



Ben Adelman, a young man with cerebral palsy, is fulfilling his dreams of living and working independently in the community thanks to Aspire and a lot of hard work and determination.

# “Come Together” & Accelerate Impact

*A Case Study from Forefront’s Mission Sustainability Initiative*

Forefront’s Mission Sustainability Initiative helped to build an effective partnership for serving people with developmental disabilities

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| <b>Collaboration Status:</b>           | <ul style="list-style-type: none"><li>• Ongoing</li></ul>   |
| <b>Sustained Collaboration Type:</b>   | <ul style="list-style-type: none"><li>• Merger</li></ul>  |
| <b>MSI Grant Types:</b>                | <ul style="list-style-type: none"><li>• Exploratory and Implementation</li></ul>  |
| <b>Technical Assistance Providers:</b> | <ul style="list-style-type: none"><li>• Athletico Physical Therapy</li><li>• Chicago Law Project</li><li>• Foley &amp; Lardner LLP</li><li>• KPMG</li><li>• Mission + Strategy Consulting</li><li>• Pinion Solutions Group</li><li>• Vedder Price</li></ul> |
| <b>Partners:</b>                       | <ul style="list-style-type: none"><li>• Aspire</li><li>• NorthPointe Resources</li></ul>  |

## In the summer of 2018,

Jim Kales, CEO of the nonprofit Aspire, had just finished a round of strategic planning with Aspire’s board. He realized that partnering with similar organizations could bring substantial growth to Aspire’s mission of including people with disabilities in Chicagoland communities.

He started keeping an eye open for potential mergers.

At the same time, Dina Donohue-Chase, CEO of NorthPointe Resources—a smaller nonprofit that had been providing similar services in Lake County and southeast Wisconsin—had been nudging her board toward a partnership to keep the organization thriving amid financial challenges brought in part by flat state funding.

Donohue-Chase called Jean Butzen, a veteran consultant specializing in nonprofit mergers.

A few days later, Kales and Donohue-Chase chatted on the phone for an hour, and that led to more discussions. Today, the two nonprofits are one organization: Aspire. Their partnering was aided by crucial, early, and ongoing help from the Mission Sustainability Initiative (MSI). The MSI is a project of Forefront, Illinois’ membership organization for philanthropy, nonprofits, and their stakeholders. It is designed to strengthen the social impact sector by building a learning culture and resources around strategic partnerships.

“I was a bit of a skeptic,” Donohue-Chase said of the need for the MSI’s involvement. “Merging was something Jim and I were both eager to do. I thought we could probably achieve this without help from the MSI. But I was wrong.”

“The early funding from the MSI was crucial,” Kales said. “It was incredibly powerful to bring an expert like Jean Butzen on board early, because Jean has such a wealth of

nonprofit merger and acquisition experience.”

Focused, in-depth, early conversations with MSI Director Genita C. Robinson brought out articulate answers to difficult questions, Donohue-Chase recalled.

**“It built the foundation for us to negotiate anything that popped up in good faith and trust, and it really allowed us to accelerate the process.”**

### Exploring Collaboration

Founded in 1960, Hillside-based Aspire had an annual budget of about \$11 million and served an estimated 1,000 people a year. NorthPointe Resources, established in 1953, was headquartered in Zion and served about 500 people a year on a budget of nearly \$6 million. Their merger is another example of the MSI’s vision of a thriving, agile, and collaborative social impact sector that proactively explores strategic partnerships to maximize potential in communities.

Forefront created the MSI in October 2016 to help bring together nonprofits with similar missions in a variety of ways. This can include sharing office space or staff, creating administrative or programmatic partnerships, or mergers.



The initiative also provides funding for collaborations, connects organizations with important pro bono services, and offers an array of toolkits, research, best practices, and workshops. All of it is done in a confidential and productive atmosphere, a key benefit of the MSI.

In the Aspire-NorthPointe merger, the MSI gave the organizations a \$21,500 grant for merger exploration early in the process and followed that with \$35,500 for integrating culture and human resources. In addition, the MSI connected NorthPointe with pro bono legal help.

After their phone conversations and a series of face-to-face meetings, Donohue-Chase and Kales reached out to the MSI in late fall of 2018. Each organization had their priorities when it came to merging.

“We wanted to be sure we knew what we were getting into,” Kales said, which was why Aspire emphasized very thorough due diligence. “We didn’t want there to be big surprises on the other end.”

Conversations that sprung from that analysis got challenging at times, Kales and Donohue-Chase said, but also helped build trust through transparency.

Donohue-Chase and her board members wanted to be certain that NorthPointe’s original legacy of serving people throughout Lake County and southeastern Wisconsin would remain intact.

Other challenges arose. There was redundancy in administrative roles, but fewer than 10 layoffs were made among nearly 300 employees. Key executives changed roles—Kales is CEO, and Donohue-Chase is Chief Mission Officer—and the board was expanded to include three positions for former NorthPointe Board Members.

Through that emphasis on transparency, the two organizations were able to maintain their priorities, in part by inviting family members of individuals served by NorthPointe to visit Aspire facilities, and by encouraging candid conversations between NorthPointe board members and Aspire’s Treasurer and CFO.

