

Nonprofit Crisis Management: 7 Things You Can Do Right Now

BY JOAN BENSON DIRECTOR, NON-PROFIT INDUSTRY | MARCH 26, 2020

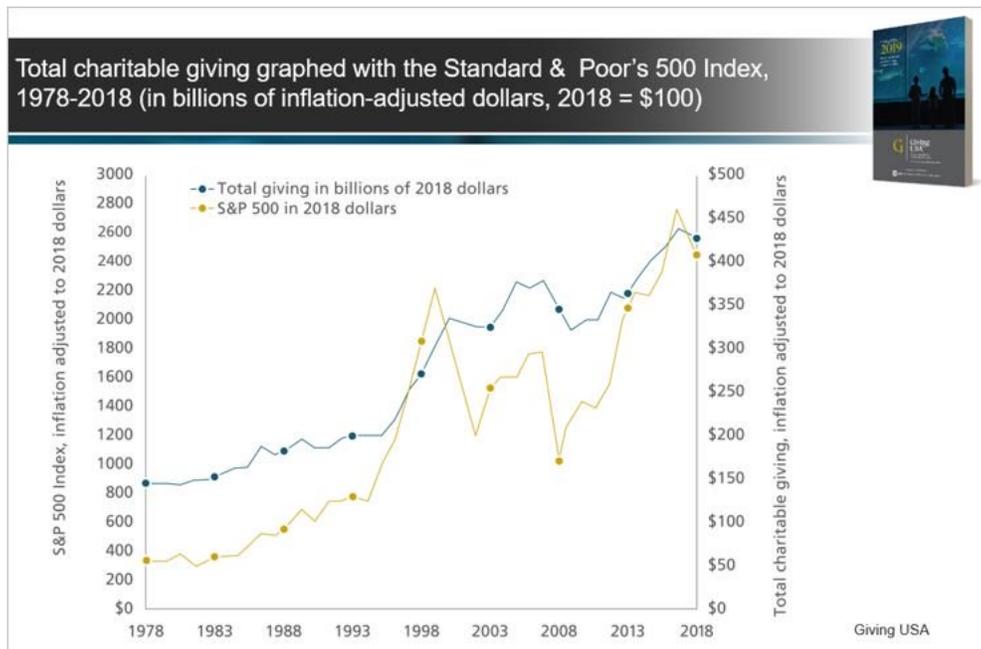


As the Coronavirus (COVID-19) pandemic spreads throughout the world, governments, businesses and nonprofits race to adapt and respond to limit human hardships. Some of the government actions, combined with general uncertainty, are also causing a crisis of confidence in worldwide financial markets.

In this time of public health and economic challenge, nonprofits need the full picture of where they stand financially so they can remain nimble and respond quickly to the changing needs in their communities. The economic downturn is likely to cause a decline in donations. It's critical that nonprofits take stock of their current financial situation, create forward projections and make early, intelligent decisions to shore up funding and engage donors.

Community Needs Are Growing—Will Donations Keep Up?

Nonprofit finance leaders know that charitable donations are closely correlated with the direction and trends in the stock market. When the market is going up, individuals and corporations feel generous. When it's heading down, donors pull back a bit to assess the financial situation, as this chart from *Giving USA* demonstrates:



In light of so much economic uncertainty, it is more important than ever to engage with your donors and show them the concrete results of

how your programs are achieving your mission. Going forward, you'll want to be able to powerfully demonstrate both financial stewardship and positive outcomes.

7 Things Nonprofits Can Do Right Now

No one knows exactly how the current health and economic crises will play out around the world over the next weeks and months.

Nonprofits must be proactive now to trim unnecessary expenses, review programs, and step up donor engagement in order to sustain existing programs and direct new efforts. Here are seven things you can do right now to increase your crisis management capabilities:

1. **Steady your team.** For nonprofit organizations, people, relationships and community are hugely important. COVID-19 has caused disruptions, anxiety, and uncertainty both at home, at work, and in the community. Stock market volatility and uncertainty around future funding brings additional concerns. It is critical to communicate often, acknowledging the changing reality and expressing the organization's support and flexibility in these tough times. Help your team stay balanced and focused on long-term goals, while supporting day-to-day needs and priorities. Stay connected with video conferencing and be creative in online activities. Calm fears, support flexibility, stay positive, and encourage your team daily.
2. **Communicate with donors right away.** Nonprofits need to get in front of the inevitable extra funding needs that the pandemic and economic weakness will cause. Ask your existing donors to help you create a cash reserve now that will help meet needs during this rapidly evolving situation. Show extra love to major donors. Increasingly, large donors are responsible for a larger share of total contributions. However, make sure you will remain among your major donors' top priorities this year, knowing that smaller donors may have less to contribute in a shaky economy.
3. **Stay on top of your financials.** Now is the time to deeply analyze your current financial situation. Where can you conserve cash now to prepare for a potential drop in individual donations? Are there any funds that can be redirected to existing programs that meet community pandemic or economic needs? What would it cost to spin up new programs that address new challenges?
4. **Apply donor engagement best practices to your website and communications.** Share your vision through powerful imagery. Make sure all of your messaging builds and reinforces your brand. Bring donors into your story with metrics that demonstrate the urgency of your mission and personal stories of how you've helped. Expand your reach by ensuring your website, social media, and campaigns make it easy for people to give.
5. **Review current programs.** Knowing that needs will accelerate at the same time the economy is slowing, it's time to study recent program performance in terms of financial outlays versus program impacts. What programs have made the biggest difference? What programs will be needed going forward?
6. **Apply for new grants.** If you will be offering services related to the pandemic, look for federal, state and local grants and apply early.
7. **Get creative with fundraisers.** In the months ahead, social distancing rules may make it impossible for you to host the in-person fundraising events you have planned before, such as charity auctions, dinners, and sporting events. Think about how you could recreate some of these experiences online, or better yet, get creative and develop entirely new experiences. Tools like Facebook Live, online meeting software, and social media can help.

These are unprecedented times for all of humanity. For nonprofit leaders, the pressure may come from both sides – increased need and potentially shrinking donations. Nonprofit crisis management will require flexibility and proactive management in order to make an impact, meet needs, and find enough funding. We'll all need to pull together to get through these extraordinary challenges.

Nonprofits face uncertainty on two fronts—a worldwide public health crisis coupled with worldwide economic contraction. At Sage Intacct, we stand with you and wish to express our support for this indispensable industry of caring. We know you will emerge from challenging times stronger, having found innovative ways to assist your communities by staying nimble.

As you and your team looks forward and adjusts to the new normal, consider ways to give back in your community – like a [virtual blood drive](#) or participation in [medical equipment drives](#). For more information on leading a remote team, check out these articles:

[A Guide to Managing Your \(Newly\) Remote Workers](#) (HBR.org)

[The Sensitive Leader's Guide To Managing A Remote Team During The Coronavirus Pandemic](#) (Forbes)

We are committed to nonprofit organizations and we stand with you as we work to overcome, learn, and grow.





Joan Benson Director, Non-Profit Industry

A native Texan, Joan has over 25 years of experience in the accounting, technology, publishing, and nonprofit fields. Bringing her experience as a nonprofit financial leader to Sage Intacct, Joan has been instrumental in creating solutions, and providing support and best practices that help ensure nonprofits achieve their mission.

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