
NAVIGATING THE FUTURE: SCENARIO PLANNING FOR NONPROFITS

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WHY WE'RE HERE

My goal today is to give you simple tools to plan—even when the future feels uncertain.

- Nonprofit leaders are facing change on many fronts
- Funding shifts, community needs, staff and board turnover
- How can we plan when the future feels unpredictable?

WHAT WE'LL COVER

- What scenario planning is (and what it isn't)
- A simple, flexible 5-step approach
- Hands-on practice in small groups
- Discussion and Q&A

WHAT WOULD YOUR ORGANIZATION DO IF ...

- Your largest funder pulled their support next year
- Your community's needs doubled overnight
- A major partner closed their doors
- Your ED won the lottery and retired next month



WHAT SCENARIO PLANNING *IS* AND *ISN'T*

Scenario Planning IS...

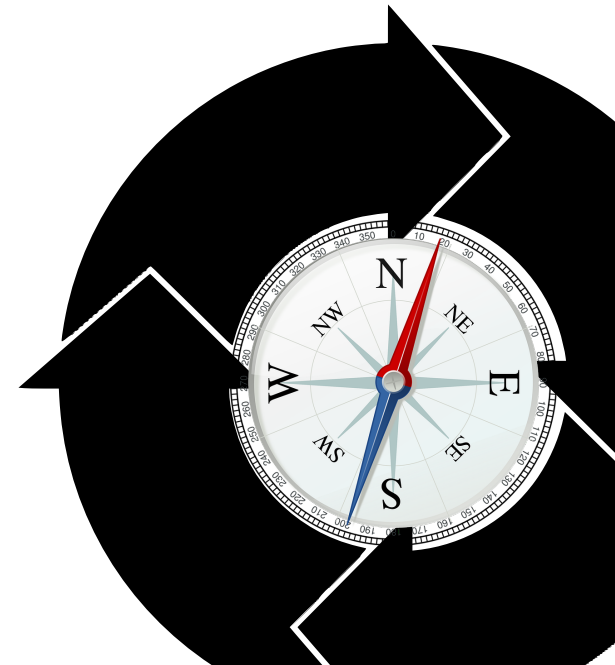
- Preparing for the future
- Exploring multiple possible impacts and actions
- A skill you practice all year long in big and small ways
- Helping teams stretch their thinking

Scenario Planning IS NOT...

- Predicting the future
- Picking a single scenario or response
- An exercise you complete only during crisis or panic
- Business-as-usual budgeting or strategic planning

WHY IT MATTERS

- Stay flexible when the unexpected happens
- Respond faster and with less panic
- Build alignment around key decisions
- Foster innovation and a nimble mindset



SCENARIO PLANNING IN 5 STEPS



Explore
DRIVERS



Identify
IMPACTS



Consider
LEVERS



Create
PLANS



Determine
SIGNALS



STEP 1: EXPLORE DRIVERS

What's happening outside or inside my organization that could significantly impact us?

EXTERNAL	INTERNAL
Policy & Regulatory Shifts	Leadership & Governance
Philanthropic & Funding Trends	Staffing & Workforce
Economic & Market Conditions	Financial Structure
Demographic or Community Changes	Facilities & Infrastructure
Climate & Environmental Realities	Strategic Shifts
Technological Changes	Programmatic Changes
Sector-Specific Trends	Culture & Internal Communication

STEP 2: IDENTIFY IMPACTS

How could those drivers impact my organization's internal reality?

