

Building Meaningful Strategic Partnerships: The Right Process Results in the Greatest Impact

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Leaders in the arts and culture sector are continually challenged to make a deeper and broader impact on behalf of the communities they serve while mobilizing resources to operate more efficiently and sustainably. At times, cultural organizations have looked to strategically partner with other institutions to envision greater economies of scale than what they might achieve on their own. This could mean developing a collaborative program or service that fills an important community need or combining similar administrative functions. It could also mean forming an entirely new entity with a revitalized mission, vision, goals, and infrastructure. By following a structured strategic exploratory partnership process, organizations can objectively evaluate the opportunities before them and make the decision that best serves their artistic, educational, and community impact goals.

This edition of *Arts Insights* outlines the reasons for seeking strategic partnerships, the types of collaborations that might be reasonable options, and the systematic approach that cultural organizations could undertake when considering whether a strategic partnership is right for them. These options range from the most straightforward collaboration involving no structural changes, all the way to a formal merger with several organizational partnership models in between. With the process outlined below, organizations can assess their respective strengths, evaluate which type of strategic partnership might be right for them, determine due diligence steps, address any dealbreakers, plan for a new collaboration, and successfully bring it to fruition.

Regardless of which type of strategic partnership organizations ultimately choose to pursue, the process itself is highly valuable for strengthening relationships between one or more organizations, which could include nonprofits and universities, and perhaps to a lesser degree with government agencies. Even if the organizations decide not to form a formal partnership in the end, they will have gained a better understanding of how they can best complement each other's respective resources within the communities they serve. Finally, this article will also discuss communication, implementation, and ways that organizational culture directly impacts long-term strategic partnership viability and success.

Exploring Strategic Partnership Options

Before launching into a strategic partnership conversation with one or more organizations, it is important to prepare a current organizational resource assessment. The institution's board, senior staff, and artistic leadership need to take an honest look at how they are delivering on their current mission and vision for their communities. This should include a review of the organization's services offered to the community, financial status, and how the organization might capitalize on its strengths and opportunities while mitigating its internal weaknesses and external threats. This assessment will often set the stage for determining what the organization is seeking and what it can contribute to create a meaningful partnership.

While there is a tendency to look at options such as mergers reactively, to strengthen finances or fill a leadership role, they can also be used proactively as an effective growth strategy.¹ Note that the word merger can have extremely unsettling effects in and on an organization, whereas a strategic exploratory partnership allows stakeholder conversations to advance in an iterative way without presupposing a specific path or outcome.

Once the organization has assessed its status and the opportunities that a strategic partnership might bring, they can consider:

¹ The Bridgespan Group, *Nonprofit M&A: More Than a Tool for Tough Times*, Alexander Cortez, William Foster, Katie Smith Milway, February, 2009

- **What is the root of the problem that needs to be solved or the opportunity that exists?** Why is a partnership being considered right now? Is it based on several organizational weaknesses, on new market opportunities, or a mix of options?
- **What does the community need?** Is the market saturated with similar services, or is there a need for events and activities where organizations can partner to more effectively deliver them? What economies of scale might exist for either scenario?
- **What type of partnership best serves the community?** Consider the needs of audiences, visitors, artists, board, staff, donors, volunteers, and the public.
- **What other organizations have a similar or complementary mission, vision, programming, or services?** Are they operating in the same geographic area? Might there already be an overlap in programming or audiences served, or is there an adjacency into new funding sources or prospective participants?
- **What outside forces are at play?** Is the cost for space increasing astronomically in this area? Is a funder encouraging the organization to pursue a strategic partnership? Are there other social, technological, economic, environmental, political, legal, or ethical forces that might impact the short- and long-term success of the organization?

When identifying a potential strategic partner, it is important to consider their thoughts on the above and whether they share the same values, culture, and vision for the relationship.² When each organization involved answers the above questions through a formalized, inclusive, rigorous, and respectful process, they will have a deeper, more objective understanding of how each organization is meeting the needs of its community and where efficiencies or opportunities exist.

