LeadingAge™ California

inspire...serve...advocate

Strategic Relationships between Senior Living Providers and Villages

Joanne Handy, President and CEO, LeadingAge California

and

Susan Poor, Principal, Susan Poor Consulting

ACKNOWLEDGEMENTS

This white paper was inspired by the mutual interests of LeadingAge California and two San Francisco Bay Area Villages – San Francisco Village and Ashby Village, Berkeley – in exploring the potential for strategic relationships between Senior Living Providers and Villages. The creative thinking that launched this project was received from leaders in both arenas. We wish to thank the following individuals for their contributions:

Senior Living Providers

- Kevin Gerber, CEO, Episcopal Senior Communities
- Kay Kallander, Senior Vice President of Strategic Planning, and Tara McGuinness, Regional Vice President, American Baptist Homes of the West
- Sheri Peifer, Chief Strategy Officer, Eskaton
- Tracy Powell, Vice President of Home and Community Based Services, Episcopal Senior Communities

Villages

- Kate Hoepke, Executive Director, San Francisco Village
- Andy Gaines, Executive Director, Ashby Village
- Andra Lichtenstein, Ashby Village Board President
- Steve Lustig, Ashby Village Board Member
- Patricia Sussman, Ashby Village Board Member

The Planning Committee of LeadingAge California, chaired by Navigage President and CEO Bill Platt, provided support and strategic advice for this paper.

In addition, we would like to thank Bruce Rosenthal, Vice President of Corporate Partnerships at LeadingAge and Co-Chair of the Communications Workgroup for Silver Spring Village, MD, for his leadership in advancing exploration of strategic relationships between Senior Living Providers and Villages.

About the Authors

Joanne Handy is President and CEO of LeadingAge California. LeadingAge California represents the nonprofit senior living and services field.

Susan Poor is Principal of Susan Poor Consulting, Co-President of the Village to Village Network Board of Directors, and a founding and current Board Member of San Francisco Village.

CONTRIBUTORS

Thank you to the many Senior Living Provider and Village representatives who shared their time and expertise with us. This white paper would not have been possible without their insights and commitment to exploring new ideas.

Senior Living Providers

Heather Altman, Director,
Community Connections; Carol Woods
Retirement Community, Chapel, NC

Floy Biggs, CEO Community
Senior Services, Claremont, CA

Kate Paz, Director, Programs
Without Walls; Mather LifeWays,
Evanston, IL

Betsie Sassen, Vice President of
Community Initiatives; Mather LifeWays,
Evanston, IL

Martha Tamburrano, President & CEO;
Episcopal Communities and Services,
Pasadena, CA

Villages

Dianne Campbell, Founding Executive Director
Lincoln Park Village, Chicago, IL

Tommi Ferguson, Executive Director
North Shore Village, Evanston, IL

Denise Klein, Executive Director
Wider Horizons, Seattle, WA

Paula von Kleydorff, Program Director
Carleton-Willard at Home, Bedford, MA

Geli Losch, Connections Director
Messiah Lifeways, Mechanicsburg, PA

Jane Nyce, Founder
Staying Put in New Canaan,
New Canaan, CT

Brandi Orton, Director
REAL Connections, Claremont, CA

Mandy Summerson, Executive Director
Carolina Villages, Chapel Hill, NC

Strategic Relationships Between Senior Living Providers and Villages

Introduction and Purpose

Nonprofit providers of senior living services have spent more than a century serving the needs of older adults in their communities. From humble beginnings as "homes for the aged," these 6,000+ providers have evolved to be mainstream sources of independent senior living, affordable senior housing, assisted living, nursing centers, health and wellness, and home and community-based services in towns and regions across the nation. The mission-driven philosophy of these providers, to meet the needs of their aging communities in the places that older adults call home, remains steadfast regardless of the form these services take. As these organizations prepare to serve new generations of older adults, they are well aware that the changing desires, resources, and needs of their future constituencies require them to reexamine legacy models and traditional partners.

Villages, started in 2002 by Beacon Hill Village in Boston, are nonprofit, grass roots, membership organizations created and governed by older adults for their own neighborhoods. With 90% of older adults wishing to live in their own homes and communities as long as they are able, Villages make this possible by providing affordable social, educational, and practical day-to-day resources and services to assist members with the transitions of aging. Village members become part of a strong peer community, with access to expert guidance and support to empower them to remain independent, connected, and fully engaged as they age. Villages are primarily funded by member dues, individual donations, and grants; several have also received municipal funding. Today there are about 160 open Villages in the United States, with an equal number in development. In California, there are approximately 50 Villages, two-thirds of which are open and one-third that are in development. Most Villages are members of the national Village to Village Network, which exists to foster new Villages, help established Villages grow, address issues of sustainability and scalability, and engage in outcomes research.

It is no accident that across the country, Senior Living Providers and Villages are engaged in conversations, from casual to serious, to explore opportunities to work together. As mission-driven organizations that share similar values and strive to support the independence and choice of elders, such conversations make perfect sense in today's environment. The purpose of this white paper is to deepen

> **The goal of partnerships is to achieve more than individual organizations can achieve on their own … the whole of the partnership adds more than the sum of the individual parts … the partnership should not be the end in and of itself but a means to an end.**
>
> **(Partnerships: Frameworks for Working Together, 2010)**

the conversation by exploring the nature of potential relationships, describing existing relationships, and elucidating the elements of successful partnerships. Although its primary target audiences are nonprofit Senior Living Providers and Villages, other aging service providers, technology companies, and social impact investors will derive value from it.

