

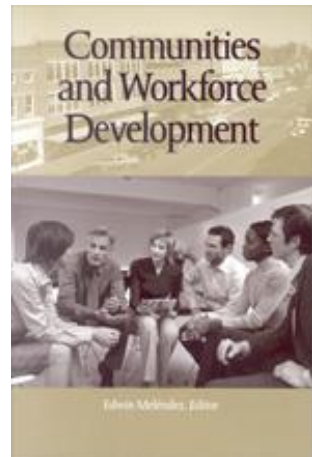
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# Interorganizational Networks among Community-Based Organizations

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# 12

## Interorganizational Networks among Community-Based Organizations

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In recent years there has been growing interest among community-based organizations (CBOs), foundations, governments, and academics in examining the role and impact of CBO collaborations (or interorganizational networks) on organizational resources, on program capacity, and on the outcomes of participants in community-based workforce development programs.<sup>1</sup> Harrison and Weiss (1998a), for example, argue that network formation and maintenance are central to the development not only of successful organizations but also of employment training and workforce development programs. Their analysis focuses on organizational networks between programs and employers, community colleges, government agencies, and other CBOs, and it raises particular questions about the kinds of practices that lead to the formation of successful networks between CBOs.

This chapter examines the factors related to the development of interorganizational networks (or collaborations) among community-based organizations engaged in workforce development programs and initiatives.<sup>2</sup> Based on material from case studies and on a review of the literature, I discuss two questions:

- Why do CBOs enter into networks with one another? Here I focus on some of the internal and external reasons (mostly government- and funder-related) why CBOs seek to collaborate with one another on workforce development programs and on other service and program initiatives.

- What are some of the important factors associated with the formation and management of successful networks between community-based organizations engaged in workforce development and other community initiatives?<sup>3</sup>

The chapter begins with a review of the literature on what are variously called interorganizational relations (Galaskiewicz 1985), workforce development networks (Harrison and Weiss 1998a), alliances (Ferguson and Dickens 1999), or collaborations (Mattessich and Monsey 1992). The literature is quite fragmented (Ferguson and Dickens 1999; Galaskiewicz 1985), and in this chapter I discuss four related areas of research. The first is research on networks in formal organizations (Galaskiewicz 1985; Podolny and Page 1998); the second is research on collaborations (Mattessich and Monsey 1992; Winer and Ray 1997); and the third focuses more specifically on CBO collaborations (Keyes et al. 1996; Ferguson and Dickens 1999; Pitt, Brown, and Hirota 1999). Finally, I discuss research on workforce development networks (Bonavoglia 1999; Harrison and Weiss 1998a; Meléndez 1990; Meléndez and Harrison 1998).

Following the review of the literature, I use material from several case studies to discuss the most important factors in the formation and management of successful interorganizational networks. The case-study material comes from interviews with program managers and from an analysis of documents and reports on the Comprehensive Community Revitalization Program (CCRP) in the Bronx (OMG 1994, 1995; Spilka and Burns 1998a, 1998b; Sviridoff and Ryan 1996) and the Neighborhood Strategies Project (NSP) in New York City (Bonavoglia 1999; Pitt, Brown, and Hirota 1999). It also examines the efforts of the Center for Employment and Training (CET) in New York City to establish and develop networks with programs in both CCRP and NSP initiatives. These case studies exemplify recent attempts to build networks among CBOs engaged in workforce development, and they also illustrate some of the opportunities for and challenges to research, practice, and program development. The chapter concludes with some suggestions for future research on CBO networks and the role of organizational resources, practices, structures, and networks on the outcomes of participants in CBO programs.

## **THE LITERATURE ON WORKFORCE DEVELOPMENT, COMMUNITY-BASED ORGANIZATIONS, AND NETWORKS**

In spite of a growing literature on the evaluation of employment and training programs (Friedlander, Greenberg, and Robins 1997; Gueron, Pauly, and Lougy 1991; Manski and Garfinkel 1992), there is relatively little research on the role of community-based organizations in general or on the characteristics, processes, resources, and practices of such organizations in particular. Few studies have looked at the outcomes experienced by participants in these kinds of community-based programs. It has only been in recent years, partly prompted by a trend toward devolution and by other changes in welfare and employment training and in workforce development policy, that researchers have focused attention on the role that community-based groups, organizations, and service providers play in the workforce development system (see Harrison and Weiss 1998a,b,c,d; Meléndez 1996, 1997).<sup>4</sup>

In their seminal work, Harrison and Weiss and their collaborators (1998a,b,c,d) argue that traditional research and program evaluation of workforce development programs focused overwhelmingly on the characteristics of participants in the programs and on supply side interventions. This came at the expense of a sophisticated analysis both of the demand (or employer) side of the labor market and of the institutional processes, practices, opportunities, and constraints encountered by community-based organizations. The CBOs were trying to adapt, mediate, and respond both to the employment needs in their communities and to their institutional social, political, and economic environment. Harrison and Weiss and their collaborators (1998b,c,d) make the case that an analysis of the history and structure of community-based organizations and of the nature of their interventions was missing from labor market research. This limited our understanding of which kinds of interventions work, why they work, and the ways in which many CBOs help to match supply and demand by recruiting participants, training them, and placing them in jobs.

