COMMUNITY PROBLEM-SOLVING

STRATEGY TOOL #3

Working the Middle: Roles and Challenges of Intermediaries

by Xavier de Souza Briggs

The Community Problem-Solving Project @ MIT
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Go-betweens are increasingly important in social problem-solving—but not well understood. Here's how intermediary players (and everyone else) can make the most of their special roles.

Sections to guide you:

- *Ideas in brief*
- *Ideas at work*
- *Taking stock: applying the ideas in your community*

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Ideas in Brief

Intermediaries are people and institutions that add value to the world indirectly, by connecting and supporting—i.e., by enabling *others* to be more effective. Intermediaries may act as facilitators, educators, capacity builders, social investors who pool funds, performance managers, coalition builders, organizers of new groups, and more.

Attention to the valuable functions of intermediaries or "go-betweens" has increased in the past decade as the demand for new forms of civic capacity, particularly at the local level, has grown worldwide. But little concrete advice exists about when intermediaries are needed, why they play some roles and not others in particular communities, how they should balance accountability to "many masters," or how to define the *most* valuable roles for these go-betweens at particular points in time. Intermediaries often work in a fluid environment, where demand for what they do can shift or erode, where the functions of intermediaries and other players may overlap, where the rules are ambiguous.

This tool outlines the useful roles that go-betweens can play, offers guidance on the capacities they need to play those roles more effectively, and illustrates the process of figuring out whether and how the roles should change over time.

Ideas at Work

COMMUNITY PROBLEM OR OPPORTUNITY	POTENTIAL GO-BETWEEN ROLES	CAPACITIES NEEDED
Civic process and knowledge problems: real or perceived conflicts among stakeholders, impasse, information breakdowns (data gaps and discrepancies, risk and uncertainty), missing or frayed relationships.	**Facilitator and Public Educator.** Educating stakeholders and the public (about other stakeholders, substantive issues and stakes, and options for action), being a data clearinghouse, building and mending relationships, mediating disputes, designing and managing joint problem-solving processes.	Group facilitation and public event management, stakeholder and issue analysis, negotiation and dispute resolution, strategic planning, data and information systems management, public communication, social marketing.
Operational capacity problems: missing capacity, poorly structured or deployed capacity (duplication, fragmentation of effort, "stovepiping").	**Coordinator and Capacity Builder.** Coaching and training, developing organizations, improving coordination.	Operations management, training, organizational development, strategic planning, program design and evaluation.
Performance and accountability problems: inconsistent or underdeveloped standards, inadequate measures of what other players can do, lack of trust in their competence or approach, insufficient capacity to measure and report back.	**Performance Investor and Monitor.** Screening and validating resource seekers, matching donors with recipients, pooling and distributing funds, helping players to define credible performance targets and consequences for non-performance, as well as performance incentives.	Performance measurement and management, evaluation, operations management, management information systems, financial management.
Legitimacy and political support problems: missing or incomplete mandate to act, uneven support among diverse stakeholders, disenfranchised stakeholders.	**Organizer.** Identifying stakeholder groups and helping them to organize, facilitating coalitions and "building movement," communicating analyses of data, engaging media and public figures, helping advocates to develop capacity.	Political organizing and advocacy, data analysis, policy and program design, public communication, negotiation and dispute resolution, training, organizational development.

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Working the Middle: Roles and Challenges of Intermediaries

by Xavier de Souza Briggs

We live and work surrounded by intermediaries, go-betweens, or "brokers"—players that add value to the world mostly through what they enable *other* players to do (or to do better).

Too bad we don't understand them better—their roles, their challenges, their limitations—because the world is changing in ways that will likely increase the demand for what these middlemen or middle-players do, particularly in the realm of social problem-solving and particularly at the local or "community" level.

Local, non-governmental intermediaries are especially numerous and in demand in the United States. In part, this is because our country has long encouraged active engagement by "civil society"—i.e., by businesses, philanthropies, unions, faith-based and other nongovernmental institutions—in tackling social problems.

But there is a larger and more troubling reason that intermediaries seem especially numerous and significant in America. We have dispersed decision-making and operational capacity so widely in our fast-changing society, and downsized an otherwise limited government so much, that effective third parties or brokers are often required to help us "get our act together" to get significant things done in the common interest. Political scientist Clarence Stone has termed the ability to do that "civic capacity," and thanks to decentralization, privatization, downsizing of government, and other trends, the need for more civic capacity—of more and more kinds—turns out to be evident in many countries, not just the U.S.

Who are they, and what do they do?

Let's look at some examples of public-interest intermediaries, starting in America. In Washington, DC, one of the world's great "government towns," a

non-governmental organization self-identified as a "civic intermediary" conducts issues research, convenes stakeholders, and in other ways facilitates innovative problem-solving. DC Agenda focuses not on national policy issues but on poverty, unemployment, youth development, the fiscal health of municipal government, and other issues of concern to the local community. From time to time, the group's roles are, as it defines them, to "help *fill in* expertise and resources, *foster* consensus and *plan* strategies." From time to time, DC Agenda also acts as an evaluator.

In Miami, Florida, a "community development intermediary" helps connect banks, social investors, and others who possess financial capital and business savvy to promising housing and economic development projects that help revitalize low-income neighborhoods. The Local Initiatives Support Corporation, with similar offices around the country, brokers investments in neighborhood-based development organizations and their projects, providing loans, equity investments, and technical assistance to help build the capacity of those groups to make a meaningful impact on Miami's neighborhoods. Such intermediaries help once-loose networks of independent government, nonprofit, and business organizations to function as capable "community development systems."

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In Atlanta, Georgia, two locally-based, grantmaking institutions act to *link* private donors' charitable interests with critical community needs. First, the institutions size up a wide variety of community-based service and advocacy efforts, convening, planning, and networking other players to improve the focus and impact of every dollar invested—much like DC Agenda and other civic intermediaries. Second, these "funder intermediaries" channel dollars and help to provide resource-seeking organizations with a "seal of approval." That screening and validation reassures philanthropic organizations and individual givers that their money will be well invested—a key

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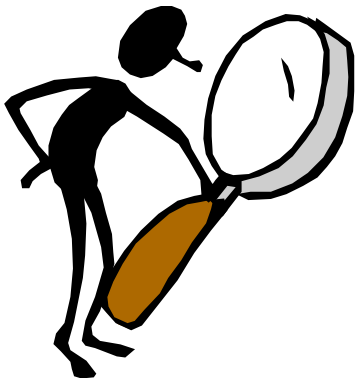
principle of what is increasingly practiced and studied as "strategic grantmaking."

One of these two Atlanta intermediaries, the United Way of Metropolitan Atlanta, is linked to a national charitable organization that espouses an evolving working philosophy called "community building." The other intermediary, the Community Foundation for Greater Atlanta, is part of a national learning network of local foundations with strong and independent traditions.

In Oakland, California, the Urban Strategies Council was founded to address persistent poverty and racial inequality locally. It conducted policy research, consistently advocated for innovative solutions to community problems as elected leaders came and went, and helped to design and launch new initiatives, as well as capture and communicate their lessons. Later, Urban Strategies created a Community Building Support Center to help "community building intermediaries" in other cities develop and grow.



One such group is Community Partners in Los Angeles, a self-described "bridge between community interests and those of public sector agencies, private individuals, and foundations and corporations." Community Partners convenes, designs, coordinates, and also "incubates"—helps innovative people turn promising ideas into well-positioned start-up projects.

Meanwhile, the Los Angeles Urban Funders works as a capacity builder and funder of start-up social ventures. Born in the wake of the L.A. riots of 1992, Urban Funders provides a group of private, philanthropic funders with an innovative vehicle for coordinating their learning and grantmaking activities in three target low-income neighborhoods, focusing there on comprehensive but "bottom-up" efforts to spur change. This approach was unprecedented in L.A.'s local philanthropy, and it is not without its tensions. As one participant looked back on it's first five years, Urban Funders …

> really sort of shook at the roots of the way that foundations had normally worked. We were really insistent that this was driven by residents, by community ... identifying what the issues were, and us committing really blindly in many ways, saying no matter what it is, that we would support and build their capacity to address the issues that they identified.

Also in L.A., the nonprofit Los Angeles County Alliance for Student Achievement, one of 70 "local education funds" in America, helps build support for quality public education and increase student achievement. A national group, the Public Education Network, helps these 70 local players learn from each other about a variety of strategies—from legal action to collaboration with public school districts, from civic dialogues to policy analysis in support of smarter education funding and better outcomes.

These education funds are a source of the local civic capacity that observers say is a vital resource in America's highly contentious, highly decentralized, highly regulated, and racially and politically charged effort to improve public education.

In the South Bronx, the Comprehensive Community Revitalization Program (CCRP), similar to the L.A. Urban Funders Groups, targets a handful of high-opportunity and high-need neighborhoods. But CCRP, born as a foundation-sponsored demonstration program to "take community development to the next level," evolved into a kind of *cooperative*, owned and managed by the four nonprofit community development corporations through which, and on behalf of which, CCRP works to advocate, secure funding, coordinate joint projects, and promote peer learning. CCRP is a bridge *among* the four nonprofits—and also a bridge *between* their neighborhoods and the world of funders and policymakers.