Today's Environment in Aging Services

There are several trends in serving the burgeoning cohort of older adults that make this conversation important. First, surveys consistently reveal that Americans overwhelmingly express the desire to remain in their own homes as they age. Senior Living Providers, traditionally focused on bricks and mortar services, are rethinking their growth strategies and balancing their service portfolios. The 2014 LeadingAge/Ziegler 150 report indicates that 53% of the largest nonprofit providers are already offering home and community-based services to non-residents. Thirty-three percent (33%) of this group either have or are considering a Continuing Care at Home (CCaH) program. Providers serving private-pay clientele realize that they probably reach less than 10% of the age and income-qualified older adults in their market geography, and know that a significant number of the other 90% will have service needs at some point in time. Those who also serve low-income individuals are familiar with the waiting lists for affordable housing or Medicaid nursing beds and the virtual absence of affordable assisted living. They would like to utilize their expertise as eldercare providers to expand the number of people served in their greater communities. Nonprofit providers would like to ease the pressure on family caregivers who do not qualify for state or federally funded long term services and supports (LTSS), have no long term care (LTC) insurance, but who are unable to afford needed services. Finally, nonprofits take their responsibility of creating community benefit very seriously and are moving toward the example of health care systems that make significant social investments to strengthen communities and demonstrate tangible results.

For individual consumers, the traditional foundations of retirement support – Social Security, pensions, and individual savings – are threatened by trends which have made saving difficult for many older adults approaching retirement or those working to stretch existing dollars further. These include:

- Increased life expectancy
- Reduced Social Security replacement rates as the full retirement age moves from 65 to 67 years of age
- Decline of employer defined benefit plans in favor of defined contribution plans, which consist largely of consumer-managed personal savings through 401(k) savings accounts
- Low employee participation (only 48%) in these employer-sponsored plans
- Wage stagnation that reduces the ability to save
- Lower interest rates that slow the return on personal savings
- Skyrocketing health care premiums and out-of- pocket health and long term care costs
- Underfunded LTSS networks for lower income older adults and inadequate networks for those who are not frail or poor enough to qualify for publicly funded services

It is well documented that the number of older adults age 65+ will continue to grow nationally, from 1 in 8 in 2010 (13% of the U.S. population) to 1 in 5 in 2050 (20%). The increased demand that will accompany this growth makes it clear that a wide range of affordable housing and LTSS choices will be required to meet their needs.

This is part of the reason that home-based models like Villages, Naturally

Occurring Retirement Communities (NORCs), Age and Disability Friendly Community initiatives, CCaH programs, co-housing, shared housing, and efforts to better integrate public and privately funded LTSS have captured the attention of consumers, Senior Living Providers, and local, state, and national aging organizations. Approaches that expand, connect, and leverage existing services and resources will be the key to expanding LTSS in affordable and accessible ways for the majority of older adults who will continue living in their homes and communities.

Villages are new entries in the aging services spectrum of LTSS but are becoming part of the solution to address the unmet needs of older adults who wish to age in place. They are part of a still young movement focusing on aging in community, with about 24,000 members nationwide and an average of 150 members per Village. Several Villages in California and other states have memberships exceeding 300 people and continue to grow. The model resonates strongly throughout the country, as evidenced by the great amount of media attention it receives nationally and locally and the number of older adults that have stepped forward as local leaders to build Villages. From a policy perspective, it has fallen to local communities to lead creative change and new partnerships within aging-in-community initiatives, change that out of necessity must be based on leveraging resources. Today's seniors will live, on average, nearly 20 years past the age of 65 and will be followed by an equally large Gen X age cohort. The resulting demand for LTSS will remain a driving force long into the future, making community collaborations important vehicles in the support of older adults living in their own homes and communities. This white paper explores these possibilities between Senior Living Providers and Villages.

Survey Method

The purpose of this paper is to highlight the innovative and exciting connections that are already in place between Senior Living Providers and Villages. Through research and interviews with both, our goals were to find out how and why strategic relationships get started, how they are structured, what they have accomplished, what barriers and challenges have been encountered, what has been learned, and how this knowledge can benefit other providers of aging services.

These affiliations are quite new, emerging within the past four to five years. Our inquiry included the Senior Living Provider/Village strategic relationships in the table below. The survey tool is provided in Appendix A.

Senior Living Provider and Village Survey Participants

SENIOR LIVING PROVIDER	AFFILIATED VILLAGE	LOCATION
Carleton-Willard Village	Carleton-Willard at Home	Bedford, MA
Carol Woods Retirement Community	Carolina Villages	Chapel Hill, NC
Claremont Manor and Community Senior Services	REAL Connections	Claremont, CA
Horizon House	Wider Horizons	Seattle, WA
Mather LifeWays	North Shore Village	Evanston, IL
Episcopal Communities and Services	Pasadena Village	Pasadena, CA
Messiah Lifeways	Connections	Mechanicsburg, PA
Waveny LifeCare Network	Staying Put in New Canaan	New Canaan, CT
Multiple Chicago-based CCRCs	Lincoln Park Village	Chicago, IL

Strategic Relationship Terminology and Documentation

The terminology and documentation of these strategic relationships varies widely. Terms used by both Senior Living Providers and Villages include agreement, affiliation, collaboration, partnership, and strategic partnership. CCRCs that have helped launch Villages often describe their roles as founders, supporters, sponsors, or founder/sponsors.

Documentation of strategic relationships also varies. Of the nine Senior Living Provider/Village connections we studied, five have written agreements (MOUs, letters of agreement, bylaws), two have verbal agreements, and two use written or verbal documentation depending on the type of relationship.

There was no clear connection between the term used for the strategic relationship and the type of documentation.

