

FINDINGS FROM THE 2010 ASSESSMENT

The Office of Foundation Liaison (OFL) was established in April 2003 to identify opportunities for partnerships between state government and philanthropic entities. Originally focusing on early childhood development and land use management, OFL priorities expanded to include economic/workforce development, health outcomes, and education. OFL has determined key goals to guide its work within these priority areas:

1. To increase state officials' understanding of philanthropy and to identify opportunities for partnering with state government.
2. To support models that will improve efficiency and/or effectiveness of state government.
3. To respond to opportunities for new local and regional public/private partnerships to serve people in the implementation of government programs.
4. To attract new national grants and federal funds to Michigan.
5. To establish and quantify the work of the state office.

Why Conduct an Assessment?

This is the third assessment of OFL conducted by the Community Research Institute (CRI) at Grand Valley State University. The purposes of the previous assessments (2005 and 2007) were 1) to determine the extent to which key stakeholders within state government and philanthropy were utilizing OFL and 2) to examine how resources were used to accomplish tasks among various priorities. As with these previous assessments, the current one is based on a logic model grounded in OFL's goals and provides a snapshot of OFL, at given points in time.

There are four goals of the current assessment:

- To document the evolution of OFL over time, including how the role and activities have changed

- To identify the key success factors for OFL
- To describe the nature of the relationships OFL has developed
- To explore stakeholder views on how OFL might best support and respond to the upcoming change in the state administration

The remainder of this report describes the assessment methodology and then provides the data that address each of these questions.

How Was the Research Conducted?

The report reflects work that was conducted in 2010 utilizing data from 2009 and 2010. Three main sources of data were used. In April of 2010, a web-based survey of stakeholders from state government, philanthropy, and related sectors was conducted to gather data on these stakeholders' work with OFL. The second source of data was a database in which OFL staff track the time they spend on various activities. Three months of activities (April – June 2009) were analyzed by coding them into categories developed for the 2007 assessment so that comparisons over time were possible. The third source of information was interviews conducted with 14 OFL stakeholders during May and June 2010. Additionally, OFL staff provided extensive background and their perspectives on the current work in order to develop this assessment.

Survey Respondents

A total of 101 responses to the survey were received, out of 238 sent, for a response rate of 42.4%. Exhibit 1 shows the distribution of respondents by sector; there was good representation across the sectors.

Exhibit 1: Survey Respondents by Sector

Sector	%
Government	35.0
Foundation	49.5
Nonprofit	10.3
Other	5.2

Interviews

Interviews were completed with 14 stakeholders. These included 2 from state government, 8 from foundations, and 4 from non-profits. Several state government employees indicated that due to time constraints, they were unable to take part in an interview.

Database Analysis

In order to complete the analysis by early 2010, we analyzed data from the previous year. Three consecutive months in 2009 were chosen for the analysis of the activity database. In order to avoid holiday and vacation months, we selected April – June. Individual activities are recorded in the database; these were coded into 6 categories (facilitation, networking, outreach, prospecting, administration and research).

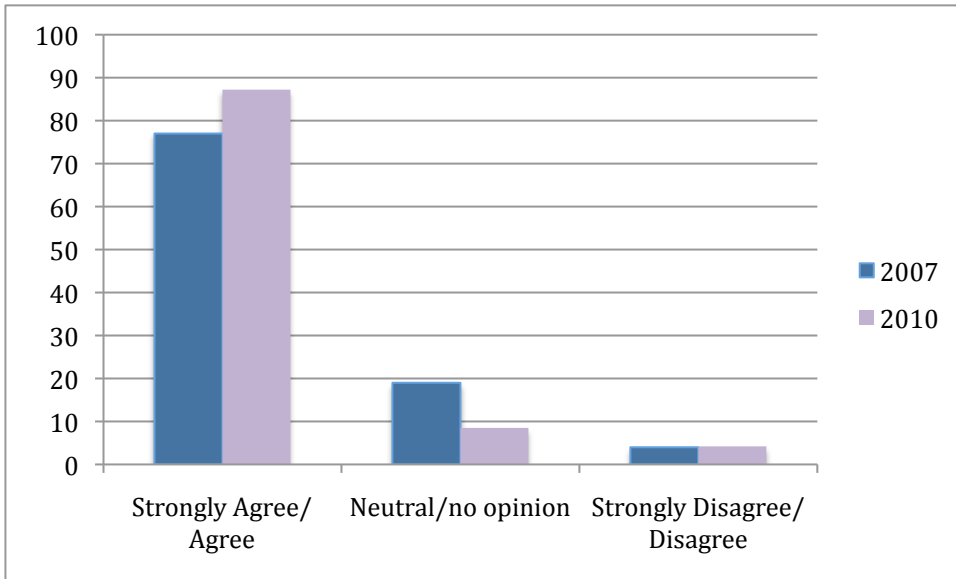
Using the 2009 time period has the added benefit of data from an interim point in time (between the 2007 and 2010 surveys and interviews) providing some additional evidence about the consistency of the direction of change.

