



Hub ONE: A Nonprofit Venture in Trust-Based Collaboration

Hub **1** ONE

STRYKER JOHNSTON FOUNDATION

trust-based
philanthropy
project

When four nonprofit agencies came together with a local funder to transform how they serve people and solve problems, the trust-based philanthropy approach was key. Here's their story of bringing the model to life and what the experience has taught them.

The Hub ONE venture began over coffee – casual, regular conversations among the CEOs of four nonprofit agencies: Big Brothers Big Sisters, Prevention Works, Urban Alliance, and Boys & Girls Club of Greater Kalamazoo. While their missions and models varied, all focused on outcomes for reducing and alleviating poverty across the region. And all were painfully aware of a frustrating dynamic: For their thousands of mutual clients, getting help was often confusing, complicated, and overwhelming. Meanwhile as nonprofits set up to serve people in need, these organizations worked under extreme pressure, with low pay, and high turnover. “To create change, we recognized that we would have to change ourselves and the sector in which we work,” said Danielle Sielatycki, CEO of Prevention Works. “We were excited about the possibilities but also understood the difficulty of challenging some of the conventions nonprofit organizations typically work within and forming a partnership with a funder willing to help us move this work forward.”

“We recognized that we would have to change ourselves and the sector in which we work.”

DANIELLE SIELATYCKI,
PREVENTION WORKS

Nonprofits find a funder ready to trust

In 2018, these nonprofit leaders formalized their joint venture as Hub ONE. Soon after, the group approached the Kalamazoo-based Stryker Johnston Foundation with a proposition: Fund a process of exploration and experimentation that would redefine their relationships with each other and the people they serve, for a healthier dynamic and breakthrough results.

The proposal hit home for a very receptive funder. “At the Stryker Johnston Foundation, we had been working on our practice of trust-based philanthropy – being more accessible, transparent, and flexible, and prioritizing real partnership and ongoing relationships. As a Foundation, we’re striving toward a world where everyone has the opportunity to live a safe, healthy, productive, and fulfilling life. Effective partnerships are essential to this mission,” said Megan Johnston, Executive Director of the foundation. “In talking with the four Hub ONE leaders, we could really appreciate the issues of a scarcity mindset and how existing systems encourage nonprofits to compete rather than collaborate – and we admired their boldness and commitment to doing something radically different.”

“We admired their boldness and commitment to doing something radically different.”

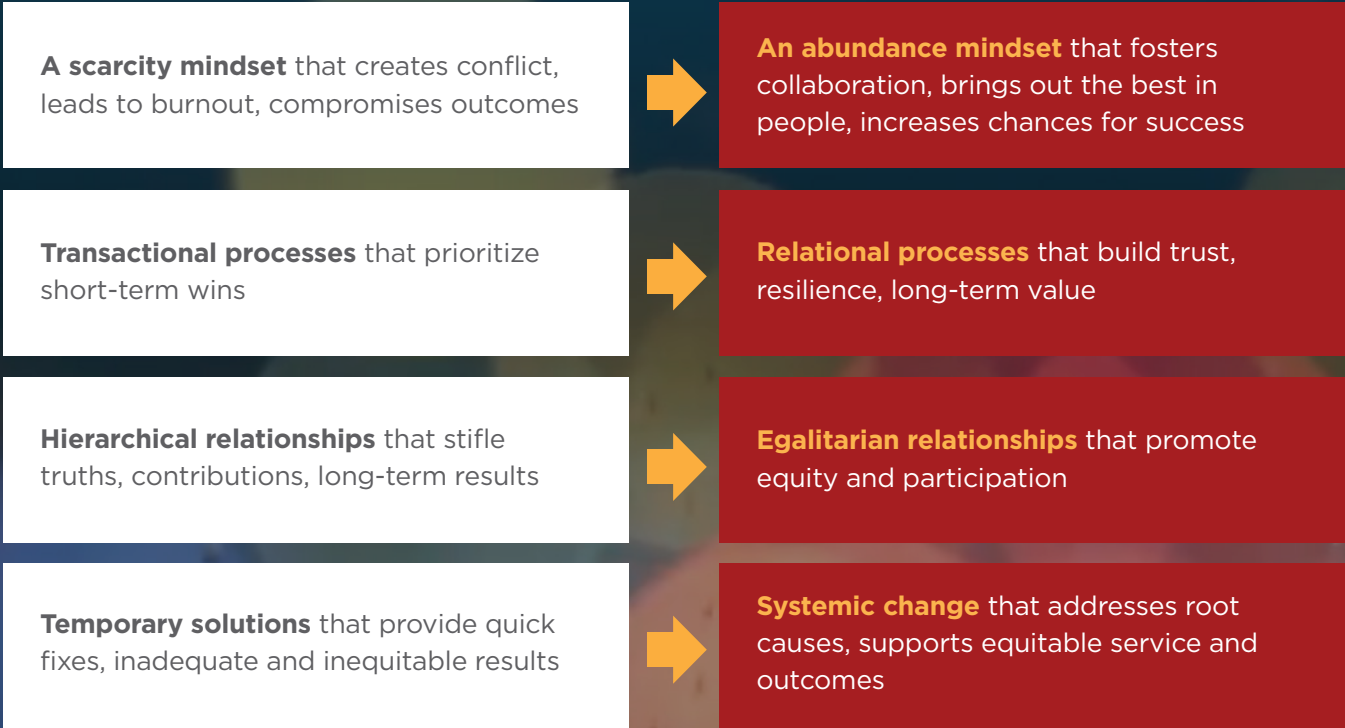
MEGAN JOHNSTON,
STRYKER JOHNSTON
FOUNDATION