This variation in terminology and documentation is consistent with the large body of research on the development of strategic relationships. If distinctions are made, it may be based on whether the term is being used in the for profit, nonprofit, or public sector and the level of formality or legality that is required. Between Senior Living Providers and Villages, it seems that the entities have selected the term that has the right feel and intention in their own circumstances. The one exception to this is that some Senior Living Providers were more selective about use of the word partnership, which, in a business sense, often implies clear financial gain or other contributions and benefits for each party. For example, one CCRC in our survey intentionally did not name its Village relationship a partnership because, to them, "strategic partnership implies that both parties give as much as they get." At this early point in the relationship, the CCRC feels it is "giving greater benefit than it receives," but also feels it is moving toward a more balanced strategic relationship in the future.

For the purposes of this paper, we use the term strategic relationships as an umbrella term covering partnerships, affiliations, alliances, or other structures, including Senior Living Provider/Village connections that can be in-kind or philanthropic in nature. See Appendix B for summary information about the Senior Living Providers and Villages participating in this project. See Appendix C for definitions of different types of strategic relationships.

How Strategic Relationships Have Started

Successful strategic relationships require finding common ground. This is certainly the thread that runs through the exploratory phases of Senior Living Provider/Village partnerships. With the mutual aim of improving or expanding supports and services for older adults, Senior Living Providers and Villages in our survey each found reasons to engage in dialogue with the other.

Five of the Senior Living Provider/Village strategic relationships were initiated by CCRCs. At Carleton-Willard Village, CCRC residents wanted to start a Village for people who could not afford the CCRC or wanted to age in place. At Horizon House, Episcopal Communities and Services, and Messiah Lifeways, the CEOs and boards of directors wanted to serve the broader community. At Waveny LifeCare Network, a new CEO made a point of meeting with community providers, heard good things about the Village, and made a commitment to working with it.

Four of the Senior Living Provider/Village strategic relationships were initiated by Villages:

- REAL Connections is a program of Community Senior Services (CCS) in Claremont, CA. Its CCRC connection is with Claremont Manor, a Front Porch community. Community Senior Services' CEO has worked on aging issues in the Claremont area for nearly 40 years, including working at Front Porch. When CCS decided to launch a Village, the CEO talked with her vast network of community contacts to see where mutually beneficial connections could be made.
- The founders of North Shore Village in Evanston approached Mather LifeWays as they were planning the Village. The Village model was a good match for Mather LifeWays mission of Ways to Age Well[SM].
- Lincoln Park Village in Chicago has pursued Senior Living Provider connections that have emerged in the course of the Village's development. In her own words, the CEO has her "ear to the ground, taking advantage of whatever is a win-win scenario."
- The founders of Carolina Villages approached Carol Woods for its support. The founding members included future residents of Carol Woods. The two organizations immediately started working together, recognizing the benefit for local older adults.

Don't expect to know all the reasons for doing an alliance before you sit down to talk…Once you build a relationship and understand each other's capabilities, other ideas emerge.

(Nonprofit Collaborations: Why Teaming Up Can Make Sense)

Goals of the Strategic Relationships

Identifying goals brings the common aim of improving or expanding supports and services for older adults to a practical level. In the survey, both Senior Living Providers and Villages were asked to identify their goals in setting up their partnerships. In essence, each was asked to consider what gives its strategic relationship organizational value.

The most frequently mentioned reasons cited by Senior Living Providers for participating in strategic relationships with Villages were to:

- Fulfill their missions and community benefit obligations
- Enhance their reputations, credibility, and visibility
- Reach a moderate-to-lower income demographic of people who could not afford the CCRC, could not pass the screening, or want to age in place
- Be part of new innovations in aging
- Serve the broader community

Other reasons mentioned were to:

- Increase marketing opportunities
- Use experience in aging services to provide high quality services rather than having "new or random companies who have no track record jumping in as opportunities arise"
- Leave a legacy in the surrounding community
- Create a local presence after selling a CCRC
- Learn more about how to help people staying at home

For Villages, the goals of the strategic relationship were to:

- Obtain financial and other support from the CCRC
- Maintain the Village's connection with members who move into a CCRC
- Leverage the Village's community relationships

Barriers Encountered in Exploring, Developing, and Launching the Strategic Relationships

Though few barriers were identified by either Senior Living Providers or Villages in establishing their partnerships, those that surfaced were complex. With skilled leadership, these barriers seemed to have been readily solved, allowing the partnership to move forward.

Specific barriers identified were the following:

- Some residents of one CCRC objected to the CCRC using "their money" to start the Village. This resulted in slowing down the planning process and ultimately to separating it from the CCRC. Future Village funding will come from the CCRC's community grants program. Most residents have bought into the Village initiative as an expansion of the CCRC's mission.
- Some founding members of one Village had concerns that the CCRC would "strong arm" the relationship, using it to market their residences. These members changed their opinion after observing the CCRC's supportive, hands-off approach.
- One CCRC had to overcome the belief that the Village was a "banana peel," i.e. a slippery slope to moving to a residential setting. They were very explicit that this was not a marketing program for the CCRC.

Two Villages commented on why there were so few problems in building the partnership. One attributed it to the CEO's strong community relationships. Another Village remarked that it was due to the confidence it had that the CCRC "gets" Villages and is comfortable working with the model.

Benefits of the Strategic Relationships

Both the Senior Living Providers and Villages feel that their reputations and visibility in their communities have been greatly enhanced by their partnerships. The CCRCs interviewed for this project brought strong, long-standing reputations to these relationships, making that visibility also an asset to their Village

partners. In the words of one Senior Living Provider that shares a name with its partner Village: "The Village is constantly out in the community spreading our brand; this is an 'enormous' benefit from the Village." From a Village perspective: "Our partnership with the CCRC allows us both to provide more Village services. We benefit from the CCRC's reputation. As members see the relationship, they trust the Village more and are willing to ask questions. We are able to reach new audiences."

