

The Opportunity Fund - Narrative Research paper: The Partnership, From an Idea to Maturity, 2011 - 2015



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A personal note:

In early 2013, I had just completed a brief evaluation of one of the Opportunity Funds programs in the field, when I received a call from the fund's director asking me if I would like to submit a proposal for a narrative research of the funds partnership.

The idea that a new entity would decide to invest time and money in not only evaluating its effectiveness in the field, but also regarding the dynamics of the partnership itself – I found intriguing and brave.

Over the next three years I had the opportunity to follow the Opportunity Fund closely. I was invited to participate in many aspects of the fund - board meetings, activities, documents and was even privy to emails of relevant partners.

I would like to thank the partners and stakeholders for their time, trust and belief in my integrity to represent their views and to honor and preserve their confidentiality.

Like in all relationships in life, the partnership has had its high and low points over these years. The following report is a summary of my findings, based on my personal observations and the “voices” of the partners and stakeholders themselves. The report presents both the challenges the partnership faced and the main insights and lessons learnt about how such a partnership can be formed and maintained effectively.

I join the partners in their hope that this document will assist, even in a small way, other organizations in the civil society that are contemplating forming or joining a partnership or pondering what could be the “ best practices” in maintaining one effectively.

Goal of the research project:

This research paper had two main goals:

1. To be a tool to the Opportunity Fund as a “learning organization” – by conducting an ongoing evaluation of how they were doing as a partnership and making necessary changes through formative evaluation.
2. “Passing it on” - Demonstrating “best practices” of effective and influential philanthropic partnership based on the lessons learnt from the Opportunity Fund partnership - identifying potential challenges and especially keys to success.



Evaluating a partnership:

While this research was not a formal evaluation of the partnership, I based my observations on Brinkerhoff (2002) model of evaluating a partnership.

This model points to four main areas of concentration when coming to evaluate a partnership:

1. Impact of the partnership on the field – effectiveness regarding goal
2. Perception of stakeholders
3. Satisfaction of partners:
 - Sense of ownership
 - Synergy
 - Fulfills common and individual goals and agendas
 - Rewards of partnership
4. Organizational effectiveness
 - Vision and strategic development
 - Decision making
 - Organizational efficiency
 - Procedures
 - Resources – benefits vs costs

Methodology:

The present report is a narrative research report and as such was based on the following inputs:

- Periodic interviews with all board members of the Opportunity Fund
- Ongoing meetings and discussions with the Chair of the board and the two professional directors of the Opportunity Fund
- Participation in board meetings, organizational retreats, and public activities of the fund
- Reading and analyzing organizational documents that were prepared in the months before the foundation was officially established
- Interviews with main stakeholders – I conducted a limited number of periodic interviews with a number of the main stakeholders from outside the fund. A wider and separate report about the perceptions of stakeholders was conducted by the Opportunity Fund in parallel to this research report.



Formative evaluation:

Over the span of the three and half years of this research program, the board and professional team of the Opportunity Fund were presented with updates and initial insights and lessons to be learnt from the research program. These updates were presented in:

- Ongoing meetings with the Chair and the professional team at the fund
- Periodic short presentations of findings at board meetings
- In depth reports and discussion at annual organizational retreats

These insights were utilized by the fund to strengthen and improve the effectiveness of the partnership in “real time.”

The Opportunity Fund

The Opportunity Fund was formally established in November 2011 as a unique, new consortium of Israeli and Diaspora philanthropies promoting civic service in Israel.

The fund defined as its mission - **to enable young people from underserved groups in the population, who were not drafted into the army, to contribute to society and volunteer for quality National Civic Service that will help them integrate and achieve social-economic mobility.**

The main fields of activity of the fund are:

- Fostering the development of enrichment programs tailored to the target populations
- Establishing a standard of quality for assessing organizations and programs.
- Having an impact on public policy
- Continuous development and dissemination of up-to-date knowledge
- Measuring the effectiveness of the Fund’s investments through research studies, focus groups and systematic gathering of information
- A commitment to ongoing learning and improvement – establishing roundtables, implementing research findings
- Increasing our impact through collaborations with all the stakeholders in the field: government offices, the recognized nonprofits, the organizations providing enrichment programs, communities, and young people
- Helping to formulate an effective economic model that ensures the programs’ sustainability



The four founding organizations of the fund were the Gandyr Foundation, Charles H. Revson Foundation, Ted Arison Family Foundation and an anonymous fund. They were joined in the following two years by UJA-Federation of NY and the National Insurance Institute Funds.

In the period following this report, the Lucius N. Littauer Foundation and the Ruderman Family Foundation have also joined the partnership.