Assessment Question 1: How has OFL evolved over time?

In initial conversations, OFL staff indicated that they believed their work had changed from convening large meetings to more coaching and smaller meetings, often around a particular opportunity. They initially spent a lot of time building a network of foundations and government agencies, and were now able to use that network to quickly connect the right people to opportunities. In order to inform understanding of how OFL's role changed over time, data from all three sources (survey, database analysis, and interviews) were analyzed.

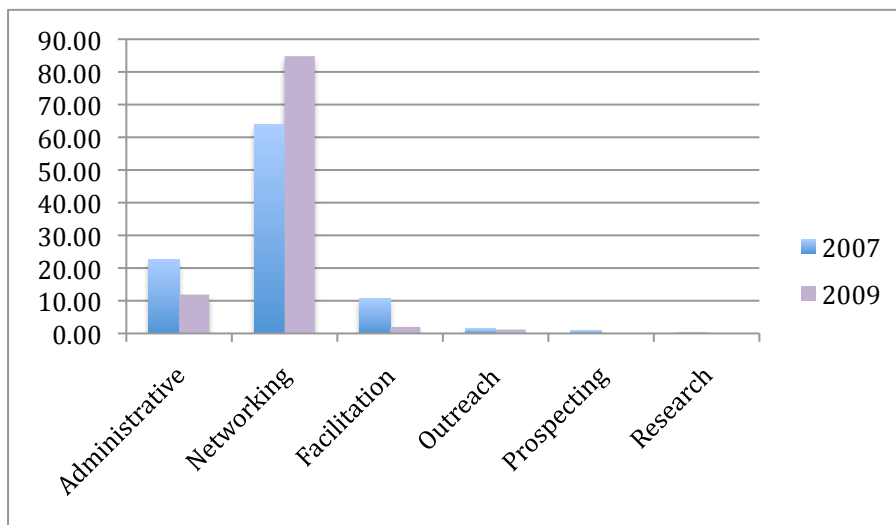
One thing that has **not** changed over time is survey respondents' belief that OFL has increased partnerships. In the 2007 survey, 77% agreed or strongly agreed that, "The Liaison Office has increased government/philanthropy partnerships." In 2010, this increased to 87%.

Exhibit 2: “I feel the Office of Foundation Liaison has increased government/philanthropy partnerships.”



Analysis of the activities database revealed changes in the amount of time spent on various tasks. From 2007 to 2009, there was a shift from administrative and facilitation tasks to increased networking (Exhibit 3).

Exhibit 3: Percent Time on Activities 2007 and 2009



Interviews with key stakeholders further support that OFL has increased its networking activities. When asked if and how their work with OFL has changed over time, these

stakeholders observed that they are having more one-on-one conversations, having meetings targeted to specific opportunities, calling upon the Office to help work across levels of government as well as with foundations, and getting information about who to talk with about issues. As one respondent put it, “We stopped talking about the work and started doing it.” Another stated, “It’s gotten closer and a lot more intense.”

Finally, the survey respondents were asked to indicate how they worked with OFL. Approximately 50% indicated that they had interacted with OFL in ways that are consistent with OFL’s networking role (Exhibit 4).

