

Title: Case Study: Government and Nonprofit Sector Partnership Model: The Shelby County (TN) Nonprofit Committee

Abstract:

This case study has been developed in partnership with Momentum Nonprofit Partners, representatives from Shelby County (TN) government and Christian Brothers University. The purpose for this case study is to highlight the impact that intentional and structured partnerships between the government and nonprofit sectors have on the communities they serve. This case study will explore the steps Shelby County took to establish their evolving government-nonprofit sector partnership model as well as the impact that this innovative partnership model has made and will continue to make in the Mid-South community.

Shelby County's government, under the leadership of Mayor Lee Harris, initially developed the Shelby County Nonprofit Committee (referred to as the Committee) as a partnership with Momentum Nonprofit Partners to support better engagement between the government and the nonprofit sectors. Momentum Nonprofit Partners is an Independent Sector partner, and their mission statement reads, "We build the momentum of the nonprofit sector to create equitable, measurable, and lasting change." As a representative organization for other nonprofits in Shelby County, they were a natural fit as a liaison for Shelby County government.

The goal of the Committee is to build and strengthen the engagement between the government and the nonprofit sectors in Shelby County, TN. The Committee is regularly convened to gather government representatives and nonprofit professionals together to identify areas of meaningful impact within the Shelby County community based on shared common goals that were established at the beginning of the partnership. The framework for all Committee

activities is to address local needs, create evidence-informed solutions, and improve the lives of Shelby County residents. Intentional consideration also went into the shaping of the Committee's composition where consideration was made to ensure that there was fair; including equal representation for all nonprofits, regardless of size, voluntary participation, and an inclusive and equitable environment. The Committee is limited to organizations who maintain 501c3 status within Shelby County.

The authors of this case study also shed light on the steps taken to engage such a partnership, offer strategies to foster engagement within a government/nonprofit partnership framework, and spotlight some strategies for developing a shared governance and purpose. The intent of this case study is to assist other jurisdictions in developing their own partnership model and replicate the success seen in Shelby County. As this model is reproduced, the authors hope that other communities will reap the benefits seen by government and nonprofits working innovatively together to implement collective solutions.

Keywords: Nonprofit, government, partnership, nonprofit committee, shared governance

Introduction:

The government and nonprofit sectors have occupied similar spaces within their communities for generations - providing public goods and services to those who would experience barriers to entry within a purely free-market economy. Traditionally, these sectors operated entirely independently of each other or through contractual agreements with clear hierarchies and formal lines of communication. With the ever-evolving needs of today's society, both sectors are coming to realize the power that collaborative, mutually-beneficial partnerships could have on their ability to provide high-quality goods and services while creating a meaningful impact for the people they serve. One such model of a collaborative, mutually-beneficial partnership is the formation of a government-nonprofit committee or council that provides a shared governance structure and a formalized space for both sectors to openly share and discuss identified community problems and co-create solutions. Both entities are then held equally responsible for the successful implementation of identified solutions.

The authors firmly believe in the importance of the creation of these collaborative settings so that nonprofits have a voice at the table where decisions are made by governmental authorities. When the nonprofit sector is invited and successfully engaged in building solutions with the government, communities and individual citizens are better for it. The authors of this paper strongly recommend the intentional creation of a nonprofit council, or a similar collaborative setting, for the shared planning and implementation of targeted community initiatives.

Background:

Shelby County, Tennessee (TN) is one of the largest urban regions in the Mid-South and home to Memphis, the most populous city in the state and its second largest metropolitan area. Similar to other large metropolitan cities, Memphis has struggled to address a wide variety of issues affecting members of its community, including high rates of poverty, increasing crime rates, and public health disparities – all of these exacerbated by the recent COVID-19 pandemic. To add to the numerous stressors on Shelby County’s government, Memphis’ public sector is also facing a reduction in their own capacity due to reductions in federal and local funding, workforce challenges, increased demand, and other factors.

