

DISBANDING AN AGENCY

The Transfer of Services and Expansion of Outreach

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“You disbanded your Jewish Family and Children’s Services! How could you do such a thing?” “No,” I would respond to my colleagues and friends, “We have terminated our Jewish Family and Children’s Services, but not our Jewish family and children’s services.” This subtle difference always required further explanation, which is provided in this article describing the decision-making process leading to the dissolution of the agency.

TRANSFORMATION OF JEWISH FAMILY AND CHILDREN’S SERVICES

The Indianapolis Jewish community has had a long tradition of providing social services to the Jewish community. The Federation, which is in its 88th year, was founded on the premise of providing for human needs. In its earliest days these social services were provided through a communal organization housed at the Communal Building. The agency known as Jewish Family and Children’s Services was created 23 years after services were first provided (Endleman, 1984).

Over the years, the agency evolved and the services offered changed in response to the needs of the community. In the early years the primary services were related to emergency relief. Later, counseling needs were more prevalent, so these services emerged as a key component of the agency. After World War II the agency assumed responsibility for resettling a significant number of refugees from war-torn Europe.

Throughout the 1960s and 1970s the agency continued its transformation as did the local Jewish community and the general city of Indianapolis. Since the beginning of

an organized Jewish community (1905) through the 1990s the Jewish population has had glacier-like growth. The Jewish population has remained a constant 1% of the total population of the city. In 1912 the Jewish population was estimated at 6,000, reaching 10,000 by the 1970s. The Federation has reported a steady population of 10,000 to 11,000 since that time. As the city has grown to a total population of about 1.2 million, the Jewish population still hovers at the 1% level.

By 1980 the JFCS had emerged as the only social service agency providing counseling services in the northwest section of the city, the area where 90% of the Jewish population lived. Counseling represented an overwhelming amount of services that the agency provided. There was some limited family life education and some emerging needs for the elderly, but the flagship services were casework related. Another responsibility of the agency at that time was the resettlement of the few refugees who came to Indianapolis from the Soviet Union. These services were handled by a part-time employee, as fewer than ten new refugees arrived in any one year until the late 1980s.

In the early 1980s the United Way always commended the agency for its being the only service provider in the northwest section of the city. Although there was a heavy concentration of the Jewish population in that section (70% of all Jews lived in the zip code where the agency was located), the Jewish population still represented a tiny fraction of the total population within the service area. Consequently, a large percentage of the counseling services were being provided for non-Jewish clients. In

some years non-Jewish clients received 75% of the counseling services provided.

At the same time the needs of the Jewish elderly were growing. In early 1981, the Federation opened the first subsidized housing for the elderly under Jewish auspices in Indianapolis, Park Regency. This project was the result of a Federation study that had uncovered many unmet needs for the Jewish elderly. Although Park Regency met a significant portion of the needs of the well elderly, it did not address adequately the needs of those who did not qualify for residence because their income was above the level of federal requirements. Park Regency was the only elderly housing complex in Indianapolis to offer social services, one meal a day, a transportation program, and a link to other social service agencies for services. The two major agencies offering the additional services were JFCS and the JCC. In addition, over the years since its opening, one other Federation agency has played a very important role in relationship to Park Regency. The Jewish nursing home receives many of its residents from Park Regency as the physical condition of the residents deteriorates due to the normal aging process. Although Park Regency was initially opened with a relatively younger population—an average age in the low seventies—today the average age of the 121 residents is 87, a figure that is actually 2 months *older* than the average age of the residents of the Jewish nursing home.

The JFCS was asked by the Federation to expand its services and provide for the needs of the Jewish elderly both at Park Regency and those still living independently in the community. In 1985, significant additional funding was provided by the Federation, allowing for the addition of a full-time staff member who would devote time to developing an aged services department within the agency. In a very short time, a wheels-to-wellness program was initiated, a part-time caseworker was hired, a home-maker was retained, and an aged services department emerged representing about

50% of the agency budget and services. The United Way recognized these new needs with significant additional funding as well.

By the last half of the 1980s resettlement assumed a larger portion of the budget as well. In 1988 the largest wave of refugees—numbering 28—arrived in Indianapolis.