Another "comprehensive community building" effort targeted to urban neighborhoods, The Ford Foundation's four-city Neighborhood and Family Initiative, worked through community foundations—themselves intermediaries, as we've seen—to create new local intermediary "collaboratives" with "the explicit charge of strengthening the [neighborhood's] organizational infrastructure by assisting individual organizations and by creating connections among them." So reports the Chapin Hall Center for Children at the University of Chicago, which conducted in-depth research on the Initiative over years. The assistance often took the form of *technical* assistance (coaching) and small grants to improve organizations' fundraising, operations management, staff and board development, media coverage, coalition building, and strategic planning capabilities.

In *Building Community Capacity*, Robert Chaskin and his co-authors contrast such neighborhood-focused intermediaries with citywide, regional, or na-

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tional intermediary groups, such as the six created by the Charles Stewart Mott Foundation's Intermediary Support Program. An assessment conducted in 1996 indicates that the six organizations had assisted 101 "emerging organizations"—typically small, young, and reliant on part-time and volunteer staff—with technical assistance and with grants that averaged $5,0000 to $12,0000.

In San Antonio, a workforce development effort called Project Quest acts as a go-between for employers and low-income job seekers, planning for and helping to coordinate the disparate players that provide essential job readiness coaching, skills training, placement, recruitment, retention, and other functions to make the regional labor market work better for all.

Based in the same city, another player—The Common Enterprise—provides management consulting to nonprofits, businesses, and government agencies serving neighborhoods, as well as leadership development for neighborhood residents, emphasizing training and networking opportunities to which low-income residents, in particular, tend to have little access.

In Chicago, a city legendary for its large, high poverty, racially isolated ghetto neighborhoods and for a history of housing discrimination, the Leadership Council for Metropolitan Open Communities helps to broker the region's low-rent housing market. Founded and run as a "fair housing" organization to battle racial discrimination, the Council's programs include counseling that helps prepare low-income minority tenants to search for, lease up, and occupy quality housing through metro Chicago. But the group also conducts outreach, training, and referral for real estate brokers, lenders, and other industry players whose awareness and actions are crucial to the cause of building fair and open communities. The Council is not just a tenant advocate, then, in a marketplace that is often challenging and particularly intimidating for low-income minorities. Because the intermediary's customers all voluntarily engage with it, the Leadership Council is a go-between that helps the market to function better, aligning the tenants' demand for quality housing with the landlords' demand for reliable tenants.

Some counterparts worldwide

Brokering organizations are common in many other countries as well, albeit less often tagged or studied as "intermediaries."

They are social investment funds in developing countries, building the capacity of community-based organizations, funding critical projects outside of government, and lobbying for support from domestic and international agencies. And they are innovative, locally-based development organizations working with slumdwellers, graduating beyond direct service delivery in specific low-income areas to offer advocacy, training, and other functions for non-governmental community development organizations in slums on several continents—as Slumdwellers/Shackdwellers International.

Some intermediaries are international organizations who, like the funder intermediaries in America, channel dollars, vouch for their grantees, monitor performance, and help build constituencies for important, cross-cutting issues and problem-solving strategies.

As long-time researcher, advisor, and educator David Brown describes them, these organizations can be "a conduit for ideas and innovations, a source of information, a broker of resources, a negotiator of deals, a conceptualizer of strategies, a mediator of conflicts."

Demand for such roles is growing as non-governmental organizations explode in number and variety and as governments and aid agencies turn to private and nonprofit contracts and cross-sector partnerships to address social problems.

Bridges of many functions, multiple levels

Like their counterparts in America, intermediary organizations around the world can act as vital bridges between the "grassroots" and the "grasstops." That is, the go-betweens help people and institutions that provide resources and often shape the rules of the game (the tops) to make larger and better investments in people and communities (the roots) that lack key resources and,

Intermediaries around the world can act as vital bridges between the "grassroots" and the "grasstops." They can help people and institutions that provide resources and often shape the rules of the game (the tops) to make better investments in the people and communities (the roots) that lack resources—and, too often, also lack the influence needed to change that.

Understanding the roles, capacities and limitations, and challenges of go-betweens is key not only for those who manage and fund intermediary organizations but for grassroots and other stakeholders whose own effectiveness depends, in part, on what intermediaries decide to do (or not do) and how.

too often, also lack the influence needed to change that.

What are the specific roles or *functions* of these increasingly touted players in community problem-solving? On the surface, the roles are as varied as the intermediaries and their communities. The roles are in the stories above: filling in, fostering, researching, planning, convening, educating, connecting, building capacity, and sometimes funding—or *influencing* funding or investment decisions by "vouching for" or validating.

As such, intermediaries can be much more than passive helpers. They can be extremely influential, shaping attention, channeling funding, political support, and other precious resources. Clearly, that influence can be used effectively or ineffectively. It can also be abused. An influential go-between may deploy its precious influence in ways that serve it but not its constituents.

As for where they work, go back over the brief list of examples above, and you'll notice that these go-betweens can work on or across several *levels* of geography or jurisdiction, including the informal group (for example, of residents or merchants), neighborhood, city, region, or beyond. And clearly, they often straddle the sectors—public, private, and nongovernmental.

We need some perspective on *why* the core functions of intermediaries add value (across levels and sectors), on what it takes to *perform* these functions well, and on how intermediaries might work strategically and responsibly—on hard community problems, in tricky environments—in order to make an important impact.

Understanding these issues is key not only for those who manage and fund intermediary organizations but for grassroots and other stakeholders whose own effectiveness depends, in part, on what intermediaries decide to do (or not do) and how.

Let's look first for lessons in several places where go-betweens have a long and well-documented history.

Lessons from Brokers in the Business World

In the stock market, real estate, and other arenas in the competitive marketplace, brokers encourage transactions that would otherwise happen less often and/or less efficiently. In exchange, brokers typically receive a fee from buyers, sellers, or both.

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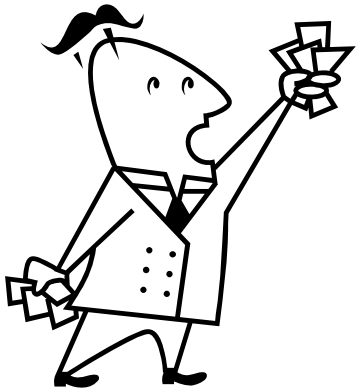

Take real estate, for example. Brokers help match buyers and sellers by researching the needs and preferences of both. A broker's job is sometimes to offer expert advice on the *value* of the product—a particular housing or commercial unit for sale or rent at a given price—based on experience judging and rating such products. Sometimes, the broker will help propose the *terms of transaction, in effect entering the negotiation over price* for a given set of terms. But sometimes, the go-between merely helps buyers and sellers "discover" each other in a crowded or otherwise difficult-to-navigate marketplace.

Now consider a twist in the special case of rental housing. Very "tight" housing markets, in which demand significantly outruns supply, not only feature higher prices—by the standard logic of the market—but often a great many aggressive, highly skilled brokers as well. In these markets, some consumers are willing to pay for professional intermediaries who will give them an edge on other consumers, helping locate an apartment of higher quality faster than would otherwise be likely. And sellers (landlords) cultivate relationships with brokers who refer reliable and even prestigious tenants.

Like other fields, such brokerage is subject to law and regulation that creates rules of the game. But high demand strains the rules. Stories abound of brokers hoarding information on prime properties, "playing favorites" among clients due to like or dislike, dropping or ignoring clients that seem indecisive or unprepared for the demands of the marketplace, and more.

In looser rental housing markets, where supply is plentiful and demand relatively steady, real estate brokers are fewer in number, if they exist at all. In these markets, real estate brokers must focus on other products, because renters

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and landlords cannot or will not afford the "middleman."

From this competitive scenario come a number of lessons that turn out to be useful in the realm of messy and less commercial "public-interesting brokering." Here are just a few of those:

Lesson #1: The broker's "core currency" is held in relationships through which useful, trustworthy information can flow. Buyers and sellers have limited time, money, and other precious resources, and they face complex choices. But what they expect is more than a technical information exchange. Information is "filtered" according to the buyers or sellers perceptions of the broker, so reputation and relationship—for integrity, reliability, impartiality, and more—become paramount. Brokers who advocate too strongly, or who seem to be captured by the buyer or seller, for example, place their reputations at risk.

Lesson #2 Recognized rules and standards, such as in licensing and registration requirements and laws and ethical codes of conduct, help protect buyers and sellers from unprepared and unscrupulous brokers. Day to day, these rules and standards may be largely invisible and unspoken, but they make the transactions, including reliable roles of brokers, possible.

Lesson #3: The broker occupies a competitive and often unstable niche—meaning a space defined by what buyers and sellers want and by what other brokers are doing, not simply by the savvy strategies of the broker herself. The situation is dynamic and offers the intermediary limited control—thus the importance of being strategic about how to deliver one's service in a changing environment. Not only can demand shift quickly, but changes in buyers and sellers' access to information—such as through the internet or other technologies—can shrink or shift the need for particular kinds of brokers.