In the midst of this, Memphis boasts one of the densest concentrations of nonprofits in the South (Maciag 2019) with over 1,000 nonprofits actively operating in and serving the city. Kevin Dean, Chief Executive Officer of Momentum Nonprofit Partners (Momentum), described the situation in Shelby County and Memphis as “Nonprofits have become increasingly vital ... to provide safety net programs to vulnerable and marginalized communities as government programs have shrunk or been eliminated” (Hulett 2021). Despite the sheer size and significant influence this sector has in the city and within their own communities, one of the challenges has been that their services were underutilized during a time when they were best positioned and had the capacity to step in and fill some of the gaps left by the shrinking public sector. However, a major barrier to the effective activation of this sector was the lack of communication and coordination between the public and nonprofit sectors.

To address this concern, several government and nonprofit entities met together to discuss how to effectively convene multiple stakeholders and create shared change. After

multiple conversations the Committee was developed as the platform for shared action-planning and accountability to deliver services more effectively and efficiently to Shelby County residents. In its first few years of existence, the Committee has been very successful and has delivered on its promises to the community. Although long-term outcomes are still being evaluated, this partnership between Shelby County government and the nonprofit sector is a model that other jurisdictions can replicate in their own communities. In order to effectively replicate this partnership model, jurisdictions should consider implementation within a framework of common best practices for these partnerships between government and nonprofits. This case study will breakdown Shelby County's experience through the lens of these best practices, and provide guidance for how other jurisdictions can replicate similar models and partnerships within their own context.

Since community input was vital to the framework and success of the Committee, it was important to follow suit in the development of this case study. The authors of this case study conducted seven interviews with various contributors from the Committee. These interviews include the Mayor of Shelby County, Lee Harris, Momentum Nonprofit Partners' Chief Executive Officer, Dr. Kevin Dean and others. The authors of this case study also reviewed several peer-reviewed articles to identify the best practices for government-nonprofit partnerships included in this study, in addition to reviewing websites and news articles published on other partnership models in other jurisdictions to compare implementation methods, outcomes, and long-term sustainability.

Government and Nonprofit Partnerships:

There is a widespread belief that the nonprofit and government sectors operate in two completely separate spheres, pursue different goals, and in the best-case scenario are indifferent to each other and in the worst-case scenario are in active competition (Salamon 2015). This belief is perpetuated by the formalized, contractual structures the majority of government/nonprofit relationships are organized under with the government providing public funding for a project or program and the nonprofit responsible for the day-to-day operations and service delivery. These contractual relationships usually have roles and responsibilities for each entity outlined by a specific scope of work that designates an amount of funding to be provided for a certain amount of time. This contractual relationship creates a challenging power dynamic that puts the government in a position of power and leaves the nonprofit sector beholden and rarely included in the decision-making process for what programs or projects are to be undertaken and how they should be implemented. These relationships, sometimes referred to as “partnerships”, are based on mutual need and not on mutual respect and trust. The lack of trust and historic inequities creates an adversarial dynamic between government and nonprofits.

To complicate the landscape further, as trust in government institutions deteriorates, communities look to their local nonprofits for services (Herzlinger 1996). Looking at the historical context of the development of the nonprofit sector in the United States, nonprofits provide public goods and services where a lack of trust or capacity in government exists. As stated by Michael J. Worth, a professor of nonprofit management in the Trachtenberg School of Public Policy and Public Administration at the George Washington University, “mistrust of government has been a pervasive and continuing aspect of American culture and has provided philosophical support for private, voluntary initiatives throughout the nation’s history” (Worth

2021). However, this adversarial or mistrustful dynamic does not have to be the legacy of partnerships between the two sectors. Governments and municipalities can, and should, more effectively reach their communities through effective, collaborative partnerships with nonprofits.

The dynamic between governments and nonprofits has started to shift as partnerships between the sectors have become more mutually beneficial (Levy-Ajzenkopf 2009). A key shift that allowed for the formation of these new partnership models has been each sector viewing themselves, and each other, in a different light. Multiple governmental entities have started to view themselves as more than just a funder, but adopting the roles of a collaborator and coordinator of services for the public good. Jenny Kain, a policy and research planner for the City of Edmonton (Canada) describes her role as “...sometimes a partner, other times a collaborator” (Levy-Ajzenkopf 2009) when the municipality is determining how to invest and distribute public funding to achieve community goals. Nonprofits are valued for not only their expertise in the needs of their community, but also for effective program design and service delivery models. In return, nonprofits have come to see the government not as an opponent, but as a key ally - enabling them to expand their own impact and service area through collaboration.

