

A Phoenix Rising and a Resting Eagle: How Can CitiWide Harm Reduction and Bronx AIDS Services Integrate Two Widely Different Cultures in their Merger?

Abstract:

Located in New York City's South Bronx, two community based organizations that provide HIV/AIDS services have begun a strategic restructuring process, facilitated by an outside consultant. Given the environment created by the National HIV/AIDS Strategy (NHAS), the Affordable Care Act (ACA), and Medicaid redesign in New York State, the organizations, CitiWide Harm Reduction (CWHR) and Bronx AIDS Services (BAS), believe that together they can best serve their clients, secure funding and stay relevant as a new entity. By combining the organizations they not only seek to increase sustainability, but they also hope to provide a new continuum of care model for individuals most at risk for or living with HIV/AIDS and hepatitis C. While CWHR and BAS have some overlap in terms of clients and services, they have different cultures, budgets, staffing, programs and services. Also, their Executive Directors (EDs)—Robert Cordero at CWHR and Jose Davila at BAS—are at opposite points in their career trajectories and have their own unique leadership styles. After reading about the background of each group, the strategic restructuring process thus far and information about each agency's culture, staffing, programs and finances, you will discuss one of the biggest challenges faced by both the boards of both organizations and their Executive Directors—assessing how the different organizational cultures will affect the new entity and how these cultures can be combined to form a new culture for the merged organization.

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BAS, CWHR and The Urge to Merge

Founded in 1986, Bronx AIDS Services (BAS) is the largest non-hospital community service organization (CSO) for people living with or affected by HIV/AIDS in the Bronx, NY. BAS strives to empower and improve the lives and circumstances of adults and adolescents in the Bronx who are HIV positive or at risk and lack resources to meet their daily needs. BAS provides 6000 Bronx residents each year with services and programs including free HIV testing and outreach, preventive care for youth and Men having Sex with Men (MSM), case management, legal counseling, and a food pantry with nutrition sessions.

CitiWide Harm Reduction, founded in 1995, is a 7-day a week community-based syringe exchange drop-in center, also located in the South Bronx. CWHR's mission is to improve the health, social and economic status of active drug users who are homeless or unstably housed. Annually CWHR serves 3200 members of the hardest to reach and serve populations: very low income, chronically homeless and unstably housed active drug users with or at high risk for HIV, hepatitis, and other health conditions. In addition to offering free HIV and hepatitis-C testing, syringe exchange, drop-in center and dedicated housing services, CWHR recently entered a strategic partnership with HELP/PSI (an FQHC) to offer onsite medical and mental health care.

With the Affordable Care Act that goes into affect fully on 2014, CWHR and BAS find themselves in a changed and changing funding and policy environment. As AIDS becomes treatable, it is lumped in with other chronic diseases like diabetes and hypertension and AIDS organizations, such as BAS, must compete for funding with a wider group of AIDS Service Organizations (ASOs) or Community Based Organizations (CBOs). More uncertainties: The Ryan White Program, up for reauthorization in 2013, was the largest source of federal funding solely for people living with HIV/AIDS and now it is shrouded in uncertainty as to whether it will be reauthorized, and, if so, what it will cover in a slow economy that is seeing dwindling healthcare budgets. On the good news front, Medicaid expansion allows states to offer Medicaid to people with incomes up to 138% of the federal poverty level (FPL), meaning that childless adults will be eligible for Medicaid; but expanded coverage doesn't come without strings attached. The government is shifting focus from grant based funding—which focused on the scope of service—to a fee for service, outcome-based funding.

These changes, combined with a greater emphasis on health outcomes from the private funder community, have created the impetus for health-related organizations to consider ways to expand the scope of their services and enhance their capacity to identify outcomes and measure results.

Two Old Friends – One New Mission

The impetus to merge BAS with CWHR began when Jose Davila's personal need to transition towards retirement coincided with his organization's need to remain relevant and sustainable in the new funding environment. Davila has been at BAS for 15 years, seven as ED and says, "The decision to merge and evolve pretty much matches my tenure as ED...While we have a core of clients who struggle with getting to care, which we deal with naturally because of our expertise, we have

another set of clients who are living longer lives because of treatment. They find themselves now at a crossroad when they are on disability, healthy and they don't know what to do with their lives."