Types and Examples of Strategic Partnerships

Nonprofit collaborations and partnerships can take many different forms, and it is therefore important to thoroughly review the options available before entering into formal agreements. The range of options from collaborations to mergers have implications for each organization's mission, governance, finances, services, reputation, and brand visibility, among other impacts. Here are several types of strategic partnerships that could be explored over several months:

- **Collaboration:** No permanent organizational commitment exists, and decision making remains with each organization.
- **Strategic Partnership:** Administrative collaborations and/or joint programming is created with a formal written agreement.
- **Management Service Organization:** A new entity is established to be responsible for administration with independent governance by the organizations who participate.
- **Joint Venture:** A new organization is formed to be responsible for administration or programs with a joint governance structure.
- **Parent-Subsidiary:** A single organization governs the administration and programs of one or more subsidiaries, potentially in different geographic markets.
- **Merger:** The integration of all programmatic, educational, and administrative functions falls under one legal entity.

In the United States, a recent example includes two major Seattle arts organizations, The 5th Avenue Theatre and Seattle Theatre Group (STG), formed a strategic alliance. STG, which also manages several major venues, has taken over the lease and operations of the historical downtown theater space where The 5th Avenue Theatre performs. STG will present arts programming in the space in addition to regular season productions presented by The 5th Avenue Theatre. They estimate a reduction in expenses of between 21% to 25% over the next three years.³

Previous examples include the 2002 merger to form Utah Symphony | Utah Opera, the parent company of the Deer Valley® Music Festival, Utah Opera, and the Utah Symphony.⁴ Additionally, in 2007, the Arts Partnership — consisting of Minnesota Opera, The Saint Paul Chamber Orchestra, Schubert Club, and Ordway Center for the

² John F. Morrissey & Company, *Mergers and Acquisitions: A Guide for the Not-for-Profit Board*, 2016

³ The Seattle Times, *5th Avenue Theatre and Seattle Theatre Group Form Alliance*, Gemma Wilson, March, 2025

⁴ Johnston, Corbin. *The Utah Symphony: A Brief History*. Utah Symphony, 2021

Performing Arts — was created by these organizations that regularly perform at the Ordway. The Arts Partnership “strengthens its organizations in service to the community through growing collaboration and stewardship of its shared assets.”⁵ As further stated on its website, “the Partnership joined together to solve persistent challenges arising from sharing a multi-purpose venue.” As stated by its President and CEO, Christopher Harrington, the Arts Partnership ... ensures equitable sharing and effective care of the Ordway Center as a vital cultural asset in the Twin Cities — ultimately connecting hundreds or thousands of community members and artists annually.”

Furthermore, in 2012 leadership of the Dayton Opera, Dayton Ballet, and Dayton Philharmonic Orchestra formed a “groundbreaking and innovative merger, forging these three art forms into one organization named the Dayton Performing Arts Alliance.”⁶ Finally, in 2019, “the Toledo Symphony and Toledo Ballet officially merged to form the Toledo Alliance for the Performing Arts (TAPA) dedicated to providing exceptional live music and dance performances and education for the region.”⁷ TAPA welcomed the Toledo Jazz Orchestra as its third musical entity in 2024. This performing arts merger is one of only a few in the nation and promises to create new and invigorating programs, provide cost and revenue synergies in operations, and integrate the arts through shared educational missions. In 2025, TAPA opened the Toledo Center for Live Arts, a vibrant new home for performances, creativity, and collaboration.”

Strategic partnerships are also taking shape in Canada, offering additional models of collaboration. In 2025, Crow’s Theatre and Soulpepper Theatre in Toronto announced a three-year partnership focused on joint programming, reciprocal marketing, and coordinated audience engagement. The initiative includes four co-productions in the 2025–2026 season and shared subscriber benefits, while both organizations retain independent governance and operations. This model reflects a time-bound, exploratory approach to alignment without structural integration.⁸ In Ottawa, Arts Network Ottawa and the Ottawa Arts Council are in the process of merging, following a 2023 announcement. The organizations are engaged in a co-designed planning process, including community input, stakeholder consultation, and facilitated strategy development. The intent is to establish a unified arts service entity with aligned governance, mission, and programmatic focus. Full integration is expected by 2025.⁹

While these are a few notable examples, there are others where potential alliances and/or mergers were discussed confidentially but did not come to fruition. Due diligence results, financial capacity concerns, brand image, internal misalignment, donor restrictions, and differences in governance cultures are only a few of the reasons that exploratory partnership discussions do not lead to a successful conclusion. In many cases, however, organizations might be able to make progress with a structured, objective, and facilitated process that aligns concentric circles of key stakeholders with sequencing in mind to advance effective due diligence and strategic conversations.