Financial

Staffing &
Leadership

Strategic &
Organiza-
tional

Program-
matic

Operational
& Infra-
structure

Reputation
& Trust

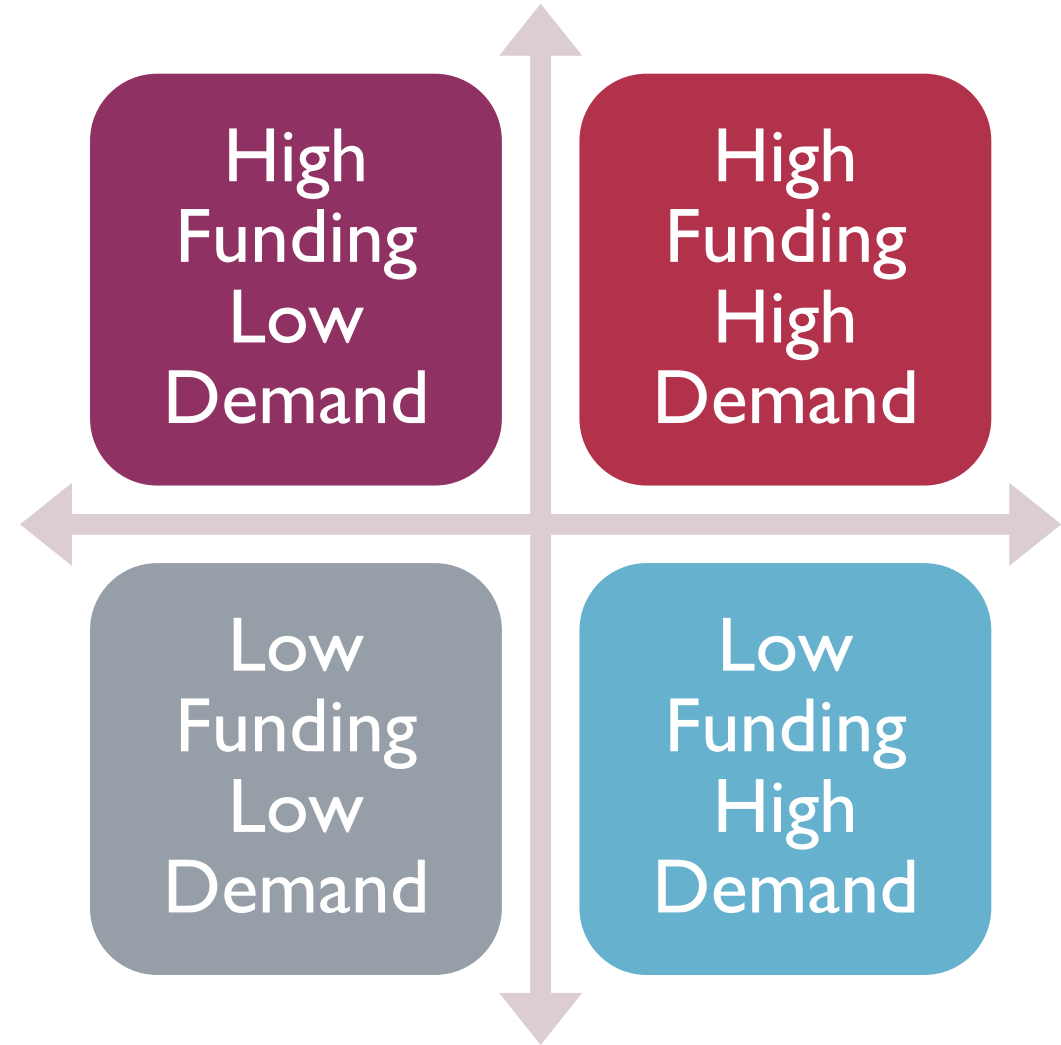
Equity &
Community
Engagement

Timing &
Planning

STEP 2: WORKING WITH MULTIPLE IMPACTS

Explore how two big impacts might play out together

- High vs. low demand
- Increased vs. reduced funding
- Each quadrant = a scenario to explore



STEP 3: CONSIDER LEVERS

What actions could you take in response?

Financial

Staffing &
Workforce

Operations &
Infrastructure

Programmatic

Partnership &
Strategy

Investment

Culture &
Engagement

STEP 4: CREATE RESPONSE PLANS

	Best Case	Moderate Case	Worst Case
Actions for Any Scenario	- Postpone non-essential travel and events - Pause 401(k) employer match for 6 months - Host donor town halls to build transparency - Freeze hiring for vacant roles		
Small & Flexible	- Reduce executive team salaries by 10% - Renegotiate short-term vendor contracts - Reduce or pause professional development budgets	- Shift part-time roles to hourly contracts - Reassign staff to fill vacant operational roles - Reduce executive team salaries by 20%	- Reduce all staff salaries by 10% - Limit program delivery to core zip codes only - Reduce executive team salaries by 30%
Large & Long-Term	- Use 20% of reserves to smooth budget - Adjust grant deliverables with funders - Consolidate backend operations (e.g., HR + finance)	- Use 50% of reserves over 12 months - End lowest-performing program - Shift entire organization to hybrid delivery	- Use 75% of reserves - Lay off 25% of program and admin staff - Exit leased facility and go fully remote

