



# Responding to Revenue Disruption

A FRAMEWORK FOR NONPROFIT LEADERS

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# WELCOME!



Please mute your audio until the Q&A at the end of the session.



Use the chat for questions & comments throughout!



The session recording & resources will be shared afterward.



**ANNE YURASEK**  
Principal



**MELISSA HARRIS**  
Director of Service  
Development



**Introduce yourself  
in the chat!**  
Name, Org, Location

# WELCOME!



Fio Partners, LLC

*We help leaders  
make better decisions.*

## We work exclusively with:

- Nonprofits
- Foundations
- Collaboratives
- Government Agencies
- And their Boards

## Our services include:

- Strategic Planning
- Strategic Alliances
- Leadership Advisory
- Executive Search (**new!**)
- Research & Evaluation
- Training (Staff & Board)
- Succession Planning
- Culture & Climate Supports

Respond to  
disorientation  
by focusing on  
what matters.



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## Learning Objectives

This session will support:

- Assessing your organization's position
- Framing for challenging conversations
- A clearer view of the range of strategic responses



## Poll: Which statement feels closest to your organization's current reality?

- 1) We're in good shape and want to be proactive about ensuring we have a solid business model.
- 2) We've experienced some revenue disruption. We can weather the storm but want to strengthen sustainability.
- 3) We've experienced some revenue disruption, and it hurts as we don't have much financial cushion or flexibility.
- 4) We've experienced moderate-to-major revenue disruption and need to develop an immediate course of action while considering our long-term sustainability.
- 5) We've experienced moderate-to-major revenue disruption and aren't sure if we can make it.

# Revenue Disruption Framework: High-Level Overview

## Assess Your Position

What is our financial reality?

What do we have to work with?

Leadership

Mission Assets

## Decide How to Respond

What might we do based on our contexts and core commitments?

Proactive Strategies

Protective Strategies

Responsible Restructuring

### Key Assessment Areas

- Recent and projected net operating budget (surplus, break even, or deficit)
- Degree of revenue disruption (% overall and by source)
- Cash runway = months of operating revenue in reserves
- Liabilities and liquidity

### Assessment Insights

- Was there a systemic issue already?
- How significant is the disruption to sources we've traditionally relied on?
- How much time do we have to stabilize and adjust?
- How might liabilities and liquid assets affect that runway or our options?

### Reflect and Discuss

- **Do we need to change our fundamental business model?**
- **Do we have months to explore and build—or weeks to act?**

Leaders shape  
what happens  
next.



## Assess Your Position

What do we  
have to work  
with?

### Leadership will and alignment

- Energy to persist
- Appetite for innovation and change
- Entrepreneurial mindsets and capacities
- Board and ED/CEO alignment

# Assess Your Position

What do we  
have to work  
with?

## Mission Assets

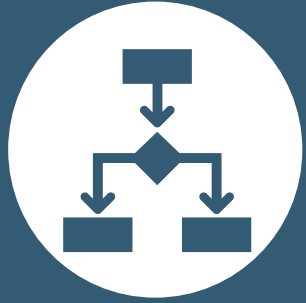
- Program uniqueness, value to the community
- Intellectual property, staff expertise, infrastructure
- What must be protected vs. what could be let go

## Relationships

- Funders & major donors
- Partners & champions
- Ability to mobilize support quickly
- Referral networks

From Position  
to Path:  
Decide How  
to Respond





## Decision Filters

### Filter

### Ask...

Protect clients and equity

Who benefits/loses?

Mission centrality

Does this preserve/advance our core purpose?

Cash runway effect

Is this option feasible within our runway?