In 1988 one other need emerged that is relevant to understanding the transformation of the JFCS. Several parents of developmentally disabled adults asked the Federation to develop a residence for their children when they would no longer be able to care for them. Over the next 2 years JFCS worked with the Federation to open a residence for developmentally disabled adults. The Jacobs Home officially opened in April of 1990 with five residents. The program was funded largely through state funds under a foster care program, with JFCS as the sponsoring agency. A householder was hired along with additional staff. JFCS served as the administering agency, as well as providing supervision to the staff. The Federation provided some additional funding (about 10% of the budget) plus the funds to purchase a 6500-square foot house with 5 acres of land.

Simultaneously to opening the Jacobs Home the gates of the Soviet Union opened, and the federations all became part of a Collective Responsibility plan requesting communities either to resettle a fair share of refugees or to pay into a national pool for that purpose. Since the formula for fair share was largely based on campaign results, Indianapolis, which has a very high per capita campaign, was obligated for a very large resettlement commitment: to increase resettlement by sevenfold or to pay up to \$200,000 into the national pool. The community chose to accept as many refugees as wished to come to Indianapolis as possible. From 28 resettled in 1988 the number of refugees skyrocketed to about 150 a year from 1990 to 1992. The burden of resettlement fell on JFCS, which initially

did not have sufficient volunteer or professional resources to cope with the arrivals. There were very few Russian-speaking individuals living in Indianapolis, courses in English as a second language were only offered sporadically, housing (apartments) in the northwest section of the city where the Jewish community lives was not plentiful, and that which did exist was relatively expensive because of the location.

To complete the transformation, by the late 1980s other sectarian social services agencies began identifying the northwest sector as a booming area, much in need of counseling services. The competition had a dramatic impact on the casework services being provided by the JFCS.

By 1991 the United Way in its annual review and allocation process noted the dramatic decline in counseling services provided by the JFCS and seriously questioned the duplication of services being provided by other agencies. Although it did not address the issue of the relatively low percentage of Jewish clients (only about 25% of clients served by JFCS were Jewish), the Federation and the JFCS board were very concerned about this issue.

In the spring of 1992 the JFCS board proposed the creation of the Counseling Network, a concept based on referring counseling needs, rather than providing direct services. The agency's own projections called for less than 600 hours of counseling (for the non-elderly) with about 25% being provided to Jewish clients. It was the sense of the board that hiring a full-time counselor to provide 600 hours of counseling was very costly, and to retain a part-time counselor was impractical since there were very few qualified counselors who wanted to work limited hours. Clearly, the answer was to develop other relationships, such as the counseling network described in the next article.

One of the major concerns during the deliberations was the Jewish component of counseling. Although the reality was that very few people chose JFCS counseling ser-

vices because of the Jewish auspices, it was still felt that a priority for the network would be for services to be provided by Jewish counselors. The other reality was that JFCS, had frequently employed non-Jewish counselors, thereby raising the question with the JFCS Board as to what exactly was the need for "Jewish" within Jewish counseling at JFCS.

The JFCS Board also felt that the Jacobs Home, which had seen two of its residents depart since opening and only had three residents, was taking too much attention of the board and staff for such a small number of clients. This left only two major functions still being performed by the agency: resettlement and senior services.

TASK FORCE

At the conclusion of the process that created the Counseling Network, the JFCS Board proceeded to the next logical step, which was to review the entire mission of the agency. In May of 1992 the JFCS Board passed a motion calling on the Federation to create a joint task force with JFCS for the purpose of reviewing the services offered and to explore other alternatives for continuing to offer them.

The task force was convened in the summer of 1992; its chair was a former president of JFCS and the JCC who currently served as president of Park Regency, the apartments for the elderly. The task force consisted of four Federation-appointed individuals and four JFCS-appointed individuals. It was staffed jointly by the executive director of JFCS and the executive vice-president of the Federation.

The task force operated under the mandate that it would review all services provided. It could recommend other ways of delivering the services or changes in the structure of the agency itself if deemed appropriate. However, the task force could not recommend completely terminating the services. After the task force thoroughly understood the functions of the agency, they were then to determine how to best deliver

those services.

As stated above in the review of JFCS' history, the agency had four functions that it performed in 1992: resettlement of 130 to 150 refugees a year, the operation of the Jacobs Home for developmentally disabled adults, a senior services department, and the Counseling Network. Resettlement and senior services accounted for about 90% of the clients and received about 90% of the United Way funds, the Counseling Network receiving the balance.