With these mutually-beneficial partnerships, each sector is able to achieve more in collaboration than they could have done in isolation – creating more effective and efficient service delivery or change-making systems. These cross-sector collaborations between nonprofits and government are critical to address the larger societal issues that both sectors are trying to address (Bryson 2006). As noted by the *Journal of Social Change* these types of partnerships “...represent a new paradigm in relations between nonprofits and governments and could become the norm in the future, outpacing more formal contractual partnerships that have defined the interaction between the nonprofit and public sectors” (Pozil and Hacker 2017).

Through a thorough review of the available research, the defining trait of a successful government-nonprofit partnership is trust. In order for trust to be developed and sustained over time both government and nonprofits must exhibit six key behaviors – 1) shared goals, 2) clarity, 3) respect, 4) equality, 5) accountability, and 6) transparency. The authors propose that Shelby County was so successful in their implementation of the Committee because they exemplified each of these core behaviors.

Shelby County Case Study:

As stated earlier, in order for the Committee to be successful Shelby County had to overcome not only logistical barriers related to communication and coordination between the public and nonprofit sectors, but also the long-seated assumption that the traditional funder/provider power dynamic would prevent a true partnership from forming. However, the mayor of Shelby County, Lee Harris, intentionally created a position within the Division of Community Services whose role was specifically focused on the coordination of all of the Committee. This is what led to Shelby County to approach Momentum, an Independent Sector partner, a membership services organization that connects nonprofits to resources, decision-making forums, and each other by providing comprehensive learning opportunities that enable them to better accomplish their missions across the Mid-South. The initial goal of the Committee was to facilitate conversations and networking opportunities to connect nonprofits with Shelby County government, sometimes for the very first time. The very existence of these initial conversations between Shelby County government and nonprofits was a break from tradition, and created an opportunity for Shelby County to communicate to the nonprofit sector the intense respect they felt for the work and influence the nonprofits had in their communities. Mayor Harris noted in his interview that even the process of recruiting nonprofits to the Committee was

a key engagement tactic for Shelby County, as nonprofit leaders felt honored to be asked to participate. Mayor Harris, Janet Lo, Manager of Community Partnerships, and Dorcas Young-Griffin, Director of Community Services all expressed in their interviews that an Intermediary like Momentum would prove helpful in garnering the support and engagement of nonprofits in the Mid-South. Intermediaries like Momentum helped with the development of trust within the community specifically with the greater nonprofit sector. Momentum, as a trusted membership services organization within the community, helped bridge the gap with government when there may have been some apprehension to trust government.

Since its founding, the Committee brings together over two hundred nonprofit agencies to create a space for local nonprofits and Shelby County government to coordinate and communicate on shared goals and needs. The Committee is organized into one core committee and three subcommittees, each focused on a separate sector. The core committee is made up by the chair of each of the three subcommittees, representatives from the mayor's office and Momentum, and Janet Lo, the Shelby County Manager of Community Partnerships. The 2021-2022 subcommittees are divided into art and culture; youth and education; and health and community services – each tasked with identifying a narrow focus and project that addresses a large-scale community problem but could be achieved in a year (see Graph A and B) for a breakdown of each sub-committee, their goals, and projects). Another unique feature about how the Committee sub-committees are structured is that each sub-committee was given the ownership and latitude to organize their sub-committee in a way that fit the needs of their member agencies and their work. This flexibility and ownership on structure also communicated the respect that Shelby County government felt, and provided an opportunity for nonprofit leaders to be on equal footing in the development and governance of their respective committees.

In its first year, the Committee was extremely successful. Each of the sub-committees met their identified goal and successfully implemented a project to address a large-scale problem in the Memphis and surrounding community. The reason this public/private partnership in Shelby County was so successful was due to the successful implementation and adaptation of several best practices that enabled Shelby County to engage and coordinate so many different voices into one cohesive, mission-focused effort. These best practices (Cairns 2011) include:

- Having clearly defined **Shared Goals and Objectives**
- **Clarity** on roles and responsibilities of each participant (public and nonprofit)
- **Mutual Respect** for the value each entity brings to the table
- **Equality** in decision-making
- **Accountability** and **Transparency** between all parties, not just from the service providers

The implementation of these best practices developed a strong foundation of trust that was critical to the success implementation and continued maintenance of the Committee and its initiatives.

