NonprofitGPS | Chart your future business model with new insights and connections

If a Nonprofit Merger is the Answer, What is the Question?

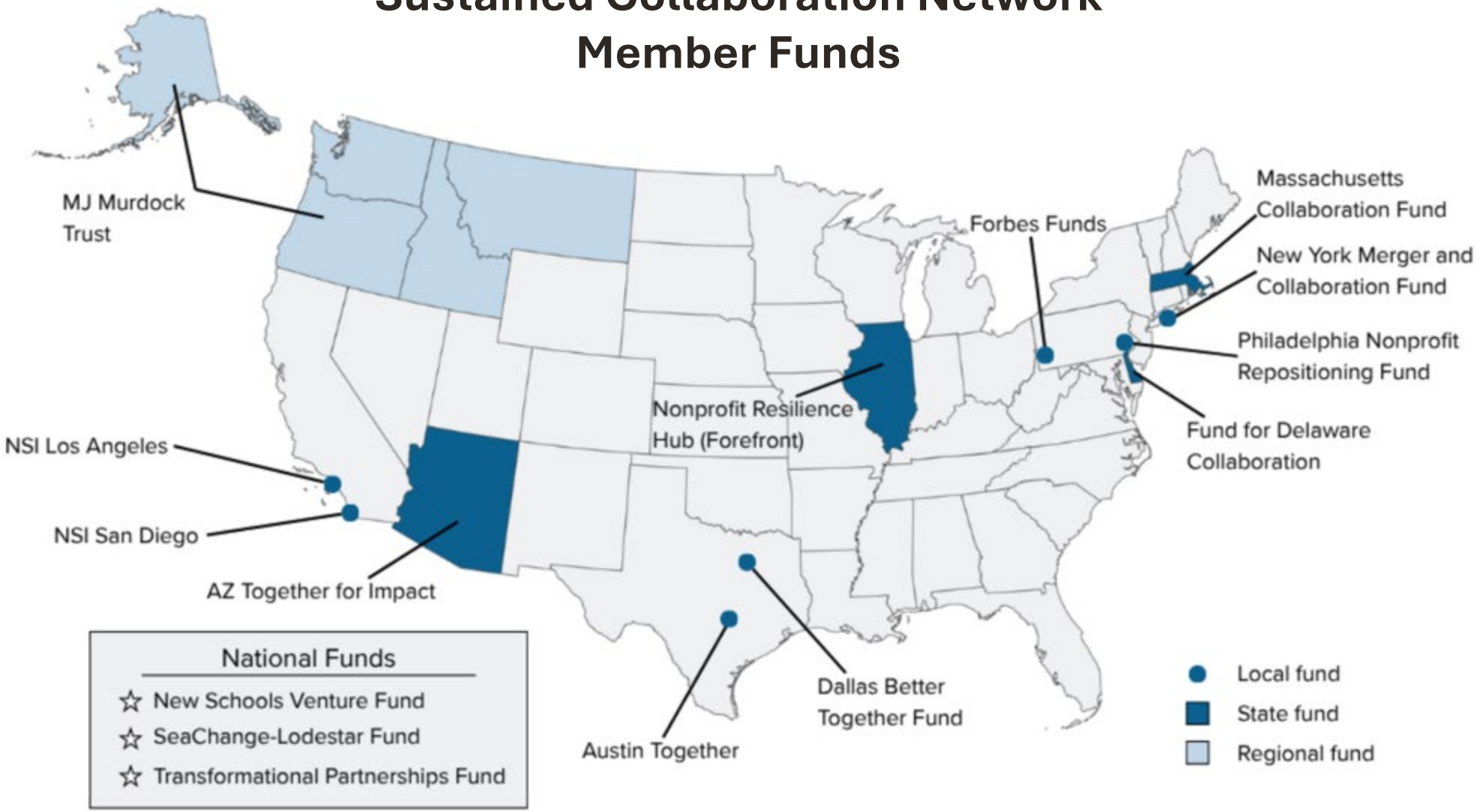
Reviewing Our Interorganizational Options in 2026

June 18, 2026

Nonprofit GPS
A field-driven collaboration led by:
Nonprofit Financial Commons, **BDO Nonprofit & Grantmaker Advisory**, and **Philanthropy New York** —
with tools and frameworks from StrongNonprofits.org and insight from regional networks across the nation.

