

Why Collaborate? And Why Now?

We are just at the beginning of an era of essential partnerships, alliances, and coalitions. We are learning to build community beyond the walls of the organization, with the same kind of initiative and energy we have used in building the organization within the walls.

Frances Hesselbein

The future usually arrives before we notice it. If we pause and reflect for a moment (which is certainly not the norm in this multitasking, wired, 24/7 world of ours), one element of our organizations' futures comes into view: Managers, leaders, and front-line staff spend much of their time in groups made up of people from other organizations. Those groups plan, operate, and evaluate joint programs and projects. The groups have no one leader—but an abundance of leadership. Their initiatives are managed by “goals managers.” The member organizations are held accountable *as a group* by funders and other stakeholders. These groups have “relationship managers” who are responsible for supporting and monitoring the individual and organizational relationships involved. Some of the parties have dual appointments; they work for two or more member organizations of the coalition. External constituents help monitor and measure results, and are informal members of the core group. Trust is high, boundaries are fluid, there's a sense of excitement and passion.

We're Changing the Focus of Organizational Change: From "Within" . . .

During the 1980s and much of the 1990s, leaders and managers around the country worked hard to make fundamental changes within their organizations. The key word in that sentence is *within*. Inspired by books like *In Search of Excellence* (Peters and Waterman, 1982), *Reinventing Government* (Osborne and Gaebler, 1992), *Reengineering the Corporation* (Hammer and Champy, 1993), and *Built to Last* (Collins and Porras, 1994), public and private sector leaders spent countless hours learning to reengineer processes, develop self-managing teams, adopt six sigma methods, flatten hierarchies, use just-in-time and lean manufacturing principles, empower workers, and adopt other changes to better serve their customers and communities. The efforts often led to major improvements in performance. The primary focus of change was internal, and that was an appropriate place for most organizations to deal with their radically changing environment.

. . . to "Between"

In the first decade of the twenty-first century, the focus of many organizational change efforts is *between*—between organizations and their partners, be they suppliers and vendors, customers, or other organizations producing similar products and services. As the scenario at the start of this chapter suggests, we're living in a networked, organic world, and we're starting to understand the new skills, roles, and concepts needed to succeed on this different and dynamic playing field. There are signs of this shift all around us:

- On August 27, 2001, two huge competitors, the U.S. Postal Service and Federal Express, began a strategic alliance under which USPS delivers many FedEx packages to homes across the nation, and uses FedEx's air transportation network to move first class, Priority, and Express Mail around the world (Associated Press, 2001).

- In April 2000, then-Wisconsin Governor Tommy Thompson launched the Governor's Blue-Ribbon Commission on State-Local Partnerships for the Twenty-First Century. He charged the commission to come up with bold, even radical solutions to the problems and tensions that existed in Wisconsin's state-local relations. The commission responded with what it terms a strategy for innovative partnerships that could become a national model. One of its major recommendations: redistribute a percentage of state sales tax revenues to local governments that collaborate, and reduce funding to those that don't. You can follow this effort online, at <http://www.lafollette.wisc.edu/reform>.

- On January 25, 2001, about a hundred representatives from biotechnology firms in Maryland and nearby states met with military scientists to encourage research and development partnerships between industry and the army. It was sponsored by Tedco, a non-profit organization formed to foster collaboration between state government labs and technology firms (Chea, 2001, p. E5).

- The majority of states are participating in the Streamlined Sales Tax Project, an effort to simplify and standardize sales tax administration, making it easier to manage for both vendors and states. Currently, each state has its own set of definitions, rebate procedures, and methods for handling bad debts. National vendors must learn fifty different state tax rates, processes, and rules. The Sales Tax Initiative is seeking voluntary compliance by all states rather than risk the possibility of federal legislation and regulation. For more, check the initiative's Web site, <http://www.geocities.com/streamlined2000>.

