BOWLING TOGETHER REVISITED: A LONGITUDINAL ANALYSIS OF NONPROFIT MERGERS

Julie Pietroburgo, MPA, PhD, is an Associate Professor in the Department of Public Administration and Policy Analysis at Southern Illinois University Edwardsville in Edwardsville, Illinois.

Stephen P. Wernet, MSW, PhD, is a Professor in the School of Social Work and Department of Public Policy Studies in the College of Public Service, Saint Louis University, St. Louis, Missouri.

Nonprofit associations are seeking to remain viable in increasingly competitive environments, with mergers more frequently being pursued as a reorganizational option. In 2006, a study was undertaken to evaluate the experiences of 11 associations attempting to merge and the factors impeding and facilitating their partnering. Six years later, this study reevaluates the impacts and outcomes of the mergers for four of these associations. The cases illustrate that mergers involve a range of partnering options, lead to significant leadership changes, and represent only a point along a continuum of restructuring strategies. Further, the cases show that once merged, organizations refocus their efforts from internal to external matters and adopt new metrics to gauge the success of their merged operations.

While slower to the game than their for-profit counterparts, nonprofit organizations have given more consideration to the merit of merging. Financial difficulties, executive turnover, membership demands and industry consolidation often point to the need for organizations to join forces. Nonprofit associations, in particular, have found limited literature available discussing the merger experiences unique to their sector positioning and useful to guiding their partnering efforts (Prokuski, 2002). Anecdotal evidence suggests that many nonprofit merger efforts are never consummated or fail to fulfill their initial promise. Further, little has been written about the long-term outcomes of nonprofit mergers and the utility of such actions as a viable restructuring strategy.

Among the limited nonprofit merger literature available is a study undertaken from 2005 to 2007 which investigated the phenomenon of mergers among professional and trade associations in the U.S. This qualitative study was underwritten by the William E. Smith Institute for Association Research and involved the examination of 11 association merger cases from the point of initial consideration through implementation. Associations that were successful in implementing a merger, as well as associations that never consummated possible mergers, were evaluated. The study sought to understand the factors prompting organizations to pursue mergers, the elements facilitating and impeding merger progress, the differences between organizations that successfully merge and those that do not, and how mergers are actualized.

Yet, the recency of the merger actions for many of the originally studied associations prevented thorough analysis of several of the study questions. As a result, this research summarizes the results of a follow-up to the original study undertaken five years later which provides a longitudinal analysis of merger success for these associations through the finer lens of time and experience.

MERGERS DEFINED

Mergers among nonprofit organizations have become more common with an estimated merger rate of 1.5% in the sector and one in 10 nonprofits believed to be considering a merger option (Philanthropy Journal, 2009). Generally defined, a merger is a form of integration and is the legal act of combining two or more separate entities into one entity with a single governing body (McCormick, 2001). It is differentiated from other types of collaborative activities in the degree of inherent formality (use of legal contracts and agreements) and finality in the arrangement. Mergers may take one of two dominant forms. First, they may involve the dissolution of one organization and its assimilation within another with the surviving organization keeping or changing its name. Second, a merger may occur when two or more organizations dissolve and establish a new structure that integrates the operations and programs of the original organizations (Kohm, LaPiana, & Gowdy, 2000). Hannan and Carroll (1992) distinguish between these types of merger describing the former as “absorption by merger” and the latter as “equal status merger,” either of which can occur in nonprofit organizations.