The three volumes of case studies reporting on their research (Harrison and Weiss 1998b,c,d) focus predominantly on the history and development of CBOs engaged in workforce development. They demonstrate how there are many organizations around the country that have created internal and external networks involving central institutions in

the workforce development system. Through such networks, these organizations have been able to increase the employment of their clients and have themselves grown to become important actors in the local workforce development system. In the book summarizing their research, Harrison and Weiss (1998a) stress the importance of network formation and maintenance to the development of successful organizations and employment training programs. They assert that “the most effective CBOs—those that have shown themselves to be able to arrange skills training and placement for a nontrivial number of neighborhood residents into jobs paying above poverty-level wages, simultaneously enhancing both participants’ sense of self-worth and the reputation of the CBO—are those that are good at, and assign a high priority to, networking across organizational and territorial boundaries” (p. 2). The main organizational workforce development networks that they study are those between CBOs and 1) employers, 2) other community-based and nongovernmental organizations, 3) educational institutions, and 4) public sector institutions and government.

Harrison and Weiss (1998a, p. 7) note that most of the theory that shapes their analysis of community-based workforce development networks and organizations is guided by the literature on corporate strategy and regional economic development. Podolny and Page (1998) find that the network form of organization has a number of advantages over purely hierarchical or purely market (i.e., competitively) arranged organizations. Their analysis of firms and of corporate networks suggests “that network forms of organization foster learning, represent a mechanism for the attainment of status or legitimacy, provide a variety of economic benefits, facilitate the management of resource dependencies, and provide considerable autonomy for employees” (p. 57).

Focusing more specifically on community-based organizations, Mattessich and Monsey (1992) have done the most extensive reviews of the literature on CBO networks built around social services.<sup>5</sup> They define a collaboration as “a mutually beneficial and well defined relationship entered into by two or more organizations to achieve common goals” (p. 7). Collaborations are “more durable and pervasive relationships,” the authors suggest, and they “bring previously separated organizations into a new structure with full commitment to a common mission.” The authors see three distinct types of relationships: collaboration (formal), coordination (informal), and cooperation (project-specific; see Note 1).

Mattessich and Monsey find 19 factors related to successful collaborations and group them into six categories: 1) factors related to the environment, 2) issues of membership, 3) matters of process and structure, 4) communications, 5) purpose, and 6) resources. Each category includes several subtopics. For each subtopic, I include in parentheses the number of studies in the authors' review that mentioned this as a factor. In terms of the *environment*, their review of the literature suggests that there are three important factors related to successful collaborations. The first is a history of collaboration in the community (6). In his review of the literature on interorganizational relations, which focuses on resource procurement and allocation, political advocacy, and organizational legitimization, Galaskiewicz (1985, p. 292) finds that coalition building around political advocacy is dependent on linkages to the community. The second factor given by Mattessich and Monsey is that groups involved in the collaboration are perceived as leaders in the community (3). The third factor is a favorable social and political climate (3).

In terms of *membership*, Mattessich and Monsey find that respect, understanding, and trust between the organizations and an appropriate cross section of members (11) were cited in a majority of the studies they reviewed as being important to the success of collaborations. The other two factors related to membership were that the members must see that it is in their self-interest to participate or perceive that their organization or their clients have something specific to gain from the collaboration (6) and that the organizations have an ability to compromise (3). In terms of *process and structure*, Mattessich and Monsey find several important factors mentioned in the literature. The first two are that the members share a stake in the process and the outcome (6) and that there are multiple layers of decision-making (6). They also find that flexibility (4), developing clear roles and policy guidelines (4), and adaptability (3) relate to process and structure in successful collaborations. In the area of *communications*, Mattessich and Monsey find that open and frequent communication (9) and established formal and informal communication links (5) are central to efficient and successful collaborations. With respect to *purpose* of activities, the literature suggests that in order to be successful a collaboration has to have concrete and attainable goals and objectives (5), and that the groups involved in the collaboration need to have a shared vision (4) and need to see it as

achieving a unique purpose (3). Last, in terms of *resources*, Mattessich and Monsey find that sufficient funds (8) and a skilled convener (7) are important factors related to the success of collaborations.

In their study of community development corporations (CDCs), Keyes et al. (1996, p. 202) argue that nonprofit organizations do not exist in a vacuum; “they survive and prosper when they are part of a network of organizations that support and undergird their activities.” These institutional support networks are crucial to the development of social capital and to the successful operation of these organizations, say the authors: social capital sharing networks among nonprofit organizations are more likely to be sustained (and therefore successful) when there is a long-term relationship of trust and reciprocity, a shared vision among the organizations, mutual interest in the network, and a financial nexus that ties the groups together. They also find several challenges confronting CBO support networks (p. 219), including 1) uneven development, 2) what they call the dangers of offering overly aggressive supports, 3) competition and conflict among networks that support different visions and types of organizations, and 4) the need to spend resources on the fiscal and managerial stabilization of more troubled programs.

