

Board

NOTES

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TOPICS

Non-Profit Life Cycle



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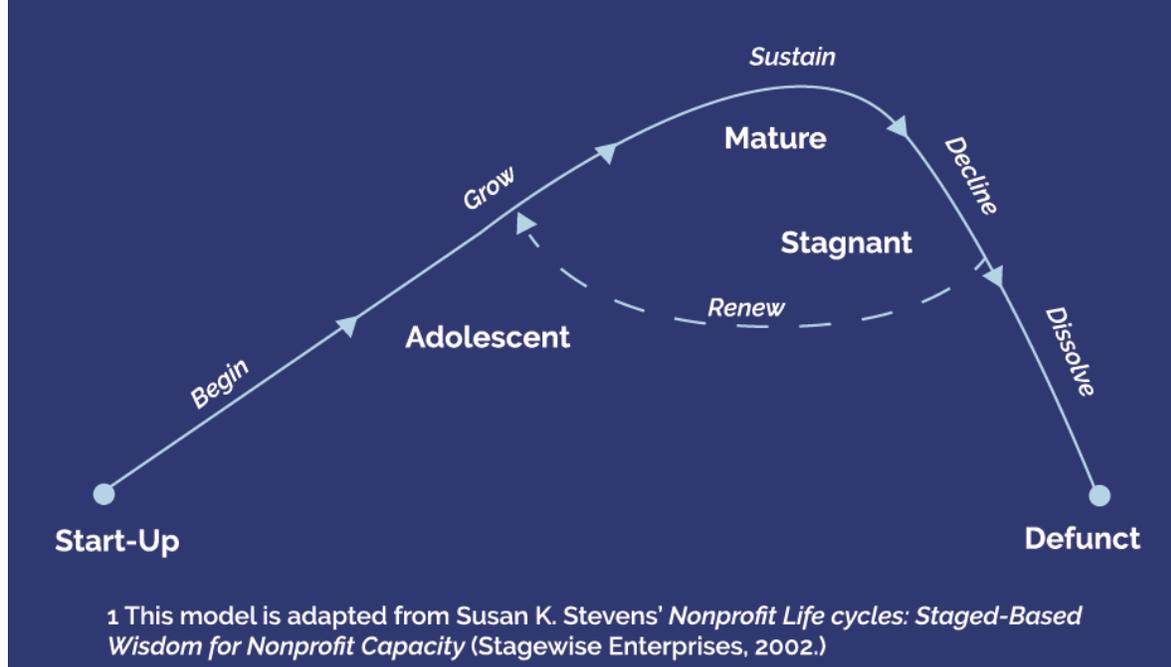
WELCOME TO BOARD NOTES!

In this edition, we address the different stages of the non-profit life cycle. Boards start in the entrepreneurial stage where a group of people are very driven by a mission. At this stage, there typically is no staff and the board focuses on service delivery and are sometimes referred to as a “working board.” After some time, as the organization grows, the board evolves to an adolescent stage and then finally to a mature stage with a fully governing board. Why does this matter, you might ask? It is important to know and understand what stage and life cycle the organization and the board is in as you prepare for the future health of the nonprofit.

There is much growth that happens from start up to mature. There are lessons at each stage and typically the people around the board table reflect the stage in the life cycle of the nonprofit. While the startup board may be primarily mission driven as the organization moves on to adolescence, the board members will also change. At this stage in the organization’s lifecycle there is accumulating staff to carry out the mission of the organization. The staff can range from one or two, to as many as 40 or more. Staffing is completely dictated by the needs of the organization and may also ebb and flow over time as programs change, shift or expand. The individuals around the board table often have specific skill sets or backgrounds. These could range from financial to legal, or human resources to marketing.

To ensure lasting success, your nonprofit needs to grow through these specific stages. This can only happen if the board itself goes through an evolution from start up, to adolescent and finally to mature. To sustain the organization in the long term, a nonprofit must remain in the mature stage. As a board member you are not only engaged in the present but also setting the up for the future and making sure as the organizations grows the work they represent grows as well.

