

# LIFECYCLE OF A NONPROFIT



## START UP PHASE

Services have been provided informally and voluntarily, and has been well-received. Measurement of impact begins.

Fundraising begins to become more structured, organization still operates on limited funds.

The Founder leads the organization, defining the mission, and the culture.

Branding and marketing begins to take shape.

Governance and board structure begins to take shape.

Registration and establishment of tax identity may be in progress.



## GROWTH PHASE

Program delivery is consistent, results are strong and measurable.

Funding support increases, from a wider range of sources.

The Founder hires or becomes the Executive Director. Division of labor increases as staff are added.

Culture is results-oriented, volunteers are utilized as resources.

Branding and marketing plans are well-established.

Board expands, focusing on planning and oversight.

Entity is registered with the IRS and the state for any required licensing etc.



## MATURITY PHASE

Consistent results, robust evaluation and improvements. Larger projects and innovative programs are implemented.

Highly diverse and predictable sources of funding, stable relationships with multiple funders.

Leadership has evolved away from the Founder, clear division of labor and accountability within the staff.

Culture is well-defined, giving the organization a competitive advantage. Volunteers are seen as ambassadors.

Sophisticated marketing and communication, telling the story.

Board now focuses on policy and strategy; staff handle all operations.



## REDEFINING PHASE

Community need still exists, but nonprofit is no longer the partner of choice.

Duplication of services in marketplace, increased competition with other nonprofits, failure to innovate.

Funders are not renewing commitments. Donor loyalty and cash reserves decline.

Increase in staff & volunteer turnover, difficulty attracting & retaining top talent. Possible mistrust of leadership, decrease in transparency.

Decreased public interest, little media coverage.

Board members are difficult to recruit, retain and engage in strategic issues.

## COMMUNITY FOUNDATION OPPORTUNITIES OFFERED AT EACH STAGE

Basic consultation & guidance.

Connecting you with similar nonprofits for collaboration through events such as Meet & Greets.

Workshops & Capacity Building cohorts such as basic board governance, fundraising, etc.

Share external funding, learning and informational opportunities.

Grant opportunities for Impact, Capacity, Mini and Youth initiatives.

Peer groups such as Inspired Leaders and Fundraising Roundtable.

Guidance for establishing endowments.

Relationship building, consultations, site visits, evaluations.

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Capacity Building Grant Opportunities.

Capacity building grants can provide resources for guidance in redefining your organization.

Connecting you with other nonprofit organizations for collaboration or potential merger.