A growing body of research is focused on the development of positive, collaborative relationships between the public and nonprofit sectors, especially in the deployment of public funds and provision of services. As noted in the research conducted on successful partnerships between government entities and nonprofit organizations, the key to a successful public/private partnership is trust (Pozil and Hacker 2017, 67-70). Using these best practices as an evidence-based framework for how to replicate a partnership model, Shelby County did the following:

Shared Goals and Objectives

The intent of the Committee is to create a shared space for Shelby County government officials and nonprofit leaders to collaboratively work together on shared initiatives. From the outset Shelby County officials and nonprofit leadership were clear on their shared goals. They were gathering “to address local needs and to improve the lives of Shelby County residents ... [by strengthening] communication, coordination, and partnerships between Shelby County Government and the nonprofit sector, all toward meeting the needs of residents more efficiently” (Shelby County n.d.). The Committee leadership identified and agreed upon the three major areas of focus, and then intentionally divided up into sub-committees with each sub-committee identifying one or two narrow focus areas that they would be addressing.

The Committee leadership also agreed that any areas and projects that the sub-committees identified as their area of focus should be achievable within a year. There was a great deal of autonomy given to each sub-committee on choosing a focus area and project, but each group also shared the same objective of developing a project that could be implemented within a year that would also address a part of a systemic problem. Through experience, Shelby County government has embraced this incremental approach that creates slow, yet sustainable, change that creates meaningful impact in its community.

Although ultimately successful, the creation of these shared goals and objectives was a process. In the beginning it was a challenge to change the historical perspectives that participants were bringing to the table. For a long time, the relationship between Shelby County government and nonprofits had been the traditional funder/provider dynamic. As a consequence, the first initial meetings saw a high percentage of development and fundraising professionals in attendance – seeing this as an opportunity to potentially advocate for more public funding to be

allocated to their nonprofits. As the Committee leaders continued to reiterate the purpose and focus of these meetings – collaboration and not procurement – the nonprofit participants started to shift to include more of the program operations people as both sectors embraced the action-oriented nature of this work.

For other jurisdictions considering adopting a similar policy or structure, being clear on the task to be accomplished is crucial. Jurisdictions will probably experience a similar focus on fundraising initially, but patiently continue to reiterate the goal of the meetings and eventually the right people will be brought to the table so key decisions can be made to move the task forward.

Clarity on Roles and Responsibilities

Shelby County was also clear at the beginning on the roles and responsibilities of each participating entity. Mayor Lee Harris noted that it was critical that there be a central organizing force for this work – which Shelby County government oversaw as a part of the formation of the Committee (Harris 2023). Kevin Dean, Chief Executive Officer of Momentum, and April Carter, Program Director of Momentum, noted in their interview that Momentum served as key consultant in determining the Committee’s ultimate structure due to its key connections and trust with both the nonprofit and government sectors (Dean 2023). Momentum already served as the “voice of the sector” (Dean 2023) for Shelby County nonprofits, and solicited feedback early on and what the nonprofit community hoped to see by being a part of the Committee. This community-level feedback, provided to Shelby County, provided the structure that both sectors could buy into and create clear roles and responsibilities for what and how things were to be accomplished. In addition, having an anchor organization like Momentum that already had deep ties to both sectors was a component of what made the Committee successful (Lo 2023).

When roles and responsibilities were being discussed, the original Committee leadership determined that each of the three sub-committees would be chaired by a representative from both Shelby County government and from a local nonprofit, in addition to one representative from any nonprofit organization that voluntarily wanted to participate with 501c3 status in Shelby County. The main committee leadership would also be made up by each sub-committee chair and the representatives from Momentum and Shelby County (Lo 2023). Tenikki Sesley, Chief Executive Officer of Apple Seeds, Inc. and Chair of the Health and Human Services Sub-Committee, noted that the committees were very organized which led to opportunities to collaborate and network with other service providers in the community (Sesley 2023). This structure allowed for the maximum level of flexibility and autonomy at the sub-committee level, while also maintaining clear lines of communication between groups and keeping the sub-committees on-task and mission-focused.

