



Nonprofit  
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Center

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**FOR MISSION FOCUS**

**2025 Risk Insights**

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In a globally interconnected world experiencing turmoil, war, political division and economic volatility, communities need mission-driven organizations more than ever. People are turning to nonprofits to meet needs shaped by conflict, climate change, hunger and social change. The work of nonprofits is essential, and requires constantly reprioritizing risks and responses.

Your team undoubtedly will receive many urgent requests and inquiries this year from community members, possible partners, even potential funders. The temptation to scramble to meet every need that surfaces will be great.

But frantic scrambles won't create lasting change or support the quality services your mission requires. Scrambling will burn out your team. It will drain energy and focus from the areas where your nonprofit could make a difference and the connections you most need to build and nourish in your communities.

This year, **FOCUS** will be your nonprofit's superpower to manage and navigate the risks you face.



## Say "Yes," But Not to Everything

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Our sector has long-ingrained patterns of saying yes to everything. Every request from a funder or potential funder. Every community member who has a need and asks if we have a program that can alleviate it. Our bodies, brains, relationships, and systems can no longer continue that way. Trying to do everything leads to poor decisions, avoidable failures, and offerings that fail to meet the most pressing needs.

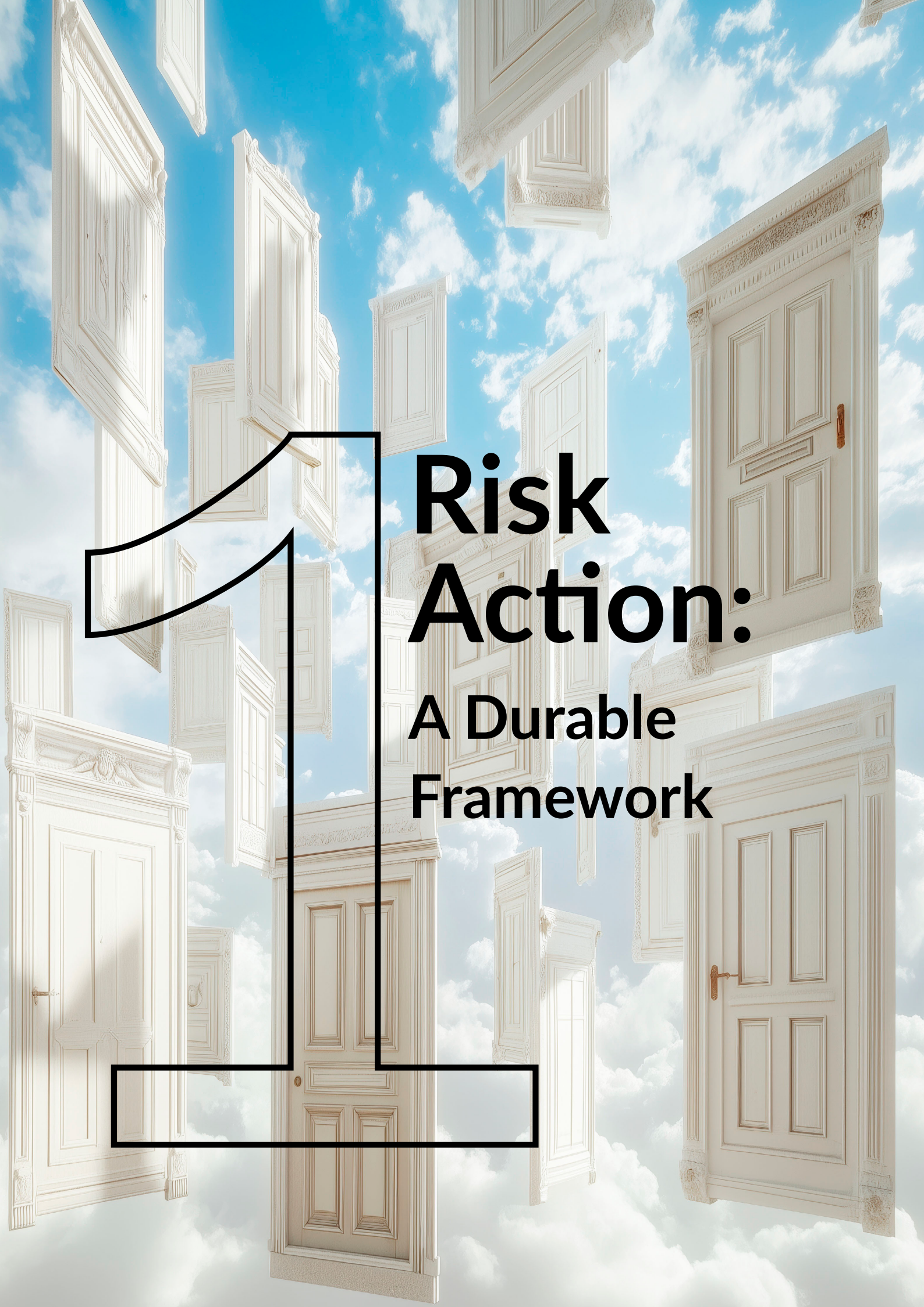
This year, the NRMCM team invites you to return again and again to the words of the late journalist David Carr, [who said the job of an editor was](#)<sup>i</sup> to “decide, decide, decide.” You are your team’s risk editor. You can help the dedicated colleagues on the team prioritize and reprioritize critical risks and reasonable responses in a changing world.

