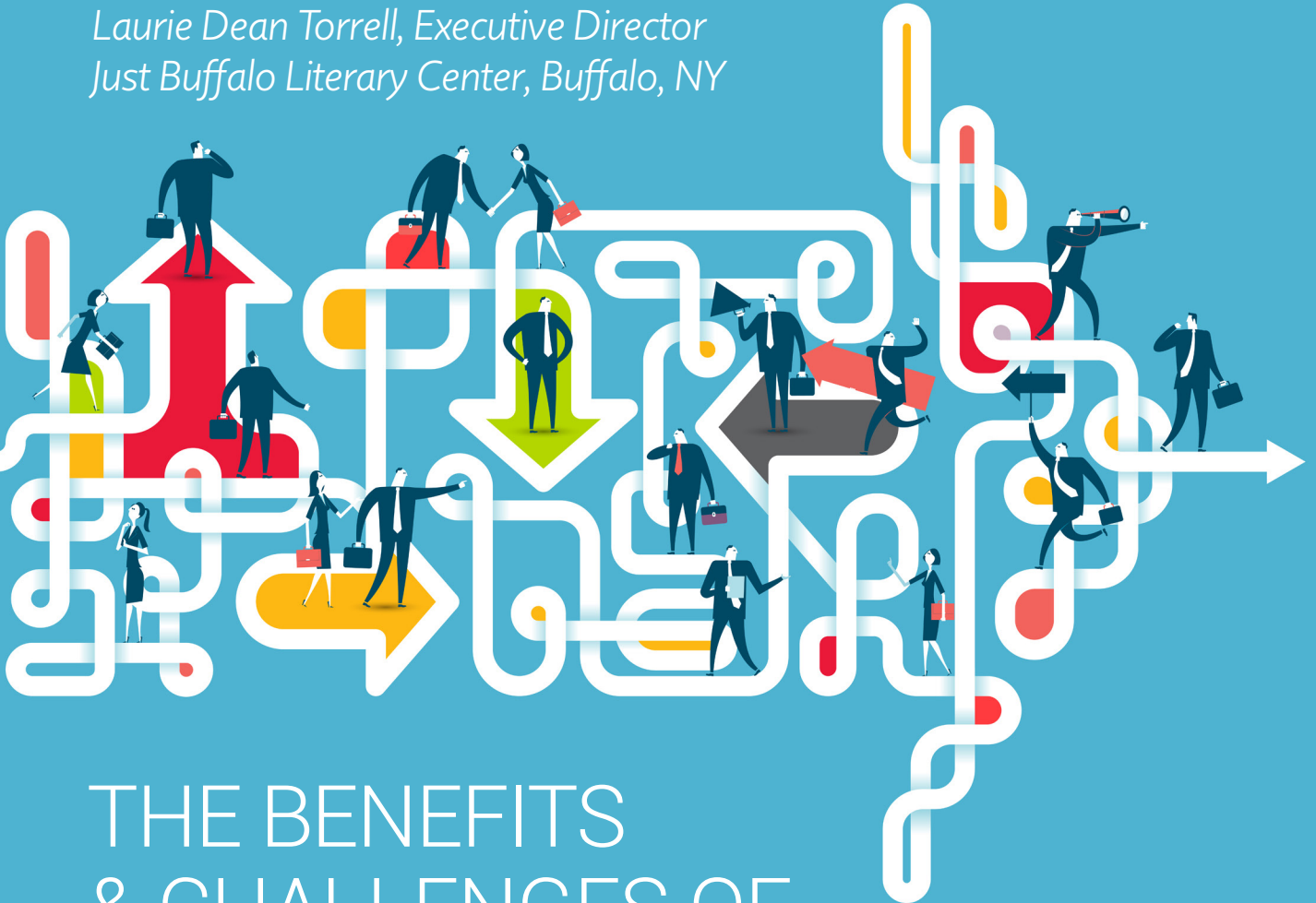


*Laurie Dean Torrell, Executive Director  
Just Buffalo Literary Center, Buffalo, NY*



# THE BENEFITS & CHALLENGES OF ADMINISTRATIVE COLLABORATION

Lessons Learned from  
Three Cultural Organizations



**The Power of Possibility** | Exploring Greater Impact through Strategic Partnerships

BoardSource recently launched a new campaign — [The Power of Possibility](#) — encouraging nonprofit board leaders to consider strategic partnerships and restructuring as an effective way to realize greater mission impact.