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Sustained Collaboration Network Member Funds





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Defining Sustained Collaboration

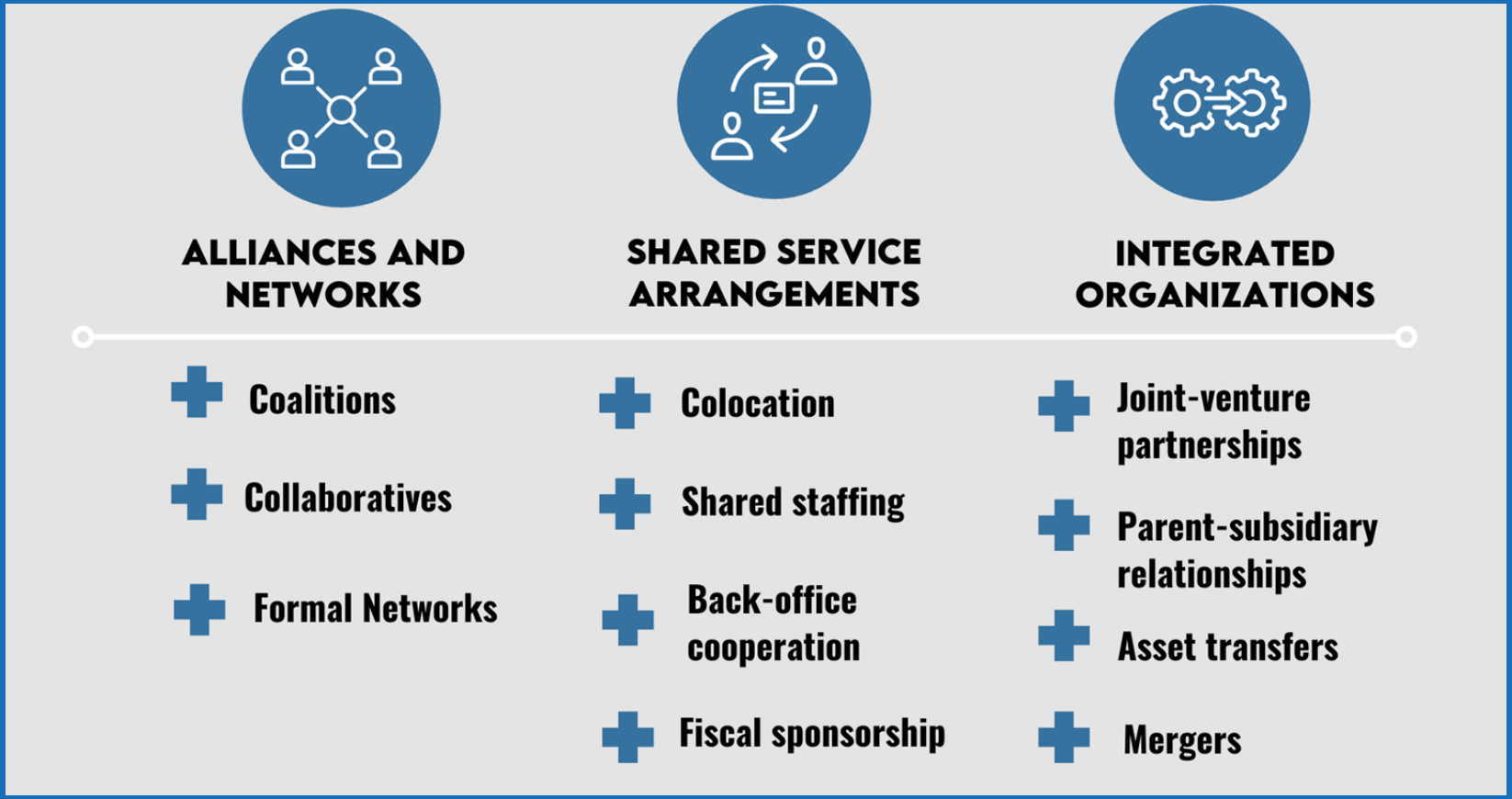
Sustained collaboration is a continuum of organizational strategies for structured collaboration that represent a **permanent change to the business or operating models** of two or more nonprofits.