In the beginning it was fairly easy to maintain clear roles and responsibilities, but it got more complicated in some instances as more member organizations were added to the sub-committees. New members struggled to figure out their place within the committees and ended up being more observers than contributors (Sesley 2023). The suggestion was made to develop a new member orientation (Dean, 2023) to help new members acclimate to the work and understand their role within it. The new member orientation was a core component to maintaining continuity of work as membership turned over and new organizations were incorporated into the work. Overall, each committee had the organic opportunity to build their internal committee structure that best fit their entrusted committee goal or project.

Mutual Respect

The creation of the Committee was to shatter the myth that the only thing the government was good for to nonprofits was for funding (Dean 2023). From the onset of the process, a tone of mutual respect and collective agenda-setting was established. The structure of the Committee created a space for shared advocacy that provided nonprofits with an opportunity to advocate and engage with other nonprofit and government leaders on topics that are critical to the communities they serve (Hamilton 2023). In the award-winning book *Forces for Good*, a nonprofit's ability to engage in advocacy and participate in these types of coalitions and collectives is key to being a high-impact nonprofit (Crutchfield 2012). Providing nonprofits the space for the critical work, showed Shelby County's deep respect for the input and expertise being provided by the nonprofits. In addition, Tenikki in her interview also referenced a feeling of safety where there was freedom to ask questions and discuss challenging topics without fear of reprisal (Sesley 2023).

The other component that helped facilitate this mutual respect is the strategic selection of the government leader who would be responsible for spearheading this project. Shelby County was very intentional in their selection of Janet Lo as the leader of this public initiative. Before coming to Shelby County for this position, Janet Lo had served and led several nonprofit organizations – giving her critical insight into the needs of the nonprofit community. For other public entities considering replicating this sort of collaborative initiative, the selection of a leader with a proven history in working with or serving on a nonprofit is crucial so they understand the intricacies of both the public and nonprofit sectors.

Equality in Decision-Making

The Committee was structured to ensure that nonprofits had an equal voice and were a part of the solution to issues that Shelby County government was trying to address (Young-Griffin 2023). According to Amber Hamilton, Executive Director of the Memphis Music Initiative and Chair of the Arts and Culture Sub-Committee, inclusion and equity has been at the center of the Committee since the beginning (Hamilton 2023). The intentional decision was made that only one representative per nonprofit organization was allowed to attend the sub-committees to ensure that the larger nonprofits didn't drown out the voices of the smaller nonprofits. In addition, the sub-committee facilitators were focused on making sure that each participant had an equal opportunity to speak and be heard (Dean 2023).

Even the creation of the various sub-committees was an intentional choice so that each sector had the opportunity for its own concerns to be heard and solutions be proposed to address any identified barriers to its successful functioning. The sub-committees were on equal footing to determine a comprehensive strategy to improve the community experience in Shelby County.

Similar to the initial focus on potential public funding, in the beginning there was some concern around individual nonprofits and leaders bringing their own agendas to the meetings and not considering the Committee's agenda or the needs of Shelby County as a whole. This required strong facilitation and leadership from the Committee chairs to make sure that members were clear on the role of the Committee and that the loudest voice didn't dominate the conversation and overly influence the direction the committee took in determining their objectives and project. However, another critical component to the Committee's success was that Shelby County did listen to what the participating nonprofits identified as priorities. Shelby County government could have made the choice to outline the objective to be achieved by the Committee, but instead

they asked the nonprofit sector to share barriers they saw to the success of the residents they serve and barriers to the success of their organizations. These issues were then prioritized in order to narrow the focus of each sub-committee.

Accountability and Transparency

Numerous members of the Committee noted that their participation on the committees provided more awareness and insight into the day-to-day operations of both government and nonprofits (Young-Griffin 2023). This level of transparency increased their level of understanding, and provided some context to the things that were common annoyances.

Several participants noted that one area of transparency that could have been improved was the inclusion of the Shelby County Commissioners at the outset.

Conclusion:

The strategic partnership between the public and nonprofit sector is more important than ever as communities are facing increased demand for services, a smaller public and nonprofit workforce, and the limited resources common to both sectors. The success of the Shelby County Nonprofit Committee is a replicable way that other jurisdictions can start exploring what these types of partnerships could look like in their community. The Committee accomplished more than just the initial goals set by each sub-committee – although those accomplishments are significant. It established significant trust between the government and nonprofit sectors in Shelby County, which is critical to the continued health and future thriving of Shelby County residents. As this partnership grows, it has the potential to drive economic growth, empower underserved residents, and foster the necessary and strategic collaborations that make up a prosperous metropolitan area.