In support of this campaign, I want to share the experience of Just Buffalo Literary Center, CEPA Gallery, and Big Orbit Gallery, three cultural organizations in Buffalo, NY, that engaged in an administrative collaboration for more than ten years — a collaboration that brought many benefits early on for each organization, and then later, some sobering challenges. My hope is that organizations exploring an administrative collaboration will benefit from our lessons learned.

## THE FIRST THREE YEARS

### **Lesson Learned: Begin with Board Support**

When my counterparts at CEPA and Big Orbit and I first met in 2003 to discuss collaboration, all three of our organizations had experienced dramatic cuts in public funding. The individual who then served as the executive director of CEPA joked that we were “beyond doing more with less, beyond lean — we were anorexic.”

We weren’t interested in a merger. Each organization was committed to maintaining and enhancing its individual mission and identity, but we did want to collaborate in a way that was substantive. We therefore decided to focus on the “back office.”

Because we envisioned a sort of hybrid entity that, like the first hybrid cars, would take an investment to develop, but ultimately, would enable us to go farther on fewer consumed resources, it was necessary to secure funding. We discovered that a local foundation, The John R. Oishei Foundation, had an interest in collaboration and would help fund a three-year pilot program.

One of the first things Paul Hogan, executive vice president at the Oishei Foundation, told us was that “this needs to go beyond the three executive directors; you need the support of your boards.” Boards, by nature, can be risk adverse, but by adopting a strategic lens, the boards were able to see how an administrative collaboration could help us overcome our current funding challenges and move our missions forward.

So, in late 2004, we formed a collaboration committee comprising two or three individuals from each board and the three executive directors. This group met quarterly to develop a shared vision for our organizations’ work together, provide expertise, and review progress. The members also communicated with each individual board, which was critical to weaving the collaboration into the fabric of each organization.

### **Lesson Learned: Secure a Consultant or Facilitator**

A small planning grant from the Oishei Foundation enabled our three organizations to secure the services of the Canisius College Center for Professional Development as a consultant. In addition to facilitating the committee’s meetings, Canisius helped us to create a Memorandum of Understanding and prepare a work plan that included baselines, benchmarks, goals, timelines, and value statements. The center also provided access to a development consultant who worked with each organization to increase individual and major gifts support. This included conducting joint trainings for the full boards.

I cannot overstate the value of spending 50 to 75 hours of time over the course of a year with a shared development consultant. Although we initially expected the need for these hours to decrease over time, the opposite occurred. As we gained traction and experienced our first successes with major gifts fundraising, new needs emerged, such as

establishing methods for donor recognition and retention, which required additional time and training. And on-going training at the board level kept our boards energized and engaged in their fundraising roles.

### **Lesson Learned: Sacrifices Can Lead to Savings and Synergy**

Many organizations are interested in the benefits of collaboration but are not prepared to make any sacrifices, especially space. Early in our collaboration, Just Buffalo moved to share office space with CEPA. It was a leap of faith on both organizations' parts, as Just Buffalo left its own space and CEPA relinquished gallery space to convert into offices for Just Buffalo staff and anticipated shared staff positions. Though Big Orbit, at that time, maintained its own gallery and performance space, its executive director then served as CEPA's artistic director and had an office at CEPA as well.

This proximity enabled our organizations to realize savings through sharing equipment, a development software and maintenance contract, a phone/internet service package, a combined pool of volunteers and interns, graphic design and other specialized skills possessed by staff and board members, and development training.

Perhaps the most significant, but less quantifiable, by-product of this proximity was the impact on the executive directors. Working closely together created a synergy of complimentary skills, resulting in expanded capacity, reduced isolation, and the creation of a built-in brain trust and support system for problem solving and practical help.