The overarching reason for merging organizations varies by economic sector. Within the for-profit context, organizations combine to attain strategic goals more quickly and inexpensively than would occur if the firm acted alone (Marks & Mirvis, 1998). Other benefits include the opportunity to diversify product and service lines, vertically integrate the organization, enter new markets, share the risk in innovative projects, stimulate innovation, cut costs and enhance efficiencies. Studies and literature emanating from the private sector have emphasized the differences in motives and outcomes based on the vertical or horizontal nature of the merger. Horizontal mergers involve the joining of firms in the same industry and in the same stage of production, e.g., an electronics manufacturer merging with another electronics manufacturer. Economies of scale and scope are the anticipated benefits. Vertical integration allows a merging of upstream suppliers and its downstream buyers and is typified by joining of firms engaged in different parts of production in the same industry with the expected benefit being in the lowering of transaction costs. In general, the literature notes expectations of increased income, less cyclicality of income, greater market recognition, the spreading of risk and a more balanced enterprise as incentives for pursuing a merger strategy (be it horizontal or vertical). Yet, there is recognition that such corporate marriages frequently fail due to over-optimism regarding results, lack of contingency planning and personality incompatibilities between managements (Pfeffer, 1972; Bradley & Korn, 1982; Heide, 1994; Varadarajan & Jayachendran, 1999).

Within the nonprofit context, mergers occur as a strategy for growth and expansion particularly where resource scarcity and environmental uncertainty are prevalent (Wernet &

Jones, 1992). Others (Golensky & DeRuiter, 2002; Kohm et al., 2000; Arsenault, 1998; Schmid, 1995; Singer & Yankey, 1991) have suggested that factors motivating mergers relate to access to more reliable funding, increased operational efficiency, building of political strength, expanding of market share, and enhancement of service quality. The availability of resources, the dominant decision-making style in the organization and recommendations by funding bodies also may be stimuli for merging. Existing literature does not address the differing nature of horizontal and vertical integration strategies in the nonprofit sector.

The limited literature on nonprofit mergers indicates that such endeavors are not easy. Obstacles to successful mergers and prevalent reasons for rejecting such opportunities include concerns relating to loss of independence, fear of the unknown, problems of turf and ego, costs and time, loss of identity and personal security, and polarized community desires (Kohm et al., 2000). Nonprofit merger efforts also have been depicted as failing with regard to cost effectiveness, attainment of operational goals, market expansion and diversification (Schmid, 1995). As a result, merger strategies are not often undertaken by nonprofits as a first response to financial or operational threats. Rather, mergers typically demand more intense deliberation and planning than other reorganization options with far fewer organizations following the transaction through to completion than contemplate it in the first place (Pietroburgo & Wernet, 2004; Alexander, 1999).

Several models have been proffered for explaining mergers and acquisitions (Wernet & Jones, 1992). The predominant models emphasize efficiency or process. The efficiency model of mergers evolves from the rational choice perspective (Wernet & Jones, 1992; Pietroburgo & Wernet, 2004, 2007). The model utilizes a vocabulary of strategic analysis, economy, growth and expansion and focuses on the front end, analytic rationale for combining two or more organizations into a single entity. Further justification for merging is related to the synergy created or derived from the merger. The model also concentrates on the strategic fit and complementary nature of organizations, and how the acquiring firm's strategic goals are achieved through the acquisition. These goals include an enhanced financial position through greater control, economies of scale and effort, and improved predictability of the marketplace. The emphasis of the efficiency model of merger is one benefit for the acquiring organization. The efficiency model of merger is uni-dimensional, i.e., it presents an elite, winner's or acquirer's perspective of the merger, and neglects the perspective of the acquired firm.

Although the efficiency model of mergers has received the most attention, the process model is better supported by research. The process model of mergers focuses on the interpersonal dynamics of the acquisition and post-merger process (Wernet & Jones, 1992; Jemison & Sitkin, 1986; Walsh, 1989; Albo & Henderson, 1988). Both phases of the merger process are of equal interest. It assumes that the process of merging affects the outcome. The process model highlights the role of power, the organizational fit of the actors and the negotiation processes. It attends to the competing and complementary interests of the stakeholders who negotiate the merger. People's motivations, objectives, perceptions, hopes, needs, expectations and goals are emphasized by the process model. How the negotiation process itself evolves is of paramount interest. With its focus on the negotiation, the model is interested in bargaining and the approach utilized in the process. Attention is given to the impact of negotiation processes and post-merger challenges. Of particular interest are the attempts to find common ground, compromises, reconciliation, conflict resolutions and solutions reached among the key actors and stakeholders. It questions the utility of market value pricing in the assessment of mergers and acquisitions, especially among nonprofit organizations.

