

## Models of Strategic Restructuring

### *Ready, Set, Parent!* Joint Programming and Administrative Consolidation

#### Coming Together for the Greater Good: Why Joint Programming Made Sense

In 1999, two Western New York nonprofit organizations, EPIC - Every Person Influences Children and Baker Victory Services (BVS), independently provided hospital-based parent education programs to help parents foster the social, emotional, and cognitive development of their children and better prepare them for school. While both programs had unique strengths, the organizations struggled with the fact that their services reached a limited number of participants in a narrow geographic area and neither had the capacity to evaluate the impact they were having on the community. What EPIC and BVS needed was a way to design and implement a more robust program that would leverage and build on their core strengths and create systemic change around early childhood development in Buffalo, New York. The solution came in the form of a joint program designed and implemented by EPIC and BVS, called *Ready, Set, Parent!*, that reaches 8,000 new parents annually and makes a positive impact on the development of their young children.

In response to a dearth of post-partum parent education services in the area, EPIC and BVS began providing support services for new parents to help them overcome a variety of environmental and socioeconomic conditions that have been identified as risk factors leading to child abuse and neglect. Although each program was relevant, with EPIC focusing on the development of parenting skills and BVS guiding parents from a medical standpoint, the programs were small in scope, targeted the same audience, and worked in isolation from each other. This led to increased competition for scarce donor funding and a duplication of services that limited the organizations' ability to improve, innovate, or scale programming options. The programs were so similar that they provided services at the same hospital despite the fact that other hospitals in the area had no such program. Limited funding also made it impossible to commit more staff to increase critical program services.

Taken together, the two programs only reached a combined 2,100 new parents annually in the first three years out of an estimated 10,000 in the region, and expended substantial resources where significant savings could be gained through collaboration.



Photo: A *Ready, Set, Parent!* team member meets with new parents. Buffalo News, January 28, 2009. Photographer: Sharon Cantillion.

In 2002, EPIC and BVS acknowledged that more innovative services were needed to educate a growing number of new parents, and that by working together and leveraging each other's strengths, they could achieve greater outcomes and better evaluate their organizations' impact. According to Vito Borrello, Executive Director of EPIC, "We both had parenting programs that were reaching a moderate number of families, and I thought that combining efforts would allow us to develop and implement a comprehensive program and serve more families." After an intensive two year planning process, the organizations developed and implemented *Ready, Set, Parent!*, a comprehensive, hospital-based parent education program that saves both organizations valuable resources and annually impacts four times the number of new parents than the organizations reached while working independently.

In addition to *Ready, Set, Parent!*'s programmatic value, it is important to understand what distinguishes this joint program from similar initiatives, especially given the popularity of this strategic restructuring model. Joint programming is so common, in fact, that 89 of the top ranked 176 applications for the 2009 Collaboration Prize were examples of joint programming.<sup>1</sup> So what factors make *Ready, Set, Parent!* such a successful partnership and distinguish it from similar joint programs? A large part of the answer is rooted in the collaborative approach used by EPIC and BVS to conceptualize, implement, and manage the program.

### Understanding Joint Programming: The *Ready, Set, Parent!* Approach

*Ready, Set, Parent!* illustrates how joint programming can positively impact organizations and program beneficiaries by reducing duplication, expanding the range and quality of services offered by the program, reaching a larger audience, and attracting donor funding. Joint programming is a model of strategic restructuring that includes the joint launching and managing of one or more programs to further the programmatic mission of the participating organizations. Within the strategic restructuring continuum, joint programming is classified as a strategic alliance because it involves a commitment to continue, for the foreseeable future, shared or transferred decision-making power, and a formal agreement. Joint programs do not change the corporate structure of the organizations involved.<sup>2</sup>

While nonprofits routinely engage in joint programming as a way to strengthen programs and access donor funding, it is less common for two organizations that have no prior history of working together to collectively develop and implement such a comprehensive program. In this way, *Ready, Set, Parent!* is unique. Although the leadership of both organizations knew of each other and were tacitly familiar with the other's work, they had never formally worked together until Borrello posed the idea to Jim Casion, CEO at BVS, during a telephone call. Their conversation led to the development of a planning committee that included members from both organizations, which worked for almost two years to conceptualize and realize *Ready, Set, Parent!*

The significant time investment in the planning phase created an opportunity for relationship building that has fundamentally shaped how the program is managed. According to Borrello, "Jim and I committed to bring our leadership teams together and we spent over 18 months working through the program and becoming familiar as organizations so that we could provide a seamless service to the community." During the program

## The Joint Branding Factor

Once conceptualized, EPIC and BVS decided to collaborate on all aspects of marketing and public relations for *Ready, Set, Parent!* The planning committee determined that they were offering a comprehensive service for parents that meaningfully engaged a variety of community groups and the program needed to stand alone in order to highlight that reality.

