

The Social Development Commission's Fifth
Annual Symposium on Poverty:
Reducing Poverty in a Changing Landscape

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Acknowledgements

Reinforcing a major theme of SDC's 2011 Symposium on Poverty – *the benefits of partnerships* – SDC could not have successfully held the 2011 Symposium without the contributions and efforts of our numerous partners, volunteers, speakers, and session presenters. We would like to begin this report by thanking those individuals who made this event possible. We sincerely look forward to continuing our collective work in reducing both the symptoms of poverty AND its root causes with our past, present, and future partners!

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Introduction

The stagnant economy and corresponding growth in both joblessness and poverty dominate our public dialogue. Economic conditions continue to deteriorate as more families regress into poverty. Stressed government budgets and eroding personal assets compound the

“By gaining a clear understanding of how the organization accomplishes its mission and generates and allocates resources, board members will be prepared to meet the challenges that an organization faces.”

—Spectrum Nonprofit Services

situation. So how can Metro Milwaukee, not just maintain, but actually increase its poverty reduction capacity? Moreover, what can we do, when doing nothing isn't an option? Quite simply, we get better.

No panaceas exist. However, through strategic thinking, collaboration, and innovation we can rise to the challenge—benefiting families throughout

Milwaukee County.

The concept for the 5th Annual Symposium on Poverty was simple: increase Metro Milwaukee's capacity to reduce poverty amid a changing landscape. Less simple was figuring out how to actually create the growth in capacity. To help shift from conception to reality, we identified four focus points for the day's conversations:

- 1) Understanding Corporate and Private Foundations;
- 2) Building Relationships: Partnerships, Collaborations, and Consolidations;
- 3) Implementing Business Practices in the Nonprofit Sector; and
- 4) Cultivating and Evolving Corporate Social Responsibility.

This list is not exhaustive; these topics are a place to start and build upon two critical elements for any poverty reduction initiative: efficiency and innovation. We cannot respond to the conflicting forces of decreased resources and increased need without using current resources efficiently or expanding our scope of thought through innovative practices.



This report introduces each topic as well as some key takeaways from the Symposium—including insight from local experts.

Understanding Corporate and Private Foundations

For many organizations with an over-reliance on government funding, the first reaction is to request money from a foundation. In many cases, a grant writer might be asked to submit a “blind application” to a foundation they believe might be a “good fit.” The grant writer will use a boilerplate narrative, create a simple budget with no other resources for the project, and send it in the mail. “We do so much great work. They’ll love our proposal. We’ll get funded for sure!” says the Development Director to the Executive Director, who then reports it to the Board. The organization will be lucky to receive a rejection letter.



Overview of Topic

Asking for money after you find out it’s needed is simply ineffective practice. Equally ineffective is asking for money from someone with whom you don’t have a relationship. While foundations do in fact give money to support the missions of nonprofit organizations, the process is a little more involved than submitting a blind application to a foundation you’ve either never heard of or about which you know very little.

There are numerous types of foundations and varying types of directed funds. Does your development department or volunteer grant writer know the difference between a corporate foundation and a family foundation? Do you know the name of the person who will be reading your proposal? Do you know what the foundation’s expectations are? How an organization decides which type of foundation to approach should be based on a proactive, strategically guided plan. In a time of diminishing government resources, both corporate and private foundations are perceived as a significant resource to help plan, implement, and carryout poverty-reduction strategies.

Nevertheless, foundations are changing the way they do business, and partnering organizations need to be in tune with these changes. Despite their history and durability over time, corporate and private foundations are not immune to market changes and market distress. Valued assets rise and fall, funding priorities change based on individual giving preferences and community need, and distributed grant amounts fluctuate grant cycle to grant cycle. Corporate and private foundations are ecological entities just like the organizations that approach them. They exhibit behaviors that are not always easily understood or transparent. They can be both warm and inviting and cold and calculating. Decisions by foundations to fund or not to fund are based on personal choice and organizational preferences, not governmental regulations. Understanding their choices and preferences can make the difference between receiving an award letter or a rejection letter.

In many ways I think the new ask is like the old ask, but it’s less scattershot and much more strategic.

—Susan Lloyd
Zilber Family Foundation

Organizations with missions based on poverty reduction strategies need to better understand how to re-conceptualize their resource development efforts to meet the needs of funders and clients alike.

Did you Know?

The way funding to nonprofits is allocated has changed? The changing landscape of shrinking public budgets requires more thoughtful asking, taking into consideration that the private sector has to be more selective and that even foundations' endowments have been sliced. As is the case with most nonprofit attempts to "get money," blind asks are not the ideal scenario for success. Donors can no longer afford to throw money behind a good idea; giving has to be focused.

Relationships are the key, a notion that holds true regardless of who you are asking for money or any other type of donation. So good "asks" aren't just about money; they're

The language of partnerships is important. Ask first "what can I do for you?", instead of "this is what we need..."

—Barbara Markoff

about collaboration toward the achievement of a common goal. The process of creating the relationship is just as important as the money itself. A positive, appropriate, collaborative relationship not only moves you closer to your goals, it sets you up for more networking opportunities, bringing the partner in on other

organizational initiatives, and ultimately, more benefits. And remember, money isn't the only "ask" that can benefit your organization!

Key Takeaways from the Poverty Symposium

The Symposium offered a unique opportunity to learn how corporate and private foundations are creating a new philanthropic environment. Attendees were engaged in sessions with funders and grantees who have cultivated, developed, and maintained relationships with community based organizations. Experts discussed what they see as shaping corporate and private giving in the years to come.