In January of 2019, both organizations’ boards formed a Joint Negotiating Committee. Discussions progressed quickly, aided by critical pro bono expertise from Aspire partner Athletico, which has extensive experience in mergers and acquisitions and integrating new partners.



In the Harry and Jeanette Weinberg Career Academy, one of Aspire’s career-minded participants sparks joy when she shares a recent success with this visiting corporate volunteer.

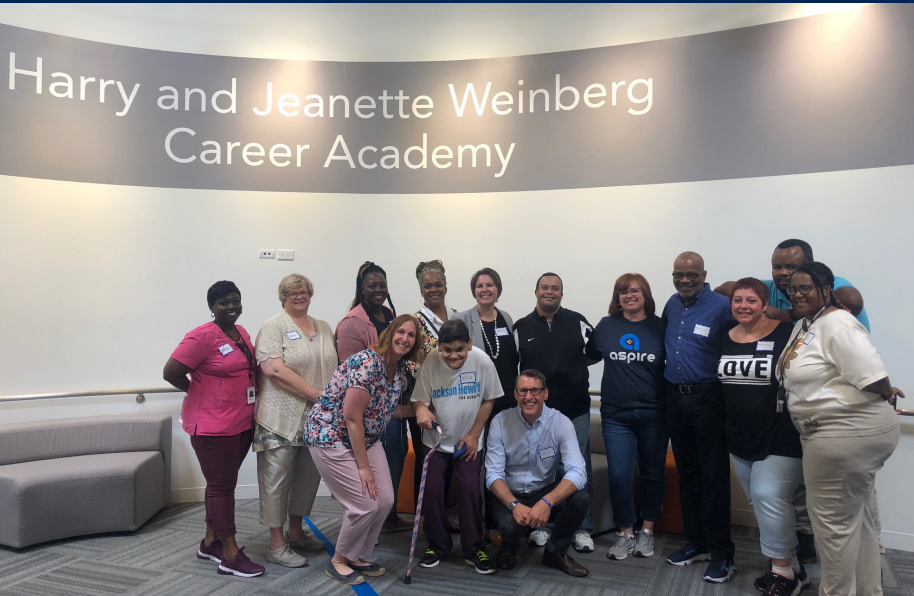
## The Merger

Aspire and NorthPointe signed a memorandum of understanding in June 2019. By August 1, the merger was made official through an asset transfer agreement.

**The combined networks of Aspire and NorthPointe are opening doors to funders, businesses, and volunteers that hadn’t been available to the individual organizations. The merger also strengthened brand recognition and marketing. Those teams have better focus and are covering a wider geographic area.**

Underlying all the planning was a steadfast goal of creating a better, stronger, more sustainable nonprofit that could serve more people. Kales and Donohue-Chase said they were able to achieve this milestone thanks to the investment of the MSI, The Coleman Foundation, and likeminded partners. Early indications are promising.

“I think what I like most about what has



NorthPointe Resources staff and individuals with disabilities visit Aspire's Harry and Jeanette Weinberg Career Academy for the very first time as part of a culture-building meet and greet event.

occurred is the ability of the team that we've formed to accelerate our mission and our vision," Donohue-Chase said.

Donohue-Chase and Kales agreed that the bigger organization, known as Aspire, has a clearer focus and far less duplication. One tangible result of the merger was creating the position of facilities director, which led to performing preventative winter maintenance on 24 group homes—a first.

## Impact and Lessons Learned

"All of this," Kales said, "tells us that this is a fundamental way to propel us forward." Donohue-Chase added that, "We're starting to see it in the excitement from supporters. People are energized by our coming together and what our strategic plan is and how it's actualizing."

In what might be the most tangible manifestation of the merger's benefits, this year's annual gala was sold out, a rarity before the merger. The theme: the Beatles song, "Come Together."

The merger process and its results also have impressed one of Aspire's strongest supporters, the Harry and Jeanette Weinberg Foundation.

"The Foundation, which also provides support to the MSI, believes in the effectiveness of Aspire's unique model using a simulated environment to prepare individuals with disabilities for jobs," said Ambassador Fay Hartog-Levin (Ret.), Weinberg Foundation Trustee.

"The simulated environment is an approach the Foundation would like to see other organizations adopt." She also noted that the new partnership enhances and expands the Aspire model.

"The Foundation applauds Aspire's merger with NorthPointe, which will allow more people to access these job-training services while also strengthening both organizations."

Donohue-Chase and Kales say other nonprofits should look to collaborate, although they warn that the process is more complex than it appears and requires a great deal of work and a willingness to be vulnerable. Organizations contemplating partnerships also must have a keen sensitivity to culture in both places.

"This process is going to put every function of your organization under stress," Kales said. "If there's a weak point, you're going to see it."

The new Aspire has goals through the year 2025: to increase funding by 25 percent annually and serve 3,000 people a year, among other objectives.

Those may be ambitious, but Kales believes more collaboration—and especially more funding for it—needs to be a prime consideration for nonprofits and for funders.

"More organizations need to be getting on board with this," Kales said. "This is the most critical issue for nonprofits to understand to create impact in the next decade." ■