The goal is not fewer nonprofits, it's **greater mission impact**.

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What does Sustained Collaboration look like?

Not all partnerships are mergers. Collaborations can take many forms:



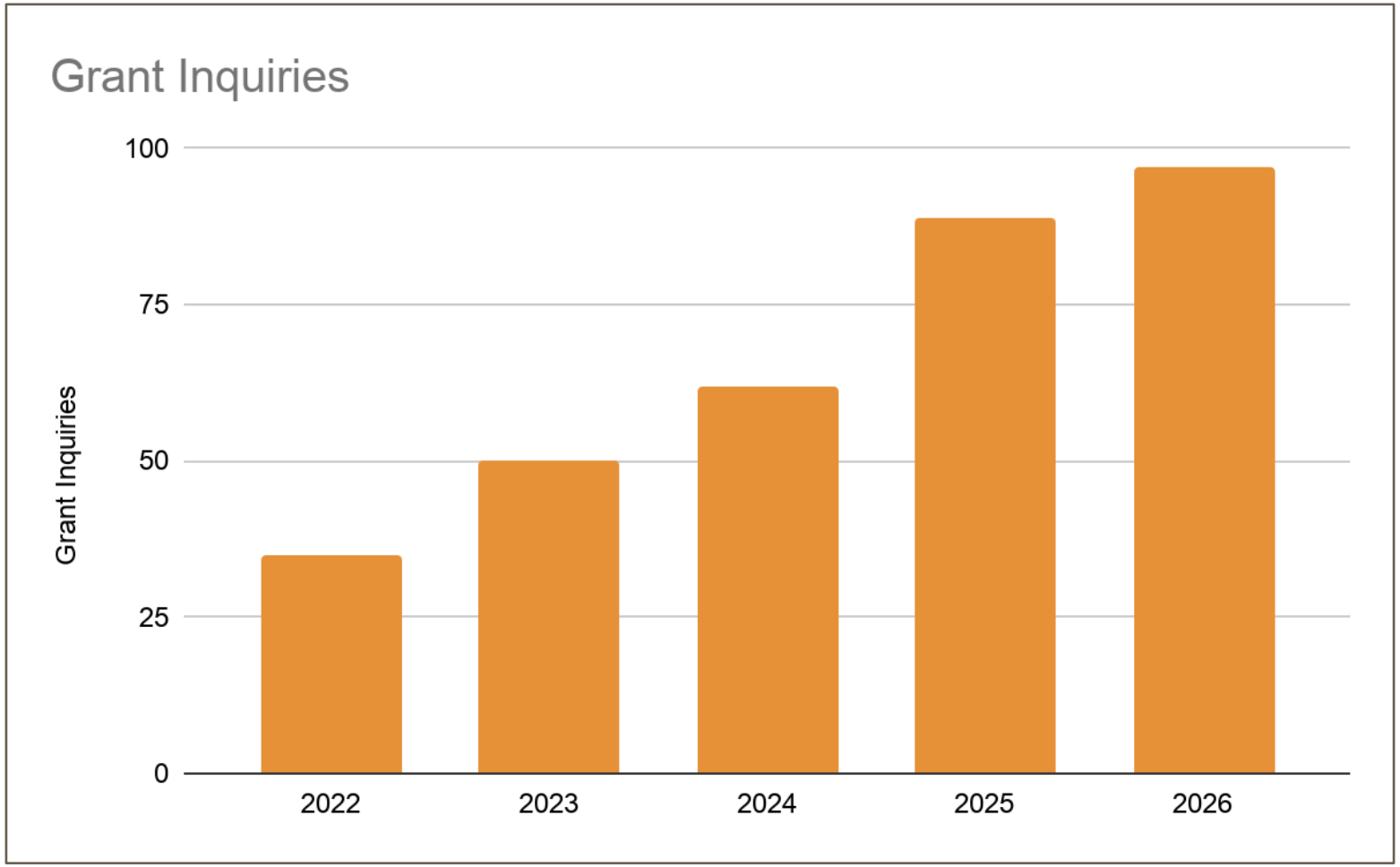
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Common Catalysts for Sustained Collaboration

