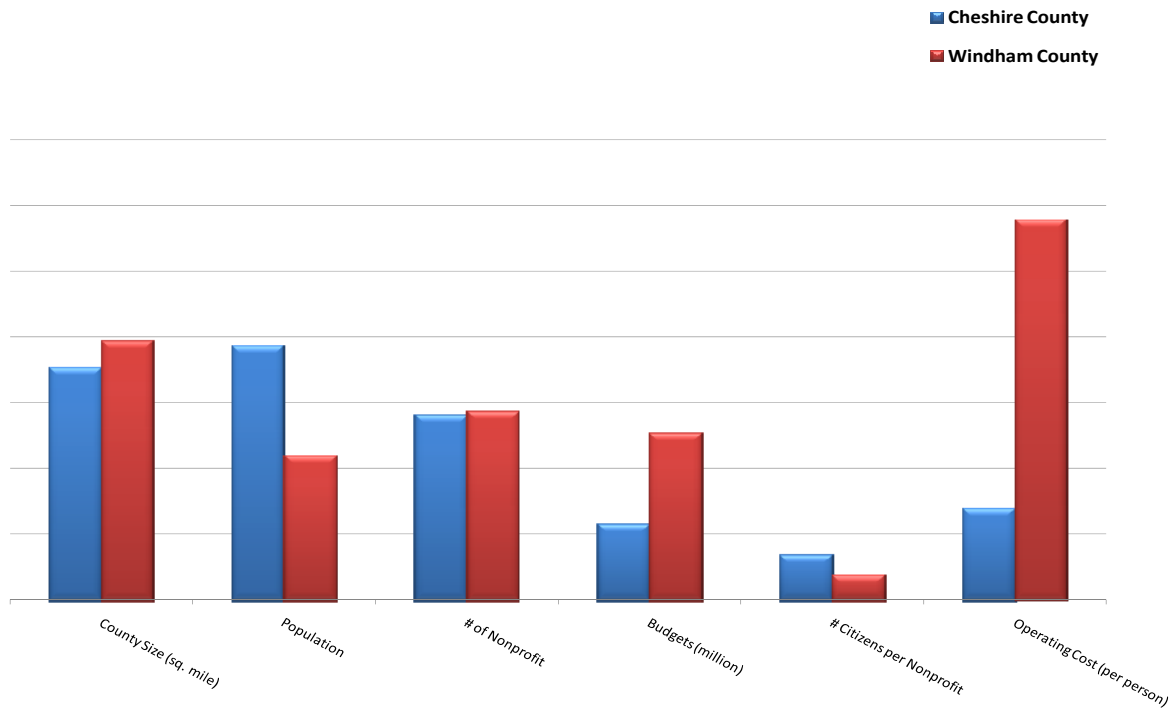
Results

Quantitative Data

Using a comparison between Windham County and Cheshire County as a microcosm of national trends, one can see a far higher level of efficiency in the non-profit sector on the New Hampshire side of the Connecticut River. Cheshire County, New Hampshire, covering 707 square miles (U.S. Census Bureau, 2000) has 563 non-profits (TaxExemptWorld.com, 2008) to serve a population of 77, 393 (U.S. Census Bureau, 2006) while Windham County, Vermont, with a population of 43,898 (U.S. Census Bureau, 2006) covering 789 square miles (U.S. Census Bureau, 2000) has 573 non-profit organizations (TaxExemptWorld.com, 2008). The non-profits in Cheshire County, New Hampshire have budgets totaling just 230 million dollars (TaxExemptWorld.com, 2008). The non-profits in Windham County, Vermont have a total budget of just under 508 million dollars (TaxExemptWorld.com, 2008).

While the two counties are of similar geographic size and have virtually the same number of non-profits, the populations served by the two counties' non-profits and the total cost of operating their non-profits differ significantly. In Cheshire County, New Hampshire, there are 137 citizens per non-profit organization. The average cost of operating a non-profit in Cheshire County is \$2,792 per citizen. By comparison, Windham County, Vermont's non-profits serve an average of just 77 people with operating costs of \$11,572 per person.

Comparison of Cheshire County, NH and Windham County, VT



Based on these startling findings, the researcher was curious to look more deeply into the number of non-profit organizations in Windham County in comparison to other Vermont counties with similar characteristics. The patterns are similar. For example:

- Windsor County, just to the north, has 31% more people and 12% more non-profits than Windham County, but its non-profits' budgets are 32% less than those in Windham County (nonprofitsdata.com, 2008).
- Brattleboro, the social and economic hub of Windham County, is ranked seventh in population in the state of Vermont yet has the third highest rate of non-profit organizations (nonprofitsdata.com, 2008).
- Rutland, the social and economic hub of Rutland County, has 50% more people than Brattleboro but 40% fewer non-profits (nonprofitsdata.com, 2008).

- Bennington, the social and economic hub of Bennington County, has a population about 35% more than Brattleboro but has 10% fewer non-profits (nonprofitsdata.com, 2008).

