

The Moment to Explore Strategic Partnerships

Strategy & Planning

CASE STUDY

The Power of Possibility: Discovering Complementary Efforts to End Homelessness in Boston

“As a part of our ongoing planning and strategy, we are always looking for opportunities to innovate and change in support of our mission to end homelessness. We identified a need for additional services, and rather than adding this capacity on our own, we realized that the best idea was to partner with Pine Street Inn.”

— Stephen Skinner, board president, hopeFound

The Moment

hopeFound and Pine Street Inn were two organizations with missions to end homelessness for men and women in Boston. hopeFound primarily provided emergency shelter, while Pine Street Inn was more focused on permanent supportive housing. When the board of hopeFound, as a part of its ongoing strategy and planning process, acknowledged that permanent housing, rather than emergency shelter, was critical to ending homelessness, it began actively considering options.

The Power of Possibility

After hopeFound identified its need to expand its strategic scope into permanent housing, it realized that Pine Street Inn could be a strong partner. In addition to having a permanent housing program, Pine Street Inn had a job-training program that would complement hopeFound's job-placement program. The two boards entered conversation and decided that a merger would be the best way to leverage the complementary strengths and programs of the two organizations.

The Result

The combined organization, under the name Pine Street Inn, offers a broad range of services, including permanent housing, emergency shelter, job training, street outreach, and substance abuse treatment. It serves 1,900 homeless men and women each day, compared to 1,200 before the merger. These new programming realities would not have been possible without the creativity and openness of the two organizations' leaders, and their shared vision for what might be possible for the men and women they served.



STRATEGY AND PLANNING

is about determining what's most important for your organization to do and figuring out the best way to get it done. For some organizations, the best way to get things done is in partnership with another organization. That's why strategic thinking and planning can serve as a powerful moment to identify opportunities to strategically align or restructure with another organization.

Exploring The Power of Possibility: Does a Strategic Alliance or Restructuring Make Sense for Your Organization?

Just as the experiences of Pine Street Inn illustrate, strategy and planning present tremendous opportunities to clarify your organization's priorities and reflect on how a strategic alliance or restructuring might enable you to put those priorities into action.

As your organization engages in strategy and planning, here are some things to keep in mind:

Board Opportunity #1: Reconnect with your organization's core purpose.

Any strategy and planning effort is an opportunity for an organization to ask itself fundamental questions about its purpose and position within the community:

- What is our core purpose? What problem are we trying to solve or what new reality are we trying to create?
- If we were to be founded today, would it be to meet an unmet need? Are there new players that are making our work more (or less) relevant?
- How do our results and reputation compare to other organizations that are working in a space similar to ours? Do we have competitive advantages (or disadvantages) that should inform the way that we are thinking about the potential of a strategic alliance or restructuring?
- If we were to close our doors today, from whom would we hear and what would they say?

Your answers to these questions will help provide clarity and direction about your organization's fundamental purpose as well as the larger ecosystem in which you operate. Both will be helpful as you think about what's most important for your future, and the opportunities that may exist to strategically align or restructure with another organization.

Board Opportunity #2: Listen for ways that a strategic partnership could support your goals.

Strategy and planning create an opportunity to focus on the goals and priorities that are most important for your organization. But that doesn't mean that they must be implemented independently or in isolation. Why assume that you must achieve your goals alone when there might be powerful opportunities to partner with another organization?

Consider if your strategic goals create an opportunity or need to do the following:

- **Add or combine programs.** As was the case for the two organizations working to end homelessness in Boston, your strategy and planning might uncover a need to broaden, change, or fill in gaps within your programs and services. Before embarking on creating those new programs from scratch, consider how a partnership with another organization might enable you to achieve those goals faster, more efficiently, and without duplication.
- **Expand your scope.** It's not uncommon for strategy and planning to result in a call for an expansion of an organization's geographic scope or population served. And that can definitely provide a great opportunity to build a strategic alliance or to restructure with another organization, possibly enabling you to expand faster, more efficiently, and in a way that builds on existing reputation and credibility within the communities or populations you seek to serve.
- **Find efficiencies.** Strategy and planning can uncover current challenges or roadblocks that call for a new path forward. Looking for ways to increase efficiency and decrease overlap between organizations can be a powerful way to continue and expand programs without requiring major infusions of resources.