Exhibit 4: Types of Interaction With OFL

OFL provided me with advice on how to approach certain projects or people	49.5
OFL advised me on whom to talk to about specific issues and topics	48.5
OFL connected me with other people working on issues of concerns to me	48.5
OFL brought new issues to my attention	51.5
OFL consulted/brainstormed with me on issues and ideas	50.5

Entities and individuals who connect across organizations are referred to in the business management literature as “boundary spanning” organizations. They span across organizational boundaries to share information and resources. Taken as a whole, the data suggests that OFL has evolved from an organization that helps to span boundaries between sectors into one that is creating and maintaining a dense network of relationships. These relationships have led to an ability to flexibly respond to emerging opportunities.

Assessment Question 2: What have been the key success factors for OFL?

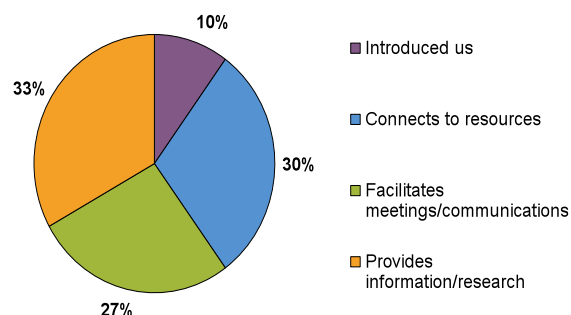
Interviewees were asked to identify the strengths and areas of improvement for OFL. These stakeholders almost all cited the connecting (networking) role played by OFL. The ability of the staff to convene both government and philanthropy, to build trust, and to be able to translate across sectors were also regularly cited. Three respondents mentioned structural factors; these were its nonpartisan nature, access to the governor, and the positioning in the policy office.

Survey respondents were asked which of several roles OFL staff played in creating partnerships in certain issue areas.

Across all of these areas (e.g., K-16 Education, Economic/Workforce Development, etc.), approximately half of respondents reported that OFL played a key role (Exhibit 5).

These data again highlight the networking role of OFL as key to the successes they have had. Conversely, the only area of possible improvement (noted by 2 interviewees) was the need to keep the communication flowing more quickly as things change – in other words, to network more frequently.

Exhibit 5: Role of OFL in Stakeholder Partnerships

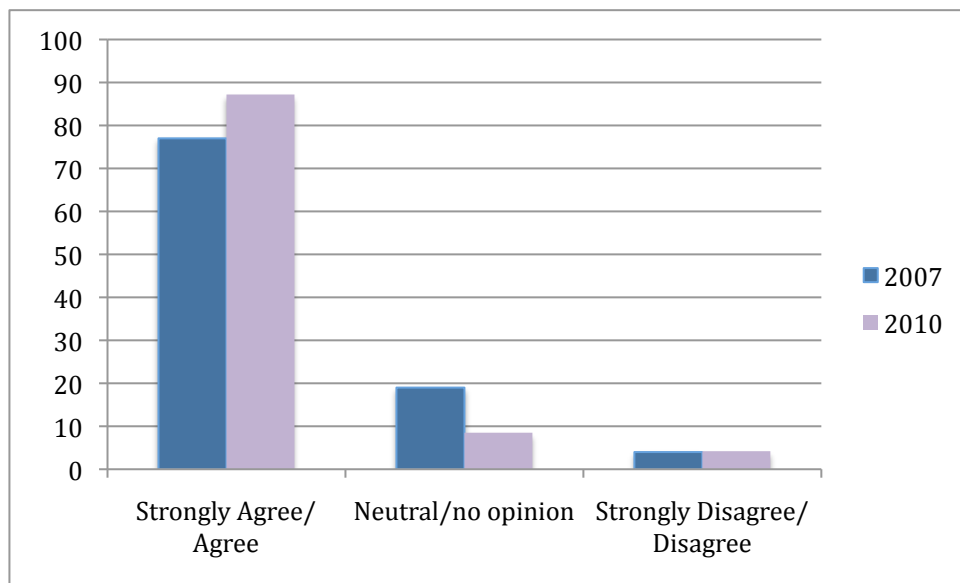


Assessment Question 3: What is the nature of the relationships OFL has developed?