When nonprofit arts and culture organizations find strategic benefits such as increased quality, audiences, efficiency, funding, geographic reach, or other artistic, education, or economic synergies, they may determine that one particular path is better than organic growth in lieu of other types of partnerships.¹⁰ Having an end-goal in mind for the type of partnership being sought, however, will help to frame the important, existential conversations that follow.

Stakeholder Engagement Approaches

When embarking on a strategic exploratory partnership process for two or more nonprofit organizations, it is important to create a small, balanced joint committee to thoroughly examine the idea, provide recommendations to each board, perform due diligence, and keep the momentum moving forward in a timely manner. In the initial phase, this committee of the board, key staff, and influential stakeholders from each organization is a critically important group. These individuals must be visionary leaders who are committed to the process and understand the importance of trust, confidentiality, and coordinated communication.

Often, organizations will bring in an objective facilitator who performs qualitative and quantitative research but also understands the uniqueness of nonprofit arts and culture organizations and the complexities involved in funding models and governance structures therein. The selected individual or firm is committed to helping the organizations find the best structure for their specific partnership, if any, going forward. As an independent voice, they can help

⁵ [The Arts Partnership](#) • Saint Paul, Minnesota, 2024.

⁶ [About: Dayton Performing Arts Alliance](#): Dayton, OH. Dayton Performing Arts Alliance, July 3, 2025

⁷ [Mixed Arts: Toledo Symphony and Ballet Craft a Visionary Merger](#): NPQ Newsletter, Ruth McCambridge, September 19, 2018

⁸ [Arts Network Ottawa and the Ottawa Arts Council are merging!](#): Arts Network Ottawa, October 2023

⁹ [Soulpepper's Audacious 2025/26 Season Announced](#): front mezz junkies, a theatre review blog, Ross, April 14, 2025

¹⁰ The Bridgespan Group, [Nonprofit M&A: More Than a Tool for Tough Times](#), Alexander Cortez, William Foster, Katie Smith Milway, February, 2009

maintain boundaries, keep egos in check, ensure stakeholders' needs are met, and cultivate trust. With a facilitator, each organization can advocate for its own needs while creating excitement through shared vision and notable impacts.

As the committee begins its work to envision what success could look like as a singular organization, it is important to openly share challenges and opportunities and assess them jointly. The committee will likely find many areas of common ground, including types of programming and services, geography, shared suppliers, audience members, back-office operations, and the ability to expand in new ways.

Another important area of knowledge is found with stakeholders, who should be interviewed separately. Engaging stakeholders about what the community wants and needs from a combined organization can help to shape the project as well as later messaging to the community. This can be thought of as a feasibility study with key donors, supporters, and in some cases, detractors, as it quietly signals to community leaders that the project is being undertaken with confidentiality and care. Other forms of data collection, such as in-person meetings with stakeholder groups and confidential surveys, can help convey the possibilities and create excitement with stakeholders while mitigating potential concerns. The framing of these types of questions, however, is critically important. Again, specific words, like merger, can trigger unexpected outcomes, such as important board or staff leadership departures, as well as uncertainty in the funding community.

In keeping with a strong process, the reasons for engaging in this exploratory process should be stated clearly at the beginning and end of every committee meeting. Designing ways to positively impact the community more effectively is inspiring work, and frequent reminders of the core purpose and timing of the process helps keep everyone moving in the same direction, particularly when the most complex financial, governance, or legal issues must be addressed.

Creating a New Blueprint

When pursuing a strategic partnership, the joint committee will need to have a timeline for its work to essentially create a brand-new blueprint for an organizational structure or legal arrangement. Armed with institutional assessments, market assessments, stakeholder interviews, and surveys, the committee should start with the most fundamental building blocks, including a new mission and vision statement if pursuing a merger. This work continues with outlining organizational structure, budget, physical spaces, bylaws, audience and donor programs, and how these could evolve in subsequent years. The committee will also look at the strengths of each organization in terms of staff, board, and artistic leaders to begin to determine the skills that will be needed in the new organization. Rather than considering specific individuals at this stage, it is most helpful to focus on the structure and types of skills that will be needed. A neutral facilitator can again keep the conversation objective, professional, and focused while allowing for an inclusive process where power dynamics are mitigated.

