



WEBINAR #3: SHARED VALUE & COLLECTIVE IMPACT
DECEMBER 5, 2013 @ 1:30 P.M. EST



- **Introduction:**
Renee Bricker

- **Shared Value, Collective Impact ,and Postsecondary Attainment: New Approaches to Familiar Challenges**
Jeff Cohen, Director, FSG
Tonyehn Verkitus, ED Community Citizenship



AGENDA



Social Impact Consultants

Discovering better ways
to solve social problems

Shared Value, Collective Impact and Postsecondary Attainment: New Approaches to Familiar Challenges



Prepared for:



December 5, 2013

FSG Overview



- Nonprofit consulting firm specializing in strategy, evaluation and research



- Partner with **foundations, corporations, nonprofits, and governments** to develop more effective solutions to the world's most challenging issues



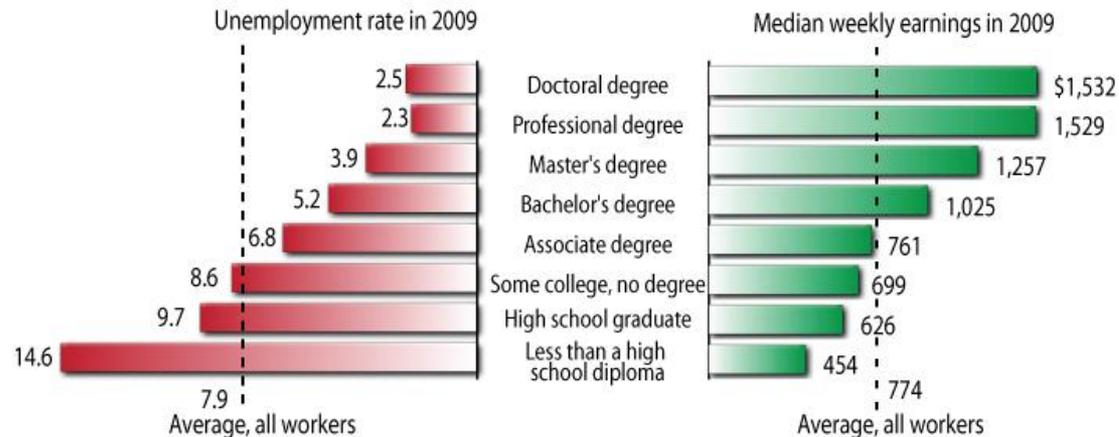
- Recognized **thought leader in philanthropy and corporate social responsibility**

The US' Postsecondary Attainment Rate Has Stagnated, Threatening the Nation's Economic Competitiveness And Individual Prosperity

Economic Competitiveness

"Economists have long recognized that the skills of the workforce are an important source of economic growth. Moreover, as the increase over time in the returns to education and skill is likely the single greatest cause of the long-term rise in economic inequality, policies that lead to broad investments in education and training can help reduce inequality while expanding economic opportunity"¹

Unemployment and Earnings Correlated with Educational Attainment



Among OECD countries, US ranks 11th in percent of college graduates age 25-34 (4th overall)

Postsecondary Education Is Feeling Pressures To Change

Increased focus on degree completion

Massive open online courses

Innovative delivery / business models

Increased alignment with K-12

Increased alignment with labor market

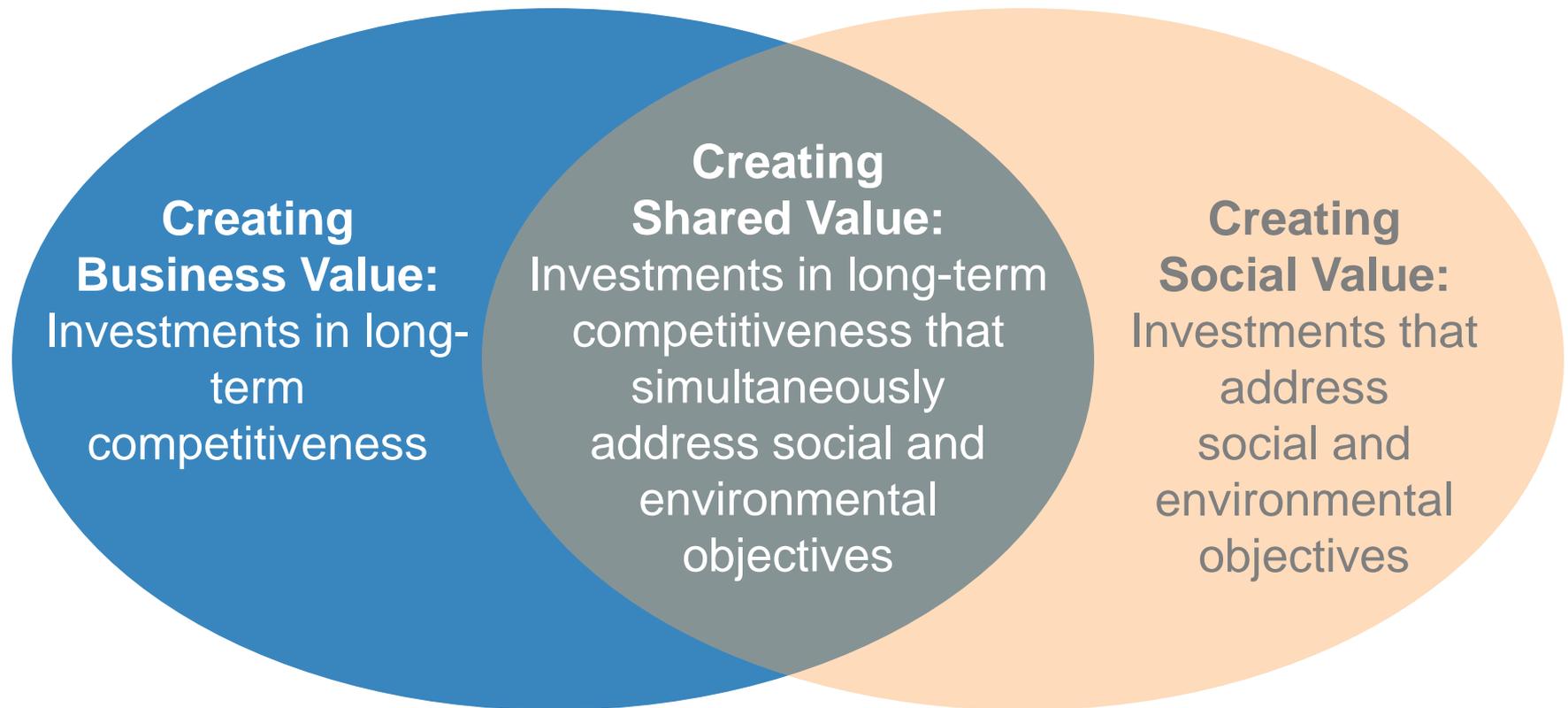
What is “Creating Shared Value”?