How do you decide what’s less important when everything feels important? We have created several flexible frameworks to help you assess, prioritize, and address your greatest risks. Read them below in our Risk Framework section.

When we let go of something, even if it hurts, we make time and space for change. For innovation. For partnership and collaboration. For joy. As you assess your risks and tighten your focus, we’ve shared topical information on areas where we believe nonprofits will need to focus this year.

Every risk topic in this whitepaper was chosen because nonprofits are already dealing with it and will continue to face it in 2025. All nonprofits face legal and security risks, including an increasing risk of being targeted legally, physically, or through online harassment by people who disagree with your purpose, presence, or approach. In addition, your team uses artificial intelligence, and it shapes your work, whether you give much thought to it or not. Your relationship with your team is a constant source of opportunity and inspiration, and an equally constant source of potential tension and friction. And the funding climate grows ever more complex, raising existential questions for nonprofits and funders alike.

The world feels scary right now. But you, your team, and the communities you serve know how to assess, prioritize, and deal with risk. You’ve done it for years. On a personal level, you’ve done it your whole life. The tools here will help you tap that knowledge in times that may feel overwhelming, and meet challenges in a way that fits—and serves—your mission.



# **Risk Action:**

## **A Durable Framework**



To mitigate a risk, you must name it, understand it, and acknowledge its context—how it fits into the full landscape of risks you face. If your nonprofit has [never done a risk assessment<sup>ii</sup>](#), or hasn't done one in a while, use the question prompts below to help you evaluate and prioritize your top risks and form doable, responsive action plans.

We encourage you to prioritize risks based on potential impact and preparedness. Keep in mind that risks are possibilities: events that may or may not happen. If a risk could have a big impact on your nonprofit, but your analysis indicates you're well-prepared to respond if it happens, that risk should be a lower priority. If a risk could have a big impact on your nonprofit and you don't feel well prepared, prioritize doable actions to close that gap.

To assess your risks and take action on top-priority risks, gather your team to discuss:

- What are the most critical risks we face—and the most promising risk-taking opportunities on the horizon? (Remember that risks are possibilities, not current realities or certainties.)
- How are we well-prepared for these possibilities? How are we poorly prepared?
- What specific, reasonable actions should we consider to build resilience and readiness for the top 5 risks?
- How will we know if we've done enough to build readiness in the face of our top risks? How might we monitor the risks we identified?
- How can we break down identified 'risk strategies' into practical, tactical steps that can be assigned, and completed in a reasonable timeframe?

Once you have a plan, it's time to monitor your work.

At NRMC we find that nonprofit teams often hunger for simple ways to monitor their actions on risk. This desire often lures earnest leaders toward risk registers—spreadsheets that can balloon with dozens of vaguely stated risks and too many columns. These mega risk registers have lots in common, including mismatched data sets and many blank cells.

At NRMC, we believe giant risk registers take time and attention away from actions to mitigate and respond to risk. There's a better way. We created three simplified risk registers that help your team prioritize a handful of top risks and focus on action. [Download our three simplified risk registers here<sup>iii</sup>](#).

Risk assessment isn't one and done. The environment around you changes, and your organization's action plans will need to change over time. But reassessment should be simple and action focused. Once you have your risk assessment and initial risk action plan in place, take these simple steps to update it annually.