In summary, the process model emphasizes the role of the stakeholders, their competing and complementary interests, and the negotiation process as the keys to understanding the success, or failure, of mergers. The process model stipulates four issues as determinant of the success or failure of a merger. They include 1) balancing strategic and organization fit; 2) balancing pressure to merge and post-integration concerns; 3) balancing pre-merger ambiguity and need for post-merger clarity; and 4) balancing winners' arrogance with losers' mourning.

The Merger Cases

In 2006, the William E. Smith Institute for Association Research commissioned a study to investigate mergers among associations. A number of key findings emerged that gave light to the motivations for and manner of such mergers. However, even as the researchers set final pen to paper for that study, it was clear that the significance of certain findings were better gauged over time. As a result, this follow-up report conducted six years later summarizes the longer-term merger reflections of four of the associations involved in the original merger study. (Of the original 11 associations participating in the study, five attempted but did not consummate the merger and two declined to participate given their significant changes in leadership and form since the merger).

Specifically, the research addressed four questions:

- What procedural aspects of the merger were significant to its completion?
- What has changed over the years since the merger?
- Were the goals for the merger achieved?
- What factors contributed to or impeded the long-term success of the merger?

The original and follow-up research employed a qualitative case study approach to understand the phenomena of nonprofit, association mergers. Study data were derived through in-depth, face-to-face and telephone interviews with association personnel. In the original study, four interviews were conducted: one with each of the executive directors of the associations involved in the merger transaction and one with the board president of the newly merged association. Interview questions were both semi-structured and open-ended. These questions encouraged participants to identify a) factors motivating merger decisions; b) processes involved in the merger negotiations; c) factors impeding merger decisions; d) decision-making capacity within the organization; and e) strength of resource bases. The researchers also analyzed a number of the merger planning documents including the transition plan, minutes from meetings, voting platforms, external media releases and internal memoranda. The follow-up research conducted in 2012 involved face-to-face and telephone interviews with the executive directors, board leaders and key staff managers of the associations.

Triangulation entailing the use of multiple data sources afforded the researchers the opportunity to test for multiple explanations and to eliminate competing explanations (Patton, 1990). The case was analyzed through an iterative process (Miles & Huberman, 1994). As key patterns emerged, the data was reduced to isolate and illustrate prominent factors. Taxonomic and componential models were useful in this process (Creswell, 1998). In addition, pattern matching for rival explanations was employed to facilitate the comparisons of empirically based patterns emerging from the qualitative data with predicted patterns (Yin, 1994).

FINDINGS: EXAMINING MERGED ASSOCIATIONS SIX TO TEN YEARS LATER

• ***What procedural aspects of the merger were significant to its completion?***

