SHARED SPACE ACROSS SECTORS:
Using Space As A Platform For Shared Value And Social Impact

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NPA 622: Nonprofit Data Analysis – Capstone Project
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OVERVIEW / INTRODUCTION

The purpose of this research project is to develop a framework of understanding to support a small nonprofit with limited resources to utilize the resource of shared space to promote shared value and organizational growth.

How can a nonprofit with a scarcity of resources utilize shared space to...

- promote corporate shared value?
- create nonprofit organizational growth?
- engage in local and global collective impact?
OBJECTIVES AND VALUES

Values
- Grounded
- Honest and Real
- Inviting
- Growth
- Inclusion
- Connection

Social Benefits
- Corporate Shared Value (CSV)
- Corporate Social Responsibility (CSR)
- Sustainability
- Nonprofit Capacity Building
- Inclusive/Integrated Communities
- Collective Impact
- Partnerships
- Cross-Sector Collaboration

Improv for Interaction ©
The Theater School, Sonoma
METHODS AND APPROACHES

Literature Review
- Creating Shared Value
- NPO Role in CSV
- Trend of Shared Space
- Collective Impact & Global Examples

Data Analysis
- State of the Shared Space Sector Survey 2019
- 2008 Centre for Social Innovation Survey

Expert Interviews
- 6 individuals 50% nonprofit & 50% for-profit
- 4/6 currently operating in shared space
CREATING SHARED VALUE

Harvard Business professor Michael Porter and Steve Krammer in the 2016 article Creating Shared Value

**Shared Value:** creating economic value in a way that also creates value for society by addressing its needs and challenges.

THREE MODELS TO CREATE SHARED VALUE
# Creating Shared Value Not CSR

<table>
<thead>
<tr>
<th>PHILANTHROPY</th>
<th>CORPORATE SOCIAL RESPONSIBILITY (CSR)</th>
<th>CREATING SHARED VALUE (CSV)</th>
</tr>
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<tbody>
<tr>
<td>- Donations to worthy social causes</td>
<td>- Compliance with community standards</td>
<td>- Addressing societal needs and challenges with a <strong>business model</strong></td>
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<td>- Volunteering</td>
<td>- Good corporate citizenship</td>
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<td></td>
<td>- “Sustainability”</td>
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<td></td>
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<td>- Discretionary or in response to external pressure</td>
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<td>- Mitigating risk and harm</td>
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<td>- Improving trust and reputation</td>
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Realigns the entire company budget
Shared Value In Practice

Value co-creation occurs as **networks** of economic and social actors within a particular context integrate their resources with other's resources.

<table>
<thead>
<tr>
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<th>FOYA Creating Shared Value</th>
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<tbody>
<tr>
<td></td>
<td>1950-1989</td>
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<td>1990-2005</td>
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<td>2006-2019</td>
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<tr>
<td><strong>Business Model</strong></td>
<td><strong>Value Chain</strong></td>
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<td>Antecedents for innovation</td>
<td>Financial issues</td>
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<td>Reduced sponsorship</td>
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<td>Financial issues</td>
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<td>Reduced public funding</td>
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<td>Financial issues</td>
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<td></td>
<td>Reduction in public funding</td>
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<td><strong>Value proposition</strong></td>
<td>Specific music opportunity</td>
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<td></td>
<td>Broader music opportunity</td>
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<td></td>
<td>Cultural management education program</td>
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<td>Worldwide music opportunity</td>
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<td>Expanded education program - Supporter network</td>
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<tr>
<td><strong>Value creation process</strong></td>
<td>Rigid hierarchy - centralized on General Manager</td>
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<td>Firm-centric approach</td>
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<tr>
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<td>Semi-Hierarchical - agency partially distributed among actors, firm centric within a closed network</td>
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<tr>
<td></td>
<td>Non-hierarchical - agency, multiple actors. Open network, platform for engagement &amp; integration of internal and external resources.</td>
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<tr>
<td><strong>Value Capture</strong></td>
<td>Donations &amp; fixed ticket prices</td>
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<td>Public funding</td>
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<td>Commercial sponsorship</td>
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<td>Bundling of internal/external resources, curated by manager</td>
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<td>Pay what you want (PWYW)</td>
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<td></td>
<td>Sponsorship Association</td>
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<td>Public funding</td>
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<td>Pro-bono donations</td>
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(Kullak, et.al,
# Shared Space - Shared Value Partnerships

## Business Advantages
- Partnerships bring investors
- Enhance employer-supported volunteering
- Development of employee skills
- Enhances brand and reputation
- Nonprofit staff bring professional expertise in their area of focus
- Tax benefit

## Nonprofit Advantages
- Partnerships bring donors
- Needed volunteers
- Builds development of employee skills
- Enhances brand reputation (grants)
- Spread knowledge on area of expertise
- In-kind donation

If building relationships feels time-consuming, don't lose heart. Partnerships are a long-term – but worthwhile – investment. Half of the businesses surveyed by C&E in 2016 said they expect their investment in cross-sector partnerships to increase over the next three years.
TREND OF SHARED SPACE

SHARED SPACE

a new model of co-locations where small budgets can come together to collaborate and work under one site

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**Co-location** refers to spaces that are shared among a number of separate organizations. Multi-Tenant Nonprofit Centers are types of co-location spaces that focus on the nonprofit sector.

