Better Together:
Building Sustainability in the Nonprofit Sector

A case study in organizational restructuring at two local nonprofits,
Boys & Girls Clubs of Edmonton and
Big Brothers Big Sisters of Edmonton & Area

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I would like to sincerely thank Boys & Girls Clubs Big Brothers Big Sister of Edmonton & Area for their support of this project, and their commitment to children, families, and our community.

On July 1, 2011, Canada Revenue Agency and the Government of Alberta granted legal status to a new nonprofit organization in Edmonton. The new organization was the result of an amalgamation between two well-respected, long-standing youth-focused organizations: Big Brothers Big Sisters of Edmonton & Area, and Boys & Girls Club of Edmonton. While the two organizations had partnered on programming in the past, an organizational restructure of this magnitude was largely uncharted territory, both for the local organizations themselves, but also the national affiliates, and broader nonprofit sector. As the organization assumed its new legal identity, its board, staff, volunteers, and community stakeholders continued the work of maintaining service to children and families, and building a new organization.

The Nonprofit Sector in Alberta

The nonprofit sector in Alberta consists of 20,000 organizations, of which 9,000 are registered charities, employing 176,000 people (Alberta Culture and Community Spirit, 2011). The sector generates approximately $9.6 billion in revenue each year; the largest 1% of organizations, those with more than $10 million in revenue per year, earn 50% of total revenue, while 40% of organizations run on less than $30,000 per year[1] (Roach, 2006).

Organizations with a social services focus represent 9% of organizations, and 10% of revenue, sourced as follows: 42% government, 27% earned income[2], 27% gifts and donations, and 4% other income (Roach, 2006). As Roach (2006) further summarizes, 62% of social service organizations cite difficulty obtaining funding from other organizations, and 54% cite difficulty competing with other organizations (Table 15, p. 55). 76% identified reduction in government funding as a funding issue (Table 18, p. 59).

As economic opportunity draws newcomers to Alberta, social service agencies are called upon to integrate and support families (Alberta Employment and Immigration, 2008). Structural issues such as difficulty planning for the future, lack of internal capacity, and increasing demands for services afflict 40 – 59% of social service organizations (Roach, 2006, Table 14, p. 54). Organizations that rely on

[1] Post-secondary institutions and hospitals account for 1% of Alberta's nonprofit organizations, and earn 11% of the sector's annual revenue. Canada-wide, these institutions also account for 1% of national organizations, but earn 33% of national annual revenue (Roach, 2006).
[2] Earned income is defined as income from charitable gambling, membership fees, fees for goods and services, and earnings from investments or endowments.

government funding for more than half their revenue are most likely to report increasing demands for services as a problem (p. 61).

Organizational sustainability is a function of internal capacity, financial stability, and mission-delivery. In this sense, sustainability in the nonprofit sector is not so different than in the for-profit sector: the sustainable use of resources today without compromising the future of the organization.

$$f \left\{ \begin{array}{l} \text{Internal capacity: appropriate skills, talent, infrastructure, leadership.} \\ \text{Financial stability: revenue that supports growth, diversified.} \\ \text{Mission-delivery: innovative service delivery that evolves with best practices and community needs.} \end{array} \right\}$$

Consider, for example, the case of the Calgary Philharmonic Orchestra in the late 1990s and early 2000s. The CEO did not possess the necessary leadership (internal capacity) to lead the organization through crisis, and was fired by the board in late 2002. The organization had a rather tenuous approach to its endowment fund and revenue recognition, continuously drawing on the fund and borrowing from future subscriptions to cover current operating liabilities (financial *in*stability). Finally, season tickets sales were falling, perhaps due to an artistic program that did not appeal to the shifting demographic in Calgary (mission-delivery), or due to a string of negative coverage in the local media (Ewart & Bansal, 2006). The CPO was not a sustainable organization in its current form, and filed for bankruptcy as a means to organizational survival.

M&A: Mergers & Amalgamations in the Nonprofit Sector

Mergers and acquisitions in Canada's corporate sector numbered 251 transactions valued at $45.5 billion in the third quarter of 2011 (Crosbie & Company Inc., 2011). Whether through joint venture, merger, acquisition, or hostile takeover, each organization evolves to accommodate the structural change, some more than others.