In the conclusion to their book, *Urban Problems and Community Development*, Ferguson and Dickens (1999) recognize the lack of research on CBO networks, particularly in the areas of community economic development and workforce development, and state that the literature on alliances is scarce and fragmented. “Despite the importance of alliances,” the authors say, “there are no standard frameworks in urban change or community development studies for guiding the analysis, design, implementation, or evaluation of alliance building processes” (p. 590). The essay attempts to organize the fragmented literature and suggests more research on CBO alliances (what I call interorganizational networks).

Following their sociological treatment of organizations, Ferguson and Dickens find that there are several stages in the development of CBO networks and that “trust is a factor at every stage of alliance development.” They suggest that networks come into being only after organizations can affirmatively answer four questions:

- 1) Can I trust my allies’ motives?
- 2) Can I trust their competency?
- 3) Can I trust their dependability?
- 4) Can I have confidence in their collegiality?

If the answers to all four of these questions are satisfactory, then the network has a chance to establish itself and begin to work on its goals. The conditions listed by Ferguson and Dickens could be seen as factors related to the formation of networks, but when it comes to networks' development, maturation, and renewal, other factors come into play.

The authors enumerate five dichotomies in the development of alliances: 1) trust versus mistrust, 2) compromise versus conflict or exit, 3) commitment versus ambivalence, 4) industriousness versus discouragement, and 5) transition versus stagnation. During the first stage participants get to know one another and build trust between their organizations at the various levels of leadership. In the second phase, the participating organizations search for agreement on the goals of the network and hold discussions on how the network will be structured and will operate. During the third phase, the participating organizations work on solidifying their roles, developing the set of tasks that they will carry out within the network, and resolving any conflicts and issues that might arise out of their initial participation in the network.

In the fourth phase, industriousness versus discouragement, the network goes through "growing pains." During this trying time, participants must experience some initial payoffs if the network is to succeed. Ferguson and Dickens (1999) suggest that at this stage several obstacles can arise which may affect the survival of the network: "unexpected lapses in funding, unsuccessful leadership transitions, malfeasance, incompetence, failure by some members to perform their responsibilities, unexpected delays, and uncontrollable events that destroy past progress" (p. 603). If the organizations in a network are able to negotiate and overcome these obstacles, then the network enters the final stage, transition versus stagnation. At this stage the network continues to work on its original goals and demonstrates (or fails to) its ability to adapt to a changing environment. The network must have the flexibility to transform itself to respond to the changing characteristics and needs of the various organizations involved and the communities and constituencies it serves.

The growing literature on CBO networks and workforce development presents us with a number of hypotheses and generalizations about why organizations enter into networks (Ferguson and Dickens 1999; Harrison and Weiss 1998a; Pitt, Brown, and Hirota 1999), the various stages in the development of networks (Ferguson and Dickens



1999), and the factors that are associated with successful collaborations (Mattessich and Monsey 1992). In the next section I draw on material from three New York City case studies—the Comprehensive Community Revitalization Program (CCRP) in the Bronx, the Neighborhood Strategies Project (NSP), and the Center for Employment and Training (CET)—to inform our reading of the literature and to examine and illustrate the main factors related to the formation, development, and management of successful interorganizational networks.

### **THE FORMATION AND MAINTENANCE OF INTERORGANIZATIONAL NETWORKS**

In general terms, my analysis of CET and CCRP and my research on the activities of other organizations suggest that there are five key roles that CBOs (and broader, collaborative-based comprehensive community initiatives) have played, and can continue to play, in workforce and community economic development (Stone 1996). The first role is to serve as a source of program development, funding, and management. The second is to stimulate the creation of organizational networks between CDCs, CBOs, and other actors (within and outside of the community) in the workforce and community economic development system. These may include employers and corporations, foundations and other funders, educational and training institutions (schools, community colleges, universities), government agencies and officials, the nonprofit sector, and other CBOs or business groups. Third, they can stimulate the gathering, analysis, and use of information on program processes, interventions, and outcomes.

The fourth role of CBOs is to serve as a job matching service between employers and community residents. Organizations do this by seeking resources to develop programs that pair individuals from the community (according to their skills, interests, and experience) with employment opportunities received by the organization from direct employer requests or developed through formal and informal organizational and individual contacts. Finally, CBO networks serve as an advocate for community residents and an intermediary between them and their community-based organizations, other outside organizations, governmental and nongovernmental agencies, and other communities.

In the area of workforce development, community-based organizations are also involved directly in adult education, general skills and occupation-specific vocational training, career counseling and development, resume preparation, job interview skill development, job placement, and post-placement support services (including, in many instances, placing the same individual in another job).

These CBO activities contribute directly to the creation of jobs for residents in the community and also contribute to job creation and community economic development by managing and building connections and, ultimately, working networks between actors and institutions; by providing resources, information, and support services for community residents; by providing information and support for research and planning; by improving the social climate; and by building and maintaining the social and physical infrastructure and the human resources of low-income communities.