Operationally, the Villages benefit from funding and in-kind services they receive from the CCRCs that can help them launch faster and defray ongoing costs. Both Villages and the CCRCs have access to each other for advice and strategic thinking. Some partnerships include shared board members or reciprocal board seats. In others, partnership bonds are strengthened by Village members frequently being on the CCRC campus for activities, meetings, and events.

CCRC funding most often covers start-up planning, seed money, office rent, and salary support for the Executive Director and other staff. In-kind services include office space, technology and administrative support, printing, meeting and event space, refreshments, and Village volunteer roles taken on by CCRC staff. Villages also benefit from the expansion of CCRC services to Village members, including transportation, home care services, prepared meals delivered by Village volunteers or the CCRC, nutritional counseling and classes, and invitations to CCRC meals and movie nights.

In one CCRC, all residents are members of the Village, with the membership fee paid by the CCRC. The Village does programs there, offers joint activities, and gives residents access to all Village services. In another scenario, a CCRC and Village jointly offer a family caregiver support group. Further benefits to CCRCs can include access to Village members for research, product testing, and building a potential pipeline for new CCRC residents.

What Has Been Learned in Developing Strategic Relationships

There has been a great deal learned by both Senior Living Providers and Villages as they lead the way in experimenting with and exploring partnership possibilities.

Looking back on their roles in launching or partnering with Villages, all of the Senior Living Providers came to the same conclusion: Villages are start-ups going through a process that is as much community organizing as it is starting a new business and they are looking for both support and independence. As grassroots, volunteer, community-building organizations, they cannot be run or managed in the same way CCRCs are.

When asked how partnering with Villages compared to their experience partnering with other organizations, Senior Living Providers noted that:

- Village partnerships are more grassroots than others.
- They are based on creating very personal relationships and require more patience.
- The Village relationship is very "hands-off" compared to their relationships with service providers in the community.
- Start-up, volunteer boards can burn out and may not have the professional expertise they need.

In the words of one CEO: "It is not a strategic partnership like others … it is like mating two animals of a different species."

Senior Living Providers interviewed for this paper showed great thoughtfulness as they reflected on their partnership experiences. "Words of wisdom" to providers contemplating partnerships with Villages include the following:

- **"Be careful of having a corporate sponsorship 'trump' a budding grassroots organization.** The preponderance of power needs to be invested in either a non-profit board separate from any sponsor, or in the membership, or both. In our case, it is both. We would not have succeeded with a top down approach."
- **"CCRCs that are financial sponsors need to have a 'lighter touch' or hands off approach.** Undue influence by the CCRC will limit the broad community base that a Village needs. Community building is as important as service provision, and a CCRC-heavy Village tends to be more about service provision."
- **"We planned to run the Village but changed course, understanding it needed to be a grass roots effort."**
- **"Senior living providers should hold the Village loosely, lest the flower be crushed before it can bloom.** Recognize that the Village culture is very different from organization culture. Go for it, because it is innovative, you can learn from the experience, and it is a good form of community engagement."
- **"We need to constantly balance the grassroots nature of the Village with our corporate culture. Letting the Village members drive the program was a learning experience for us."**
- **"Don't worry that a Village will compete with residential options as most of the members will not move into a residential setting."**
- **"Get involved with Villages because there are so many ways a CCRC can help a Village. If a CCRC wants to be a leader in their community, it should be involved in new options."**

Concerns expressed by Senior Living Providers about their Village partnerships emerged in the following areas:

- *Recognition of their role.* One Village commented that while the Village is creating social impact and contributing to the community, it has been slow to publicly recognize the CCRC's role in founding and supporting the Village, in spite of having an MOU that addresses this. "The need for the Village to create its own identity can result in the sponsor not having the degree of visibility it seeks; somehow you have to find the right balance."

- *Ongoing financial support of Villages.* "The parent board initially kept asking when the Village would be self-sufficient but now realizes it will always require some subsidy. Our biggest concern now is making sure the annual subsidy is part of the parent Board's strategic vision."
- *Slower Village growth than anticipated.* "While the desired social glue and access to services have occurred, Village growth is not proceeding as quickly as we would like."
- *Reduced community presence and support because of institutional sponsorship.* "The Village has less of a grassroots presence and less community support than Villages without institutional sponsors. However, they have ongoing financial and back office support that other Villages do not."

It is notable that these issues are being managed as part of partnership development and have not become reasons to abandon the strategic relationships.

Villages' learnings have been focused in two main areas: deep appreciation for the benefits the partnership has provided and building strong relationships. Villages clearly recognize the value of the financial, administrative, and in-kind support they have received from Senior Living Providers as well as the opportunity to "share" their reputations, provide expanded services to members, and have access to the providers' strategic expertise. From one Village: "The CCRC's financial support is a huge asset and people value its reputation and longevity." From another: "There is so much we couldn't possibly do on our own."

In terms of building relationships, Villages, like most successful nonprofits, must be highly skilled at reaching out to and working with with funders, other community organizations, academic institutions, local public services, etc. Even though Villages are young organizations, their planning committees and boards of directors often include many skilled older adults with vast experience and contacts in the for profit, nonprofit, and public sectors.

In listening to Villages talk about their development strategies, it is clear that existing expertise in building strong relationships is being adapted to the growth of local Villages. In our survey, Villages identified the following keys to building successful partnerships:

- Leveraging existing relationships
- Building trust by taking the time to nurture new one-to-one relationships
- Being clear about common goals and what you hope to accomplish

We have a synergy that meets the mission of both.
You can't put a price tag on that.
It's great that the opportunity is there.