- Executive transition
- Demand for services exceeds org. capacity to deliver
- Loss (or anticipated loss) of major revenue stream
- Policy changes which impact operations / programming
- Desire to grow / achieve economies of scale

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Trends in Sustained Collaboration



- Increase in catalyzing circumstances
- Signs of scenario planning at scale

Inquiries exceed this time last year, a record-breaking year for inquiries

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Defining Success

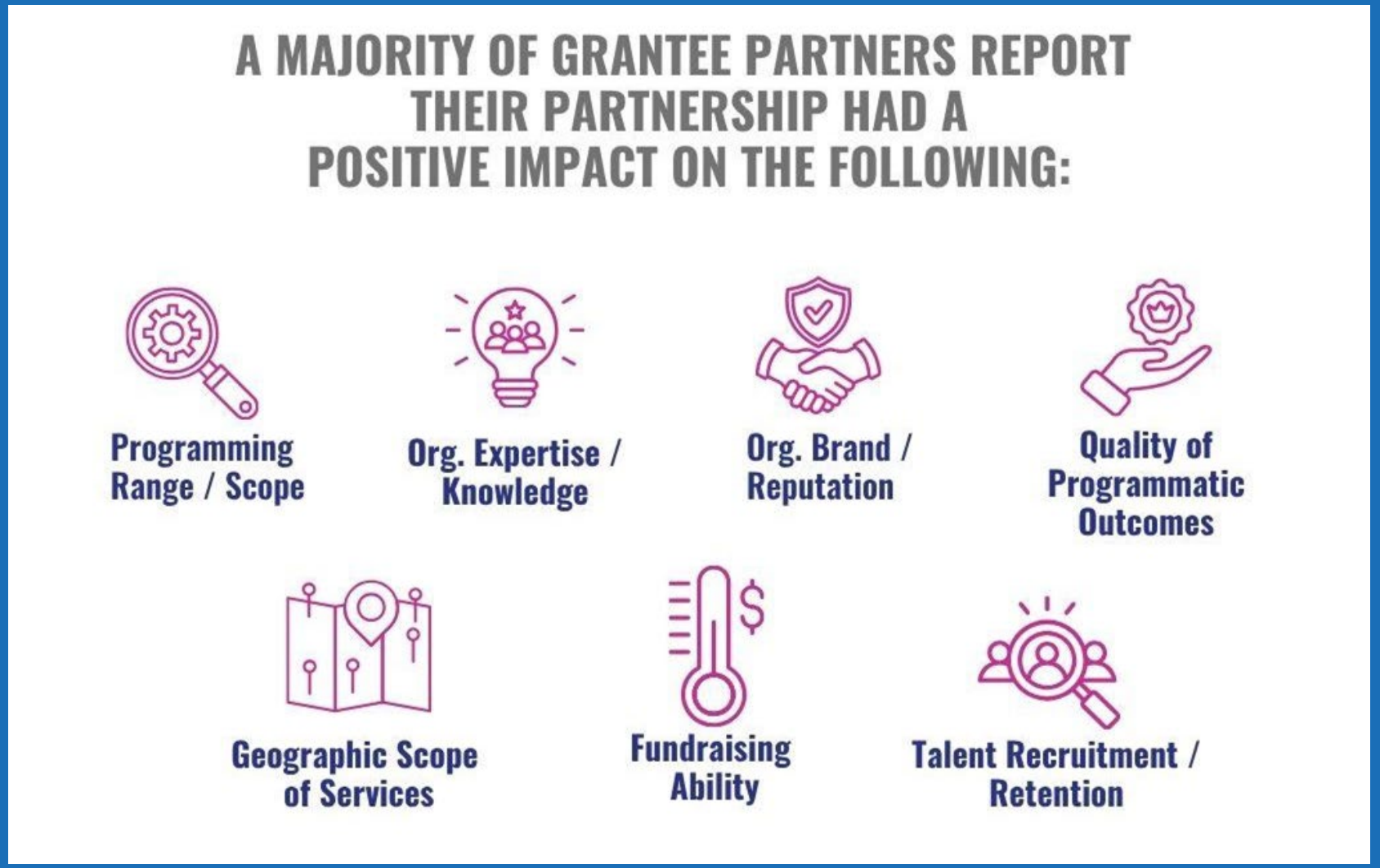
Nearly 100% of grantee partners, regardless of if they get to an agreement, report value in the process:

