

Consolidate pathway

Consider unique ways to collaborate through strategic partnerships

Collaboration models define how nonprofits work together to achieve shared goals—whether by merging, sharing resources, or partnering on specific initiatives. These partnerships can be temporary or long-term and may or may not change the core governance of each organization.

We created the typology below for commonly understood language to compare models, engage in internal assessment and reflection, and make decisions.

As you review the options below, remember that along with shifts each independent organization might make, regions and sectors must begin to consider strategic partnerships to create efficiencies and enhance impact. New models can emerge that align INGOs, civil society organizations (CSOs), and funders in innovative ways, helping to reduce unhealthy competition and respond to resource constrictions.

As you review the different models below, consider the following questions:

1. What need is driving this change? Examples may include: to reduce costs, reduce headcount, extend the life of our assets, expand into new markets, etc.
2. How important is it to maintain some level of organizational autonomy?
3. What are we trying to gain?
4. What are we willing to give up?



Consolidation Typology Table

Defining collaboration models

Criteria	Merger	Subsidiary	Shared Services	Joint Venture	Program Transfer	Strategic Alliance
Definition	A highly integrated collaboration where two or more nonprofits legally combine into a single entity, dissolving the original organizations.	A nonprofit establishes or takes over another legally separate nonprofit. While there is a legal connection and the parent company maintains control, the subsidiary maintains some operational independence.	Multiple separate organizations share administrative functions (e.g., HR, IT, finance) to reduce costs, while remaining independent.	Two or more nonprofits form a temporary or permanent new legal entity for a shared initiative while remaining separate entities.	One nonprofit fully transfers a program or initiative from its portfolio to another organization that is better suited to manage it, while maintaining a separate entity.	Two or more nonprofits collaborate on a common goal without legal integration. Could involve joint programs, advocacy, or fundraising.
Purpose of the collaboration <i>What is the underlying purpose behind the structure choice?</i>	To achieve greater impact, reduce duplication, strengthen financial stability, or expand services.	To expand reach while maintaining some legal or operational separation, or to comply with regulations in different regions.	To increase efficiency, reduce overhead, and improve service delivery while keeping independent programs.	To collaborate on a specific project, service, or initiative without merging fully. Often used for large-scale projects requiring multiple stakeholders.	To ensure the continuity of a program that the original nonprofit can no longer sustain.	To leverage each other's expertise, networks, or resources while remaining independent. Often used for advocacy, policy work, or joint programming.

Level of integration <i>Does this partnership require organizations to fully combine, partially collaborate, or loosely partner?</i>	Full integration	High integration	Medium integration	Medium integration	Low to medium integration	Low integration
Legal and governance structure <i>Are the organizations combined or do they remain separate legal entities?</i>	Two organizations legally combine into one.	One organization owns or controls another, but both remain legally separate.	Each nonprofit Remains legally independent.	A new entity is legally formed and jointly controlled.	Receiving organization gains full control of the program.	No legal integration; a formal agreement guides collaboration.
Financial control and responsibility <i>How are funds managed? Who takes on financial risk?</i>	Fully integrated finances.	Parent owns ultimate financial accountability; subsidiary often manages its own budget and cash flows (varies).	Costs are shared per agreement, but finances remain separate.	Joint financial commitment; costs and revenue are shared.	Receiving organization assumes full financial responsibility.	Separate finances; may co-fund projects or initiatives.

Operational control and autonomy <i>Who has decision-making power?</i>	One unified decision-making structure.	Subsidiary often has operational autonomy, but ultimate governance decisions are often made by the parent based on the design of the governance model.	Each organization retains programmatic autonomy.	Decision-making is shared or structured per the agreement.	The receiving nonprofit manages the program independently.	Independent operations; coordination in specific areas.
Resource and cost sharing <i>How are administrative functions and staff integrated?</i>	Staff, services, and operations are fully integrated.	Some shared services, but separate operations.	High cost/resource sharing for administrative functions.	Shared resources only for the venture.	Some temporary transition support may be provided.	Limited or no cost/resource sharing.
Risk and liability <i>Who is responsible for risks, compliance, and liabilities?</i>	Shared liability under one entity.	Parent nonprofit may assume some liability.	Shared liability only for specific services.	The new entity holds liability; parent orgs may share risks.	Receiving organization assumes full liability.	Each organization retains its own liability.
Branding and identity <i>Do both names remain, or is one absorbed into the other?</i>	One brand; may retain elements of both.	May have its own brand or adopt the parent's branding.	Separate branding.	May have a separate brand.	May retain original program branding or rebrand.	Both brands remain separate.