



# What Is This Thing? Will It Really Help You Finance Your Work?

# INTRODUCTION



Is this book for you? (Probably!) Find out what it can do for you and your multisector partnership or organization.

# What Is This Thing? Will It Really Help You Finance Your Work?

You are only a few words into this financing workbook and likely wondering:

- 1 “what is this?” and
- 2 “will it really help me finance my work?”

To answer your questions:

- 1 this workbook is a tool that will step you through a handful of key exercises to clarify and troubleshoot your financing strategy, and
- 2 yes! Everything in this book has been tested by people just like you, and, according to them it has indeed helped.

This workbook is designed for anyone who has questions about financing their efforts to improve health and well-being in their region. In particular, we approach it from the perspective of multisector partnerships and organizations that want to pursue transformative change, and assume you are working on behalf of one of those (though even if you aren't, you can still learn a lot about financing here). Whether you want to fund an intervention, create a financial plan for a collaboration across groups, or get paid for your group's integrative activities—or just get smart about financing!—this workbook can offer guidance.

While you'll still get plenty from the workbook no matter what your partnership or organization's goals, you'll get the most out of it if you approach it the same way we have: from the perspective of health system transformation. That means looking at all the factors influencing health in your region as part of an interlocking system, then seeking to tackle challenges by changing that system—uprooting the problems at their source, rather than simply treating the *symptoms* of systemic problems. Health system transformation is characterized by a willingness to pioneer innovative solutions, forge new relationships, and discard the status quo if it's not working well enough.

There are hundreds of multisector partnerships and organizations throughout the country. Most of them are fairly early in their development<sup>1</sup> and even more of them depend heavily on short-term, temporary funding sources—namely, grants. Long-term, sustainable financing is a major challenge<sup>2</sup>.

With that in mind, we at ReThink Health (an initiative of The Rippel Foundation) set out to create a workbook that would demystify financing and give multisector partnerships and organizations a handful of practical, user-friendly tools to help them see financing in a new light and create an action plan for moving *beyond the grant*.

<sup>1</sup> <https://www.rethinkhealth.org/the-rethinkers-blog/multi-sector-partnerships-have-the-potential-to-transform-health-but-most-arent-there-yet/>

<sup>2</sup> We promise not to have too many footnotes, but we thought you might want to know how we know this. As part of our work with cross-sector collaboratives around the country, ReThink Health conducts a bi-annual Pulse Check survey to explore what they do, how they finance their work, and how these groups have been developing over time. The 2016 results can be found here: <https://www.rethinkhealth.org/tools/pulse-check/>.







## Financing is the process of balancing sources & uses

The term “finance” or “financing” can mean a number of things. When auto dealers advertise that “financing is available,” it means they can give us a car loan. Banks charge financing fees and finance charges for just about everything. Entrepreneurs seek all types of start-up financing to get their businesses up and running.

In this workbook, the term “financing” refers to the process of developing and balancing your financial sources (where money comes from) with uses (what money is spent on).

Depending on what you know about sources and uses, you will want to approach the modules as follows:

Do you know (answer both):		Start with...	Because...
where your money will come from (sources)?	what you would like to spend your money on (uses)?		
Yes	No	Skim the material	Skimming the material is a great way to simply get smarter about financing! However, if you want to complete the exercises, you’ll need to come up with an idea of what you want to spend money on—even if it’s half-baked or for illustrative purposes only.
		<u>Module 5: “What Value Do You Create”</u>	Using the resources in this module can help you identify interventions that can create value for your partnership.
No	Yes	Check out <i>A Typology of Potential Financing Structures for Population Health</i> in <b>Module 3: “Where Can You Find Money for Your Work (And How Do You Get It)?”</b> and start with what will help you address your greatest need; otherwise start with <b>Module 1: “How Do You Move Money Across Sectors and Organizations?”</b> . Then, work your way through all the material.	This workbook was designed to help people who have big dreams, but don’t yet know how to fund them.
No	No	Skim the material	Skimming the material is a great way to simply get smarter about financing! However, if you want to complete the exercises, you’ll need to come up with an idea of what you want to spend money on—even if it’s half-baked or for illustrative purposes only.
Yes	Yes	<u>Module 4: “How Much Will Your Dreams Cost (And How Do You Estimate Those Costs)?”</u>	If you know your sources and uses, the next step is to create a financial plan (if you haven’t already), and this module will help you create one and think through its implementation.