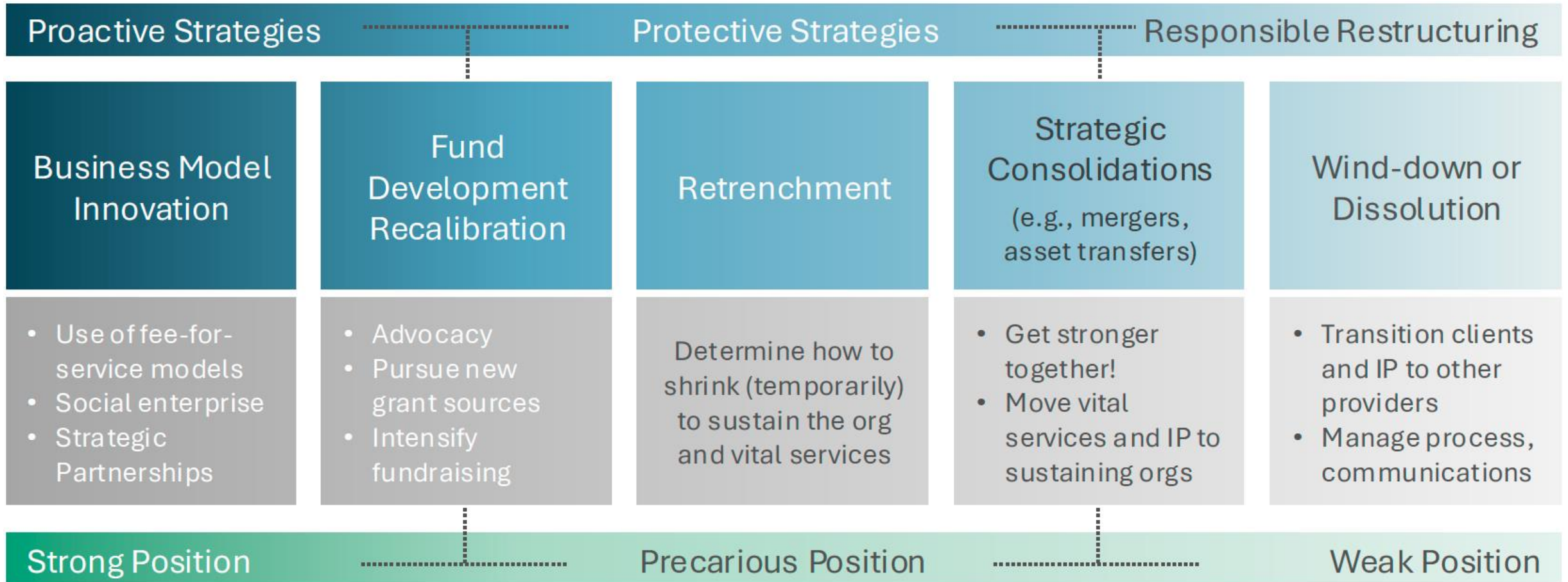
Reversibility

Can/would we unwind this choice if conditions change?

Risk and compliance

Legal/HR/funder constraints addressed?

# Decide How to Respond





# Business Model Innovation

## Can you turn your mission assets into earned revenue opportunities?

### Fee-for-Service

- Program delivery contracts
- Professional services
- Training and consulting

### Intellectual Property

- Licensing program models
- Certification systems
- Educational materials
- Content subscriptions

### Monetizing Space/Assets

- Facility rental
- Equipment sharing
- Venue services



# Business Model Innovation

## How might a strategic alliance help amplify your impact?

- Expand **reach** by growing market share or geography
- Expand **continuum of services**
- Catalyze new approaches through **innovative combinations** of programs and services
- Acquire **new talent and mindsets**