- Conduct a short online survey listing the risks from last year's assessment. For each risk, ask:
  - » Is this risk still a possibility for us?  
(answer choices: yes or no)
  - » How has our readiness for this risk (possibility) changed during the past year?  
(answer choices: improved, decreased, or stayed the same)
- Next, ask some general questions, such as:
  - » What new, concerning possibilities are top of mind for you? (fill in the blank)
  - » What changes in how we manage risk made an impact in the past year?
  - » How comfortable do you feel talking about risk compared to a year ago?
- Invite survey takers to attend a workshop to share and reflect on the results and the action steps the survey inspires.
- Consider scenario planning for top-priority risks. If your team decides your biggest risk is an economic downturn that would decrease giving to your nonprofit, model what you would do if giving declined 10%, 20%, or 30%. [Use our scenario planning guide<sup>iv</sup>](#).
- Brief your board or risk committee on the assessment results and new action those results inspired.



**Prioritize Security  
Online and Onsite**

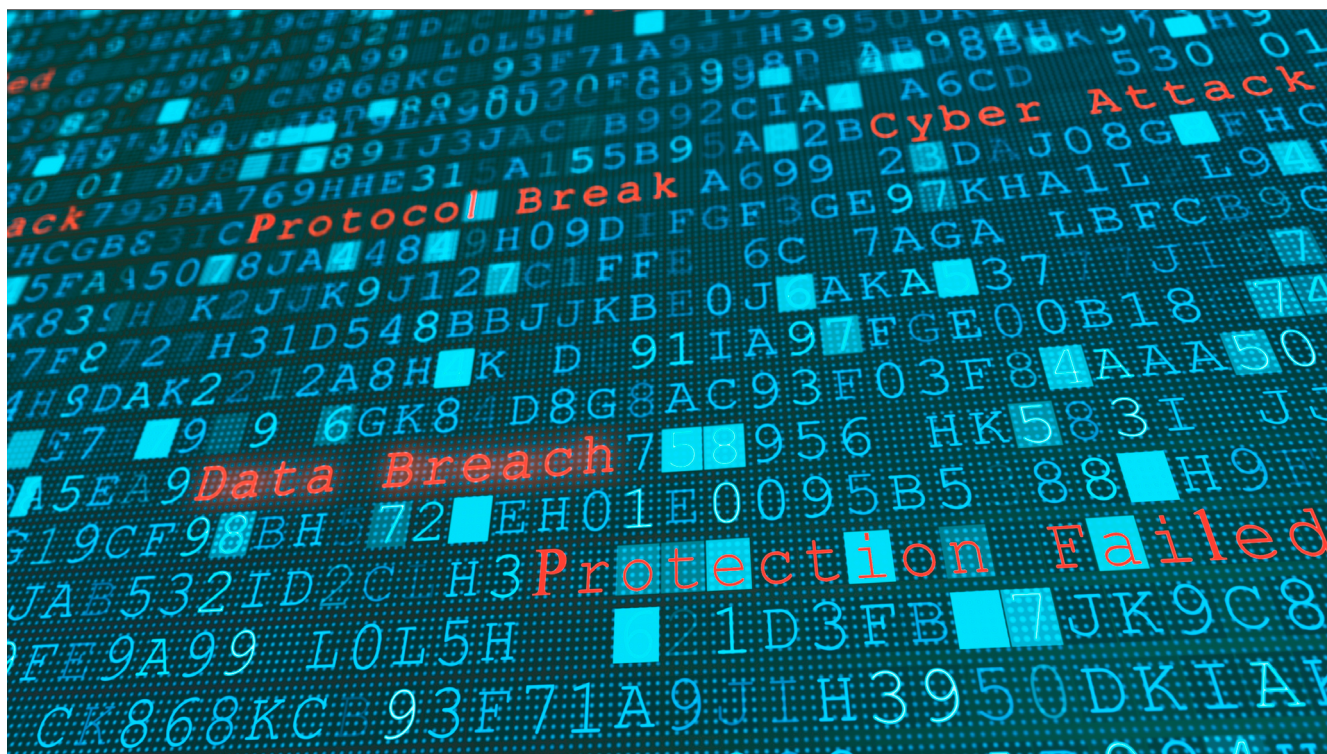
## Cybersecurity

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Every nonprofit works with data, and even if your organization does not store personally identifiable data, cyberhackers would love to get their hands on the information you possess. Cyberbreaches are one of the biggest risks for any employer; a charitable mission provides no special protection. The U.S. Cybersecurity & Infrastructure Security Agency, the nation's cyberdefense agency, has [flagged cyberattacks from nation-states<sup>v</sup>](#) including the Chinese and Russian governments as an elevated threat to national security. And [Microsoft's Digital Defense Report found in 2021<sup>vi</sup>](#) that non-government organizations and think tanks were the second-most-targeted sectors by cybercriminals. Every team can take steps to improve cyberhygiene and prepare to act if a breach occurs.

- **Mandate strong passwords.** If possible, have employees use a password manager, an app on your device that stores passwords so you don't need to remember them.
- **Use multifactor authentication.** This technology requires employees to take an extra step after logging in, such as retrieving a code on a separate device.
- **Create a simple one-page cyberhygiene reference for all employees.** Even at nonprofits that do a lot of cybersecurity training and phishing testing, some concepts may go over employees' heads, or get lost in the barrage of messages they receive. A simple one-page reference that explains what employees can do every day to protect themselves online can go a long way. [Use NRMCC's "Cybersecurity Defense Tips" one-sheet as a guide.<sup>vii</sup>](#)
- **Control access to data.** At many nonprofits, lots of employees might be able to access sensitive data like client, volunteer or donor data. But typically, only a few employees truly need that access to do their work. Don't collect data your organization doesn't need, and established tiered access to systems, so only employees who truly need to work with any data you do collect can access it.