- Understanding your partner's market, opportunities, challenges, and expectations
- Being open-minded and finding mutual understanding when there is disagreement
- Appreciating the value of informal communication
- Allowing room for each partner to grow and change
- Being bold. "If you don't ask, you don't receive. Go to the CEO – go to the top. Say we have an awesome idea – can we share it with you?"

See Appendices D and E for additional information on how strategic partnerships emerge, barriers to success, and checklists for evaluating partnerships.

The Business Case and Value Proposition

These early findings about strategic relationships between Senior Living Providers and Villages provide valuable learnings about how these partnerships can also be good business decisions.

Given that 90% of older adults will age in their homes and communities – by choice, necessity, or both – what are the replicable ways that Senior Living Providers and Villages can leverage their missions, resources, and relationships to improve their bottom lines?

The business case for Villages is to scale in both size and number, increase and diversify their revenue streams, and increase their brand recognition. The value proposition is to obtain increased revenue by increasing membership size and therefore revenue from fees, secure municipal funding, continually pursue grants and individual donations, identify new donors, and create and participate in strategic business relationships.

The business case for Senior Living Providers is to remain competitive, operate at optimum capacity, maintain demand for private-pay residential living options, meet community benefit requirements, be good corporate citizens, and develop reputations for innovative contributions to the field of aging. A value proposition already identified by many Senior Living Providers is expanding their missions to support community-based options that address the needs of older adults who will age in place. This enhances their brand, inspires organizational change and innovation, and changes the conversation about who the customer is.

The Senior Living Provider/Village partnerships explored in this paper are proof that with innovative thinking, a commitment to serving a broad range of older adults, and the willingness to work through cultural and operational differences, significant impact can be achieved. There are certainly challenges. While the Village concept is in many ways a natural vehicle for Senior Living Providers to embrace, Villages are young organizations that are diverse in terms of size, structure, and ability to manage a partnership. They are rightfully cautious around issues related to autonomy and fiercely protective of their grassroots, member-driven cultures. Senior Living Providers are well-established and respected providers with corporate structures that are learning how to best collaborate with the communities beyond their walls. While the gap may seem large, it really isn't if the common ground identified earlier in this paper is the basis for connection – a shared aim of improving or expanding supports and services for older adults.

Conclusion

The purpose of this white paper has been to inspire conversation and provide insight into the process that a number of Senior Living Providers and Villages have experienced in their strategic relationships.

Moving forward, the Senior Living Provider/Village strategic relationships profiled in this paper provide a launching pad for additional exploration and thinking about the potential for these partnerships. Like Villages and Senior Living Providers themselves, each relationship is uniquely impacted by its local environment and the "line-up" of players. It is clear, however, that the foundation for any successful collaboration must be strong value propositions for both partners, even though they may be defined quite differently. Villages' receipt of start-up funds and ongoing administrative and salary support has given them the freedom to focus on membership growth and other issues. Senior Living Providers' connection to Villages helps them meet community benefit requirements, demonstrate a commitment to older adults who live in the community, and increase their visibility among potential new residents. Yet from a financial point of view, the Villages get an immediate benefit while the returns on Village investments from Senior Living Providers will emerge over time. What this allows, though, is fertile territory for innovation, creativity, and visibility in crafting a strategic relationship for the long term.

Looking back, the feeling of success by both the Village and Senior Living Providers is unanimous, with each anticipating further development of their partnerships. In their words: "The Village expects that the integration with the CCRC will increase in the future" … "We foresee developing a more strategic relationship in the future" … "Our CCRC hopes to benefit from an increased reputation based on founding the Village."

As one Village has remarked – be bold! With the aging of our population, we are only at the tip of the iceberg in witnessing the creativity and innovation that can emerge from cross-sector collaboration. Further, no one entity can address aging-in-community issues alone – the challenge belongs to everyone.

APPENDICES

Appendix A – Survey Questions

Appendix B – Summary Information about Senior Living Providers and Villages Participating in this Project

Appendix C – Definitions of Terms Commonly Used to Describe Strategic Relationships

Appendix D – How Do Strategic Relationships Emerge and What Are Potential Barriers to Success?

Appendix E – Checklists for Evaluating Potential Partnerships, Starting the Process, and Setting Up and Maintaining the Partnership.

APPENDIX A

Survey Questions

1. What do you call your strategic relationship with X, e.g., partnership, collaboration, etc.? How is your strategic relationship documented, e.g., verbal agreement, letter of agreement, MOU, contract, etc.?
2. What was the impetus for your strategic relationship with X? Who approached who first?
3. What did you want to accomplish through the relationship? Did this change over the course of your work with the potential partner?
4. What were the first steps you took to start exploring the strategic relationship?
5. What barriers did you encounter in exploring, developing, and launching the partnership?
   a. Were there points where your planning process planning could have broken down? If yes, what contributed to this? If no, what kept it from happening?
   b. Did you have to change course at any time? If so, why and how did you do it?
6. How is this strategic relationship benefitting you? How do you think it is benefitting your partner?
   a. Do you consider your partnership successful?
      i. If yes, what made it successful?
      ii. If no, or if the partnership fell short of what you hoped for, what do you think contributed to this outcome?
7. What did you learn in developing you partnership? If you were to do another partnership, what would you do differently? What advice would you give to a colleague interested in pursuing a Senior Living Provider/Village collaboration?
8. If you have been involved in other strategic relationships, is there any part of the process you found to be unique to the aging field?