### **Lesson Learned: Pooling Resources Increases Capacity**

As is the case in many small nonprofit organizations, individually Just Buffalo, CEPA, and Big Orbit could rarely afford the staff we really needed. Our organizations' first shared position was a full-time grantwriter, which was budgeted in our collaboration grant proposal with a phased-in timeline for the three organizations to pick up the cost directly. This position shifted work off the executive directors' plates, freed up capacity to develop individual giving programs, and resulted in a number of new grants — some pursued by two or all three organizations together.

Pooling resources to create a full-time shared position with good pay and benefits also allowed us to recruit a top-notch executive assistant, who remains a cornerstone of both Just Buffalo and CEPA's staff to this day. This position replaced Just Buffalo's part-time position, CEPA's full-time position, and gave Big Orbit access to clerical support for the first time. Having 'one brain' working for all resulted in unexpected benefits in everything from mailings to donor database management and proved to be an important way for our organizations to build capacity.

### **The Pilot Program in Hindsight**

The first three years of the collaboration went remarkably smooth. All three organizations exceeded their goals for board and staff development and revenue diversification while expanding their visibility. A centralized downtown Buffalo office and core structure of shared staff provided administrative support and access to top talent beyond what any individual organization would have been able to secure on its own. Individual contributions increased by 300 percent, corporate funding by 200 percent, and membership by 22 percent.

Unexpected benefits included a decreased sense of isolation and the creation of a brain trust of diverse board and staff members who brought expanded intelligence, experiences, and perspectives to the table. "The collaboration exposed me to a wider range of strategies used for problem solving and fundraising," observed Gerald Mead, then Big Orbit's board chair.

Committing to this level of interdependence was not without its challenges, however. The three organizations had different cultures, workstyles, and levels of functionality. We had differing views on everything from office wall color to how to position a grant proposal or address a personnel issue. The need to coordinate and communicate over multiple dimensions was stressful and time-consuming at times.

The reality is that a collaboration can only be as effective as its least effective member. Building capacity, making adjustments for where each organization is in its own lifecycle, and dealing with personality issues that may come to light as you go along is hard work, and it requires time, sometimes money, and patience on the part of all involved. It also is important to ensure that all partners share their true financial status up front (balance sheets, current statements of activity, and audits) and that there are clear plans to manage any instability that might exist. Some funders urge collaboration when organizations are struggling as it can be seen as a smart way to leverage investments and build capacity, but this is not a given. As BoardSource points out in its Power of Possibility resources for funders, “most strategic alliances and restructuring require funds for exploration and implementation, and most organizations do not experience major cost savings, at least in the short term.”

In spite of these challenges, Just Buffalo, CEPA, and Big Orbit believed that what we were doing was important, not only for us, but for nonprofits everywhere. We believed our efforts served as a good model for those nonprofits struggling to protect and enhance their missions in challenging times. We told, and continue to tell, those interested in pursuing a strategy of administrative collaboration that there must be a strong feeling of trust among the potential partners. “If the administrative personnel are not a good match, it won’t work,” said Biff Henrich, a CEPA Gallery board member who then served on the collaboration committee.

As our three-year pilot program came to a close, we determined that it had been successful and committed to continuing it as an ongoing way of doing business.

## THE SECOND THREE YEARS

The second three years of our administrative collaboration brought a whole new set of challenges, some actually created by the achievements of the first three years, some not.

### **Challenge #1: A Need for Additional Program Space**

As we entered 2008, all three organizations were feeling cramped due to the success of our programs. It was then that we learned that a rent increase might be in the works for the space housing CEPA’s galleries and the shared administrative office. Not wanting to be without options, we began exploring alternative spaces, landing on a building that was looking for a commercial tenant for a large central space. Thus began a nine-month odyssey of talking to our boards, meeting with the developer and architects, drawing up plans and a case for support, and preparing to do a capital campaign feasibility study.

Once into this process, however, we found that each organization had different needs and visions in terms of space. Securing a permanent home suitable for each organization’s programming was a bigger decision than simply sharing administrative office space. The boards came to the table with very different perspectives, needs, and risk tolerance. The three executive directors continued working through the issues and were about to launch a capital campaign when the financial crisis hit in November. We therefore decided to abandon the effort and use the information that had been gathered to negotiate an extended lease at the current location. While disappointing, it was a relief to step back and regroup.