What's going on here? We're seeing a significant interest in efforts to collaborate across boundaries. In the natural resources area, federal, state, and local governments are collaborating to care for public lands that can only be managed effectively through an integrated effort. Growing numbers of nonprofit agencies are learning to collaborate with corporations, not in the traditional manner

of seeking grants but rather by offering some of their social assets for the training, technology, and funds that companies are willing to spend in exchange for those assets. And CEOs of Detroit's Big Three automakers now meet regularly to share information and ideas. In the past, such sharing was tantamount to corporate treason. The same kind of sharing goes on in the high-tech industry, where companies like IBM and Apple fiercely compete in certain markets even as they collaborate on the designs of new products.

What's going on is that many public and nonprofit agencies are placing more emphasis on collaboration than they did in recent decades. Despite the many hurdles, managers and leaders are learning to work across boundaries to form successful alliances and coalitions. Their goal isn't collaboration for its own sake; this isn't some New Age management trend about to find its way into *Dilbert* cartoons. Rather, their goal lies at the heart of their organization's mission: they are *working across boundaries to deliver better service, value, and outcomes for customers, stakeholders, and communities*. That's the ultimate purpose of any worthwhile collaborative effort. And that is what this book is all about.

Collaboration: A Definition

I've started to discuss the great interest in collaboration today. But the word itself needs to be defined. It turns out that *collaboration* means many different things to different people. Indeed, one of the challenges to effective collaboration comes from misunderstandings about its meaning. To some, it suggests polite cooperation. To others, it includes everything from shared data to joint operations. To a labor union representative, however, it means getting too cozy with management. And to a Holocaust survivor it conjures up horrific images of local citizens cooperating with the Nazis.

For me, the essence of collaboration is suggested by the word itself. Collaboration is about *co-labor*, about *joint effort and ownership*. The end result isn't mine or yours, it's ours. My working defi-

inition of collaboration (and I invite you to develop your own), is as follows:

Collaboration occurs when people from different organizations (or units within one organization) produce something together through joint effort, resources, and decision making, and share ownership of the final product or service.

Notice that the focus is on producing (or implementing) something. A different type of collaboration occurs when various groups with different interests try to work together to formulate a policy or resolve an issue (such efforts often take place in the environmental, land use, and natural resources arenas). These are usually ad hoc initiatives, in which the parties try to use alternative dispute resolution methods (for more, see Snow, 1999).

Why the Increasing Interest in Collaboration?

What's causing this high level of interest in collaboration? As with most social and organizational changes, there are several interconnected reasons. Exhibit 1.1 outlines the benefits to be gained.

Organizations often collaborate for the most pragmatic of reasons, to achieve cost savings through economies of scale. The Service First alliance between the Forest Service and Bureau of Land

Exhibit 1.1. Collaboration Benefits.

- Better use of scarce resources; cost savings
 - Ability to create something that you can't create on your own
 - Higher quality, more integrated product or service for the end users
 - Potential for organizational and individual learning
 - Better ability to achieve important outcomes
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Management that began in the early 1990s is an excellent example. Today, people describe Service First in very lofty terms—synergistic, improved service to customers, enlightened stewardship of the land—and it is all of those things. But it began as an exercise in survival, when some managers in central Oregon and southern Colorado were struggling to meet increasing demands with dwindling budgets. They decided their only option was to share resources between the two agencies.

The second benefit is a fundamental principle for would-be collaborators. It makes sense to collaborate if it allows you to create something you can't make on your own. As veteran consultant Allen Hard puts it, "If you can do it on your own, don't collaborate! Collaborating is tough; if there's any other way to accomplish the task, do it yourself" (personal communication). Chapter Three will cover the many hurdles to successful collaboration. For now, suffice to say that collaboration isn't easy, but it does enable organizations to create products and services they can't produce independently.