Davila is well known for his HIV/AIDS advocacy work, and as a senior administrator at the Bronx's Lincoln Hospital he was in the trenches during the AIDS epidemic of the 1980s. When he became ED, he began the slow process of shifting priorities at BAS "Part of the board were founding members and they had this very rigid, close-minded approach to what we should be doing. They were so tied to the mission, they couldn't see we weren't having the same clients. It took work with the board and senior management team. We began bringing in new people, and we slowly changed the culture of the agency to make these changes." This process took its toll on Davila, who is looking towards retirement. He is soon ready to make a retirement transition just as the organization needs to widen its scope. His overture to Robert Cordero, ED of CWHR, came in April 2012 after unsuccessful attempts at strategic partnerships for both BAS and CWHR.

In retrospect, those failed forays were propitious, paving the way for a more promising CWHR/BAS merger. Friends and colleagues for over ten years, Cordero and Davila were frequently in Washington together doing AIDS advocacy work. Cordero had previously served as an executive board member and Policy co-chair of the CAEAR (Communities Advocating for Emergency AIDS Relief) coalition, and when he took the helm of CWHR in 2009, Davila thought he was "crazy." The agency, he said, "was in shambles." Yet, he watched as Cordero took it from near collapse to fiscal and programmatic stability. Cordero's three-year strategic plan (2011-2013) resulted in CWHR's expansion to a 7-day-a-week syringe exchange drop-in center with cutting edge, renovated spaces, and, most importantly, an innovative onsite community partnership with both Evers Pharmacy and HELP/PSI, a full health and wellness center. CWHR is the only harm reduction organization in the country formally co-locating with a primary care clinic and a community pharmacy. Jose attended the ribbon-cutting ceremony for the HELP/PSI clinic at CWHR, and it was there that he approached Robert about forming a partnership.

Cordero was receptive. CWHR's 3-year strategic plan included: "expanded and enhanced services." Under Cordero's direction, the agency's goal has been to expand both its target populations—beyond its core of active injection drug users (IDUs)—to include a wider range of people at risk for HIV and hep C. Beyond that, his 3-year plan mentions a desire to add legal services, a nutritional pantry program, robust prevention and outreach—all areas that are core strengths of BAS. The federal ban on funding for syringe exchange, which had been lifted in 2010, was back in force. Just as BAS has had to rethink its exclusive focus on AIDS as limiting its funding, CWHR has had to consider broadening its focus from harm reduction to a full service agency for the most marginalized, at-risk population.

The Merger In Motion

After Davila made the first move, the two EDs met at the now-shuttered Umberto's Clam House on Arthur Avenue, Bronx's "little Italy," to explore the merger possibility, and they both came away enthused. "I was very primed," said Cordero, "My board had authorized me to look and explore potential partnerships. It

is all embedded in our need for sustainability.” A merger would retain the core services of each organization, which are largely complementary, and be highly synergistic when combined. The new service delivery model would be one that meets the needs of the at-risk population at every stage. As Davila describes it, ““We want to create a continuum of care from the hard core drug user to the ones who want to go into rehab, from the people who are at risk but not engaged in care for HIV to the ones who are fully engaged [in treatment] and who want to move out into job training and returning to the work force.” Their vision also includes a piece that neither organization has developed yet: a social business venture and job training—help for those who, like Davila mentioned, are at the end of the care spectrum, who have been treated for AIDS or hep C, are coming off disability and want to move back into the workforce.

In addition, real estate realities work in the merger’s favor. CWHR’s newly renovated site will still serve as a drop-in center for the adult drug users, and BAS’s Southern Boulevard site would still serve primarily youth, because these two populations cannot mix. Yet, even before the merger BAS was planning to move its main office, with a lease that runs out at the end of 2013, to a new site on Third Avenue. In addition to housing another HELP/PSI onsite clinic as well as housing and legal services, it would serve as another nexus for the merged entity’s clients.