## Financing is a practice

Financing is a practice through which you get a sense of where your work is headed and clarity around how you're going to get there—*both in the dollars you'll need and in the actions you'll take*. There are technical elements to any financing practice, such as understanding potential funding sources and developing a financing plan. That said, **the heart of any financing practice is more about the clarity that comes from wrestling with critical questions than it is about numbers in a spreadsheet.**

### Financing is a multi-faceted practice.

Financing sits squarely at the intersection of your work on stewardship (how you lead regional transformation efforts) and strategy (what you want to do and why you think it'll be impactful). Oftentimes, multisector partnerships and organizations will wrestle with a challenge they think is related to financing, but once they dig into the details, they find out it's really a stewardship question because it deals with how to get or keep the support of key stakeholders. For example, obtaining the financial support of major regional institutions like hospitals and universities can require the cultivation of relationships with key regional players. Keep an eye out and be open to this integration as you engage with the material in this workbook; you may find there are times when you discover that what your group is wrestling with is not a financing challenge, but something that could be addressed with [stewardship](#)<sup>3</sup> or [strategy tools](#)<sup>4</sup>.

### Financing happens at the intervention level.

At ReThink Health, we see two primary levels to the work of any multisector partnership or other organization focused on health system transformation. One level involves *strategies*: high-level priorities for action. Examples of strategies might be “encourage healthy lifestyles” or “create more educational opportunities for low-income families.” A second, more specific level is *interventions*. Interventions are any of the primary activities that your partnership engages in to advance a strategy. They are associated with different components of the overall strategy and are the specifics for how you'll implement each component. For example, to “promote healthy lifestyles,” you might encourage kids to walk to school through a Safe Routes to School intervention; and under “create educational opportunities for low-income families,” your intervention might be a scholarship program.

While there are a few exceptions, financing typically happens at the intervention level. In order to get funding, you'll need to get into the details of what you'll be doing, how you'll do it, how much of that work you'll do (scope and scale), and how much you think it'll cost.

#### Strategy vs. Intervention: A Metaphor

Imagine your friend comes to town and suggests the two of you go out for dinner. She asks you how much money she should bring along. Your response would probably be some version of: “that depends on what kind of dinner you want.” Does she want fast food? Casual? Five-star? Is she hungry or coming off a big, late lunch? In this example, dinner is the strategy. The intervention is what she wants for dinner. In order to tell her how much she'll need, you have to get into the specifics of what she wants.

This workbook will step you through some of the specifics, but—as we highlighted in the [Before You Dive In](#) section—they'll only be relevant if you already know what you want to finance, even if it's “half-baked” or an audacious dream. This could be a particular intervention or your integrative activities. Make sure you have an idea in mind as you move forward and engage with the rest of the workbook modules.

<sup>3</sup> <https://www.rethinkhealth.org/tools/stewardship-guide/>

<sup>4</sup> <https://www.rethinkhealth.org/resources-list/dynamic-modeling-strategy/>



This workbook will help you find innovative ways to move beyond the grant, but grants are still likely to be a part of the financing puzzle.

## Financing is required in the meantime.

You might have some grants that are powering your work, and that's not a bad thing. They can give you space to create and implement some medium- and long-term funding strategies. The good news is, there's work afoot across the country to create dedicated and sustainable financing sources for population health and well-being. The bad news is, it could take a while for them to mature.

In the meantime, you need to start financing your work as sustainably as possible given the current funding landscape. This workbook will help you find innovative ways to move *beyond the grant*, but grants are still likely to be a part of the financing puzzle, and can be especially useful in keeping you and your efforts afloat while you work toward more sustainable financing sources.

## A financing practice requires . . . well, practice.

The tools in this workbook are designed to hone your thinking around financing, regardless of your starting point. You don't need answers to every single question, nor do your answers have to be completely thought out. In fact, you might have only rough estimates at first—and that's just fine. Don't worry if you preview the questions and think: "Oh, we don't know that!" Take a guess and see where it leads. Thinking through some of the tough questions with members of your multisector partnership or organization, board members, or other trusted partners will give you insights into more sustainable financing.

## How to use this workbook

The material in this workbook is presented around seven key financing questions, which correspond to the module titles. Each module begins with a short introduction to the question that highlights important points—but it's important to note it does not cover every possible element of the question. That introduction is followed by tools to help you answer that module's financing question. You can step through each module in order if you like, or hop around and take up only those pieces that are most important to you.

Within any organization, there are different funding perspectives. For example, you might want to fund your integrative activities, fund a particular intervention, or plan a regional collaboration. You can apply any of the modules to any of your financing questions, no matter the perspective. As we said in the Preface, you just have to be clear about what perspective you've selected.