Lesson #4: The broker's value added is generally priced into the transaction between buyers and sellers. So the basis for funding the private intermediary's activity—the "revenue model"—is an outcome in which the intermediary has a well-defined stake. On the other hand, the buyers and sellers have some incentive to "take out the middleman" if they can reduce their costs and still carry out an effective transaction.

Lesson #5: A broker's role may be temporary or seasonal, dependent on the larger dynamics of the market. Demand may be seasonal or short term. For these and other reasons, brokers may need to offer a variety of services and switch among them, according to demand and supply. What's more, they may need to update their revenue models over time, in effect changing the way their value added is rewarded (and thus sustained) by buyers and sellers.

Now you're thinking—fine, but few of these lessons can be applied in simple ways to the case examples of public-interest intermediaries that I outlined above. True enough. In social problem-solving, "transactions" are incredibly varied—for one thing, much less standardized than in real estate, stocks and bonds, or other famously brokered market domains, and second, made up of a wide variety of non-financial elements on which subjective judgments drive the show: Who is in control? Have we developed a shared vision? How will we know if we've succeeded if our own impact is hard to measure?

But more than that, "transaction" is not an inadequate description of working together in the public interest. In reality, the interests that motivate each of us, or that motivate us when we form groups and organizations, are not fixed. They evolve, they get re-shaped through dialogue and experience. The players in the

The lessons from private sector brokerage suggest some important questions we can ask of any broker and of any market for what they do: What exactly is your niche, and how might it change? What kind of value do you add to the interactions among other parties? What standards, rules, or incentives hold you accountable and protect those who deal with you?

TAKING STOCK (Part One)

Five lessons from brokers in the private sector: How do they apply to your work?

1. The broker's "core currency" is held in relationships, through which useful, trustworthy information can flow.
2. Recognized rules and standards, such as licensing, laws and regulation, and ethical codes of conduct, help protect buyers and sellers from unprepared and unscrupulous brokers.
3. Brokers often occupy an unstable niche in the market.
4. The broker's "value added" is generally priced into the transaction between buyers and sellers.
5. A broker's role may be temporary, depending on the dynamics of the market.

game are not fixed either. Stakeholders regularly organize and re-organize into new groups and coalitions to act on their interests. Politics may transform the very rules of the game through which the players interact—how we resolve disputes and define common agendas. Social problem-solving is much more than dealmaking, and so intermediaries can often be much more than dealmakers in the narrow sense of that word.

What's more, information needs in social problem-solving are varied and fluid, and few widely accepted systems exist for stockpiling info on buyers and sellers—at least, nothing directly comparable to real estate, trade, or stock market databases. In addition, there is little in the way of licensing for most intermediary players in social problem-solving (mediators are one exception, see below). Furthermore, the niches or spaces occupied by such players may be partially illuminated but also somewhat obscured by social and political labels that these players use to market—or pitch—their value. An intermediary may simply call itself a "fund" (but act as much more than a provider of funds) or "alliance" (but act as an independent organization, not simply a membership group of allies).

If not *easily* applied, the lessons from private sector brokerage nonetheless suggest some important questions we can ask of any broker and of any market for what they do: What exactly is your niche, and how might it change? What kind of value do you add to the interactions among other parties? What standards, rules, or incentives hold you accountable and protect those who deal with you?

Plus, the times are changing. A number of the ingredients of the for-profit marketplace for brokers—from the scorecarding of organizations and their performance to the use of information technology to expand information and choices—are fast emerging in public interest work as well.

Let's turn now to another well-established set of go-between roles.

Lessons from third-party process facilitators

Sometimes, it's talented and committed individuals who get in the middle to help get things settled or get things done. This role is especially important and well-established where *disputes* among individuals or groups are concerned. On a thousand corners of a thousand streets around the world, right now, there is a parent or faith leader or community elder informally mediating a dispute between two or more parties. They listen, they explain, they re-assure, they propose, they coax, and they help seal agreements.

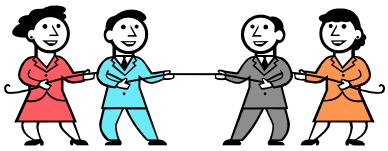
Meanwhile, in boardrooms, living rooms, offices, family and community courts, and other settings, *trained* mediators are doing the same—helping people to live with differences and, whenever possible and appropriate, to advance their interests without resorting to violence or costly and often adversarial legal action. Many mediators are *dealcrafters.* As a recent news story on a so-called "master mediator" put it, the mediator is someone "willing to talk all night if it will help achieve a meeting of the minds." (See the linked tool in this series, "We are all negotiators now: An introduction to negotiation in community problem-solving.")

Many mediators are dealcrafters [who] enhance relationships and improve the process through which other parties problem-solve together—in part by encouraging useful information sharing and discovery of new options. They can even enhance the legitimacy of an agreement in the wider community.

Specifically, says mediation expert Christopher Moore, mediators enhance relationships, improve the process through which other parties problem-solve together—in part by encouraging useful information sharing and discovery of new options—and can even enhance the legitimacy of an agreement in the wider community.

On the flip side, mediators have to step back sometimes. They may create a sense of dependence on the part of the stakeholders in dispute, who may not adequately engage or commit themselves to finding a useful agreement. Or mediators may try to force agreement, injuring the parties and the wider community.

Beyond the arenas of dispute resolution and negotiation, a larger group of facilitators act to help groups of people problem-solve more effectively. Often, they work with small groups in teams that have been tasked with a project that calls for special creativity and commitment by all involved. But sometimes, at public meetings and in other settings, these facilitators help large groups of community members to provide decision-makers with important input, while learning from each other about issues of shared concern (and learning civic skills as well).



As outlined in another tool in this series, on "Planning Together," sometimes the task is more extensive and empowered than merely generating input, and facilitators can help stakeholders to weigh proposals and make final decisions with important community stakes—decisions about how a budget should be spent, for example, or which economic development proposal should be pursued to help improve the local economy.

From these and other third-party facilitator roles come another set of important lessons about what it takes to work effectively in the middle:

Lesson #1: "Mediator" and "facilitator" are not simple, discrete roles but bundles of roles, each useful in specific situations. For

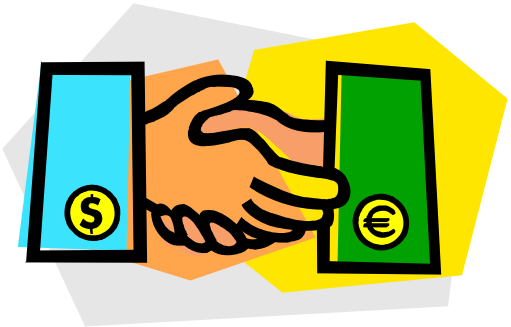
While we hold the creative, neutral mediator in justifiable esteem, interested parties who also act as mediators or facilitators, often informally, are far more common.

example, a mediator may act as a process planner (outlining steps and decisions needed), a conciliator (mending relationships), an educator on the substantive issues and process of negotiation, a resource expander who helps secure new resources to improve what the parties can accomplish, and even a "reality tester" who encourages or provides careful judgment on proposals made by the parties involved in a deal or dispute. Offering the right kinds of help in the right measures is quite important.

Lesson #2: Knowing what is needed and when calls for judgment, which in turn depends on practice and learning, as well as a willingness to take risks. Regardless of the quality of one's judgment, there are almost always important unknowns or contingencies. Some of the unknowns are about how other parties will react if the facilitator intervenes in a particular way. Facilitators must be more deferential in some situations and more assertive in others—very "hands on" one minute and more "hands off" the next.

Lesson #3: Disparate roles call for a wide variety of capacities, beyond generic skill at relationship management or a set of substantive insights on the issues at hand—whether a land dispute, a public health challenge, or some other issue. Helping others learn about complex, contentious issues takes skill, not just will. So do the functions of process planning, conciliating, and reality testing. Plus, there is a specific need for the capacity to blend the needed roles in ways that particular situations demand. So there are "component" skills as well as a cross-cutting skill at blending or combining. Think of the way a master craftsperson combines techniques in different ways to produce a variety of end products that have an enduring value.

Lesson #4: In terms of broad types of know-how, facilitators often benefit from process knowledge (about group behavior, information management, planning techniques, and so on), as well as substantive knowledge (technical expertise) in the issue domain in which they wish to focus their services: environmental disputes, neighborhood planning, family disputes, organizational strategy for nonprofits, etc. Informal community facilitators are more likely to be "jacks of all trades," especially in communities that routinely turn to elders for their wisdom and influence.



Lesson #5: Like market brokers, problem-solving facilitators trade largely in information, the value of which is directly dependent on the trust invested in facilitators by the other parties. The substantive "facts" are important, but so are subjective perceptions of the facilitator—and many "facts" turn out to be debatable according to perceptions anyhow, especially where conflicting values or a history of conflicting relations is found.

Lesson #6: Also like market brokers, facilitators do not add value and, for other reasons may not be welcome, in every situation. The other parties may not be committed enough to forging an agreement or relationship, whether because their alternatives seem more attractive or because entrenched conflict makes sitting down with the other side emotionally or politically unacceptable. There may be no room for agreement (substantively) among the parties. The parties may resent the intervention of the facilitator as a sign that they are incapable of problem-solving on their own—or may feel newly capable of doing so following a history of relying on such a "third party." Or the parties may use the intermediary as a crutch—another excuse not to learn more, consider trade-offs, and take worthwhile risks.