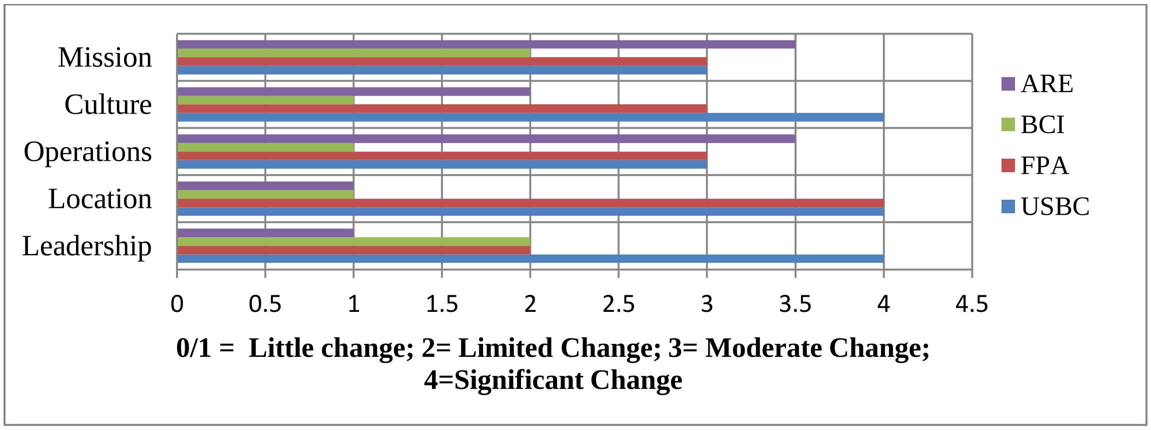
As representatives of the four merged organizations reflected on the procedural aspects of their merger experiences, they drew clear distinctions in the type of activity actually undertaken. Two of the associations identify their consolidations as mergers or the blending together of two or more roughly equivalent organizations and two of the organizations described their activities as acquisitions. The latter was described as a take-over or absorption of a smaller association by a larger one. They note that the term "acquisition" was politically incorrect and insensitive to the players from the partner organization. Using the parlance of the private sector, all of these mergers were more horizontal in nature. With time and distance, the players are now more candid about the event.

> *"After providing management services to them for nearly four years, the smaller group voted to merge with us at their initiative. They saw there were things we could do which they just never would be able to accomplish" (Association for Retail Environments [ARE][1]).*
>
> *"A merger is more of a joining together of two more or less equal organizations… (in which)… you get synergy…. 1 + 1 = 2 ½… you get a value-add to memberships of both organizations… where in an absorption, you can't find a vestige of the former organization" (Battery Council International [BCI][2]).*

• ***What has changed over the years since the merger?***

Changes in the organizations were most evident among the factors of leadership, physical location, operations, culture, and mission. The degree of change experienced along these factors varied by organization, but in each organization at least one element of moderate transformation is noted.

FIGURE 1: POST-MERGER FACTORS OF CHANGE



<u>Leadership</u>: Since their mergers, all the associations indicated changes in their boards. Three of the four associations indicated change had occurred in the executive paid and volunteer leadership. In the case of two of the organizations, the leadership changes were very pronounced with few remnants of the board and executive personnel of the predecessor organizations still being associated with the merged association. In the other two organizations, either the board or the executive leadership had changed dramatically.

> *"We have seen a complete change in leadership. What we have lost is some knowledge and institutional memory. What we have gained is new ideas, fresh sets of eyes and openness to new processes, relationships and opportunities" (U.S. Bowling Congress [USBC][3]).*
>
> *"(We have had a).... cross-pollenization [sic] between the Boards.... (but)...we have had very little personnel turnover... same people.... less turnover than normal... less staff turnover than normal primarily due to poor labor market" (ARE).*

<u>Physical location</u>: For two of the associations, a move of the headquarters from one city to another followed shortly after their mergers. In the case of the two other organizations, the headquarters' offices remained fixed but relatively small. With the physical move of headquarters' sites, associations noted that personnel changes were substantial.

> *"When we merged, we initially maintained offices in Atlanta and Denver for four years. When we made the decision to move all the headquarters to Denver, some people from Atlanta didn't make the move and of those who did, none are any longer at the association" (Financial Planning Association [FPA][4]).*
>
> *"The merger made the move possible. And with the move, our employees are now a younger demographic.... we also saw a shift in technology use in the office and greater efficiencies in how we do things" (USBC).*

<u>Operations</u>: All of the associations noted that operational practices were altered after the merger. For the largest of the association mergers (USBC), the operational changes were very marked with some changes in structure, accounting, practices and a move toward metrics-based

management. Only one of the associations depicted the merger-induced changes as inconsequential over the long term.

