

SCENARIO PLANNING IN MOMENTS OF CRISIS

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Featured leaders and presenters



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Our goals for today



Share **strategies and tactics** to support your medium- to longer-term **scenario planning efforts**



Hear perspectives and advice from leaders navigating scenario planning in their organizations

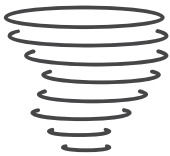
Navigating through this crisis will require nonprofit leaders to effectively balance near term action and long term planning

ACT NOW to **protect** and
run the organization today

PLAN NOW to **adapt** and
prepare the organization for the future

Mobilize the organization to protect employees and beneficiaries, prioritizing those who are most vulnerable

Prepare the organization and strategy needed to sustain and grow impact in the future



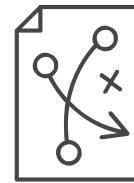
Manage the crisis

Mobilize to **minimize the impact on staff and beneficiaries**, particularly those who are most vulnerable



Protect the org

Manage cash and adjust operations to **preserve the organization** and its ability to achieve impact over time



Adapt the org

Learn and build plans to adapt the organization across a range of future scenarios and beneficiary needs



Prep for the future

Develop the vision and strategy required to sustain and grow the organization's impact in the future

Scenario planning starts with clarity on guiding principles for you as a leader and for your organization

Guiding principles or values that might anchor your decision-making



We believe our staff need wages and benefits that enable them to thrive



We must balance our responsibility to our students with our responsibility to the public health situation



We must continue to serve our community, and equitably share the burden of that among our staff



Equity is a key value for our organization

How those principles could translate to action

We may choose not to cut certain benefits (e.g., healthcare premiums) versus others (e.g., retirement match)

We may choose to scale back or find alternate routes to work with our students so that we can keep as many people home as possible

If we cannot close our doors, we must ensure that we are balancing the load of that work (and the stress) equitably across our team

In considering changes to employee benefits, we consider which choices will have the least negative impact from an equity standpoint

TSNE: Who We Are

► Fiscal sponsor

- 65 organizations
- 490 employees in 26 states



► Consulting and Training

- 30+ active consulting clients
- Bi-weekly trainings

► NonProfit Center

- 50+ nonprofit tenants
- 5 managed properties
- Trainings, meetings, conferences daily

