

Crisis Planning for Nonprofits: Why Chaos Is Optional

Episode 8 Companion Blog

Nobody wakes up expecting a crisis. That's what makes them crises.

The pipe bursts overnight. The executive director calls with a medical emergency. A volunteer's comments go viral for all the wrong reasons. Your biggest funder sends an email that starts with "After much consideration..."

These moments don't ask permission. They don't check your calendar. And they definitely don't care that you're a small nonprofit with a lean team and a tighter budget.

In Episode 8 of Mission-Driven Momentum, we walk through why smaller organizations need crisis plans, the types of crises nonprofits face, and how to build a simple but effective response plan. This companion blog goes deeper into the mindset shift, the practical frameworks, and the stories that didn't fit into the episode.

The Vulnerability Paradox

Here's the uncomfortable truth about small and medium nonprofits: you're more vulnerable to crises than larger organizations, not less. This seems counterintuitive. Smaller organizations feel more nimble, more connected, more able to adapt quickly. And that's partly true. But vulnerability isn't about size; it's about margin.

Large organizations have financial cushions. They have redundancy in staffing. They have established relationships with crisis communications firms and legal counsel. When something goes wrong, they have time and resources to respond thoughtfully.

Smaller organizations operate closer to the edge. A major funder pulling out might mean weeks until you can't make payroll, not months. If your executive director is suddenly unavailable, there might not be anyone else who knows where critical passwords are stored or which board members need personal calls. One bad news story can tank your fundraising because your reputation is built on personal relationships and community trust.

Think of it like being on a rowboat versus a cruise ship. When a storm hits, the cruise ship has lifeboats, backup generators, a trained crew, and emergency protocols. The rowboat has an oar and hope. Both can survive storms, but the preparation required is fundamentally different.

We've seen this play out dozens of times over the years. Organizations that looked stable on the surface but were one crisis away from serious trouble because they hadn't thought through their vulnerabilities. The difference between those that survived and those that struggled often came down to whether they'd had the hard conversations before they were in an emergency.

What Crisis Planning Actually Means

When nonprofit leaders hear "crisis planning," they often imagine thick binders, expensive consultants, and weeks of meetings. That's the corporate version. The version that works for smaller organizations is much simpler.

Crisis planning means answering three questions before you're in an emergency: Who's in charge? What do we do first? How do we communicate?

That's it. You're not trying to predict every possible crisis. You're building muscle memory for responding effectively when something unexpected happens. Think of it like a fire drill. You're not hoping for a fire, but if one happens, everyone knows where the exits are and who leads the evacuation.

The organizations that survive crises aren't the ones who predicted exactly what would happen. They're the ones who had thought through the basics, practiced their response, and could adapt their plan to whatever showed up.

Here's what we tell organizations we work with: if you can get the right people together and focus on the essentials, you can build a solid crisis plan in a single afternoon. It doesn't have to take months or cost thousands of dollars. The barrier isn't resources; it's just making the time to do it.

The Categories That Matter

Not every urgent situation is a crisis. A crisis is any event that threatens your organization's ability to fulfill its mission, maintain operations, or preserve its reputation. It requires immediate attention and could have serious consequences if not handled properly.

Financial crises happen when funding suddenly dries up in a way that threatens operations. A major grant doesn't come through. A big donor pulls out without warning. A revenue stream disappears because of market changes or policy shifts. The warning sign to watch is concentration risk: if you're relying on one or two major sources for most of your budget, you're exposed.

Reputational crises damage your public image. A board member scandal. Negative press coverage. Social media backlash that spreads faster than you can respond. An allegation of misconduct that may or may not be accurate but requires careful handling either way. In the age of social media, you might have a two-hour window to respond before the narrative gets away from you.

Operational crises disrupt your ability to function. Your building floods. Your database crashes. You lose multiple key staff suddenly. Your systems fail during a critical service period. The pandemic was the ultimate operational crisis; organizations with business continuity plans adapted much faster than those starting from scratch.

Natural disasters require specific geographic awareness. Living in Alabama, we understand hurricanes and tornadoes. Your region might face earthquakes, wildfires, or extreme winter weather. Knowing your local risks and having plans for protecting people, data, and service continuity is essential.

Cybersecurity crises are increasingly common. Small nonprofits are prime targets because hackers know they often have weak security but valuable data. One click on a phishing email can lock your donor database behind ransomware. Prevention through staff training, strong passwords, and two-factor authentication is far easier than recovery.

Leadership crises happen when key people leave unexpectedly. Your executive director resigns. A board conflict becomes public. A sudden illness removes someone critical from operations. The "bus test" is harsh but practical: if your ED gets hit by a bus tomorrow, does everyone know who steps in and where to find critical information?

The Six-Step Framework

Building a crisis plan doesn't require months of meetings or expensive consultants. Here's the framework that works for most smaller organizations.