As nonprofit organizations face increasing demand for services, in a static or contracting funding environment, they may need to consider innovative ways to increase capacity to meet the needs of communities. Strategic partnerships in the nonprofit sector take place on much the same continuum as in the corporate world. Partnerships range from collaboration on a program, fundraising campaign, or advocacy coalition, shared services, to full-scale organizational merger (La Piana, 1998). For example, in 2002, six Edmonton nonprofits formed an HR Cluster; the agencies collectively employed over 300 people, but none had internal HR capacity.

Funded by the Muttart Foundation, the agencies gained access to HR expertise to advise on recruitment, retention, training & development, and organizational structure. Big Brothers Big Sisters of Edmonton & Area participated, and have attributed their service delivery growth to the internal capacity developed through the HR Cluster Initiative (HR Council for the Voluntary/Nonprofit Sector, 2006).

Strategic partnerships of the most integrated merger and amalgamation variety are not particularly common. Recent literature, however, suggests that more and more organizations are considering mergers as a way to build capacity, remedy poor financial circumstances, or achieve greater service delivery impact (Cortez, Foster, Smith Milway, 2009; Foster, Cortez, Smith Milway, 2008).

An Edmonton Case Study

Big Brothers Big Sisters of Edmonton & Area

Big Brothers Big Sisters of Edmonton & Area (BBBS) is a community-supported, mentor based organization committed to the healthy development of children and their families through professional supported volunteer mentoring relationships (Big Brothers Big Sisters of Edmonton & Area, 2007).

Originally established as Big Sisters Society of Edmonton in 1972, the Big Brothers agency was formed in 1980, and the two combined in 1990, joining the national organization at the same time. Elizabeth O'Neill joined the organization as Executive Director in 1979, and led the organization through this first merger. She remains the ED today, growing the organization from 400 mentorship matches to 3100 matches between 1999 and 2009. Annual revenue in 2006 was nearly $2.8million, 65% from grants, 34% from fundraising and donations. The Edmonton agency is the largest in Canada.

Programming is delivered through one-to-one or group relationships, in community-based or site-based settings. Children are matched with adult or older youth volunteers, who are carefully screened by agency staff. The most well known mentorship relationship is that of the one-to-one "Big-Little" where a Big Brother or Sister volunteer meets their Little Brother or Sister individually in the community, to engage in activities of their choice and interest. Site-based programs include in-school mentoring and workplace mentoring where Littles meet their Bigs at work, through an organizational partnership with the agency.

Boys & Girls Clubs of Edmonton

The Boys & Girls Clubs (BGC) of Edmonton are committed to providing a safe, supportive place where children and youth can experience new opportunities, overcome barriers, build positive relationships, and develop self-confidence and skills for life (Boys & Girls Clubs of Edmonton, n.d.).

The first Boys Club was established in the Boyle-McCauley neighbourhood in 1962. The Club began welcoming girls in 1971, and was renamed the Boys & Girls Club in 1976. Four new clubs were established in some of Edmonton's highest need communities between 1977 and 1985. In addition to the clubs, the agency established a Supported Independent Living program for youth in care, group homes, and a crisis intervention program between 1986 and 2000. As of 2003, the agency employed over 200 staff, and served over 5000 children and youth. The operating budget grew to over $4million, a large portion of which came from government contracts.

Programming is delivered through community-based drop-in clubs, during after-school hours and in the summer. The clubs are primarily staff-run, with volunteers joining for certain programs throughout the week. Youth can participate in the planned activities such as sports, reading and homework club, crafts, and helping to prepare the evening hot meal, or simply enjoy the club as a safe place to be a kid. The clubs also offer outreach programming for parents, teens, and other social work services.

The club spaces are the central focus of the Boys & Girls Clubs. The Government of Alberta and United Way of the Capital Region are the largest funders of the clubs; revenue from contracted services such as the group homes and crisis intervention program support any shortfall in club funding. At its peak, the contracted crisis intervention program employed 140 staff on call 24 hours a day, 365 days a year.

