

# Ten Risks Facing Not For Profit Organizations in the Coming Years



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# Meet Our Panelists



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# Intro/Headline



# Financial Risk

- Dependence on limited funding sources (donations, grants, government contracts)
- Unpredictable revenue streams
- Rising costs or inflation
- Fraud or mismanagement of funds
- Cash flow issues





# Compliance and Regulatory

- Failure to comply with changing laws and regulations (e.g., tax-exempt status, charitable solicitation laws)
- Reporting and filing requirements (IRS, state, and federal guidelines)
- Governance and transparency expectations

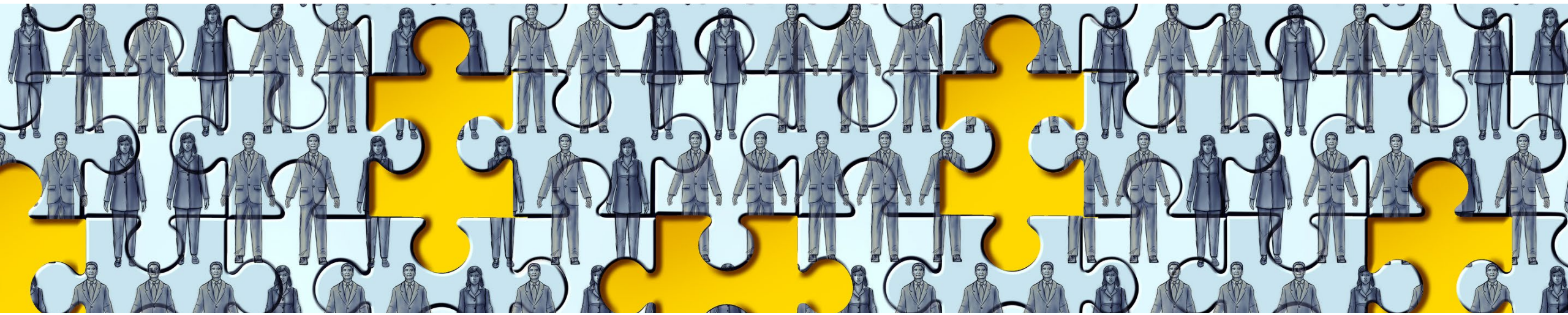


# Reputational Risk

- Negative publicity or controversies affecting trust with donors or the public
- Poor handling of crises (e.g., misconduct, misappropriation of funds, poor service outcomes)
- Failure to deliver on mission or program goals

# Operational Risk

- Inadequate systems for managing operations (HR, technology, financial management)
- Volunteer or staff shortages
- Dependency on key staff or leadership
- Inability to scale operations due to resource constraints





# Governance and Leadership Risk

- Ineffective board governance or lack of proper oversight
- Leadership transitions causing instability
- Lack of succession planning



# Strategic Risk

- Inability to adapt to changes in the external environment (economic shifts, policy changes, new competition)
- Misalignment between programs and mission, leading to inefficiency or mission drift
- Failure to innovate or respond to emerging trends in the sector

# Technology and Data Risk

- Cybersecurity threats (hacking, data breaches, ransomware)
- Outdated technology or lack of IT infrastructure
- Inadequate data privacy protections, especially when handling sensitive client information



# Legal Risk

- Liability from service delivery (e.g., negligence, harm to clients)
- Employment-related lawsuits (e.g., discrimination, wrongful termination)
- Contractual disputes with funders or partners



# Programmatic Risk

- Poor outcomes or failure to achieve program goals
- Service quality or delivery challenges
- Changes in demand for services



# External Environmental Risks

- Economic downturns reducing donor and grant funding
- Political changes affecting funding or regulatory requirements
- Natural disasters or pandemics impacting operations (e.g., COVID-19)



# Questions





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