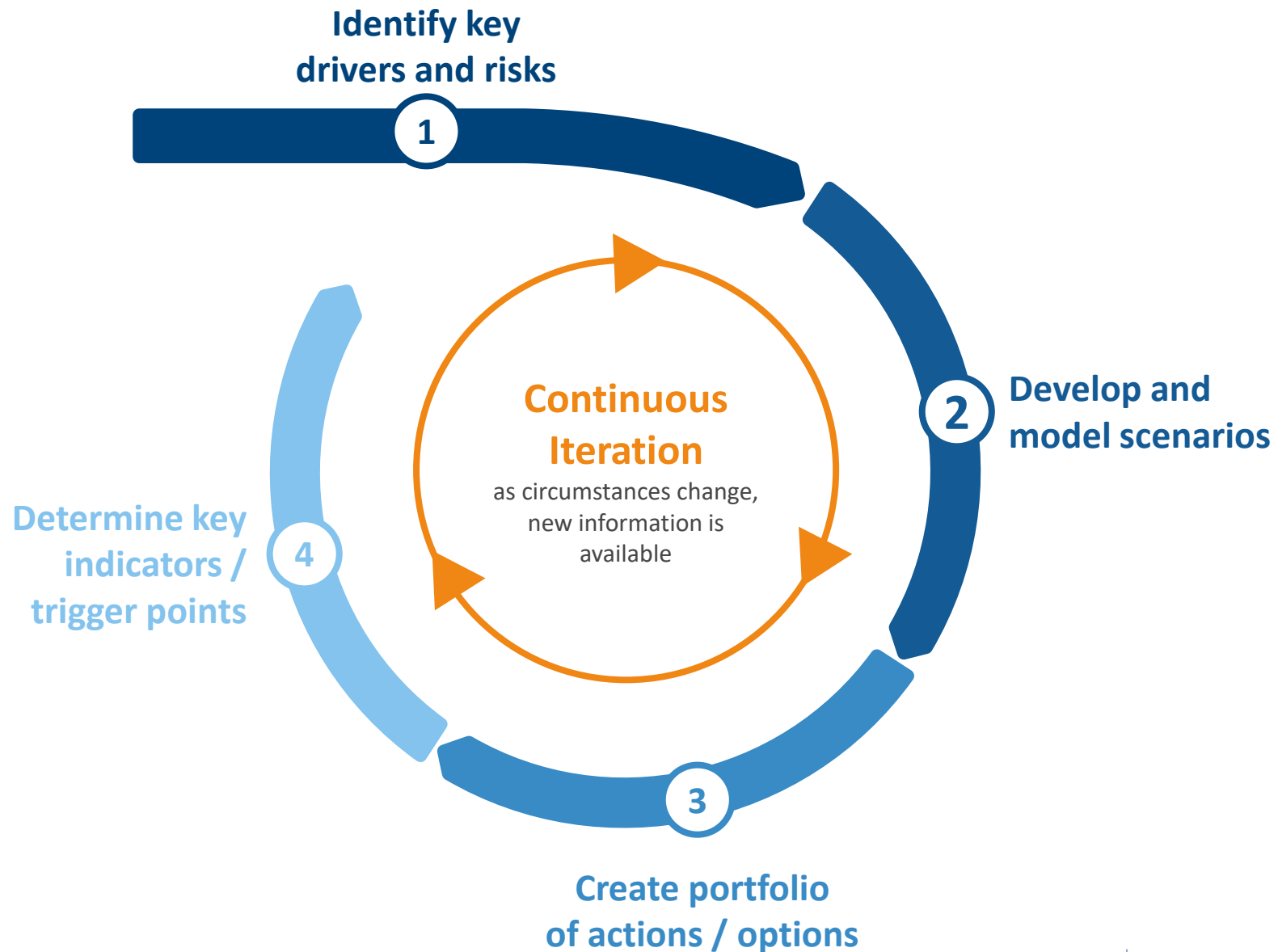


Our anchors and adapted organizational priorities (short-to-medium term, March-June 2020)

- Prioritize well-being of our people (corps, staff, and students), including doing everything we can to make sure corps members have the option to receive their full stipend and Segal education award
- Create safe and appropriate options for corps members to complete their service year and support the needs of schools/communities (e.g. virtual service and programming)
- Maintain City Year's financial sustainability (e.g. maintain partnerships, new revenue strategies, manage expenses)
- Recruit next year's corps and retain confirmed members
- Maintain strong engagement and communication with stakeholders throughout

**"You may be used to running ahead to see what's next.
What people need right now is to walk together through this."**

A dynamic and iterative scenario planning process is required to navigate this unprecedented level of uncertainty



Step 1: Identify the key drivers and risks



- Identify the **major** drivers of your impact and economics, looking across your programs, your operations, and your finances
- Identify the **biggest risks and uncertainties** associated with those major drivers



TIP: Don't get distracted by small stuff – stay focused on the biggest levers



PROGRAMS



FUNDING

Step 2: Develop and model out scenarios



- Consolidate the **best data available today to construct best, moderate, and worst case scenarios** that reflect the full spectrum of possible outcomes (use internal and external data)
- **Translate these scenarios into their related budgetary impact** (E.g., revenue decline, cost implications, etc.)



TIP: Precision isn't the goal



WATCHOUT: Don't underestimate the worst case scenario

Step 3: Create a portfolio of actions and options



Example

No regrets moves

Actions with positive benefits under any scenario

Reduce discretionary spending in ways that does not harm staff / programs

Options and hedges

Smaller-scale, flexible moves that can be done quickly

Temporarily reduce executive compensation by XX%

Major investments / cost reduction

Large scale commitments

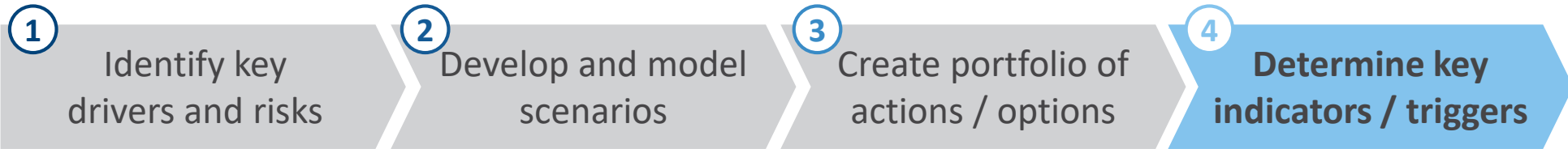
Open a new site or launch a new program based on increasing community need



TIP:

Here's where your guiding principles, anchored in your mission and values, will be important

Step 4: Identify when to act



Trigger point could be a DATE

By X date, we'll need to decide whether to move forward with fall program delivery



Trigger point could be an EVENT

If X contract falls through, or program volume drops to XX, we'll pause the program / furlough related staff



TIP: Establish (or update) your decision processes and roles so that you're ready to act when needed

Featured leaders



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Equitable, Community-Driven Stewardship

- ▶ Formed a 'Rapid Response Team' with daily 'stand-up' meetings
- ▶ Conducted needs assessments and cash flow projections for fiscally sponsored organizations, and for TSNE – *“Cash is King”*
- ▶ Created fact sheets and guidance:
 - For tenants and managed properties
 - Human Resource best practices including self-care during a crisis, and best practices when working from home
 - Communications best practices during a crisis
- ▶ Created webpage on COVID-19 resources:
 - Guidance on federal aid: FFCRA, CARES
 - Advocacy and legislative action
 - Funding resources
 - Free resources
 - Communication resources
- ▶ Plan for 6 – 24 months
- ▶ Regular, ongoing communication



Thank you

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@BridgespanGroup