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Project Pointers

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During recent months, my partnership work included assignments for foundation, local government and human service organizations. It has been fascinating to temporarily share the work space with such varied environments and to adjust my style somewhat for each. Even though they typically approach issues from different perspectives, all are focused on improving the lives of shared populations. As I moved from one organization to the other, I was reminded of the critical role of culture in our work. This issue of the newsletter briefly addresses seven cultural issues that influence affiliation considerations, mergers through dissolutions.

And, on a personal note . . . thanks to all of you who offered support following my recent accident!

The 7 Cs: Cultural Issues in Partnerships

1. Communication. As I look back over twenty-eight partnership projects, I know this is the issue that most clearly reflects a nonprofit's values and culture. Both internal and external audiences benefit from frequent, clear communication. When one nonprofit works hard to share information with stakeholders and the other does not, the public messages are confusing and often destructive. Differing values around staff communication can be even more troubling because integration is guaranteed to fail in the absence of shared information. Simply, the two nonprofits are operating in different worlds and conflict is inevitable. I particularly watch how often the partner CEOs encourage their direct reports to communicate with others.

2. Control. This cultural marker flows through the daily life of any organization, but may be more pronounced during a partnership exploration. Where does the locus of control lie and who has influence? For example, a department head may routinely try to control meeting participation by selecting inconvenient meeting times. If she is asked to chair a merger work group, she may again try

to limit attendance and alienate her new colleagues. Or the development office may not be willing to share data that would allow the merger steering committee to understand which donors already contribute to both organizations.

Board development and governance represent major "big picture" control issues, especially if the operating philosophies are not aligned. Selection of the new CEO and agreement on the board's size and governance model hugely influence the likely success of the combined agencies. The director's personal style also impacts the entire organization. I have seen many situations in which staff members modeled either the closed, controlling nature of the leader or the leader's thoughtful, open approach to decision making. If one potential partner yields a heavy fist and the other is democratic, it will take years for a new, combined culture to emerge and align with mission.

3. Conflict. The need for control can easily escalate to conflict. While differing views are a healthy part of organizational life, unaddressed conflict is deadly. Again, if one partner encourages open debate and diverse views and the other does not, it may be hard for them to create a productive space for problem solving. In successful partnerships, differences are discussed honestly, with an eye toward balance between the expected behaviors and procedures of both. If the leaders encourage open debate early in the potential merger discussions, make a decision, and then present a united front to the staff and volunteers, this is a good sign for the future.

4. Civility. Call it management style, standards of professional behavior or good manners, how we treat others matters. If the managers in one agency routinely walk down the hall without speaking to staff members, a clear signal is sent that basic courtesy is not the norm in that organization. Sadly, this dismissive behavior is often repeated in client interactions and will be a huge red flag for the other nonprofit.

Partnership discussions will also be impacted by the level of civility that is present at board meetings. Board chairs set the pace and can completely chill discussion by interrupting or ignoring other members. If these patterns spill over to the boards' joint steering committee that is conducting due diligence, the process may end very early. If participants exhibit healthy boundaries, treat each other with respect and minimize drama, the focus can remain on sustaining the best of both organizations and moving the partnership forward. In mergers and life, politeness matters.

5. Competence. You may feel good about your initial observations of the potential partner. The leader and staff may behave cordially, listen to clients with empathy, and work from a democratic model. While these are positive signs for integration, they are not enough to create a successful merger. Both agencies should decide if the other organization can actually perform work to support and advance the mission.

Both should be open to share outcomes and other documentation as evidence of solid work in the field. Hopefully, both organizations have a culture of learning that encourages professional development for all staff, board and volunteers. If only one- or neither- enjoys this type of culture, then the partner's staff may well feel threatened by the notion of higher standards and educational requirements.

Employee performance evaluation systems vary widely. During integration, staff anxiety usually rises until the actual details of the combined system are crafted and communicated. It is not unusual for a few people to resign, and this often correlates with their attitude about change. One of the most important cultural issues is the staff's acceptance of change and ability to implement it. A merger particularly provides a landscape for skill building and change, and some employees may choose a different path and decide to work elsewhere.

6. Collaboration. In my experience, most nonprofits exploring a partnership do not have the capacity to formally assess culture prior to integration. Obviously, confidentiality is a barrier because staff members rarely know about the negotiations. Even during integration, the crushing volume of immediate tasks leaves little space for this type of project. As a result, the conversations between the executive directors and those charged with the due diligence review are even more important because they reflect organizational values around collegiality. The leaders usually share their views of specific cultural factors and bring examples of collaborative efforts within their agencies. The actual negotiation work mirrors internal collaborative values as well, and some partners who prefer to work alone may struggle.

Each agency should also share information about its other community partnerships. If one organization links with many other agencies and one does not, this may indicate a fear of sharing information or staff expertise. Of course, this tendency limits both learning and funding and certainly goes against current nonprofit trends. Board members play an important role in external collaborations as well, and some partnership discussions begin over dinner when two friends serving on different boards discuss their challenges.

7. Celebration. This aspect of a nonprofit's culture can easily get lost in heavy workloads. Setting aside time for special moments during fast-paced days may seem inefficient. But the most successful human services organizations I know actually build in more celebrations than most. They know that fun, lighter time blocks within the work week foster collegiality, reward excellent service delivery and provide opportunities for informal information sharing. For employees who may feel underpaid and overworked, celebrations are key to their feelings of worth and influence retention. This type of culture also serves as a good example for clients, who so often need positive social experiences.

Any differences in partner celebration values are usually felt early. When the CEOs first describe their cultures, the mention of special events or customs is telling. Examples may range from monthly birthday listings to an annual event, but activities within departments may say even more about culture. What is the fun factor? And, do the supervisors recognize exceptional work with special moments?

Honoring successes - or at least relief that a tough assignment has been resolved - may be more of a challenge in human service organizations. We choose this work from a genuine desire to help those who are challenged. As a result, it can be easy to dismiss any special acknowledgement for work well done or feel generalized guilt for not "helping" every hour of the day. A good partnership culture infuses the workplace with appreciation.

I have seen many good partnerships creatively leverage the best of two or more cultures. Sadly, a few derailments have also emerged when cultural differences could not be overcome or leaders were not willing to enter the conversation. Success is more likely when competent, cordial people attempt to explore possibilities with a minimum of control and a maximum of communication. Please let me know if you would like to discuss the above culture topics or any other factors involved in crafting an effective partnership.

Enjoy your summer,

Marta

Client Testimonial

After reading the spring edition of Project Pointers about feelings associated with a merger, Peter Bloch wrote:

> *It should be required reading for every CEO considering a merger. A good read and exercise for the board chairs as well.*

Workshop Announcement
Project Management Basics

Marta's popular Project Management Basics workshop will be offered on September 22, 2015. This workshop receives consistently high marks from participants.

Project Management Basics
Tuesday, September 22nd, 9:00 a.m. - 12:00 p.m.
at Interact for Health
3805 Edwards Road, Suite 500,
Cincinnati, OH 45209

Register online at <u>Workshop Registration</u>

Marta's Partnership Values

The success of a project depends on the alignment of consultant and client values. Marta seeks nonprofit partners who share the following:

- **True commitment to change**
- **Focus on mission and client services, not egos**
- **Fairness and an inclusive process**
- **Active listening with heart and attention**
- **Intentional thinking and dedicated time for planning**
- **Respect and support for board, staff and volunteers**
- **Direct, compassionate communication**
- **Proactive attention to detail**
- **Enjoyment of learning together**

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