In 2008 and 2009, changing trends in children and youth care found Boys & Girls Clubs' contracts for home care and crisis intervention cancelled by the government. Every department of the organization experienced cutbacks as nearly every crisis program position was eliminated. The introduction of an Outcome Based Service Delivery Model prompted the agency to withdraw itself from bidding on any future contracts[3]. These changes affirmed for the organization that the clubs were its core competency. However, the lost contract revenue left the Boys & Girls Clubs in a financially unstable position.

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[3] An Outcome Based Service Delivery Model (OBSD) is one where agencies bid for lead contract status, and manage the case file of youth in care for a fixed rate. It is administratively heavy, so oftentimes only large agencies with significant infrastructure bid and are successful in obtaining the contracts.

Phase I, Fall 2010: Feasibility

In October 2010, the Executive Committees of Big Brothers Big Sisters and Boys & Girls Clubs met to discuss the current partnership between the two organizations[4]. Both being major players in Edmonton's children and youth agency sector, they had worked together in the past, and currently delivered a joint program. This meeting focused on a deeper level of partnership, driven by their desire to better serve children and families, and the financial situation facing BGC. The committees agreed to conduct a study on organizational amalgamation, engaging their boards, management, and key leadership staff.

Once approved independently by both Boards of Directors, a Joint Study Committee was struck consisting of both Executive Committees and Executive Directors Liz O'Neill (BBBS) and Ross Tyson (BGC). Leadership staff were pulled from both organizations to a combined Staff Leadership Team tasked with mapping the ways in which the organizations could work together, totaling 449 hours of staff time. Consultants were engaged at a very early stage, to support the Study Committee, Staff Leadership Team, conduct an organizational culture survey, and provide legal counsel.

In November 2010, the Boards of Directors and Staff Leadership Team toured the various sites of each organization by bus. This provided an opportunity to learn more about the important work being done at each agency, and further highlight opportunities for alignment. Shortly thereafter, Liz O'Neill and Ross Tyson held a combined staff meeting, sharing the Terms of Reference and work plan, and responding to questions from staff. The Executive Directors and Board Chairs had already informed key community partners and funders of their investigation into amalgamation.

From an operational perspective, nine joint teams were developed around the functional areas of the organizations: Services for Children, Youth, and Families; Cultural Diversity; Volunteer Management; Finance; HR; Communications; Fund Development; Grants; and IT. In late November, all nine teams recommended that the Study Committee support an integration of the organizations. Staff commented that the process had enlightened each to the other and a deeper working relationship would be maintained, regardless of the final outcome.

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[4] In Fall 2009, BBBS approached BGC about the possibility of deeper partnership. BGC responded with interest in late summer 2010.

In early December 2010, the Boards of Directors met independently on the issue. Both boards unanimously supported the decision to work towards an amalgamation. The following day, Liz O'Neill and Ross Tyson informed all staff of the board approval to proceed. An Implementation Committee of the board evolved from the original Study Committee, consisting of members of both boards.

Phase II, Early 2011: Planning

Both agencies are members of larger national organizations. In early January 2011, the CEOs of both national organizations travelled to Edmonton to meet with the local agencies. They discussed issues such as organization name, brand and identity, accreditation, membership fees, and communication strategy to other agencies. The national affiliates indicated their support of the amalgamation, and all parties acknowledged the ongoing engagement necessary to ensure compliance with national standards.

In February 2011, both boards jointly accepted a transitional board structure. The new board would be nominated to reflect the needs of the new organization, and would take effect as of July 1, 2011, the date chosen for the legal amalgamation. The 18-member Transition Board would consist of 10 former BBBS directors and 8 former BGC directors, serving for 18 – 24 months, with staggered turnover. After two years, membership would no longer be defined by former board alliances[5].

Throughout the Spring, the committees, staff teams, boards, and Executive Directors continued their work developing work plans and the necessary legal documentation. Operationalizing the amalgamation was a learning process for all involved. Staff communication was managed through a living FAQ document, anonymous question box, weekly updates by email, and regular all-staff meetings. One frontline staff recalled, "I wanted more information, but they [the leadership team] didn't necessarily have all the answers, as this was new to everyone. They were clear about the process, and what had to happen before they could shed light on the emerging structure of the organization." (personal communication, April 4, 2012).