### **Why Do CBOs Enter into Interorganizational Networks?**

In their volume on workforce development networks, Harrison and Weiss (1998a, p. 40) suggest that there are several reasons why CBOs network with one another. Groups seek to work together when 1) the projects involved are too risky for one organization, 2) no single organization has the internal capacity to provide an adequate service, 3) key information leading to success is located in other organizations and cannot be easily acquired or purchased, 4) they seek to expand their services and move into other areas for which they need access to local resources and knowledge of local conditions, 5) no single group is sufficiently large to attract a diverse pool of vendors and suppliers and to bring the project to scale, and 6) gaining legitimacy in the eyes of other actors in the system requires a structure wherein various stakeholders participate in the decision-making process.

Similarly, in their evaluation of the Neighborhood Strategies Project (NSP), a set of CBO networks in three New York City neighborhoods, Pitt, Brown, and Hirota (1999) discuss some of the reasons why organizations develop networks with one another. Their report lays out four concrete benefits to network formation. The first is that by putting organizations in contact with one another, networks help to stimulate new organizational perspectives on and approaches to community prob-

lems. Second, networks strengthen organizational capacity by giving individual organizations that are part of a collective access to resources and technical assistance they might otherwise not be able to secure. Third, organizations enter into networks to enhance and expand their contacts and opportunities. By working with other organizations, CBOs are able to develop strong ties to other groups and increase the number of connections, or weak ties, that they have with the various constituencies in the community. Finally, networks help organizations leverage resources, which enables them to be more efficient by combining their limited resources and assets with those of other organizations and using those ties to secure additional resources and funding.

Our case studies, review of reports, and reading of the literature suggest that there are three broad sets of reasons why community-based organizations seek to collaborate with one another: internal organizational reasons, funder-related reasons, and government-related reasons (see Table 12.1). Internal factors are mostly related to the evolving needs of the organization and its clients. Funder-driven reasons involve agencies collaborating to apply for funding, or a funder seeking a collaborative to develop a particular program or initiative. Similarly, organizations form a network in order to apply for funding from a government agency, or an agency seeks a collaborative to develop and carry out a particular program.

### **Internal reasons**

Our interviews brought out several internal reasons why CBOs enter into networks with one another. The case study materials highlight these reasons. The first involves client driven pressure to expand the quality and number of services they provide, to expand their portfolio of activities and programs, or to expand their services into other geographical areas. Second, organizations collaborate as a way to acquire expertise from others (and share their own resources with others) facing similar circumstances and serving similar or related populations. Networks can provide more resources to fund staff and activities. Third, organizations collaborate as a way to reduce or share the costs of program management and related activities, or because they perceive that networks will give them access to a broader range of opportunities for program development and funding. And fourth, organizations col-

laborate in order to enhance their visibility and the reputation of their programs in the community.

### **Funder-related reasons**

As we have noted, agencies sometimes collaborate to apply for funding, or a funder seeks a collaborative to develop a particular program. For funders, collaboration can be a way to bring scale to projects when there is no one agency with the capacity to provide the services. It can also be a means of creating affinities (or synergies) between groups and organizations working on common problems in similar communities (or in the same one). Funders also use collaborations as a way of disseminating contracts among a number of groups, organizations, and service providers, thereby spreading the scope and visibility of their interventions and enhancing organizational learning while also diffusing and minimizing the risk of failure. Foundations seek to work with collaboratives because they can help deliver programs and services to numerous constituencies, engaging a variety of sources of community-based knowledge, expertise, and experience.

In many of our interviews, when we asked organizations to give us examples of networks that were not working or were breaking down, we were told that when organizations are matched by an outside agency (like a foundation) because the outsider thinks that the organizations will be able to work well together, they often end up not working well. This does not mean that funders or intermediaries cannot come in and make good matches. The point is rather that outsiders should not assume that the matches they make are going to work well unless the organizations involved work hard at building a solid relationship and developing trust. When funding is the main factor that brings groups together, programs may languish (partly owing to lack of leadership or direction) and relations are likely to break down. In contrast, when organizations come together because they share goals, experiences, methods, perspectives, and sometimes practices, the network is more likely to work better and the programs are more likely to be sustained. Rather than trying to match specific agencies, intermediaries and funders should focus on creating the conditions for organizations and programs that are at the cooperation or coordination stage (and have an interest in or previous experience working together) to form an interorganizational network.

**Table 12.1 Why Do CBOs Develop Interorganizational Networks?**

Reason	Importance
<b>Internal reasons</b>	
To enhance services or expand portfolio	Organizations recognize that their clients have multiple needs, often for comprehensive services.
To move into other areas	Agencies sometimes expand their geographical focus to respond to the needs of clients in underserved related areas.
To share and acquire expertise	Organizations need expertise related to the development and management of particular kinds of programs or services or of ways to serve clients from particular communities.
To reduce or share costs	Working with others allows agencies to share staff and reduce unit costs.
To access other opportunities	Collaborations present agencies with new opportunities to access resources, partners, and funding.
To enhance program reputation	Being sought-after and a good partner increases the reputation of an organization and its ability to develop programs, influence policy, and raise funds to support its work.
<b>Funder-related reasons</b>	
To achieve scale	Collaborations allow funders to add organizational capacity to their enterprises and develop them at a scale that is large enough to be visible and have an impact on the community.
To cash in on affinities	Collaborations allow funders to build networks between organizations that they work with that have similar or complementary styles, missions, services, or clients.