Once the joint committee has completed its due diligence findings, fully assessed the health of each organization, determined if any funding opportunities are at risk, and analyzed the results of the stakeholder surveys, they are ready to determine whether to recommend a specific type of strategic partnership along the continuum outlined earlier in this article. Once they have decided, the joint committee makes its formal recommendation to each board with a timeline and detailed action plan. It is important for the boards to make an objective decision and be able to articulate the reasons for that decision with conviction. Although this is often an exciting stage, it is also tenuous with hurdles yet to be overcome. According to research published in the *Stanford Social Innovation Review*, emotionally charged issues such as board alignment, senior staff roles, financial risk, and blending the brands can derail merger talks even among potential partners who are otherwise aligned.¹¹

Planning to Implementation

Once both boards have approved the new structure or formal agreement, the committee's work transitions from planning to implementation. The work of the committee is now to help others embrace the vision and maintain momentum during the transition period. Depending on the situation, some organizations may not have the capacity to run each organization separately while getting the new, combined organization off the ground, or the staffing to serve the strategic partnership requirements. Some partnerships may be accomplished with existing leadership and staff, while others benefit from a transition manager whose job is to prepare the organization for the new structure in working with legal, accounting, and other professionals, as needed. In these cases, the joint committee or new joint sub-committees will be called on to finalize details to implement the new timeline and action plan, including

¹¹ Stanford Social Innovation Review, [Why Nonprofit Mergers Continue to Lag](#), Katie Smith Milway, Maria Orozco, Cristina Botero, Spring 2014

mission, vision, budgets, artistic and administrative staffing, season planning, operations, governance structure, updated policies, adapted bylaws, development strategies, and marketing plans.

In a merger, for example, careful thought should be given to the name of the new entity, and some organizations choose to identify a new doing business as name while keeping one of the existing legal names for continuity and grant eligibility. Choosing a new name presents a rare opportunity to thoughtfully select a name and build a brand that represents the new mission and ways the organization will now meet its community's needs. Clear communication internally and externally is critical to advance such an important initiative.

The Role of Communication and Culture in Successful Partnerships

Just as developing trust and maintaining confidentiality are important from the early stages of the joint strategic exploratory partnership committee's work, the significance only grows during the intervening months. Announcing a merger before any agreement is finalized by both boards, for example, could jeopardize the entire opportunity. The credibility of the organizations and their leadership can be heavily damaged if the news is made public before all questions, due diligence, and scenarios have been carefully considered and issues resolved. At the proper time, once an agreement has been fully ratified and an announcement planned, the organizations can share their news with the community in a way that shows the depth of consideration that has taken place and inspires widespread confidence in the new path forward.

When internal and external constituents initially hear the news, boards should anticipate emotional responses ranging from curiosity and enthusiasm to a sense of loss. Stakeholders are passionate about their organization, artistic discipline, and the community. Those who have not been involved in the strategic exploratory process may feel left out or have criticisms about the process. They may be concerned that one or both organizations are struggling financially or worried about their contributions to one organization. These key issues go beyond whether an investment of time, knowledge, or volunteerism is now right for the many stakeholders involved in such an important initiative. In all cases, it is important to anticipate questions that the array of stakeholders will have and address them accordingly in the initial announcement.

Likewise, internal communications and culture should be carefully considered. In the case of a merger, for example, the staff moving forward into the new organization will be bringing two disparate work cultures into the service of a single, new mission. In fact, post-merger, the greatest challenge to ensuring a successful merger stems from joining two cultures.¹² Everyone in an organization, from board members to volunteers and staff, is accustomed to each organization doing things a certain way. Like any form of change management, people need to know how the change will affect them personally. Significant time should be dedicated to information sharing and transparency, so that everyone knows what changes are coming, how their interactions with the organization might change, and when work roles or processes will change. Engaging staff in the transition planning as soon as is practical will also help them to feel valued and empowered to do their best work in support of the new strategic partnership.

Spending time thoughtfully considering ways to keep the previous organization(s) alive in people's hearts will be time well spent. Whether it is saving historical photos and other artifacts for a future lobby exhibit for a major anniversary, using naming opportunities strategically to honor legacy donors and former leaders, or finding creative ways to incorporate historical information into the partnership's lexicon will enhance thoughtful touches that honor the legacy of the past in meaningful ways while strengthening goodwill towards the new organization or partnership in the future.