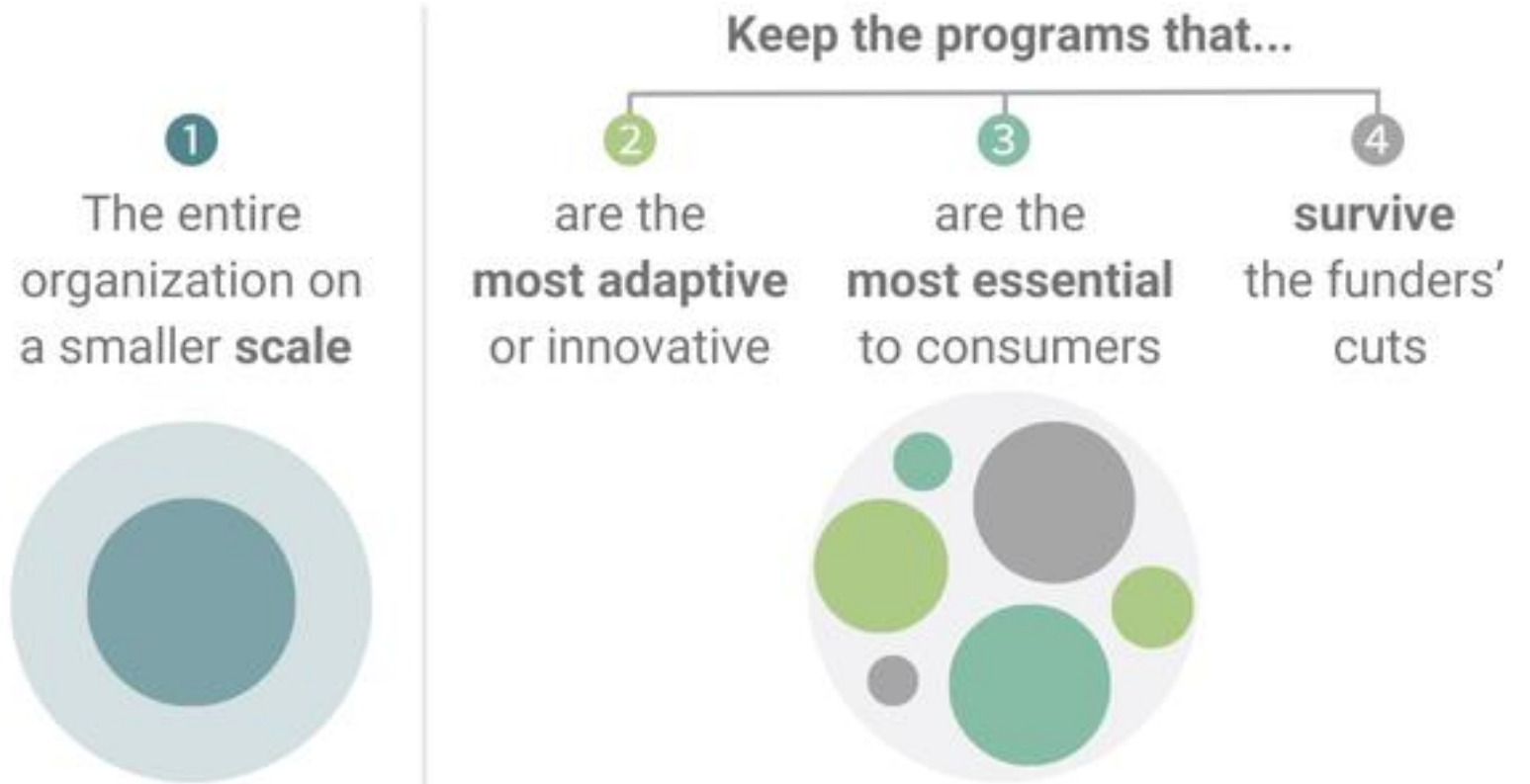
## Fund Development Recalibration

### How can you protect or change your funding mix?

- **Advocate** to protect government funding
- **Intensify fundraising appeals** to individual and major donors
- Lean into **trust-based philanthropy**
- **Scan for shifts** in funder priorities

# Retrenchment

## How can you shrink to stabilize?



# Strategic Consolidation

Could you advance your mission more effectively by partnering with others?





# Strategic Consolidation

## Many Forms

- Program Partnerships & Joint Ventures
- Managed Contract Networks
- Shared Infrastructure Arrangements
- Parent-Subsidiary Relationships
- Mergers & Asset Transfers

## Many Reasons

- Contain or share costs
- Access new revenue opportunities
- Build a more sustainable program & revenue mix
- Protect programs and staff
- Transfer unsustainable but important programs



# Strategic Consolidation

## What is your partner criteria?

- **Who:** Which of our current partners are mission-aligned and ready?
- **Value proposition:** How might we become stronger together?
- **If transferring programming:** Who might be interested or benefit?
- What **due diligence/information** would we need to supply and see to feel comfortable with this choice?



## Wind-Down or Dissolution

### How do we close responsibly?

- Board votes to dissolve and approves the Plan of Dissolution
  - Address liabilities
  - Distribute remaining assets (money, IP, programs, infrastructure) to other nonprofits
  - Ensure compliance with state & fed laws, filing requirements, contracts, donor restrictions
- Manage internal and external communications (who, when, how) with care

Don't wait  
too long.



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# No matter the path, move forward with intention.

## Implementation Considerations

- What are the potential barriers?
- What are the resources (financial, relational, and infrastructure) needed?
- What other information do you need?

## Change Management & Messaging

- Map who is affected and how
- Who need to know what, by when?
- Board, staff, funders, partners, clients, community
- Identify core message, tone and risks, channel and timing, messenger



Responding to revenue  
disruption is a leadership  
and governance exercise.



## What's the board's role?

- Be strong financial stewards.
- Listen to your ED/CEO's concerns.
- Ask strategic questions.
- Avoid defaulting to false optimism or panic.
- Ensure alignment around risk, values, and commitments.
- Oversee and approve any changes to the corporate structure.
- Present a unified front and talk track.