Our assumption is that you—our beloved reader!—are probably involved in financing your multisector partnership or organization in some capacity. The introductory section of each module gives you the background and context to make the most of each exercise, while the exercises themselves are meant to be completed with others involved in your group's financing. Of course, you can also go through the exercises on your own, but remember: that doesn't mean you're doing this work in isolation. Bring other key stakeholders into this work with you. The earlier they get plugged into the process, the better they will understand the approaches this workbook presents. We think this is exciting material and the most impactful way of engaging with it is with others who see the possibilities!

# The Financing Mindset

Have you ever heard the adage that in order to get different results, you have to be prepared to do something different? It's true, particularly in financing. We all walk around with mental models in our heads; they're our shortcuts for how we make sense of the world. These mental models—or mindsets—dictate how we perceive things: what opportunities or stumbling blocks we see, what questions we ask, and how we react. The first step in changing our practices is changing our mindset. Before we dive into the modules in this workbook, it's important to take a minute to reflect on how people tend to approach the work of financing.

Through our work in the field, ReThink Health has observed a dominant mindset that tends to govern the work of financing regional population health efforts. This dominant mindset is shown on the left side of the table below. Exploring the frontiers of financing of population health and well-being, however, requires thinking about financing in new ways and moving to the Financing Mindset, shown on the right side of the table below.

Dominant Mindset	Financing Mindset
Central challenge is acquiring scarce resources for individual interventions	Central challenge is repurposing abundant resources to create new flows of funding for health and well-being
Deference to Status Quo	Proactive Action
Technical	Values-based
Transactional	Systemic
Assembly	Creativity
Task	Journey

So, what is the Financing Mindset? It's the mindset of people and organizations who see the potential resources directed at health as abundant (not scarce) and who seek ways of repurposing resources to create new flows of funding for health. If you want to be a person or an organization with this mindset, you must do the following:



**BEYOND THE Grant TIP**

There are typically “rules” that dictate who or what gets funding. Being proactive in financing means questioning those rules—and challenging those that are out of date, unfair, or unreasonable. Notice opportunities and ask good questions (asking “why” a number of times often leads someplace interesting) and you will begin to see the system in new ways, uncover new insights, and forge new partnerships—ripe conditions for new funding possibilities.

## Take proactive action

See and *seize* your power to act and bring about change. Believe in the value you create—and become masterful at describing it. Recognize that while you probably don't control a whole lot, you do have influence. Use it! Enthusiastically seeking and creating opportunities for action within a system that is often described as complex, uncooperative, and resistant to change is not easy, but sustainable financing depends on it.

## See the values behind the numbers

When we hear “financing,” we often think of logic and numbers. While that's true, behind those numbers is a system of values. Quite simply: we finance what matters most to us. A long-serving U.S. Senator once said: “Don't tell me your values. Show me your budget, and *I'll tell you* what you value.” The rules that dictate what gets financed, how, and by whom, are also a reflection of *someone's* values. Behind any flow of money there are a whole host of decisions that established that flow. Seek to understand the values at work in your regional financing flows—whether they are on display in a budget or embedded into a financing process. Strive to ensure those values facilitate the regional health improvements you and others seek.



## Think about a system and its component parts

Your work is part of a broad system of health and well-being. While the system and its components are often complex, it can help to think of the components like families (which can also be complex!). There are relationships, connections, intentions, and assumptions that play out in ways we'll never fully appreciate or understand. Unintended consequences often arise as a result of our behaviors. And, often, the links between cause and effect aren't clear. There are perspectives or experiences or time delays that we don't fully understand, and these impede our ability to make the best choices. That same sort of complexity is at work in the health system you operate within. Strive to understand the intricate web of interrelationships at play and engineer solutions that press the right levers, in the right way, at the right time, and you'll deploy your resources efficiently, with the highest returns.

## Get creative (don't worry, it's not as scary as it sounds)

Steve Jobs said it best: "Creativity is just connecting things." Connecting diverse experiences. Applying solutions from another sector. Combining pieces from the "old" with the "new." But it's also about taking smart risks. We're often our own worst enemies: not only overestimating the risks but underestimating our ability to deal with them. To be truly creative, think about the work you wish you could do. Don't leave it for someone else to tackle. Also leave room for a little uncertainty. Sure, you might be wrong here and there, but you just might be onto something brilliant.

## Commit to the journey

You are in this for the long haul. Creating and maintaining a culture of health in your region is a long-term investment (think 20 years and beyond!) because large-scale change rarely happens in three-to-five years. As with any journey, there will be missteps along the way. To help you manage those bumps, instill a process that incorporates and builds upon the financing mindset; one that enables action, leverages the system, ensures your values guide the work, and encourages creativity at all points along your journey.



