

Typology of Strategic Alliance Results

Result: Organizations are more informed about one another (Cooperation)

A long, complicated process is NOT necessary when two or more organizations want to share information, build parallel schedules, or share a project's costs. There is no need for broad visioning, and very often no need for board engagement. Many cooperative alliances are the purview of an organization's executive, since this cooperation focuses on daily operations.

For instance: two adjoining municipal parks departments want to publish summer athletic schedules that avoid duplication and invite broader participation. Last year they both offered boys' softball during Wednesday afternoons. There was no program for girls' soccer. By aligning schedules and sorting priorities the two cities were able to offer more options. The ensuing summer programs were very successful.

This alliance required some meeting facilitation and a coached conversation between the two city administrators. Each city continued to do its own marketing, administration and fiscal underwriting of the summer sports program.

Cooperation can make a difference to the service users. In addition, and perhaps more importantly, Wilder Research has clear evidence that more strategic alliances cannot be successful without a history of cooperative successes.

Result: Organizations execute tasks together (Coordination)

Sometimes it's simply smarter for two or more organizations to work together to complete a complex task. Coordination is NOT collaboration; coordination involves project planning, an elevated trust level among partner organizations, and usually some kind of financial or resource sharing. This kind of alliance often requires more widespread and deliberate coaching. For instance, if two organization mid-level administrators are excited to coordinate, they might need coaching to help upper management understand the implications, benefits and costs of such coordination.

For instance: Six social service agencies had soaring costs for deaf interpreters and Spanish language interpreters. They formed an alliance that created an “interpreters service bureau” to consolidate personnel, background checks, insurance, scheduling and compensation. Each partner organization exposed their standard operating procedures, costs and evaluations of interpretation services they were currently using. Each organization dedicated its existing budget for interpreters to a common pool; they wrote a common grant to get bridge financing. Eventually, they jointly operated a service bureau that dramatically decreased the cost of any individual interpretive assignment.

When two or more organizations know what specific task they want to work on together, coordination strategies allow them to move more quickly than using complex collaborative processes.

Result: Organizations make changes to infrastructure and systems (Collaboration)

When partners collaborate they are agreeing to change the system. A system is made up of organizations that provide the same or related services in a geographic area to similar users. When you change the way one organization offers services, you change the system. Therefore, collaboration implies that individual organizations will change themselves.

Collaboration creates new, efficient service delivery at a higher quality which replaces the “old way” of doing things. The “old way” evolved over time and circumstance; collaboration helps organizations make sense of the resources and knowledge that exist today.

For instance, many communities already have a healthy collaboration among fire departments. Years ago, fire chiefs called upon one another to help at the time a serious emergency occurred. Today, most neighboring fire departments have “joint response compacts”: a series of systems designed to call everyone together in an organized response to an emergency one department cannot handle alone. This requires firefighters to answer to the first captain on the scene, whether or not it is “our” captain; joint training; integrated phone and IT systems; and collaborative crisis response plans.

This kind of alliance requires City Council members to knowingly concede complete control of their fire department to a power-sharing model. Collaboration requires an organization to commit to interdependence with another organization. Steps include: defining desired results; mapping the existing system; scoping out opportunities to use existing resources differently; engaging leadership in a change strategy; preparing service delivery staff for changing standard operating procedures, and — importantly — engaging service users effectively.

Result: Organizations unite specific functions or parts of different agencies (Consolidation)

In the past, consolidation was not a consideration for strategic alliances. Consolidation occurred when an organization failed, and another agency took over. Today, alliances are considering consolidation to manage marketplace pressures, regulations, and service demands.