The meeting at Umberto’s led to another visit to Arthur Avenue. This time Cordero and Davila brought their board chairs, CWHR’s Richard Curtis (since replaced by Sidney Joyner) and BAS’s Mera Eisen, to Enzo’s to eat, drink wine and discuss the merger. Cordero says, “I learned at UCLA [J&J Health Care Executive Program] that you can’t just go to your boards and say, ‘let’s have a merger.’ Especially in nonprofits where the board has to authorize...building trust is essential.” By the time they went back to their boards, with board chairs to advocate, both were “on board.” However, the two EDs had learned from prior failed strategic partnership attempts that it is necessary to have an outside facilitator. They engaged consultant, Kandy Ferree, President of the 360°Strategy Group, who started the process in earnest by doing two things: forming ad hoc restructuring committees on each of the boards and meeting extensively with Jose and Robert to hammer out a way to transition from co-leadership to Robert as sole ED and an organizational structure that would facilitate integration of the two entities.

After much negotiation and discussion, the two EDs developed a schedule that would enable the organizations to transition from co-leadership to one ED (See Exhibit 1). To gain approval of this arrangement, the plan was to first present the concept to the ad hoc restructuring committees of each organization with assistance from the consultant, and then to the full boards. Instead, because Ferree was out sick and the degree of trust among the CWHR board was high, Robert by-passed the ad hoc committee and went straight to his board. They discussed and supported the arrangement immediately.

As a result, Jose proceeded to present information about the arrangement directly to his board, although initially doing so in advance of an upcoming meeting without any contextual explanation. The board’s immediate reaction was anger and disbelief, and they called emergency meetings both of the governance committee and the full board. Davila says their criticisms were, “ ‘BAS is the oldest...we’ve been

around longer...we have a better reputation.' It was founders' syndrome." At the close of the full board meeting, Davila says, "The board did not approve it." Robert was extremely disappointed and Jose was, as he said, "sick about it."

Davila admitted to a failure of communication on his part, but the miscommunication also reveals a difference in culture of how the boards of the two organizations interact. Robert says, "I really closely manage up with my board. I speak to my board chairman regularly...My board is very much of the 'you figure the logistical stuff out, as long as you deliver' orientation. And with them I am: give me the authority and the independence, but hold me accountable. According to Davila and Ferree, the BAS board is more hierarchical, less trusting of the process, and, logistically, they find it harder to communicate, even to arrange a meeting.

However, the issue was subsequently resolved relatively quickly; Jose provided both context and additional information to his board about why the arrangement made sense. Also when Robert Cordero met with one of the board's founding members, who had been out for surgery and was the main objector to the co-leadership arrangement, the two got along famously.

Organizational Culture at CWHR: A Phoenix Rising

Participant Population Snapshot

CWHR serves 3200 actively enrolled participants, 60% of whom are injection drug users (IDU) and 26% of whom are HIV-positive while 50% are positive for hep C. Seventy-five percent are homeless or unstably housed at intake. All are extremely low income (< \$9,000/yr on average), almost all are unemployed and getting limited government benefits, and most have not completed high school or GED certification. The ethnic makeup of CWHR is: 65% Latino (33% monolingual Spanish), 33% African-American, and 2% White or other. Seventy-two percent are male and female/transgender are 25% and 3% respectively. Approximately 25% identify as men who have sex with men (MSM) while 75% are heterosexual. While ages range from 18 to over 55, the average age is 45.

At a nonprofit, organizational culture is often driven by the characteristics and needs of the client population. "This is a very lively, interactive place," says CWHR's Director of Prevention and Outreach, Charles Bolds, "just by the nature of the population we serve." As soon as CWHR opens its doors, participants gather in the front entry way and are directed to where they need to go—whether it is to get a quick HIV test, exchange syringes or take a shower upstairs. There is constant motion, and it is sometimes difficult to tell the staff from the participants, with jeans, tattoos, informal or alternative dress being the norm—and, indeed, Cordero says 25% of staff members are former participants. The nature of the harm reduction mission, which is nonjudgmental at its heart, fuels advocacy work, giving CWHR an edgy, hip feel.