Predictors of Reaching Agreement:

- **Time to devote to process**
- **Organizational clarity regarding what the org. aims to gain through process**
- **Honest, upfront conversations with partner(s)**
- **Compatible missions, organizational cultures, and values**
- **Engaged a neutral, third party facilitator**

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Organizational Impact



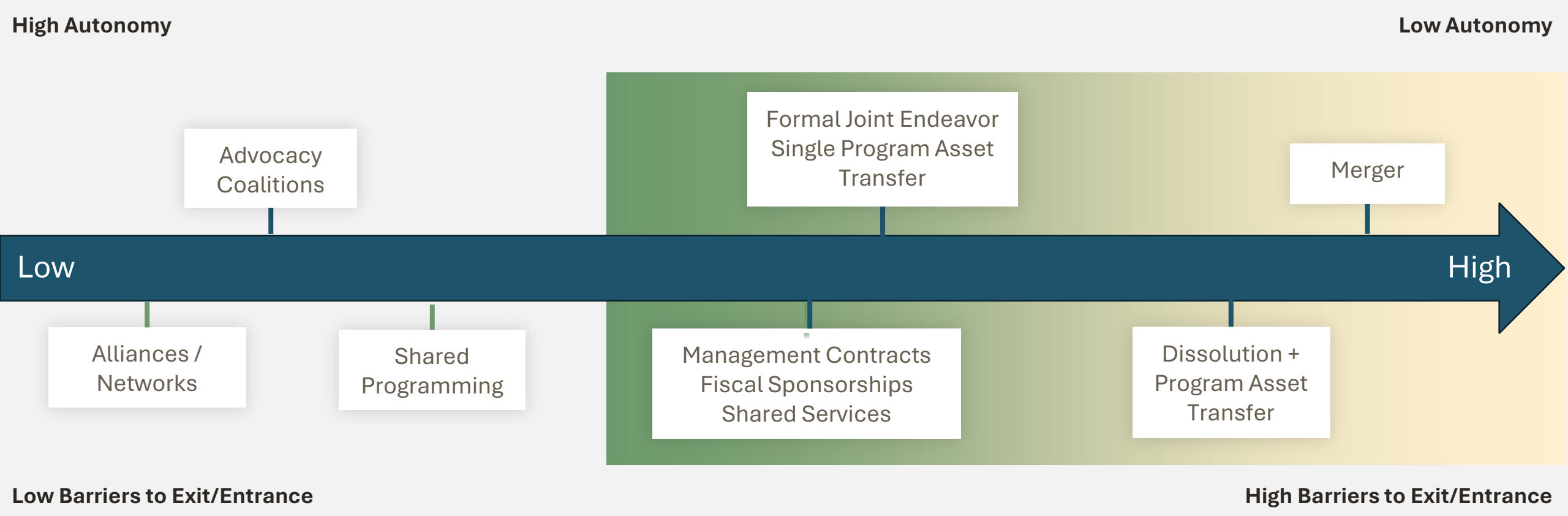
54 respondents, 2 years post implementation