### **Lessons learned:**

- As an administrative collaboration continues, actively seek ways to continue forging connections and building trust at the full board level. Organizational staff had worked closely together for several years and had built up a significant reserve of trust and resilience but when faced with a high-stakes decision, it became clear that this did not extend to the full boards.

- It is almost always possible to create a shared business/administrative office, but program space needs often require customized solutions. It is therefore important to carefully consider each individual organization's real space needs (flowing from mission and culture) before assessing whether they can be meshed, while also looking at anticipated space needs in the next three to five years to ensure that what works today will also work in the future.
- If shared programmatic space is on the horizon, establish a shared space task force with representatives from each organization to start working on the process, and involving stakeholders, well in advance.

After this, Just Buffalo planned to 'sit tight' with its space issue. However, early in 2009, we were asked if we might be interested in sharing space in the Western New York Book Arts Center, a newly renovated building in downtown Buffalo. After touring the space, Just Buffalo concluded that this would solve its need for more room for its programs.

Having placed great emphasis on the benefits of proximity, the administrative collaboration group now faced some questions: What impact would it have on the collaboration to have one executive director housed at another site? Did this somehow signal a decreased commitment to the collaboration?

Several things helped in navigating this challenge. Just Buffalo decided to maintain some office space at the CEPA gallery. I, and two of Just Buffalo's directors, moved to the Book Arts Center but remained connected to the shared administrative space via phone, email, meetings, and frequent visits. As everyone adjusted to this new configuration, it became clear that this was yet another manifestation of organizational flexibility rather than abandonment.

### Lessons learned:

- What works at one stage of an organization's lifecycle may not work at another. Early in the collaboration, Just Buffalo gave up most of its space and moved in with its collaborators. Later, with increased growth, more dedicated programming space was needed and found through a new strategic partnership.
- Utilize digital technology (laptops, cell phones, email, and Skype) to think creatively about location as well as about how works gets done and from where.

### Challenge #2: Building Fundraising Capacity Through Shared Staff

After successfully making progress on fundraising goals, the next capacity-building step for the three collaborators was hiring a shared development manager. Unfortunately, a misstep cost us a year, during which we discovered that our first hire had a strong affinity and fit with one organization but, ultimately, not the other two. This realization required the executive directors to step back, re-evaluate their goals, and determine exactly what was needed to support our organizations' fundraising efforts. After crafting a new clarified job description, we were able to hire an experienced and skilled development director. While the collaborative was only able to retain the director for 18 months before a new round of funding cuts hit, each organization and their boards said goodbye feeling optimistic about their ability to maintain the forward momentum and implement the development plans that had been put in place.

### Lessons learned:

- Conduct a full hiring process for all positions. All members of the collaboration must be totally on board with a new hire for it to work.
- Offering a unique collaborative opportunity can be a great recruiting tool.
- Conduct regular evaluations of shared staff to allow plenty of time to talk through any differences of opinion about needs and performance.
- Understand that it will likely take three or more years to bring a staff development position to full sustainability and plan accordingly. If this is not feasible, consider making maximum use of a skilled fundraising consultant who can work with your collaborative over an extended period of time.

### Challenge #3: Unexpected Leadership Crisis and Transitions

The most difficult challenge arrived in late 2009. CEPA was thrust into an unexpected leadership transition when its executive director became embroiled in a legal issue. Extremely well-liked in the community, he was the highly visible face of the organization, having led it for 11 years to national prominence. He also was strongly identified with the administrative collaboration and was considered the one most responsible for starting it and most often speaking on its behalf.

Within a short time, as press coverage heated up, and his attention needed to be focused on defending his case, it became clear that he would need to step down. The three organizations' destinies were now intertwined, however, so the questions extended beyond the immediate "What's going to happen to CEPA?" to include many others: Would important programs and shared staff positions be in jeopardy if grant funding or donor support fell? Would the reputation of one or all of the organizations be damaged? Could the collaboration survive this crisis?

After a turbulent several months, during which the executive committee of the Just Buffalo board held weekly calls to support its staff and work through contingency planning, the CEPA board named its artistic director — who was also the executive director of Big Orbit — its interim, then permanent, executive director, helping to close that painful chapter. Subsequently Big Orbit's operations were increasingly merged with CEPA's, reducing the collaborators from three to two.