In order to get a clear picture of how OFL has worked with government and philanthropy, the interview data was analyzed to identify more specifically the ways in which OFL worked with these stakeholders. Interviewees gave details about how OFL worked on specific projects. These included convening meetings with foundation and government partners, problem-solving by trying to identify common interests and explaining the two sectors to each other, coordinating responses to federal funding opportunities, and linking with funders outside of Michigan. One person noted that their organization had just been awarded a \$3 million grant from an out-of-state foundation, based on an introduction made by OFL.

Survey data provide another picture of the relationships OFL has developed. The great majority of respondents believe that OFL has increased government/philanthropic partnerships; this has increased between 2007 and 2010.

Exhibit 6: “I feel that OFL has increased government/philanthropic partnerships in the past four years.”



Survey respondents also indicated how frequently they used various means of interacting with OFL. Exhibit 7 shows the percent of respondents who reported “frequently” or “occasionally” having each type of interaction.

This pattern of interactions continues the theme of OFL as a networker, using a variety of approaches to maintain communication flow.

Exhibit 7: Percent Reporting “Frequent” or “Occasional” Interactions

Informal, one-on-one	23.3%
Conference Call	17.0%
Small Meeting	19.2%
Large Meeting	16.4%
Email	24.0%

Assessment Question 4: How can OFL support the upcoming transition?

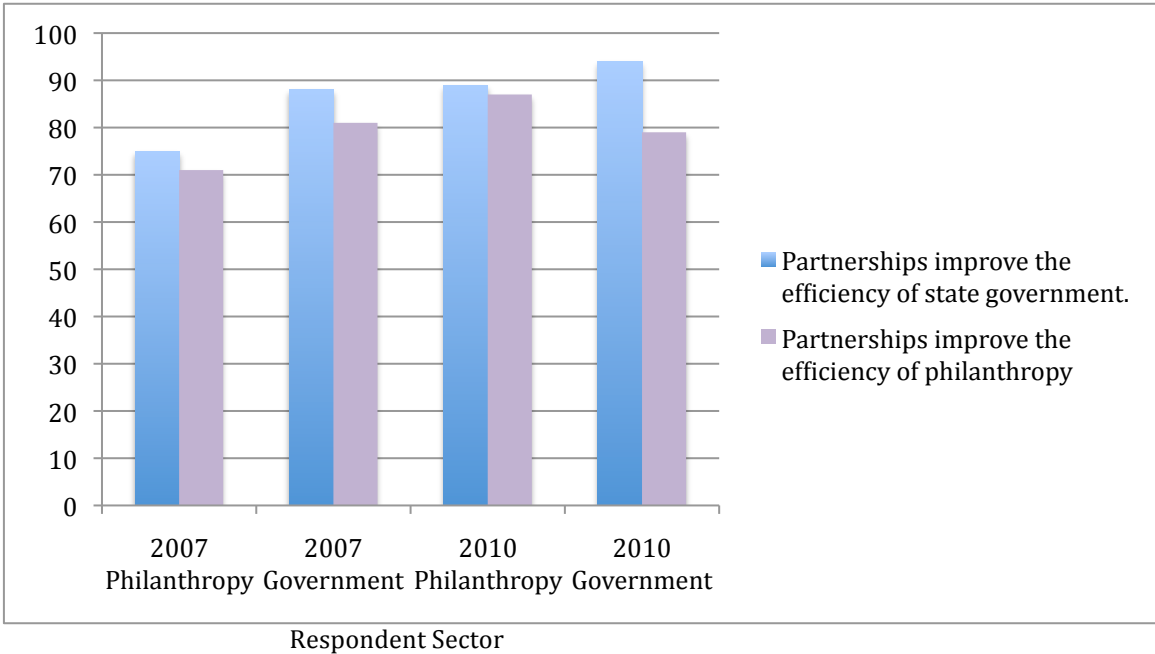
Interviewees were directly asked this question, along with what advice they would give a new administration about OFL. Advice to the new administration included using the OFL strategically, rather than tactically, and keeping the Office as part of the governor’s policy office. Universally, interviewees were supportive of OFL continuing into the new administration, most enthusiastically so. Comments included:

