MERGING FOR IMPACT

RADICALLY RETHINKING HOW WE DELIVER IMPACT

MAVA
FONDATION POUR LA NATURE

CONTENT

This publication is part of a series of MAVA learning products developed to reflect on and share the foundation's learnings about institution processes and ways of working at foundation level, including challenges faced in carrying our conservation actions – to inspire donor strategies and best practices.

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Merging for Impact

Radically rethinking how we deliver impact

INTRODUCTION

The herculean task of non-profits

The mission of a non-profit organisation is vast: complex situations requiring deft management, inertia or resistance to overcome, and a chronic lack of resources exacerbating every situation and necessitating impossible trade-offs.

In an increasingly uncertain post-pandemic world, the job is even tougher. The funding landscape is shifting, operational models are becoming obsolete, and the interconnectedness of issues is ever more evident, requiring a more integrated approach.

This means radically rethinking how to deliver impact in innovative ways. This paper explores one way of achieving this goal: by merging with another actor in the field. In 2015, MAVA Foundation merged with FIBA, becoming just one legal entity under the name of MAVA Foundation, or simply MAVA. Looking back, we are convinced the venture has been a success. For a little history on MAVA and FIBA, read the text box at the end of this document.

The challenge and the payoff

While mergers and acquisitions are frequent in the for-profit world, they are still uncommon in the non-profit sector. In our experience, suggestions to our partners to consider combining forces have been met with fierce resistance.

NGOs are frequently created by charismatic leaders and attract staff who see their work more as a mission than a job. This strong attachment to a particular individual, organisation, or structure understandably creates resistance to change. On top of that, the need to contemplate a merger can feel like a failure.

But conservation challenges evolve, and our missions and actions should too. In these times of uncertainty, radical change can provide a way forward, and bring unexpected benefits.

A merger can:

- jump-start development
- create a more powerful entity, built on the strengths of both organisations
- streamline finances, especially for back-office functions
- simplify joint fundraising
- facilitate exit strategies

Drawing from our experiences with our merger, this paper will outline what it takes to approach such a change in structure, then explore the impact we have measured from our merger through feedback from the field.

BE COURAGEOUS – BE A VISIONARY!

A merger is a radical process; one which takes courage, imagination, and vision. It takes courage to admit that an existing operational model is no longer relevant and must be changed. It takes imagination to see a potential merger as an opportunity rather than as a threat. It takes vision to carry the process through the initial turmoil to arrive at your dream destination. Teams will be reshuffled; some projects and partnerships will inevitably end. Board members and directors will have to take bold decisions.

In the case of the FIBA/MAVA merger, we had to accept dramatic changes, like the closure of Mauritania's local office, knowing that the mission would be better served in a different manner. Individuals faced career-altering consequences - like the director of FIBA who was a dedicated and driving force behind the merger, despite understanding that the process would eventually make the position redundant.

To overcome such challenges, we encourage non-profit leaders to take a step back and look at the field of NGOs as an eco-system which shifts and changes over time. From this vantage point, the project can be explored in a positive light. Focusing on the unique strengths that will flourish with the merger will help to let go of an old operational model.

LESSONS LEARNED

7 years after the FIBA-MAVA merger

To prepare this paper, we commissioned an external expert (Stephanie Mansourian) to interview stakeholders to understand their views on the merger 7 years on. The following sections are drawn from our own reflections and what we learned through those interviews.

What stands out 7 years later

Overall, our partners signal good communication that helped them understand the merger as part of a broader dynamic - including the closing of MAVA in 2022 and the development of a new collaborative strategy for the region - rather than as an isolated event.

Interviewees also agree that there have been more financial resources to distribute since the merger, more technical expertise, and increased financial clout, despite a decrease in direct technical assistance for partners.

The co-defined post-merger strategy is also considered a success. MAVA was able to re-position itself in the region, in collaboration with local actors - defining conservation priorities and partnerships, creating strategies for strengthening local stakeholders, determining the extent of support, and preparing for the future, including MAVA's closure in 2022.

Did we meet our expectations?

Interestingly, while most stakeholders understood the rationale for merging, we discovered that more than a third of our partners had no concrete expectations about the outcome of the merger. To put it simply, if funding continued, the rest was secondary! But defining goals is the key to measuring success…

- *Our role clarified*

We were up-front about the reasons behind the merger, one of which was the eventual closing of MAVA in 2022. This allowed us to clearly define the FIBA/MAVA post-merger mandate, which would focus on our donor role, expanding MAVA's presence in the field to accompany our partners at a strategic level. If both organisations were previously perceived as redundant by some, our post-merger niche was very quickly understood.

- *Resources optimised*

The merger helped create economies of scale and remove unnecessary duplications. It led to difficult staffing decisions (of 27 staff members prior to the merger, 19 employees remained 1 year after the merger), but this helped streamline our processes and remove unnecessary layers of administration. It allowed for more money to be allocated to our partners and improved overall nature conservation efficiency in West Africa.

- *Trusted relationships maintained*

The increased size of the post-merger organisation inevitably led to slightly reduced flexibility, which was perceived by some partners as slowness and bureaucracy. We learnt that keeping the same staff in place makes the change in their role harder to grasp. However, we feel that this challenge is outweighed by the advantages of maintaining trusted relationships.