SEEKING REAL CHANGE

Hub ONE advocates for strategic shifts in the nonprofit sector:

FROM

TO



The foundation saw Hub ONE as an opportunity to further its commitment to an approach introduced by the Trust-Based Philanthropy Project.

TRUST-BASED PHILANTHROPY

This approach calls funders to:

- 1 Provide multi-year, unrestricted funding** that supports nonprofit stability and provides cover for innovation
- 2 Do the homework on prospective grantees** to save the time and effort nonprofits normally spend promoting themselves during early vetting stages
- 3 Simplify and streamline paperwork** so nonprofits have more energy to concentrate on their mission
- 4 Be transparent and responsive** to encourage honest sharing essential to creating real impact
- 5 Solicit and act on feedback** to serve grantees and the community better
- 6 Offer support beyond the check** to strengthen nonprofit capacity and community connections

Open and honest communication

As they embarked on their work together, Hub ONE and the Stryker Johnston Foundation began to define what partnership looked like through their interactions and communication in a trust-based relationship. They asked: *How can we have the greatest, most sustainable impact possible? What's in our way? How can we work together to help remove barriers for those we serve and help other organizations maximize their impact?* As a result, they committed to monthly meetings where they would collaborate on plans, have frank and engaging conversations, and address challenges together, with eyes wide open.

One of Hub ONE's first major ambitions was to pilot a shared service delivery model that would allow members of the community to access services from across partner organizations through a single intake experience and the guidance of a navigation team. As they brought their teams together around this vision, they achieved a few key

wins, like the opportunity for Big Brothers Big Sisters to provide mentors to the youth and families served by Prevention Works.

To be sure, Hub ONE partner organizations were able to identify opportunities to work together and offer complementary services in focused programs. But they soon recognized that building the kind of comprehensive shared services ecosystem and coordinated infrastructure it would take to transform service delivery for families was extraordinarily challenging to staff, support, and lead.

"After working to drive down overhead for so many years, the way nonprofits have structured positions and pay across their teams is very inconsistent," said Amy Kuchta, CEO of Big Brothers, Big Sisters. "When we tried to implement the model as envisioned, we soon realized that those at the table had varying levels of authority and capacity to take the actions required for this collaborative effort."

Learning and adaptation

True to their promise of transparency, the nonprofits raised these issues with the Stryker Johnston Foundation, and the Foundation responded with flexibility. “We appreciated this honesty,” said Yolonda Lavender, Stryker Johnston Foundation grant program manager, “and we could see that it was so necessary to making real progress. In a more traditional relationship, our nonprofit partners might have charged ahead to meet our expectations at a surface level, risked the integrity of the change we were all trying to create, and sacrificed employee wellbeing in the process. Instead, they candidly told us about what was going wrong, and we listened and supported a more informed path toward success.”

Shifting gears, Hub ONE organizations prioritized three new pursuits for their plan to integrate service delivery. They began to analyze operational needs within their individual organizations, identify systemic issues and imbalances, and reimagine a structure for optimizing each organization and working together effectively.