Going back to the comparison between Cheshire County, NH and Windham County, VT, when one looks at Keene, NH, the social and economic hub of Cheshire County, one finds that Keene's population is double that of Brattleboro, yet the number of non-profits is just slightly higher and the spending of those non-profits is half that of those in Brattleboro (\$125,668,582 versus \$250,679,296 (nonprofitsdata.com, 2008).

One unique characteristic worth noting is that, in addition to access to those foundations and government funding sources that are available to all other non-profits in the country, those in Windham County benefit from four unique opportunities. There is one foundation whose giving is limited to just Brattleboro, Vermont and Rhinebeck, New York. Another provides financial support to non-profits "in Grafton and surrounding communities." Two others limit their giving to Vermont and only one other state (New Jersey in one case and Florida in the other). These are unique opportunities for the non-profits in Windham County, Vermont.

Leader Interview Results

What are the Key Challenges Facing Non-profits in Windham County Today?

In reviewing the results of the interviews with the board and staff leaders, three main themes emerged with regard to the challenges facing non-profits in Windham County: competition for resources; inefficiencies and redundancy; and effectiveness and impact.

Competition for resources. The majority of non-profit leaders interviewed felt that competition for resources was a major challenge facing the sector. Their definition of resources

included such things as funding sources, high quality staff, and qualified volunteer staff and board members.

Competition for funding was cited most often by those interviewed. Comments included: “There are a fixed number of potential income sources (donors, foundations, etc.)” and “they are fairly tapped out.” Another leader stated, “The large number of non-profits is an issue as it relates to funding because philanthropists choose to spread their philanthropic contribution to a whole lot of non-profits instead of scrutinizing non-profits to see where their money would have the greatest return on investment.” It was noted that “Organizations are becoming more sophisticated with regard to fundraising” – with new efforts being imagined and used. Organizations are “spending more money to raise money, but not getting the exponential return on investment.” While the economy was not, at this time, having a direct impact on the organizations of the leaders interviewed, the consensus was that it will impact their ability to secure the necessary funding in the near future. “The public is concerned about their own ability to pay for things so may be less apt to donate,” said one leader. In addition, competition for grant funds and cuts in state and federal funding were brought up as an issue for those organizations relying heavily on funding from those particular sources.

Finding and retaining high quality staff seemed to be an emerging issue as well. One leader commented: “It is a challenge to find staff with special qualifications such as business managers or development directors.” It was noted that the leadership skills within non-profits in Windham County is not as high as it should be and that there are few male non-profit executives. There was some speculation that compensation might be contributing to the challenge of recruiting and retaining diverse, high quality leaders to the sector.

While some individuals noted that finding qualified board members was not an issue, most of those interviewed felt that if it wasn't an issue at the present time, it might become an issue in the near future. "Board members often serve on multiple boards or work with several organizations" reported one leader "and they are generally older individuals." Another stated, "Finding talented individuals to serve on boards may begin to be a problem as governance becomes more seriously considered and emphasized... right now it is not too big a problem because most non-profits don't have sophisticated systems for board development, they just pick 'warm bodies'." Board development seemed to be a concern for a few of those interviewed citing a need for an orientation to board roles and responsibilities.

Inefficiencies. A second emerging theme from the interviews was the redundancy as it relates to programs and services offered by various non-profits and the inefficiencies that these redundancies create. One leader felt that "non-profits have missions but sometimes (we) are pulled in one too many directions." Another noted "turf issues with regard to services" creating a "fragmentation of services (which) is not good for the clients/users." Several leaders noted that duplication included that of administrative overhead, explaining that "annual audits are done by all organizations" and that the high cost of overhead was "diverting money from direct services."

There was agreement that, in general, "There is a lack of information about what services are provided and by which organizations - who is the target population of each organization; what is their purpose/mission; what are the objectives of their programs/services."

Effectiveness. A few of the leaders brought up the issue of effectiveness of the various non-profits in Windham County. One leader asked, "How are we tracking whether or not we are making a difference?" Another leader mentioned, "It is assumed that, because the non-profits exists, it must be doing important or good work" and that "it is less about impact and more about

numbers.” There was no agreement as to how to measure the impact of the large number of non-profits, but it was deemed necessary to do so. Several leaders felt that non-profits should be held more accountable to donors and one leader felt that the some organizations might find it a “significant challenge to complete the new 990 in a way that is acceptable to the IRS” especially with regard to governance issues, the use of charitable funds, and reporting measurable results from their services.

How Do You Define Collaboration?

Overall, the leaders defined collaboration in similar terms. The keys were: identifying similarities within multiple organizations with regard to goals, ideas, or focuses; leveraging resources of the organizations; and together, having a greater impact than either organization would individually. It was agreed that the organizations undertaking collaboration must “commit to a particular course of action” and “move forward with one voice.”

Do You Feel Collaboration is Important? Why?

While it is noted by a few leaders that the term “collaboration” is overused, there is agreement that consideration must be given to ways to eliminate duplication of services and better meet the needs of the constituents. Most leaders agreed that the imposition of collaboration by an outside source such as funders was not productive. As one leader put it “If the outcome of our existence is to improve the lives of our constituents then collaboration makes sense when, and only when, combining resources better serves those constituents with greater outcomes. Otherwise, it is not a good use of time, money and other resources.” There were several successful collaborations described including:

- Parks Place Community Resource Center
- Valley Cares

- Windham County Fit and Healthy Kids Coalition
- Meeting Waters YMCA's ASPIRE Program – in collaboration with Windham Southeast Supervisory Union
- Leadership Southeast Vermont

Do You Feel it is Necessary for Non-profit Organizations in Windham County to Consider Mergers, Partnerships or Collaborations?