**Coworking** refers to the sharing of workspace among freelancers and other independent workers. Coworking spaces provide workspace and community to people who are often working on their own.

**Community Hubs** are shared spaces that provide direct services to the geographic community in which they are situated. Community Hubs collocate service providers that offer a range of supports such as language instruction, job training, after school programs and drop-in groups.

**Incubators** provide programmatic, strategic, administrative and/or financial support to small projects and organizations.

**Hot Desks** are temporary, shared workspaces that are typically found in coworking spaces.

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Proof_How_shared_spaces_are_changing_the_world_.pdf
COLLECTIVE IMPACT

The ECONOMY of FRANCESCO

Pope Francis said the social doctrine of the church teaches that forms of government and banks achieve their proper purpose in society when they work for “the common good, social justice, peace, and the integral development of each person, and of the human community.”

… there is a need for new forms of solidarity from the financiers to enable the countries to develop without having to bear impossible burdens.

Governments at the United Nations had reached a somewhat similar agreement in their accord on Sustainable Development Goals in 2015.

MNA Master of Nonprofit Administration
THE STATE OF THE SHARED SPACE SECTOR SURVEY

THE NONPROFIT CENTERS | NETWORK

2019 Survey

Workspaces Offered by Centers

- Private/demised office space - standard leases: 88%
- Desks/workstations - standard leases/desk user license: 37%
- Coworking/hot-desking space - membership/month-to-month: 33%
- Performance space: 25%
- Rehearsal space: 18%
- Retail space: 16%
- Artist studio space: 14%
- Incubator office space for a limited time: 12%
- Warehouse space: 8%
- Maker space: 8%
- Residential/Housing space: 7%

Cost Savings Redistribution Areas

- Existing program-related spending: 37%
- Staffing: 31%
- New services/programs: 29%
- Professional development/admin: 29%
- Existing operations-related spending: 28%
- Salaries: 22%
- Financial reserves: 19%

71 questions
482 Nonprofit Centers • 22% response rate (108)
76% U.S. • 24% Canada

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Centre for Social Innovation Survey

PROOF
How Shared Spaces are Changing the World
6 Key Impacts to catalyzing social innovation in a shared space.
2008 Survey

• 70% Say shared space improved their company image.
• 92% Say shared space has expanded professional networks.
• 67% Say shared space has enabled them to learn ideas trends, & techniques.
• 30% SAY shared space has helped to generate interest from funders.
• 72% Say shared space has helped them to live their values.

SPACE + COMMUNITY = INNOVATION
100+ questions
CSI Members • 80 respondents • about 30%
Based in Toronto Canada
EXPERT INTERVIEWS

Nonprofit

- Irma Velasquez
  CEO, Founder
  De Colores Arts

- Lisa Sniderman
  Independent artist,
  playwright,
  author, filmmaker and
  owner

- Steve Hagler
  Executive Director
  LearnUp

For-Profit

- Micah Robison
  Vice President
  IBM

- Sonia Lunacek
  Founder
  Uplift Experience

- Jim DeFalco
  Head of Business Affairs
  Deep Coaching Institute

- Currently operate in shared space capacity
## Expert Interviews

### How to Use Shared Space To...

<table>
<thead>
<tr>
<th>Response Theme</th>
<th>Key Thoughts</th>
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| **promote corporate shared value?**               | • Mixed understanding of CSV  
• shared space viewed as office space, open to many, virtual  
• volunteer programs useful, underused  
  
“we need to re-think the notion of profit… organizations have a moral responsibility to rethink the value they are adding to the earth that we all share.” |
| **create nonprofit organizational growth?**       | • network expansion of social purpose  
• capacity expansion  
• broaden community  
• incubator for innovation  
• cost savings  
• new virtual possibilities  
  
“The upside of not having rent is worth the inconvenience.”  
COVID-19 raises new thoughts of use space & of virtual space |
| **engage in local and global collective impact?**  | • see benefit to sector collaboration  
• values should align to collaborate  
• desire alignment global purpose, don’t know how  
• unaware of SDGs, agree org would benefit  
  
“Especially with COVID-19. A lot of organizations are looking for ways to connect and offer help. It is probably a perfect time to have the conversation.” |
Platform for Engagement

- Know Your Purpose
- Intention
- Alignment
- Common Agenda
- Innovation
- Value Creation Enhanced
- Build Trust
- Communication
- Reflection
- Integration
- Value Co-Creation
- Individual, Corporate, Community Value System
RECOMMENDATIONS

1. Value creation is best generated through the integration of others, not in isolation.
2. Create a value proposition(s) that leverages the resource of others’ space to create the platform for shared value & innovation.
3. Don’t attempt to control the value creation. Create a forum for dialogue to motivate and facilitate participation.
4. Resist being set on delivering one organizational outcome.
5. Communicate! Even a crisis may be a catalyst for innovation.
REFERENCES


SUMMARY
The intended work of a nonprofit organization is to make a social impact, yet many organizations find themselves working in isolation with limited resources necessary to fully achieve their mission and goals. The concept of shared space and creating shared value offers two modern business trends that bring insight as to how a nonprofit can promote success and expand their social purpose through collaboration. Various working examples of collective impact will be explored to help define the collaborative value. This project will help to organize and articulate a pathway for not only De Colores Arts, but other individuals and organizations who wish to use a new paradigm of shared space as a platform for innovative growth and opportunity.