“We listened and supported a more informed path toward success.”

YOLONDA LAVENDER,
STRYKER JOHNSTON FOUNDATION

KEY REALIZATIONS

With the support of Stryker Johnston Foundation, Hub ONE was able to act on these “ahas”:

- **Partner organizations were starting from different places.** Some were more established. Some had more capacity. And as a result, Hub ONE allocates funding differently across its partner organizations to promote equity and prepare all to participate meaningfully toward the goals they share.
- **Issues of pay equity held them back.** If they were to attract and retain great people, keep them from burning out, and build cultures where diverse talent thrives, Hub ONE organizations needed to rethink their approach to compensation. So, they evaluated each partner’s structure and pay practices, worked with a compensation expert to align pay to market value, adjusted their job descriptions, and began addressing pay issues openly to remove the mystery.
- **All nonprofit partner organizations had under-invested in human resources.** In response, Hub ONE contracted with a human resources expert to support and elevate this function across all four organizations. They also began to collaborate on other shared back-office supports like purchasing, finance, and legal expertise. These efforts are informing the way the collaboration is building infrastructure to ensure ongoing strength and impact.
- **Leading by committee is tough and ineffective.** To work better together, the partners appointed a lead executive to focus on management and fiduciary responsibilities, along with a leadership team comprising CEOs from all partner organizations who would have a voice in all decisions and a role in implementation. The board of directors of each partner organization played a key role in embracing Hub ONE initiatives and bringing them to life through their support and leadership.
- **Evaluation called for a custom approach.** Hub ONE organizations are working toward a shared system of evaluating outcomes. As they began to explore available platforms, they realized they would need to build something special – grounded in equity, guided by their shared principles, and multitiered to accurately monitor and understand progress toward outcomes for their clients, their organizations, and the collaboration as a whole.

“We were so glad to have a funding partner patient enough to learn and adapt with us. A trusting partnership takes honesty and courage to raise difficult issues, plus the time and flexibility to truly address them. You have to be intentional and continue to bring power dynamics and equity into the conversation. While that’s not always easy, that is what gets you somewhere different,” said Matt Lynn, CEO, Boys and Girls Club of Greater Kalamazoo. “As a result of these conversations, we are now removing some of our biggest barriers to success. We are different organizations today, and while Hub ONE is still learning and has so much more to do, we can confidently say we’re more fit to serve our community than ever before. And we are eagerly sharing what we’re learning to help promote deeper impact across nonprofit and funding communities everywhere.”

“You have to be intentional and continue to bring power dynamics and equity into the conversation.”

MATT LYNN,
BOYS AND GIRLS CLUB OF
GREATER KALAMAZOO

Steps toward transformation

Today, the Hub ONE venture is pressing on with a set of strategic priorities, all steeped in a commitment to working in equitable ways to advance equity in community. Already, near-term milestones are being met, and the partners are moving into implementation on several fronts.

