

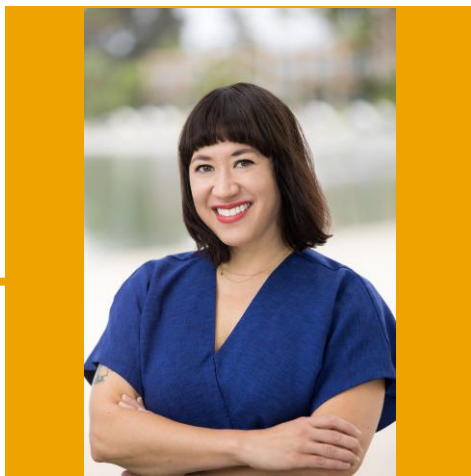


Strategic Collaborations

La Piana
DRIVING SOCIAL IMPACT since 1998

Ali Carella, Ph.D.
Senior Consultant
La Piana Consulting
9/24/25

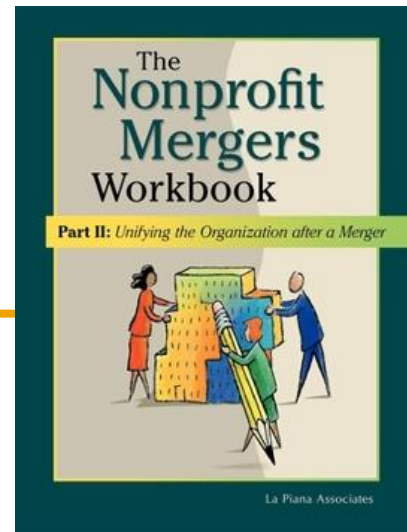
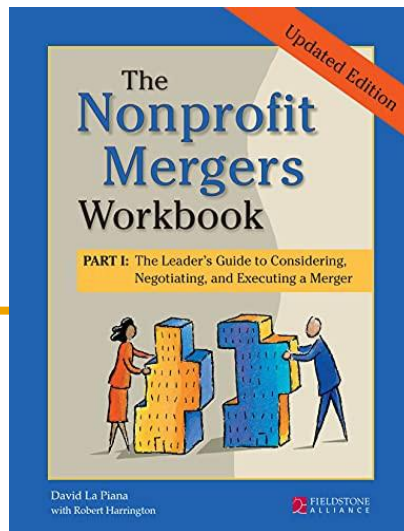
Introduction



Ali Carella, Ph.D.

(she/her/hers)

Senior Consultant



Introductions in Chat

- ✓ Name
- ✓ Role
- ✓ Pronouns
- ✓ Organization
- ✓ One word to describe how you're
feeling entering today's conversation



Participation Norms



Be present and open



Share generously and listen actively



Confidentiality: what's shared here stays here



Take what you need, leave what you don't

Objectives

1. Understand the different types of collaborations
2. Learn effective strategies for building and maintaining successful partnerships
3. Learn steps to develop an actionable plan for a strategic collaboration

The Fist to Five Voting Method

On the count of 1-2-3, everyone simultaneously raises a fist with 0, 1, 2, 3, 4 or 5 fingers extended to express how you feel about the decision.



Strongly Disagree



Strongly Agree



Our organization...

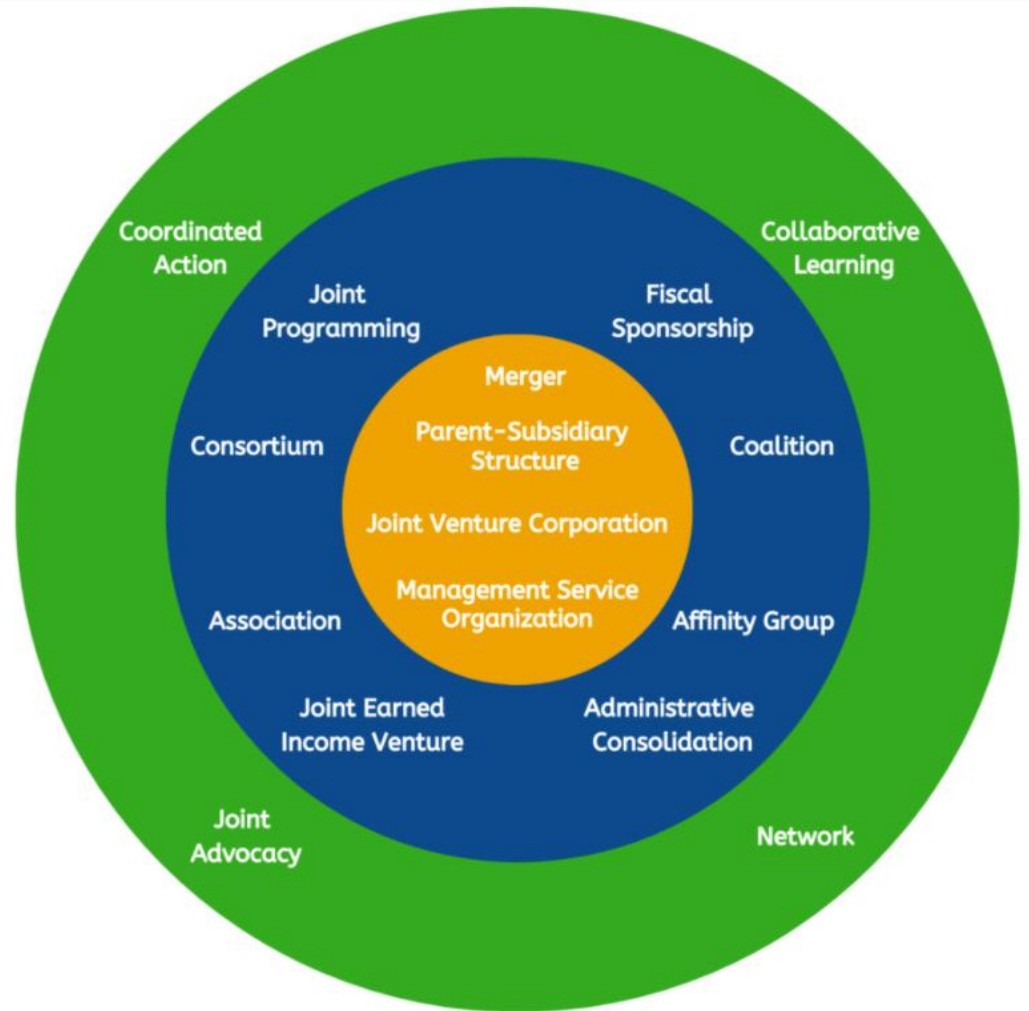
- Has strategic partners we **regularly cooperate with** to achieve a larger mission impact
- Regularly interacts with other organizations to **share knowledge and information** (e.g., part of an association or coalition)
- Contracts with other organizations to **provide services** we are not able to do “in-house”
- Has prioritized "partnerships" in our **strategic plan**
- Has **pursued funding** with another organization for a joint project or program
- Relies on the **outcomes** of another organization

