



Established nonprofits must continue to build and grow

If your not-for-profit was well-established before 2020, it has probably weathered the pandemic and economic stress of the past year-and-a-half better than younger organizations. But as you transition out of “survival” mode, challenges remain, including those faced by most nonprofits, such as finding staffers and fundraising in an inhospitable environment. Then there are obstacles specific to mature nonprofits. Here are some to watch for.

Potential pitfalls

Mature organizations generally are adept at maintaining adequate operating reserves and sufficient cash on hand to support daily operations. Your nonprofit also may already have had in place a planned giving program and endowment that served you well during the pandemic.

But even as your nonprofit has greater program and operational coordination, it may be vulnerable to “mission creep.” This happens when an organization begins to pursue new objectives, often to generate support, rather than sticking to its founding mission and values. For example, you might have expanded your programming during the pandemic, leaving your core efforts understaffed and less able to meet their goals.

“Founder’s syndrome” is another potential pitfall. It happens when a nonprofit grows up — and often beyond its founder — yet the founder refuses to share control and doesn’t recognize when it’s time to depart. The first step to addressing this challenge is to acknowledge and discuss it.

Alliances with other organizations also are common at this stage. Although they can help reinforce your mission focus, they can also spread your resources too thin. Mature nonprofits need to regularly assess alliances to ensure they continue to meet their intended objectives.

Increasing fiscal strength

Above all, established nonprofits need to focus on sustainability. One way to increase fiscal strength is to add members to your board. A mature nonprofit's brand identity may enable it to attract wealthier and more prestigious board members. Ideally, these members will have more to offer than simply money, such as valuable connections or expertise in a certain area.

As your executive director and staff concentrate on operations, your board should take an even greater leadership role by setting direction and strategic policy. The board may become less open to change, though. (Younger nonprofits tend to have more entrepreneurial, risk-taking board members.)

Strategic mindset

To help ensure your nonprofit remains strong and successful for many years, regularly assess programs and initiatives and consider eliminating those that no longer contribute to your core mission. Also make sure your strategic plan focuses on the long term and outlines new opportunities, so your organization can keep growing. Contact us for more suggestions.

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