> *"After the merger, we gained a more direct focus on financial planning as a profession and reorganized operations around that focus" (FPA).*
>
> *"Nothing really changed as a result of the merger. Pre-merger, there were no competing meetings or membership, so we essentially just absorbed their limited functions into our existing operation" (BCI).*

Culture*:* Three of the organizations noted a transformation in the culture of the association either as a result of or concurrent with the merger. Changes in leadership and operational staff, moves in headquarters' locations, and the blending of practices all contributed to change in the established culture. Two of the organizations indicated that adherence to pre-merger cultures and practices still impeded organizational progress to some extent.

> *"There has been a dramatic cultural shift from a family, parochial culture to one that is based on a business model. Some of that has to do with the retirement of long-time employees. Some of it has to do with trying to reinvent the culture toward the business of bowling" (USBC).*
>
> *"There is still some chapter alignment based on which predecessor organization they were aligned with. There is still some bias, but it continues to diminish" (FPA).*

Mission: The missions of all four organizations were described as different from their pre-merger articulation. Strategic planning had reshaped the missions as had alliances with new organizations and pursuits of broader domestic and international markets. The associations adopted expanded visions and had evolved from classic, narrowly focused trade associations to broader, more inclusive associations reflecting the changes occurring in their industries. This mission evolution they noted as being a hallmark of a successful merger.

> *"As a result of the merger and the events that have followed, we have reshaped the organization to a more professional stance and raised the professional bar for membership" (FPA).*
>
> *"…saw where future was… more than manufacturing… membership was broader than just store display… changed the focus of the association… a broadening of mission and strategy… a whole rebranding program… a Big Tent Strategy…" (ARE).*
>
> *"… (we are having a conversation about hosting)… a World Congress Conference…" (BCI).*

- ***Were the goals for the merger achieved?***

Across the cases, there were three indicators and ultimate measures of merger success noted by the organizations. Association representatives pointed to improvements in financial position, economies and efficiencies of operation and market positioning as being important evaluative criteria.

<u>Financial position:</u> With respect to financial position, the distinction between acquisitions and mergers became key to gauging any improvements. In mergers, the surviving organizations improved their financial positions by eliminating redundancies in the back office operations, enhancing productivity and work effort thereby reducing operating costs and improving cash flow of the operation.

Two of the associations began their move toward mergers through more limited management contracts with smaller associations. These limited arrangements led to a greater understanding between the associations and eventually to discussion of more significant joining of the associations. When the merger ultimately occurred, the back office operations already were run on the same platform thereby allowing efficient (and cost effective) blending of the business processes.

> *"… cash flow is massively improved over the last four years…" (USBC).*

> *"… saved money by combining resources… have one organization focused solely on the sport…" (USBC).*

In acquisitions, the surviving or acquiring organization solidified its financial position by acquiring a competitor and improving its financial position in its operating environment. Specifically, the improved financial position occurred through the membership gains coming from the former association. However, these organizations were quick to point out that membership gains (and consequently financial benefits) were not always substantial.

> *"We really did this merger for the efficiencies. Membership and finance wise we have been flat" (FPA).*

> *"We have a broader membership… (which meant)… evolution from a classic trade association focused on manufacturing to focusing on a pathway to prospective customers…" (ARE).*

<u>Economies of scale and effort:</u> Again, the distinction between mergers and acquisitions was central to the efficiency benefits organizations realized. For mergers, several gains were noticeable; some were operational efficiencies and others were operational improvements. First and foremost, revenues were saved through reduction of expenses. Resources from the merged organizations were pooled; redundancies were addressed and eliminated, especially in back office operations. In addition, freed up resources were used for improving member services. For example, organizations noted that communication often improved between the association and its members. In addition, there was improvement in project work because of pooled personnel and concentrated attention on project activities. The use of physical facilities also became more flexible and cost-effective.

> *"… support of the locals was improved…created efficiencies in internal operations… reinforced and improved lines of communication within the organization…" (USBC).*

> *"… we have rejuvenated some of the activities from 20 years ago in NADI…" (ARE).*

> *"… we added a marketing group…" (BCI).*

For acquisitions, the organizations noted that economies gained were in the elimination of competition and the focusing of attention on other environmental issues. The gains were seen in redirected energy and resources available for more productive organizational work.