**What do we mean
when we say,
“Strategic
Partnerships”?**



Collaborative Map

- **Collaboration**
- **Alliance**
- **Strategic Restructuring**



For Profit v. Nonprofit Mergers



For Profit Organizations

- Has **owners** who base business decisions on a **financial bottom-line**.
- Can use **financial incentives** to encourage an “acquisition”.
- May **create efficiencies** through staff reductions.
- Process revolves primarily around **due diligence** (lawyers, investment bankers, and accountants analyze the transaction).



Nonprofit Organizations

- Has a **volunteer board** whose role is to uphold the **public trust**– it must base decisions on **mission impact and alignment with shared values**.
- **Grounded in mission** and advanced by the **trust and relationships** between leadership.
- Merging is more about **positioning for growth** than eliminating redundancies.
- Process must determine whether there is **alignment of vision, mission and values** followed by due diligence (legal assistance is critical).

The Multiplier Effect

*Collaboration enhances the capacity of participating organizations for **mutual benefit** and to achieve a **common purpose**.*

Building & Maintaining Partnerships

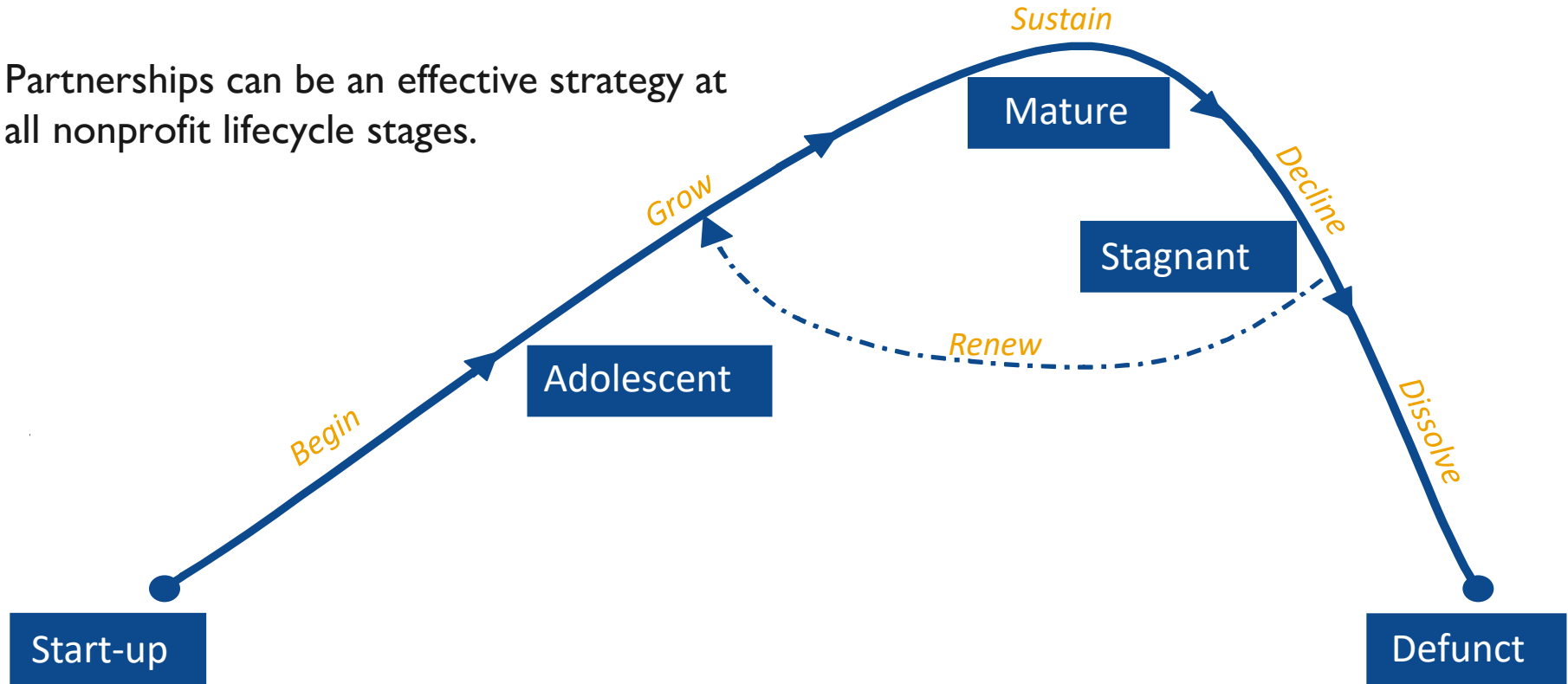


Nonprofit Organizations Motivations for Collaboration



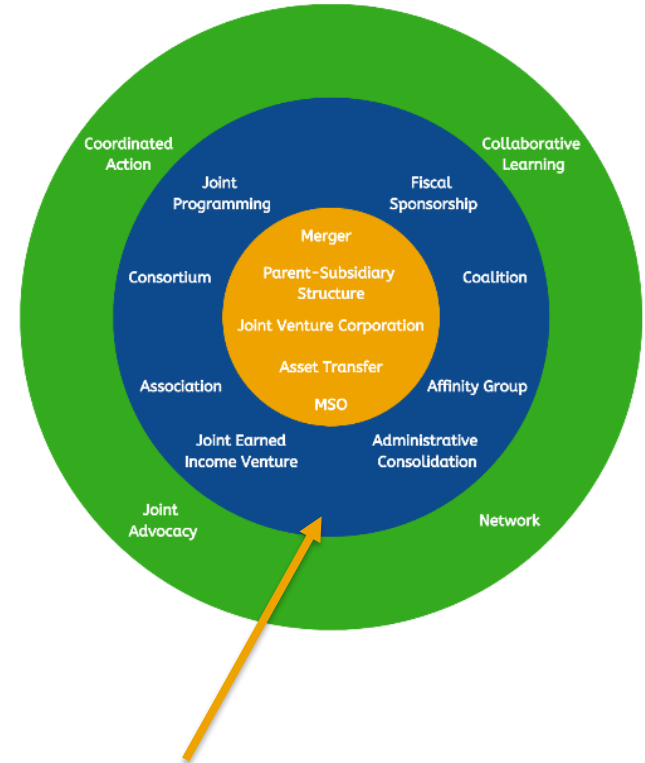
Nonprofit Lifecycles

Partnerships can be an effective strategy at all nonprofit lifecycle stages.



Reasons to Consider Something Short of Merger

- Alliances offer a range of solutions to specific operational challenges.
- Avoiding or postponing a structural change can save time and money.
- Alliances can provide time to build trust.
- Both sides can consider deeper integration in the future, if appropriate.