While only one leader interviewed was familiar with the term strategic restructuring all felt that consideration of new ways to work together was essential to the health of the sector. It was noted that these terms, especially merger, are often seen as negative. When opportunities are considered it should be with the “understanding that the main purpose is to serve the client in the best way possible” and should not be done to “save” an organization, but, rather, to strengthen organizations. It was also mentioned that it was unlikely that opportunities for strategic restructuring would be initiated by the organizations themselves. They are more likely to occur as a result of an outside force such as the economy; an organization such as the United Way leading the way; or when, as stated by one leader, “Philanthropists that support the many non-profits make their investment decisions based on effectiveness and efficiency.”

What Can You As a Non-profit Leader do to Overcome Barriers, Incent, Catalyze, Seed, Provide Tools and Resources or Otherwise Nurture the Development of These New Ways to Work?

The responses to this question were encompassed, for the most part, in the answer to the previous question. It was noted by a few leaders that holding organizations accountable for their outcomes and creating “a common system of tracking, reporting, measuring ‘success’ and quality” would be helpful and necessary. One leader summed it up like this, “Most non-profit leaders are so ‘bogged down’ or overwhelmed with the day to day that it is difficult to look outside of themselves at the opportunities.”

Suggestions. There were several suggestions or opportunities presented as a result of the interviews. Some of those that would warrant further investigation are:

- Sharing of facilities to cut down on overhead – shared location/co-location.
- Sharing resources like part-time staff; bookkeepers; grant writer; development professional.
- A community mapping of the sector to create a database which would be available to philanthropists and other non-profit leaders.
- Engage an outside person (a neutral party) to bring parties together to see the opportunities to work together and provide the outside leadership/expertise to work through the process/concept and solutions.

Philanthropist Focus Group/Interview Results

What are the Challenges to Funding Non-profits in Windham County?

The consensus of those interviewed was that having enough money to fund all the non-profits was the greatest challenge. “Though there is a very good infrastructure of people doing good things there is just not enough philanthropic money to fund them all,” stated one philanthropist. It was noted that there are so many non-profits competing for the same pool of money that it creates a tough environment for them fiscally. Determining which projects are really needed is also a challenge - “navigating through the proposals to determine which ones are the most effective and will have the greatest benefit on the community.”

In general, overlap of services was not seen as an issue by the funders. One person felt that “Though there are many organizations and some are doing similar work, they cover a large enough geographic area to not cause problems.” It was also felt that organizations in Windham County are operating cheaply and that high administrative overhead was not an issue. It was

noted, however, that in some cases, “The efforts/programs provided by organizations with little or no overhead might better be done by another, similar organization.”

How Do You Define Collaboration?

The philanthropists interviewed defined collaboration as: organizations working together to better deliver their services; and finding the most effective ways to work together.

Do You Feel Collaboration is Important Why?

When asked whether they feel collaboration is important – or important to the foundations for which they work– the response was varied. While some like to see that consideration is given to other organizations “who are working with the same population of people or in the same area of need,” another felt that collaboration “should not be a requirement, but should be encouraged if it makes sense.” It was noted by one philanthropist that the organizations that he is familiar with who do collaborate are finding it more difficult to work out the details than expected. It was not clear, through my interviews, that there are specific measures foundations and donors use to determine the success of a collaborative effort although it was noted that funders are looking more closely at accountability than ever before.

Do You Feel it is Necessary for Non-profit Organizations in Windham County to Consider Mergers, Partnerships or Collaborations?

It was felt that consideration for strategic restructuring should be a market driven response rather than one dictated by foundations and trusts; that the economy will drive the discussion. One funder did feel strongly that “Organizations should consider opportunities for shared resources; shared space; and reducing space related overhead costs.” It was also noted that “Relationship building is crucial to begin the conversations that would lead to any type of strategic restructuring.”

What Can Foundations and Support Organizations do to Overcome Barriers, Incent, Catalyze, Seed, Provide Tools and Resources or Otherwise Nurture the Development of These New Ways to Work?

“The economy will bring this issue to the forefront more than ever. There will need to be discussions of collaboration or there won’t be the services when organizations cannot keep the doors open,” said one philanthropist. Some suggestions for ways to nurture the development of new ways to work included:

- Have businesses get together to build a social network and build relationships, which in turn will allow other things to happen.
- Be more careful in their grant making to not allow organizations to be doing things entirely separately.
- Not providing opportunities for organizations to get going who don’t have a means to maintain themselves or be sustainable – encourage them to work with existing organizations instead. Explore other options before starting a brand new organization.
- To do a comprehensive study of non-profits – mission, who they serve (constituents); what programs they offer, etc. (community mapping project).