Why form the Opportunity Fund partnership?

All the partners in the Opportunity Fund have been long-time champions of the idea of partnerships and over the years have either formed or been members of other smaller and wider partnerships.

It was clear to all the partners that while there are many benefits to a partnership, there are also situations where it is more effective to act alone.

There also many types of partnerships and the type of partnership that is formed must be “fitted” to the mission being taken on and the characteristics of the potential partners.

The decision to enter a partnership cannot be taken lightly.

The partners pointed to the following considerations as the main reasons for forming the Opportunity Fund partnership:

- All the partners had a common belief in the importance of the issue and most had previous involvement in this field
- At least one of the target audiences of the Fund was a main issue for each of the partners
- The belief that the complexity of the mission demanded forming a partnership in order to form and reach a significantly higher impact – advocacy, financially and professionally - on both the government and the field
- Synergy – utilizing the strengths of the partners and minimizing individual weaknesses
- Ability to deal with sensitive issues
- Modelling for the government, grantees and the world of philanthropy



The unique characteristics of the Opportunity Fund partnership

By definition, every partnership has its own unique story and characteristics. These characteristics have a major impact on the strengths and weaknesses of the partnership, the challenges it faces and how it functions and operates.

There are several common forms of funder collaborations which include:

- **Peer networks** – Communities of funders who educate themselves jointly about a particular field of interest, share best practices, learn from each other and sometimes collaborate.
- **Strategic alignments** – Funders share common priorities and objectives, but maintain independent decision processes, and often different recipients.
- **Targeted co-funding** – Funders decide on common grantmaking to an agreed-upon issue or grantee, but maintain independent direct giving.
- **Pooled funding** – In this, the highest form of partnership, funders donate to a single pool, which is then used collectively without distinguishing (Zisser, 2014).

The Opportunity Fund partnership was formed as a **pooled funding** partnership.

The partnership has several additional unique characteristics including:

- **International partnership** – joining together partners from Israel and the USA
- **Cross sector** – the partnership brings together partners from different sectors (government and social society) and types of organizations (family funds and federations)
- **Powerful and large organizations** – the partnership brought together several powerful and large organizations, each with their own culture and values
- **Heterogeneous agendas and target groups** - each of the partners brought to the partnership its own agendas and target groups, representing a wide diversity of interests
- **“Fund of Funders”** – the Opportunity Fund functions as a fund which was established by funders and operates in the field mainly by providing funding to NGO’s in the field
- **Predetermined length of the partnership** – the Opportunity Fund was established with a pre-determined length of its span of operation – three years (Since then, partners decided to lengthen this period to 5 years)



Developmental stages of the partnership of the Opportunity Fund

As stated, this research paper covers the first three and a half years of the “life” of the Opportunity Fund.

In common with all relationships, the development of the partnership was a dynamic process which matured toward its full potential over the years.

I can point to three main stages in the development of the partnership over the years covered in this report. Each one of these stages had its own unique challenges and achievements.

Stage 1: Building the Core: “Childhood” (2011 – 2012)

- Development of the Funds vision, mission and strategies

- Defining the Partners rights and obligations

- Defining the basic procedures and modes of operation

- Building the backbone organization of the fund

Stage 2: Broadening the Partnership: “Adolescence” (2013 – 2014)

- Growing sophistication of tools and procedures

- Organizational development of the board and professional team

- New partners join the fund

- Growing Impact on the field

Stage 3: The future / Looking ahead: “Maturity” (2015)

- Revisiting questions regarding mission, strategy and partnership

- Fruits of the partnership

- Decisions about the future - To be or not to be – when, how and why



Challenges and dilemmas in forming and maintaining an effective partnership:

The partnership faced several challenges and dilemmas from the early stages of establishing the fund and during the ongoing years of its operations.

Many of these challenges would seem to be common to many partnerships while others are more specific to partnerships that include the unique characteristics of the Opportunity Fund as listed above.

We can group these challenges into several main issues:

- Identifying the **right partners** for the partnership (goals, passions and values) and being able to balance between the right “fit” and the need for funds and resources
- Dealing with **diversity** of agendas, cultures, methodologies, funds, levels of involvement, languages between the partners
- **Meeting the needs** of all the partners – understanding what is critical for each partner and being able to provide for those needs, having the ability to “give and get”, the ability to compromise
- Developing a **common “language”** that can be a “good enough” base for all
- **Decision making and strategic planning process** – forming principles for decision making and strategic planning that would be accepted by the partners and allow for the smooth functioning of the fund
- Allocating resources **for technical infrastructure** (high level translations, video conference technology, cross-organizational data bases, etc.). This is especially important in international partnerships
- Being able to deal with **changes in the partnership membership** including accepting and introducing new partners and dealing with the exit of an existing partner
- **Nurturing the partnership** – investing resources, time and energy needed for the partnership to function effectively
- Being able to put aside **Ego**, putting the “we” before the “I” and having the ability to differentiate between the professional and personal
- Defining the **relationships between the board and the backbone organization** - Who works for who”?
- How and to what degree do you involve the **lay leaders** of the partnering organizations (families, boards and committees)? How to build long-term commitment?