Ingredients for Success

Components of a successful strategic partnership include a project champion or champions who envision greater possibilities for the organizations. They are willing to devote the time and resources to a structured and objective process to bring about mutually beneficial results. Also required for deeper partnerships is a joint committee that is committed to advancing the exploratory process with the appropriate level of due diligence and confidentiality. Organizations need to allow time and patience to accommodate the psychological and practical aspects of a partnership, especially if it involves structural changes to either organization. According to a study by the Chicago Nonprofit Merger Research Project, in 80% of mergers, a prior relationship or collaboration existed between the organizations before they merged, and in 85% of these cases, the board chair or a board member from one of the organizations emerged as the chief merger advocate.¹³

¹² The Bridgespan Group, *Nonprofit M&A: More Than a Tool for Tough Times*, Alexander Cortez, William Foster, Katie Smith Milway, February, 2009

¹³ Nonprofit Quarterly, *Nonprofit Mergers: New Study Sees Strategy and Success*, Don Haider, January 2017

It is also important to be cognizant of the impacts of such partnerships on internal culture and to create opportunities for those involved to build relationships with one another to facilitate collaboration. Finding synergies, communicating often, integrating cultures, retaining board and staff, and engaging funders early are all important ingredients in a successful merger.¹⁴ Especially with mergers, it is vital to respect the reverberating effect this could represent for a community. Celebrating institutions as they change and grow by continuing to honor traditions and memories is essential.

Arts and culture organizations who assess, evolve, adapt, and explore strategic partnerships can create stronger community benefits with greater mission impacts. Whether the organization is considering merging, collaborating, or forming another type of strategic alliance, investing in a formalized process will help objectively identify risks, challenges, and opportunities. If a merger is being considered, a systematic process is the only way to ensure that a successful merger occurs or that the end of the due diligence process results in a deeper understanding of why a merger should not occur at that moment in time. Either way, the goal should be to strengthen relationships, build strong consensus, renew brand identity, create value, and strengthen multiple organizations' abilities to positively impact their communities with a lasting legacy.

¹⁴ Chronicle of Philanthropy, *Can a Merger Expand Your Impact? 5 Lessons from Leaders Who Did It*, Janet Carter and Jason Sacks, January, 2025



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Strategist, researcher, and award-winning storyteller Nagham Wehbe leads ACG's planning and capacity building practice, enriching the team with her multifaceted professional, academic, and cultural background. She excels at transforming complex information into clear, actionable strategies that enable clients to make impactful decisions through her expertise in stakeholder engagement, organizational assessments, market research, benchmarking, and data analysis. A specialist in strategic arts and cultural planning, Nagham has collaborated with a distinguished roster of clients, including The Drama League of New York, The Naples Players, and SFJazz, Long Wharf Theatre, among others. Her expertise includes organizational development, change management, and community development. Before her tenure at ACG, Nagham honed her research skills with renowned companies such as CBS, and 20th Century

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Dr. Bruce D. Thibodeau founded ACG in 1997 and has guided hundreds of nonprofit, university, and government clients in achieving effective leadership transitions, planning cultural facilities, increasing revenues, developing dynamic institutional brands and messages, crafting strategic plans and business models, facilitating nonprofit mergers, and revitalizing board governance practices. He has also conducted extensive research in a threefold exploration of stakeholders, nonprofit arts management, and cultural facility project management and has facilitated numerous community engagement processes that have increased the public dialogue and stakeholder awareness of the arts and culture sector's value and impact on communities. As both a researcher and practitioner, his expertise highlights the important roles of project champions and followers as they

overcome inertia and gain momentum derived from their social connections, personal commitments, and financial capacities to support the arts and culture sector. Prior to founding ACG, Dr. Thibodeau held various management roles at the Los Angeles Chamber Orchestra, Boston Symphony Orchestra, Hartford Symphony Orchestra, Santa Fe Chamber Music Festival, Price Waterhouse, and Museum of Contemporary Art Los Angeles. He is a regular guest speaker at national and international arts, culture, and academic conferences and has several published papers. Dr. Thibodeau holds a doctorate of business administration from the Grenoble Ecole de Management (France), a master of business administration from the F.W. Olin Graduate School of Business at Babson College, and a bachelor of music from The Hartt School at the University of Hartford. He also has multiple certifications in competencies, communications, and motivations analysis from Target Training International.

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