Discussion of Results

In reviewing the commonalities and differences between the responses of the leaders and those of the philanthropists, this researcher observes that the leaders seem to have greater insight into the need for strategic restructuring than the philanthropists. While philanthropists feel that funding the large number of non-profits is a challenge, strategic restructuring is not really seen as a solution. Both parties do agree that sharing of resources would be beneficial to consider. It is also apparent, from both leaders and philanthropists, that a greater understanding of the services

provided by the non-profits of Windham County is essential. This might take the form of a community-mapping project leading to a database that would be available to philanthropists, leaders, and constituents. Though most of the individuals interviewed felt that there was a good awareness of what other non-profits are doing, the number of non-profits and the cost involved in operating them was a surprise to all.

The researcher is aware that this project has not attempted to study the connection between the number of non-profits and rates of social, health and economic problems they aim to address. If the relatively high number of non-profits in Windham County and their collective spending are resulting in a higher than normal quality of life for the people of the county, the “return on investment” could serve as justification for maintaining and sustaining the large number of non-profits. This researcher recommends that future discussions regarding opportunities for strategic restructuring among Windham County non-profits include a comparative analysis of a wide-range of social, health and economic conditions in Windham County and Cheshire County.

Link to Literature Review

This researcher’s findings are consistent with those studied in the Literature Review. In *Beyond Collaboration: Strategic Restructuring of Non-profit Organizations* (1998), David LaPiana reports that as many as 30,000 new tax-exempt organizations are created each year in the United States. Non-profits in Vermont are growing at a rate never before seen in history. Already in the first seven years of this decade, 1,409 non-profits have been born. This surpasses the previous record of non-profit start-ups in a decade—1,346 in the 1990s. (nonprofitsdata.com, 2008).

Those interviewed for the research project seem to agree with LaPiana's observation that "Many of these new organizations are providing valuable services, mobilizing community resources, and developing innovative approaches to problems. At the same time, duplication of effort, wasted resources, unnecessary competition for limited funds, and an increasing level of organizational failure are becoming endemic to the sector" (p. 9). While "organizational failure" has not become "endemic to the sector" in Windham County, several non-profit leaders and philanthropists feel that duplication of effort and competition for limited funds are major issues.

Despite this, the input received from non-profit leaders and philanthropists did not suggest the need for strategic restructuring among Windham County non-profits. While a few of those interviewed felt there are opportunities for Windham County non-profits to share resources such as accountants or development staff (which would fall into the category of "collaboration"), none of those interviewed felt that alliances or integrations were necessary. It was widely felt that the current economic conditions may be an external force that requires the leaders of the non-profits in Windham County to examine opportunities for strategic restructuring in an effort to avoid extinction. However, at this time, it appears that Wasserman's (n.d.) research into the most common reasons cited by organizations for consideration of strategic restructuring, including increased efficiency; increased competition for funding; increased overhead expenses; pressure from funders as well as leadership challenges; a tired board; and an opportunity to better serve the community are not considerations for the leaders and philanthropists that are currently supporting Windham County non-profits.

This suggests that the conditions are not currently in place for successful strategic restructuring among Windham County non-profits. The researcher's literature review found that committed leadership is reported as one of the most important elements for successful

restructuring. It has been shown that when partnerships of any sort are initiated by key staff and board members and viewed as an integral part of the everyday activities of those leaders, the initiatives are more successful. This condition for success does not seem to be present in Windham County at this time. While the philanthropists interviewed for this study do point to the increasing need for Windham County non-profits to consider ways to deal with the current economy, research suggests that they are not in the best position to stimulate this change. It is generally agreed that a requirement by funders for non-profits to collaborate does not lead to long-term success. When funding is dependent upon collaborations of any sort, there is less likelihood that the process will be clear, objectives identified and outcomes positive. With volunteer and staff leaders generally agreeing that the number of non-profits in Windham County does not pose a significant problem in terms of effectiveness or efficiency and philanthropists not in a position to lead strategic restructuring efforts, it may require the external force of the national economic woes to catalyze introspection within the non-profit sector and dialogue within the communities that they serve.

Project Proposal

It is apparent, through this research, that most philanthropists and non-profit leaders in Windham County are unaware of the extent of the services provided, the cost to provide them, and the inefficiencies created by the large number of non-profits providing similar services. While they agree that consideration of some strategic restructuring is necessary, the opportunities are unclear because of the lack of structured, comprehensive information about the sector. The lack of easily accessible information on the numbers of non-profits in Windham County, their size, type, activities, funding sources, linkages, and management strengths severely hampers the

capacity of philanthropic and non-profit leaders to develop effective, comprehensive, and collaborative solutions to community needs.

Three suggestions to address the problems identified through the research might include:

- To organize a conference for non-profit leaders and philanthropists to present the research and data from this report, as well as information about strategic restructuring.
- To collaborate with Marlboro College Graduate Center and the United Way of Windham County to hold a series of workshops for non-profit leaders, both paid and volunteer, regarding strategic restructuring.
- To perform a comprehensive study of the non-profit sector of Windham County.

This researcher feels the study of the non-profit sector would have the greatest impact and provide the catalyst for further exploration of strategic restructuring and its' potential benefits for the sector.