Unfortunately, five years later, in 2015, the administrative collaboration faced yet another leadership crisis when CEPA's executive director was suspended and ultimately let go. These kinds of personnel changes can happen but are certainly more complex when organizations have forged a deep collaboration.

#### Lessons learned:

- An unexpected leadership transition can happen at any time in any organization. Every board should take the time to craft an emergency succession plan.
- Think through the kind of crises an organization and collaborative might face — such as scandal, fraud, death, or illness of a leader; extreme weather disruption; theft; or fire — and develop a crisis response protocol following the basic principles of crisis communication, which forces you to answer the following questions:
  - Who will act as each organization's and the collaborative's spokespeople (one voice) in the event of a crisis?
  - Who will be a part of the "crisis response team," called together in the event of a crisis to chart a unified response?
  - How will you ensure that the first priority and key focus remains those served? And that essential work continues with minimal interruption?
  - How will communication be conducted with key stakeholders, including staff? For example, do responses to this question include eliminating the use of email for discussing anything that could be damaging to anyone involved?
- Bring the above topics to the table for discussion with your board and collaborators with the understanding that you hope they'll never be needed, but that all organizations and the collaboration will be better off for having discussed it in advance.

#### The Collaboration Today

In January 2016, Just Buffalo made the decision to move its entire staff to the Western New York Book Arts Center. We had embraced the opportunity to develop our new space on the second floor of the building, and we were able to use the extensive development training afforded by the administrative collaboration to mount an exciting 40th anniversary campaign.

Today, Just Buffalo and CEPA still share an executive assistant and grantwriter — two of the earliest benefits proving to be among the most enduring. And we both have benefited enormously from all the lessons we have learned throughout the life of our collaboration — lessons that are informing our individual work going forward.

## CONCLUSION

When organizations enter into an administrative collaboration, they join destinies in significant ways. As Just Buffalo learned, this is not without its risks and is one of the many reasons why such endeavors must be firmly rooted in mutual trust, goodwill, and transparency as well as be provided with the appropriate foundation, structure, and support to give them every chance of success.

Some nonprofits go into strategic partnerships thinking only of efficiencies and possibilities. In reality, they often require a significant investment of both time and money over a long period of time to be successful. Some organizations end up determining that they do not have excess capacity to devote to the effort, that the potential benefits do not outweigh the effort required. That is OK. As stated in “The Myths and Reality of Nonprofit Collaboration: Observations from Six Years in the Trenches,” there is value alone in exploring a potential collaboration as it “gives an organization an opportunity to take a step back and see itself as part of an ecosystem trying to have an impact in a given area, appreciate its strengths and weaknesses, and clarify and reaffirm its mission.” And oftentimes, the exploration of collaboration helps a nonprofit identify its best course of action.

Research does show, however, that most strategic partnerships do succeed and lead over time to increased mission impact. It is my hope that by sharing our experience with you, I have reinforced that while you can never anticipate all the twists and turns in the road ahead, it is possible for nonprofits considering collaboration to gain significant benefit by learning from the experience of those who have gone before, and from fully utilizing the many resources that are now available from organizations like BoardSource.



*Laurie Dean Torrell has 25 years' experience in all aspects of nonprofit operations and leadership. Currently she is executive director of Just Buffalo Literary Center, one of the largest and most comprehensive literary arts centers in the nation ([www.justbuffalo.org](http://www.justbuffalo.org)). Under her leadership, the organization has secured competitive grants and donations to more than double the budget and bring expanded literary programming to the community, including the BABEL International author series. With colleagues from two other organizations, Torrell pioneered an administrative collaboration that was honored with a National Certificate of Recognition from the Kellogg and Lodestar Foundations. In conjunction with Just Buffalo's 40th anniversary (2015-2017), she is spearheading JB40, a three-year \$1M campaign to fully establish the new Just Buffalo Writing Center for teens, expand visibility and participation, and ensure Just Buffalo's work and mission remain vital for years to come. She can be reached at [Ldtorrell@gmail.com](mailto:Ldtorrell@gmail.com).*