In late May 2011, both organizations held meetings with their members, to conduct a final special resolution vote on the amalgamation. Membership included

[5] McLaughlin (2010) prescribes a variation of this approach to board composition: in contrast, he suggests 9 – 13 members, and to sever the implied connections between members and their former organization. In alignment, he suggests that terms be staggered, and members be considered assets for the future of the organization, not reminders of the past.

volunteers and families involved with the organizations. As was the case with the boards and staff committees, the membership also provided unanimous support for the amalgamation.

Liz O'Neill was named as the Executive Director of the new organization, and Ross Tyson assumed the role of Assistant Executive Director. Liz had served as ED of Big Brothers Big Sisters for over 30 years, quite rare tenure in a sector confronted with high turnover, and the board felt she was best suited to lead the new organization. Ross Tyson would continue to sit as Assistant Executive Director throughout the amalgamation process.

Phase III, July 1, 2011: Implementation

On July 1, 2011, the organization assumed the legal identity of Boys & Girls Clubs Big Brothers Big Sisters of Edmonton & Area. To maintain national affiliation and accreditation, both organization names needed to be present in the new name. Some staff refer to the organization as "BGCBigs", a hybrid of the shortened versions used prior to the amalgamation. Organizational leadership has suggested that, ultimately, the community will provide their informal name.

Highlights of this Amalgamation Case

Culture Survey

Early in the process, an external consultant was engaged to conduct an organizational culture survey of the two organizations. 25 members of the leadership teams were surveyed; the results were benchmarked against data from 1076 other organizations, and compared to each other. Generally, the organizations ranked more positively than the standardized data set, suggesting strong consistent cultures. When compared with each other, both organizations responded similarly to questions of mission, values, ethical behavior, employee engagement, and teamwork. The organizations differed on their approach to customer engagement, staff capability development, leadership, and integrity. On these factors, BBBS presented with stronger scores. The findings suggested that the two could effectively merge, but highlighted areas that might require special attention throughout the process.

A great deal of the positive BBBS culture can be attributed to Liz O'Neill's leadership style. Having grown the organization nearly from inception, Liz's leadership is imprinted clearly into the organization. In this sense, BGC staff had a greater shift ahead of them, as the new organization came under Liz's leadership and approach to culture.

National Organizations

The national offices have been fairly supportive of the amalgamation. Both have maintained a presence in the process, particularly around branding, insurance, standards, and communication to national partners. Other communities have taken notice of the Edmonton amalgamation, seeking more information from the leadership team. The national offices have indicated that they will not support any further amalgamations, given the risks associated with a restructuring of this magnitude. They are monitoring the Edmonton experience closely.

Accreditation

In 2011, BBBS was scheduled to renew their accreditation with Big Brothers Big Sisters Canada. Although BGC was not due for renewal at that time, the leadership team decided that the new organization would undergo accreditation for both affiliations at the same time. The accreditation process created a platform for further understanding of each other and offered affirmation that both organizations were doing well, by national standards.

However, the accreditation process also revealed that the national organizations define service differently. For example, BBBS Canada defines mentoring in such a way that the club activities do not meet the criteria. Club-based programs, then, were reported in terms of impact numbers, rather than mentoring relationships.

It was not only at the national level that differences in output measurement were revealed. One manager recalled conversations about service delivery data during the first few months of getting to know each other. Due to the drop-in nature of their programs, BGC tracks program delivery in "units of service". A child that joins a club may participate in a physical activity, homework support, and a meal, accounting for three units of service. BBBS considers each child individually, regardless of frequency of contact.

Relationship with Funders

The organizations have long-term relationships with funders, many of which support both organizations. In 2010, the provincial and municipal governments provided 69% of BGC program and fee-for-service funding. It did not make financial sense to amalgamate if funders were going to limit their support to the new, larger, organization. The leadership team met with funders early in the process, to gain support for the restructuring. Funders consistently supported the amalgamation, maintaining or even increasing funding, in some cases. The amalgamation also offered the opportunity to seek grants in direct support of the restructuring, as funders saw the efficiencies that could be gained from the merger.