Goals and Objectives

The goals of this study would be to create a greater understanding of Windham County non-profits and the value they provide; to take a hard look at the sectors efficiency and effectiveness; and to underscore the importance of financial health as a necessary and critical condition to further their goal of meeting community needs. This information would be packaged in an accessible manner – both as a printed and electronic guide.

The objectives of this project would be as follows:

- 1) To define the scope of the information to gather.
 - a) Get feedback from stakeholders (those interviewed during research) as to the information needed.
 - b) Utilize examples of other reports such as the Boston Foundation report – *Passion & Purpose: Raising the Fiscal Fitness Bar for Massachusetts Nonprofits*.

- 2) To gather information about Windham County non-profits.
 - a) Create a form for information gathering (both electronic & paper.)
 - b) Distribute form to all non-profits in Windham County.
 - c) Collect and compile information in an organized manner.
- 3) To mine information from 990s regarding finances of organizations.
 - a) Use GuideStar to gather information.
 - b) Request the 990, 990ez, or 990n from those non-profits not posted on GuideStar.
 - c) Compile information in an organized manner.
- 4) To gather information regarding specific examples of strategic restructuring undertaken by organizations in and around Windham County, Vermont.
 - a) Identify examples of various aspects of strategic restructuring including: collaboration, alliance and integration or merger.
 - b) Interview leaders of identified organizations regarding nature of strategic restructuring.
 - c) Compile information in an informative and organized manner.

Execution of this proposal would require funding and support from one or more philanthropic organizations for the project. To secure funding the following steps would be taken by the researcher:

- 1) Prepare a presentation of the research and project proposal.
- 2) Present to United Way of Windham County for support.
- 3) Together with the United Way, identify philanthropic organizations that might have an interest in supporting the project.

It is estimated that this project would take two individuals – a researcher (Project Coordinator) and data entry person (Administrative Coordinator) - approximately one and one half to two years to complete. The project cost would be the salaries of the two staff; office supplies and materials; and printing or database costs. There may be additional costs for hosting the database in a publicly accessible manner such as on the internet.

Work Plan

Goal	Objective	Tasks	Resources	Authority
To secure funding for the project,	To secure funding for the project.	<ul style="list-style-type: none"> • Prepare a presentation of the research and project proposal. • Present to United Way of Windham County for support. • Together with the United Way, identify philanthropic organizations that might have an interest in supporting the project. 	United Way of Windham County Vermont Community Foundation	Researcher
To perform a comprehensive study of the non-profit sector of Windham County.	To define the scope of the information to gather.	Planning: <ul style="list-style-type: none"> • Get feedback from stakeholders (those interviewed during research) as to the information needed. • Research examples of other studies (Boston Foundation report – Passion & Purpose) 	Director of the United Way of Windham County	Project Coordinator
	To gather information about Windham County non-profits.	<ul style="list-style-type: none"> • Create a form for information gathering (both electronic & paper.) • Distribute form to all non-profits in Windham County. • Collect and compile information in an organized manner. 		Administrative Coordinator Project Coordinator Administrative Coordinator
	To mine information from 990s regarding finances of organizations.	<ul style="list-style-type: none"> • Use GuideStar to gather information. • Request the 990, 990ez, or 990n from those non-profits not posted on GuideStar. • Compile information in an organized manner. 	GuideStar website	Project Coordinator Project Coordinator & Administrative Coordinator Administrative Coordinator

	<p>To gather information regarding specific examples of strategic restructuring undertaken by organizations in and around Windham County, Vermont.</p>	<ul style="list-style-type: none"> • Identify examples of various aspects of strategic restructuring including: collaboration, alliance and integration or merger. • Interview leaders of identified organizations regarding nature of strategic restructuring. • Compile information in an informative and organized manner. 	<p>Research paper</p>	<p>Researcher</p> <p>Project Coordinator</p> <p>Administrative Coordinator</p>
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Budget

The proposed project budget reflects the creation of two positions—a Project Coordinator and an Administrative Coordinator. Expenses included in the budget are focused on the costs for these staff members, their pay and benefits; necessary supports (phones, postage, supplies, etc.); and printing or web hosting costs. It is expected that in-kind support (office space, copy machines, fax) will be provided by the United Way or other chosen lead agency.

Line Item	Cost (2 year project)
Project Coordinator	
• Salary	\$100,000.
• Benefits (taxes, workers' comp.)	\$7,750.
Administrative Coordinator	
• Salary	\$60,000.
• Benefits (taxes, workers' comp.)	\$4,650.
Office Expenses (phones, postage, supplies)	\$4,000.
Printing	\$3,000.
Web Design/Development/Hosting	\$6,000.
Meeting Expenses	\$1,000.
Mileage Reimbursement	\$2,000.
Total	\$188,400.

Evaluation

The evaluation process for this project will be on-going. The data that will have been gathered would be objective so it does not need to be validated. Evaluation processes, therefore, will focus on the usefulness and benefits to organization leaders, philanthropists and foundations.

Information collected for evaluation will consist of:

- requests for final printed reports
- website visits
- requests for presentation of material by researcher

It is expected that this project will provide the information necessary to enable the paid and volunteer leaders of the non-profit organizations of Windham County, Vermont to begin the

steps to successful strategic restructuring. Making considerations of new ways to operate—collaboration, strategic alliances, integration and mergers—an integral part of the everyday activities of leaders will provide greater opportunity for success of individual organizations while at the same time strengthening the non-profit sector, as a whole.