While "participant" is the commonly used term for "client" in harm reduction lingo, participation at CWHR is not lip service. CWHR encourages participants to help steer the agency by serving on a Participant Advisory Board (PAB), and the PAB

chair is on the CWHR board of directors. Even those not serving on the board are involved in advocacy actions locally and in Washington, and everyone has a say at monthly community meetings. Robert Cordero introduced the merger and Jose Davila to participants at a March 2013 community meeting where about 50 participants gathered in a nicely decked out drop-in area with modular cushions for seating and brightly colored walls. After introducing Davila, Cordero raised issues of concern, such as prevalence of participants smoking near the doorway, and listened and took notes as community members piped up.

In a tour of CWHR physical plant, Cordero proudly points to elements of the redesign he spearheaded, “these showers are modeled after ones in Equinox health club,” he says. Design is incredibly important to him—from the bright, clean look of the renovated space upstairs where the HELP/PSI clinic and Evers Pharmacy are stationed to the vibrant CWHR website and the hip-looking annual report. Cordero expects that the CWHR design will prevail in the new co-located third avenue site.

Watching Cordero in action, one senses that his fingers are on the pulse of every part of CWHR at any one time. “I’m the keeper of the organizational culture at CitiWide,” This is partly due to the size of CWHR, but it’s also due to Cordero’s history, transforming CWHR from on the skids to one of the premier harm reduction agencies in the country. The words “entrepreneurial,” “nimble,” and “risk-taking” came up in conversations with the CWHR board chair, Cordero, senior staff and even BAS. Cordero also proudly points to the fact that he has been filling his board with businesspeople and entrepreneurs rather than social service types. Board chair Sidney Joiner is a real estate developer and a new board member is an Ivy League university professor and consultant, while another one is a company CFO.

Cordero admits, “I like moving very fast and taking a lot of risks...controlled risks. I have staff that are risk takers, too. I think that’s less so in BAS; I think they’re much more process oriented as a function of their bureaucracy and their size—they have around 80 people and we have 40. We’re more of a matrix and they’re more of a top down organization. Here, our line staff have a lot of say in not necessarily the day to day decisions but in how we approach our work...My staff has a sense they have skin in this game...input that gets respected and acted upon.” Charles Bolds agrees and says it is part of the “Phoenix Rising from the Ashes” scenario of CWHR in which Robert, with Bolds and Julie Peña, Director of Human Services, on board, turned the agency around. “That’s put us in a position where we have to go out on a limb and take risks more than BAS has done, because they have been around longer and are more established...I think we’ve been a lot more aggressive. We’re competing with some of the bigger entities here in this borough for the same pot of money,” says Bolds. The flip side of risk-taking, Cordero admits is, “we move so quickly we are more likely to make mistakes. We have an environment that is forgiving of mistakes as long as they’re corrected and brought to the attention of the proper supervisor very quickly...If you’re open and say ‘I messed up, and here’s how we should fix it,’ there’s not even a disciplinary action.”

Organizational Culture at BAS: Community Leader of a Changed Community

Client Population Snapshot:

In 2012 BAS had 4200 unduplicated clients enrolled in programs and services and 8,000 outreach encounters, which include 3,006 HIV tests. Forty-seven percent of clients are African American and 49% Hispanic; 28% are under 30 yrs., with 34% over 50 yrs. In addition, 20% of clients identified as MSM. BAS serves about 1500 HIV positive persons annually. 60% heterosexual; 22% MSM; 10% IDU; 10% unknown. At least 68% of HIV+ clients have or have had mental health diagnoses and/or substance use addictions. 100% of BAS HIV positive clients live at or below 100% of the Federal poverty level, and nearly all rely on government benefits to maintain basics such as housing, food and medical treatment. One third of clients live in some form of government-subsidized housing, with the remainder renting from private landlords. Virtually 100% receive Medicaid or ADAP (AIDS Drug Assistance Program) benefits. 40% are homeless or precariously housed.

Compared to the lively atmosphere at the CWHR site, BAS's East Fordham Road main office*¹ was calm and quiet, largely because it does not function as a daily drop-in center. Clients need to be HIV positive to come in for an appointment and the food pantry is part of a nutritional pantry program—not a place to drop in for a meal. BAS headquarters is housed on the second floor of a nondescript two-story building. In contrast to CWHR, the office space has a traditional social service feel, comfortable but a little worn around the edges. Clients make appointments and sit in a waiting room. BAS's website also echoes its more straightforward, functional approach with minimal descriptions of services as compared to the CWHR site, which is filled with promotional copy, photos, annual reports, advocacy and information about upcoming events.

