# StanfordSOCIAL INNOVATION REVIEW

# Making Public Policy Collective Impact Friendly

By Thaddeus Ferber & Erin White

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enormously through the recent competition for the next round of the Corporation for National and Community Service's Social Innovation Fund (SIF). This fund offers multi-year federal grants, with a one-to-one private match at both the national and local levels, to implement and evaluate new solutions to pressing social problems. Significantly, the current round of funding prioritizes applications that use a collective impact approach to build pathways for opportunity youth.

In addition, in January 2014 Congress authorized the establishment of up to ten Performance Partnership pilots. This action will provide unprecedented administrative flexibility to states, local communities, and Native American tribes to work together to remove the barriers that opportunity youths face. Participating localities will solicit proposals from community-based cross-system partnerships aimed at blending competitive and formula-grant funding from federal agencies, including the Corporation for National and Community Service, Department of Labor, Department of Education, and Department of Health and Human Services. Flexibility will be granted to high-performing localities that demonstrate innovative cross-sector solutions to improve outcomes for opportunity youth. These pilots demonstrate an unprecedented commitment by the federal government to support collective impact. Depending on the cross-agency data-driven outcomes the pilots seek, the model may be extended to other federal agencies, potentially extending the benefits of collective impact to other seemingly intractable issue areas.

Going forward, the OYIF will continue to deepen the learning community among sites as new strategic questions and new answers emerge. Disseminating these lessons is vitally important not just to these sites, but to any community trying to tackle the reconnection issues that face opportunity youth, and even more broadly, to any community adopting a collective impact approach to solve other pressing social problems. Ultimately, the OYIF seeks to share a host of lessons about implementing a collective impact framework to achieve better outcomes for vulnerable populations. ●

*NOTE*

1   Boston data partners include the Center for Labor Market Studies, the Rennie Center for Education Research and Policy, the Boston Private Industry Council, Success Boston, the Boston Public Schools, and the Boston Indicators Project.

# Making Public Policy Collective Impact Friendly

## Government policies too often impede, rather than enhance, collaborative efforts.

**BY THADDEUS FERBER & ERIN WHITE**

Cross-sector partnerships across the country are working hard to achieve collective impact. Although public policymakers often share the goals of these partnerships, federal, state, and local policies too often impede rather than enhance the conditions necessary to operate collectively. Worse, some public policies explicitly prohibit the very things that collaborative partnerships need to succeed. Rigid funding models, a narrow focus on annual reporting, silos within and between agencies administering programs and funds, and inaccessible or unaligned data sets all create obstacles to achieving collective results.

One of the reasons this problem exists is that the structure of government often works against collective solutions. Policymakers typically operate within isolated sub-committees, departments, and agencies that result in loyalty to a specific issue and funding stream. But not all problems lend themselves to a narrow, targeted response. Many are better addressed through simultaneous action by more than one office. In these cases, siloed governmental structures and processes are counterproductive. Moreover, policymakers and partnerships often lack clear information about what types of collaborative actions are even allowed.

It comes as little surprise that when governmental culture and auditing practices inhibit risk-taking, public policies that promote collective impact are few and far between. Nonetheless, some current policies, governmental structures, and processes do help partnerships achieve collective impact. (See "What Do We Mean by "Public Policies"? on right.)

### A STEP IN THE RIGHT DIRECTION

Some public policies explicitly allow and incentivize partnerships to create each of the five conditions necessary to achieve collective impact. (See "Public Policies That Encourage Collective Impact" on page 23.) These public policies are found in issues as diverse as youth development, economic revitalization, and health, as shown by the following three examples.

Performance Partnership Pilots, managed collaboratively by several federal departments, provide selected communities with needed flexibility to use existing federal funds to create a coordinated approach to disconnected youth (low-income young people between the ages of 16 and 24 who are not in school and not employed).[1] Providing the variety of services they need—including education, job training, health care, childcare, food assistance, and housing—through multiple independent programs proves inefficient and ineffective. The Performance Partnership Pilots will allow communities to bring these disparate programs together to create a more unified solution. In return, each partnership must use a rigorous accountability system to monitor their results and correct course as needed.

The Working Cities Challenge, funded by the US Federal Reserve Bank of Boston, incentivizes collaborative leadership to promote economic revitalization in small cities in Massachusetts.[2] It grew from a shared vision of success among leaders from private, philanthropic, nonprofit, and government sectors to develop a new model for investment. Rather than finance single projects,

## What Do We Mean by "Public Policies"?

- A piece of legislation at any level
- Guidelines in procurement such as RFPs
- Program requirements
- Regulations that govern programs
- Cross-agency initiatives
- Mayoral or gubernatorial initiatives

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the Working Cities Challenge requires cities to assemble cross-sectoral teams to improve the lives of low-income residents. It provides funding, technical assistance, and peer learning opportunities among grantees.