- *Collaboration fostered*

Both FIBA and MAVA previously operated by establishing close ties with partner organisations. Post-merger, MAVA sought to further nourish these ties, improving the overall conservation impact and intervention sustainability by building coalitions around key conservation objectives for the region.

- *New opportunities generated*

A secondary result of the merger was that it provided a new pool of human resources and skills which were deployed strategically throughout MAVA's other programmes. This provided space to bolster links with existing programmes and led to some new initiatives (the organisational development programme or the 'MAVA leaders for Nature Academy').

- *Impact multiplied*

The ultimate rationale for the FIBA/MAVA merger was to create more impact for nature conservation. However, steps taken because of the merger- including seizing new opportunities, defining new strategies, and developing new partnerships- added up to far more than that. Many of the stakeholders we interviewed agree that the MAVA/FIBA merger provided potential for significant impact on conservation in West Africa.

The keys to success

Explore all options. Mergers are not the only option for change and a clear assessment of different solutions is important. In fact, during our first brainstorm, merging was our least preferred option! Considering how intensive the merger process is, the decision should not be taken lightly.

Analyse both internal and external contexts. Thorough analysis is fundamental to justifying and planning the eventual merger. Once we began ours, the internal reasons for merging became obvious: high funding dependency, duplication of work, and complementary skills. Simultaneously, the external context - the rise of capacities and emergence of new opportunities in West Africa – made it clear we needed to empower our partners.

Set clear objectives. The leadership teams in both organisations need to have a firm grasp on the merger's objectives. This helps them communicate clearly with the respective boards, as well as with their teams and stakeholders. In our case, the goal of being more effective in West Africa helped justify every subsequent decision we took.

Communicate through different channels. We know from personal experience, once you have identified your objectives, there can never be too much communication! In our process, we identified key people who needed to be informed of the merger and its implications, understand the remit of the newly merged organisation, and feel confident about its role. We then organised several events around the merger to communicate this information. Yet, despite these events, the interviews highlighted significant differences in how people understood the merger!

Build something better. The two organisations merging may be operating in different geographical scales and on different themes. The new entity can combine the scope of both, to become the sum of the two parts. This was the approach we chose for the FIBA/MAVA merger. With offices in Mauritania and Senegal, FIBA had a stronger field presence than MAVA. Thanks to the merger, the new entity secured a direct foothold in the region.

Prioritise human relations. The human element can make or break a merger. In the case of MAVA and FIBA, there was a strong common culture since both were founded by Luc Hoffmann. This eased the adoption of shared mission, objectives, and values. It is important to remember however, that only a sincere implication of staff in the shaping of the new organisation will contribute to their buy in and commitment.

Human relations are also fundamental to interactions with external stakeholders. Over the years, staff of both organisations had built personal connections with local and international partners. These were instrumental to strengthening our positioning in the region.

FINAL THOUGHTS

Seven years after our own merger, we urge other non-profit actors to consider mergers as a strategic option for meeting future challenges in the field and increasing impact. As we stated at the beginning of this paper, an NGO's mission is vast and complex, and the environment in which they operate should be viewed as an organic process, evolving over time. We owe it to our partners and to ourselves to adapt accordingly, so that we may continue to deliver impact – real, measurable changes on the ground at a scale that matters.

The FIBA - MAVA Story

Both FIBA and MAVA were born out of the vision and passion of Luc Hoffmann, an extraordinary naturalist who believed in the value and protection of the planet's wild splendour.

FIBA - Fondation Internationale du Banc d'Arguin, was created in 1986, with the mission to support nature conservation in the coastal area of Mauritania. In 1998, its mandate was extended to Cabo Verde, Senegal, the Gambia, Guinea Bissau, Guinea and Sierra Leone. FIBA was funded almost exclusively by MAVA (and by Luc Hoffmann before the creation of MAVA). FIBA had staff on the ground, working closely with the public authorities and civil society. FIBA operated mostly as a project implementer, although locals perceived the entity more as a donor because it regranted much of its funds.

The MAVA Foundation was created in 1994 as a family-led philanthropic venture. MAVA supported conservation projects in the Mediterranean, West Africa, and Switzerland, and globally in the field of sustainable economy. Until the merger with FIBA, the foundation operated through a small secretariat based in Switzerland, acting as grant-maker that actively accompanied its partners. Luc Hoffmann planned for MAVA to close in 2022 so that his children would have the opportunity to explore their own philanthropic priorities.

In early 2014, when MAVA started preparing for closure, it was clear that the future of FIBA, which was 90% dependent on MAVA funding, had to be discussed openly. Considering the very close relationship between the two entities in West Africa, and their similar high-level objectives, merging was the most relevant option. It provided a unique opportunity to strengthen support to partner organisations in West Africa by combining MAVA's financial clout, credibility and convening power, with FIBA's expertise and knowledge of hands-on conservation in the field. At the same time, it was a chance to streamline support to West Africa, remove duplication and improve overall financial effectiveness.

This decision was reinforced by the fact that the context had changed in West Africa. The creation or strengthening of new regional actors (PRCM, RAMPAO, BACoMaB…) was a good reason for a European-led organisation like FIBA to step back, leave space, and reinforce the new regional stakeholders.

In 2014 MAVA and FIBA merged to become just one legal entity under the name of MAVA. Almost immediately following the merger, this all-new MAVA launched into the design of a new strategy. The merger laid the groundwork for designing and implementing that strategy more effectively.