To spread contracts and risk	Funding multiple organizations in a collaborative allows funders to experiment with different organizational approaches to service delivery and allows organizations to learn from each other, thus minimizing the risk of loss.
To disseminate services	Collaborations provide a structure and a pool of knowledge and expertise that enables the systematic development of additional services for clients of the various organizations.
To serve numerous constituencies	Collaborations allow funders to include and serve more constituencies, whether in several communities or in sub-segments of a given community.
To engage a variety of expertise	Collaborations allow funders to draw from a diverse pool of experts and support personnel.

**Government-related reasons**

To spread contacts	Collaborations enable governments to apportion contracts among many constituencies without having to administer multiple contracts.
To diffuse risk	Collaborations enable governments to diffuse the risk of failure or noncompliance.
To build community infrastructure	Collaborations enable governments to develop organizational infrastructure across communities.

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### **Government-related reasons**

Similarly, there are government-driven external reasons for a collaborative to apply for funding from a government agency, or for a government agency to seek a collaborative to develop a particular program. In the latter case, governments like to spread their service contracts among many constituencies without having to administer multiple contracts, and by working with collaboratives governments diffuse the risk of failure or noncompliance with the conditions of the contract. Finally, governments may seek to fund community collaboratives in order to provide resources to many organizations and help build a broad community infrastructure.

### **What Are the Factors Associated with the Success of CBO Workforce Development Networks?**

In spite of the many accomplishments and positive contributions to the development of communities, organizations, and individuals on the part of CBO networks organized around workforce development and related social service areas, our case studies suggest that there are also many challenges to their successful design, development, management, and maintenance. Studying these challenges can help us understand the factors related to the success of CBO networks.

CCRP proved to be a successful collaboration in that four of the original six groups agreed to set up an incorporated entity to manage the collaboration and develop programs. There were, however, two organizations that exited the collaboration: One left and the other was asked to leave. The NSP has accomplished many goals, but as a collaboration it has had serious difficulties at two of its three sites with respect to the management and development of the network. CET has also had mixed results as a collaboration and administered its programs as a stand-alone organization with very limited partnerships with other local CBOs.

CCRP did have some problems, but the collaboration seems to have worked well for the remaining four organizations. The relationship between the CDCs that belong to CCRP was described to me in some of the interviews as a good example of repeat contracting by organizations that have worked well together and have benefited from working with one another. The participating CDCs moved mostly from housing re-development and management into other social service functions and

worked on collaborating with each other when they were expanding services and planning the development of new initiatives and programs.

Some of the reasons why CCRP worked as a collaboration are consistent with the factors listed in the literature on collaborations (Mattessich and Monsey 1992): a selection of organizations with a track record; a history of work in the community and some assets and capacity; an active and professionally led planning process with significant community involvement; and opportunities to engage in activities, to discuss common interests, and to build trust among the participating organizations.

However, other factors that contributed to CCRP's success are not mentioned in the literature. First, CCRP encouraged the organizations to build the collaboration and created opportunities for them to do so. The participating agencies had many opportunities to meet and interact with one another and to develop a planning process that recognized the particularities of each community and organization yet at the same time allowed each organization and community to benefit from the work of others. A second important factor that helped CCRP was the decision to selectively target both the types of services it would provide and the communities where it would provide them. Unlike NSP, which relied on building multiagency collaborations in each neighborhood, CCRP selected one lead agency in each neighborhood and sought to link agencies across neighborhoods and communities. This proved to be a good decision because agencies could focus on identifying the needs in each community and could work on developing their social service niche in concert with broader CCRP programs. They did not have to spend a significant amount of time negotiating "turf" issues within their neighborhoods, but instead could devote their energies to service provision and to program development and management.

In terms of targeted services, CCRP organizations worked together in the development of employment services (the organizations shared a curriculum, a case management system, and other components of the program) while at the same time retaining the freedom to design and experiment with their own job placement programs. This combination of guidance, centralization, and flexibility (or "flexible centralization") resulted in organizations deriving the best advantages from the collaboration while being able to retain relative autonomy to develop (and



share) focused solutions to specific program and service challenges in their communities.

Another factor that contributed to the success of CCRP as a collaborative had to do with the fact that the initiative began with manageable, concrete, and visible projects that were able to show clear gains early on. This indicated to observers and participants that the initiative was a serious endeavor, allowed the participating organizations to actively build their relationships, and by producing some visible results it gave them an incentive to continue to work together. Last, and perhaps paradoxically, one of the factors that allowed CCRP to succeed was that it was able to manage the exit of two organizations from the original six that were members of the initiative. One of the lessons from CCRP is that when building organizational networks there needs to be a mechanism, with clear rules and procedures, that regulates entry into and exit out of the network, as well as a protocol that establishes clear decision-making procedures and rules of accountability. When trust does not exist or is not built, the relationship is likely to languish and break down. In some instances, collaborations do not work because there is a change of direction or leadership on the part of one of the partners. Sometimes these changes in focus can be anticipated, but at other times they are quite complex and idiosyncratic and must be managed by the remaining partners.