STRATEGIC PRIORITIES

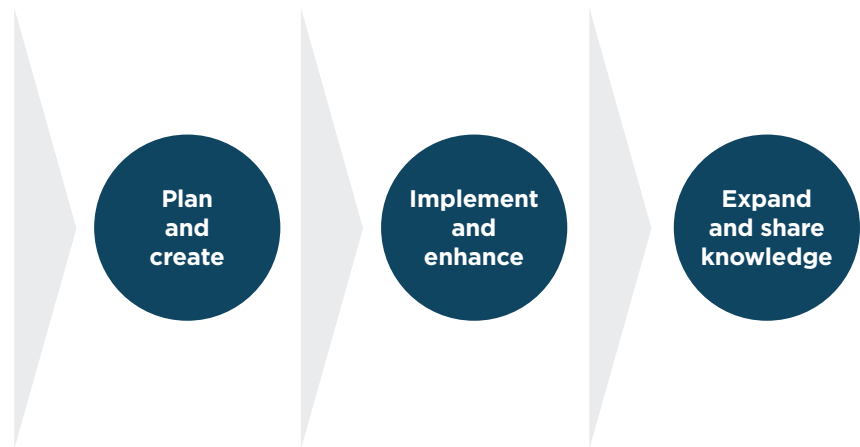
Optimize operations

Reimagine and restructure the systems in which we work

Build shared infrastructure

Deliver effective, efficient, equitable services

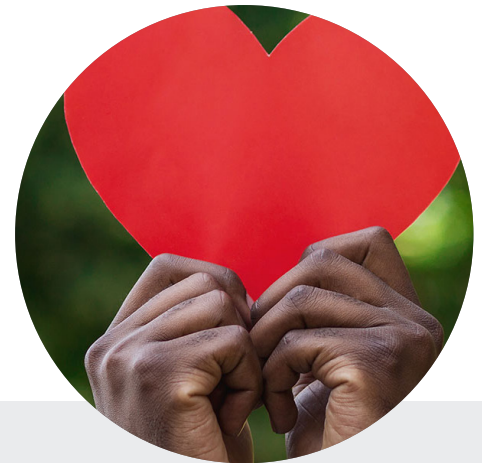
Monitor and share impact of model



Testing the model amid a crisis

As the COVID-19 crisis unfolded, Hub ONE organizations put some of their new strategies and resources to the test. CEOs collaborated closely with each other to share knowledge and information about the rapidly changing situation. The organizations worked together to secure personal protective equipment for their staff and emergency funds from the national Paycheck Protection Program. They shared expert counsel to get up to speed and stay compliant with rapidly changing protocols for their staff and clients. They created a referral network to ensure they were serving clients well amid new pressures and strains. And they surveyed local nonprofits to understand urgent needs and convey these to funders.

Because the Stryker Johnston Foundation was participating at regular meetings alongside the Hub ONE partners, the foundation was well attuned to how the crisis was impacting nonprofits, and ensured that funds and timelines were appropriately flexible. This collaborative grantee-funder team strengthened relationships across the community and sustained missions through an incredibly difficult time.



LESSONS IN TRUST-BASED COLLABORATION

While the Hub ONE practice of trust-based collaboration is, by design, a work in progress, its participants have already learned much. The Hub ONE experience suggests that:

- **Equity must be central** to how nonprofits and funders work with each other, how resources are allocated, and how nonprofit staffs are supported in order to model this value and fully realize it in community. A trust-based approach to collaboration expands possibilities. Nonprofits of any size that are dedicated to fulfilling their mission with integrity deserve a place at the table. They need support and opportunity to share their voices.
- **Funders should be invested** in and proactive about trust-based philanthropy, build their own capacity to practice this approach, recognize that change takes time, and truly value the lived experiences and expertise of nonprofits. This represents a major shift in the traditional power balance – and nonprofits alone can't achieve it without a willing, receptive, and encouraging funder.
- **Nonprofits should be open** to putting the group's goals for community ahead of their own, breaking down old norms, considering all possibilities, trying new ideas, and handling some risk with support from the collective.
- **Communication must be authentic** and frequent, rather than formal and once a year. It should involve ongoing dialogue about what goals really take, and when it's time to pivot. Both sides need to be honest about communication needs and supportive of a healthy cadence.
- **The approach must be adaptive** because situations change, experiments fail, and unexpected opportunities emerge. If all parties share a vision and keep each other accountable to it, adjustments to approach, funding, and timing are essential to getting there.



Like the Trust-Based Philanthropy Project that inspired Hub ONE’s way of working, this collaborative welcomes inquiry, ideas, and involvement. Together we transform – our way of working and the impact we can have on the world.



STRYKER
JOHNSTON
FOUNDATION



Hub ONE is a joint venture to transform how the nonprofit sector in greater Kalamazoo serves people and solves problems. Led by Big Brothers Big Sisters, Prevention Works, Urban Alliance, and Boys & Girls Club of Greater Kalamazoo, the Hub ONE venture prioritizes authentic conversations, empowered actions, and collective solutions.

hub1one.com

Stryker Johnston Foundation is a private family foundation based in Kalamazoo, Michigan. The Foundation partners with organizations and initiatives working to strengthen and build thriving, equitable communities.

strykerjohnstonfoundation.org

The Trust-Based Philanthropy Project is a peer-to-peer learning and advocacy initiative to make trust-based practices the norm in philanthropy. The project asserts that philanthropy will be more successful, rewarding, and effective if funders approach their grantee relationships from a place of trust, humility, and transparency.

trustbasedphilanthropy.org

Hub**1**NE

STRYKER JOHNSTON FOUNDATION

trust-based
philanthropy
project