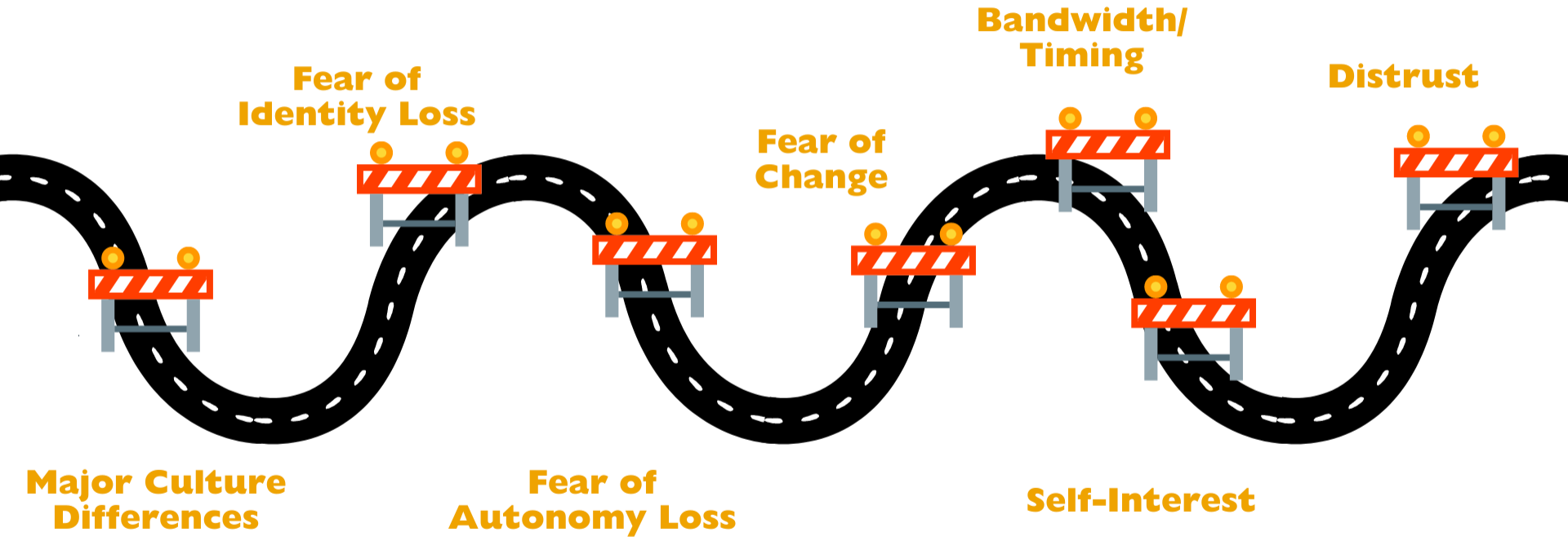
Success Factors and Challenges



Success Factors



Understanding Roadblocks

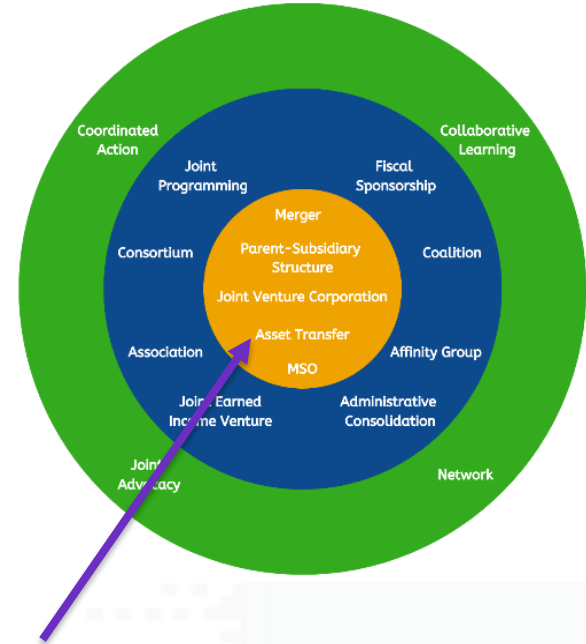


Addressing Challenges

- **Agreement Clarity.** Be sure to determine...
 - What will and will not be provided by the partnership?
 - Who will perform what tasks and how will compensation work?
 - What will we/won't we offer together v. separately?
 - Who will pay for what? What will we charge?
 - Who will hold the money?
- **Gaps and Overlaps.** Provide rationale on...
 - Specific complementary skills, capacity, or capabilities that fill gaps/create synergies to make a greater impact
 - What happens when there are redundancies?
- **Culture.** Clarify in advance...
 - How will decision-making and authority work?
 - How to share and coordinate the work of a collaborative project – processes, systems, ways of doing things



The Inner “Restructuring” Circle: What will it take?



Managing a Strategic Restructuring

Timeline:

- Assessment can take **1-12 months**
- If no time pressure, **3-5 months** for negotiation is ideal