Conclusion

With quite possibly the highest concentration of non-profit organizations in the country and a high cost to operate these non-profits, Windham County philanthropists and nonprofit leaders, both paid and volunteer, must examine the sector for its efficiency and effectiveness. It is this researcher's hope that this study will provide valuable information to these leaders.

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Appendix A

Interview Questions for Leaders:

What are the key challenges facing non-profits in Windham County today?

Follow up questions or prompts:

Finding enough high quality volunteer/paid leaders?

Competition for funding and donations (with other non-profits)?

High cost of administrative overhead?

How do you define collaboration?

Do you feel collaboration is important? Why?

Follow up questions or prompts:

Cite an example of a successful collaboration.

What are the measures used to determine success?

Introduce Strategic Restructuring (**power point or print out**)

Strategic restructuring occurs when two or more independent organizations establish an ongoing relationship to increase the administrative efficiency and/or further the programmatic mission of one or more of the participating organizations through shared, transferred, or combined services, resources, or programs. Strategic restructuring ranges from jointly managed programs and consolidated administrative functions to full-scale mergers.

Strategic restructuring refers to a continuum of partnerships - including but not limited to mergers, joint ventures, administrative consolidations, and joint programming - through which non-profits strive to anticipate or respond to environmental threats and opportunities.

Do you feel it is necessary for non-profit organizations in Windham County to consider mergers, partnerships or collaborations?

What can you as a non-profit leader do to overcome barriers, incent, catalyze, seed, provide tools and resources or otherwise nurture the development of these new ways to work?

Appendix B

Focus Group Questions for Philanthropists:

What are the challenges to funding non-profits in Windham County?

Follow up questions or prompts:

Overlap of services?

Inter-relationship between differing needs?

High cost of administrative overhead to operate so many small agencies?

Do you encourage collaboration through your funding criteria? If so, how do you define collaboration?

Follow up questions or prompts:

Are these organizations more effective? Why or why not?

What are the measures used to determine success?

Introduce Strategic Restructuring (**power point**)

Strategic restructuring occurs when two or more independent organizations establish an ongoing relationship to increase the administrative efficiency and/or further the programmatic mission of one or more of the participating organizations through shared, transferred, or combined services, resources, or programs. Strategic restructuring ranges from jointly managed programs and consolidated administrative functions to full-scale mergers.

Strategic restructuring refers to a continuum of partnerships - including but not limited to mergers, joint ventures, administrative consolidations, and joint programming - through which non-profits strive to anticipate or respond to environmental threats and opportunities.

Do you feel it is necessary for non-profit organizations in Windham County to consider mergers, partnerships or collaborations?

What can foundations and support organizations do to overcome barriers, incent, catalyze, seed, provide tools and resources or otherwise nurture the development of these new ways to work?

Appendix C

Results from Leader Interviews**What are the key challenges facing non-profits in Windham County today?**

Competition for resources

- Finite number of income sources – fairly “tapped out”
- Fixed number of potential income sources (donors, foundations, etc.)
- Cuts in state and federal funding – reducing income to non-profits
- Fundraising ability throughout Windham County is “tapped out”
 - o becoming more sophisticated at fundraising
 - o spending more money to raise money – not getting the exponential return on investment
 - o new efforts being imagined and used
- Fundraising – enough money to pay the essentials and do what you want to do.
 - o the public is concerned about their own ability to pay for things so may be less apt to donate.
- Competition for resource dollars
- Highly grant dependent and resources are diminishing
- As state funding is cut it will impact many non-profits who are highly dependent on it.
- The large number of non-profits is an issue as it relates to funding because philanthropists choose to spread their philanthropic contribution to a whole lot of non-profits instead of scrutinizing non-profits to see where their money would have the greatest return on investment, even as it relates to their funding areas of preference (youth well-being, health)
- Challenge to find high quality staff
 - o with special qualifications – business managers; development director
 - o entry level employees with skills set or disposition to learn (both paid and volunteer staff)
 - o lack of technical skills (of paid and volunteer staff)
- Not enough qualified individuals to run the non-profits
- Leadership skills within non-profits is not as high as they should be
 - o don’t hold people accountable
 - o avoid the difficult conversations and issues
- Challenge to finding volunteers and volunteer staff – not board members.
- Staff leadership – few male directors of non-profits
 - o Might suggest issue with recruiting and retaining a diverse workforce
 - o Rates of pay for Executive compensation