The six Ingredients for successfully managing a partnership

All the partners in the fund, were very clear in their belief that the partnership was successful and has greatly contributed to the ability of the Opportunity Fund to achieve its mission. Overall, the partnership has been a very positive and beneficial experience.

In the interviews with external stakeholders there was also agreement that the partnership was impressive and that the joint impact of the partners had a significant impact on the government and field.

In the following section, I will discuss in detail the six components that were found to be crucial – “the best practices”- for the smooth and effective managing of the partnership. There is of course a strong interconnection between many of these components.





1. Finding the right partners:

There is often conflict or dilemma between the pressure to expand the partnership and include any organization that is willing to contribute much needed additional funds and between identifying the “right” partners whose characteristics will most closely fit with the existing partners.

The three founding partners of the Opportunity fund faced this dilemma when seeking to expand the partnership to recruit additional funds that would widen the impact of the fund

What was found to be the most important criterions for choosing the right partners included:

- **Passion** - Having an authentic and deep passion for the mission and the strategic goals of the partnership!
- **Resources** - Have meaningful resources that are significant for accomplishing the specific goals of the mission (financial, expertise, connections)
- **Partnership as a value** - Belief in the importance in working as partners and an understanding that for certain missions the building of a cross sector partnership is a goal in itself. Partnership is a “must’ and not just something that is “nice to have “
- **Organizational culture** - That each of the potential partners has an organizational culture that allows it to work as a partner – the ability to be flexible, compromise and strive to consensus, ability to listen. etc.
- **Costs and benefits** - That each of the partners has a clear understanding about the benefits and especially the costs of being part of a partnership. Has conducted its own analysis and perceives that the benefits are important and out-weigh the costs
- **Common Values** - That the partners share important core values and have no significant conflict over core values
- **Mutual respect** - The partners have a mutual respect and can relate to the others as equals
- **Senior representatives on the board** – Appointing highly senior representatives to represent each of the partnering organizations is an important element that contributed significantly to the success of the partnership. The professionalism, political power and maturity of these representatives contribute to their ability to empower the partnership and deal professionally with challenges that arise.
- **Size matters** - Many of the interviewees also commented that the size of the partnership has an important contribution to the ability to build and manage a successful partnership. A partnership consisting of 5 +/- 2 partners is, on the one hand, able to combine significant resources, and on the other hand, retain the intimacy that fosters positive partnership.



2. Managing the partnership

Managing a partnership efficiently is both a profession and an art. The challenge is to balance between the differing agendas, cultures, procedures etc. of the partners and find a way to reach an effective gestalt. Interestingly, many of partners did not realize, at first, how much time and effort needed to be invested to ensure that the partnership runs smoothly.

While the chair of the board and the backbone organization will usually fulfil a large role in managing the partnership, all the partners have a joint responsibility to contribute to the management of the partnership by taking part in the development of the principles and procedures and by conducting their business according to the agreed-upon mechanisms.

Principles and procedures:

Over time, the Opportunity Fund developed several central principles and procedures. These have been found to be a crucial component over the years in maintaining a strong and fruitful partnership.

The critical principles that were agreed-upon in the fund include:

- All major decisions will be reached based on a **consensus** of all the partners. This can often lead to a longer and more tedious decision making process as well as to the need of the partners to compromise. However, the benefits as far as commitment, “buy in” and ownership of the partners are much greater than the cost of reaching a consensus.
- **Equality** – any partner that has been accepted to the partnership will have the same privileges, responsibilities and voting power. The size of each partner’s investment does not grant additional privileges or power of vote.
- **Recognizing and providing the needs of each partner** – the partners understood that for the partnership to flourish, the members must be willing to acknowledge the unique needs of each partner and find the appropriate way to fulfil these needs. There is a need that each partner feels that they are benefiting from being part of the partnership. This requires a large degree of flexibility from each partner and a willingness to “give and take” around priorities of the fund.
- Providing full **transparency** regarding all the operations and data of the fund. All partners were welcomed to request and received any information they desired about the operations of the fund (see below in values).
- **Focus and flexibility** – the ability and need to remain focused on the mission while allowing for maximum flexibility to meet all the needs of the partners.