An additional point to discuss is the issue of homogeneity versus heterogeneity in CBO collaborations. CCRP seems to have been a grouping of relatively heterogeneous organizations, in terms of clients and services, that provided services to a variety of constituencies within their neighborhoods, whereas NSP was more of a heterogeneous grouping of many homogeneous organizations. In NSP many different organizational actors felt as though they were in competition with one another: they had different interests and resources, different views of the collaborative, different connections to various constituencies in their communities, different definitions of the problems they faced, and, in some instances, different understandings of the solutions to the main problems in their communities. In contrast, the organizations involved with CCRP embodied, to varying degrees, some of the conflicts within their communities but shared many views on the nature of the social problems in their communities, on program development, and on the potential of the collaborative for bringing resources to their organiza-

tions and communities. In their official NSP evaluation, Pitt, Brown, and Hirota (1999) discuss some of the main obstacles encountered by NSP and confirm many of our observations. They report that the obstacles involved 1) translating a shared vision into action, 2) involving neighborhood residents and negotiating neighborhood politics, 3) establishing collaborative governance and effective management, and 4) balancing institutional and collaborative interests.

Based on a review of the literature, interviews, and analysis of materials from case studies, we find that there are 13 key factors that seem to be consistently related to the success of interorganizational networks among CBOs engaged in workforce development and related initiatives, and that planners, program administrators, researchers, and others need to keep in mind when designing, developing, and managing these networks.<sup>6</sup> Some of these factors are related to the formation, development, and management of CBO networks; others are related to the sustainability, maintenance, and growth of these networks (Table 12.2).

- 1) The first factor is an explicit mechanism for the selection of participants and the development of concrete criteria that emphasize a track record and a history of programs and other work in the community. CCRP, for example, grew out of a selection of organizations with some assets and a demonstrated capacity to carry out new commitments and programs with other organizations.
- 2) The second element relates to the importance of developing mutual respect, understanding, and trust. Organizations in a network must have trust in the other organizations, their mission, their capacity to accomplish goals, and their leadership.
- 3) Third is an active and professionally led planning process with significant community involvement, which allows the collaboratives to be known in the community, to work together with the community, and to learn about the specific program and resource needs of local residents, businesses, and others.
- 4) Fourth, members must all have a stake in the process and outcome. Actors involved in the network must organize discussions that build a consensus around goals, programs, and practices, particularly among initial members of the network.
- 5) Successful networks create opportunities for the organizations involved in the collaborative to engage in concrete activities

with one another, to discuss common interests, to develop clear expectations, and to build trust. When agencies have open channels of communication and many opportunities to meet, interact, and engage in a planning process, they work better together. This also lets them recognize the particularities of each community and organization while allowing each to benefit from the work of others.

- 6) Another important factor in the development and maintenance of successful interorganizational networks is the engagement and involvement of the community. Identification and involvement of community stakeholders in the development and planning of network programs and activities allows the initiative to build a constituency, to develop support and legitimacy in the community, and to acquire valuable information and resources that can be instrumental in the assessment, management, and planning of social services.
- 7) The successful development of interorganizational networks depends on an ability to compromise: organizations must develop a system to achieve consensus and resolve disagreements on goals, programs, and procedures.
- 8) There must be clear organizational roles and policies. Each organization must have its particular, defined role, and the policies and procedures for participation in the network should be clearly established, agreed upon, and made explicit.
- 9) Open and frequent communication through established formal and informal communication links is essential to the flow of information that builds confidence and trust, and to the learning that should take place between organizations involved in a collaborative. Multiple channels of communications between residents, administrators, and the staff of the various organizations are critical to the successful development of interorganizational networks.
- 10) Member organizations must be clear and selective in targeting both the types of services that are going to be provided and the communities where they will be provided. Targeting of services (having a clear definition of the services that will be provided) and of the areas of service (also clearly defining who the clients are going to be) focuses the energies and interven-

tions of participating organizations and is vital to the success of collaborative efforts.

- 11) As exemplified by CCRP, the initiative should begin with concrete and visible projects that are able to show clear gains early on, reflecting the seriousness of the initiative and giving participating organizations an incentive to continue to work together to achieve positive results.
- 12) There must be a process to develop concrete, long-term goals and objectives for the network. The network can then periodically take stock of its activities and agree on whether to continue projects and programs based on organizational capacities, available resources, and community needs.
- 13) CCRP succeeded because it was able to manage the exit of two organizations from the original six that belonged to the collaborative. One of the lessons learned from CCRP is that there needs to be a mechanism in interorganizational networks that regulates entry into and (voluntary or involuntary) exit from the network, complete with clear decision-making procedures, rules of performance, and processes of accountability.