Programming & Service Delivery Staffing

Throughout the planning process, programming and service delivery was maintained to the same standard that children, families, volunteers, and community partners had come to experience. Consistency of service delivery was paramount throughout the restructuring process, and was communicated formally through all-staff communiqués, meetings, and committee documentation. A deep-seated commitment to children, families, and community, both individually and organizationally, supported this value.

> "Myself and the other frontline staff made a strong commitment to not letting the kids experience any of the stress we may have felt about the amalgamation process."
>
> Frontline staff (personal communication, March 29, 2012)

The mantra "Better Together" emerged through ongoing dialogue and learning. Staff also began to recognize that the two organizations could be better together, and that *together* might be *different* than what they had come to know. Staff were invited to visit their counterparts in other program areas. This was especially important for the frontline staff in the mentorship and club programs. Match Caseworkers were accustomed to managing Big-Little matches in the community, at schools, or workplaces, including interviews, follow-up meetings, and risk management. Club Coordinators were responsible for the day-to-day operations of the clubs, including activities, maintenance, reporting, and liaising with children and families.

Clubs run on a drop-in basis. Children are asked to register as members after their first visit, but gaining guardian permission can be difficult given the personal challenges that many high-risk children face. Club staff are often just glad to see a child safe in the club, regardless of whether they have formal consent on file. Now, club programming is becoming more standardized, as part of the accreditation "house cleaning", joint reporting, and trends in granting requirements. At one particular club, a program now runs every night, and there is a greater focus on academic activities. The centralized development team is working on grants for technology upgrades so the club can provide better homework support. Volunteers are engaged on a more regular basis, leading football and reading programs. All this being said, some club staff are concerned about losing the drop-in nature of the club, something that children have come to know and be comfortable with. [6]

The emerging programming model has been structured around community-based and site-based programs. Community-based programs include one-to-one matches, while site-based programs include the clubs, school matches, and workplace matches - any service attached to place. Management has been clear that there are no job losses, but are asking that staff consider the new role and responsibilities with an open mind. Frontline staff were invited to rank their preferred roles and the complement is scheduled to be finalized Spring 2012.

Volunteers Engagement and Management

Volunteer management practices are strictly standardized at the national level for BBBS, while local BGC agencies can develop their own practices based on national guidelines. Volunteers are involved in both organizations in governance roles, special projects, and events. In the BBBS model, volunteers are core service providers through mentorship. The BGC model is considerably more reliant on staff to deliver services, although most clubs incorporate volunteers into programming. Volunteer management and engagement, however, proved to be a significant area of change for some members of the new organization.

In February and March 2011, all BGC volunteers were brought to BBBS standards through training, enhanced screening, and orientation to the new organization. This was met with resistance and some volunteers were lost in the process; standardization of volunteer management practices proved to be non-negotiable for BBBS. Volunteer recruitment was combined in April 2011, and volunteers are now offered mentorship and club-based opportunities. The club-based opportunities are very appealing to some volunteers. BGC frontline staff are reframing the way they leverage the talents that volunteers bring to the club environment. This has been a significant shift for some club staff.

Improving Organizational Sustainability in Boys & Girls Clubs Big Brothers Big Sisters of Edmonton & Area

Taking the view that organizational sustainability in the nonprofit sector is a function of stable funding, adequate internal capacity, and achievement of mission-delivery, the amalgamation of BBBS and BGC in Edmonton has improved the

[6] Management is keenly aware of this sentiment, and believes that the drop-in activity will be maintained and enhanced over time.

sustainability of the new organization. The organization has already experienced success in some areas, and is well positioned for success in others.

Financial Implications

The organization has developed greater diversity in revenue. With one exception[7], funders have not scaled back their support, and some have increased funding in support of the restructuring. Further, with the diversity of programs now offered, the organization is eligible to apply for new grants, neither might have considered before, as with the technology upgrade grant previously cited.

Internal Capacity Implications

Both personal communication and documented process files have suggested that BGC, as an organization, was tired prior to the amalgamation. The financial situation was unstable, frontline staff positions faced high turnover, and there was a great deal of uncertainty about the future of the organization. It seemed that BGC was looking to partner with someone, and the opportunity to amalgamate with BBBS was well timed. This was not a rescue merger, however, as both organizations brought significant resources and opportunities to the table.