- Timeline depends on priority issues and committee bandwidth
- After agreement, it can take **12-18 months** or more to fully operationalize the integration
- True cultural integration may take additional time

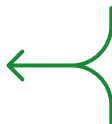


Resources Needed



Negotiations:

- Third-party consultant to facilitate exploration
- Support for financial due diligence
- Attorneys for legal due diligence



Integration:

- Attorneys to draft legal agreements, submissions to regulators, board resolutions, and new bylaws



Implementation Planning & Execution:

- Support for cultural integration
- IT support to integrate systems / data
- HR / Legal support to integrate staff
- Consulting support for strategic planning
- Marketing / Communications / Branding support

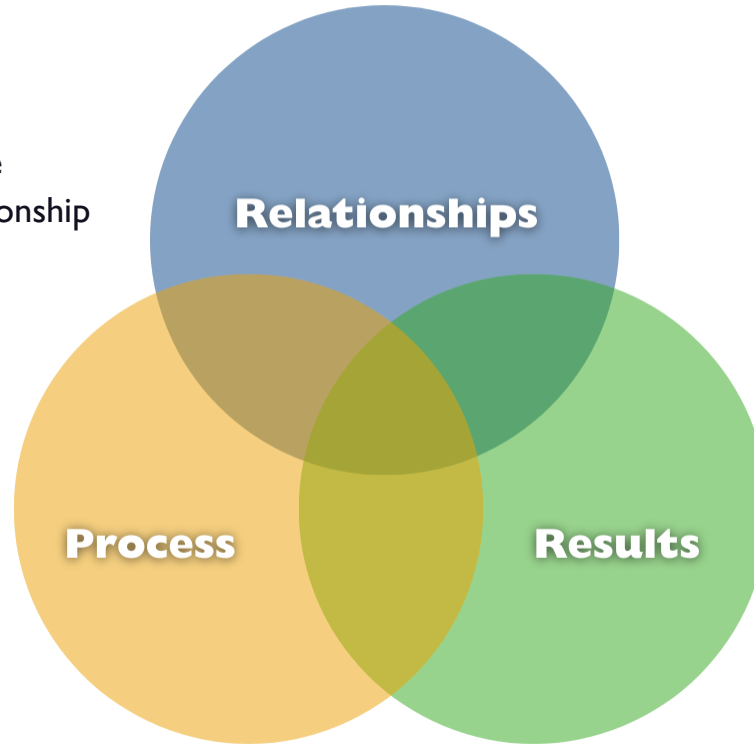
Managing a Strategic Restructuring

Relationships

- Trust
- Mutual Respect
- Shared Purpose
- Working Relationship
- Skills Match

Process

- Assessment
- Financial Due Diligence
- Negotiations
- Implementation
- Integration