In talking about his organization's culture, Davila is not as adamant or forthcoming about it as Cordero, perhaps because his new partner had to re-build CWHR's culture, and Davila walked into an established organization, which has grown organically. One has the sense of BAS of a stately eagle resting on its laurels, as when Davila summarizes, "Our biggest strength is our reputation as a quality service provider. We have been around for 27 years and we have been the go-to place in the Bronx, and we have been very innovative, particularly with youth in HIV prevention...We don't advertise. People come to us... We have a brand name. If you say 'BAS' everyone knows who that is, not only here but nationally, because we constantly present at national conferences." However, the negative of the brand name is that it has narrowed BAS's focus. Having AIDS in their name is now seen as a liability, which limits both funding and the way the staff sees the organization's mission (in the same way that having "harm reduction" in CWHR's name limits its focus).

On whether BAS also has a risk-taking culture, like CWHR, Davila says BAS does not. It has largely been federally funded to do prescribed behavioral interventions called "evidence based interventions" (EBI), and much of their work is very

¹ The case writer/researcher did not visit BAS's Southern Boulevard prevention center.

prescribed and highly monitored by the funder. When asked to compare BAS's culture to CWHR's, Candia Richards, COO, and second in command, expands on this point, "CWHR serves an active drug using population. We see people further along the continuum....by the time they come to us, [active users] want to stop using, get into care and get benefits. They already have some goals they want to get to by the time they come to us. It affords us to be a little more structured in terms of our programming." Both Richards and Davila speculated that the staff are not used to or necessarily comfortable dealing with the hardest-to-reach types seen by CWHR as opposed to the "easy" clients—single diagnosed, HIV+ or at risk clients that are BAS's core.

The BAS staff also has a strong and deep personal connection to the organization's mission, notes Davila. "People who work at BAS have," he says, "traditionally, some connection to the mission. They know someone with AIDS, they have a good friend, a family member [with HIV/AIDS] and they want to give back. Some of them are HIV positive themselves.

Yet, at BAS staff members are easily distinguished from clients, as opposed to at CWHR. Both Davila and Richards noted the more professional, formal atmosphere of BAS. Davila admits, "I'd think we're a notch up in terms of professional environment. We don't allow people to wear jeans, for instance, except on Fridays. If you're going to escort one of our clients to a meeting at any benefits office, you cannot look like the client. At CWHR they break barriers to service partly by looking like the people they serve."

The slower pace at BAS also distinguishes it from CWHR—from the time it takes to communicate to the board, which is larger and harder to assemble, to their not being ahead of the curve on the changes in the healthcare environment. A case in point is the fact that both organizations knew having an onsite healthcare is the way to go, but CWHR implemented this collaboration while BAS was still considering it. In other words, CWHR was beginning to expand its harm reduction mission before BAS was ready to move beyond its mission of serving the HIV/AIDS community. Another area in which CWHR forged ahead is in the hiring of a professional development consultant, Nicole Garcia, to instill a learning culture and one that supported professional and leadership development of the staff. BAS engaged Nicole after CWHR had used her services and is just now doing trainings with the staff; Nicole will be retained to help with trainings that focus on cultural integration.

CWHR and BAS Organizational Culture Assessments

In assessing organizational culture, one useful measure is the Organizational Culture Assessment Instrument (OCAI), which presents staff with a framework for assessing their own culture, and the preferred culture of a new entity. The OCAI Competing Values Framework lays out four possible cultures, summarized briefly below, on a grid (see Exhibit 2).