The [Donor's Forum of Wisconsin](#) showed the current landscape regarding foundations and philanthropy and forecasted trends over the next ten years. This information can be found on the Donor Forum of Wisconsin's website: [Donor's Forum Publications Page](#). Representatives from the [Women's Fund of Greater Milwaukee](#), the [Greater Milwaukee Foundation](#), and the [Faye McBeath Foundation](#) then reinforced the Donor Forum of Wisconsin's central point: foundation grants and private giving are projected to decrease, or remain stagnant, over the next several years.

A panel discussion, featuring representatives from corporate and private foundations, provided insight into how nonprofits can successfully partner with foundations. Specifically, representatives from the [Zilber Family Foundation](#), [US Bank](#), and [Wells Fargo](#) emphasized what project characteristics interest funders. For example, projects that are mutually beneficial, develop out of partnerships, focus on sustainability, and leverage third party resources.

Top Takeaways from “Understanding Corporate and Private Foundations” Sessions

1. Total giving in Wisconsin increased each year since 2004, reaching record-setting amounts in 2007, then dramatically decreased following the economic downturn (Donors Forum of Wisconsin).
2. Despite the number of active foundations reaching a record high in Wisconsin, philanthropic assets and grant making have fallen to pre-2007 levels (Donors Forums of Wisconsin).
3. Successful proposals to foundations (both corporate and private) are based on mutually beneficial partnerships and the alignment of work between the community, nonprofit, and foundation.
4. “The biggest mistake is not asking for funding” but keep it simple, objective, targeted and as part of a larger, established fund development plan.
5. It is important to discuss the cost savings created by a nonprofit’s work—i.e. how specifically does a nonprofit save public and private dollars? For example, how much money is saved when you keep a client out of jail?

Interested in Knowing More?

1. To learn more about the state of philanthropy in Wisconsin, visit the Donor’s Forum of Wisconsin’s publications webpage: <http://www.dfwonline.org/page10000542.cfm>
2. To read about efforts to encourage corporate philanthropy, visit the Committee to Encourage Corporate Responsibility: <http://www.corporatephilanthropy.org/>
3. For factual information on private foundations, visit the Marquette University’s Funding Information Center: <http://www.marquette.edu/library/services/fic.shtml>
4. To read about the impact of economic trends on corporate giving, check out this article on the subject from the Chronicle of Philanthropy: <http://philanthropy.com/article/Big-Businesses-Won-t/128327/>

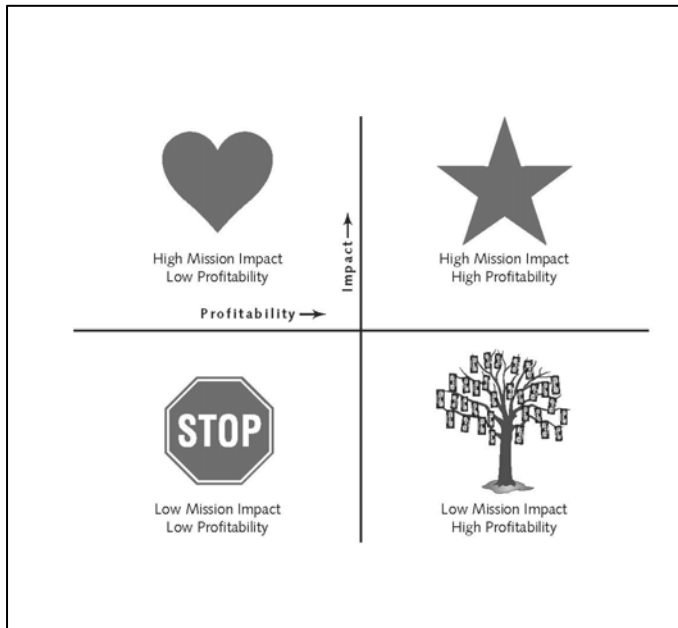
Implementing Business Practices in the Nonprofit Sector

People regularly say that government, and to a lesser extent nonprofits, should be “run like businesses.” Is this possible? If so, do differences across sectors limit the possibilities?

Overview of Topic

A common critique of both the public and nonprofit sectors is that they’re bloated and inefficient due to a lack of cost-reduction incentives. While creating more revenue is one method for strengthening an organization, an efficient use of existing revenue should be the first step taken to improve an organization’s financial position. A growing number of quality assurance experts and private consultants are working with nonprofits to strengthen their finances through planning and management.

*“The Matrix Map” for Identifying Strategic Imperatives
Spectrum Nonprofit Services*



Nonprofit organizations often think about services first and finances second. In contrast, businesses (ideally) study markets to identify activities that will produce income and a profit. Nonprofits should always remain steadfast to their missions, which is their reason for existing. However, while missions help guide activities, missions do not dictate strategy—after all, there is more than one way to achieve the same goal.

Over the past 20 years, a great deal of experimentation has taken place regarding structuring organizations, specifically a blending of the for-profit

and nonprofit models. This so-called “fourth sector” seeks to combine the profit incentives of a for-profit with the social good of a nonprofit. Consequently, fourth sector organizations can be described as a for-profit company with the soul of a nonprofit. The fourth sector is not designed to displace either traditional for-profit or nonprofit organizations. Instead, experiments with this model aim to address an uncharted segment of the market—the size of which is still to be determined. Opponents of the fourth sector model raise concerns regarding the impact of the current tax code, as well as how organizations can juggle two goals: profit and social good.