“Corporate policies and practices that **enhance competitiveness** of the company while simultaneously **advancing** social and economic **conditions in the communities** in which it sells and operates”

“Shared Value holds the key to unlocking the next wave of **business innovation** and growth”

“Creating Shared Value“ – The Simultaneous Creation of Value for Business And Society



Creating Shared Value Is an Evolution of The Role of Corporations in Society



Philanthropy

- Donations and / or volunteering
- Social issues often generic

Social Responsibility

- Targeted leveraging of company know-how and assets
- Social issues related to core business

Creating Shared Value

- The realization that relevant social issues also represent business opportunities

- *Society:* More resources for good causes
- *Companies:* Reputation and goodwill

- *Society:* Strategic social projects and initiatives
- *Companies:* Reputation, know-how, motivation...

- *Society:* Problem-solving, lasting change
- *Companies:* New markets, competitive advantage

Social Progress and Corporate Success are Inextricably Linked

- **The long-term competitiveness of companies depends on social conditions**

- Improving education and skills
- Safe working conditions
- Sustainable use of natural resources
- A sense of fairness and equal opportunity
- A transparent business environment

- **Business has an essential role to play in solving social problems**

- Only companies can create prosperity that funds government and civil society
- Companies can create sustainable and scalable solutions to many social problems in ways that governments and NGOs cannot
- Businesses can overcome constraints that limit their growth

Past thinking about sustainability has focused too much on the **friction** between business and society rather than their **interdependence**

Companies Can Create Shared Value In Three Ways

Reconceiving Products and Markets

Redefining Productivity in the Value Chain

Enabling Local Cluster Development

The Kenyan Flower Industry Illustrates the Interconnected, Interdependent Nature of a Geographic Industry Cluster