PURPOSE
The purpose of this research project is to develop a framework of understanding to support a small nonprofit with limited resources to utilize the resource of shared space to promote shared value and organizational growth.

The analysis of the beneficial trend of shared spaces and creating shared value, invites nonprofit leaders to become actively involved in the promotion of shared value through business partnerships. A mindset shift from seeking fiscal sponsorship, to space as resource sponsorship, will help build social impact and sustainability, while offering business partnerships. A nonprofit and nonprofit leaders, will help build social impact and sustainability, while offering business partnerships.

METHODS

- **LITERATURE REVIEW**: Examination of existing literature from professional and nonprofit resources, academic journals, and articles, were used to review: Creating Shared Value (CSV) vs Corporate Social Responsibility (CSR), The State of Shared Space, Cross-Sector benefits, Collective Impact & Models
- **INDUSTRY SURVEY REVIEW**: State of the Shared Space Sector Survey 2019, and Six Key Impacts Promote Social Innovation
- **EXPERT INTERVIEWS**: 6 expert interviews were conducted with an equal mix of for-profit and nonprofit leaders. Vice President, CEO, founders, artist/playwright, and business owners offered a perspective on the concept of operating in a shared space, creating shared value & collaboration of social purpose

DATA AND ANALYSIS

- **LITERATURE REVIEW**:
  - *Creating Shared Value*: beyond Corporate Social Responsibility; integrated within the business model; not an afterthought; NPO role builds partnerships for benefit, FY50 Music Festival reveals progressive growth through CSV
  - *State of Shared Space:* trend for shared space growing... different models expand benefits, social purpose growth in collaboration; resources saved can be reallocated or saved.

**CENTERT FOR SOCIAL INNOVATION SURVEY DATA**
"There is increasing recognition that the problems we face are too complex to be addressed by any single player. Shared spaces connect diverse organizations and individuals, giving them the chance to collaborate, share knowledge and develop systemic solutions to the issues they are trying to address."

**HOW SHARED SPACE IS CHANGING THE WORLD**
Six Key Impacts Promote Social Innovation

- 70% Say shared space improved their company image.
- 92% Say shared space has expanded professional networks.
- 67% Say shared space has enabled them to learn ideas, trends & techniques.
- 30% SAY shared space has helped to generate interest from funders.
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**EXPERT INTERVIEWS** — **HOW TO USE SHARED SPACE**

**RESULTS**

1. Value creation is best generated though the integration of others, not in isolation.
2. Create a value proposition(s) that leverages the resource of others’ space to create the platform for shared benefit & innovation.
3. Don’t attempt to control the value creation. Create a forum for dialogue to motivate and facilitate participation.
4. Resist being set on delivering one organizational outcome.
5. Communicate! Even a crisis may be a catalyst for innovation.

**REFERENCES**


Know Your Purpose
- Begin & relaunch here
- Be clear on your mission, program & purpose
- Commit to serve as platform for initiative
- Clarity on space needs

Common Agenda
- Scout for synergistic organizations for partnership
- Identify mission aligned leader for contact
- Evaluate point of alignment and/or gap your program can fill in partner's purpose
- Shared Value Dialogue

Value Creation Enhanced
- Open to emerging ideas
- Include additional stakeholders
- Evaluate new grants/funding
- Reset new plan within integration phase

Value Co-Creation
- Conduit for interaction
- Develop Reinforcing Activities
- NPO integrated program
- Corporate Volunteer Policy
- Shared Event Attendance
- Mutual Promotion - act as partners

Shared Space
- Innovation
- Integration
- Shared Value
- Platform for Engagement

Shared Value
- Communication
- Reflection
- Build Trust
- Schedule meeting touch points
- Learn from stakeholders involved
- Build network & relationships

Platform for Engagement
- Shared Space Value Points
  - Community inclusion/Social inclusion
  - Alignment to local & global change via SDG's (defined by mission)
  - Support for Corporate Volunteer Program
  - Partnership of social purpose improves public image
  - Resource donation vs financial (in-kind donation tax benefit)
  - THE UNKNOWN... POSSIBILITIES HAPPEN WHEN PEOPLE COME TOGETHER
  - Financial ease offers ability for NPO to operate in inaccessible rental market
  - Promotion of shared social purpose
  - Advocacy network for shared social purpose
  - Shared marketing and promotion
  - Incubator for learning & innovation
  - Collaboration