Despite the potential for innovation, it is important to remember that nonprofit organizations are nonprofit for a reason—if they could be run as a business, and someone could make a profit, they would probably already be a for-profit organization. The goods and services that nonprofits provide are unique, but valuable. Various failures in the free market system often preclude the social good nonprofits create from being produced by a for-profit. The degree to which nonprofits can and should be “run like businesses” remains undetermined. However, there are tools in the private sector that can be invaluable to nonprofit poverty reduction strategies.



Did you Know?

The idea of “sector blending”—specifically between for-profit and nonprofit sectors—has been widely discussed both locally and nationally? Understanding this trend and tapping the potential of new organizational models may be the key to addressing community needs in the future. These new organizational models go by different names: For-Benefit or B Corporations, fourth sector organizations, low-profit limited liability corporations (L3Cs), social enterprises, etc. Legal steps to formulate fourth sector organizations have been taken in a handful of states including B Corporation legislation and L3C legislation. These legal steps seek to codify the sector by reducing ambiguity between sectors and establishing new sections of tax code.

The blending of the nonprofit, public and private sector creates new competitive and collaborative opportunities while simultaneously calling into question just what it means to be a nonprofit organization. As corporations increase their activity in the social sphere and nonprofits reach out for broader resources, new partnership strategies and organizational structures are emerging.

—Nonprofit Center of Milwaukee

Key Takeaways from the Poverty Symposium

At the Symposium, we discussed specific issues within this larger movement. Attendees heard from experts in business development who work with for-profits and nonprofits ranging from micro-enterprises to Fortune 500 companies. Topics included financial planning, current market trends, sustainability, and growth strategies. Sessions focused on how nonprofits can become informed and nimble enough to adapt their activities to change, while preserving a commitment to their missions.

Representatives from the [Helen Bader Institute for Nonprofit Management](#), [Maures Development Inc.](#), [Multicultural Entrepreneurial Institute](#), and [VMware, Inc.](#) explored how nonprofits can reduce costs, innovate, and increase outcomes through a panel discussion.

Multiple sessions explored methods for blending nonprofit and for-profit organizational models to better address community needs. First, attendees heard from representatives of [Walnut Way Conservation Corps](#). Walnut Way has started a for-profit LLC to more effectively renovate foreclosed homes in the Lindsay Heights neighborhood of Milwaukee. Attendees also heard from representatives of [Fix Development, LLC](#) and the [AIDS Resource Center of Wisconsin](#). Fix is a for-profit with a focus on sustainability and stewardship by making “social investments”. In contrast, the AIDS Resource Center of Wisconsin started a for-profit pharmacy to better serve their clients and diversify their revenue streams. Regardless of their differing



approaches, both Fix and AIDS Resource Center of Wisconsin are advancing their work in similar directions—towards more sustainable communities.

Top Takeaways from “Implementing Business Practices in the Nonprofit Sector” Sessions

1. Nonprofits that wish to engage in for-profit activities need to clearly understand the financial and legal risks associated with these activities and seek counsel from consultants and lawyers before (many will assist pro bono).
2. Successful for-profit activity enables organizations to achieve “multiple bottom lines” by creating new funding streams and, in some cases, help achieve a nonprofit mission directly through the for-profit activity.
3. Mapping business lines to differentiate activities that balance costs with impact can help nonprofits guide their work towards sustainability.
4. There are a number of strategic planning and quality management models, traditionally used by for-profits, that can be applied successfully to nonprofits (e.g. the Balanced Scorecard, ISO Standards, etc.).
5. As uncertainty takes over as “the new normal,” nonprofits need to become increasingly strategic, nimble, and innovative in their current and planned activities.

Interested in Knowing More?

1. Here’s a great read about nonprofit sustainability and planning co-authored by Symposium presenter Steve Zimmerman:
http://www.amazon.com/gp/product/0470598298/ref=s9_simh_gw_p14_d1_i1?pf_rd_m=ATVPDKIKX0DER&pf_rd_s=center2&pf_rd_r=15GSBB68E2SOCF6640WM&pf_rd_t=101&pf_rd_p=470938631&pf_rd_i=507846
2. Here’s more information about ISO 9000, “Quality Management Standards”, also check out ISO 26000 on “Social Responsibility”: http://www.iso.org/iso/iso_9000_essentials
3. Read up on the State of Vermont’s efforts to codify low-profit limited liability companies in their state tax code: http://www.sec.state.vt.us/corps/dobiz/llc/llc_l3c.htm
4. If you’re more interested in larger “B Corporations” you can read up on legislation supporting these organizations here: <http://www.bcorporation.net/publicpolicy>
5. Here’s an interesting story about low-profit limited liability companies in action: http://money.cnn.com/2010/02/08/smallbusiness/l3c_low_profit_companies/
6. “Convergence: How Five Trends will Reshape the Social Sector” by Heather Gowdy et al. http://www.lapiana.org/downloads/Convergence_Report_2009.pdf
7. “Nonprofit Strategy Revolution: Real-Time Strategic Planning in a Rapid-Response World” by David La Piana. <http://www.amazon.com/Nonprofit-Strategy-Revolution-Real-Time-Rapid-Response/dp/0940069652>

Cultivating Corporate Social Responsibility

The concept of Corporate Social Responsibility (CSR) is not a new one. In fact, the term, efforts, and debates around the concept have existed at least since the late 1960s. The concept also goes by many names: corporate citizenship, corporate responsibility, social enterprise, and triple-bottom line, among others. There are as many variations on the concept's meaning as there are names to which it is referred.