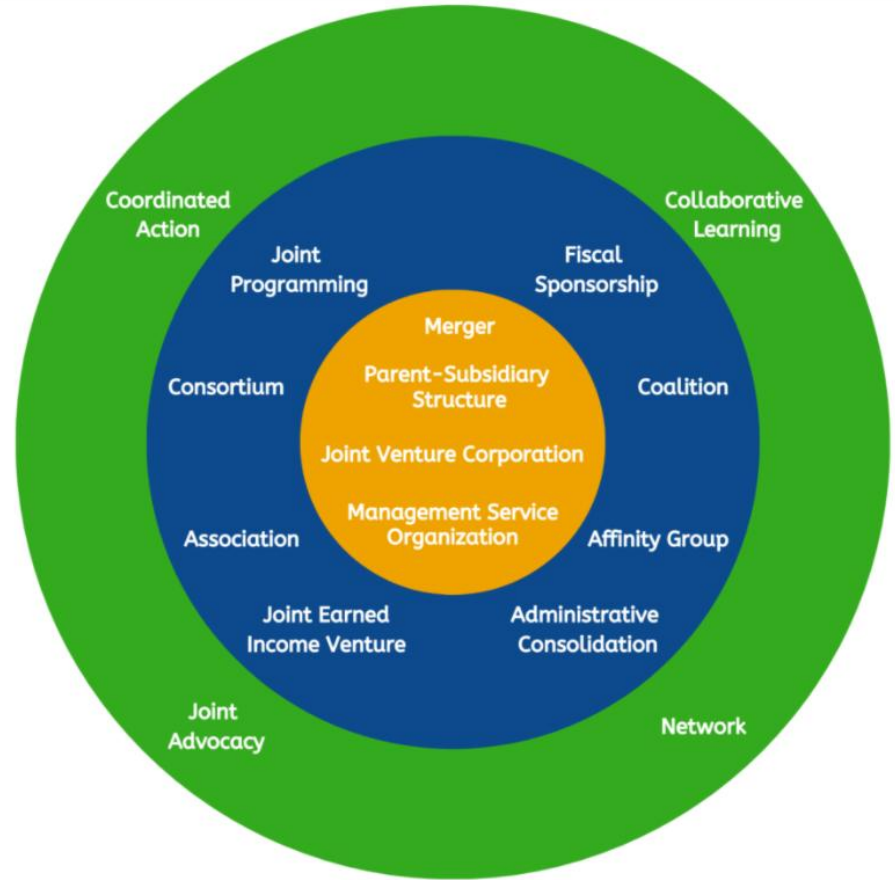


Results

- Mission Enhancing
- Program Strengthening
- Legally Sound
- Financially Viable
- Publicly Supportable