We're often our own worst enemies: not only overestimating the risks but underestimating our ability to deal with them.

# What are Integrative Activities?

Throughout this workbook, we will be using the term “integrative activities.” We know this is a new term, so we have dedicated this space to explain it.

Integrative activities are roles and leadership functions for governing and managing the work happening within and across multisector partnerships that are working to achieve a common purpose in a region. Those of you using this workbook are likely to have the common purpose of transforming population health and well-being. Your region might have a single multisector partnership with this purpose. Alternatively, you might have many multisector partnerships with distinct purposes (e.g., to improve early education or reduce heart attacks) who come together for the common purpose of transforming regional health.

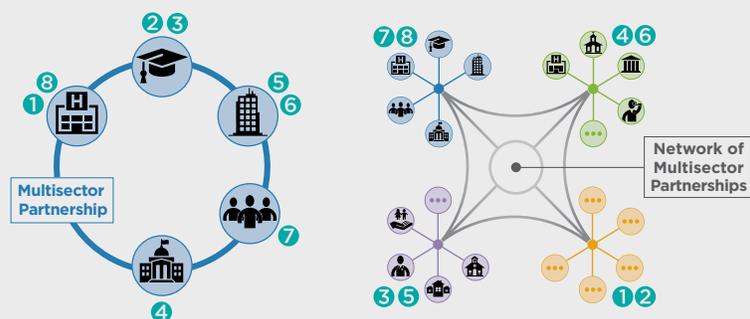
As you know, there are not a lot of resources out there explaining *how* to do this work. Everything designed for you is emergent, and this workbook is no exception. That said, ReThink Health has been teaming up with some regional leaders—people, organizations and partnerships—to better understand the nature of the work, and to develop tools that are most likely to get each of them to their own next level of achievement.

Up until recently, we were part of advancing the idea of a single backbone organization, or integrator, that conducts all the governance and management activities needed to effectively handle collaborative work across organizations; work such as coordinating meetings and communicating across partners. But the more closely we worked with regional leaders and partnerships, the more we understood that’s not how things really work in practice. More typically, *many* leaders and organizations, working together across a region, share responsibility for these integrative activities. Different organizational members of a single partnership, or different multisector partnerships in a network, distribute the roles and regional functions. For this reason, the workbook intentionally does not use the term “backbone” or “integrator.” Instead, we use “integrative activities” to imply that each of the activities could be done by any organization or partnership involved.

Collaborating directly with those engaged in the work, we’ve come across eight categories of integrative activities. The graphic to the right depicts how distributing the activities throughout the partnership or network works, and the chart on page 9 provides more detail about the roles and leadership functions associated with each category of activity.

Since this is a financing workbook, we obviously want to talk about the financing of these integrative activities. [Module 7](#) allows you to explore how some multisector partnerships and organizations working to transform health in their regions have done that. That might surprise you, but it’s true! Some are already getting paid to provide these kinds of services!

## When the purpose is to transform health in a region...



...successful efforts ensure eight integrative activities are carried out between stakeholders (in the case of a single multisector partnership) or between all the multisector partnerships in a network.

### Eight Integrative Activities

- 1 Convening Stakeholders for Cross-sector Collaboration and Information Sharing
- 2 Analyzing and Planning for Regional Health Improvement
- 3 Designing Ongoing Infrastructure and Governance
- 4 Implementing Strategy; Managing Performance of Region-wide Efforts
- 5 Catalyzing Innovation and Redesign
- 6 Designing Financing Structure and Strategy
- 7 Advocating for Public Policy
- 8 Monitoring, Measuring, and Evaluating Region-wide Efforts

Remember, as you consider what you are doing that you could get paid for, the administration of these activities is part of the cost of conducting those activities. In other words, you should include those costs when figuring out what you should be paid. For example, if you are a leader of a multisector partnership and you supervise someone who designs and executes convenings, then the supervisory time (which is really time spent helping to ensure those convenings are carried out optimally) would be time that you could try to finance as part of that activity. So, if you were to go out and try to get paid for conducting those activities, you would be sure to include the time you spend supervising or administering that work.