Improved positioning in the marketplace: The cases showed that there are several aspects to improving one's position in the marketplace through merger activity. The mergers offered the possibility of consolidating and strengthening one's position vis-à-vis competitors in the operating environment especially in recruiting and retaining membership. Some of this occurred through the elimination of a former competitor; some from the stronger resource base created through the merger itself. In nearly every case, the merged associations become a, if not the, major player in their markets.

Another aspect of marketplace improvement was the enhanced ability to respond to change. There was a greater focus on where the organization was positioned in the external marketplace. The associations reported increased flexibility for responding to change, including both nimbleness in response time and broadening of the organizations' response solutions. Several organizations noted that they had expanded their staff thereby bringing new ideas into the organization.

The associations were in a continuing state of search and response in which they were seeking opportunity, developing services and testing for impact. These included a simplification of the membership organization and its public presentation, a refocusing on the target market, increased opportunities for collaborating with others in the operating space, and a renewed focus on customer service. In every case, retention of or increase in membership was the ultimate indicator of success. Success also led to other opportunities for new, ongoing collaborations with other associations in the operational space. Three of the four associations reported new collaborations or new merger activities after the initial merger six years ago.

> *"… synergies from the merger… (include)… redeveloping identity and reimaging of the sport… renewed focus on reviving the sport of bowling…" (USBC).*
>
> *"… (we are)… getting maximum flexibility with organization structures and cooperation between BPAA and USBC…" (USBC).*
>
> *"… we have incorporated other groups… there is (enormous) change in the operating environment (for our membership)… and a growing international presence (for us)…" (ARE).*

- ***What factors contributed to or impeded the long-term success of the merger?***

During their merger processes, the associations identified a number of factors critical to merger success. In a post-merger environment, the approach taken to each of these factors and their managerial emphasis had evolved.

Communications: While communications was a factor noted in the first study as significant to merger success, the communication emphasis tended to be internally focused on employees and internal stakeholders critical to the merger transaction itself. All associations now note that the primary audiences in a post-merger environment are members and external constituencies. In addition, associations noted that the need for frequent and meaningful communication with stakeholders continues to be critical to organizational success.

> *"Not enough emphasis had been put on the communications with membership bodies during the merger. As a result, some hostilities and resistance to the merger existed far longer than it should have" (FPA).*
>
> *"The benefits of the merger have been in the ability to advocate for financial planning as a profession. There are advocacy and public relations benefits from having a stronger, consolidated voice" (FPA).*

<u>Time:</u> The first study also identified time as crucial to merger success. Adequate intervals were noted as necessary for operational practices to be ironed out, cultures blended, leadership to be identified, and legalities and finances to be reconciled. On reflection five years later, the associations noted that the time to affect their merger was longer than they had initially anticipated. In addition, a number of the associations noted that other significant events essentially marked the end point to their merger processes. These included moves of headquarters, changes in leadership, changes in staff composition, and significant accomplishments on the regulatory front.

> *"We thought we took ample time to get it right, but sticky issues still surfaced…. The mark of merger completion was when we were able to accomplish some things that we couldn't have done independently. Our success in bringing forth a major lawsuit for the industry was an indication of merger success" (FPA).*

<u>Leadership:</u> As expected, leadership proved to be essential before, during and after each merger. However, all but one of the organizations noted that the type of leadership needed in a post-merger environment was different than that before the merger. As an example, the executive leadership at USBC was essentially new three years after the merger with two of the top executives coming from other sports or industries. USBC representatives indicated that in the new environment, there was less emphasis on managing the internal polity and more concern with leading and managing relationships within the external polity.

> *"At merger, we essentially had two leaders. It was clear over time that the kind of leader we needed had to be perceived as neutral with no previous strong allegiances" (FPA).*

<u>Culture:</u> A central emphasis of the initial study was the manner in which disparate cultures would be blended when two associations were merged. Much attention was paid before and during the merger processes on uniting different values, traditions, behaviors and norms. While culture dominated the discussion during and immediately after each merger, the associations indicated significantly less attention is paid to management of the internal culture several years out.