Group Discussion

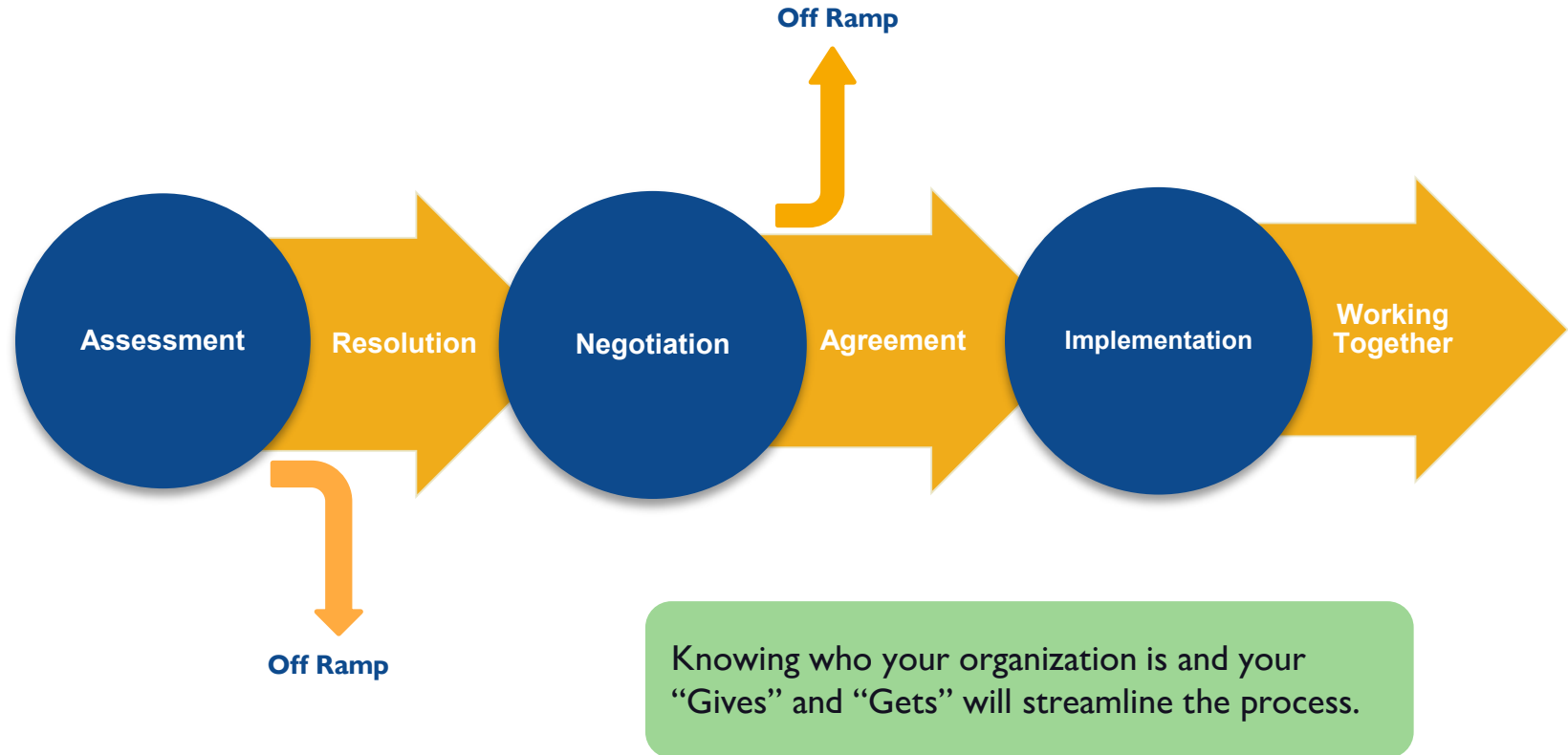
- What **key gaps** could a strategic partnership have the greatest impact on helping you fill? (e.g. recruitment of staff, analyzing financial statements, IT infrastructure)



Getting Started & Sustaining Partnerships



A Strong Process Supports a Range of Outcomes



Exploring a Collaboration



INTERNAL ASSESSMENT

Factors to Assess:

Motivators

Desired outcomes

Critical issues

Organizational factors
or “red flags”

Financial assessment



IDENTIFYING POTENTIAL PARTNERS

Which organizations are
closest to you?

Offer same/similar
programs/services

Have geographic or
“consumer” overlap

Seek funding from the
same sources

Compete for media
attention, staff, or board
members



ASSESSING POTENTIAL PARTNERS

Level of trust

Past experiences

“Usable” skills and
assets

Cautions and
challenges

Mission and program
compatibility and
complementarities

Financial condition

Self Assessment (Give/Get)

- What **goals or outcomes** does your organization hope to accomplish through a partnership with one or more organizations? (expand programming/service, expand constituency/geographic scope, improve outcomes, reduce operating/admin costs, gain skills/capabilities, enhance reputation...)
- What **key gaps** could a strategic partnership have the greatest **impact** on helping you fill? (e.g. recruitment of staff, analyzing financial statements, IT infrastructure)
- What **strengths, capabilities, activities or services** do you have the **capacity to offer** in that will attract potential partners?

Partner Assessment

- Does the potential partner have the **capacity and strength in specific areas/activities** that could benefit your organization?
- What are the **major gaps of the potential partner** that you could help them fill? Are you prepared to fill them?
- Are there **areas of overlap or competition** that might lead to tension or lack of trust?