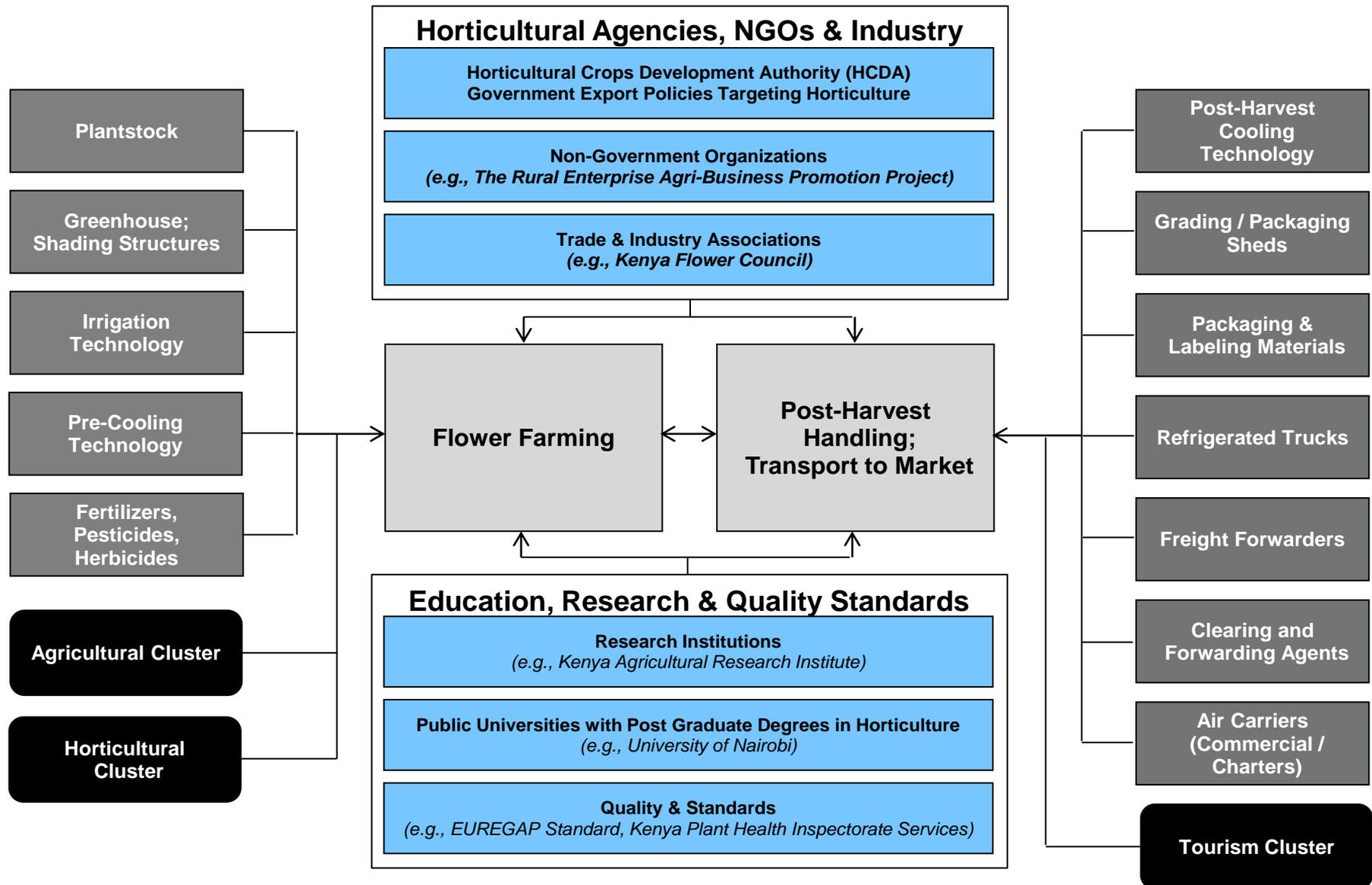
Cluster Definition: “Geographic concentrations of interconnected companies and institutions in a particular field”

Example: *The Kenyan flower industry depends on interactions among the following stakeholders:*

- Smallholder farmers
- Commercial farmers
- Plant-stock producers
- Input providers (irrigation, fertilizer, pesticides, etc)
- Government horticultural agency
- Non-governmental organizations promoting horticulture and flowers
- Trade and industry associations
- Research institutions
- Public universities with post-graduate programs in horticulture
- Quality and standards setting groups
- Packaging and labeling providers
- Refrigerated trucks
- Freight forwarders
- Clearing and forwarding agents
- Air carriers
- Linkages with tourism cluster, agriculture cluster and horticulture cluster

“A cluster’s boundaries are defined by the linkages and complementarities across industries and institutions that are *most important to competition*”

Illustrative Map: The Kenyan Flower Cluster



Successful Clusters Lead to Increases in Local Productivity, Innovation, and New Business Formation

Clusters Increase Competitiveness Through the Following:

1. Increase Productivity

- a. Better access to employees and suppliers
- b. Access to specialized information
- c. Complementarities and benefits of co-location
- d. Access to institutions and public goods
- e. Better motivation and measurement

2. Accelerate Innovation

- a. Sophisticated buyers are part of clusters
- b. Capability and flexibility to act rapidly
- c. Experiment at lower cost