Overview of Topic

According to the Corporate Social Responsibility Initiative (CSRI) at the Harvard Kennedy School (<http://www.hks.harvard.edu/m-rcbg/CSRI/index.html>), CSR "encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationships in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm."

Increasingly, corporations are expected to play a larger social role in their communities, to be thoughtful and intentional about the larger social and environmental consequences of their practices, and to be accountable not only to their shareholders, but to their multitude of stakeholders, including employees, suppliers, consumers, investors, and activists. The term "triple-bottom line" captures this sentiment in its reference to "people, planet, and profit."

If corporate activity trends are any indication, then we should continue to see CSR practices and related job positions expand within businesses of all sizes. As corporations continue to respond positively to stakeholder scrutiny and see the competitive



advantages CSR can create, their actions prompt other businesses to follow suit and we should see continued growth in all CSR arenas.

So how does this affect the nonprofit sector? As a result of increased stakeholder scrutiny of business practices, and since CSR incorporates a social focus, businesses have begun to expand how they engage in CSR. The traditional approach to CSR has been philanthropy, whereby businesses simply decide what portion of their profits they will donate and to which particular causes, be it local organizations, national efforts, or impoverished communities in developing countries. However, as CSR continues to be built into the core of how businesses "do business," other approaches are becoming more common.

One approach is adopting responsible business strategies, such as procuring fair trade products. Another approach is community-based development, where corporations work with local communities to improve conditions through social initiatives. An increasingly

common approach of corporate responsibility is called Creating Shared Value (CSV), a model that assumes the interdependence of corporate success and social good. Rather than pitting business against the social welfare of society, the CSV model acknowledges the complexity of each, but focuses on the opportunity for weaving social value into corporate strategy.

Did you Know?

Businesses are increasingly choosing to engage in collaborative efforts with nonprofits to address social concerns. Cross-sector collaborative efforts are created in innumerable ways, with non-monetary partnering often yielding even more benefits to nonprofit organizations than cash donations.

The traditional approach to CSR has been philanthropy, whereby businesses simply decide what portion of their profits they will donate and to which particular causes...however, as CSR continues to be built into the core of business operations, other approaches are becoming more common.

There is an argument to be made that, given the challenges we face today, creative solutions do not merely benefit from, but require, multi-sector approaches.

Key Takeaways from the Poverty Symposium

At the Symposium, the sessions on cultivating corporate social responsibility informed participants from all sectors about ways to work together to achieve their respective missions. Nonprofit staff learned more about the benefits of non-pecuniary partnerships with business entities and steps to get started. Corporate representatives learned that CSR is more than just a public relations campaign; it's an opportunity to create shared value.

A panel discussion explored partnerships between corporations and nonprofits and featured representatives from the [Milwaukee Bucks](#), [JP Morgan Chase](#), [Manpower](#), [Time Warner](#), [PEARLS for Teen Girls](#), [ArtWorks for Milwaukee](#), Sam's Hope Literacy Foundation, and [Girls Scouts of SE Wisconsin](#). This discussion highlighted successful cross-sector partnerships, how these relationships were established, and what makes them succeed.

Additionally, a session led by [Potawatomi Bingo Casino](#) and [Charleston|Orwig](#) discussed what corporate social responsibility means, why businesses should engage in the practice of CSR, and how interested businesses can get started.

Top Takeaways from "Cultivating Corporate Social Responsibility" Sessions

1. CSR is increasingly important for long-term success by impacting a company's workforce, operations, products, services, and ultimately a company's reputation.
2. CSR connects the corporate sector to the nonprofit sector through the triple bottom line – people, planet, and profit – which means doing things that are right for people and the planet while still making money.
3. The most effective corporate-nonprofit partnerships are strong relationships focused on the alignment of a nonprofit's mission and a corporation's CSR goals.
4. Thinking creatively about partnerships, being specific about your organization or company's needs, and open communication will all increase the chances for success in corporate-nonprofit partnerships.

Interested in Knowing More?

1. For a clearinghouse of information regarding CSR, check out the Corporate Social Responsibility Initiative at Harvard's Kennedy School of Government:
<http://www.hks.harvard.edu/m-rcbg/CSRI/index.html>
2. To learn about standards in CSR, read through the International Organization for Standardization's Social Responsibility (ISO 26000) standard:
http://www.iso.org/iso/iso_catalogue/management_and_leadership_standards/social_responsibility/sr_discovering_iso26000.htm
3. For information on how you can invest in socially responsible business practices, check out this website: <http://www.slowmoney.org/>
4. To get a better idea about what a local business is doing in respect to corporate social responsibility, check out this information from Potawatomi Bingo Casino:
<http://www.paysbig.com/business/social-responsibility/>

Partnerships, Alliances, and Consolidations

In a world of shrinking resources and increasing human need, what can a nonprofit organization do? There's no single answer to this question. Instead, local organizations can teach us that there are a variety of options, often innovative, that can allow agencies to not only adapt to the changing financial landscape, but to thrive in the pursuit of their missions.