- **Clan Culture (Collaborate)** – a pleasant place to work where people share a lot of personal information, much like an extended family.
- **Adhocracy (Create)** – a dynamic, entrepreneurial and creative place to work

- **Market (Compete)** – a result-oriented organization whose major concern is getting the job done
- **Hierarchy (Control)** – a very formalized, structured place to work where procedures govern what people do

When Kandy Ferree called a meeting of the EDs and senior staff members, she used the OCAI framework and asked them to describe their culture, the culture of their potential merger partner, and their preferred culture for the merged entity. She said that the assessment exercise produced the following revelations:

- EDs and Senior Staff at CWHR saw their organization as either an **adhocracy** or **market**.
- EDs and Senior Staff at both BAS and CWHR saw BAS as **hierarchical**. A noted exception here was the staff member who runs BAS's Southern Boulevard prevention site. She perceived BAS as a market culture, which, spotlights the potential disconnect between the prevention site, which is much more driven by what funders and clients need and want and is physically separate from corporate office, where case management and administration occurs.
- BAS staff had varying opinions about the culture of CHWR. As is common in hierarchical settings, the BAS staff did not want to be perceived as not knowing enough about CWHR, and also didn't want to make mistakes.
- Finally, while Cordero and Davila were unified in what they see as the preferred new entity culture, **market**, the rest of the staff had varying views as to the culture of the merged entity.

Also, BAS senior staff understood that leaders would absolutely want to be on the market level because they're thinking about organizational viability. These staff noted that, "the rest of us do our day-to-day work, need to have both order (hierarchical) and connectedness (clan) to work together as a team." Hence, the intense partnership and loyalty and shared vision that the two EDs feel towards each other will not necessarily, trickle down, on its own, to line workers.

One BAS senior staffer expressed the disconnect between the bond between Robert and Jose and the lack of information about the merger making its way to line staff and even those in managerial positions, "It's mostly the boards and the negotiating committees handling most of the discussion...I think it does create a lot of anxiety. Maybe there have been different expectations on the team as far as what their involvement will be. For me, having gone through the [J&J HCEP] strategic restructuring course, I would like to be more involved in the decision making, but having gone through the course I also know that this lies more with the board. I think other team members are expecting a little more involvement in terms of what's happening."

CWHR and BAS: Staffing, Programs and Services

Programs and Staffing

CWHR and BAS published a joint Q&A on the merger for dissemination to their inner circle. In answer to the question, “Is a strategic partnership consistent with each organization’s mission and strategic purpose,” they say: *CitiWide and BAS are deeply committed to developing a seamless and comprehensive continuum of prevention, care, and wraparound services for people living with and at high risk for HIV, viral hepatitis, substance use and other chronic conditions.* Because CWHR’s and BAS’s programs and services are both overlapping and complementary, as you can see in the attached chart (see Exhibit 3), this goal is already partly realized.

Right now, however, there is the expected uncertainty and attendant anxiety around how the programs will actually operate as a merged entity. The way each organization has expressed this uncertainty illustrates a cultural difference between the two. Candia Richards muses, “There is no telling what the merger means for our younger population, how we safely integrate young women and young men ages 13 -24 with the other programs and services and whole CWHR model, which is mostly geared to active drug users...Program managers are still wondering what it is going to look like...And how are resources going to shift? It speaks a lot that as the COO right now, I don’t have some of these answers.” While Candia Richards expresses concern about the lack of engagement of senior level program staff, and the possible loss of services, CWHR’s Charles Bolds is generally optimistic about the synergy between the two organizations, trusting that program and staff integration will generally work itself out, “I think one of the good things about this merger— comparing it to another bigger merger happening locally, in which there’s a lot of uproar among staff about job security...I’ve not heard that from the staff here [at CWHR]. We service such different populations almost. I think people are secure.”

CWHR has 40 full time employees compared to 84 at BAS. (See Exhibit 4). As you can see in the organizational charts, BAS has several officers and staffing areas that CWHR doesn’t have. For instance, BAS has a CFO and Director of Human Resources, and it has an IT and Facilities Support division as well as a Human Resources department, whereas many of these functions are handled by Cordero and his senior managers at CWHR. In order to facilitate the integration of the staff members of the two organizations, Kandy Ferree and the two EDs, along with both organizations’ ad hoc committees, created the proposed organizational structure at the top (see Exhibit 1) with the goals of:

- Ensuring all functions best serve clients and are aligned with the “new practice model”
- Avoid any perception of “take over” by creating a power sharing dynamic
- Balance executive leadership functions while leveraging natural strengths of the two EDs
- Divide leadership functions to ensure sufficient attention to a) core business operations and b) strategic program and resource development

- Intentionally locate a VP-level staff member from each org (i.e. Candia Richards and Charles Bold) under the opposite ED to help translate org cultures, encourage cross departmental learning and communication and model true integration to internal and external constituents.