# Integrative Activities

Integrative Activities		Specific Roles and Leadership Functions
1	Convening Stakeholders for Cross-sector Collaboration and Information Sharing	<ol style="list-style-type: none"> <li>1. Engage stakeholders or multisector partnerships</li> <li>2. Build public will</li> <li>3. Enroll others in advocacy via convening/organizing</li> <li>4. Determine agenda</li> <li>5. Facilitate networking among key leaders</li> <li>6. Provide communications support, including partnering with conveners to build public will (e.g., website, newsletters, outreach)</li> <li>7. Manage meeting logistics</li> <li>8. Create detailed meeting design, including preparation and follow-up</li> </ol>
2	Analyzing and Planning for Regional Health Improvement	<ol style="list-style-type: none"> <li>1. Lead the setting of collective vision and goals; ensure resident involvement in the process</li> <li>2. Devise shared strategy among stakeholders</li> <li>3. Identify critical strategic questions, including differences in interests of stakeholders</li> <li>4. Secure commitments to implement strategy</li> <li>5. Advocate daily for goals and strategy (internal and external)</li> <li>6. Facilitate strategy development process, including conducting of needs assessment</li> <li>7. Serve as a neutral data synthesizer</li> </ol>
3	Designing Ongoing Infrastructure and Governance	<ol style="list-style-type: none"> <li>1. Design and ratify shared governance structure as well as composition and decision-making rules</li> <li>2. Provide strategic oversight of infrastructure and governance</li> <li>3. Build relationships with other oversight groups</li> <li>4. Provide facilitation for interim governance bodies to design governance changes over time</li> <li>5. Manage recruitment, elections, and transitions in membership of governance bodies</li> <li>6. Facilitate communications among oversight groups</li> </ol>
4	Implementing Strategy; Managing Performance of Region-wide Efforts	<ol style="list-style-type: none"> <li>1. Strategic oversight of actual implementation; ensure accountability and effectiveness</li> <li>2. Celebrate successes; share learnings</li> <li>3. Direct and/or manage projects, which might be about supporting work groups or alignment of activities</li> <li>4. Support stakeholders' abilities to work within the partnership (e.g., use the partnerships' systems for sharing data)</li> </ol>
5	Catalyzing Innovation and Redesign	<ol style="list-style-type: none"> <li>1. Set audacious goals</li> <li>2. Lead learning activities</li> <li>3. Create conditions for innovation</li> <li>4. Provide seed capital</li> <li>5. Build human capacity to generate and test innovations</li> <li>6. Conduct and synthesize research</li> <li>7. Facilitate networking</li> <li>8. Manage process of identifying innovations to pursue</li> </ol>
6	Designing Financing Structure and Strategy	<ol style="list-style-type: none"> <li>1. Determine financing vision and strategic priorities</li> <li>2. Create governance structure for funding decisions and accountability management</li> <li>3. Determine financing structure for integrative activities</li> <li>4. Mobilize funding to implement priorities and initiatives</li> <li>5. Research possible financing structures and provide design support               <ol style="list-style-type: none"> <li>a. Develop charitable giving strategy</li> <li>b. Write grants</li> </ol> </li> <li>6. Administer grants, which might include acting as fiscal agent</li> <li>7. Host innovation fund               <ol style="list-style-type: none"> <li>a. Receive and review applications</li> <li>b. Provide recommendations to governance body</li> <li>c. Act as fiscal agent for funds to be redistributed</li> </ol> </li> <li>8. Provide staff support for governance of financing</li> </ol>
7	Advocating for Public Policy	<ol style="list-style-type: none"> <li>1. Set policy priorities</li> <li>2. Build relationships with thought leaders and policymakers</li> <li>3. Communicate impact of policies</li> <li>4. Implement through influence campaigns and more</li> </ol>
8	Monitoring, Measuring, and Evaluating Region-wide Efforts	<ol style="list-style-type: none"> <li>1. Provide strategic guidance and oversight of overall information system</li> <li>2. Review results and modify action plans</li> <li>3. Envision and develop process for sharing results with residents</li> <li>4. Design and facilitate learning and improvement process</li> <li>5. Monitor progress toward shared goals</li> <li>6. Design and facilitate forums for accountability to residents</li> </ol>

ReThink Health is maintaining a comprehensive list of integrative activities and how multisector partnerships and other organizations are getting paid for conducting them. Please email [ThinkWithUs@rethinkhealth.org](mailto:ThinkWithUs@rethinkhealth.org) with any suggested additions. ©2018 The Rippel Foundation.



Learn more at [ReThinkHealth.org/FinancingWorkbook](https://ReThinkHealth.org/FinancingWorkbook) and contact us with questions and comments at [ThinkWithUs@ReThinkHealth.org](mailto:ThinkWithUs@ReThinkHealth.org).

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