Managerial tools to manage and maintain the partnership:

The partnership utilized a wide array of mechanisms to maintain the partnership. Each of these tools had their unique contribution to the success of the partnership. These mechanisms included:

- **Periodic 1:1 meetings with each of the partners.** These meetings were conducted by the chair of the board and the professional team. The meetings were often part of the process of preparing the partners for board meetings or when there was a need to conduct in depth discussions about policy or situations arising in the field. The “one on one” meetings provided a platform and space for each partner to receive more detail in those areas that had special importance for them.
- **Board meetings** – while originally planned to be held 4 times a year, the fund found that at least in the first years of operation there was need to hold monthly or bi -monthly meetings in order to develop the necessary knowledge base, common language, consensus and cohesion between the partners.
- **Sub-committees** around specific central issues (target groups, finances, media etc.). These were formed in the second year of operations, and allowed partners to have a more direct involvement and to contribute their expertise in areas that were important to them. Forming and maintaining the sub committees put an additional burden on the professional team but - where they functioned properly - were found to have a significant contribution.
- **Retreats** – the Opportunity Fund conducted an annual 2- 3 day retreat with the participation of all the partners. The retreats required a large investment of time and resources from each of the partners but all reported that these encounters were one of the most crucial mechanisms to promote the agenda of the partnership and the quality of the partnership itself. The retreats not only provided the platform for in depth analysis of the mission and partnership and the development of a common language but also advanced the type of intimacy that can only be achieved in face to face meetings.



3. Leadership:

Interestingly, in many reports on partnerships, this critical component does not receive an in-depth account and the place that it deserves.

The role of the leader in forming and maintaining a partnership is of utmost importance. The challenges he or she faces are ongoing and continuous.

There is no “school” where the potential leader can receive training for this role and it is often learnt by “trial and error.”

It is interesting to note that often, those characteristics that have assisted a leader in running his/her own organization are an obstacle in leading a partnership.

In the case of the Opportunity Fund, the chair of the partnership could bring a set of skills and abilities that allowed the partnership to flourish. The three key elements of the partnership leadership that can be categorized as crucial in ensuring the “smooth” operation of the partnership - and can be grouped into three main and inter-locked components: Professional expertise; people skills and; personal traits.

PROFESSIONAL EXPERTISE:

- Professional and respected in the topic area of the partnership
- Focused, with vision, situational assessment abilities, decision making capabilities
- Builds consensus, motivates, enhances team development
- Balances between macro and micro management
- Crisis management – able to avoid and/or put out “fires”
- Connects between board + backbone – sets boundaries, protects interests, manages conflict

PEOPLE SKILLS:

- Is the “glue” of the partnership (formal and informal)
- Is the “face” of the partnership
- Is hands-on and aware of partnership dynamics (visible and non-visible)
- Balances and juggles between different partner needs
- Maximizes the potential of the board and each team member
- Provides each partner a place and sense of uniqueness

PERSONAL TRAITS:

- Believes in the value and importance of the partnership
- Passionate and daring to forward the mission
- Willing to deal with those issues and tasks that nobody is willing to touch
- Street smart – savvy, not naïve
- Humble, in control of ego
- High level of personal commitment, daily involvement
- Able and willing to listen



4. The professional team (the backbone organization)

The professional team not only has an important role in conducting the core business of the fund, but also plays a major role in building and maintaining the partnership.

This understanding is critical and demands the allocation of time and resources of the professional team to promise the smooth functioning of the partnership.

The partners all expressed the importance of the Chair and the professional time in leading and developing the partnership, and pointed to the following as key ways that the backbone organization contributed to the partnership:

Professional management of the partnership

- Being representative of all the partners in the partnership
- Building the gestalt of the partnership: joint language + procedures
- Knowing what and when to share data and information with the partners: being able to differentiate between the macro and micro
- Pre-board preparations and conversations for smooth and effective board meetings
- Flexible and adaptive to the needs and characteristics of each partner
- Manage the expectations of the partners

Individual traits and values and people skills:

- Mature
- Committed and enthusiastic
- Sensitive and respectful of partners
- Knowing how to set boundaries, being assertive and focused
- Understanding the important role of the professional team in contributing to partnership maintenance and involvement



5. Values:

While it might be easier for a partnership to determine the values upon which they would like to build their partnership – “values in theory” – it is more difficult to actually implement these values in day to day practice – “values in action.”

The partners had a deep belief that the Opportunity Fund must be a value driven entity and that they, as partners, must be an example of these values.