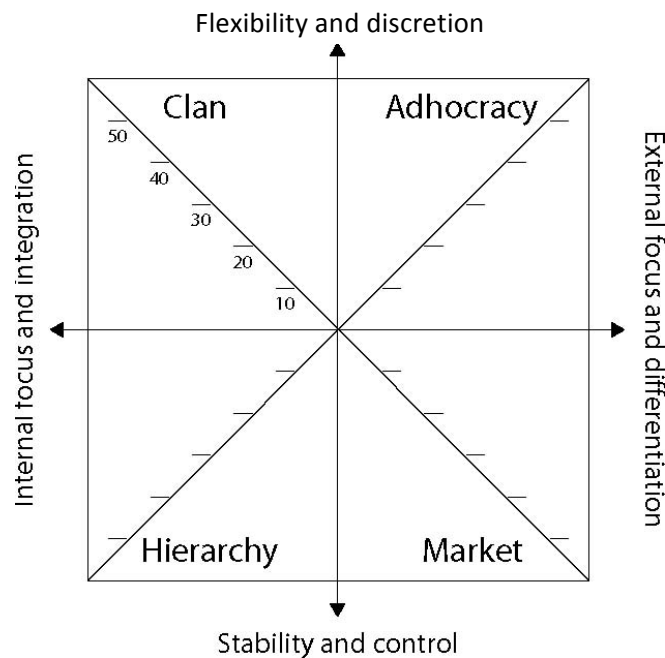
While both Candia Richards and Charles Bolds indicated some uncertainty about how integration would really work, on a career and professional development level, both are clearly thrilled about their new roles in the new entity. Charles Bolds is eager to get out of direct service with participants and into managing the operational side, working under Jose and overseeing what happens with the new Third Avenue site. Candia, who will be Sr. VP, Strategy, & Resource Development & Evaluation, working directly under Robert Cordero, enthuses, “Robert and I think so much alike when it comes to putting things on paper. We have similar styles. We’re two people who know what it takes to write a grant, deal with a consultant, involve program people in terms of their ideas and channel that into a proposal.”

Finances: Reality Check—Bigger isn’t Necessarily Better

Finally, organizational culture can be reflected in the financial status of each organization. While BAS has a \$ 6.8 budget and CWHR has a smaller budget of \$4.2million. CWHR is in better fiscal health according to a number of financial indicators (see Exhibit 5). For example, As CWRH has grown by 34% in 3 years, BAS has become very dependent on a limited portfolio of government-funded programs, and is, therefore, in a vulnerable position. CWHR, on the other hand, has attracted a lot of private money—approximately 12% of its budget and that percentage is growing. While BAS is growing its portion of Medicaid revenue—now up to 20%--through reimbursements via New York State health homes, it is currently almost entirely funded by government grants. This is a vulnerability according to BAS board chair Mera Eisen who says, “If the government grants begin to erode, and they have the strength to find private money, CWHR’s potential for growth is better than BAS’s. That was an important recognition. That’s what gave CWHR a little more heft [with the BAS board].”

The disparity in size and financial strength touches on sensitive points for both organizations. Ferree summarizes, “On CWHR’s side, for instance, there is the view that ‘Just because we’re smaller, we’re not weaker.’ On BAS’s side, there is “We’ve been around longer and we’re bigger.’ “ Yet, she adds that both the “size” and “stability” of BAS is now almost entirely tied to keeping AIDS Community Service Program (CSP) funding. This is an earmark from the state that goes directly to them, providing \$1.5 million in operating funds. This earmark was created at BAS’s founding when it became one of 12 statewide designated AIDS Community Service Programs (CSPs). However, the future of this money is uncertain, and without the CSP money, Ferree continues, “BAS ceases to exist, especially if the merger does not happen. If the merger does happen, the new entity will have ‘double fire power’ so to speak to retain it, even if it is reduced. The smooth integration of cultures is crucial for the new entity to re-compete for this money, if that is, indeed, necessary.”