Overview of Topic

Creating opportunities for partnering, aligning, or consolidating can translate into greater efficiency in service delivery, or even save vital programs from being lost completely. Partnerships, alliances, and consolidations are not new strategies. As the division of labor has grown more complex due to economic and technological shifts, nonprofits have sought ways to remain humanistic, relevant, and effective.

Due to a high degree of specialization within the social service sector, poverty reduction agencies need to reexamine how partnerships, alliances, and consolidations can maximize impact. How should partnerships be structured? How can they yield significant returns-on investment? Are there newly emergent organizational forms? Are there underutilized tools? For what types of issues and services do consolidations work well? How do individual agencies and partners see their respective roles? What benefits do they have for participating agencies? It is critical to ask and think strategically about these types of questions before engaging in collaborative efforts in order to ensure that it makes financial and organizational sense.

Did you Know?

Partnerships/Collaborations: There are various types of partnerships and strategic alliances. They follow a general continuum ranging from very informal on one end to arrangements requiring higher levels of complexity and formality at the other end. Collaborative

organizational work is challenging and requires tactical, thoughtful planning to be successful. Starting the conversation within an organization is the first challenge. For organizations that want to engage other nonprofits in the partnership question, but don't know how, the nonprofit organization consultants Dewey & Kaye offer the following practical exercises organizations can do:

- “Conduct an environmental and organizational assessment. Who am I? What makes me tick? What do I bring to the table? What’s really important vs. what do I perceive is important?”
- Determine criteria for success. What does my success look like? Will I be happy in a small cottage or do I need a waterfront mansion? Do I need bling for happiness or a partner who is down to earth?
- Determine key characteristics of a compatible partner. Good dancer? Gourmet cook? Loves dogs? Travel to familiar destinations or remote lands?”

(The Patterson Foundation: <http://collaborative.thepattersonfoundation.org/?p=193>)

The index below includes a list of definitions, arranged according to legal formality of the relationship. Having a better understanding of the various types of partnerships and alliances provides a backdrop to learn about and seek out examples of how nonprofits are working together to achieve their missions.

Strategic Alliance Definitions
(Note: Definitions are arranged according to legal formality of the relationship.)
Endorsement - An alliance wherein an organization provides approval or support of a concept or action already conceptualized or completed by some one else (letters of support).
Co-Sponsorship - An alliance in which two or more organizations share (although not always equally) in the offering of a particular program or service. The organizations share in the potential benefits and risks associated with sponsoring the program or service.
Affiliation - A loosely connected system of two or more organizations with a similar interest(s). Member organizations remain independent but have influence on each other through the dissemination of information and ideas. Affiliations may not be permanent and may or may not result in common ownership or control of affiliates.
Federation / Association - An alliance of member organizations established to centralize common functions. This type alliance frequently coordinates fundraising, public relations, training, and lobbying for members. Members are independent, but the alliance often determines members’ roles and resource allocation through policy development.
Coalition - An alliance of independent organizations which usually share a political or social change goal. This form of alliance is frequently established for a limited or specific purpose(s). Member organizations retain own autonomy and make varying contributions to the alliance based on their resources and expertise. The alliance may have a central coordinating staff (volunteer or paid).
Consortium - An alliance of organizations and individuals representing customers, service providers, and other agencies who identify themselves with a specific community, neighborhood or domain. Members collectively apply their resources to implement a common strategy and achieve a common goal. The alliance frequently is sponsored by

convening organizations that take responsibility for overall coordination.
Network - An alliance of organizations which share resources for mutual benefit such as service provision. Formal, legal documents govern the sharing of resources, but organizations maintain their own identities, governance and core functions particularly for activities beyond the scope of their network.
Joint Venture - A legally formed alliance in which member organizations maintain joint ownership – (generally through a joint governance board) to carry out specific tasks or provide specific services. Member organizations retain individual identities and governance for activities outside the scope of the joint venture. If an organization withdraws from it, the joint venture dissolves or reconfigures. This type alliance frequently functions as an unincorporated business, with financial results flowing directly to the partners.
Acquisition - An alliance in which an organization acquires a program or service previously administered by another organization.
Divestiture - An alliance arrangement in which one organization "spins off" a program or service to another organization.
Merger - A statutorily defined alliance in which one organization is totally absorbed by another. The absorbed organization is completely dissolved and the surviving entity owns the assets and liabilities of both. A merger may be traditional, discretionary, or involuntary.
Consolidation - An alliance in which two or more organizations come together to form a new organization. The member organizations are dissolved to create the alliance. The assets and liabilities of the former organization(s) are combined and a new governing board is created.

Consolidations/Mergers: Sometimes the merger conversation has the capacity to fall on skeptical ears. Yet there indeed are good reasons for nonprofits to take such action, often to save their much needed services, if not simply for efficiency. Because the process of merging is not simple, it's important for everyone involved to stay apprised of long-term strategic reasons for change. Joining forces requires money, time, and planning to culminate in successful implementation. It is therefore critical that nonprofit administrators think carefully and strategically about the best way to do so.

The rise of social media has challenged nonprofits to embrace new ways of connecting and communicating, demanding greater openness and transparency...yet many nonprofits are still struggling to know when and how to use these new tools.

—David La Piana
La Piana Consulting

Social Media as a Collaborative Tool: At a recent talk at Cardinal Stritch University sponsored by the Nonprofit Center of Milwaukee and US Bank, nonprofit consultant David La Piana identified five trends that are reshaping the social sector, one of which was the impact of technology and social media. Social media has become a prominent means of staying connected to supporters, funders, and other agencies. Technology is here to stay and many people are unaware (or afraid!) of its usefulness as a tool for organizational operations. Nonprofits can help to reshape poverty reduction strategies by taking advantage of the creative opportunities available through social media.