Other organizations within the Jewish community were also performing services for the same clientele. Park Regency, the JCC, and Hooverwood (the nursing home) all served the elderly in some fashion; Hooverwood was well qualified, as was Park Regency, to provide a residential environment; and the JCC coordinated the acculturation, camping, and day care services offered as part of the resettlement effort. This afforded the task force the opportunity to explore other means of service delivery without creating new structures or agencies.

The task force authorized exploratory discussions with the identified agencies for the possibility of shifting specific services to them. At the same time a financial analysis of JFCS was conducted, which revealed a potential savings of about \$200,000 if the agency was to be closed and the staff were to deliver the services under other auspices. The cost savings would come from the elimination of two to three administrative positions (executive director, bookkeeper, and one clerical position) and the closing of a separate JFCS office. The savings represented about 40% of the total budget of the agency and would almost completely eliminate the need for a Federation allocation, which totaled about \$280,000 in 1992. About \$80,000 of the allocation was for the administrative portion of the resettlement budget, which included all of the JFCS service providers for resettlement.

During the discussions with the various agencies, it became clear that the best option was to transfer the majority of JFCS'

services to the JCC. This decision had several advantages. No services would have to be terminated or discontinued where there was still an evident need. The JCC could enhance its own traditional services by creating and expanding on needed outreach services to non-members, such as the elderly, new Americans, college-aged youth, singles, and the like. The potential cost savings of \$200,000 could be almost totally realized. It would strengthen the JCC's relationship to the United Way, which would view this transfer as being responsive to the duplication of services issue. Finally, no direct service providers of JFCS would be terminated.

One service did not seem to fit within the JCC's mission or expertise: running the Jacobs Home. Since the community was committed to maintaining a residence, the responsibility of supervising its operation ultimately became the Federation's. Although almost all of the work remains with the staff of the home, the Federation comptroller is responsible for accounting for the state funding sources and the executive vice president for budgeting and supervision of the full-time live-in householder.

The recommendations of the task force were presented to the appropriate boards of directors of the JCC, the Federation, and JFCS during the fall of 1992. The proposal called for transferring resettlement services, senior services, and the counseling network to the JCC for administration and supervision, and the Jacobs Home to the Federation for administration and supervision. The transfer would be effective January 1, 1993. Throughout 1993 the comptroller of the Federation and the executive vice president of the Federation would work closely with the executive director of the JCC and the JCC comptroller to make the transfer as smooth and complete as possible. The task force would meet quarterly to monitor the process throughout the year.

The oversight and supervision of the remaining JFCS staff would be assigned to the assistant director of the JCC, with the

services being merged with some JCC services into an outreach department. The Counseling Network would be assigned to a qualified staff member who would devote 5 to 10 hours per week to this function.

All programmatic committees of the JFCS board of directors were also transferred to the JCC in order to ensure continuity and mission. The committee on counseling at JFCS would work with the appropriate JCC staff to establish and monitor the Counseling Network. The resettlement committee of JFCS would continue to serve as a committee of the JCC Board advising them on policies related to resettlement. The JFCS staff working with resettlement would continue to implement these policies as new staff members of the JCC.

IMPLEMENTATION OF THE TASK FORCE RECOMMENDATIONS

By the end of 1993 the transfer of services was completed. Much of the JFCS staff relocated into the JCC; at the end of February 1994, when the lease on the existing space for JFCS expired the entire remaining staff moved to the JCC. The allocation for 1993, exclusive of the resettlement staff costs, was reduced from \$200,000 to \$50,000; most of that \$50,000, which paid for the continuing rent on the office space, will disappear for 1994. The JCC has been successful in building a new department and expanding its services as well. In 1993, the JCC resettled 188 individuals, far eclipsing the previous high of 134 and allowing Indianapolis to exceed its obligation to collective responsibility.

The Jacobs Home under Federation supervision has operated very smoothly throughout the year. New additional funding has been secured, and the three residents have progressed well. A network has been developed providing consultation services and assistance in the event of emergencies. This service was relatively easy to transfer and absorb.

The services absorbed by the JCC, however, were much more complicated and re-

quire special analysis. Several areas require special consideration since they represent the four most critical areas for discussion before the actual merger: personnel, agency (JCC) mission, method of operations, and finances.