### **Qualifications and amendments to the literature**

Our research suggests there are a number of factors mentioned in the literature that are relevant but not necessarily central to the success of CBO workforce development networks.<sup>7</sup> I will discuss these qualifications to the literature following the schema presented in Mattesich and Monsey (1992): factors related to the environment, to issues of membership, to process and structure, and to communications, purpose, and resources. Our analysis suggests that some of the factors they list are necessary but not sufficient, while others seem to have a different relationship to the success of networks depending on the context.

In terms of the *environment*, we found that all of the programs that we studied had a legitimate history of work in the community. They were also organizations that were perceived as leaders in their communities. These two factors, then, are necessary to the success of a network but not sufficient. In terms of a favorable social and political climate it is important to make distinctions between the operation of political forces at the community, metropolitan (city), state, and national levels. Thus, Meléndez and Harrison (1998) have shown that part of the CET

**Table 12.2 Factors Related to the Development of Interorganizational Networks**

Factor	Action directive	Source
<b>Formation</b>		
Selection of participants	Have concrete criteria for the selection of organizations that are going to be part of the network.	Suggested by case studies
Mutual respect, understanding, and trust	Organizations should know about, appreciate, and respect each other's missions, goals, procedures, and programs.	See Mattessich and Monsey (1992)
Planning process with some community involvement	Involve the community in the early stages of the planning; analyze community needs.	Suggested by case studies
<b>Development</b>		
Members share a stake in process and outcome	Build consensus among initial members of the network around goals, programs, and practices.	See Mattessich and Monsey (1992)
Concrete opportunities to build trust, develop common interests, and collaborate	Engage in program development and design at initial stage in order to establish a working relationship between organizations.	Suggested by case studies
Engagement and involvement of community in programs	Involve community stakeholders in the planning and development of network programs and activities.	Suggested by case studies
Ability to compromise	Organizations must develop a system to resolve disagreements on goals, programs, and procedures.	See Mattessich and Monsey (1992)

## **Management**

Clear organizational roles; clear policy guidelines for network	Each organization must have a particular role. The policies and procedures of the network should be established and made explicit.	See Mattessich and Monsey (1992)
Open and frequent communication in the network; established formal and informal communication links	Have multiple channels of communication between residents, administrators, and staff of the various organizations and between groups.	See Mattessich and Monsey (1992)
Targeting of services and areas of service	Provide clear definitions of the services to be provided, the populations to be served, and the criteria for participation.	Suggested by case studies
Visible early gains	Begin by developing manageable, concrete, and visible projects that will show clear gains early in the process and build support.	Suggested by case studies

## **Sustainability and Growth**

Concrete goals and objectives	Establish a process to develop concrete, long-term goals and objectives for the network, enabling periodic evaluation.	See Mattessich and Monsey (1992)
Exit rules and procedures	Establish procedures allowing for entry into and exit from the network.	Suggested by case studies

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formula for success was based on building organic relationships with both employers and community. There are organizational barriers to network building and maintenance, but city policy also has an impact. For example, the New York City Department of Employment (DOE) implemented new screening and assessment mechanisms whereby contracts were divided between assessment and placement and the assessment functions were centralized among a few providers. These changes seem to have contributed to severing the networks between the Center for Employment and Training (CET) and other CBOs. The DOE's reason for establishing a centralized screening and referral system was based in part on the argument that "cozy" relations between programs led to "creaming" (or selecting the clients with more strengths and fewer needs) and, thus, to inflated program results. However, it could very well be that strong networks between organizations lead to more comprehensive interventions, better services, more effective case management, and better outcomes.<sup>8</sup> Separating the assessment from the training functions was a metropolitan level policy decision that had an impact on interorganizational networks and illustrates the role of city policies in the formation, management, and chance of success of interorganizational networks.

In the area of *membership*, the literature suggests that an appropriate cross section of members is important to the success of networks, but some of the networks we reviewed raise questions about the merits of heterogeneity of representation within organizations versus heterogeneity of representation in collaboratives. Our case studies suggest that organizations that share certain methods, characteristics, and approaches seem to make better partners and form stronger networks than organizations that are different. Also, the literature suggests that members perceiving where their self-interest lies is important to the success of networks; but self-interest is not sufficient, and too much emphasis on it, particularly during the middle stages of a network, can lead to difficulties in building trust and, potentially, to failure. Organizations have to bring more than self-interest to the table; they also have to bring resources to invest in the network.

In the area of *process and structure*, our case studies suggest that multiple layers of decision-making can create obstacles to the success of networks, and that when many structures exist, leadership, accountability, and responsibility can be diluted. In terms of flexibility, it helps

for organizations to be open about different ways of organizing the collaborative, but there have to be some boundaries to the discussions, and there has to be a mechanism in place to settle differences of opinion. Each interorganizational network has to find a governance structure that is particularly suited to the kinds of organizations, services, and communities that are involved in the collaboration. Similarly, adaptability to changes in the environment is critical to the success of networks—but then, adaptability is part of the analytical definition of a successful network.<sup>9</sup>

In terms of *purpose*, most of the organizations in the collaboratives we reviewed shared a vision, but they did not always share methods, styles, emphases, or approaches to the articulation and implementation of their particular vision. It is important for a network to have a unique purpose, but this purpose has to be consistent and compatible with the goals and possibilities of the member organizations. If “uniqueness” involves the creation of parallel organizational or managerial structures there can be a perception of duplication among some of the organizations, which can create legitimacy problems for the network. Last, in terms of *resources*, the collaboratives we studied had significant resources and skilled conveners. All of the organizations we looked at had professional leadership and competent staff. These elements are necessary but not sufficient, however, for the success of CBO networks. Though adequate resources and a skilled convener are important, once they are present other factors become more salient with respect to the success of networks.

