

A Merger Can Be a Great Opportunity

Are you missing a powerful way to strengthen your organization?

By Gregory Miller

Far too often, mergers among nonprofits are viewed as a last resort – a desperate option that’s on the table only when the organization’s very existence is in doubt. Merging is rarely seen as joining forces but, rather, as a solution to an overwhelming problem that can’t be resolved any other way.

Unfortunately, by adopting that mindset, many nonprofits are missing out on an incredible opportunity to not only become stronger but ultimately to serve more of the people they’ve committed to supporting. After all, if our central goal isn’t to help others, then we’ve lost sight of what’s truly important. A merger with a healthy, stable, and like-minded organization can instantly boost your group’s ability to do more good on a wider scale.

When mergers within the nonprofit world take place, the results are typically very poor. But usually, the reason for the merger is the *cause* of the failure.

When one organization is desperate for help, important considerations like culture, team collaboration, autonomy, and identity are cast aside for the sake of simply continuing to exist. Eventually, this leaves at least one side feeling unfulfilled and unappreciated, and the merger is viewed as a disappointment. But how can any relationship based on fear and anxiety survive, let alone succeed?

Instead, the time to consider a merger is when both parties are thriving and looking for ways to expand their footprint. The role of any charitable organization isn’t to stay in business or employ a team, but to provide services to those who are underserved. What better way to deliver on that commitment than by teaming up with another, similarly focused group?

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This is a process I’ve been fortunate enough to experience first hand. My organization, Penn-Mar Human Services, agreed to a merger with Change, Inc., aligning our services with one goal: to achieve greater success and more prosperity for the people we had been individually assisting for decades.

It was an idea that sprang from a single question: Would a merger be better for those we support? The answer was: Yes, the idea was worth exploring.

The next step was to assign a task force that could take a detailed look at both organizations and see if we would be better together in every way. If, at any point, the task force found that the merger wouldn’t allow us to succeed because of trust, culture, or any other reason, it would be called off.

Happily, that never happened and the union has been a success. How do we define success? More people are receiving access to our services and as a result, we’re doing more good for those across Baltimore and the region.

So how can other nonprofits approach the possibility of a merger? It comes back to the idea of knowing why your nonprofit exists and having an allegiance to those you support. Consider the following questions:

Would a merger be better for those you support and bring a higher quality of life?

Could a merger present more opportunities to fulfill your work?

Is there a nonprofit that shares your mission? Would a partnership with that organization make you stronger?

“If the answer is “yes,” perhaps the time is ripe for fusion.”

Does that organization have the same values, ideals, goals, and culture as yours?

If the answer to all of the above is “yes,” perhaps the time is ripe for fusion with another team. Remember: Even the best unions are hard work, filled with potential speed bumps that could cause challenges. But isn't that how you would describe any of life's long-lasting relationships? Like any great relationship, the best ones always start when both parties are happy, healthy, and most of all, not desperate for one another. 

Greg Miller is the CEO of Penn-Mar Human Services (penn-mar.org). Penn-Mar's mission is “to transform life into living for individuals, families, our staff and volunteers.”

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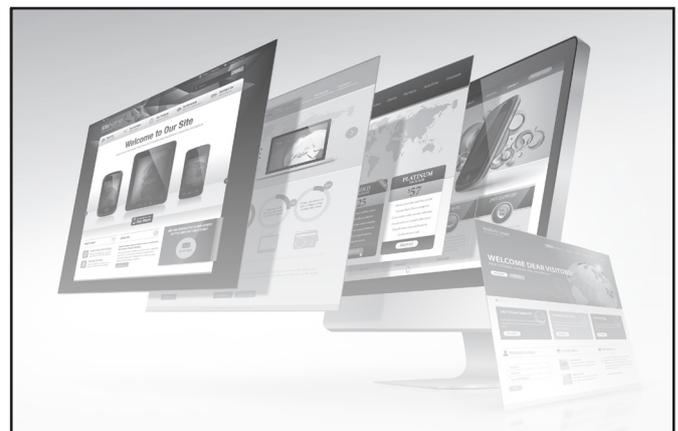
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