Exhibit 2: The OCAI Competing Values Framework



1. The Clan Culture (Collaborate)

The organization is a very pleasant place to work, where people share a lot of personal information, much like an extended family. The leaders or heads of the organization are seen as mentors and perhaps even parent figures. The organization is held together by loyalty or tradition. Commitment is high. The organization emphasizes the long-term benefit of human resources development and attaches great importance to cohesion and morale. Success is defined in terms of sensitivity to customers and concern for people. The organization places a premium on teamwork, participation, and consensus.

Leader Type: facilitator, mentor, team builder

Value Drivers: commitment, communication, development

Theory for Effectiveness: human development and participation produce effectiveness

Quality Strategies: empowerment, team building, employee involvement, Human Resource development, open communication

2. The Adhocracy Culture (Create)

The organization is a dynamic, entrepreneurial, and creative place to work. People stick out their necks and take risks. The leaders are considered innovators and risk takers. The glue that holds the organization together is commitment to experimentation and innovation. The emphasis is on being on the leading edge. The organization's long term emphasis is on growth and acquiring new resources. Success means gaining unique and new products or services. Being a product or service leader is important. The organization encourages individual initiative and freedom.

Leader Type: innovator, entrepreneur, visionary

Value Drivers: innovative outputs, transformation, and agility

Theory for Effectiveness: innovativeness, vision and new resources produce effectiveness

Quality Strategies: surprise and delight, creating new standards, anticipating needs, continuous improvement, finding creative solutions

3. The Market Culture (Compete)

This is a result-oriented organization whose major concern is getting the job done. People are competitive and goal-oriented. The leaders are hard drivers, producers, and competitors. They are tough and demanding. The glue that holds the organization together is an emphasis on winning. Reputation and success are common concerns. The long-term focus is on competitive actions and achievement of measurable goals and targets. Success is defined in terms of market share and penetration. Competitive pricing and market leadership are important. The organizational style is hard-driving competitiveness.

Leader Type: hard driver, competitor, producer

Value Drivers: market share, goal achievement, profitability

Theory for Effectiveness: aggressive competition and customer focus produce effectiveness

Quality Strategies: measuring customer preferences, improving productivity, creating external partnerships, enhancing competitiveness, involving customers and suppliers

4. The Hierarchy Culture (Control)

This is a very formalized and structured place to work. Procedures govern what people do. The leaders pride themselves on being good coordinators and organizers who are efficiency-minded. Maintaining a smooth-running organization is most critical. Formal rules and policies hold the organization together. The long-term concern is stability and performance with efficient, smooth operations. Success is defined in terms of dependable delivery, smooth scheduling and low cost. The management of employees is concerned with secure employment and predictability.

Leader Type: coordinator, monitor, organizer.

Value Drivers: efficiency, punctuality, consistency and uniformity

Theory for Effectiveness: control and efficiency with appropriate processes produce effectiveness.

Quality Strategies: error detection, measurement, process control, systematic problem solving, quality tools

Exhibit 3

The following chart shows a quick look at services provided by CWHR and by BAS as well as overlapping services. Even in the areas where they overlap, however, they may serve different client populations or perform slightly different services.

CWHR Services	Overlapping Services	BAS Services
Syringe exchange		
	Case management @ BAS for patients with HIV/AIDS @CWHR for IDU	
	Mobile outreach @ BAS, providing HIV testing & connections to care @CWHR, outreach to sex workers and recently released ex-cons	
		HIV/AIDS prevention programs for youth, Men of Color who have Sex with Men (MCSWM) and women of color
HEP-C testing and treatment, HEP A and B vaccines	Free HIV testing	
Onsite Evers Pharmacy		
Onsite federally qualified health center via strategic partnership with Help/PSI offers primary care, psychiatric care and opioid replacement therapy (Suboxone)		
Drop-In Center includes meals, showers, clothing, laundry, etc.		Nutrition Pantry with nutrition sessions
		Legal Advocacy
Dedicated housing placement services		
	Condom distribution @BAS to locales throughout Bronx and particularly to youth	

	@CWHR to sex workers	
	Evidence-based programs to reduce HIV and HEP risks	
Mental wellness program		