Innovation underpins future productivity growth

3. Stimulate New Business

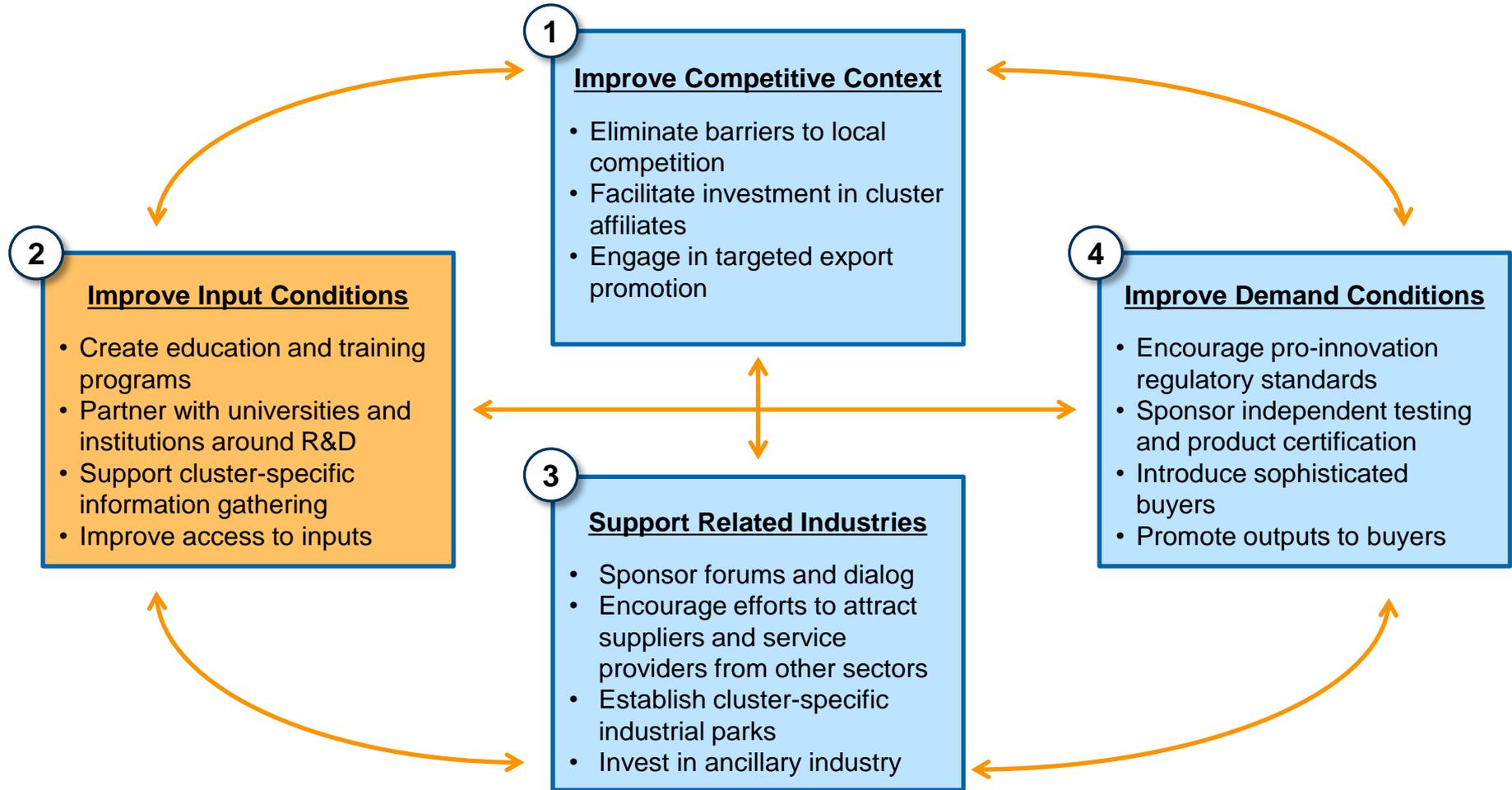
- a. Lower barriers to entry
- b. Concentrated demand
- c. Positive feedback loop

Increased competition leads to higher standards and more rapid innovation, which ultimately reinforces the cluster



Clusters promote both competition as well as cooperation – both of which positively impact productivity of an industry

Clusters Can Be Strengthened by Improving Operating Conditions and Increasing Demand Surrounding a Sector



Cluster-building activities are self-reinforcing

Companies Often Collaborate with Local IHEs to Improve Local Workforce Quality



- San Jacinto College is located in the midst of much of Houston's industrial base
- It has leveraged this location to develop many industry partnerships focused on meeting local workforce needs, including:
 - Automotive Technology Program with Ford, GM, Honda and Toyota
 - Diesel Technology Program with Cummins Engine Company
 - Process Technology Program with local pharmaceutical and petrochemical firms



NORTHROP GRUMMAN

PARSONS

Raytheon

- Cal Poly has partnered with Northrup Grumman, Parsons and Raytheon to develop an undergraduate program in cybersecurity
- Building on its existing large undergraduate engineering base and with corporate support, Cal Poly is adding a lab, designing a new curriculum, creating applied research opportunities, and a developing a graduate-level certificate program

In both of these examples student engagement and service learning benefits students, employers, and the local economy as a whole

Source: Chancellor Brenda Hellyer testimony to Texas State Senate; Business-Higher Education Forum, "National and Regional Workforce Solutions"

How to Use Shared Value Concepts to Make the Case to Potential Corporate Partners