> *"The internal culture is not of prime concern …" (USBC).*

<u>Social capital:</u> Consistent with the concern for culture, the first study found associations interested in the building of social capital and trust as they forged their new merged entities. While trust issues among those associated with the respective former organizations have not

been completely eliminated, changes in personnel and leadership have diminished these issues. Consequently, associations say they spend less time tending to the building of social capital within the organization.

> *"There is still some tension, but time and turnover of boards and chapters has helped this… We have undertaken leadership development efforts and tried to do a better job of communicating our values and purpose and taking this as an association to the chapters" (FPA).*

CONCLUSIONS

A number of conclusions can be drawn about mergers through these longer-term analyses of association experience.

First, while the term merger is loosely applied to many forms of organizations coming together, mergers in practice differ in structure and outcome. As was clear in the experiences of the four associations, a range of merger types exists. The fact that all of these mergers exhibited a joining of organizations within the same industry and in the same stage of production, may be indicative of the necessity and relative ease of horizontal mergers over vertical types for service-based associations. These cases also indicate that some mergers are more of an acquisition of a smaller, struggling organization by a stronger one with very few vestiges of the struggling organization remaining over time. Other mergers will bring together similarly situated organizations and will result in the crafting of a substantially new and different organization through the merger process. Rhetoric surrounding the merger often emphasizes bringing together equal partners. In fact, such rhetoric is useful and perhaps necessary for selling the merger idea to boards, staff and other stakeholders. However, as found in the first phases of this study, no evidence exists to suggest a merging of true equals in any of these transactions. One partner always brings to the table superior resources (personnel, financial, political, skill) that are determinative in shaping the new organization. Over time, attention to assuring equality of partner interests and ways of doing business wanes.

Second, leadership changes are inevitable to the merger process. These associations showed that the leadership required before and during the merger process is not necessarily the same type of leadership required in a post-merger environment. This may be related to the change in focus of the organization from internal and operational to external. Leadership changes focus from solidifying and consolidating the merged organizations and moving away from previously embedded parochial cultures to responding to a new environment with a fresh set of ideas, solutions and approaches.

Third, given the significant step that mergers represent, organizations that successfully emerge from the process appear conditioned and more capable of tackling other types of organizational restructuring. The associations viewed their mergers not as a conclusive end point for organizational restructuring, but as a major point along a continuum of restructuring that provided a significant catalyst for further change.

Six years post-merger, the organizations indicate that they viewed their mergers as complete and that, in some cases, the impacts were indistinguishable from the effects of other major events in organization's history. Other significant events after formal merger date had essentially tipped the scale toward merger "culmination" (headquarters move, discontinuation of services, instigation of new or reintroduction of previously discontinued services).

The locus of organizational attention shifts from the internal to external polity as the organization moves away from the merger event. The act of merging appropriately forces focusing organizational energy on internal polity issues (culture, operations, leadership, for example). Organizations become decidedly more externally focused in a post-merger environment. While during the merger process, attention was on the internal melding of cultures, processes, finances, operations, governance, in the post-merger world focus largely shifted to consolidation and responding to external issues, challenges and concerns (financial viability, membership development, customer service).

Finally, the metrics for gauging merger and organizational success evolve. After mergers, the need for economic stability and efficiency in a constrained economic environment are prevailing concerns. Contrary to these being just espoused interests as in the earlier study, organizations are now more aware of the impacts (data and metrics are available, acknowledged and monitored throughout management ranks), business implications related to organizational survival are understood and leaders/managers are responding by testing competitive/marketing strategies to address these impacts. These newly blended organizations aim to support, develop, sustain and expand their memberships because they are, after all, membership associations.

Notes

[1]Association for Retail Environments (ARE) is a non-profit trade association advancing the retail environments industry and member companies.