In each of these scenarios, board members and executives can initiate a conversation that may help identify when a strategic alliance or restructuring might be a smart strategy. For example:

- If we expand in this way, with whom will we be newly competing? Would it be wise to consider partnering with them instead?
- Are there organizations that have gone or will be going through major changes that might be open to partnership in a new way?
- Do we have a strong reputation with the new community (whether geographic or population-based) we want to reach? If we don't, is there another organization that does with whom we should consider partnering?
- Do we have the resources we need to execute on our strategies? What are our assumptions about the additional philanthropic support needed to achieve our goals, and are they realistic?
- Are there ways that we could achieve our goals faster or more efficiently through a strategic alliance or restructuring with another organization?
- If there's something that we want to do, but don't currently have the ability to do well ourselves, is there another organization with whom we could partner?

Board Opportunity #3: Provide support for a collaboration strategy.

If your organization decides that there are indeed strong benefits to strategically aligning your innovation and scale strategies with another organization, board members can be extraordinarily helpful in identifying and connecting with potential partners. The level of engagement and appropriate role for board members to play depends on the type of strategic alliance or restructuring that is under consideration, so boards should familiarize themselves with our general guidelines about the board's role in [strategic alliances and restructuring](#).

Across all types of strategic alliances and restructuring, board members can be very helpful in two key ways:

- **Identifying Potential Partners.** Board members often have strong networks and may be able to suggest strong candidates for partnership. In some scenarios, this may be a part of board-level conversation about potential merger or acquisition partners; in others, it may simply be a suggestion of a potential programmatic partner for the staff to consider.
- **Making Introductions & Connections.** Board members may be well-positioned to help connect the appropriate players, if a potential partnership is prioritized for outreach by the executive or the full board. Existing relationships and trust can be enormously helpful as organizations set the stage for a first conversation about a potential strategic alliance or restructuring, so it's wise to consider how board members can be helpful. That said, board members should avoid initiating a conversation with a potential partner without being empowered to do so by the full board (in cases of mergers or acquisitions) or by the executive (in other programmatic partnerships).

Board Opportunity #4: Continue to think about partnership opportunities after your formal planning and strategy process closes.

Your strategy and planning work may help frame potential opportunities for strategic alliances and restructuring long after the formal planning ends. Any plan or strategy should be revisited and discussed on an ongoing basis, with an emphasis on what's changed and what's been learned. As a part of those ongoing conversations, boards have an opportunity to continue to ask smart questions about the potential for strategic alliances and restructuring. For example:

- What has been harder to implement or move forward on than we originally anticipated? Why is that? Is there a need or opportunity to accomplish it in a different way, potentially through a strategic alliance or restructuring?

- Where have we been wildly successful and might be ready for a new or expanded goal? Is there a way that another organization could help us achieve that new aspiration?
- How has the competitive landscape changed? Are there organizations that are working in our space newly or differently with whom we should consider partnering?

Learn More About The Power of Possibility

The Power of Possibility is an effort to invite boards and executives to consider how strategic alliances and restructuring could enable their organizations to expand their impact. To learn more about the campaign, and to access more resources and guidance for organizations that are exploring the possibility of strategic alliances and restructuring, visit www.thepowerofpossibility.org.

KEY TAKEAWAYS

- Strategy and planning help focus you on what is most important for your organization to accomplish, and some of those things might be more effectively accomplished in partnership with another organization.
- If you identify key things that your organization needs to do, but that are beyond the reach of your current operating reality, that can be a signal that a strategic alliance or restructuring could be valuable.
- It is never too late to incorporate new information into your strategy development process and design. If involving perspectives, research, or conversations with another organization (or organizations) helps further the discussion, consider reasonable adaptations to your process or timeline to include them.