"We realized we needed to make [the services] seamless because it would only confuse the community if they had to identify what services EPIC was offering and what BVS offered," explained Vito Borrello, Executive Director of EPIC. The planning committee spent a significant amount of time talking about branding and the program name and decided that if EPIC and BVS were to co-brand with *Ready, Set, Parent!* it would dilute the impact (see Figure 1).

The decision to jointly market the program has appealed to the funding community as well. Program funding has increased exponentially from a combined \$75,000 annually for the individual programs to \$1.3 million raised in the first year. Additionally, the three foundations that initially funded the program have all extended their grants, and the United Way is now contributing to the program.

<sup>1</sup> <http://www.thecollaborationprize.org>

<sup>2</sup> <http://lapiana.org/Strategic-Restructuring/FAQs/Types-of-Strategic-Restructuring.html>

development phase, the planning committee met monthly to identify what they wanted to accomplish and devise a strategy to realize their goals. The committee adapted and merged elements of their original programs and then piloted the improved services to determine their viability and effectiveness. Borrello reports that by the time they were piloting programs, the *Ready, Set, Parent!* team was integrated to such a degree that, “You would not have known who was the staff of EPIC and who was staff of BVS.” While the process was not entirely smooth—some staff wondered why they would cede control to the other organization—the Executive Directors kept the team committed to the cause, reminding them of the need in the community and the organizations’ ability to meet it.



Figure 1: The *Ready, Set, Parent!* logo does not reference EPIC or BVS in order to heighten the joint program's visibility and impact.

EPIC and BVS undertook an iterative and comprehensive development strategy when they agreed to explore the possibility of creating a joint program and entering into an administrative consolidation that would support the program.<sup>3</sup> The steps to assess the viability and utility of *Ready, Set, Parent!* included:

- Recognizing a commitment and shared vision to positively impact the community;
- Evaluating current programs and recognizing their limited scope; and
- Developing a planning committee and committing financial resources to support the development process.

The comprehensive nature of *Ready, Set, Parent!*, as well as the collaborative approach used to conceptualize and execute the program, made it essential for the organizations to consolidate administratively in order to manage and sustain it. Although *Ready, Set, Parent!* reflects a common pattern in the connection between programming and administrative consolidations, it goes one step further in ensuring that the program, rather than any one organization, is recognized by the community. During the planning stage, the decision to develop a

program brand and the commitment by EPIC and BVS to jointly market that brand increased *Ready, Set, Parent!*'s visibility and credibility within and beyond the community (see Figure 1). The joint fundraising efforts of the two organizations in support of *Ready, Set, Parent!* also make it distinct from typical joint program-administrative consolidation models.

Key shared responsibilities, such as serving equal roles on the board that governs the program, as well as, joint fundraising and marketing have further integrated the organizations. A combined sense of ownership and responsibility is fostered by the organizations’ equal role on the program’s governing board, which is composed of BVS’ and EPIC’s executive teams and meets bi-monthly to review progress, assess challenges, and evaluate expansion and sustainability strategies. The partners’ commitment to total transparency in all things related to *Ready, Set, Parent!* has allowed them to fundraise together on behalf of the program and secure critical funding from three of the largest foundations in Buffalo as well as from various federal agencies. The program attracted more than \$1.3 million in donor funding during its first year of implementation. Working together on marketing and public relations helps ensure that the program, rather than any one organization, is recognized in the community and that the quality of program services is maintained.

### Assessing the Organizational and Community Impact

The positive impact of *Ready, Set, Parent!* is evident throughout the community and nowhere is it felt more profoundly than within Erie County’s four birthing hospitals. Program beneficiaries hail the program for providing the kind of support services that are so critical to parents. In addition to the external impact, EPIC and BVS recognize that the partnership has generated much-needed cost savings and allowed the organizations to comprehensively evaluate the program and access increased funding.

Internally, the results of collaborating programmatically and consolidating administratively are increased operational efficiencies, significant cost savings, and improved program quality. The organizations’ willingness to recognize and leverage their financial and operational strengths created an opportunity for administrative savings. For example, since BVS is the larger organization and has the HR systems to support more staff, it made sense for all program employees to become BVS employees; a decision that reduced benefits costs for EPIC by 30%.

The collaboration also reduced the overall number of employee hours committed to the program. Without

<sup>3</sup> Administrative Consolidation: A model of strategic restructuring that allows organizations to gain administrative and cost efficiencies by sharing typical back-office functions, such as human resources, finance, information technology, and marketing.

cutting staff, the organizations reduced required administrative staff time by 35% by eliminating duplication of the human resource, finance, and marketing directors (see Figure 2). This reduction in costs is remarkable considering that *Ready, Set, Parent!* serves more beneficiaries and has evaluation data demonstrating improved program quality. According to one program staff, “When you combine individuals from two different organizations in one initiative, there is the benefit of seeing things from different perspectives.”