Lesson #7: Facilitators may be neutral or "interested"—and useful in either case. Interested facilitators have a substantive stake in the issues and outcomes on the table, while neutral ones, at least in principle, have a stake only in a good process that generates a sustainable agreement.

To elaborate on the last lesson, while we hold the creative neutral mediator in justifiable esteem, interested parties who

TAKING STOCK (Part Two)

Lessons from third-party facilitators who work to improve problem-solving processes:

1. "Mediator" and "facilitator" are not simple, discrete roles but *bundles* of roles—conciliator, process planner, etc.—each useful in specific situations.
2. Knowing which role is needed and when calls for judgment, which in turn depends on practice and learning, as well as a willingness to take risks.
3. Disparate roles call for a wide variety of capacities, beyond generic skill at relationship building.
4. Mediators and other types of facilitators often benefit from *process knowledge* (about group behavior, information, planning techniques, etc.) and *substantive knowledge* (technical expertise) in the field in which they focus their services.
5. Like market brokers, process facilitators trade largely in information.
6. Also like market brokers, facilitators do not add value, and for other reasons may not be welcome, in every situation.
7. Facilitators may be neutral or "interested"—and useful in either case.

also act as mediators or facilitators, often informally, are far more common. For example, a local foundation or university may act as a convener of other parties—but with some of its own substantive interests in tow. The director of a community development organization may informally broker a relationship among other organizations in the city—but with a number of hopes for productive deals with these parties down the line. Mayors in cities and towns around the world often get other parties to sit down and work together, while advancing their personal career hopes and jurisdictional interests as well. The President of one country may act as mediator between two warring heads of state, not as a true neutral but as a national or even international leader with interests in regional security, economic prosperity, and more. Where the mediator coaxes the parties to come to agreement, offering incentives or disincentives, such a third party may be called a "mediator with clout."

Like other facilitators, interested ones can support process, educate parties, and perform other useful functions. Interested facilitators are also important where they are resource expanders, adding new *tangible* resources—money, technical help, etc.—to the problem-solving, as well as key *intangibles*—an imprimatur, seal of approval, or other source of legitimacy.

Because of their substantive interests, though, the words and actions of an interested facilitator must often be judged strategically by the other players. Interested facilitators may compromise the legitimacy or sustainability of an agreement by creating a perception that their own interests dominate, at others' considerable expense. Or other players may resent their use of power to focus attention and resources in particular ways. In English, we have a slang that describes a player who becomes unduly influential, even dominant—the "six-hundred pound gorilla." Go-betweens can become those if their influence is not checked or regulated by others. We'll explore this some more below.

Two big needs: "will" and "way"

Having thought about various types of intermediaries or go-betweens, first in competitive markets and then in dealmaking or dispute resolution processes, let's take a new look at the roles of intermediary organizations that act in the public interest, with a focus on their value added at the local or "community" level of problem-solving.

The case examples that began this note should make us mindful, first of all, of the two overarching needs in the world that seem to justify the existence and involvement of these intermediaries.

The first is an *operational* need to "get our act together." A powerful thread that links those seemingly disparate cases is the notion that the players involved can be more productive together than apart—and more effective together with help from the intermediary. There will be better learning all around, higher-impact action, perhaps a larger pool of resources and more varied operating capacity on which to draw. So one set of intermediary capacities and services could directly address this need, which is evident in so many places—where services for children and families are fragmented through a lack of coordination, for example, or where new teamwork is needed to take on a newly recognized environmental challenge.

The second overarching need is more subtle but no less important, and it places intermediaries in a more ambiguous position. This is the need for legitimacy and *political* support for action. Social problems, unlike many financial transactions, come with …

- A host of messy spillover effects. What we decide affects others not at the table—perhaps even those not yet born;
- Value-laded terms and perceptions—very different ways of framing or looking at the same social condition—that complicate communication, consensus building, and productive action to respond;
- Partially shared but partially conflicting political interests. So some "win-wins" may be possible, but competitive "win-lose's" are in the picture as well, at least in terms of the near-term tradeoffs required; and
- Long and even painful histories among parties, which engender mistrust and finger pointing.

… And other special challenges. Given these, intermediaries or brokers can help other parties secure the proverbial "will and the way" needed to tackle social problems or opportunities. The "will" is a meaningful mandate, the legitimacy and political support needed for doing work in a community. The "way" is the productive means or capability needed to produce the outcomes that matter.

Not only do projects struggle for legitimacy—as feasible and appropriate responses to some problem or opportunity—but intermediaries and other organizations struggle as well, for their place at the table.

As the Urban Strategies Council emphasized after convening a multi-year

Poised between grassroots and grasstops, no wonder intermediaries have a hard time explaining what they do—let alone doing it in ways that inspire trust and a sense of accountability.

TAKING STOCK (Part Three)

Here are **five main types of intermediary organizations** that promote the public interest. Some organizations are of more than one type.

Are any of these kinds of organizations at work in your community? Does your organization fit any of these descriptions?

1. **Government-as-intermediary,** convening parties, leading civic process, educating the public, finding resources inside and outside the community.
2. **Civic intermediaries** (non-governmental) that play similar functions, typically without the regulatory or public spending authority of government.
3. **Funder-intermediaries,** such as some charitable foundations or multi-funder pools, which screen, validate, match, allocate.
4. **Issue-focused intermediaries,** conducting research, advocating, doing policy or program design in health, education, employment, housing, or some other field or public issue.
5. **Capacity-building intermediaries** that emphasize developing other organizations or building up new capabilities in the community.

peer learning project that brought together self-defined "community building intermediaries" from a variety of U.S. cities, legitimacy is particularly tricky for intermediaries, which typically have neither the claim to direct representation of the grassroots (citizens at large or members), nor the elected authority or charitable authority that government and private funders claim.

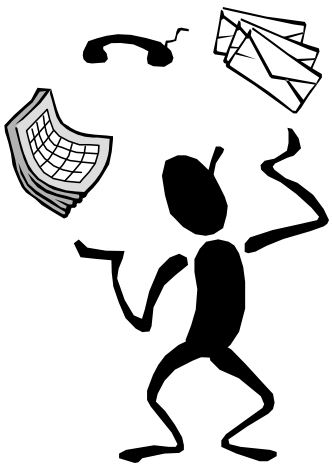
Poised between grassroots and grasstops, no wonder intermediaries have a hard time explaining what they do—let alone doing it in ways that inspire trust and a sense of accountability.

Strategic Challenges

If helping to create both the will *and* the way is, increasingly, the core work of intermediaries in community problem-solving, then a few hard truths and major strategic challenges emerge:

Challenge #1: The most useful specific functions of an intermediary will often be ambiguous and will likely change over time. Beyond having an "unstable niche" like our friends the apartment brokers, community problem-solving intermediaries often occupy several niches, each tricky to define and each dynamic or unstable. As problem-solving marches forward on a given set of issues tackled by particular players in particular places, the need for brokering can evolve as well. Shorthand such as "convening" and "connecting" may offer fair and even accurate descriptions of what intermediaries do in communities, but such labels hardly define a set of easily prescribed remedies or services for a fixed set of needs.

In the San Antonio case example, Project Quest evolved over decades, from convening and planning work early on through increasingly sophisticated operational efforts and efforts to build a wider political constituency for workforce development in the local region. While useful in one way, a static rendering of its functions today, as a mature, well-respected workforce intermediary organization and affiliated network of organizations, doesn't clarify the challenging road that led to that status or the choices foregone that did not. Likewise, because working on messy social problems entails learning, at least when we're lucky, experience and discovery will suggest new roles—for brokers or for others—that were not foreseen on day one.



Challenge #2: Intermediaries may have to develop the market for what they wish to provide. Brokers help create demand, in part by highlighting opportunities that others have overlooked but also by convincing customers not to do something themselves—i.e., to get it done *better* by retaining the broker's unique aid.

Brokers are constantly persuading. They don't simply pander to the market that exists. They can help drive the market, and with this comes an awesome obligation to use that influence responsibly.

The opportunity in creating the market is that valuable things can be accomplished. The risk is self-absorption. An intermediary may get so absorbed in the effort to keep itself in business that it fails to consider how its stakeholders could best be served. Sometimes, it's time to go—fold the tent, let others do the work. Or at least share it. We'll look at an example below.

Challenge #3: A given community may be home to multiple intermediaries with diverse and overlapping functions. Local government is one traditional convener, educator, and resource expander, for example—in countries with active civil society involvement in social problems, government is often an intermediary that is also an authoritative rule-maker and resource-provider. Broadly positioned civic intermediaries are a second type, and these may be created where a particular government is not a credible or effective convener, plan-

The opportunity in creating the market is that valuable things can be accomplished. The risk is self-absorption. An intermediary may get so absorbed in the effort to keep itself in business that it fails to consider how its stakeholders could best be served.

ner, or coordinator or where coordination across government jurisdictions is lacking. As funder-intermediaries, private charitable foundations are another category, with their networking, screening and validating, and funding roles. Issue-specific intermediaries—conducting research, advocacy, planning, program design, and/or contract-brokering in health, employment, housing, sustainable urban growth, or some other area—are a fourth set. A fifth type, capacity-building intermediaries, may cut across issues and sectors, helping a variety of organizations become more capable and effective, building up new capabilities in a community.