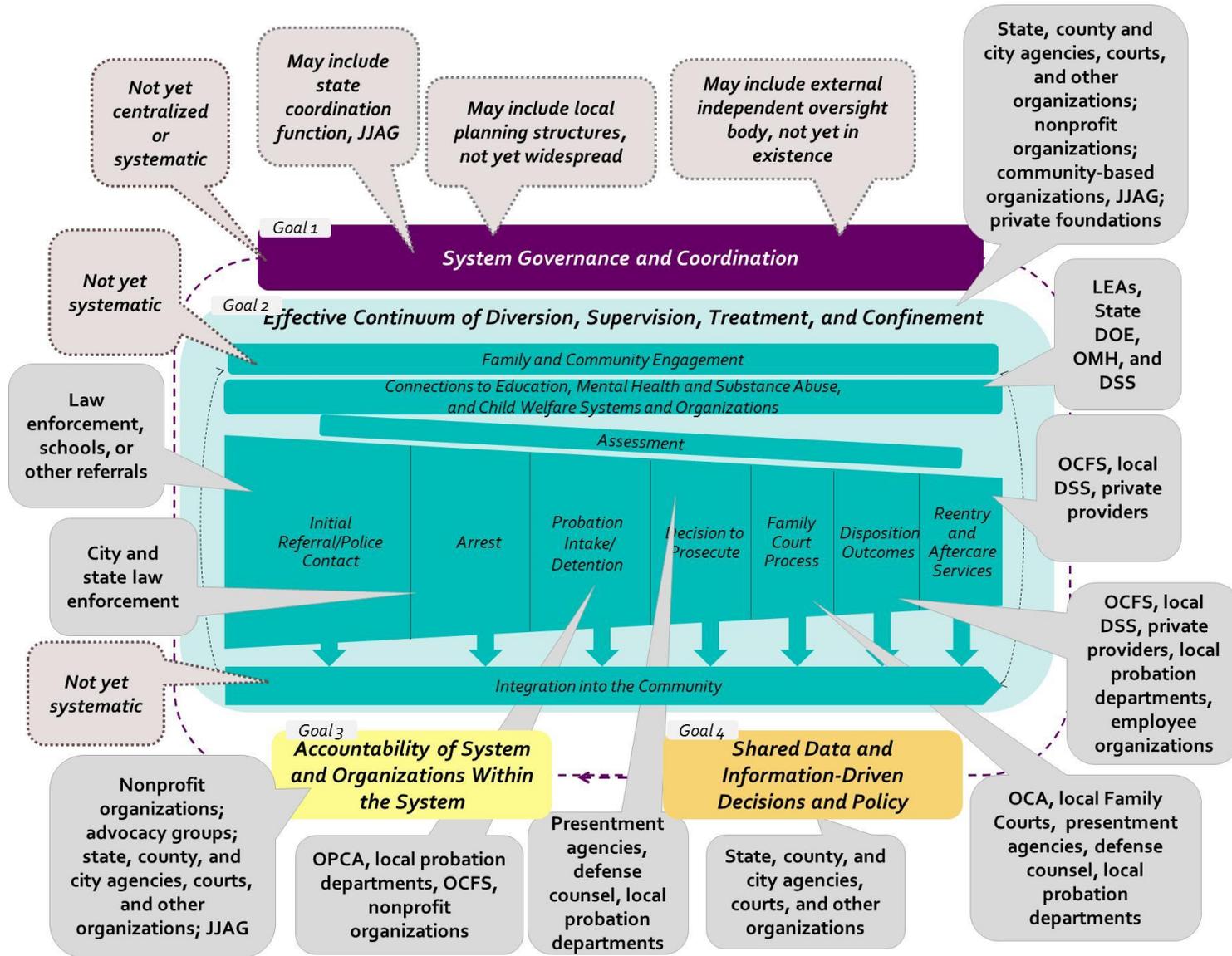
- Identify **constraints on the business** that the partnership would enable the company to fix (e.g., quality of the local labor pool; ability to attract workers from other regions)
- Encourage them to let go of **preconceived ideas** about the relationship of employers to educational institutions and to instead envision what a productive partnership would look like
- Get them to think in terms of **improving communities** and **strengthening the competitive context**, in addition to immediate profit-and-loss concerns

Complex Systems Change: Juvenile Justice in New York



\$286,000 = 89% recidivism rate

Actors In the New York Juvenile Justice System



Source: FSG interviews and analysis; State of NY Juvenile Justice Advisory Group, "State of NY, 2009–2012: Three-Year Comprehensive State Plan for the JJ and Delinquency Prevention Formula Grant Program."

There Are Several Types of Problems

Simple

Baking a Cake



Complicated

Sending a Rocket to the Moon



Complex

Raising a Child



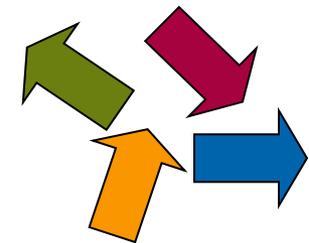
Social sector treats problems as simple or complicated

Traditional Approaches Are Not Solving Our Toughest – Often Complex – Challenges

- Funders select **individual grantees**
- Organizations **work separately** and **compete**
- **Evaluation** attempts to **isolate** a particular organization's impact
- Large scale change is assumed to depend on **scaling organizations**
- Corporate and government sectors are often **disconnected** from foundations and nonprofits