Collaboration also tends to produce a more integrated service or product to the end user. When a social worker visits a family on Monday to discuss allegations of abuse, a health department nurse comes on Tuesday to discuss sexually transmitted diseases, a community action agency staffer shows up the next day to bring the parent to a job training center, and a school counselor calls by week's end to discuss one of the kids' truancy problem, that family is receiving many services. The question is, are those services integrated? If the well-intentioned human service workers don't collaborate, who deals with the entire family? Who ensures the family isn't receiving contradictory advice?

The fourth benefit has to do with organizational and individual learning, which is vital in today's environment. Charles Paulk, chief information officer of Accenture Consulting, says, "When one of our consultants shows up, the client should get the best of the firm, not just the best of that consultant" (Stewart, 1995, p. 209). Paulk is talking about customers' expectation of getting what they need

quickly, easily, in one stop. They're not willing to be passed around from employee to employee, trying in vain to find one with a complete answer.

That's great for the customer, but how does the organization provide such seamless service? It requires continual learning by everyone in the organization, so that when one person gets smarter, everyone can get smarter. And continual learning occurs only in an organizational culture that encourages sharing, not hoarding, of information and knowledge. As Peter Drucker predicted in 1968, we are in an age of knowledge workers and knowledge work, and success in such times requires that we share knowledge easily.

Finally, collaboration is worthwhile only if it passes this critical test: Does it help the organization better achieve the outcomes (not outputs, *outcomes*) that it is in business to achieve: cleaner air, more kids ready to learn when they start school, roads in better condition? I'll describe many impressive examples that illustrate how collaboration often meets this challenge in such diverse areas as law enforcement, services for the aging, regional economic development and planning, highway maintenance, human services, university fundraising, environmental cleanup, financial services, and natural resources.

And Why Now?

The many benefits of collaboration have always been there. Why are so many organizations interested in collaboration today? What's going on that is increasing the emphasis on working across boundaries? I believe the most important factors driving collaboration today are the complexity of the major challenges facing our society, the blurring of many organizational boundaries, the networked nature of our organizational world as it moves from mechanistic models to more organic ones, the increasing diffusion of authority over the major issues we face (a "nobody's-in-charge" world), the rapid advances in technology, and a public unwilling to accept—and fund—poor performance.

Complexity of the Challenges

Pick an important public issue or challenge, one that really concerns you. Education? Transportation? Terrorism? The environment and global warming? Health care? Each is important to tens of millions of citizens, and each is exceedingly complex. By *complex* I mean three things. First, we often lack a consensus on the goals. Take schools: some people want schools to prepare kids for work. Others believe the goal is to help them master certain core knowledge. Still others want schools to promote the society's mainstream values, or to prepare kids for a diverse society. The more goals we give to schools, the more complex their task.

Next, we frequently lack agreement on (or understanding of) the best means to our ends. In terms of transportation, say we could agree that an overriding goal is to help people get where they need to go, with minimal negative impact on the environment. How would you achieve that? Options include building more roads (though some communities have discarded that choice, believing that additional roads only *add* to the congestion problem). Or through mass transit. Or by designing urban and suburban areas differently, or changing lifestyles and driving less. In the late 1950s we had a consensus on the means for improving transportation: we built more freeways. Well, "build it and they will come" (to quote *Field of Dreams*). We built them, people and their vehicles came; today there's no consensus on the best means for improving transportation.

A third source adding to complexity is the growing number of specialists and active stakeholders of a given issue. Urban development is a prime example. In the 1950s, getting a new development approved was far less complex than it is today. Developers often brought their proposals and site plans to planning department staff, appeared at planning commission meetings, met with key officials, and got a decision in relatively short order. Today they must consult with the neighborhood residents who will be affected, the growing number of utility companies, neighboring governments (it's

required to consult with them in some states) and different levels of government (state, federal), water quality and transportation experts, archeologists in some instances, landscape architects, and others. The need to touch base with so many entities is sometimes politically driven, sometimes required by regulation, and often driven by liability requirements. And, as with the problem of multiple goals, having large numbers of stakeholders means that every option involves a series of trade-offs. And it greatly adds to complexity.