APPENDIX B

Summary of Information about Senior Living Providers and Villages Participating in this Project

SENIOR LIVING PROVIDER	AFFILIATED VILLAGE	LOCATION	VILLAGE STRUCTURE	WHAT RELATIONSHIP IS CALLED	DOCUMENTATION
Carleton-Willard Village	Carleton-Willard at Home	Boston, MA	501c3	Affiliation; Parent/Subsidiary Relationship	Bylaws
Carol Woods Retirement Community	Carolina Villages	Chapel Hill, NC	501c3	Relationship; CCRC is Supporter, Sponsor	MOU
Claremont Manor and Community Senior Services	REAL Connections	Claremont, CA	Program of Community Senior Services	Partnership	No formal documentation
Horizon House	Wider Horizons	Seattle, WA	501c3	CCRC is Founder and Sponsor	Grant agreement letter
Mather LifeWays	North Shore Village	Evanston, IL	501c3	Strategic Partnership	Annual Letter of Agreement
Episcopal Communities and Services	Pasadena Village	Pasadena, CA	501c3	CCRC is Founder Sponsor	MOU
Messiah Lifeways	Connections	Mechanicsburg, PA	Program of Messiah Lifeways	CCRC is Founding Sponsor	Letter of Agreement
Waveny LifeCare Network	Staying Put in New Canaan	New Canaan, CT	501c3	Agreement, Collaboration	No written agreement
Multiple Chicago-based CCRCs	Lincoln Park Village	Chicago, IL	501c3	Varies	Ranges from none to MOUs

APPENDIX C

Definitions of Terms Commonly Used to Describe Strategic Relationships

Affiliation – The state or process of being connected with another entity. (Oxford English Dictionary)

Alliance – Structured partnership focused on nuts-and-bolts business needs or on working together to have an impact in a particular field. Alliances can include administrative consolidation, fiscal sponsorship, joint programming, joint earned income venture, affinity group, coalitions, consortia, and associations. (LaPiana Consulting. *The Collaborative Map*, 2015))

> **Business Alliance** – An agreement between businesses, usually motivated by cost reduction and improved service for the customer. Alliances are often bounded by a single agreement with equitable risk and opportunity share for all parties involved and are typically managed by an integrated project team. (The Law Dictionary)
>
> **Strategic Alliance** – Cooperative agreement between companies who work together towards a common objective. (The Law Dictionary)

Collaboration – A cooperative agreement of two or more parties to work jointly towards a common goal (The Law Dictionary); a process, a decision-making tool to find the best creative outcome for an issue/problem (HAarons Consulting. Partnership versus Collaboration)

Merger/Acquisition – Integration that includes all programmatic and administrative functions to increase the administrative efficiency and programmatic impact of one or more organizations. A **merger** occurs when *two or more organizations are dissolved* into a newly created corporation that includes some or all of the resources, administrative infrastructure, and programs of the original organizations. An **acquisition** occurs when *one corporation is dissolved* (acquired corporation) with all activities and resources transferred into the surviving (acquirer) corporation. (LaPiana Consulting. *The Collaborative Map*, 2015)

Parent-Subsidiary Structure – A parent-subsidiary structure is an integration of some or all administrative functions and programmatic services of participating organizations, with the goal of increased administrative and programmatic efficiency and/or efficacy. Sometimes called "affiliated entities." (LaPiana Consulting. *The Collaborative Map*, 2015)

Partnership/joint venture – A voluntary contract between two or more competent persons to place their money, effects, labor, and skill, or some or all of them, in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. (9); a collaborative relationship between entities to work to work toward shared objectives through a mutually agreed division of labor, e.g., partnerships among community-based nonprofit organizations, cross sector partnerships, partnerships between donors and recipients. (U.S. Department of Health and Human Services – Compassion Capital Fund. *Partnerships: Frameworks for Working Together*, 2010)

APPENDIX D

How Do Strategic Relationships Emerge and What Are Potential Barriers to Success?

A strategic relationship between two or more entities implies that both benefit from the alliance. In general, benefits will differ for each entity but will include things such as financial gain, improved market position, greater visibility, increased capacity, access to investment funds, and access to a wider range of customers, services, providers, delivery channels, etc. But what drives the creation of a strategic relationship? What is the spark that starts the conversation? And what is the process?

The literature on the "right" things to do in nurturing a strategic relationship is quite consistent in its recommendations, though it often underemphasizes the importance of relationship building and finding "kindred spirts" early in the process. Basic steps include:

- Defining your criteria for entering into a strategic relationship, e.g., will it sustain, strengthen, and potentially expand your mission
- Defining the objectives and articulate the circumstances or characteristics to avoid
- Once the objectives are clear, considering a range of tools and relationships to meet the goal

The collaborative process itself needs to be intentional in establishing clarity related to:

- Leadership required from each partner individually and as part of the group process
- Understanding of the project and its purpose
- Ensuring a high level of ownership and management commitment
- Developing trust among the participants
- Surfacing and discussing cultural and practice differences
- Developing clear partnership working arrangements
- Establishing norms for performance management
- Maximizing the opportunity for shared learning and developing best practices

Further, parties have to balance:

- Economic competitiveness with social and environmental objectives
- Short-term interests and long-term investments
- Differences in resources and power among the partners

Barriers to successful partnerships can include the following:

- Limited vision or failure to inspire
- Lack of clear purpose or inconsistent understanding of purpose
- Competition between partners for the lead or domination by one partner
- Unequal and/or unacceptable balance of power and control
- Lack of support from organizations with decision-making power in the partnership
- Key stakeholders missing from the partnership
- Lack of commitment and unwilling participants
- Differences in philosophies or work styles
- Inadequate understanding of roles and responsibilities
- Hidden agendas
- Failure to communicate
- Failure to learn
- Lack of evaluation or monitoring systems
- Financial and time commitments outweigh potential benefits

See Appendix E for three helpful checklists on Evaluating Potential Partnerships, Starting the Process, and Setting Up and Maintaining the Partnership.