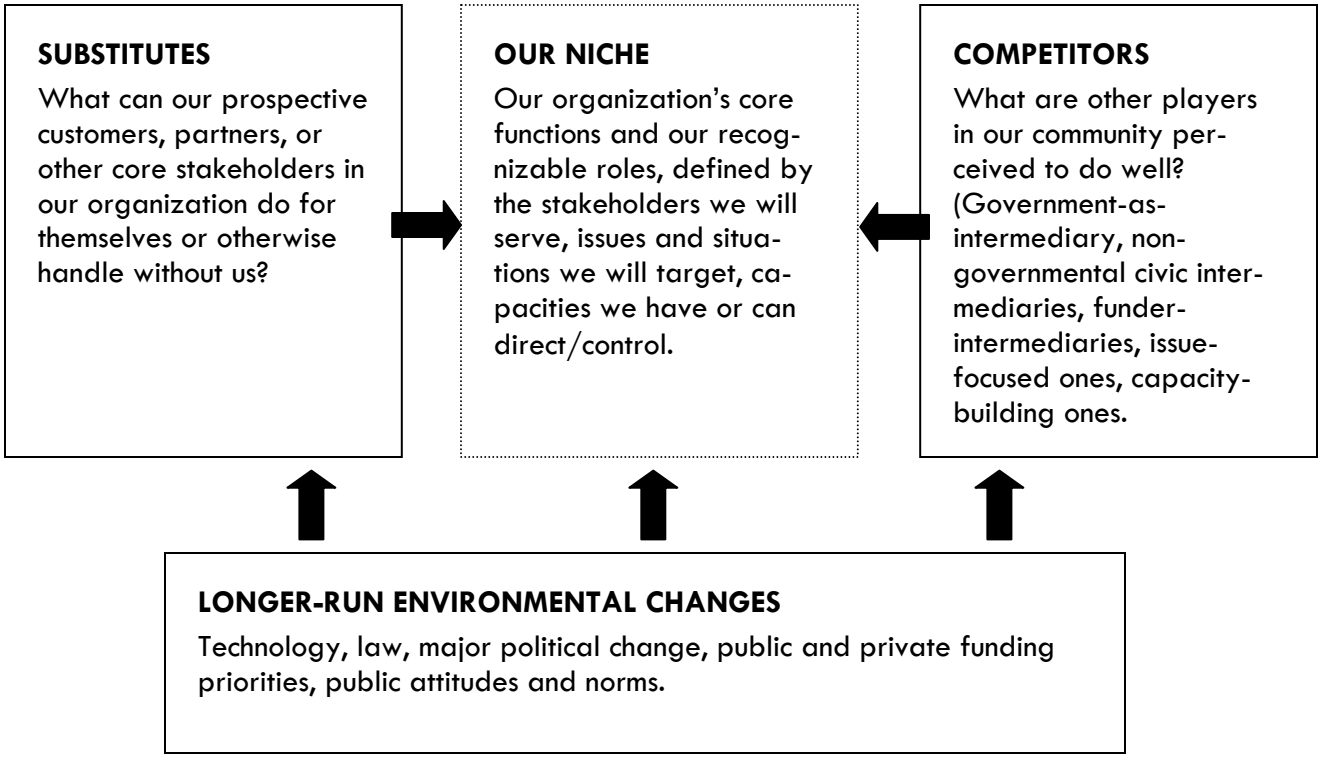
Each of these may think about their customers differently, and from time to time, each may need to re-think who its core customers are, what they need, and who else is working to fulfill those needs. Intermediaries need uniquely powerful peripheral vision and varied tools for scanning the environment, which we'll review in a moment.

The concept is this: the organization as shape-changer, driven forward by core values of public service and an overall strategy of helping others to be more effective … but adapting specific functions. So how should a go-between scan the environment and adapt well?

Challenge #4: Broad community change—social, economic, political—shifts the "market" for what intermediaries should contribute, how, and with what support. An example would be large-scale decisions by a central government to decentralize funding decisions to local governments, demanding new capacity and new will locally and creating new games for local players to learn. Another example would be the decision by a philanthropic organization to enter a new public issue or program area, creating a need for new dedicated expertise by middle-men and a pool of resources to support them. Or a new political era, perhaps ushered in by a new Mayor or other elected official, with major shifts in public and private investment priorities, ways of framing issues, expectations about appropriate government roles versus business or non-profit roles, and more.

In the language of the previous point, broad community change shifts niches, brings some new players in, redirects resources, and threatens established players that may be unprepared for such change. In the competitive marketplace, such broad change is a source of so-called

Figure 1. Positioning an intermediary organization in its community: Strategy Map



Source: adapted from Michael Porter, *Competitive Strategy* (1980).

Intermediaries should take note of potential* competitors *who also play intermediary functions—whether or not they self-identify as intermediaries—and of* substitutes*, for example organizations doing some of their own process planning, convener-seeking, networking, resource expanding, and so on.

"creative destruction," meaning it leads to valuable innovation through turnover in who does what—but clearly at a cost to established players and ways of doing business. In the public interest arena, which is closely linked to market dynamics anyhow, big changes often happen less visibly, with fewer price, market share, or other signals that indicate how we might respond.

Challenge #5: Showing value added—credibly demonstrating the intermediary's contribution—is an ongoing challenge. Unlike the heavily brokered business sectors reviewed earlier, community problem-solving offers few straightforward transactions that price the broker's value into the transaction itself. What's more, grassroots customers of public-interest intermediaries can rarely pay the cost of service, so funder-customers are crucial.

Where they do exist, such transactions seem very much to be market-based transactions to which some "second bottom line" or social purpose has been added. Project Quest, the San Antonio workforce development intermediary and network, is a case in point here, given its role in employment transactions affecting disadvantaged workers. So is the community development finance intermediary in Miami (and many other American cities) that brokers real estate development and business venture deals in revitalizing neighborhoods.

But many other intermediaries do not broker such transactions. They perform "soft" functions—planning, relationship building, etc.—that other players may consistently under-value, in part because imagining what the world would be like without such functions is not so easy.

As we've seen, showing value added is more than a marketing problem—i.e., getting the word out about a solid product or service, generating demand for it. It's about showing a willingness to play varied roles in varied situations, as well as varied roles in a single situation over time.

The "civic intermediaries" illustrate this point particularly well. DC Agenda and other groups have developed a varied portfolio of functions, addressed a terrific variety of social issues, and practiced working at several levels—organization, neighborhood, city, region, and even nation.

The organization made a strategic decision neither to rest on its laurels or continue to be a very broad-based civic go-between. It could shut down or re-invent. DC Agenda chose the latter.

The concept is this: the organization as shape-changer, driven forward by core values of public service and an overall strategy of helping others to be more effective—producing indirectly—but adapting specific functions and communicating their value proactively.

Now let's focus on what it takes for a go-between to scan the environment and adapt well.

Scanning and Adapting

Put the ideas in the previous section together, and we have a picture (Figure 1), which adapts classic concepts of competitive strategy developed by business guru Michael Porter and by others. These concepts are useful for *positioning* an organization in its environment—meaning the world around the organization—in ways that make the organization more effective at creating value for the community.

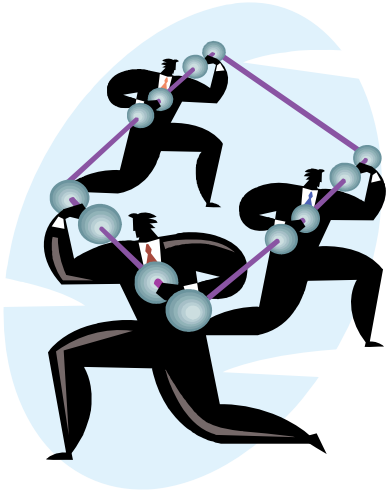
Say I wish to help an organization define or re-define a useful niche for itself. First, scanning the environment, I take note of potential *competitors* (who also play intermediary functions, whether or not they self-identify as intermediaries) and of *substitutes*—for example, organizations doing some of their own process planning, convener-seeking, networking, resource expanding, and so on.

But second, I must also pay attention to longer-run shifts in the environment that affect the niche I can usefully occupy for some period of time. I need to be clear not only on what my customers need me for—versus what they can do themselves or otherwise handle without my services—and what other types of brokers are providing along the same lines. Both affect *how* work will get done and by *whom* but do not necessarily affect *what kind* of work needs doing.

I therefore also need to pay attention to how the underlying needs and opportunities are changing based on such things as technology shifts, changes in law or regulation, changes in public and private funding priorities, a public appetite for organizations to work more on some issues and less on others, and even broader cultural shifts to embrace new values in how public interest work is carried out—wider stakeholder engagement, say, or "building on assets" rather than merely cataloguing and addressing needs.