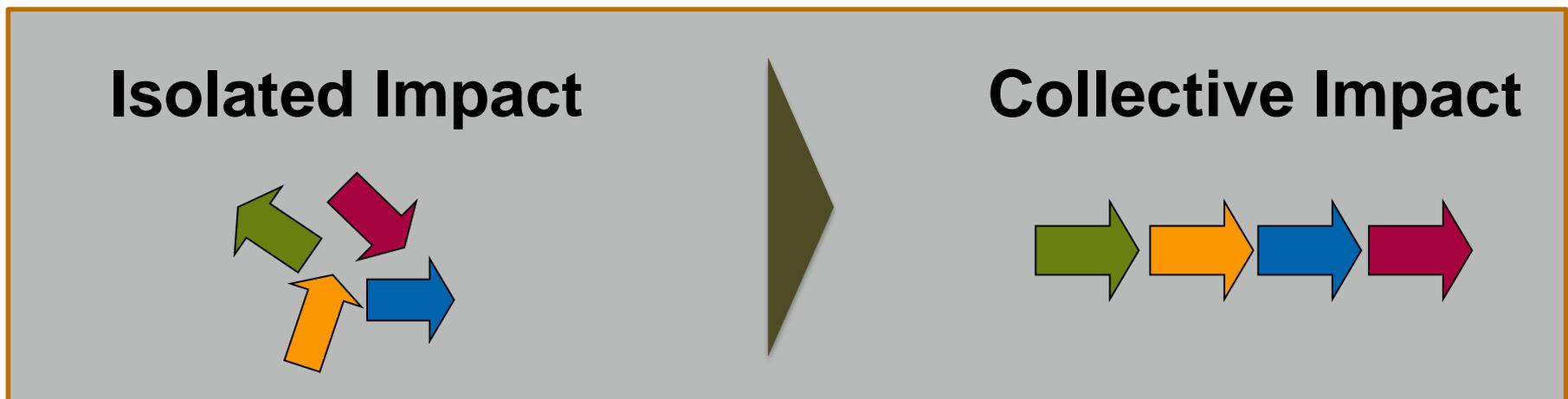


Isolated Impact

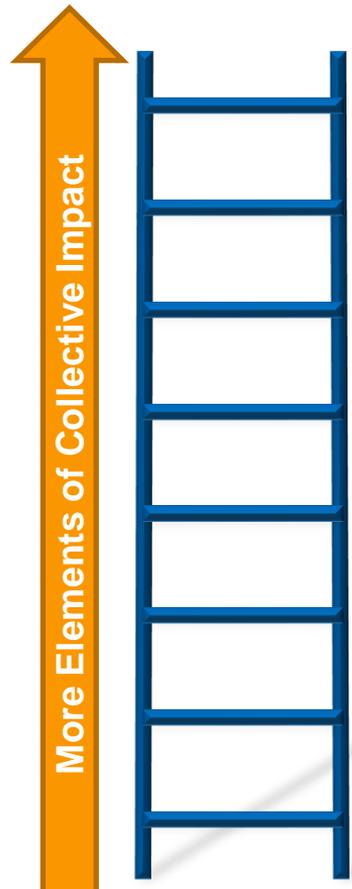


Imagine a Different Approach – Multiple Players Working Together to Solve Complex Issues

- All working toward the **same goal** and **measuring the same things**
- **Cross-sector alignment with government, nonprofit, philanthropic and corporate sectors as partners**
- **Organizations** actively **coordinating** their action and sharing lessons learned



Collective Impact Is a Unique and Differentiated Approach to Bringing Actors Across Sectors Together to Work Toward a Common Agenda



Type of Collaboration	Definition
Collective Impact Initiatives	Long-term commitments by a group of important actors from different sectors to a common agenda for solving a specific social problem
Funder Collaboratives	Groups of funders interested in supporting the same issue who pool their resources
Public-Private Partnerships	Partnerships formed between government and private sector organizations to deliver specific services or benefits
Multi-Stakeholder Initiatives	Voluntary activities by stakeholders from different sectors around a common theme
Social Sector Networks	Groups of individuals or organizations fluidly connected through purposeful relationships, whether formal or informal

It is distinct from other forms of collaboration

Achieving Large-Scale Change through Collective Impact Involves Five Key Elements

Common Agenda

- **Common understanding** of the problem
- **Shared vision** for change

Shared Measurement

- **Collecting data and measuring results**
- Focus on **performance management**
- **Shared accountability**

Mutually Reinforcing Activities

- **Differentiated approaches**
- Willingness to **adapt individual activities**
- **Coordination** through joint plan of action