So what? Why does complexity matter? It matters because of this:

The most important expectations citizens have of public and nonprofit agencies are to solve complex, cross-cutting issues, but such issues can only be dealt with through collaboration across agency boundaries.

Our most pressing problems, like crime and pollution, don't honor organizational or geographic boundaries. The pressure to solve complex problems is forcing us to seek collaborative solutions.

The Blurring of Boundaries

“Wherever we look the walls are coming down. The old barriers are fading.” So writes Frances Hesselbein of the Drucker Foundation (Hesselbein, Goldsmith, and Somerville, 1999, p. 6). The walls and lines separating organizations from one another, separating public from private sector, separating agencies from their customers and clients, are certainly blurring—if not coming down altogether. This is one of the most powerful and fascinating stories of our new organizational society. It's happening in a wide variety of settings. And when such blurring occurs, it creates a need for collaboration. A few examples of blurred boundaries and collapsing walls:

Blurring of Boundaries Separating Organizations and Their Competitors

When Wally Stettinius, former CEO of Byrd Press in Richmond, Virginia, was conducting workshops in the 1980s on innovations in printing *and invited his competitors to attend*, he seemed to be breaking

the rules. But the rules have changed; we're now in a world of *co-opetition*, in which competitors sometimes cooperate with each other. Stettinius argued that his real competition didn't come from other printers; no, it came from other types of media (network TV, cable, and now the Internet) that competed for the attention of potential magazine readers.

*Blurring of Boundaries Separating the
Public, Corporate, and Nonprofit Sectors*

In this age of contracting out, privatizing, and devolution of services from federal to state, local, and nonprofit agencies, it's often not clear where the public sector ends and the private one begins. In Maine, the Occupational Safety and Health Administration (OSHA) has transformed itself. Selected Maine employers are given the option of doing self-inspections on their own premises, using their own employees to prevent, find, and remove health and safety hazards. And the OSHA office's inspectors act more like coaches and advisers to the private firms, helping them understand OSHA's standards and providing them with information on best practices. The firms are responsible for cleaning up their work sites.

The results have been impressive. In two years these firms found five times the number of hazards on their premises that OSHA inspectors had found in thousands of workplaces around the state during the preceding eight years. Moreover, the participating firms corrected 70 percent of those hazards quickly, and 65 percent of them had significant reductions in work-related illnesses and injuries. In relationships like this, where does "public" end and "private" begin?

**The Move from Mechanistic to
Horizontal and Networked Structures**

The Orpheus Chamber Orchestra is the only orchestra in the world that plays without a conductor. Founded in 1972, it has twenty-six musicians who are passionate about practicing and playing beautiful

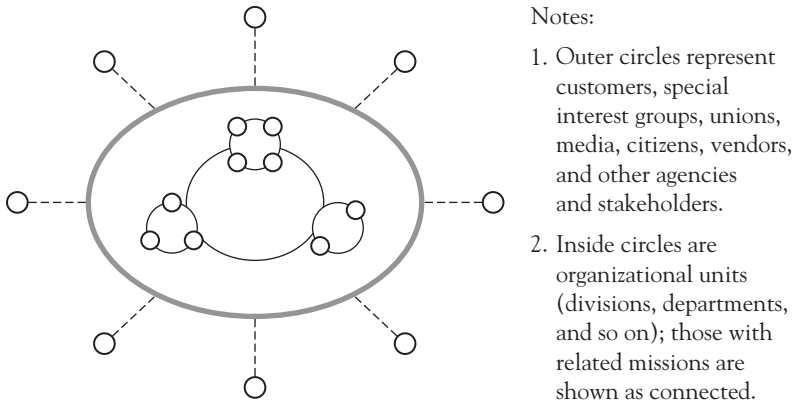
music in a democratic fashion, and its many international awards attest to its success. A core group of musicians is nominated to plan a given concert, and that leadership rotates among several musicians. One of the Orpheus violinists notes that when she played in an orchestra with a conductor, she had to cut her bangs so that she could look up. She doesn't do that now; with Orpheus, it's all about peripheral vision.