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Q & A

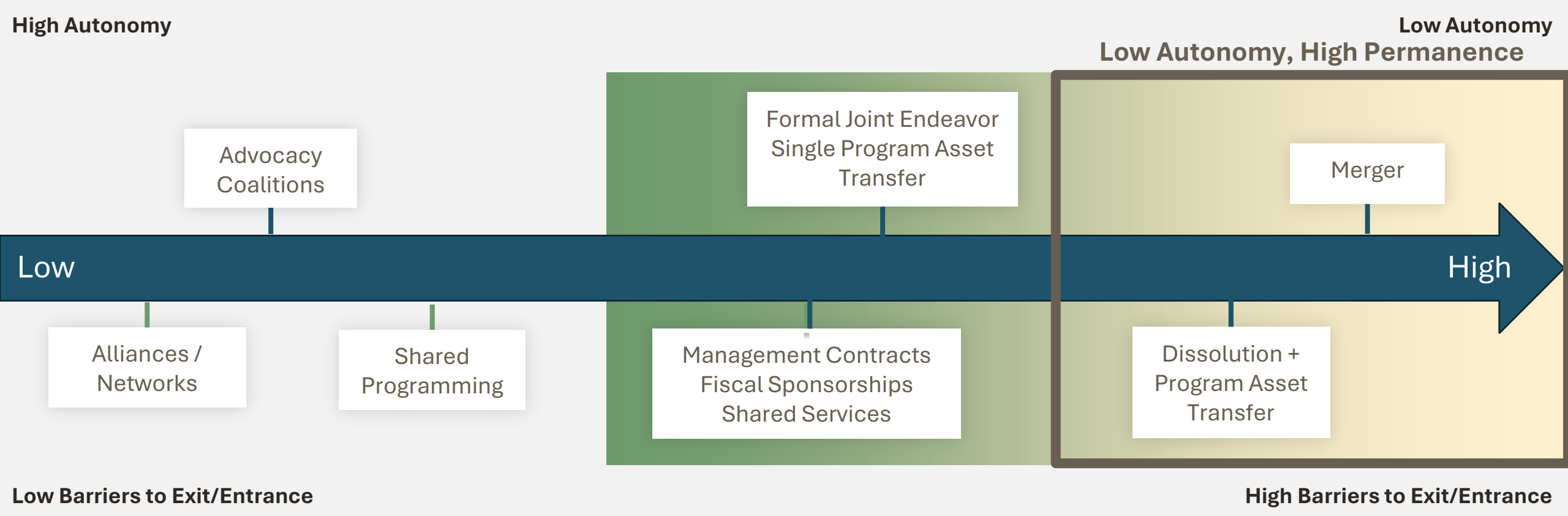


Examples of Nonprofit Interorganizational Restructuring



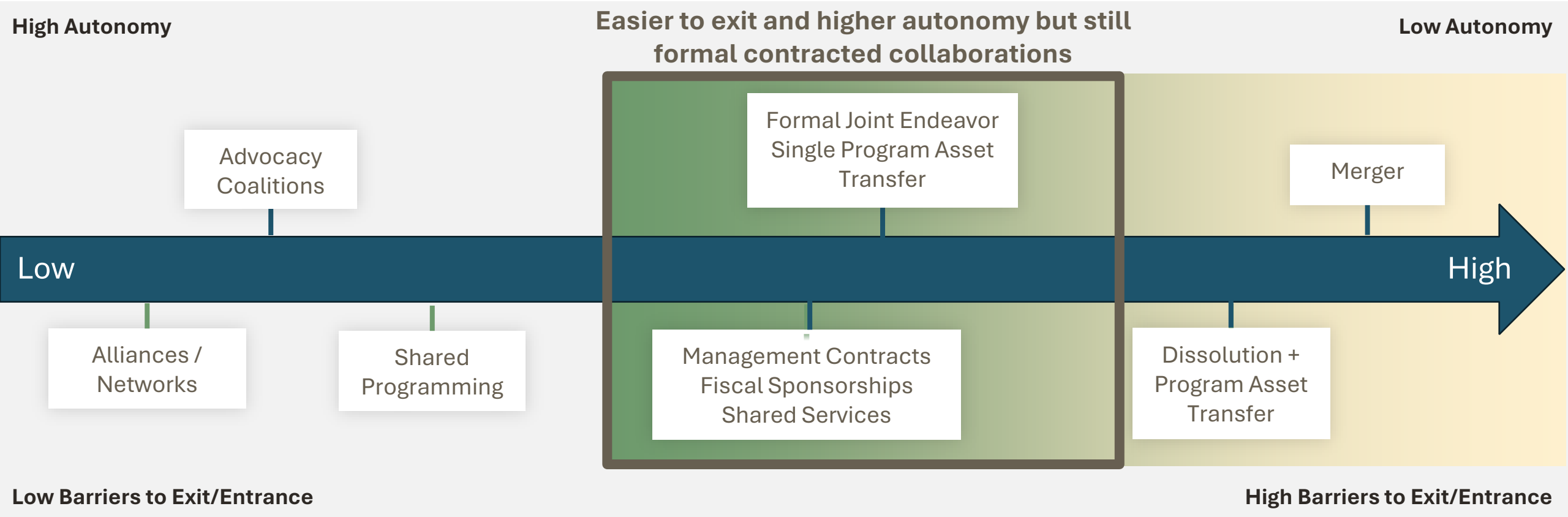
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Examples of Nonprofit Interorganizational Restructuring