[2] Battery Council International (BCI) is the trade association for the lead-acid battery industry.

[3] United States Bowling Congress (USBC) is the organization serving amateur adult and youth bowlers in the United States.

[4] Financial Planning Association (FPA) is a leadership and advocacy organization for those who provide, support and benefit from financial planning.

References

Albo, W. P., & Henderson, A. R. (1988). *Mergers and acquisitions of privately held businesses.* (2nd ed.).Toronto: CICA.

Alexander, J. (1999). The impact of devolution on nonprofits: A multiphase study of social service organizations. *Nonprofit Management & Leadership, 10*(1): 57-70.

Arsenault, J. (1998). *Forging nonprofit alliances.* San Francisco, CA: Jossey-Bass.

Bradley, J., & Korn, D. (1982). The changing role of acquisitions. *Journal of Business Strategy, 2*(4): 30-42.

Creswell, J. (1998). *Qualitative inquiry and research design*. Thousand Oaks, CA: Sage Publications.

Golensky, M., & DeRuiter, G. (2002). The urge to merge. *Nonprofit Management & Leadership, 13*(2): 169-186.

Hannan, M., & Carroll, G. (1992). *Dynamics of organizational populations.* New York, NY: Oxford University Press.

Heide, J. (1994). Interorganizational governance in marketing channels. *Journal of Marketing, 58*(1): 71–85.

Jemison, D. B., & Sitkin, S. B. (1986). Corporate acquisitions: A process perspective. *Academy of Management Review, 11*(1), 145-163.

Kohm, A., La Piana, D., & Gowdy, H. (2000). *Strategic restructuring: Findings from a study of integrations and alliances among nonprofit social service and cultural organizations in the United States.* Chicago, IL: Chapin Hill Center for Children.

Marks, M., & Mirvis, P. (1998). *Joining forces.* San Francisco, CA: Jossey-Bass.

McCormick, D. (2001). *Nonprofit mergers: The power of successful partnerships.* Gaithersburg, MD: Aspen Publications.

Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: A sourcebook of new methods.* Thousand Oaks, CA: Sage Publications.

Patton, M. Q. (1990). *Qualitative evaluation and research methods.* London: Sage Publications.

Philanthropy Journal. (March 18, 2009). Nonprofit mergers may increase. Raleigh, NC: A. J. Fletcher Foundation.

Pietroburgo, J,. & Wernet, S. (2004). Joining forces, fortunes and futures: Restructuring and adaptation in nonprofit hospice organizations. *Nonprofit Management & Leadership, 15*(1): 117-137.

Pietroburgo, J., & Wernet, S. (2007). *Investigation of Association Mergers.* Chicago, IL: The William E. Smith Institute for Association Research.

Pfeffer, J. (1972). Merger as a response to organizational interdependence. *Administrative Science Quarterly, 17*(3): 382-394.

Prokuski, B. (2002). Anatomy of a merger. *Association Management,* 43-48.

Schmid, H. (1995). Merging nonprofit organizations: Analysis of a case study. *Nonprofit Management & Leadership, 5*(4): 377-391.

Singer, M., & Yankey, J. (1991). Organizational metamorphosis: A study of eighteen nonprofit mergers, acquisitions, and consolidations. *Nonprofit Management & Leadership, 1*(4): 357-369.

Varadarajan, R., & Jayachandran, S. (1999). Marketing strategy: An assessment of the state of the field and outlook. *Academy of Marketing Science Journal*, *27(*2): 120-143.

Walsh, J. P. (1989). Doing a deal: Merger and acquisition negotiations and their impact upon target company top management turnover. *Strategic Management Journal, 10*(4), 307-322.

Wernet, S., & Jones, S. (1992). Merger and acquisition activity between nonprofit social service organizations: A case study. *Nonprofit and Voluntary Sector Quarterly, 21*(4): 367-380.

Yin, R. (1994). *Case study research: Design and methods.* Thousand Oaks, CA: Sage Publications.