Initial Conversations: Considerations on the Approach

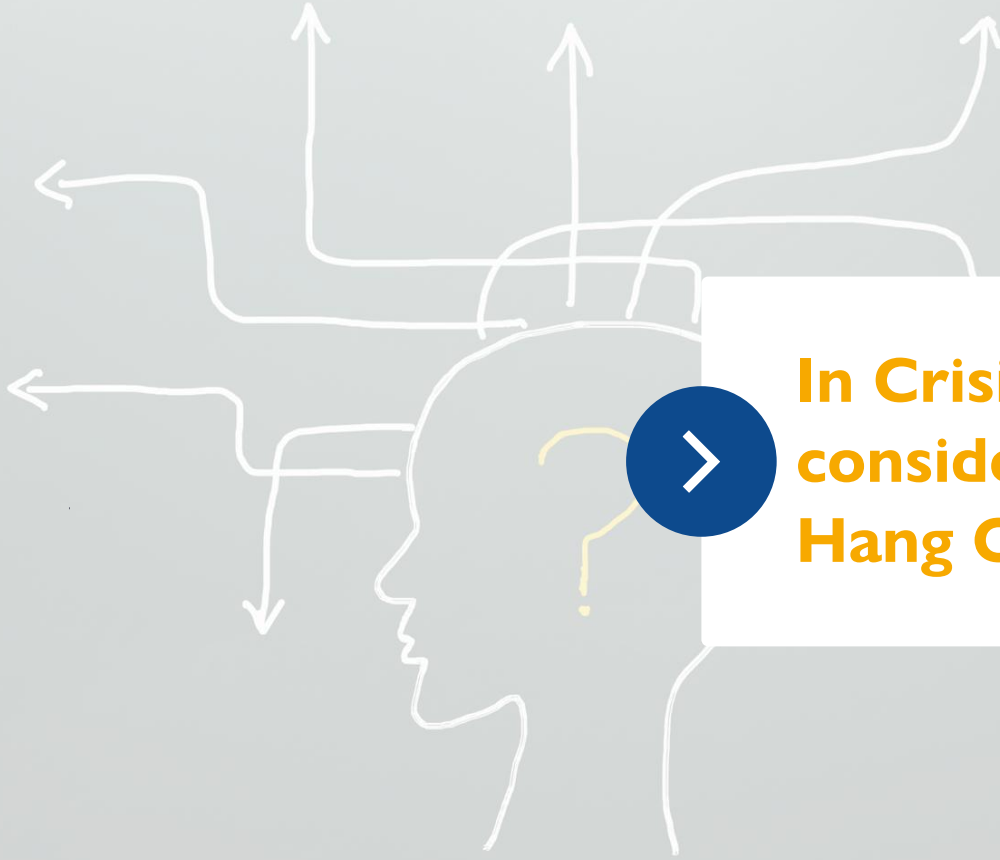
- Know yourself (your organization) and be ready to articulate this. Is partnership in your strategic plan? Has staff leadership discussed potential partnership with the Board? Get aligned and have your story straight before approaching a partner.
- Mergers are a strategic organizational decision. Board President to Board President to open discussions (if you know this is the strategy you want to pursue).
- Alliances are staff driven. ED/CEO to ED/CEO to open discussions since no structural change anticipated.
- If unsure what structure is best, can do either or as a team.
- Clarify confidentiality needs (NDA etc.)

Sustaining Collaboration

- Make it official by documenting mutual commitments
- Plan for leadership turnover
- Make data work for you and track progress toward key outcomes
- Cultivate broader involvement beyond the core group
- Continually learn from and adjust what you are doing
- Build on the experience and your understanding of the issues you are addressing

Group Discussion

- What **goals or outcomes** does your organization hope to accomplish through a partnership with one or more organizations? (Expand or improve services, geography, outcomes? Operation or reputational needs? Other?)



**In Crisis Situations, how to
consider whether to
Hang On, Merge, or Sunset**

You might strategically pivot if you:

- Believe your organization can fight or outlast the disruption
- Can adjust expenses or draw on reserves to continue operating, even if at a reduced capacity
- Can adapt programs, services, or branding to sustain operations



Strategy

Hang On

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You might seek to merge if you:

- Are uncertain if your revenue and cash position will sustain your organization
- Have sufficient runway for partnership negotiations and implementation
- Have one or more programs that can survive even if the organization cannot
- Have in mind a potential partner that is either stronger or complementary (& you are both stronger together)

This collaboration may be a "true" merger or some other form of strategic partnership



Strategy

Merge

You might strategically wind down if you:

- Face significant reduction in demand for your offerings
- Have no line of sight to sufficient cash to support operations
- Can identify assets or programs to transfer to a surviving organization
- Have a disengaged board



Strategy

Sunset

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Closing Thoughts

- Collaborations are part of an impact strategy
- First, clarify the goals of the collaboration, then pick a structure; know the costs and benefits of your chosen option
- Collaboration takes time, resources, authentic stakeholder engagement, and capacity
- A strong process will provide confidence and structure
- The more integrated the collaboration, the more likely some supporters will choose to leave



Q & A

Appendix

Survey & Trends

Based on La Piana Consulting's
Ongoing Analysis of "One-Year
Post-Merger Client survey"

Timing



86%

COMPLETED THE **ASSESSMENT** PHASE
WITHIN 12 MONTHS

89%

REPORTED THE **NEGOTIATIONS** PHASE
TOOK 12 MONTHS OR LESS

50%

REPORTED THAT **IMPLEMENTATION**
TOOK UP TO ONE YEAR

Positive Impacts

TOP POSITIVE IMPACTS FROM THE **ASSESSMENT** PROCESS

72%

AGREED THE **ASSESSMENT**
PROCESS WAS VALUABLE

86% BOARD
ENGAGEMENT



93% FINANCIAL
STRATEGY/AWARENESS



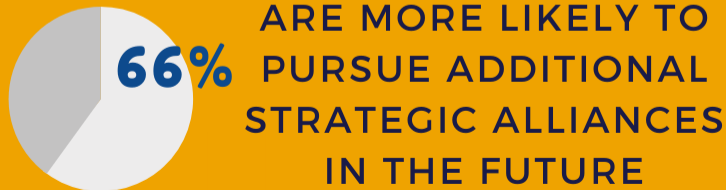
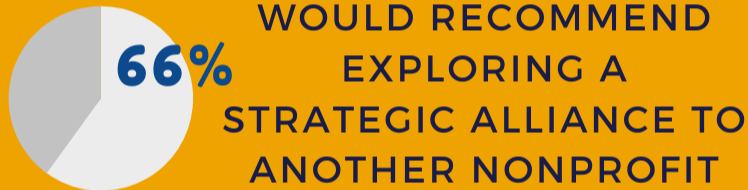
86% INTERNAL CLARITY
AND STRATEGIC DIRECTION