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Examples of Nonprofit Interorganizational Restructuring



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Sacred and Not Sacred

What are we willing to give up?

What are not willing to give up?

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Strategy, design, capital, organizational will

1. Set strategic goals
2. Learn about the possible forms of integration and choose carefully
3. Ensure sufficient operating reserves
4. Involve board and staff from the beginning

First, Do No Harm - Eyes On the Prize

- Is our mission what it should be in order to best serve our constituents? How do we know this?
- Are we in sufficient partnership with constituents to ensure that we can serve their interests in making this alliance?
- To what extent and how will this alliance fulfill or enhance our mission?
- Are clear enough about our own mission to maintain its integrity while in in partnership with another?
- What might we gain and/or lose through this alliance? What might our partners gain and/or lose?
- What are we willing to give up? What are not willing to give up?

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The Rush to Merge: Considerations About Nonprofit Strategic Alliances, Ruth McCambridge and Mary Francis Weis, Management Consulting Services, 1997





Ruth McCambridge

Co-Founder and Director of Content

Nonprofit Financial Commons



Tammy Schutz

Title

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Jon Pratt

Senior Research Fellow

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Pam Johnston

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Ocean State Media

Q & A



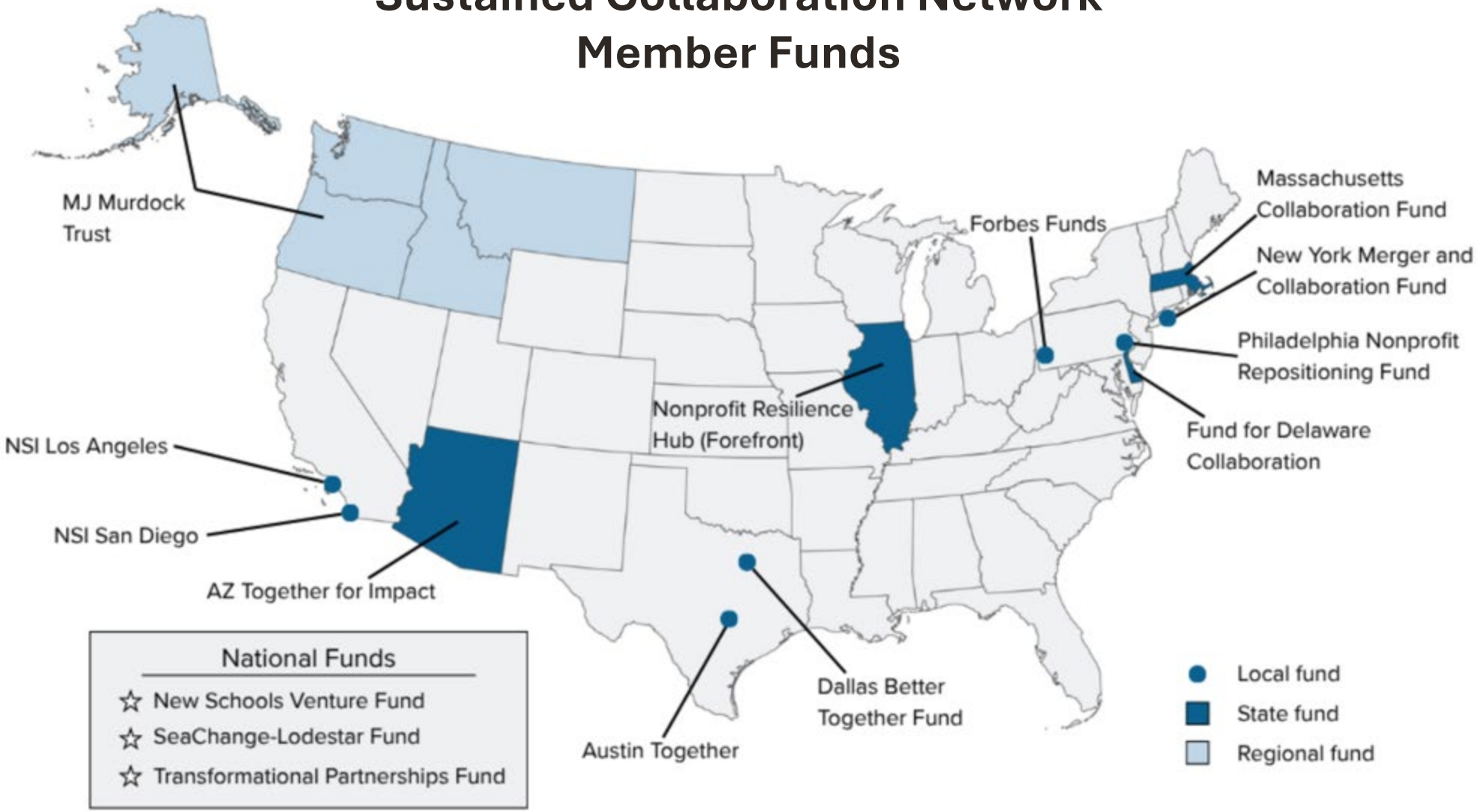
Key Conclusions

- **Mergers are not a universal solution.** They are one tool among many and often overused as a default response.
- **Strategic clarity must come before structural decisions.** Organizations should define goals before choosing alliance types.
- **Readiness and alignment determine success.** Internal stability, trust, and shared purpose are prerequisites.
- **Process discipline is essential.** Careful planning, communication, and leadership structures matter more than the legal form.
- **Alliances involve trade-offs**. Organizations must explicitly assess what they will gain—and what they may lose.
- **Sector-wide pressures should not override mission focus.** Decisions should prioritize long-term community impact, not just external expectations.

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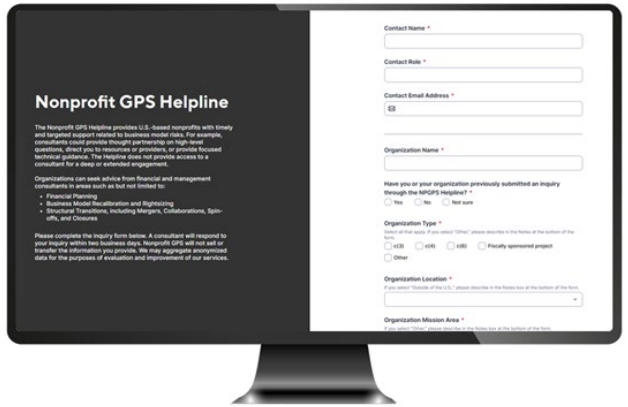


Confidential Helpline Support

Today's presentation may leave you with practical questions of implementation and strategy. We are offering free confidential virtual consultations with finance consultants to help in your navigation of first steps. We can help address questions like:

- How do I estimate the length of time I have to **implement a collaborative restructure** given current resources?
- How do we approach **due diligence** on a potential partner organization?
- What are the **key risks** to plan for in a collaborative arrangement, and how can we mitigate them?

Helpline



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