One aim of the new programming structure is to reduce staff turnover at the frontline level of the organization, recognizing the importance of consistent staffing, particularly in the clubs. As the clubs are open in the evenings, staff schedules will be adjusted to include for rotating evening shifts, allowing for greater work-life balance and happier, healthier employees. Where many casual positions existed before, there is now a limited number of 0.5FTE roles in the organization. These initiatives will help with staff recruitment and retention at the vital service delivery level of the organization.

Literature suggests that cost reduction is a major motivator for amalgamation. However, in the short-run, organizations rarely see a decrease in costs (LaPiana, 1998). What they do see are efficiencies, and increased capacity to deliver programming or back-office operations. For example, BBBS committed .6FTE to grant writing yielding $850k in revenue. BGC committed .5FTE to grant writing, yielding $250k in revenue. The new organization hopes that combined efforts and improved practices will yield even stronger results.

[7] Gaming revenue legislation permits one application per organization. As one legal entity, the organization is now permitted only one application.

Impact on Mission-Delivery

The new organization is better positioned to reach more children, families, and volunteers through diversification of programming. Regardless of whether a child enters the organization through a referral to mentorship or a club, they can access programs in both areas of service delivery. Frontline staff had often referred across organizations prior to the amalgamation, but the revised intake process, access to service, and streamlining of client information has the potential to improve under the new amalgamated model. For example, a Club Coordinator can monitor the status of a child's match application, and conduct follow-up with her Match Caseworker counterpart.

The amalgamation is also intended to allow the organizations to serve more children and families. This is not necessarily the product of *doing more with less*, but rather *doing more with the same* through efficiencies, best practices, collaboration, and innovative organizational solutions. In this sense, the organization is moving towards greater sustainability by expanding service delivery that meets the needs and preferences of the communities they serve.

Application and Transfer of Learning

The drivers, processes, and implementation of the amalgamation between Boys & Girls Club and Big Brothers Big Sisters of Edmonton & Area largely validate the literature on nonprofit restructuring. Some literature approaches the subject from the perspective of donors – how donors can encourage and support organizations in achieving a successful amalgamation. Other literature, which I will discuss and draw comparisons with here, is presented as a "how-to" guide for the organizations themselves.

Strategic Restructuring – How To

Strategic restructuring, like any other significant change project typically follows three phases: feasibility, planning, and implementation. Literature recommends that the feasibility stage include assessments of each organization, culturally, financially, and operationally (McLaughlin, 2010; La Piana & Harrington, 2011). For BGC and BBBS, this included culture surveys; audits of mission, vision, values; preliminary audits of the nine functional areas of each organization[8], and governance planning. They used a due diligence checklist adapted from the corporate M&A field. Consultants were also engaged at this stage, to facilitate the process and support staff and the boards, as McLaughlin (2010) recommends.

[8] Services for Children, Youth, and Families; Cultural Diversity; Volunteer Management; Finance; HR; Communications; Fund Development; Grants; and IT.

Once approved by both boards, the organizations moved into the planning phase. This was marked by the development of joint committees, internal and external communications strategies, further HR planning, and decisions about organizational leadership. On leadership, the experts are clear: one executive should assume leadership of the organization (McLaughlin, 2010; La Piana & Harrington, 2011; La Piana, 2000). This may be made easier if one executive director role is vacant. Liz O'Neill has assumed the role of Executive Director of the new organization. Ross Tyson will stay on as Assistant Executive Director through the amalgamation process, and then he will be moving on.

The third phase of implementation can be the most challenging for the organizations and staff. This is where "them" becomes "us", involving a shift in language, culture, and communication. BGC and BBBS also experienced changes in more operational areas such as the management structure, job roles and responsibilities, fiscal year end, email address domains, data management, and many, many others. This much change can be difficult for people. Organizational leadership is tasked with communicating progress and managing resistance. To date, BGC and BBBS have been successful in this phase, due in large part to excellence in planning. One board member mentioned that every question the boards had been responded to fully, leaving far fewer surprises than might have been expected.

