Nonprofit Lifecycle

If Decline
Turnaround

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Idea	₹ Start-up 🔼	Growth 💅	Maturity 🙀	Decline 1	Crisis 🛕
Impact Informal – Ne established, practices inte	best Lessons integrated into design / Measurement		Consistent results through robust evaluation / Focused on continuous improvement, scale & system-building	Need exists, but nonprofit isn't partner-of-choice / Market duplication from other nonprofits	Demand near zero / Intense competition for resources & energy
Governance Not yet deve	Formal governance starts – Most likely homogeneous group	Board expansion – More diversity with more focus on planning & oversight	Board is more policy- & strategy-focused / Delegates management to Executive Director	Board members hard to recruit, retain & engage / Low focus of strategic issues	Board not fulfilling fiduciary responsibilities
Culture & Entrepreneur Founder using volunteer resiguidance / Cidefined by Founder by Founder using volunteer resiguidance / Cidefined by Founder by Founder using volunteer resiguidance / Cidefined by Founder volunteer residual	g made by Founder / Volunteers needed for hands-on support /	Founder has hired or becomes Executive Director and is key decision-maker with Board guidance / Increased division of labor & accountability as staff is hired / Culture is results-oriented / Volunteers are used as resources	Leadership is often second or third generation from Founder / Clear division of labor & accountability among staff / Culture is well-defined and serves as a competitive advantage / Volunteers are seen as ambassadors	Increasing turnover of staff & volunteers / Decreased ability to attract top talent / Decreased transparency	Inability to fill key roles / High contention & division among staff / Mistrust of leadership
Revenue Most are in-k	Limited financial resources – Lives hand-to-mouth	More diverse financial resources with established relationships with funders, but still unpredictable	High degree of financial diversity with established relationships with multiple funders / Endowment exists / Higher degree of financial predictability	Funders are not renewing contracts and not contacting organization / Low cash reserves / Decreasing donor retention & loyalty	Cash reserves insufficient to cover operating expenses / Long- time donors tapped out
R Brand Not utilized	First official marketing materials – Primary method of marketing is word-of-mouth	Build-out of marketing & communication needs, including public & media relations	Sophisticated marketing & communications plan using multiple channels / Everyone equipped to tell story	Decreased public interest / Issue area not discussed in the media	Unable to attract media or public attention / Messaging does not resonate with public