Key Takeaways from the Poverty Symposium

Presenters at the Symposium discussed their experiences with consolidation/merger activities in their organizations, including when such action makes sense and factors to consider in its undertaking. The Symposium showcased successful partnerships, including the [United Neighborhood Centers of Milwaukee](#) (UNCOM), the United Way of Greater Milwaukee's [Teen Pregnancy Campaign](#), [the Center for Drivers License Recovery](#), and other larger-midsize nonprofits including the [YWCA of Greater Milwaukee](#) and the [Bread of Healing Clinic](#).

The Symposium featured a session on formal consolidations between nonprofits with aligned missions. This session dissected mergers between [Community Advocates](#) and two smaller nonprofits: Justice 2000 and the [Milwaukee Women's Center](#). Conversations touched upon how mergers impact administrative costs, program integration, autonomy, and the continuation of services for the community.

Finally, to coincide with the discussions of collaboration and partnerships among nonprofit organizations and other entities, the Symposium also offered the opportunity to learn more about the untapped potential of social media for nonprofit professionals. Specifically, the Symposium connected attendees with the new [MKE123 project](#) released by the Nonprofit Center of Milwaukee. MKE123 is a social networking site exclusively for nonprofit professionals in Metro Milwaukee.

Top Takeaways from "Partnerships, Alliances, and Consolidations" Sessions

1. Strategic alliances ranging from partnerships to consolidations are necessary tools for virtually every nonprofit given today's social and economic conditions.
2. Formal mergers and consolidations can help create greater financial efficiencies while maintaining services for the community. However, consolidations create many legal, programmatic, and cultural considerations. One should always be mindful of ensuring that consolidations are grounded in mission and focus on aligning the goals and cultures of organizations to maximize the propensity for success.
3. Social media has tremendous potential for advancing the missions of nonprofits, but it takes careful, informed, and tenacious use to be effective.
4. Despite being more informal in nature, alliances such as affiliations, coalitions, consortiums, etc. can help organizations increase their impact and communities minimize redundancies.

Interested in Knowing More?

1. For more information on collaborations and other kinds of strategic alliances, check out this information on Grant Space: <http://grantspace.org/Tools/Knowledge-Base/Nonprofit-Management/Sustainability/Collaboration>
2. For good, step-by-step advance on building collaborations, read through this tutorial by the Patterson Foundation: <http://collaborative.thepattersonfoundation.org/?p=193>

3. For a better idea about how mergers and acquisitions are done in the nonprofit sector, check out this write up by Lehmann Strobel, PLC:
<http://www.lehmannstrobel.com/files/Mergers%20and%20Acquisitions.pdf>
4. To learn more about the legal issues associated with mergers in the nonprofit sector, read this report from The National Economic Development and Law Center:
<http://www.insightcced.org/uploads///publications/legal/701.pdf>
5. For more information on social media, read through the most recent social media report by Neilson: <http://blog.nielsen.com/nielsenwire/social/>
6. To better understand how to leverage the potential of social media, check out this article on Blue Avocado: <http://blueavocado.org/node/696>

Keynote Speakers

Superintendent Gregory Thornton, Ed.D, Milwaukee Public Schools: Gregory Thornton, Ed.D began his tenure as Superintendent of Milwaukee Public Schools in July 2010. Dr. Thornton's career in education spans more than 30 years. It includes experience as a teacher, as a principal at both the elementary and secondary levels, and as an administrator. Dr. Thornton previously served as Superintendent of Chester Upland School District in Chester, Pennsylvania, where he facilitated reforms to bring about increases in student achievement, created school-community partnerships and improved the fiscal and business efficiencies of the district. He also served as Chief Academic Officer of The School District of Philadelphia and has held leadership positions in Montgomery County Public Schools in Maryland, Winston-Salem/Forsyth County Public Schools and Charlotte-Mecklenburg Public Schools in North Carolina.



Dr. Thornton addressed Symposium attendees over the breakfast session. Dr. Thornton's presentation included a PowerPoint, which outlined his strategic vision for Milwaukee Public Schools—focusing on its relationship to poverty reduction and the need for community partnerships.

Dr. Thornton's keynote address centered on the following key points:

- MPS is making progress in student achievement;
- MPS is under growing fiscal pressures due to economic forces at play in the city, state and national levels;
- MPS has three goals:
 - ↻ Increase student achievement;
 - ↻ Create supports for students and families; and
 - ↻ Focus on effective, efficient operations.

For those interested in more details, the entire presentation can be found here:

www.cr-sdc.org/DefaultFilePile/PolicyandResearch/ThorntonPowerPoint.pptx.

Secretary Eloise Anderson, Wisconsin Department of Children and Families:

Governor Scott Walker appointed Eloise Anderson as the Secretary of the Wisconsin Department of Children and Families effective January 1, 2011. Secretary Anderson is nationally and internationally known as a leader in public policy creation and implementation. She has extensive experience in child welfare and work support issues. Secretary Anderson began her career in Milwaukee as a social worker before joining state government. She has over 20 years in state service in a variety of roles, including serving as the Administrator of the Division of Community Services at the Wisconsin Department of Health and Social Services.