Strategic Restructuring & Organizational Sustainability

As previously mentioned, the nonprofit sector is increasingly competitive as organizations vie for staff, volunteer, and financial resources (Blumberg, 2009). Looking at the social services sub-sector, similar organizations also compete in providing services to the target population, either with other nonprofits or for-profit organizations. Increasing demand for services coupled with decreasing government funding, find 40 – 59% of social service organizations with difficulties planning for the future and lack of internal capacity (Roach, 2006, Table 14, p. 54).

In some cases, funders and the public may feel that a particular area has too many, largely undifferentiated, organizations at work, creating pressure for a more strategic alignment of resources (Blumberg, 2009). Upwards of 30,000 new tax-exempt organizations are established each year in the United States (La Piana, 1998). Blumberg (2009) also suggests that funders may require organizations to work together to avoid duplication of services and improve service delivery.

This is akin to the principle of *social license to practice* in contemporary corporate social responsibility dialogue. Like corporations, nonprofits seek a license to practice from their communities and stakeholders. Permission is granted in the form of funding, client referrals, volunteer commitment, recruitment and retention of staff, valuable community relationships, and positive coverage. Strategic re-structuring may offer organizations an enhanced license to practice.

As seen with Boys & Girls Clubs, financial pressures put them in a position to consider amalgamation with another organization in the community. The literature suggests that this, and perceived cost saving, is often an impetus for exploring amalgamation (Butzen, 2011; Dewey & Kaye, 2007; La Piana, 2000). Butzen (2011) suggests, though, that organizations not wait until their financial situation is dire before looking for potential partners to merge with. The better a financial position the organizations have, the more likely the merger will be a partnership of equals, rather than a rescue mission.

Beyond asset base, revenue, or size of the management teams, McLaughlin (2010) defines two organizations as equals "if a reasonably educated outside observer would consider them equal" (p. 80). By this definition, the amalgamation of Boys & Girls Club and Big Brothers Big Sisters was indeed a merger of equals, rather than a rescue effort. BBBS brings a strong organizational culture, leadership, and leading best practices. They had experienced steady growth since inception, and managed to maintain their capacity during the recession of 2008 – 09. BGC brings a strong history and community presence in some of Edmonton's most high-need communities. Alumni of the clubs still supported the organization, having retained their connection to place from youth. Both organizations are well established, respected members of Edmonton's nonprofit community, and broader social sector.

Thus, financial drivers cannot be the only, or even the primary, impetus for a successful merger. Alignment of mission, values, and strategic purpose is absolutely imperative. An amalgamation will involve change in areas where stakeholders have great emotional investment; to remain on course will require a steadfast commitment to the social ends the organization hopes to achieve (La Piana, 2000).

Finally, an emerging theme in the literature is that merger and amalgamation need not only be considered by organizations in dire straights. On the contrary, strategic restructuring between strong organizations, McLaughlin's "merger from strength" (2010, p. 30), during a period of stability can bring about greater organizational sustainability:

- Internal capacity: improve the efficiency in existing services, develop new skills
- Financial stability: increase funding

- Mission-delivery: improve the quality of existing services, enter new markets (Cortez, Foster, Smith Milway, 2009)

In the same sense that the most effective corporate social responsibility initiatives are aligned with corporate strategy - gaining a competitive advantage, becoming a first-mover, improving social license to practice, increasing market share, engaging stakeholders – strategic restructuring may offer strong nonprofits the opportunities to gain further strategic advantages.

Conclusion

The nonprofit sector is faced with a myriad of challenges in meeting the needs of their communities. Increased demand for service, decreased funding, lack of internal capacity, and market competition leave organizations struggling to achieve their mandate. Taking the view that organizational sustainability is a product of internal capacity, financial stability, and excellence in mission-delivery, organizations may look to innovative solutions to improve sustainability, and thus, service delivery. Strategic restructuring is one way that organizations can foster organizational sustainability. The case of Boys & Girls Clubs and Big Brothers Big Sisters of Edmonton & Area is an amalgamation success story. Although still firmly in the implementation phase of restructuring, the organization is well positioned to increase support to children and families, beyond what either was capable of pre-merger. Brought together by multiple factors, it became clear early on that they could be better together.

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