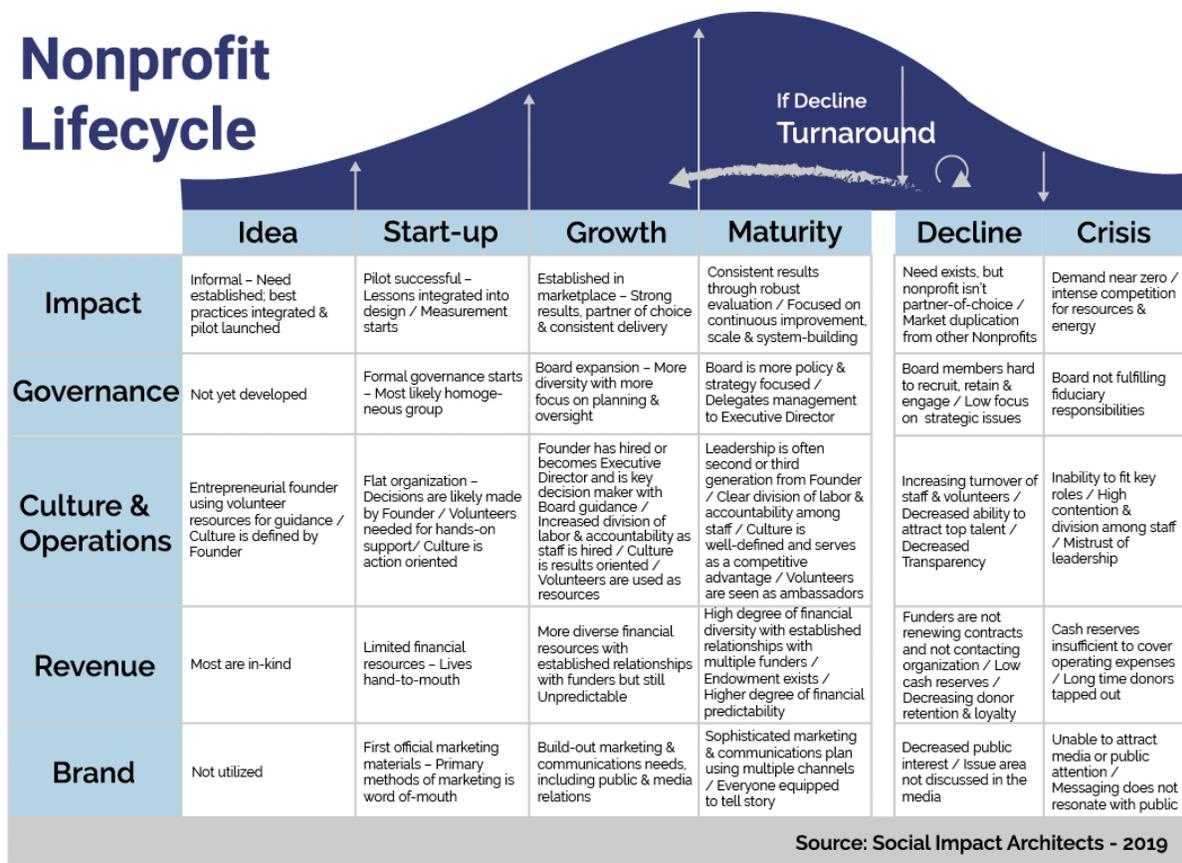
On occasion an organization can or may falter, become stagnant, and perhaps ultimately become defunct, with the nonprofit dissolving. The graph below is a common example of a nonprofits lifecycle.



Reaching the **mature** phase of a nonprofit, indicates the board has a well-functioning governance style. Ideally, the board is well rounded and made up of people who not only care about the mission, but bring specific skill sets that can assist in governance. Committees meet regularly, the board is focused on the mission and oversight of the organization and decisions are made based on clear information provided by the executive director and leadership staff. Staffing levels have reached a point that allows the nonprofit to fulfill its mission with programs and services. Funding levels are achieved to support and pay for staffing along with normal business operations. Policy decisions are made by the board, and the staff implements them.

The truest indicator of an organization in a mature cycle is its ability to achieve its mission and consistently deliver quality programming to all it serves. If you aren't sure Here are some descriptors of which stage your nonprofit is in:

Nonprofit Lifecycle



Source: Social Impact Architects - 2019

Where does your nonprofit stack up in the Lifecycles graph? Could your board use some assistance to ensure the organization can continue to meet its mission?

The Oshkosh Area Community Foundation can offer resources and insights to help you achieve a mature organization with a well-functioning board.

“A butterfly does not return to a caterpillar after it is mature. We must learn to grow and evolve into a stronger, wiser and better version of ourselves. Life occurs in stages and taking a step at a time is key to learning and growing.”

— Kemi Sogunle

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