Here's an example. By the late 90s, DC Agenda, one of the intermediaries mentioned earlier, found itself in need of a new organizational strategy, largely

because of major changes in the organization's external environment, and therefore began a scan. Recall that DC Agenda identified itself as a broad-based civic intermediary, which focused on convening policy dialogues on a wide range of issues facing Washington, DC and the surrounding metropolitan region. More specifically, founded in 1994, DC Agenda had led a major "situation analysis" for the city—Where are we now? How did we get here? Where do we need to be, and how can we get there?—and then a civic process. The process engaged key stakeholders in business, government, and the nonprofit sector to forge consensus about the key issues in need of attention and also about the best-available options for both tackling the city's serious problems and building on its considerable strengths.



But all this happened in lieu of an effective, credible local government, which typically would conduct or commission such an analysis and lead such a process. The city's government had been mired in scandal and poor performance for years. When a local election put a new, reform-minded mayor in office in 1999, it was a new day for DC in many respects—and also a new day for DC Agenda.

The organization made a strategic decision neither to rest on its laurels or continue to be a very broad-based civic go-between. It could shut down or re-invent, and DC Agenda chose the latter. First, the organization has taken key steps to target specific, urgent ("hot") policy issues, such as the need for more affordable housing and equitable development in a city with rapidly rising real estate prices. No one sector has adequate solutions to this problem. Second, DC Agenda is using its capacity for organizing process, building networks, and developing knowledge to develop the capacity of vulnerable and fledgling—but promising—neighborhood-based organizations and groups. The intermediary recognizes that those groups could be much more effective at advocacy and service delivery but lack the means to develop well without careful, sustained attention by a well-connected player.

In the language of Figure 1, DC Agenda has moved from being a local civic intermediary to become more of an issue-focused and organization-building intermediary, in part because it completed the valuable civic process that defined its early years—the broad task was done, at least for now—and in part because local government is now performing some of the civic intermediary functions. DC Agenda is addressing other needs and opportunities and looking for new ways to complement what other organizations, public and private as well as nonprofit, do in the city.

This is not to say that civic intermediaries are needed only where local government is so effective, of course. But major change in the environment often calls for a re-thinking of an organization's core purposes, its recipe for achieving those purposes, and the key stakeholders or customers the organization should serve.

When and how should intermediaries perform a so-called environmental scan, addressing these or similar questions? While peripheral vision—being able to scan well—is always useful, decades of practice and study in the field of organizational strategy have taught us that active strategy-making, with scanning as a part, is more crucial at some points in the life cycle of an organization than others. Scans are crucial when it's time to review and possibly re-shape your organizational strategy in a significant way, for example when …

- *There has been a leadership change*. A significant change in organization or community leadership has just happened;
- *There's a performance gap* (real or perceived). New or more strident criticisms are being rendered against your organization, indicating either dissatisfaction about the work currently being done or a frustration that new services are not being offered (or both). Or your organization has clear and convincing evidence of its own non-performance and wishes to re-think the fundamentals of its work, not just tinker with its operations;
- *There's a credibility and accountability gap*. The organization seems to have lost credibility with a key set of stakeholders because it is perceived to be too beholden to another, dominant set. For example, grassroots groups feel strongly that the intermediary is owned by the funders;
- *There may be opportunity ahead.* Key stakeholders inside or outside the organization see a major opportunity that should be pursued, pending some more careful planning to "look before we leap";
- *There may be threat ahead.* Major new competitors or substitutes—a new or-

Are there some critical purposes of go-betweens on which their managers, funders, customers, or partners can focus and hold the go-between accountable? Yes, there are …

ganization or group, a new kind of product or service, both—are taking hold or are clearly about to do so; or

- *A changing in the game seems likely*. Potentially significant changes in public policy have happened, are happening, or seem assured to happen.

As for the *how*, scanning can be quite formal or very informal. Formal scans may be completed as part of strategic planning, as noted above, or major reviews of performance by a funder or group of community stakeholders. Such scans may include analyses of statistical data, for example on the conditions in the world that the organization wishes to affect (unemployment, disease, educational failure, etc.) and the organization's activities and outputs to date. But these scans may also include more qualitative inquiry, for example in the form of in-depth interviews with a variety of stakeholders who are well-positioned to comment on the organization's works, needs and how they are changing, and key ideas for shifting or protecting the organization's core functions. In-depth conversations can yield insights and nuances that get lost in many quantitative analyses. And there are other ways to gather data, analyze it, and talk about it.

More informal scans can also be done by holding conversations with stakeholders to piece together an overall "story" about the organization, its work, and its field. Strategy consultants specialize in scanning, and some organizations have employees or volunteers whose job description includes strategy-making and scanning—building learning and growth into the life of an organization or group. But even where such capacity does not

The point of the shorthand on roles is not to offer the perfect distinctions that don't exist in practice but rather to get our thinking straighter about the* main *functions that help fill different kinds of gaps in collective problem-solving.

Figure 2. Useful Roles of Intermediaries in Community Problem-Solving

COMMUNITY PROBLEM OR OPPORTUNITY	POTENTIAL GO-BETWEEN ROLES	CAPACITIES NEEDED
Civic process and knowledge problems: real or perceived conflicts among stakeholders, impasse, information breakdowns (data gaps and discrepancies, risk and uncertainty), missing or frayed relationships.	**Facilitator and Public Educator.** Educating stakeholders and the public (about other stakeholders, substantive issues and stakes, and options for action), being a data clearinghouse, building and mending relationships, mediating disputes, designing and managing joint problem-solving process.	Group facilitation and public event management, stakeholder and issue analysis, negotiation and dispute resolution, strategic planning, data and information systems management, public communication, social marketing.
Operational capacity problems: missing capacity, poorly structured or deployed capacity (duplication, fragmentation of effort, "stovepiping").	**Coordinator and Capacity Builder.** Coaching and training, developing organizations, improving coordination.	Operations management, training, organizational development, strategic planning, program design and evaluation.
Performance and accountability problems: inconsistent or underdeveloped standards, inadequate measures of what other players can do, lack of trust in their competence or approach, insufficient capacity to measure and report back.	**Performance Investor and Monitor.** Screening and validating resource seekers, matching donors with recipients, pooling and distributing funds, helping players to define credible performance targets and consequences for non-performance, as well as performance incentives.	Performance measurement and management, evaluation, operations management, management information systems, financial management.
Legitimacy and political support problems: missing or incomplete mandate to act, uneven support among diverse stakeholders, disenfranchised stakeholders.	**Organizer.** Identifying stakeholder groups and helping them to organize, facilitating coalitions and "building movement," communicating analyses of data, engaging media and public figures, helping advocates to develop capacity.	Political organizing and advocacy, data analysis, policy and program design, public communication, negotiation and dispute resolution, training, organizational development.

yet exist, anyone can learn the basic ideas and apply them.

More and more low-cost or free guides are available to guide strategy-making, including the external or "environmental" scans that help position an organization or group to make a difference (see readings and resources at the end of this tool).

Defining the most useful roles and the needed capacity

We academics are sometimes described as people who see you drowning and stop to describe the water. Having "named and framed" all of these considerations, where do we go with them? Are there not some core functions—as in more-important-than-other-important-things—that a variety of intermediaries in a wide array of community contexts and situations could focus on getting better at? Are there some critical purposes on which their managers, funders, customers, or partners can focus and hold them accountable?

Yes, there are. Figure 2 outlines a few, and the logic is simple. We begin by identifying some things about community problem-solving for which intermediary organizations could bring some useful capacity. That's column one on the left. It's defined by problems and opportunities, not preset ideas about some role an intermediary can or should play.

These needs and opportunities draw on a variety of real-word case examples and also the lessons about well-established go-betweens, such as mediators and stock brokers, which we reviewed earlier.

Next, the middle column describes what functions or roles might respond to those problems and opportunities. Shorthand, by definition, simplifies. It's imperfect and incomplete, and it implies a neatness and set of distinctions

More and more, intermediary organizations, many of them nonprofit (non-governmental), are acting as performance investors or monitors to improve accountability.

that probably aren't there, not as the proverbial bright, clear lines separating one thing from another.

For example, is analyzing data and communicating findings in a way that galvanizes attention for a public issue (an organizer function) always separable from acting as an educator, in part by being a repository of data on community conditions and activities? Probably not, but the former emphasizes activism to get the word out, while the latter can be a far less activist role, making the intermediary more of a clearinghouse to serve *others* who are activist—i.e., others who use data to build awareness or advocate on public issues.

Likewise, do some "capacity builder" roles overlap with those of "performance investor"? Absolutely, but these two need not be the same role played by the same organization or person. One can develop other organizations' capabilities without ever directly intervening in funding decisions or allocating funds on behalf of donors.

The point of the shorthand, then, is not to offer the perfect distinctions that don't exist in practice but rather to get our thinking straighter about the main functions that help fill *different kinds* of gaps in problem-solving.

Problems and opportunities are situational, but unless they're addressed, some may endure for years in a community.

In some situations, for example, the gaps that go-betweens can address are fundamentally about a weak process of collective work or state of impasse, in which no agreement seems possible on how to act. The interested parties don't know enough about each other, lack trust in each other's motives and competence, and haven't looked at the issues or invented options for action *together.* Everyone's information may be incomplete, yet each side may be very confident about its own information and dismiss the claims of the other side.