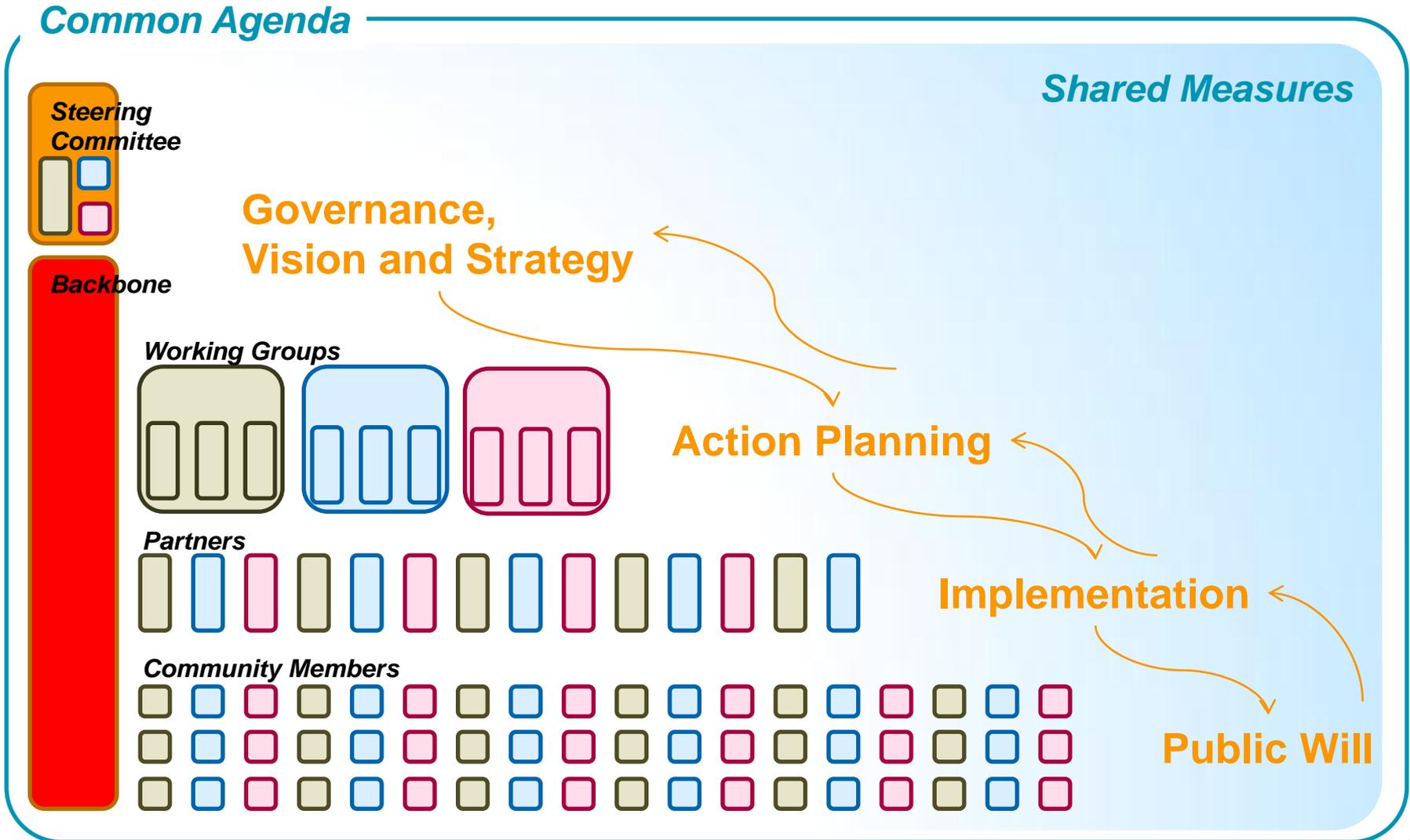
Continuous Communication

- **Consistent and open communication**
- Focus on **building trust**

Backbone Support

- Separate organization(s) with **staff**
- Resources and skills to **convene** and **coordinate** participating organizations

Collective Impact Is Best Structured with “Cascading Levels of Collaboration”



The Collective Impact Approach Can Apply to Solving Many Complex Social Issues

Education

READY BY 21
All youth ready for college, work & life.

CCER
COMMUNITY CENTER for EDUCATION RESULTS

people1st

Strive Together

Healthcare

gain
Global Alliance for Improved Nutrition

ROLL BACK MALARIA PARTNERSHIP

Shape Up Somerville:

LiveWell COLORADO

Eat Smart. Play Hard.

Homelessness

Calgary Homeless Foundation

HOME AGAIN
ONLY A HOME ENDS HOMELESSNESS

Youth Development

The Staten Island Foundation
Working to improve the quality of life on Staten Island

DCJS
New York State Division of Criminal Justice Services

Communities that Care

Economic Development

MARS

OPPORTUNITY CHICAGO

MEMPHISED
MEMPHIS AREA ECONOMIC DEVELOPMENT PLAN

Community Development

Elizabeth River Project
Making restoration a reality

magnolia place

* Indicates FSG Client

Working in Collective Impact Requires a Mindset Shift

Adaptive vs. Technical Problem Solving

- Allowing answers to come from within
- Supporting common agenda building, information sharing and coordination/alignment

No Silver Bullets.... But we do have Silver Buckshot

- Many small changes implemented in alignment can add up to large scale progress

Credibility vs. Credit

- Creating new incentives to work collaboratively vs. competitively

Less than 25% of South King County and South Seattle's High School Graduates Were Earning College Degrees (2010)

Although 67% of Jobs Will Require it by 2018

There are about 116,000 students in the Road Map region who make up 11% of Washington state public school students and 45% of students in King County.



- 60%** students in the Road Map Region are **students of color**
- 54%** students in the Road Map Region are **low-income**
- 167** **different primary languages** are spoken in the Road Map Region
- 17%** students in the Road Map Region are **English Language Learner (ELL) students**

Road Map for Education Results Had Defined a Specific, Shared Goal

Our goal is to **double the number** of students in **South King County and South Seattle** who are on track to graduate from college or earn a career credential **by 2020**. We are committed to nothing less than closing the unacceptable achievement gaps for low income students and children of color, and increasing achievement for all students from cradle to college and career.