- **Work with your IT provider or staff to patch system holes and address vulnerabilities.** A good provider should keep on top of advisories about known software vulnerabilities and employ patches.
  - » **Monitor network activity.** Again, work closely with your IT provider or team on this. If you know what normal activity on your network looks like, you can act quickly when something out of the ordinary appears.





- **Know what you would do in a breach.** Even if your team does everything right, you might still face a breach, as hackers step up their efforts and sharpen their skills. Identify experts you would call without hesitation in a breach, including legal counsel, IT vendors, and forensic professionals. Establish a chain of command and communication if systems are inoperable. [Our “Ready to Respond” one-sheet has more tips.](#)<sup>viii</sup>
- **Talk to your insurance advisor about cyberinsurance.** Most nonprofits will need to buy cyberinsurance in case your best defenses fail. That’s because cyberbreaches are so expensive that the cost of one could jeopardize your mission without support from insurance. The average cost of a data breach in 2024 was \$4.9 million, [according to IBM.](#)<sup>ix</sup>
- **Keep learning, and reward reporting.** Continue to learn from any near misses or cybersecurity incidents. If you learn from every near miss and do more each year than the year before to guard against cyberbreaches, your organization will be well defended and well prepared if a cyberbreach does happen. And encourage your IT staff to positively reinforce all reporting of any cybersecurity concerns. Whether a cybersecurity concern that’s reported turns out to be a threat or not, thank any team member who reports one and encourage them to continue to do so.



## Online Harassment

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Nonprofit staff, volunteers and sometimes participants face the risk of being targeted by hate groups or individual actors. That risk rises if team members and organizational accounts speak or act publicly on social issues that raise heated debate. The [2023 Freedom on the Net report](#)<sup>x</sup> from nonprofit Freedom House called online harassment “a long-standing and growing problem in the United States,” with women and members of historically marginalized groups often receiving such threats. More than 40 percent of U.S. adults have experienced online harassment, [according to the Pew Research Center](#).<sup>xi</sup>

NRMC recommends that nonprofit leadership teams consider how they would respond if the organization—or individual team members—are targeted online. The goal is to get some policies and response pathways in writing in advance. Ideally, your team won’t need this preparation, but you don’t want to have to create it as someone floods the internet with a team member’s home address. Here are steps nonprofits can take to defend themselves and their team members online.