Intermediaries, both individuals and organizations, can make huge contributions by improving information available and supporting a process of engagement that leads to joint problem-solving. These are fundamentally *facilitator* roles, but sometimes an intermediary can be an *educator* without managing the engagement process itself.

In one of the examples above, DC Agenda emphasized these roles in its first phase, i.e., when leading a baseline situa-

It is not only that we want government, community groups, and socially responsible businesses to comply with the rules—laws, regulations, norms and ethics. We also want them to* accomplish *things with the resources they use.

tion analysis for Washington, DC and then a civic process to forge consensus.

In other instances, the problem for which a go-between is at least part of the solution is primarily about the operational capacity needed to change a condition in the world, for example to lower infant mortality or improve educational outcomes, to reduce environmental degradation or increase community safety. The needed capacity may be fragmented and poorly coordinated.

Many social problems are too multifaceted for any one player to take on alone, and yet our societies are full of organizations and groups with very specialized missions and operations. Since getting something done is not only about dividing the labor well but coordinating it effectively too, intermediaries can be crucial in the process of re-designing and coordinating operations across units or across organizations. Sometimes, this leads to teamwork or alliance building, such as when a local funder-intermediary helps support a new collaborative to improve services or develop a joint project. For years, the aim of "service integration" has emphasized this coordination, which can be difficult to achieve but extremely valuable to the citizen-customer.

Not all the capacities need be built up and maintained "in house," i.e., inside the intermediary organization. There are three ways to produce something: do it yourself, buy it, or "partner"—team up with others who can help get it done. Each offers a different level of flexibility and control.

Beyond improving coordination, however, some intermediaries can also help develop new operational capabilities, whether in new organizations or groups who should be brought in to do their part or in pre-existing organizations that need to "learn new tricks." Some of the capacity building intermediaries we looked at earlier make important contributions in this area.

A third, related problem is about performance and accountability. Community life hinges on knowing what we can count on others to do well. It is not only that we want government, community groups, and socially responsible businesses to comply with the rules (laws, regulations, norms and ethics). We also want them to *accomplish* things with the resources they use, especially if they are public resources of any kind—tax dollars, to be sure, but also a community's trust, its volunteer labor, its charitable giving, etc. So accountability is not only about complying but about performing on a mission or purpose.

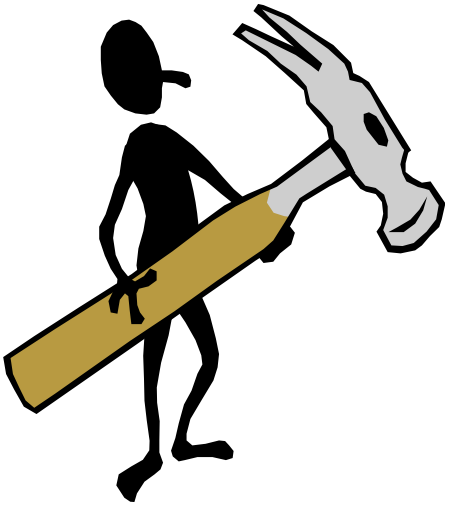
What's more, in this day and age, accountability is not only a must-have between citizens and their government; it's also critical: among private non-governmental organizations or community groups that act in the public interest; between citizens and those organizations, which may not rely on membership, elections, or other traditional means to ensure their accountability to stakeholders; and between government and non-governmental organizations, for example when they partner or rely on contracts to see that a vital service gets performed. (For more on this, see our strategy tool on partnerships: "Perfect Fit or Shotgun Marriage?")

More and more, intermediary organizations, many of them nonprofit or non-governmental, are acting as *performance investors or monitors* to improve accountability.

For example, the LA Urban Funders Group, mentioned early in this tool, pools funds and acts as a performance investor on behalf of its member philanthropies (the donors). It does not simply collect and distribute dollars—a passive go-between function—but actively brokers the way dollars and technical assistance flow to some of Los Angeles' poorest neighborhoods.

Part of this role is validating the capability and performance of the community groups, some of them fledgling nonprofit organizations but some informal groups still, who receive resources. But the Urban Funders Group's performance investor role also includes the work of educating those players about donor interests and perspectives and building a donor constituency for key ideas—organizing donors, not simply marketing to them.

Other funder-intermediaries, including the United Ways, community foundations, and social funds of many kinds in



many countries, can likewise play strong performance investor roles. This style of social investment, when carried out by private donors directly or through intermediaries, is increasingly referred to as "venture philanthropy." It looks to build effective *institutions,* not just fund promising projects.

Where go-betweens are, more modestly, *monitors* of the performance of others—but have no direct involvement in how funds or other resources flows—the function of monitoring performance can be played by any number of credible, reasonably independent actors who can dedicate themselves to communicating data on performance and failure. So some intermediaries act as performance monitors, but not all monitors are intermediaries. Some are community groups. Some are independent units of government.

Funders and fund-seekers alike may, in the language of business, want to "take out the middleman." Or they may want to economize on the go-between's role when resources are very scarce.

Again, like the role "mediator" we looked at earlier (mediators are a specific kind of process facilitator), the roles in Figure 2 are rendered in shorthand; they are really *bundles* of roles. The key is that the combination of functions that make up these broad roles provide something powerful and important in many settings and in a wide variety of specific situations. And like individual mediators of deals and disputes, intermediaries playing the roles in Figure 2 must develop good judgment and timing to know what roles are needed and when.

Sometimes, the situation in which a local community finds itself can evolve quickly—not in the sense that DC Agenda's environment was dramatically transformed after a major local election but in the sense that problem-solving itself evolves over time to create new needs and opportunities in a community.

Efforts to address what looks like a process problem on day one, for example, can quickly lead to discovery of major operational problems on day two. Addressing the former need or dilemma—Can we engage with each other? Are we working with the same information?—makes it possible to recognize and address the next dilemma—Why can't we seem to get anything done (operationally) on the issue that concerns us? Or why are our operations going smoothly but without any clear impact on the problem?

Finally, the right-hand column in Figure 2 specifies some key capacities needed to perform the roles in the middle column effectively. The evidence on this comes from what intermediaries are doing well—and not so well—in many places and many fields.

Remember, in reading this list, that it is a guide to capacities to which intermediaries often need *access* and some level of *control.* Not all these capacities need to be built up and maintained in-house, i.e., inside the intermediary organization. There are three ways to produce something: *do it yourself* (based on capacities you do have in house), *buy it* (pay capable others to do it), or "*partner*" (team up with others who can help get it done).

Each of these options offers a different level of flexibility and control. As the strategy tool on partnerships outlines, we can ask ourselves some simple questions to make better choices. For example: How important is it for us to control the delivery of the service or function we need to get delivered? Doing it ourselves affords the greatest control, though a strong performance-based contract can let us buy without losing much control. Partnering surrenders some control in exchange for advantages of flexibility, shared control, and the wider legitimacy that may come from acting on a social problem with some other respected organization or group.

As simplified a picture as this is, Figure 2 gives us targets. Whether I'm working inside an intermediary organization or acting as a client or customer of one, I can size up the different kinds of expectations and hopes I have for these unique and increasingly important creatures. This helps me define success more clearly—no small matter for players whose impact is, by the nature of the business, *indirect*—i.e., it happens through other the actions of others.

Should I, for instance, identify *capacity improvements of other organizations* as key indicators of my success? *Project outputs* tied to my role as designer, facilitator, or something else? More numerous, varied, and rich *relationships* among parties that are crucial to problem-solving in my community—a source of the so-called "social capital" that can be a powerful contributor to individual and community well-being?

The focus on distinct roles creates a core logic, too, that connects roles to competencies or capacities needed, which in turn—beyond my simple table—can lead to measuring capacity, benchmarking against other organizations working to develop those capacities, and making a case to one's supporters for the human, financial, and other resources it might take to create and sustain the needed capacity over time.

The focus on roles serves another broad and useful purpose. It highlights the possibility of "role confusion"—when the demands of multiple roles conflict, or seem to conflict, with one another.

In a report on eight "community building intermediaries" working in American cities, for example, the Urban Strategies Council noted the frequent tension these groups feel between being an advocate on one hand—for specific interest groups and sometimes for specific policy or program ideas—and being a "neutral broker" on the other. There is no easy answer to any role confusion, since it often forces an organization or individual to choose among competing objectives or, at minimum, work hard to mitigate the trade-offs between those objectives.

Final Thoughts and Related Topics

More than the average organization, and much more than the average non-

LEARNING MORE FROM TOOLS IN THIS SERIES

To learn about other topics that relate to effective alliance building, check out these strategy tools in our series, available at *www.community-problem-solving.net*:

Planning Together: How (and How Not) to Engage Stakeholders in Charting a Course. Many problem-solving efforts, including those in which go-betweens are closely involved, aim to expand stakeholder participation in shaping, supporting, and monitoring the alliance's work. This is true for practical reasons of wanting more and better ideas and for legitimacy reasons as well—wanting a meaningful community mandate. Learn more about the often unspoken expectations and competing objectives that drive participatory planning and decision-making and sometimes undermine it. Learn more about the strategies and tactics needed to "participate" key stakeholders more effectively.