- Finding talented individuals to serve on boards may begin to be a problem as governance becomes more seriously considered and emphasized... right now it is not too big a problem because most non-profits don't have sophisticated systems for board development, they just pick "warm bodies."
- Difficulty recruiting board members
 - o Board members often serve on multiple boards or work with several organizations
 - o Generally older individuals
- Board Development
 - o What is their role
 - o "rubber stamp" for the executive's plan
 - o Orientation to board roles/responsibilities
- Redundancy
- Turf issues with regard to services
 - o Fragmentation of services is not good for the clients/users
- Obvious overlap of services – generally to meet the needs of the clients the organization serves (be all things to the people they serve)
- Non-profits have missions but sometimes we are pulled in one too many directions.
- Inefficiencies
- Duplication of administrative overhead
 - o Annual audits done by all
 - o Not getting economy of scale
 - o Diverting of money from direct services
- Lack of information about what services are provided and by whom
 - o who is the target population is of each organization?
 - o purpose/mission
 - o objectives of their programs/services
- Are the non-profits in the area being used effectively?
- Measuring impact
 - o "how are we tracking whether or not we are making a difference"
- Accountability to donors and IRS – significant challenge completing the new 990 in a way that is acceptable to the IRS
 - o May challenge the tax exempt status of non-profits in the future

- Governance issues
- Use of charitable funds
- It is assumed that, because the non-profits exists, it must be doing important or good work
 - Serving kids is a good thing, but it is less about impact and more about numbers

How do you define collaboration?

- Definitions
 - Partners coming together, identifying key problem areas, share ideas, review goals and commit to a particular course of action
 - Who are the key stakeholders/players working around a particular issue
 - When you collaborate you move forward with one voice – problem focused
 - Getting together and trying to see if the goals of two or three organizations cross paths
 - Where can you benefit from continuing interactions so resources from one organization can be made available to others and all the organizations benefit
 - Working together to create a greater impact for the clients and leverage an organizations limited resources for greater impact
 - Two or more organizations combining resources, resulting in a sum that is greater than each organization doing it on its own

Do you feel collaboration is important? Why?

- Consideration of elimination of duplication of services must be done
 - Need to come at it from a positive perspective of the benefit to all involved, then lead to seeing the overlap
 - Best suggested by a neutral party
 - Creates defensiveness because they all feel they are good at what they do – the best at it
- It is overused and imposed by foundations with the assumption that the outcome is better than one organization doing it on its own
- If the outcome of our existence is to improve the lives of our constituents then collaboration makes sense when, and only when, combining resources better serves the constituents with greater outcomes. Otherwise, it is not a good use of time, money and other resources.

Examples of Successful Collaborations

- Valley Cares – Townshend (?) – national model
- Fit and Healthy Kids Coalition
- United Way – daycares
- Leadership Southeast Vermont
- Parks Place – co-locate services for a geographic area (Patch Project)
 - o Model of organizations and state agencies working together and co-locating for the benefit of the people they serve
- Partnerships with the schools to provide ASPIRE
 - o Everyone involved benefits – school gets to provide a valuable service to families; service is provided by an organization with the expertise in the area of after-school enrichment; children are provided with an enriching place to spend time after school
- Is it possible that the poor statistics around well-being of young people (for example) is a result of having too many non-profits
 - o John McKnight – *Careless Society* – we have professionalized everything and therefore have taken away the responsibility of communities for caring for each other
 - o Are we enabling families, neighborhoods, or entire communities to be less responsible for each other
 - o The number of non-profits allows community members to think that the problems are being taken care of because an organization exists without consideration for quality, effective outreach or efficiency
 - o Duplication of services is not just about serving the same demographic, but what is the mission, what is being provided, what types of teenagers are attracted to the programs, and quality of the programs
 - o Should not equate existence of an organization with meeting a need

Do you feel it is necessary for non-profit organizations in Windham County to consider mergers, partnerships or collaborations?

- People may see these as negative (merger as a “take over”)
- Organizations should come together around specific issues/strategies or goals
- Funding sources have moved to results oriented funding, outcomes based
 - o Non-profits try to find the programs that meet funding source requirements and have measurable outcomes
 - o Donors don’t want to fund overhead but it is necessary to fund overhead so non-profits can do the work (programs, collaborations, etc.)
- Need good leaders/executive directors or organizations coming together (for collaboration or other strategic restructuring) that don’t bring huge egos to the table
 - o Understand that the main purpose is to serve the client in the best way possible

- Should not be done to “save” an organization, but to strengthen organizations
- It is definitely necessary to consider, but it won’t be initiated by the charitable organizations themselves
 - o Change will only come about when philanthropists that support the many non-profits make their investment decisions based on effectiveness and efficiency – return on investment
 - o Not just the effectiveness and efficiency of each individual non-profit organization, but the effectiveness and efficiency of the delivery system as a whole.

What can you as a non-profit leader do to overcome barriers, incent, catalyze, seed, provide tools and resources or otherwise nurture the development of these new ways to work?