Orpheus is a good metaphor for the emerging organizational world. No, organizations aren't all going to become democracies by any means, but many are moving toward a more horizontal style of management in which leadership is shared and decisions are often made on the basis of expertise rather than position.

Public administration giant Harlan Cleveland predicted this transformation in 1972: "The organizations that get things done will no longer be hierarchical pyramids. . . . They will be systems—interlaced webs of tension in which control is loose, power diffused" (Cleveland, 1972, p. 13). It's taken four decades for most of us to understand and start acting on Cleveland's prediction. We have little choice today; the new economy is forcing us to change.

The new economy places a premium on speed, agility, responsiveness. Customers today demand what I call the 3 C's—they want *control* over the product or service (that's one reason why e-commerce is so popular), they want multiple *choices*, and they want those choices *customized* to their own preferences. Old-line hierarchies can't satisfy these demands.

A symbol for organizations today needs to include customers and other stakeholders, suppliers and vendors, formal and informal partners. The traditional pyramid that usually portrays organizations is internally oriented; customers, partners, and other stakeholders are rarely depicted. But few important things get done wholly by one agency anymore. A rendering of today's interconnected organization might resemble a cell swimming in its environment, as shown in Figure 1.1.

Figure 1.1. Organizing for a Networked Age.

The figure is meant to show permeable boundaries and multiple connections. The internal and external units are connected by a web of collaborative relationships and by the information that flows between them. The boundaries are permeable to allow a free flow of information while maintaining the organization's identity.

A “Nobody in Charge” World

As Don Kettl writes, “From Medicare to Medicaid, environmental planning to transportation policy, the federal government shares responsibility with state and local governments and with for-profit and nonprofit organizations. . . . The result is an extended chain of implementation in which no one is fully in charge of everything” (2001, p. 25).

Most managers can relate to Kettl's statement. The networked structures described here often emerge because no one person or entity can deal effectively with important societal issues. But this “nobody in charge” world is hardly new: “I do not rule Russia,” Czar Nicholas once said in a moment of great frustration. “Ten thousand clerks do!” (quoted in Cleveland, 1972, p. 33). Czar Nicholas faced the same reality, so what's new? What's new, or different, is that the

world is much more interconnected now than in the past. Technological advancements, improvements in transportation, the rise of an information age, the lowering of trade barriers—these and other factors create a world in which we all feel the consequences of actions that occur elsewhere very quickly and strongly. Fareed Zakaria, editor of *Newsweek International*, calls this the “CNN effect”; events in one place are immediately known and felt worldwide (Zakaria, 2001a).

The implications of this “nobody in charge” environment are clear. To deal with the critical issues of urban sprawl, to work with multiple constituencies who care passionately about our public schools, or, since September 11, 2001, to get our law enforcement and intelligence agencies to work together and share information, leaders need to enhance their skills at collaboration.

Technological Advances

Another factor driving collaboration today is the revolution in information technology. If you have children you understand this well. My kids Becca and Josh don’t need a sermon from their dad about the benefits of sharing, at least not when one of them is on the computer. The generation now coming of age, sometimes dubbed Generation D (for *digital*), collaborates and shares information as a matter of course. Whether it’s sharing music files through Napster or its successors, sharing ideas for a group project, or gossiping via instant messaging, collaborating for many of these kids is a no-brainer.

Author Tom McGehee puts it well: “People will soon be expected to work in more collaborative ways because collaborative behavior is the only way to maximize the value of these sophisticated enterprise-wide information systems. . . . We are moving from a work culture in which hoarding information is a source of power to a work culture in which hoarding information is impossible (and useless)” (2001, pp. 48–49).