### *Steps for All Nonprofits*

- **Review policies around harassment and social media use.** Update them to make sure they address online harassment. Communicate in team meetings and through electronic messages that your nonprofit will not tolerate any form of harassment, including online harassment. Encourage staff, volunteers and participants to report any concerning behavior.
- **Train employees how to stay safe online.** Some of this training will overlap with your cybersecurity efforts, like using a password manager and multifactor authentication. You should also make sure staff know how to report online abuse and what kind of support your organization can provide if it happens.
- **Respond to concerns and wishes.** If a team member is harassed online, give them visibility and, if possible, input into the decisions your organization makes about how to respond, and respect and honor their concerns and wishes as much as you can.

### *Steps for Organizations at High Risk of Online Harassment*

- **Conduct an anonymous survey.** Find out how much staff experience online abuse, how they cope with it, and what mitigations would bolster their safety. The [PEN America Online Harassment Field Manual](#)<sup>xii</sup> includes potential questions for staff surveys about harassment.

- **Offer employees additional resources.** Consider covering the cost of subscriptions to services like [DeleteMe](#)<sup>xiii</sup> or [Kanary](#),<sup>xiv</sup> which scrub information like home addresses from online data brokers, for anyone whose job duties include conducting media interviews or posting online on your organization's behalf. And offer mental health counseling and support to anyone who faces harassment for their work.
- **Designate a team to monitor online activity if there's a threat.** When a team member faces online harassment for their work, that person may choose to block or mute harassers, so they don't see their posts. That's a natural (and healthy) response, but an employer should consider monitoring harasser activity to determine if threats are escalating and additional precautions are needed. We encourage nonprofits to designate and train a small team of people who could review and log harassing or threatening social media posts in an employee harassment incident. Having multiple people on this team will allow you to rotate this duty, which can be emotionally taxing, for as long as necessary.

## Physical Security

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Hate crimes are rising across the United States, with nearly 12,000 hate crime incidents reported in the U.S in 2023, [according to the FBI](#).<sup>xv</sup> And more than 15,000 people were killed by guns in the first 11 months of 2024, including 466 who died in mass shootings, [the Gun Violence Archive reports](#).<sup>xvi</sup> Increasingly, nonprofit leaders recognize and act on the need for additional safety measures for their teams and the community members they serve.

Before your nonprofit adds a new physical security measure to your facilities, like security systems, gated entries or panic buttons, we encourage you to take a step back. Ask what your nonprofit aims to achieve with its physical security program. What would your organization consider a successful result—for example, do you want to decrease foot traffic at your physical facilities to reduce the risk that a visitor will commit a violent act? This analysis will help your organization understand its needs and make better decisions. Then you can explore the technical and ethical considerations around specific measures, like security cameras and security guards.

To apply a risk aware lens as you assess your security needs:

- Reach out to the community and local advocacy organizations for their input. What security measures would community members appreciate at your facility? Which ones could infringe on their rights or potentially place them in danger? How can you minimize unnecessary contact between members of vulnerable groups and police?

- Ask staff, especially those who regularly work at your premises, for their input. What security measures would make them feel safer? What do they feel could infringe on their rights or those of community members, or potentially place them in danger?
- Consider before an incident happens when your organization would and would not contact law enforcement.
- Could you take simple measures like keeping facility doors locked or doing a safety check-in before external events or times of high risk?
- If you consider use of surveillance technologies like security cameras, address privacy and ethical issues. Cameras in publicly accessible areas, such as parking lots and building entrances and exits, should be accompanied by prominent signs disclosing that video monitoring is taking place.





## ***Five Centering Techniques for Stressful Moments***

**Breathe.** Even in the middle of a tough conversation, you can take deep breaths, which activates the calming capacity of your parasympathetic nervous system. Inhale for four counts and exhale for six. When your exhales are longer than your inhales, it primes your body to leave fight-or-flight mode and enter a more relaxed state.

**Cool down.** Literally. To change your physiological response to conflict, bring down your body temperature. Take a sip of water, touch a cool surface in the room, or put an ice cube from your drink in your mouth.

**Ask questions.** This gives you time to respond in a constructive way. Try questions like “I’m hearing that you’re unhappy with how our app is working for your benefits. What else do you need me to know about the problem?” This will help you process your emotions and consider what to do next.

**Distract yourself.** You need to listen to the person who’s upset you, but at the same time, give yourself something to think about besides your emotional response. Dig your feet into the floor, feel the sensation of your hips in your chair, or focus on the eye color of the person you’re talking to.