- Hold organizations accountable for outcome
- There needs to be a driving force for it to happen – could be an outside force such as the economy; could be an organization such as United Way
- Bring people together in a conference with breakout sessions around purpose/programs or initiatives – to discuss issues
- Stronger non-profits making suggestions as to new ways to work may be seen as a threat to the existence of other non-profits

Other -

- Given the huge number of non-profits in Windham County, there must be a fertile environment for new non-profits to begin, including the funding sources, or it seems that there would be greater scrutiny about what the new non-profit is planning to do and suggestions for other organizations they might work with.
 - o the funding sources that see themselves as important solutions just might be creating a problem.
- the leadership program at Marlboro College to train/educate non-profit leaders – providing a cost effective means to provide training/education to non-profit leaders
- A common system of tracking, reporting, measuring “success” and quality

Suggestions –

- Discussion/forum to present thoughts/ideas found in this paper
 - o People would be surprised at the number of non-profits in the area as compared to others of similar size

- Have an outside person (the neutral party) to gather the information regarding what is out there, bring parties together to see the opportunities to work together, provide the outside leadership/expertise to work through the process/concept and solutions
- Community mapping of the sector
 - o which would be available to philanthropists and other non-profit leaders
- A network/database of organizations, mission, populations served, programs & strategic goals
 - o the information is difficult to find in order to know about other organizations and what they are doing

“Shared resources”

- Pooling of funds to have a paid cpa/accountant to work with lots of foundations
- Sharing of facilities to cut down on overhead – shared location
- Share resources like part-time staff; bookkeepers; fundraiser
- Do joint fundraisers

- Most non-profit leaders are so “bogged down” or overwhelmed with the day to day that it is difficult to look outside of themselves at the opportunities.

- Advocacy becomes more important than effectiveness and efficiency – ineffective organizations are allowed to continue to exist because of well intentioned people
 - o In the for-profit world the free market takes care of the problem... weak organizations die, but in the non-profit world philanthropists can keep weak organizations alive by providing the financial resources needed for survival.

Results from Philanthropist Forum/Interviews

What are the challenges to funding non-profits in Windham County?

- Not enough money to fund them all
 - o Though there is a very good infrastructure of people doing good things there is just not enough philanthropic money to fund them all
 - o Foundation support is a set amount and when funding goes to one organization it means it is not available for others
- There are so many of them competing for the same pool of money that it creates a tough environment for them fiscally
- Ongoing challenges of professional development and how to access it
- Needs of board development in areas of appropriate governance, financial oversight and fundraising
- Determining which projects are really needed; navigating through the proposals to determine which ones are the most effective and will have the greatest benefit on the community.

Follow up

Overlap of services?

- Not an issue in Windham County

Inter-relationship between differing needs?

- Though there are many organizations and some are doing similar work, they cover a large enough geographic area to not cause problems.

High cost of administrative overhead to operate so many small agencies?

- Most small organizations are doing things pretty cheaply
- While some have little or no overhead, their efforts/programs might be better done by another, similar organization

Do you encourage collaboration through your funding criteria? If so, how do you define collaboration?

Definition

- Organizations working together to better deliver their services; finding the most effective ways to work together

Do you encourage collaboration through your funding criteria?

- Collaboration is only encouraged if it makes sense; not a requirement
 - o We should not be in a knee jerk reaction that everyone should collaborate
- Like to see that there has been a dialogue with other organizations who are working with the same population of people or in the same area of need – so we know that they are not working in vacuum.

Follow up

Are these organizations more effective? Why or why not?

- The organizations who do collaborate are finding it more difficult to work out the details than expected

What are the measures used to determine success?

- Whatever the organization determines how things will be better off in the end and then documenting whether that has happened
 - o Could be financial difference, numbers served, etc.
- Looking more closely at the accountability than ever before.

Do you feel it is necessary for non-profit organizations in Windham County to consider mergers, partnerships or collaborations?

- It is important and the economy will drive it somewhat.
- Consideration for strategic restructuring should be a market driven response rather than dictated by foundations and trusts
- Strongly feel that organizations should consider opportunities for shared resources; shared space; reducing space related overhead costs

Other –

- When people are starting new organizations it might be better to consider what other organizations are doing the work and is there a way to work with another organization rather than begin a new one.
- Relationship building is crucial to begin the conversations that would lead to any type of strategic restructuring.

What can foundations and support organizations do to overcome barriers, incent, catalyze, seed, provide tools and resources or otherwise nurture the development of these new ways to work?

- Foundations should be more careful in their grant making to not allow organizations to be doing things entirely separately.
- Not providing opportunities for organizations to get going who don't have a means to maintain themselves or be sustainable – encourage them to work with existing organizations instead. Explore other options before starting a brand new organization.
- Have businesses get together to build a social network and build relationships, which in turn will allow other things to happen.
- Sharing part-time people for administrative functions is a possibility, though it has a lot of issues that make it a challenge.
- Windham County has an interesting allure and a population that cares about community, which is probably the reason why non-profits are started.
- Suggestion to do a presentation of my research with the philanthropic sector through the United Way.
- The economy will bring this issue to the forefront more than ever. There will need to be discussions of collaboration or there won't be the services when organizations cannot keep the doors open.
- Foundations are looking for funding coming from other sources – challenge grants – which help to demonstrate the community support for the program/project.
- Need a comprehensive study of non-profits – mission, who they serve (constituents); what programs they offer
- Community Mapping Project (might be supported by a foundation)

- Possibly ask organizations applying for funding to show what research they have done regarding who else is doing work with similar goals.
- Demonstrate to us who else is doing this – here are the issues; this is the target population; who else is working with these issues/target populations; what are they doing; how does it compliment/compare with what you are doing?
- Demonstrate that the organization has the skills/knowledge necessary to implement the program and lead an organization; continuing education