- Before the election, meet with all candidates
- Continue working with deputies below the appointed level
- Keep momentum going
- Be a source of stability and continuity in relationships with funders
- Be aggressive in first couple of months about meeting and introducing new staff to foundations
- Use Advisory Committee and nonprofits that have benefited to convey the importance of OFL

Several interviewees suggested being able to convey the successes of the office was critical. In the current economic climate, being able to create efficiency is particularly important. Survey respondents reported they believe that government/philanthropic

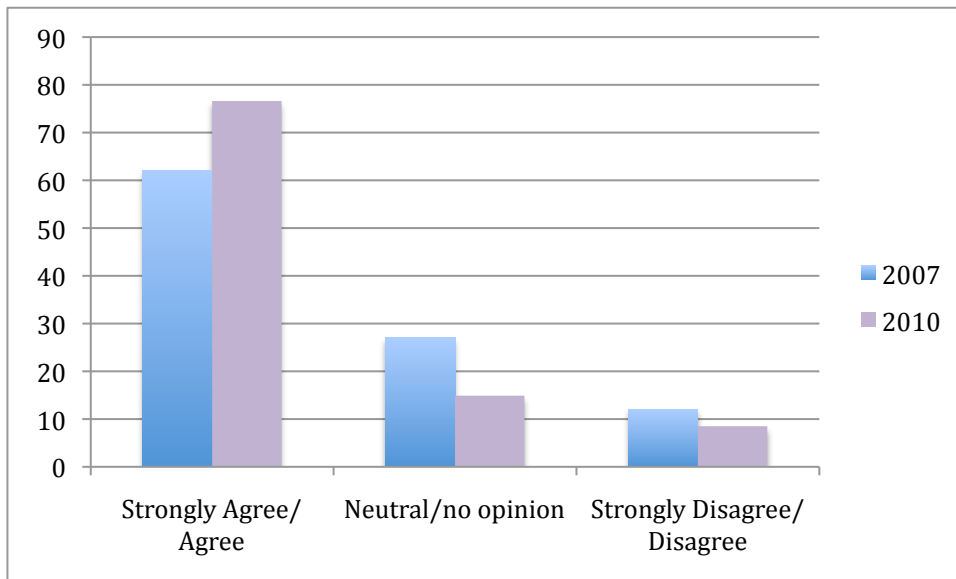
partnerships can increase efficiency. Interestingly, respondents from each sector were more likely to say that these partnerships increased their own sector more than the other sector (Exhibit 8).

Exhibit 8: Perceptions of Impact on Sector Efficiency by Percent Agreeing or Strongly Agreeing



The OFL has also had an impact on bringing outside resources into the state, according to the survey respondents. As shown in Exhibit 9, more than three quarters of the 2010 respondents agree or strongly agree that OFL has leveraged outside funding, up from just over 60% in 2007.

Exhibit 9: “The Office of Foundation Liaison has leveraged outside funding.”



Conclusions

Data from a variety of sources confirm that OFL has evolved into an important networking agent for government and philanthropy. Based on the initial groundwork laid through large meetings and communicating about its function and capacities, OFL is now a place where government and foundations go for information, advice, and to be connected to others.

Both sectors believe that partnerships contribute to increasing their efficiency and that OFL has played a key role in building these partnerships. OFL has also led to bringing in funding from outside the state. Most recently, in May 2010, a Michigan nonprofit received a \$3 million grant from a foundation outside the state.

By using a toolkit of different ways of working – including informal coaching, email updates, hosting meetings and helping to set agendas – OFL has become an entity that is now seen as a national model for collaboration. A number of factors, including the breadth and depth of philanthropy in the state, make the Michigan situation unique. However, the overall strategy of networking to create sustainable cross-sector partnerships is a critical component of the model for those emulating it to consider.

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