The values which were most dominant in the functioning of the fund, and were cited as the most important for the partnership included:

- Belief in the value of **partnership** and the importance in being an example to civil society and the government about how a partnership should be run
- Achieving a high level of **trust** between all the partners and between the partners and the backbone organization
- Demonstrating complete **transparency** regarding all aspects of the partnership (policy, data, meetings, finances etc.)
- Belief that **consensus** building is a cornerstone of partnership
- Upholding the highest level of **professionalism** and actively striving to conduct high quality processes in all aspects of the partnership
- Giving **respect** to all the partners and being **sensitive** to their needs as organizations and as individuals. Understanding the importance of developing high level inter-personal relationships
- Belief in the need to conduct **continuous learning** to be able to reflect on activities, to listen and be open to change
- **Focus and flexibility** as main values. Being able to determine the right balance between these two conflicting values



6. Perception of success in the core mission:

While this component might seem almost superficial, it does in fact have a strong impact on the strength of the partnership and the ability to overcome obstacles and differences from within and without.

The success of the project energizes the partners and reinforces their commitment. The partners feel they are receiving significant reward for their investment. When the partners share joint meaning and the high chance of success, it is easier to face challenges. This in turn helps the partners to “put aside” differences and to work harder to find solutions for problems that do arise. We all enjoy being part of a “winning team.”

The perception of success of the partnership by the outside world provides pride and prestige to the partners, which in turn strengthens the ability of the partnership to strengthen the commitment of their lay leadership and to recruit new members.

It is crucial to work on the organizational narrative and to project this sense of success both inwards to the organizations involved and to the outside world.

It is important to take into consideration that when a program is in danger of failing, this will place more pressure on the partnership and there will be a need to be more sensitive and put in more effort to hold the partnership together.



Summary

Cross organizational partnerships are becoming more and more prevalent in civil society as part of cross sectoral cooperation's. These types of initiatives are on the rise, which is not surprising in today's world, with the growing complexity of social issues, a significant growth in required funding and the growing demand by leaders to show a significant impact.

Partnerships of this type can have enormous impact on policy makers and on the field. They can also be an enriching and beneficial experience for the partners themselves.

However, these partnerships need to deal with a wide scope of challenges that can significantly influence and impact on the partnership.

This report has attempted to "capture" the essential challenges and lessons to be learnt from a cross-sector partnership striving to make a significant impact on a complex social issue.

Being able to build an effective WE instead of an I is both an organizational, cultural challenge and the ability to succeed should not be taken lightly! Success demands maturity and professionalism as well as time and effort to build the proper foundations for the partnership to flourish.

The Opportunity Fund is a good example of how a partnership can help ensure a greater impact on the government and the field. It also points to the added value that each of the partners can benefit from such an initiative.

The Opportunity Fund partnership was founded on a solid foundation. However, its long-term success was dependent on a process of continuous learning, trial and error and an ability to adapt and change when required. It took time and effort till the partnership could formulate and implement all the six ingredients that were found to be crucial for its success.

With this, this report also points to the complexity and challenges of building and maintaining such an international cross sectoral partnership. These challenges arise from the diversity of agendas, cultures and operational methods of the different partners.

Based on the experiences and practices utilized by the partners of the Opportunity Fund, six crucial components were identified:

1. Finding the right partners;
2. Managing the partnership;
3. Leadership;
4. Backbone organization;
5. Values and;
6. Perception of success.

It will be wise for potential partners, looking to build a cross-sectoral partnership, to examine each one of these components in depth and to understand their implication for their partnership. The strength of the partnership will be crucial to determine its ability to have a significant impact on the field.



Individuals interviewed for this report:

Members of the Opportunity Fund:

- Dr. Ronit Amit, Gandyr Foundation
- Meytal Brown Mendelewicz, Opportunity Fund
- Shlomit de Vries, Ted Arison Family Foundation
- Claire Hedwat, UJA – Federation of New York
- Steven D. Fleischer, Esq., UJA –Federation of New York
- Sara Kass, Yad Hanadiv
- Debra London, Sheatufim
- Hila Marmos, Opportunity Fund
- Nessa Rapoport, Charles H. Revson Foundation
- Adv. Yitzhak Sabato, National Insurance Institute Funds
- Juliet Sandorf, Charles H. Revson Foundation
- Efrat Shaprut, Opportunity Fund
- Yifat Shmuelevitz, Ted Arison Family Foundation

Representatives of Stakeholders:

- Yakov Amar, Authority for National-Civic Service
- Nitai Schriber, Gvanim Association
- Menachem Vagshal, Ministry of Social Affairs and Social Services