Sources:

U.S. Department of Health and Human Services – Compassion Capital Fund. *Partnerships: Frameworks for Working Together*, 2010, http://strengtheningnonprofits.org/resources/guidebooks/Partnerships.pdf

Townsley, Scott. CliftonLarsonAllen, *Strategic Relationships in the Nonprofit Senior Living Field*, 2014, http://www.claconnect.com/Search.aspx?searchtext=strategic%20relationships%20in%20the%20nonprofit%20senior%20living%20field

Kanani, Rahim. *How to Design the Perfect Partnership for Social Change*, *Leadership*, 6/14/12, http://www.forbes.com/sites/rahimkanani/2012/06/14/how-to-design-the-perfect-partnership-for-social-change/

APPENDIX E

Checklists for Evaluating Potential Partnerships, Starting the Process, and Setting Up and Maintaining the Partnership

1. EVALUATING POTENTIAL PARTNERSHIPS

Tips For Defining The Need For A Partnership

- ➤ Consult with all relevant stakeholders to establish a clear need for the partnership
- ➤ Check for any other partnerships doing similar work
- ➤ Ensure commitment is there to form the partnership from senior managers in partner

Is there a need for a partnership? On what basis is the partnership being set up? Is there a group of like-minded people with a shared vision who have decided that developing a partnership is the only route to achieving a goal? Are potential partners willing to support this?

What organizational and collective benefits will be gained from setting up this partnership arrangement? Are there clearly identified goals that only a partnership arrangement could help achieve? What is the "added value" for potential partners? What is your – and their – organizational self-interest? Are they willing to sign up to this? What exactly is the partnership trying to achieve? How will involving others help the partnership to achieve its goals?

Is someone else already doing something similar? Do other organizations have similar or the same goals? If so, have you considered approaching them to become part of their partnership arrangement to ensure work is not being duplicated? If this is not appropriate or feasible, think about incorporating lessons they have learned into the new partnership arrangements.

Is there a commitment from partner organizations to support the partnership? Have you approached partner organizations with the possibility of setting up a partnership? Was their response positive? Was such a proposal supported at a high level and a clear commitment given to this? (It is important that partner agencies understand and agree to such proposals in order to support and direct future decision-making processes.)

What strategies/local priorities will this partnership support? Consideration needs to be given to not only identifying the strategies and local priorities the partnership supports, but also how the partnership will link to targets and strategies of partner organizations. If the partnership is divorced from any local strategic plan or priorities, you will want to monitor its existence, as it will be totally isolated from any statutory/voluntary evaluation process.

2. STARTING THE PROCESS

<u>Tips For Starting The Process</u>

- Ensure members of the partnership participate from the earliest opportunity to help determine the entity's structure, process, and priorities
- Ensure aims and objectives are clear at the outset and that they link to targets/ strategy of partner organizations and the main body of accountability

Identify potential members: Who should be involved? Do we have all the right people together? How many members should be in the partnership and in what proportion? What is the appropriate level of involvement for members? This is sometimes referred to as "stakeholder analysis."

Identify responsibilities, arrangements, and objectives of leadership: Who will take the lead? Who will have responsibility for driving the partnership agenda forward? Is there a clear written statement of the partnership leader's objectives and responsibilities? What accountability arrangements are in place? Do all members agree to these procedures? You will want to devise a clear written statement of who will take the lead/joint lead, their main objectives and responsibilities, and to whom they will be accountable.

Identify the shared vision and goals: Is there a genuine shared vision and set of goals across the partnership? Is there a common understanding of and agreement to the vision and objectives, and are these documented? Do all partners understand how to achieve this? It is important that members are clear about the purpose and ultimate goal of the partnership.

Determine plans and priorities: Does the partnership have a strategy/action plan that clearly sets out why the partnership was set up, what it is going to achieve, who is going to do what, and by when? Where does this strategy/plan fit into wider strategies, and how does it link into partner strategies/ local priorities? The partnership needs to have a strategy and action plan that sets out a clear structure. The strategy needs to reflect how the partnership will manage change and evaluate how well it is doing.

Determine the function and nature of the partnership: What is the nature of the partnership? Has this been established? It is important that members of the partnership are clear at what level and function this partnership is operating (e.g., advisory, strategic, networking, joint working, or project-based).

Identify benefits for target groups: What are the benefits to target groups in establishing this partnership? Has the partnership agreed or identified outcomes for specific target groups? If not, why not? This is relevant when the partnership is setting outcome measures. Benefits to target groups need to be clearly established and agreed upon by partners.

Tips For Setting Up And Maintaining The Partnership

- Agree on the structure, process, and support mechanisms for the partnership
- Agree on the main purpose/priorities
- Agree on the performance management process
- Identify a work program

Is there a genuine shared vision and set of goals across the partnership? A common understanding of, and agreement to, the vision and objectives needs to be reflected in any project brief, business plan, terms of reference, and/or work program.

Are there clearly identified aims that all partners can articulate and agree to? The partnership's aims and goals need to be reflected in its actions and practices.

Is the purpose of the partnership clear? Are the members clear on what their role and responsibilities are? Are members clear on the "added value" of the partnership? Members need to agree and understand what their role and responsibilities are within the context of the purpose and outcomes of the partnership. Members need to understand their role in collective decision-making, delivering activities, and representing the partnership.

What skills and competencies do we need to manage and support the partnership? Has a full assessment been made of the skill and competencies required to support/ manage the partnership?