STEP 5: DETERMINE SIGNALS

Define early warning signs or indicators:

- What would tell you a scenario is beginning to unfold?
- What data or feedback do you need to track?

Examples:

- Drop in grant renewal rate
- Decrease in individual giving for 2+ months
- Spike in service waitlist
- Board departure or transition

STEP 5: DETERMINE SIGNALS

#	Action	Best	Mod.	Worst	Signals to Monitor
1	Postpone non-essential travel and events	☒	☒	☒	Signal 1: Monthly unrestricted revenue drops >15% below forecast for 2+ months
2	Pause 401(k) employer match for 6 months	☒	☒	☒	Signal 1
3	Freeze hiring for vacant roles	☒	☒	☒	Signal 1
4	Host donor town halls to build transparency	☒	☒	☒	Signal 1
5	Reduce executive salaries by 10–20%	☒	☒		Signal 2: Major donor reduces or defers commitment of \$50K+
6	Shift part-time roles to hourly/flexible contracts		☒	☒	Signal 3: At least 2 open positions remain unfilled for 45+ days
7	Reduce or pause professional development budgets	☒	☒		Signal 3
8	Use 50–75% of reserves to cover anticipated shortfall		☒	☒	Signal 4: Projected year-end deficit exceeds 20% of budget
9	End lowest-performing program		☒	☒	Signal 5: Program shows <60% outcome achievement + highest cost per participant
10	Lay off 25% of program/admin staff			☒	Signal 5

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*You don't have to predict the future,
just prepare for more than one.*

COMMON PITFALLS TO AVOID

- Focusing only on worst-case scenarios
- Planning without board and staff input
- Ignoring your org's limits
- Hope is not a strategy





BREAKOUT ACTIVITY



YOUR TURN: SCENARIO PLANNING IN ACTION

In your small group, explore the Sunshine Food Pantry scenario using the worksheet provided. Don't try to solve everything—focus on surfacing ideas, tradeoffs, and possibilities.

- Use the worksheet to walk through the scenario planning steps together.
- Designate a note-taker and someone to share back highlights at the end.

SUNSHINE FOOD PANTRY

Sunshine Food Pantry is a mid-sized, community-based nonprofit that serves 1,200 households per month through a choice-based model. They operate out of a leased facility with a modest warehouse, offer culturally responsive food options, and rely on a mix of grants, individual donations, and in-kind partnerships with grocers and farms.

Recently, the organization experienced a **25% drop in unrestricted funding** when a multi-year grant wasn't renewed. At the same time, **client demand has surged by 35%**, driven by rising housing instability, inflation, and increased migration into the area.

The staff team is small but committed. They're already stretched thin, and the board is urging the Executive Director to build a long-term sustainability plan. The facility is nearing capacity, and a second location has been discussed—but no funds or staffing plans are in place yet.

SHARE BACK

- Any aha moments? What stood out to you during the conversations?
- What felt easy or hard about the process?
- Which response actions felt most realistic or useful?
- What tradeoffs came up?
- What signals might you monitor in your own org?

REMEMBER!



- You can't predict the future—but you *can* prepare
- Planning for uncertainty builds resilience
- Scenario tools help you lead with clarity and calm
- This process helps you act earlier, with more confidence



Q & A



TOOLS & RESOURCES

- Materials from today's session
- How to find trustworthy and usable resources online.
- Need more in-depth or org-specific support?

SHARE IN THE CHAT
ONE ACTION STEP
YOU'LL TAKE THIS
WEEK TO WORK WITH
WHAT YOU LEARNED
TODAY!



THANK YOU!

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