Secretary Anderson returned to Wisconsin from California where she served as director of the California Department of Social Services. Leading the largest welfare system in the country, she oversaw diverse programs such as child support enforcement, foster care, adoptions, child abuse prevention, child care, refugee support, and emergency assistance. Her other experience includes President of Job Wave America, Director of the Project

for the American Family at the Claremont Institute, and most recently as President of Anderson Resource Management Services, assisting families in obtaining wellness and becoming contributing members of the community.

Secretary Anderson addressed Symposium attendees over the lunchtime session. To communicate the central points of her address, Sec. Anderson used a conversational style, grounded in her background and experience as a social worker in Milwaukee. The key points of Sec. Anderson's keynote address included:

- The history of social services in the United States has traditionally ignored fathers as a key and necessary component of the family unit;

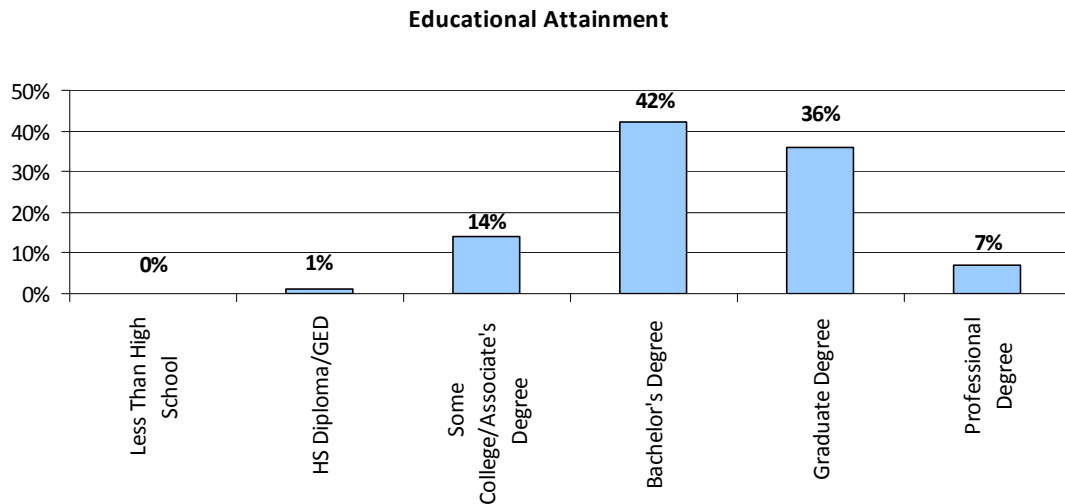
- Low-income families will continue to struggle in achieving self-sufficiency without the strong presence of fathers in the household and in the lives of their children;
- The success and wellbeing of children, both males and females, depends on adult males reintegrating themselves into the family structure; and
- Public policies related to poverty reduction need to be reengineered to encourage marriage and healthy relationships.

Attendee Survey Results

SDC staff tabulated the following information from an electronic survey of 2011 Symposium attendees, which was emailed the day after the event. The information presented here aims to provide readers with a better understanding of:

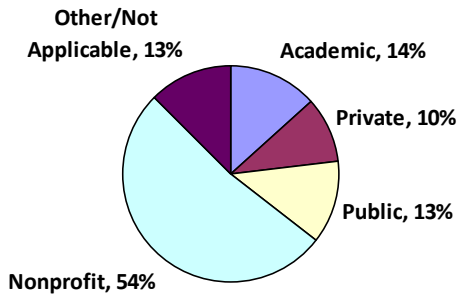
- 1) Who participated in the Symposium;
- 2) Participants' thoughts about the day's subject matter; and
- 3) Ideas participants shared about issues they wish had been discussed and/or how the Symposium can be improved.

Demographics¹

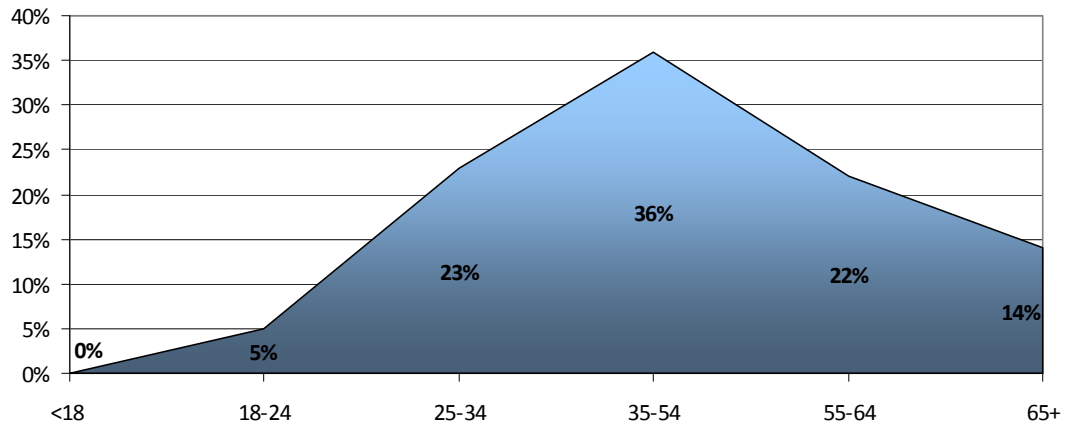


¹ Based on survey responses, which may provide a slightly skewed reflection of attendees