The partnership needs to understand what skills and competencies it will need to achieve the agreed goals, as well as to ensure processes are effective. Consideration will need to be given to making training resources available.

To whom will the partnership report? Is there a process to report on progress?

Is there an accepted process for decision-making? Who is the accountable individual for the partnership? The decision-making process needs to be understood by all members of the partnership. Decisions should be made through recognized processes with partners having equal power. Processes for decision-making need to define a quorum, how decisions will be recorded, and arbitration processes.

Is there an accepted performance management framework? Are processes in place to monitor performance and act on results? Do defined criteria exist against which to benchmark achievements? Individuals responsible for delivery of the plan to the partnership need to be specified.

Is there an accepted commitment to joint investments/resources to support the partnership by all the organizations/ individuals? Resources mean more than just money; they include time, knowledge, energy, and personnel.

Is there a robust communication strategy in place? Do partners know about each others' organizations and what the pressures and imperatives are? Do partners talk to each other about their organizations agendas and priorities? It is important to have an effective communication system in place at all levels within the partnership and within partner organizations, sharing knowledge and information.

Are there accepted ground rules for partnership work that include the reconciliation of different organizational cultures and ways of working? Being open and honest, communicating, and exchanging information in open networks will also help to build trust within the partnership.

Is there an accepted program for partners to invest time so they can identify and agree to the vision, goals, and targets? It is important at the initial stages of setting up the partnerships that members agree on the vision, goals, and targets. The requirement for and stated outcomes of "away days" need to be documented in Terms of Reference or partnership agreements. It is important to repeat this exercise to review these goals and targets, checking that they are on track.

Is there a clear, measurable plan for administering the partnership? Is the plan clearly linked to partnership aims and objectives, and do all parties agree to this plan? Any partnership needs to have structure and processes so members clearly understand its purpose, aims, objectives, and outcomes. The plan should also identify the process to review/update aims and outcomes when monitoring reveals it is out of date or reflects changing circumstances.

Are there clear processes in place to ensure all new members of the partnership are well informed of its purpose, aims, and objectives? As the partnership grows and existing members leave, new members will come on board. It is important that each new member has a clear understanding of the purpose of the partnership. Spend time to induct new members into understanding and supporting the partnership's aims.

Source:

Partnerships: Frameworks for Working Together, Compassion Capital Fund, U.S. Department of Health and Human Services, 2010, http://www.acf.hhs.gov/programs/ocs/resource/partnerships-frameworks-for-working-together

RESOURCE DOCUMENTS

1. *American FactFinder*, U.S. Census, 2010, http://factfinder.census.gov/
2. *Are Retirees Falling Short? Reconciling the Conflicting Evidence*, Center for Retirement Research at Boston College, March 2015, http://crr.bc.edu/working-papers/are-retirees-falling-short-reconciling-the-conflicting-evidence/.
3. *Connected to the Community: Current Aging in Place Choices*, Susan Poor, Itineraries, 2012, http://www.secondjourney.org/Itin_AIC.htm.
4. *Falling Short: The Coming Retirement Crisis And What To Do About It*, Center for Retirement Research at Boston College, April 2015, http://crr.bc.edu/wp-content/uploads/2015/04/IB_15-7.pdf.
5. *Housing and Health Care: Partners in Healthy Aging*, LeadingAge, 2014, http://www.leadingage.org/housinghealth/.
6. *How to Design the Perfect Partnership for Social Change*, Rahim Kanani, June 2012, http://www.forbes.com/sites/rahimkanani/2012/06/14/how-to-design-the-perfect-partnership-for-social-change/.
7. *Long Term Care Report*, Genworth, 2014, https://www.genworth.com/corporate/about-genworth/industry-expertise/cost-of-care.html.
8. *Nonprofit Collaborations: Why Teaming Up Can Make Sense*, Geri Stengel, ForbesWoman, April 2013, http://www.forbes.com/sites/geristengel/2013/04/09/nonprofit-collaborations-why-teaming-up-can-make-sense/.
9. *Nonprofit Strategic Restructuring Infographic*, Philanthropy News Digest, August 2012, http://grantspace.org/Nonprofit-Collaboration-Infographic.
10. Oxford English Dictionary, http://www.oed.com/.
11. *Partnership versus Collaboration, undated*, HAarons Consulting, http://www.ntc.blm.gov/krc/uploads/412/13_MbN_partnership-vs-collaboration.pdf.
12. *Partnerships: Frameworks for Working Together*, U.S. Department of Health and Human Services – Compassion Capital Fund, 2010, http://strengtheningnonprofits.org/resources/guidebooks/Partnerships.pdf.
13. *Retirement Savings Levels Continue to Worsen*, 2015, National Institute on Retirement Security, http://www.nirsonline.org/index.php?option=content&task=view&id=883
14. *Retirement Security 2015: Roadmap for Policy Makers*, National Institute on Retirement Security, 2015, http://www.nirsonline.org/storage/nirs/documents/2015%20Opinion%20Research/final_opinion_research_2015.pdf.
15. *Strategic Relationships in the Nonprofit Senior Living Field*, Scott Townsley, CliftonLarsonAllen, 2014, http://www.claconnect.com/Search.aspx?searchtext=strategic%20relationships%20in%20the%20nonprofit%20senior%20living%20field.
16. *The Collaborative Map, LaPiana Consulting*, 2015, http://www.lapiana.org/Portals/0/Documents/LPC-Collaborative-Map-2015.pdf.
17. The Law Dictionary, www.thelawdictionary.org.
18. *The Retirement Savings Crisis: Is it Worse Than We Think?*, National Institute on Retirement Security, 2013, http://www.nirsonline.org/index.php?option=com_content&task=view&id=768&Itemid=48.