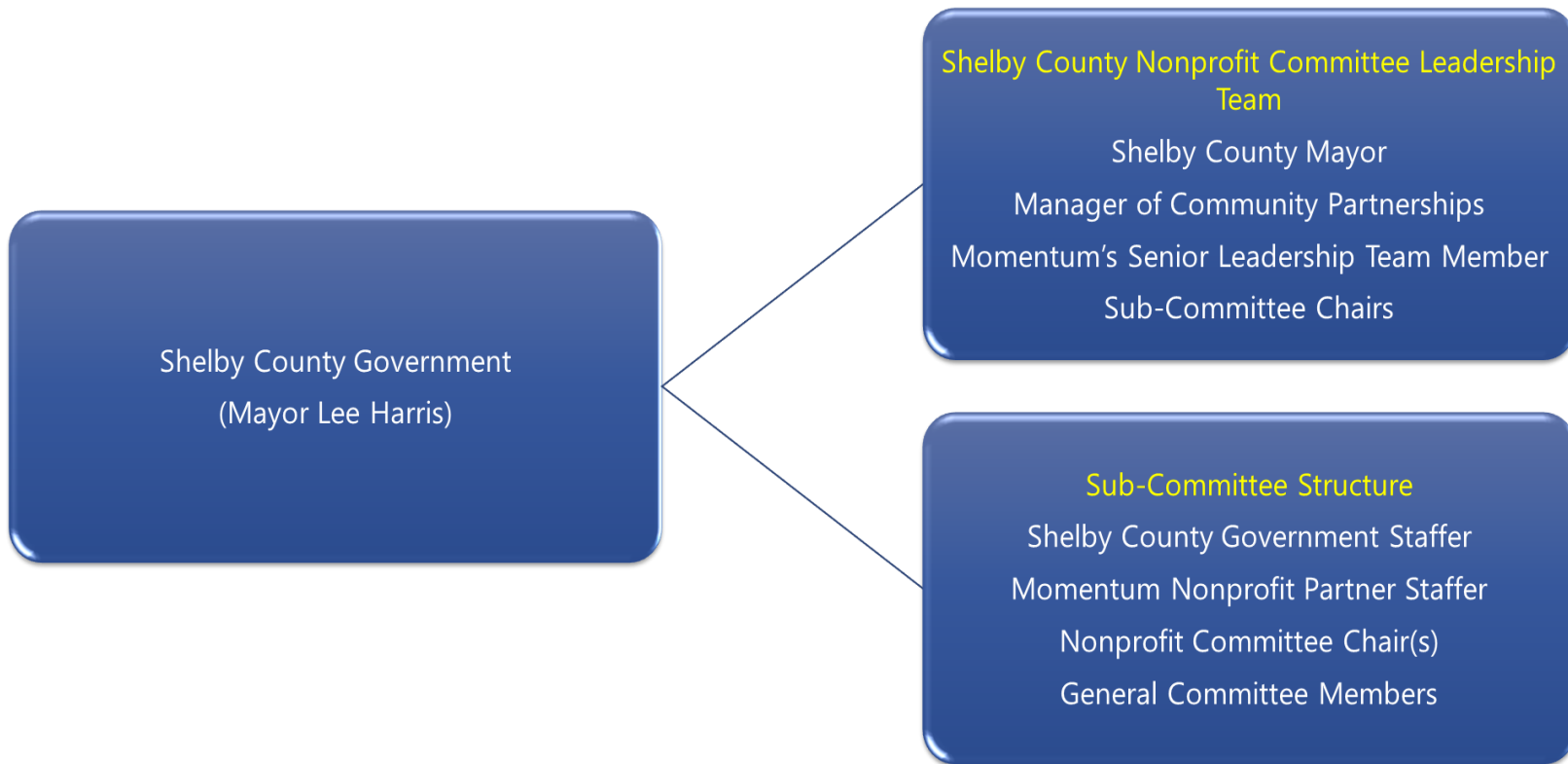
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Graph A – Shelby County Nonprofit Committee Sub-Committees



Graph B: Sub-Committee Outline