A Wide Array of Stakeholders Participating in Several Groups Contribute to the Project



The Project Is Tracking a Series of Shared Indicators



Progress is reported using the following measures:

- % children meeting kindergarten readiness standards
- % children accessing comprehensive medical and dental care
- % eligible children enrolled in evidence-based early learning programs
- % students proficient in 3rd grade reading
- % students proficient in 4th grade math
- % 9th graders who pass end of course algebra exam
- % students motivated and engaged to succeed in school
- % students who are not triggering all three Early Warning indicators
- % parents who believe a college degree is important and actively support their child's education
- % students graduating high school meeting proposed Washington State graduation requirements
- % students who take SAT/ACT and/or take a community college placement test in high school
- % high school graduates who take developmental education courses in college
- % students who earn a post-secondary credential by age 26
- % students who enroll in postsecondary education
- % students who persist year to year

The Road Map Project Has Institutionalized Policy Changes Successfully by Catalyzing Existing Policy Reform Efforts

Select Policy Efforts by the Road Map Project Include:



Institutional

- Encouraged local **community colleges** to send acceptance letters to all high school graduates meeting minimum criteria for admission
- **Increased student enrollment in College Bound Scholarship process**, through which students who register in middle school can become eligible for college scholarships after high school graduation
- **Catalyzed the adoption of a uniform early warning system** across Road Map Districts to flag when students lag behind important academic and non-academic indicators



Local /
Regional

- Successfully advocated for the approval of Seattle's 2011 Families and Education Levy (this **led to an investment of \$230 M** over seven years to improve outcomes across the full education continuum from cradle to college and career; a similar levy was first passed in 1990)

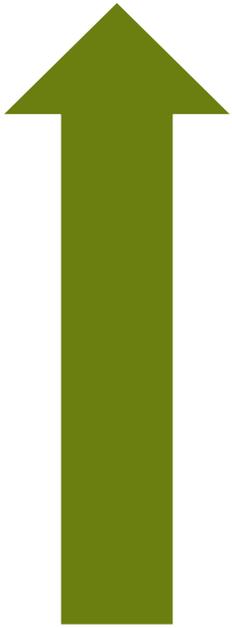


State

- **Accelerated pre-existing state-level efforts** to standardize a statewide assessment system to evaluate kindergarten readiness (*the Washington Kindergarten Inventory of Developing Skills, or WaKIDS, was piloted in 2010 and is now required for all state-funded full-day kindergarten classes*)
- **Backbone Executive Director was particularly effective in leveraging prior relationships** and conducting one-to-one conversations with state officials

The Road Map Project assembled a work group, called the Community Network and Advocacy Council, specifically focused on policy efforts

Although the Project Is Still in Its Nascent Stages, Results Have Already Improved



94%

of 5,062 eligible 8th Graders in the region applied for the College Bound Scholarship in 2012

[89% of eligible 8th Graders completed their application]

76%

of Road Map seniors who signed up for the College Bound Scholarship completed the FAFSA (out of 1,508 eligible seniors)

[28 FAFSA completion events were held in the region this year, compared to only 15 events last year]

7%

increase in Extended Graduation rates in the Road Map Region

Other Notable Impacts Include:

- Baseline Report Published
- Funders group launched, that meets regularly to assess joint impact on education funding in the area, from cradle to college
- A group of Superintendents and College Presidents from 7 Districts and 5 Colleges meet regularly to plan and work together

***Partners for a Competitive Workforce* Seeks to Prepare a More Skilled Workforce in the Tri-State “OKI” Region**

Goals: 90% of the Labor Force Will Be Gainfully Employed by 2020

- 1. Connect businesses with qualified workers**
 - 2. Align education with employer needs**
 - 3. Improve work readiness**
- 
4. Analyze and provide data on labor market trends and talent supply chain performance
 5. Align funding and policy to support improvements along the talent supply chain

Partners Has Achieved Several “Early Wins”



- ✓ Proven success of model in **healthcare** industry; now expanding to **advanced manufacturing** and **construction**
- ✓ **More than \$29M** in public and private funds from local, state, and national sources leveraged since 2008
- ✓ More than **6,100 individuals** served toward career pathways, and more than 4,600 credentials completed
- ✓ Created a **common, region-wide workforce data collection and reporting system** to track results and improve performance that is used by 50 public and nonprofit agencies
- ✓ Developed and advanced a **public policy agenda** with partners through advocacy at the local, state, and federal levels

Summing Up: Implications for Community Engagement

1

Use Shared Value concepts to frame the case for engagement to corporate partners

- Identify constraints on the business
- Let go of preconceived ideas about partnerships
- Think in terms of improving communities and strengthening the competitive context

2

Identify ways that postsecondary institutions can catalyze Collective Impact efforts that align and leverage resources across the community

- Systems change requires a long-term, shared vision and an adaptive approach
- Identify other champions in the community who can help catalyze actions
- Use data to create a sense of urgency

Thank You!

Jeff Cohen

Director, FSG

(206) 577-6524

jeff.cohen@fsg.org



More resources available on www.fsg.org

Jeff Cohen

Director, FSG

jeff.cohen@fsg.org

Tonyehn Verkitus

Executive Director of Community Citizenship

tonyehn@givegab.com

CONTACT INFORMATION

Webinar #4:
Project Management for Student Leadership
1/23/2014

Webinar #5:
Sustaining Student Leadership on Civic Engagement Projects
2/20/2014

SAVE THE DATES