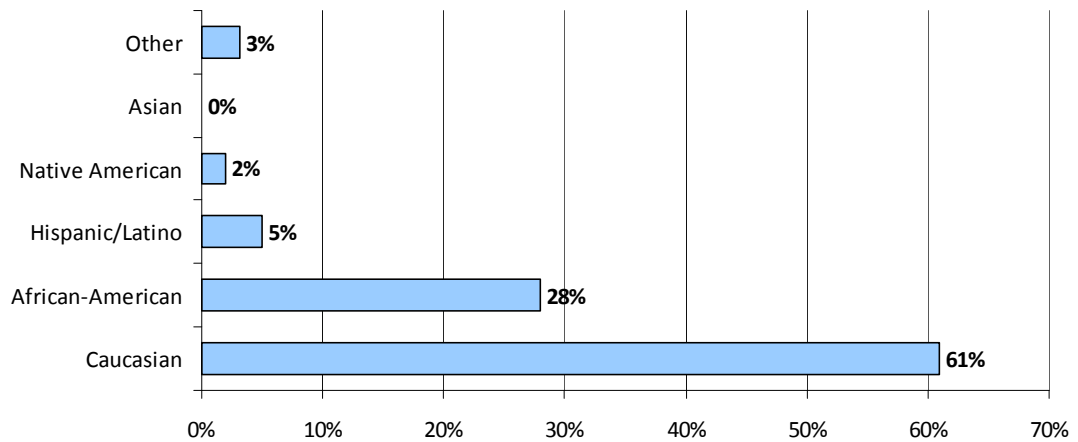
Sector of Employment



Age of Respondents



Race & Ethnicity of Respondents



Attendee Thoughts on Symposium Content

Strengths

“I thought that the speakers were interesting and the topic took a look at poverty from a different angle of how to solve issues rather than wallow in them.”

“Excellent Symposium - it is too hard to narrow it down to a few strengths. The speakers were very informative and thought provoking - the sessions were interesting - the food and opportunity to network was wonderful.”

“I thought the symposium was wonderful! I learned so much. We all were so fortunate to be able to attend the symposium and the fact that it was free was unbelievable! My only regret was that more of our staff didn't attend. They could have benefited from many of the workshops. Thanks again for this wonderful program that benefited so many in our community. Poverty affects us all.”

Areas for Improvement

“I would like to see a panel discussion held by community and government leaders.”

“It would be nice to have one breakout connected to the topic of either the morning or lunch speaker's presentation.”

“While I liked the focus on solutions, it would also be nice to have some workshops or sessions that provide more background on the poverty problem in Milwaukee, and what the issues are that people are facing, and how our legislative choices are impacting folks in Milwaukee, etc.”

Ideas for Better Addressing Poverty in Milwaukee County

Hearing from Individuals in Need

“Let's hear from people served - and really hear from them, not just the success but where they have been failed as well. What do they think would help improve services?”

“I would like to see the actual people affected by poverty and hear firsthand, what they would like to see happen/what services they need to break the cycle.”

“I would like to see some ‘poor people’ participating in the discussions.”

Service Integration and Alignment

“Discussion about why integrated services are needed, and examples of how different needs influence each other. I think often times issues like education, health, transportation,

interpersonal relationships, employment, and more are seen independently, but really they all influence each other.”

“Agencies throughout the city have programs that address poverty and its sources. It would be refreshing to hear how the agencies have worked together, share what has been working and what components of programs have made a difference. How can these programs be built upon, and how corporations and private citizens can contribute to the success.”

Concluding Remarks

According to statistics from the U.S. Census Bureau, the 2010 poverty rate in the City of Milwaukee rose to 29.5% from its 2009 rate of 27.0%. The situation is even worse for children and minorities. In the City of Milwaukee, the poverty rate for children increased 6.7% from 2009 to 2010. For blacks, the 2010 poverty rate was 41.4% and for Hispanics and Latinos, 32.3%. These numbers firmly substantiate the fact that our neighborhoods and communities are experiencing a crisis that threatens not only the current generation but those far down the road.

SDC’s 2011 Symposium on Poverty provided a venue for developing creative solutions to this crisis. The Symposium demonstrated how poverty reduction strategies are changing the landscape of how nonprofits do business. Some of these strategies are old in theory but new in concept and application. Others come from sectors that poverty reduction efforts have not traditionally tapped. Innovative thinkers and doers offered their expertise and guidance on how the community can implement these strategies.

For those that attended the event, we hope it provided tools to effect real change. For those unable to attend, we hope this report will help guide your work.

To translate these ideas into action, and bring those actions to scale, traditional ways of doing business need to change. New funding sources need to be created and tapped; innovative practices need to be researched, developed and promoted. Nonprofits need to maximize their financial resources and corporations need to align their work to focus on multiple bottom lines.

These ideas rely on innovation and the creative application of nontraditional principles. For these concepts to work, our community’s poverty reduction infrastructure needs to be reengineered at a structural level to respond to our social and economic realities. Such a radical transformation requires the entire community’s engagement—starting with those individuals reading this report. Moreover, everyone needs to incorporate these principles into both their long-term strategies and day-to-day operations. Only through such a cascading of action can we finally realize real, lasting change in our community.

At SDC, we are committed to reducing poverty and improving the quality of life for Milwaukee County residents. We look forward to continuing our partnerships with all sectors of the community in achieving this mission. We thank you for your interest in this report, its content, and most importantly for translating the concepts discussed here into action.