Organizational Relationship Continuum

- Unification
- Acquisition
- Merger
- Federation
- Coalition
- Joint Venture
- Collaboration
- Cooperation
- Coordination
- Competition
Descriptions of Options on the RELATIONSHIP CONTINUUM

**Competition** – Two or more organizations directly compete for influence, membership and/or resources. Competing organizations are vulnerable in public policy or program situations where others can dominate.

**Coordination** – Two or more parties agree to have a third party make decisions about who will do what. For example, a steering committee that has some authority will make decisions about which groups can best do certain things and then makes assignments. Each party retains responsibility for how its assignments are implemented.

**Cooperation** – The parties themselves determine who will do what. Each group assumes autonomy, risk and reward for the activity they execute. There is no co-mingling of risk and reward. Each party determines what they will do separately and what they will agree to do together.

**Collaboration** – The parties choose certain things that they will do together. For example: research, advocacy, technology, education, credentialing, etc. Decisions about who will do what are made in consultation with each other. There is still a high degree of autonomy for each of the parties with respect to what assignments they will undertake. Organizations choose to do only things that make sense for each of the organizations.

**Joint Venture** – The parties join together to establish a separate enterprise for a particular business purpose that would serve each of them. Parties involved view themselves as stockholders/investors, not as managers. An independent governing body oversees the joint venture with autonomy and authority. Board and staff are selected for knowledge and expertise in the business of the joint venture. The parties involved tend to create a governing body distinct in character from their own. Such ventures are meant to be more corporate-like and less political.

**Coalition** – Coalitions are entirely voluntary and tend to be issue-oriented. They usually form around advocacy as a primary purpose. Participating organizations share risk, reward and resources. Coalitions are not expected to have perpetual life. They last only as long as needed and useful in addressing an issue. A coalition does only what all parties agree will be done. Wide variety in culture, beliefs and behaviors among participating organizations can make a coalition difficult to operate and sustain.

*Cooperation, collaboration, joint venture and coalition are differing forms of ad hoc alliances. The following relationship choices are more structured. They involve significant increase in integration based on anticipation of a more lasting relationship.*

**Federation** – Construction of a new organization, formally or informally chartered depending on its purpose. All of the parties retain autonomy as enterprises — in governance, program and finances. Resources are exchanged or pooled only when the parties agree. In some federations, members may still compete with each other in certain arenas. A federation is like a coalition in that it only works on things that a critical mass of participating organizations find useful. Federation members work together on things they can agree on. Members cooperate, but are not subservient to another authority and do not have power over each other. Subsets of members can work together as long as their work does not conflict with the interests any other member of the organization. Federations may dissolve if some organizations have greater perceived power than others.
and the degree of influence on the federation is considered unfair. Federations tend to organize around the variables of role or geography. For example, organizations serving different segments of an industry of profession form a federation. Or, autonomous state organizations work within a federation model. International organizations tend to build a federation model around the geo-political location of groups of members. Global organizations tend not to be federations since global models organize around universal membership without regard to geography.

*The following relationship alternatives tend to be driven by a dynamic in the environment. Successfully meeting needs requires an organizational capacity not possessed, so two or more parties look at pooling assets.*

**Merger** – Two organizations come together around some defined equity. Organizations are pulled together by the power of what such a combination can produce and the cultures adjust. Issues related to distribution of power and existing assets tend to drive a negotiated organizational design. When mergers of associations are actually acquisitions disguised as mergers to be politically more palatable to the smaller group, the culture and interests of the acquiring group will dominate.

**Acquisition** – An association literally purchases the assets of the other organization – name, membership, bank account, functionality, program lines, etc. In this model, one organization assumes the other organization. Acquisitions tend to be considered when something occurs in the industry that requires a certain capacity to effectively respond. When the needed resources, competency, talent, etc. can be obtained from another organization with plateaued or diminishing capacity, acquisition can be mutually attractive to both parties.

**Unification** – Unification occurs when an entirely new organization is designed by two or more parties to be a successor to existing organizations. Interested parties together answer the question, “If we could create an association for the future in a world where none existed, what would it look like?” Answers to the question “How would our relevant world be different in a better way?” shape goals, objectives, and strategies. Business lines (such as advocacy, education, publications, conventions, etc.) are then developed to achieve declared outcomes and provide defined value to those served. Organizations created through unification tend to employ more open membership models. For example, an organization with an inclusive strategy might invite a variety of groups to join a common community with the expectation that different groups may be involved in different ways. In this relationship alternative, resources are permanently pooled, groups do not necessarily need to give up their own identity, and all members do not have to be involved in the same way.