93% OPENNESS TO FUTURE STRATEGIC
PARTNERSHIP OPPORTUNITIES



Overall Impact



“ I WOULD NOT HAVE BELIEVED WHAT A POSITIVE CHANGE THE MERGER HAD ON OUR AGENCY, AND OUR COMMUNITY. WE ARE ABLE TO DO SO MUCH MORE THAN I EVER ANTICIPATED. ”

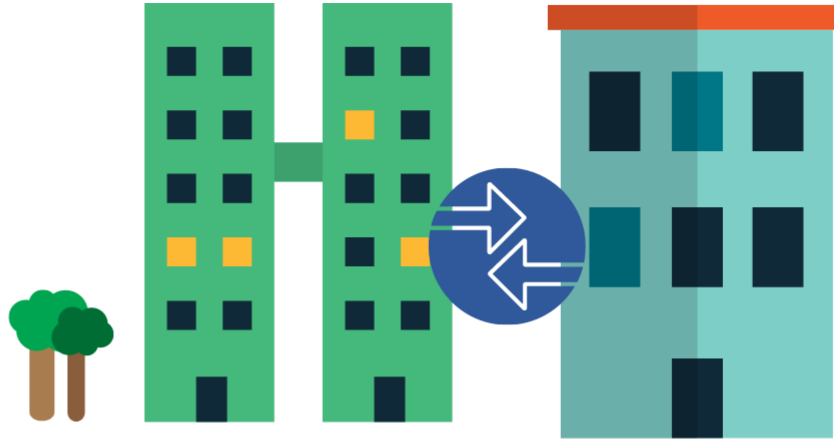
Impacts & Challenges

TOP INTERNAL IMPACTS:

- FUNDRAISING
- PUBLIC VISIBILITY
- EXPERTISE
- FINANCIAL HEALTH

TOP COMMUNITY IMPACTS:

- PROGRAM RANGE/SCOPE
- PROGRAMMATIC OUTCOMES
- GEOGRAPHIC SCOPE



TOP CHALLENGES:

- COORDINATING/INTEGRATING OPERATIONS
- CREATING A SHARED CULTURE
- ACCEPTING CHANGE
- INTERNAL AND EXTERNAL COMMUNICATION

Impact: Negotiations

TOP POSITIVE IMPACTS FROM THE NEGOTIATIONS PROCESS

“

WE ARE NOW APPROACHED
BY OUR COLLABORATIVE
PARTNERS IN THE
COMMUNITY, BECAUSE OF
OUR REPUTATION OF BEING
ABLE TO QUICKLY RESPOND
TO NEW OPPORTUNITIES, AND
OUR SUCCESS IN TERMS OF
RESULTS.

”

100% EXTERNAL REPUTATION

**100% INTERNAL CLARITY AND
STRATEGIC DIRECTION**

**100% ABILITY TO THINK
STRATEGICALLY**

**88% FINANCIAL
STRATEGY/AWARENESS**

78% FUNDRAISING



Strategic Relationship Trends

- Mergers and other types of collaborations as a **competitive strategy**, rather than solution to crisis
- Increased interest and activity **across the sector**
- **Funder interest** in multi-organization partnerships or mergers (e.g. not 2, but 5 organizations integrating)
- Increased interest among **national organizations**
- Increased interest in **administrative consolidation**
- Increased interest in **asset transfers** as an alternative to dissolution

Additional Reading

- Background Grounding: [Merging Wisely](#) (SSIR 2010)
- Recent timely articles:
 - [Programmatic Asset Transfers as a Strategic Tool for Social Impact](#) (SSIR Spring 2025);
 - [Exit to Open](#) (SSIR April 2025);
- Related La Piana Blogs:
 - [Don't Be Late to the Party](#) - (La Piana Blog 2024)
 - [Bridging the Power Imbalances in Merger Negotiations](#) (La Piana Blog 2024)
- [La Piana Mergers and Alliances Toolkit](#)

La Piana Resources

On the La Piana Consulting website, we have posted a number of helpful [blogs](#) related to nonprofit partnerships.

- [It's a New Day for Mergers \(and Non-Merger Mergers\)](#) – The rise of a range of approaches to collaborative solutions
- [Mergers from a Position of Strength: A Bold Opportunity for Today's Nonprofits](#)
- [Don't Be Late to the Party](#) – The case for proactive approaches to nonprofit merger
- [When Does It Make Sense to Talk Merger?](#)
- [How Funders Can Support Strategic Partnerships in a Time of Crisis](#)
- [Three Ways Boards Advance Strategic Partnerships](#)
- [What Our Founder Learned From His First Nonprofit Merger](#)
- [Bridging the Power Imbalance in Merger Negotiations](#)
- [The Human Side of Mergers: Nurturing Trust and Overcoming Resistance](#)
- [When Shared Vision is not Enough](#)
- [Unlikely Alliances: How Nonprofits Can Acquire For-Profits as a Strategic Option](#)
- [Announcing Your Merger Publicly: Best Practices for Nonprofits in 2025](#)
- [It Takes a Team: Launching Your Merger Successfully](#)





Thank you!

Ali Carella, Ph.D.
carella@lapiana.org

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