## **CONCLUSION AND SUGGESTIONS FOR FUTURE RESEARCH**

This paper has examined networks among community-based organizations involved in workforce development programs and initiatives and has tried to answer two research questions: Why do CBOs enter into networks with one another? And, what are some of the main factors associated with successful networking between community-based organizations engaged in workforce development and related initiatives?

As organizations develop, they face two choices: to partner and collaborate with others or to try to expand and develop more internal, inde-



pendent capacity. How are organizations making decisions about which strategy or course of action to follow in the current policy environment? For the organizations that try to develop linkages with others, what are some of the challenges involved in network formation in relation to the various actors in the workforce development system: employers and corporations; educational and training institutions (schools, community colleges, and universities); government agencies and officials; other organizations, agencies, and service providers in the nonprofit sector; other business groups; and foundations and other types of funders?

From a research perspective, we need better theory, hypotheses, data, and measures with respect to the factors that are mentioned in the literature and suggested by case studies as being related to the success of CBO networks (Mulroy and Shay 1998). Whether organizations are increasing internal capacity or partnering, we know very little about the main challenges faced by CBOs in the areas of program management, case management, documentation of their efforts, and program evaluation. Researchers involved in the evaluation of community-based workforce development programs need to better understand organizational-level processes and incorporate the role of organizational-level characteristics (such as organizational resources, structure, and practices) into the analysis of individual-level outcomes. One of the main reasons data on the individual characteristics of program participants are collected is to be able to know who is best suited to benefit and for whom the various programs will work best. Another is to be able to evaluate whether individuals are actually benefiting from various interventions and program investments (Mueller and Schwartz 1998). Similarly, at the organizational level there is a need to know more about the impact of various program characteristics on participant outcomes. Policymakers need information on ways they can make programs more efficient by stimulating research and providing the resources and expertise needed to support the most effective organizational-level practices. In spite of the many challenges to CBOs engaged in workforce development, the promise of networks seems to be that they allow organizations to acquire and share knowledge, experience, expertise, and valuable resources, and that they can help many CBOs bring these resources to their areas in the form of more efficient, stable, and responsive services and programs for their communities.

## Notes

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1. See Connell et al. (1995); Ferguson and Dickens (1999); Fulbright-Anderson, Kubisch, and Connell (1998); Harrison and Weiss (1998a); and Pitt, Brown, and Hirota (1999).
2. I use the terms interorganizational network and collaboration interchangeably to mean a sustained effort between two established community-based programs to provide social services under a common organizational structure. Following the literature (Mattessich and Monsey 1992), I make a distinction between coordination (or an informal arrangement), cooperation (involving project specific planning, organizational interaction, and shared management), and collaboration (or an interorganizational network), which entails the development of a common vision, a clear organizational structure, comprehensive integrated planning, concrete dedicated linkage between groups, shared resources, and integrated management. In order to build, maintain, and sustain effective interorganizational networks with the various actors in their immediate environment, organizations must have some experience cooperating on and coordinating activities and programs with others.
3. A successful network is one where organizations acknowledge that they have benefited from working together and seek to continue to do so. My focus is on the functioning of the network itself and not directly on the outcomes of the individual participants in the programs run by the network, though they are clearly related.
4. The two main pieces of legislation were the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which changed the welfare system, and the Workforce Investment Act (WIA), which repealed the Job Training Partnership Act (JTPA) and introduced and defined the new workforce development system.
5. Mattessich and Monsey (1992, p. 41) reviewed 133 studies that seemed to have some relevance to CBO collaborations. Upon analysis they reduced the studies to 62, which they then further pared based on the following criteria: "Studies were dropped because they did not address the major research question adequately; the projects did not meet our definition of collaboration, they did not include empirical observations, or they did not address the topic of success" (p. 42). The process left them with 18 studies to include in an analysis of the factors leading to successful collaborations. For more on the literature on CBO networks built around social services, see Winer and Ray (1997).

6. Here I discuss factors related to the success of the network itself, which are not necessarily the same factors that are associated with the outcomes of individual participants in collaborative based employment training programs and initiatives.
7. The analysis of the material from our case studies raises issues and qualifications about 12 of the 19 factors related to successful collaborations that are listed in Mattessich and Monsey (1992).
8. The key question at this point for the DOE is whether it has in place a mechanism to analyze current assessment and placement policies and distinguish between the two hypotheses.
9. Also, empirically it seems to me that adaptability is potentially difficult to carry out and measure and that it is more a dependent than an independent variable. To measure the success of networks is in a large way to measure their adaptability to a changing environment.

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