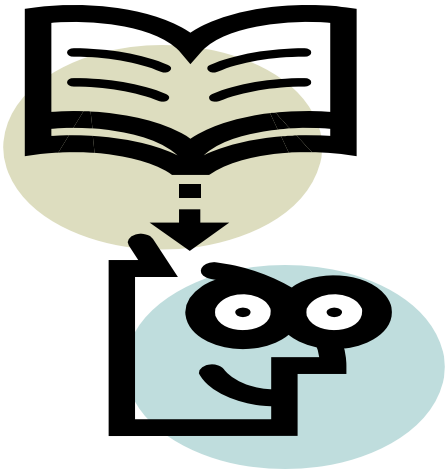
Organizing Stakeholders, Building Movement, Setting the Agenda. Efforts to solve shared problems usually begin with some basic questions: What are the issues? Is anyone paying attention? Are stakeholders organized and prepared? Are their values and interests defined? Addressing these questions is crucial for grassroots organizations but also for leadership organizations and influential people ("grasstops") and for intermediaries. The latter may be well-positioned to help both the grassroots *and* grasstops focus *together* on problems, causes, and options for action.

"We are All Negotiators Now": An Introduction to Negotiation for Community Problem-Solvers. Many "community" problem-solvers think of negotiation as a dirty word—the very antithesis of community. Negotiation may conjure up images of hard-nosed horse trading, half-truths, and power games. But as negotiation gurus Roger Fisher and William Ury of the Harvard Program on Negotiation put it, "Everyone negotiates something every day … It is back-and-forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed."

profit or non-governmental organization, the intermediary's capacity to do its work is more likely to be starved than nourished by the environment around the organization. This is largely for the reasons we've seen: the work of go-betweens is fluid and indirect, and may be seen as competing for resources with direct services, bricks-and-mortar development of housing or business projects, and other visible essentials. This perception is particularly important when funding and other resources are particularly scarce. Funders and fund-seekers alike may, in the language of business, want to "take out the middleman." Or they may want to economize on its role when resources are very scarce.

Sometimes, the middleman *should* go. Intermediaries, like other kinds of players, can outlive their original purposes or fail to keep up with new needs and opportunities.

But the larger lesson is that those who want to play or support potentially vital, unique contributions of go-betweens must be able to make a very compelling case—for what, specifically, a go-between



is needed to do, why it is better positioned than others to do it now, and how the wider community will know if it got done. Given the growing prominence of go-betweens around the globe, both individuals and organizations, none of us can afford to ignore these issues

On the next few pages, you'll find resources for learning more, not just about intermediaries or go-betweens but about a host of related topics in community problem-solving, including partnerships, negotiation and consensus building, and more.□

Further Reading and Other Resources

Several different kinds of readings, tools, and other resources offer useful insights about go-betweens, from broad readings on organizational strategy and performance to targeted material focused on mediation and other special roles. For now, a fairly small number of readings directly addresses self-described intermediaries, and these readings offer fairly general descriptions of what intermediaries do and why it matters—usually in a specific field, such as affordable housing or human services—not specific caveats or advice. But all of these sources can be extremely useful to support your learning.

In addition to these publications, see the list of web resources on our site, under "Strategy Tools" in specific areas (e.g., mediation resources under Bargaining, facilitation under Planning).

1. Intermediaries at Work

On intermediaries at work in housing, community development and human services in the U.S., see: Langley Keyes, Alex Schwartz, Avis Vidal, and Rachel Bratt, "Networks and Nonprofits: Opportunities and Challenges in an Era of Federal Devolution," *Housing Policy Debate* 7 (2):201-224 (1996); Christopher J. Walker and Mark Weinheimer, *Community Development in the 1990s* (Washington, DC: Urban Institute, 1998); Robert J. Chaskin, Prudence Brown, Sudhir Venkatesh, and Avis Vidal, *Building Community Capacity* (New York: Aldine de Gruyter, 2001); Robert J. Chaskin, Selma Chipenda-Dansokho, and Amanda K. Toler, *Moving Beyond the Neighborhood and Family Initiative: The Final Phase and Lessons Learned (Chicago:* Chapin Hall Center for Children at the University of Chicago, 2000); Robert J. Chaskin, "Organizational Infrastructure and Community Capacity: The Role of Broker Organizations," *The Organizational Response to Social Problems* 8:143-166 (2001); Joan Walsh, *Stories of Renewal: Community Building in America*

(New York: The Rockefeller Foundation, 1997); G. Thomas Kingsley, Joseph B. McNeely, and James O. Gibson, *Community Building: Coming of Age* (Washington, DC: Urban Institute, 1997); and National Community Building Network (www.ncbn.org); and Susan Lee Lubeck, "Operating in Between: The Role of Community Building Intermediaries," Peer Learning Project, Unpublished draft (Oakland: Urban Strategies Council, 2001). Contact Urban Strategies Council for that last item.

On intermediaries active within and across developing countries, see L. David Brown, "Bridging Organizations and Sustainable Development," *Human Relations* 44(8):807-831, 1991; and Steve Waddell and L. David Brown, "Fostering Intersectoral Partnering: A Guide to Promoting Cooperation Among Government, Business and Civil Society Actors," *Institute for Development Research Reports* 13(3):1-22 (1997).

For analysis and examples of intermediaries in labor and workforce development, see: Bennett Harrison and Marcus Weiss, *Workforce Development Networks: Community-Based Organizations and Regional Alliances* (Thousand Oaks, CA: Sage, 1998); and *Networking Across Boundaries: New Directions for Community-Based Job Training and Economic Development, Volumes I, II, and III* (Boston: Economic Development Assistance Consortium, 1998).

2. Organizational Strategy and Performance

Organizational strategy includes positioning an organization in its environment and adapting its purposes over time to ensure that real value is being created for the community. See Christine Letts, William Ryan and Allen Grossman, *High Performance Nonprofit Organizations: Managing Upstream for Greater Impact* (New York: John Wiley, 1999); Mark Moore, *Creating Public Value* (Cambridge, MA: Harvard University Press, 1995), particularly for the valuable tool known as "the strategic triangle"; and David Osborne and Peter Plastrik, *The Reinventor's Fieldbook: Tools for Transforming Your Government* (San Francisco: Jossey-Bass, 2000).

Got ideas?

Send us your feedback on the content of this tool—or any and all ideas you would like to share on taking action to make a difference in communities:

feedback@community-problem-solving.net

For more on competitive strategy ideas developed in the business world, for example about analyzing competitors, substitutes, and long-run changes in the environment around an organization, see: the classic by Michael E. Porter, *Competitive Strategy: Techniques for Analyzing Industries and Competitors* (New York: The Free Press, 1980); and many articles available on-line at the *Harvard Business Review.* Other useful elements of strategy and organizational *development* are in James Collins and Jerry Porras, *Built to Last: Successful Habits of Visionary Companies* (New York: HarperBusiness, 1994).

A very useful text on performance as a core element of strategy, including tools for linking strategy to performance measurement and management, is: Robert Kaplan and David P. Norton, *The Strategy-Focused Organization* (Boston: Harvard Business School Publishing, 2000).

3. Facilitation, Mediation, and Consensus Building

See the strategy tool in this series on negotiation in community problem-solving, and …

On facilitation roles, strategies, and skills, see: Roger Schwarz, *The Skilled Facilitator: Practical Wisdom for Developing Effective Groups* (San Francisco: Jossey-Bass, 1994); Sam Kaner and Associates, *Facilitator's Guide to Participatory Decision-Making* (Gabriola Island, British Columbia, Canada: New Society, 1996); and the International Association for Public Participation (tools on-line); and many websites listed on our site.

On mediation, dispute resolution, and consensus building, see: Lawrence Susskind and Jeffrey Cruikshank, *Breaking the Impasse: Consensual Approaches to Resolving Public Disputes* (New York: Basic Books, 1987); Christopher W. Moore, *The Mediation Process: Practical Strategies for Resolving Conflict (SF: Jossey* Bass, 1996); Lawrence Susskind et al. , editors, *The Consensus Building Handbook* (Thousand Oaks: Sage, 1999); Barbara Gray, *Collaborating: Finding Common Ground for Multi-Party Problems* (San Francisco: Jossey-Bass, 1989); and websites listed on our site.□

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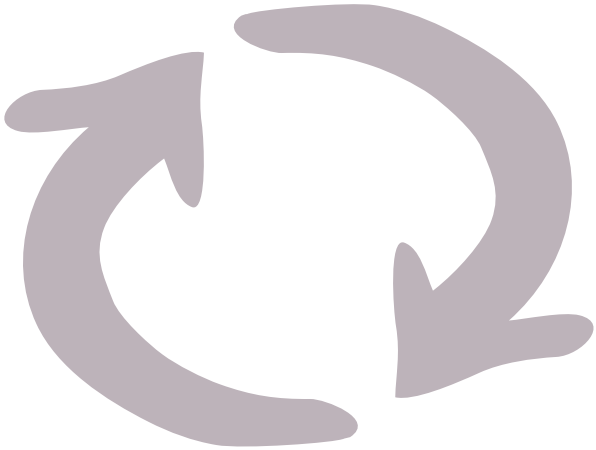

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