The Essentials for Childhood program, funded by the US Centers for Disease Control and Prevention, aims to create safe, stable, nurturing environments for children.[3] The program explicitly requires a backbone infrastructure, multi-sector partnerships, continuous improvement, and shared outcome measures. Grantees must emphasize their work with partners who may not have worked together in the past but whose work aligns with the overall goals and strategies of a common agenda.

These examples are nascent, so it is too soon to know if they will ultimately lead to positive population-level outcomes. But each example suggests a path forward for policymakers looking for ways to allow and incentivize partnerships to achieve collective impact.

### HOW TO ENHANCE PUBLIC POLICY

The three previous examples, although promising, remain the exception rather than the rule. Broader adoption of public policies that encourage collaboration will require changes to government structures, accountability mechanisms, and auditing and accounting practices. Below are three approaches that policymakers can take to make government more friendly to collective impact initiatives.

*Creating interagency structures focused on populations and issues* | The most direct solution to the problem of fragmentation among departments is to create structures that cut across silos. For example, a growing number of states and localities have created "Children's Cabinets" through which the heads of related departments work toward shared goals on issues from early childhood education to disconnected youth programs.[4] These permanent structures are more efficient than ad-hoc interagency groups because policymakers can use their existing relationships and collaborative work processes to confront new problems as they arise and to create a culture of working together that can permeate other parts of government.

*Flipping accountability from "services provided" to "outcomes achieved"* | Another way to cut across government silos is to hold grantees accountable for results instead of for specific services provided. Pay for Success initiatives, which guarantee funding for organizations that achieve specific outcomes for a population, are a prominent example of outcome-based policymaking.[5] By allowing communities to replace overlapping, underfunded sets of services with aligned, efficient, and effective ones, these initiatives are sparking innovative, collaborative projects, many of which may

> *Some public policies explicitly allow and incentivize partnerships to create each of the five conditions necessary to achieve collective impact.*

well achieve collective impact.

*Changing government auditing and accounting practices* | Fear of triggering a governmental audit is perhaps the primary reason that grantees often assume they are not allowed to align, blend, and braid siloed funding streams across agency lines. Fortunately, it is possible to make government more collective impact friendly by changing auditing and accounting rules. For example, the White House Office of Management and Budget recently released a new rule allowing private organizations that receive money from more than one agency to consolidate their reporting.[6] Such regulatory changes can permit governments to fund partnerships more successfully.

### CONCLUSION

Although our focus in this article was on public policies, it is important to note that policymakers can also support collective impact directly. In addition to creating and implementing public policies that make it easier to undertake collective impact initiatives, they can, for example, use their bully pulpit to call for effective collaboration, chair collective impact steering committees, share governmental data, and lend their expertise and creditability by participating in meetings or working groups.

All such roles are vital. If policymakers devote their time and energy to helping collective impact initiatives succeed, and if government policies, structures, and mindsets shift to help partnerships create the five conditions necessary to achieve collective impact, we may finally be able to make progress on some of the most important, persistent, and intractable issues facing society today. ●

*NOTES*

1   Consultation Paper, *Changing the Odds for Disconnected Youth: Initial Design Considerations for Performance Partnership Pilots*, White House Office of Management and Budget, Washington, D.C., 2014.

2   http://www.bostonfed.org/workingcities/

3   http://www.cdc.gov/ViolencePrevention/childmaltreatment/essentials/index.html

4   Jenny Moreno, Elizabeth Gaines, and Danielle Evennou, *Ready by 21 State Policy Survey: Policy Coordinating Bodies in the U.S.*, Forum for Youth Investment, Washington, D.C., 2013.

5   Jeffrey Liebman, *Building on Recent Advances in Evidence-Based Policymaking*, America Achieves Results for America and The Hamilton Project at The Brookings Institution, Washington, D.C., 2013.

6   *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, White House Office of Management and Budget, Washington D.C., 2013.

## Public Policies That Encourage Collective Impact

| CONDITION OF COLLECTIVE IMPACT | PUBLIC POLICIES THAT ALLOW OR INCENTIVIZE EACH CONDITION |
|---|---|
| **Common Agenda** | ■ Planning grants in addition to implementation grants<br>■ Requirements to engage partners from multiple sectors |
| **Shared Measurement** | ■ Data sharing agreements<br>■ Accountability for shared outcomes |
| **Mutually Reinforcing Activities** | ■ Blended funding streams<br>■ Allowances for tailoring to local conditions |
| **Continuous Communication** | ■ Requirements for documenting the process of collaboration<br>■ Allowing for adjustment in plans to support emergence |
| **Backbone Support** | ■ Funding for backbones<br>■ Grant criteria that require defined backbone functions |