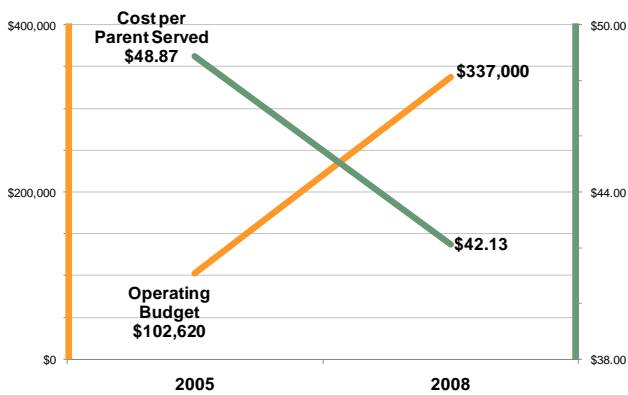


Figure 2: While operating budgets tripled from 2005 to 2008, cost per parent served decreased by nearly 15%.

Externally, the program profoundly impacted new parents and established a model for parent education programs that can be implemented nationally. Prior to *Ready, Set, Parent!* the organizations’ individual programs reached approximately 9% of new parents and operated in one area hospital. This number has increased four-fold, with an estimated 80% of new parents benefitting from the program. Evaluation results indicate that participants who meaningfully engage in the program interact more with their children, have more confidence, and realize better outcomes for their children—participants’ children scored above the national mean across five developmental domains, approximately 77.5% of the time.<sup>4</sup>

The shared organizational expertise and resources allowed for a comprehensive evaluation which indicated improved program impact. According to Linda Cleary, Executive Director of the Children’s Consortium, “*Ready Set Parent!* is not only educational for parents but has a proven track record of improving literacy in adults who complete the program, as well as increasing positive feelings toward parenting their children.”<sup>5</sup> Evidence-based outcomes are used to monitor the program’s continued success and indicate when services need to be adapted in order to maintain and improve performance. The joint program has engaged the

University of Buffalo to conduct an ongoing, four-year longitudinal evaluation that plays a critical role in documenting the program’s long-term impact.

Corporate sponsors and local community organizations have also backed the program. Partnerships with Fisher Price and Literacy Volunteers of Buffalo have allowed the program to distribute more than 500 educational toys and 1,750 copies of the popular children’s book *Good Night Moon* to workshop participants annually. “This isn’t just a program,” explains Borrello, “It’s a community-wide initiative and the community partners play a huge role in its success.” For example, parents don’t simply receive a copy of the book, but the sleeve in which the book comes contains a registration form for a library card that directs parents to their local libraries and promotes the importance of literacy from birth.

These types of incentives play a critical role in attracting parents to and engaging them in the program beyond the initial hospital visits. Strong community partnerships have enabled *Ready, Set, Parent!* to provide over 30 workshop series in hospitals, churches, community centers, schools, and businesses since the program’s inception. Local and national media are also promoting the program free of charge, and over 250 agencies, pediatrician groups, and the popular parenting website *Mom to Mom* help publicize the program. This sense of community ownership creates continued opportunities for sustainability and generates interest from funders throughout the nation.

After five years of planning and implementation, the *Ready, Set, Parent!* collaboration has created a model for parent education and support programs that has the potential to be replicated nationwide. In 2008, the team secured partnerships to begin implementing the program in four additional sites, marking the first step in an effort to expand the program nationally.

### About La Piana Consulting

Founded in 1998, La Piana Consulting is a national firm dedicated to strengthening nonprofits and foundations, by enhancing organizational strategy, collaboration, and leadership. Our mission is to advance management practices throughout the nonprofit sector for greater social impact. Visit us at <http://www.lapiana.org> or call 510-601-9056.

Written by Lindsay Vignoles, with Jo DeBolt, Melissa Mendes Campos, and Robert Harrington, this case study is one in a series of snapshots about The Collaboration Prize 2009 Finalists. La Piana Consulting managed the design and implementation of The Collaboration Prize for the Lodestar Foundation. Jo DeBolt led the project and conducted site visits of the eight finalists. For more information, visit <http://www.thecollaborationprize.org>.

<sup>4</sup> Evaluation of EPIC’s Ready, Set, Programs. Conducted by the University of Buffalo, School of Social Work.

<sup>5</sup> As reported in [cnylink.com](http://cnylink.com) staff report, July 15, 2009 (Eagle Newspapers).