Collaboration in a Competitive Market: 
The Collective Impact Model in University Legislative Relations

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Abstract

Sustaining collaboration between organizations that are competing for a finite set of resources appears illogical from a classic business perspective. This case study describes the decade of legislative underfunding of three public comprehensive universities and an unusual solution: to increase each university’s funding through collaborative legislative advocacy—at a rate greater than individual advocacy could have achieved. The factors that drove the success of “Parity for Students at USC Aiken, USC Beaufort and USC Upstate” align clearly with the “Collective Impact” model proposed by Kania and Kramer (2011). The case study, written as a classic student exercise with teaching notes, introduces the marketing aspects of nonprofit fund-seeking behavior and extends the application of the Collective Impact model to a new setting.

An unusual collaborative legislative campaign between three University of South Carolina public comprehensive universities, USC Beaufort, USC Upstate, and USC Aiken, highlighted and addressed an extreme inequity in state recurring funding for all three institutions. Annual recurring funding equity in the public comprehensive sector in South Carolina had not been addressed for over a decade. Recurring state funding was consistently decreasing, while enrollments had grown. For example, state funding of USC Beaufort represented only 5% of its budget. USC Beaufort received only $940 per SC resident FTE in recurring state funding; the average for the public comprehensive sector was $2,487 per SC resident FTE.

In an intriguing “theory from the ground up” article, Kania and Kramer (2011) argue that a specific set of factors will drive collaboration to achieve “collective impact” in social change settings: “collective impact is not just a fancy name for collaboration, but represents a fundamentally different, more disciplined, and higher performing approach to achieving large-scale social impact.” Kania and Kramer (2011) proposed five key elements of “collective impact” for which the case study herein examined demonstrates support: Common agenda, Continuous communication, Shared measurement systems, Mutually reinforcing activities and Backbone support organizations.
Collective impact requires all participants to have a Common Agenda. This shared vision for change, includes a common understanding of the problem and a joint approach to building a solution. The “Parity for Students” campaign sought to convince legislators to make equitable recurring state funding allocations in the comprehensive sector.

“Agreement on a common agenda is illusory without agreement on the ways success will be measured and reported” (Kania and Kramer 2011). A Shared Measurement System is a requisite for enduring collaboration. No formula for funding allocation was being used by the SC legislature, so the partners created a simple metric: Annual recurring funding dollars/Number of full time equivalent South Carolina resident students. In the case study, the three University of South Carolina institutions measured their legislative funding increases consistently, using a single graphic. The system staff measured and reported all metrics, so there was no question of fairness in calculations.

Mutually Reinforcing Activities are actions by each entity that complement the work of the other organizations: “Collective impact initiatives depend on a diverse group of stakeholders working together, not by requiring that all participants do the same thing, but by encouraging each participant to undertake the specific set of activities at which it excels in a way that supports and is coordinated with the actions of others.” (Kania and Kramer, 2011). Mutually reinforcing, but differentiated activities sustained the coalition. For example, one university shouldered a larger proportion of the message development. This shared messaging—parity inequity graph, letter drafts, op-ed drafts, chancellor and delegation talking points, power point presentations—was customized to each university and used locally and in the statehouse. Each institution’s tailored messages built exceptional

(Hess and Burnett (2013). Based on Kania and Kramer (2011))
grass roots advocacy for higher education in their respective region and a common statewide campaign branding platform that converged on the statehouse.

Continuous Communication develops trust. The on-going communication regarding the shared under-funding occurred at all levels at USC Aiken, USC Beaufort and USC Upstate. Not only did the chancellors and CFOs and government relations leads at each institution communicate regularly and at all critical junctures, but a number of new communications methods were established—and maintained during the three year campaign.

The Collective Impact model requires Backbone Support Organization—an operations center distinctive from the individual partners to plan, manage and support the initiative. The “Parity Campaign” did not develop an outside, independent support organization. However, key individuals in the three universities and the USC system stepped up to pool their efforts around the initiative. This variance from the Kania and Kramer model may be due to the different kind of change considered. The Parity campaign affected each institution’s incoming resource stream directly—and hence drew greater internal commitment. The social change setting analyzed by Kania and Kramer involved multiple, independent organizations investing resources into a new joint solution to a community need.

The results of the “Parity Campaign” were significant. Funding increased for three universities that previously had no significant voice in the legislature and had received no significant recurring funding increases for over a decade. USC Beaufort (1800 students) recurring allocation increased by $1.2M, an 85% recurring funding increase on base of $1.4M. USC Upstate (5,000 students) received $848,200 a 10.4% increase in recurring funding on base of $8,189,200. USC Aiken (3000 students) received $250,000, a 4% increase on its $6.2M base.
The case study applies a new model of factors strengthening inter-organizational collaboration, “Collective Impact,” in the quasi-business public university sector: non-profit, fee-based public agencies. Case study users are challenged to address challenges that emerged in the collaboration and to assess the potential for replication. The role of marketing leaders in designing and holding the collaboration together is demonstrated.

Hanley-Brown et al (2012) comment, “As much as we have tried to describe clear steps to implement collective impact, it remains a messy and fragile process.” However, the collaborative legislative marketing campaign, “Parity for Students at USCB, USC Aiken, and USC Upstate,” offers an interesting application of collaboration in a competitive context for marketing students to consider an offers support for the Collective Impact Model as proposed by Kania and Kramer (2011).

References


**Keywords:** nonprofit marketing, public entity marketing, government relations, nonprofit funding, higher education marketing, university marketing, collaborative marketing.

**Relevance to Marketing Educators, Researchers and Practitioners:** The case-based application of the collective impact model prepares students to develop high-impact marketing collaborations. Students consider marketing strategies to increase funding for public and nonprofit entities and expand their understanding of these significant marketing career fields.

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