First, create your crisis response team. For most small nonprofits, this is three to five people who can make decisions quickly: your executive director, board chair, and one or two key staff. Write down their names, roles, and contact information, including cell phones and personal emails in case work systems are down. And have a backup person for each role, because the person in crisis might be someone on your response team.

Second, identify your scenarios. List the top five crises your organization is most likely to face. Be specific. Not "financial crisis" but "loss of major funder" or "executive director resignation." For each scenario, outline what happens in the first hour, the first twenty-four hours, who needs to be notified, and what decisions need to be made.

Third, establish communication protocols. Designate one official spokesperson, usually your ED or board chair. Make it clear to everyone that all external inquiries get referred to that person. You don't want five different people giving five different answers. Have framework language ready that you can adapt quickly: acknowledge the situation, express that you take it seriously, explain what you're doing, commit to updates, provide a contact person.

Fourth, document your critical operations. Run the 72-hour test: if your building burned down right now, what would you need to keep operating for seventy-two hours? That's your critical operations list. Access to financial accounts, client contact information, donor database, key passwords, insurance information, staff emergency contacts. Store this information in multiple places, including cloud backup, and make sure more than one person knows where to find it.

Fifth, plan for emotional support and team care. Crises are stressful. Your staff will be rattled. Build in support for the human side. During crisis response, schedule daily check-ins. Ask how people are holding up and what they need. Provide resources for mental health support. The way you care for your team during a crisis affects their long-term trust and commitment.

Sixth, practice and review your plan. Gather your crisis team and walk through a scenario in real time. You'll discover gaps you never thought of. Review and update at minimum annually, and whenever something major changes in your organization.

Stories from the Field

The difference between organizations that survive crises and those that struggle often comes down to preparation meeting the moment.

A small family services nonprofit, about twelve staff, faced a nightmare scenario when pipes burst overnight and flooded their offices. Files destroyed. Equipment damaged. It could have been catastrophic. But they had an emergency contact tree, and within one hour every staff member knew what happened and had instructions. They had cloud backups of all critical files, so no information was lost. And they had a pre-existing relationship with a local church that provided temporary space. Within three days, they were back to serving clients. Not in their building, but serving nonetheless. They'd done a simple risk assessment six months earlier, and pipes freezing in winter was on that list. When it happened, they executed the plan.

Contrast that with an organization that faced a PR crisis when a volunteer made inappropriate comments at a public event. Captured on video. Posted to social media. Spreading within hours. They had no plan. Different board members started making

statements independently. Some apologizing. Some defending. Some deflecting. Some staying silent. The public didn't know the official position because there wasn't one. It was like watching different episodes of the same show where everyone had a different storyline. By the time they issued a unified response three days later, major donors had withdrawn and community partners were distancing themselves. It took over a year to rebuild those relationships. Three things would have changed the outcome: a designated spokesperson, a template for immediate response, and a protocol for aligning messaging before anyone makes public statements.

One of the most encouraging stories we've seen involved succession planning. A nonprofit had just completed the process: identified an interim leader, cross-trained them, documented critical information. Three months later, their executive director had a sudden medical emergency requiring a six-month leave. The transition was smooth. Staff knew what to expect. The board was calm. Operations continued. Compare that to organizations where the ED leaves suddenly and nobody knows who's in charge or where passwords are kept. Chaos that takes months to stabilize. But it doesn't have to be that way.

We've also seen organizations handle financial mismanagement by former staff with remarkable transparency. One discovered irregularities with a board treasurer, immediately disclosed what happened, explained the fix, and brought in an external auditor. Yes, some donors left. Yes, it was uncomfortable. But most stakeholders appreciated the honesty and stuck around. The organization came out stronger. The alternative, trying to hide it, almost always makes things worse. The cover-up is usually more damaging than the original problem.

The Mindset Shift

Crisis planning isn't pessimistic. It's realistic. You wear a seatbelt not because you plan to crash, but because accidents happen. Crisis planning is the same responsible stewardship.

Organizations that do this work often report something unexpected: the anxiety decreases. Before they had a plan, leadership lost sleep worrying about "what if" scenarios. After building even a basic crisis plan, they're still aware of the risks but not paralyzed by them. They know they'll face challenges, and they know they're ready.

Crises are inevitable. But chaos? That's optional.

Preparation isn't paranoia. It's leadership. It's responsibility. It's loving your mission enough to protect it.

Download Your Free Resource

Download our free Crisis Planning Starter Kit at missiondrivenpod.com with templates for crisis response teams, vulnerability assessments, scenario planning frameworks, communication protocols, and the 72-hour critical operations test.

Let's Keep the Conversation Going

Podcast/blog feedback: contact@missiondrivenpod.com

Support for your team or organization: contact@thescanlandgroup.com or visit thescanlandgroup.com

From our family—including Gracie, Moody, and Diamond—to yours: keep leading with heart, keep showing up with purpose, and keep creating a world where everyone belongs.

Until next time—stay focused, stay mission-driven.