Personnel

The transfer of personnel is by far the most complicated area when undergoing a merger of two agencies, such as a JCC and JFCS. In many cases, personnel considerations are often neglected or undervalued. The individuals who are being affected need to be involved in every aspect of the discussions. In many cases the personnel could be the determining factor in success or failure. In the process in Indianapolis, it was very difficult to involve the personnel before the task force completed its work and the boards approved it since it was not always clear what direction the transfer would take, which agencies would be involved, and what staff would be able to continue. However, frank open discussions were held between the president of JFCS and all of the JFCS staff and later at joint staff meetings between the JFCS and JCC staffs.

These personnel issues were considered:

- How will staff, the volunteers with whom they work, clients, and administration (who were likely to be directly affected through loss of jobs or radical changes in job descriptions) react to the merger?
- How does the surviving administration handle issues of morale?
- Even if staff continue to function, there will likely be changes in job descriptions in order to be compatible with the surviving institution. How will they react to these changes?
- How can salaries, benefits, and personnel policies be adjusted to make them uniform without adversely affecting any staff and yet ensuring that no one is discriminated against?
- Can personnel recognize the greater

good that is being attempted, and will they accept lower-level positions (and perhaps some individual sacrifice)?

Mission

It is essential to consider to what extent the missions of the agencies to be merged are similar or different. The task force was concerned how adopting or modifying the mission of the JCC would affect its more traditional mission.

Method of Operations

One must consider to what extent the methods of operations of the agencies to be merged are different or similar. The JCC is a traditional "group work" oriented agency that relies heavily on large numbers of volunteers to carry out its programmatic functions. Most importantly it is a membership agency gearing its services to its members, for a fee. JFCS was traditionally "case-work" oriented, focusing on the interpersonal aspects of the client and driven by the need to intervene, rather than the needs of the membership.

Financial Health

The financial health of each organization and the capacity of staff to manage the new system are important considerations. In mergers the whole is greater than the sum of its parts. That is, transferring responsibilities by reducing the workload of one side of the equation never directly offsets the increase in the workload on the other side of the equation. One example was the elimination of one head bookkeeper at JFCS. Although basic data entry was performed by a staff member who continued after the merger, the bookkeeping position that was terminated took with it a great deal of knowledge about special needs of resettlement accounting, operations of loan funds, and the like. The remaining bookkeeper to the comptroller of the JCC had little knowledge of these special duties and the policies that had been in place. A tremendous

amount of additional time and effort was required for the comptroller to become knowledgeable enough to provide appropriate supervision of the remaining bookkeeper and, with it, to provide an adequate comfort level for the Federation and JCC leadership that income was being maximized and expenses were being well controlled.

RECOMMENDATIONS WHEN UNDERGOING A MERGER

- Recognize that the merger will not solve all of the problems. It may create new ones.
- Allow as many people as possible to participate in the planning and implementation process.
- Allow for choices and compromise.
- Share information at all levels.
- Avoid surprises.
- Allow for an adequate "honeymoon" period and then extend it.
- Recognize anxiety and fear from both directions.
- Maintain loyalty and commitment.
- Expect a loss of productivity at first.
- Offer as much support as possible.
- Recognize the work of those you expect to manage the new system.
- Allow for additional compensation for a short time.
- Allow for a "mourning" period for lay leadership and staff.
- Celebrate together. This is a marriage, not a takeover.

Peter Drucker, a professor of social science at Claremont Graduate School in California and a leading expert in business and management, describes the malaise that companies sometimes experience and what steps need to be taken to bring about a turnaround. A company beset by malaise and steady deterioration must demonstrate a willingness to stop saying "We know," but must be willing to say "Let's ask." Organizations, like businesses, cannot rely on a successful past to ensure future success. It is not always business as usual.

The process that determined the transfer of services from a previously successful agency to another agency was a traditional planning process. It was the same process that the Federation used in reviewing other agencies in recent years. Specifically, the Jewish Community Relations Council and the Jewish educational institutions went through similar planning processes in order to redefine their missions and determine the most efficient ways of carrying out their missions and delivering their services.

Although change is always difficult, it is also inevitable. Sometimes it is controlled, and other times it may evolve regardless of

what action may be taken. Change is more difficult when traditions are associated with it. In disbanding the Jewish Family and Children's Services in Indianapolis we were fortunate that the people for whom the tradition was so meaningful saw the benefits of the merger and the transfer of services. Although the end result may have been the disbanding of the Jewish Family and Children's Services, the community has not disbanded the Jewish family and children's services. The community has found another and perhaps a better way to accomplish the same objectives and deliver the same services.