## Key Takeaways

- Start with clarity, not urgency
- Financial realities shape choices—but do not fully dictate them
- Leaders decide whether to persist, adapt, partner, or conclude this chapter



More  
Resources for  
Assessing &  
Deciding

## **Related Articles & Toolkits on [FioPartners.com](https://www.fio.com)**

- [Meeting the Moment with Clarity Toolkit](#)
- [Retrenchment: Getting Stronger by Getting Smaller](#)
- [Preparing to Partner](#)



# Webinar Recording, Deck & Framework PDF will be sent shortly!

## Calls to Action

- Don't wait too long to have the conversation
- Be prepared to make or receive the phone call
- Use the framework in:
  - Staff leadership & board retreats
  - Strategic or contingency planning conversations

**fiō** Responding to Impending or Active Revenue Disruption

<b>ASSESS YOUR POSITION</b>	<b>What is our financial reality?</b>	<b>● Assess your finances.</b> <ul style="list-style-type: none"> <li>• Last year and this year (projected), did we operate at a surplus, break even, or run a deficit?</li> <li>• What is our level of revenue disruption (% overall and to major sources)? If unclear, do scenario planning. Historically, how reliant have we been on the disrupted sources?</li> <li>• What's our cash runway? How many months of operating revenue do we have in reserves?</li> <li>• What are our current and long-term liabilities? Do our current assets cover our current liabilities?</li> <li>• In an emergency, realistically, how much of our assets can we sell or liquidate quickly?</li> </ul>																					
	<b>What do we have to work with?</b>	<b>People</b> <ul style="list-style-type: none"> <li>● <b>Assess your leadership's will and alignment (Board and staff).</b> <ul style="list-style-type: none"> <li>• Do we have the energy to fight for our sustainability? What is our willingness to persist?</li> <li>• Are we able to innovate? Do our leaders have entrepreneurial mindsets and capacities?</li> </ul> </li> </ul>	<b>Mission Assets</b> <ul style="list-style-type: none"> <li>● <b>Assess the value of your "mission assets" to your community and other nonprofits.</b> <ul style="list-style-type: none"> <li>• Programs (uniqueness, quality, enrollment), competencies, intellectual property, infrastructure</li> <li>• What can we leverage? What must we protect? What might we let go of?</li> </ul> </li> </ul>																				
<b>DECIDE HOW TO RESPOND</b>	<b>What might we do?</b> <small>(Based on your contexts &amp; core commitments)</small>	<table border="1"> <tr> <th colspan="2">Proactive Strategies</th> <th colspan="2">Protective Strategies</th> <th>Responsible Restructuring</th> </tr> <tr> <td><b>Business Model Innovation</b></td> <td><b>Fund Development Recalibration</b></td> <td><b>Retrenchment</b></td> <td><b>Strategic Consolidations</b> <small>(e.g., mergers, asset transfers)</small></td> <td><b>Wind-down or Dissolution</b></td> </tr> <tr> <td> <ul style="list-style-type: none"> <li>• Use of fee-for-service models</li> <li>• Social enterprise</li> <li>• Strategic Partnerships</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Advocacy</li> <li>• Pursue new grant sources</li> <li>• Intensify fundraising</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Determine how to shrink (temporarily) to sustain the org and vital services</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Get stronger together!</li> <li>• Move vital services and IP to sustaining orgs</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Transition clients and IP to other providers</li> <li>• Manage process, communications</li> </ul> </td> </tr> <tr> <td colspan="2">Strong Position</td> <td colspan="2">Precarious Position</td> <td>Weak Position</td> </tr> </table>		Proactive Strategies		Protective Strategies		Responsible Restructuring	<b>Business Model Innovation</b>	<b>Fund Development Recalibration</b>	<b>Retrenchment</b>	<b>Strategic Consolidations</b> <small>(e.g., mergers, asset transfers)</small>	<b>Wind-down or Dissolution</b>	<ul style="list-style-type: none"> <li>• Use of fee-for-service models</li> <li>• Social enterprise</li> <li>• Strategic Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Advocacy</li> <li>• Pursue new grant sources</li> <li>• Intensify fundraising</li> </ul>	<ul style="list-style-type: none"> <li>• Determine how to shrink (temporarily) to sustain the org and vital services</li> </ul>	<ul style="list-style-type: none"> <li>• Get stronger together!</li> <li>• Move vital services and IP to sustaining orgs</li> </ul>	<ul style="list-style-type: none"> <li>• Transition clients and IP to other providers</li> <li>• Manage process, communications</li> </ul>	Strong Position		Precarious Position		Weak Position
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Q&A

UNMUTE AND ASK AWAY!