A Public Unwilling to Accept and Fund Poor Performance

When Congress passed the Government Performance and Results Act (GPRA) in 1993, it was responding to a public that is demanding more from its government. It's no longer enough for public agencies or nonprofits to publish data concerning inputs and outputs—number of police department arrests, number of kids enrolled in school. Today the public demands to know whether the streets are safer, whether those kids are reading at age-appropriate levels. GPRA reflected a revolution in societal expectations of organizations that focus on public concerns. We expect these agencies to be accountable for *outcomes*—results.

And that's a recent phenomenon. When I directed a nonprofit organization that served handicapped people and their families back in the 1970s, I simply had to show an increasing demand for my nonprofit's programs in order to justify a budget increase from its funding agencies. If ten more adults wanted to live in its group homes, if fifteen more families with delayed infants needed its infant stimulation service, my staff and I were confident that more money would flow in (and it usually did). But what about results? Were the adults becoming more self-sufficient? Were the infants developing faster once the nonprofit's teachers started to work with their parents? I used to wonder why nobody asked those questions.

Today that's changing. Human services leaders, as well as university presidents, medical providers, environmental protection administrators, and most other professionals, are being pressed to document results—not just numbers in and out. When you're accountable for real results, and the issue is complex, the best way to achieve them is often through collaboration with other professionals.

Some United Way boards now encourage or require active collaboration among the recipients of the funds. At the federal government level, several laws covering mental health, early intervention, workforce development, and rehabilitation services require collaboration by grant recipients. Minnesota is a leader in pushing

for collaboration at the state and local level; it has encouraged collaboration in the human services field since the late 1980s. In 1989 the Minnesota legislature passed the Comprehensive Children's Mental Health Act, which asked communities to establish local coordinating councils to coordinate services from child-serving agencies. Then in the 1990s, two laws were passed that went further than coordination, encouraging system integration through intensive collaboration. Many human services professionals are behaving in more collaborative ways because of these laws, and children and families are benefiting.

Some Personal Assumptions

Finally, a statement about my own beliefs concerning collaboration. I began this research with no preconceived notions of what I'd find, except the sense that collaboration is both difficult and of increasing importance in the public and nonprofit worlds. Through dozens of interviews and observations, however, I began to form some assumptions about this topic. I make them explicit here so that you can examine them as you read the book and determine for yourself if they appear valid.

- Collaboration can provide impressive, even extraordinary results. It's often the best way to deal with complex challenges. But it isn't the only way, and it isn't for everyone.
- Effective collaboration requires careful attention to the process being used. However, an obsession with process can sap the parties' energies and reduce chances for concrete results. My bias is for action.
- "You know more than you think you know" (Spock, 1945, p. 3). That is the opening line in Dr. Benjamin Spock's most famous book. Spock was urging new

parents to trust their own common sense, and empowered millions of them to do so. I encourage you to do the same concerning your instincts about collaboration. Reflect on your experience, consider the key factors cited in this book, and use your own best judgment.

- The organizational barriers and hurdles to collaboration are large. Larger still are the barriers *in our minds*—fear of loss, the need for autonomy and control, hierarchical thinking, and the like. Learning to think in more collaborative ways can provide some of the biggest benefits of all.

Collaboration is a riddle. It's as old as our species, yet remains a mystery to many. But as we enter a networked age that requires and rewards collaboration, leaders and managers no longer have a real choice. When they learn the lessons from those who are succeeding at collaboration (as well as those who are struggling), they and their organizations benefit greatly. If they don't develop the ability to collaborate, they risk becoming irrelevant or worse.

Learning to collaborate is an exciting, challenging, difficult, sometimes scary yet extraordinarily rewarding journey. As with most journeys, it's easiest to learn from concrete examples. The next chapter offers one, an alliance involving social workers and police officers who are collaborating around the issue of child sexual abuse.