**Have some go-to responses.** When you’re not in the middle of conflict, take a moment to craft some phrases you can use in a heated situation. Examples include: “Thanks, I need a little time to think about that” or “Can you tell me more about that?” This approach keeps you in the conversation but gives you precious time to calm down.





# Evaluate Emerging Legal Risks



In late 2024, the U.S. House [passed a bill](#)<sup>xvii</sup> that would allow the U.S. Treasury Department to unilaterally revoke nonprofits' tax-exempt status if they are suspected of financing terrorist organizations. U.S. nonprofits already must comply with federal laws designed to prevent money laundering and the financing of terrorism. Critics say government could weaponize the new bill to take down any nonprofit whose work they oppose. The bill will likely resurface in 2025, as will other legal challenges for nonprofits.

Many nonprofits are also still struggling to understand the impact of the [Supreme Court's decision to strike down](#)<sup>xviii</sup> affirmative action programs at Harvard University and the University of North Carolina. Some are evaluating the legal and political climate and wondering whether to end programs that support immigrants, LGBTQ+ populations, people of color, or other groups that have been historically marginalized.

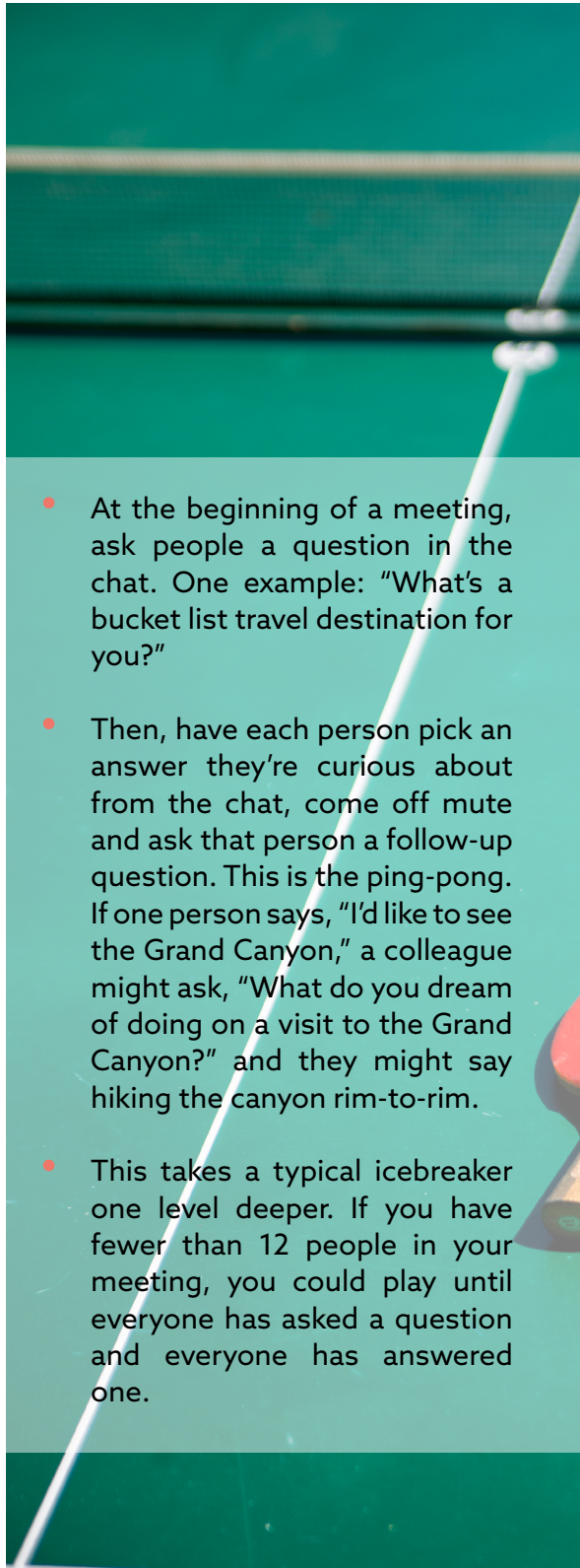
The bottom line: Most nonprofits across political and issue spectrums face an increasing risk of legal action by someone who wants to silence their mission.

Before you step away from mission work due to the possibility of legal challenges, pause and consider the long view. If you put this work aside now, how will it affect your ability to serve your community? To achieve your [theory of change](#)?<sup>xix</sup> To meet your strategic goals?

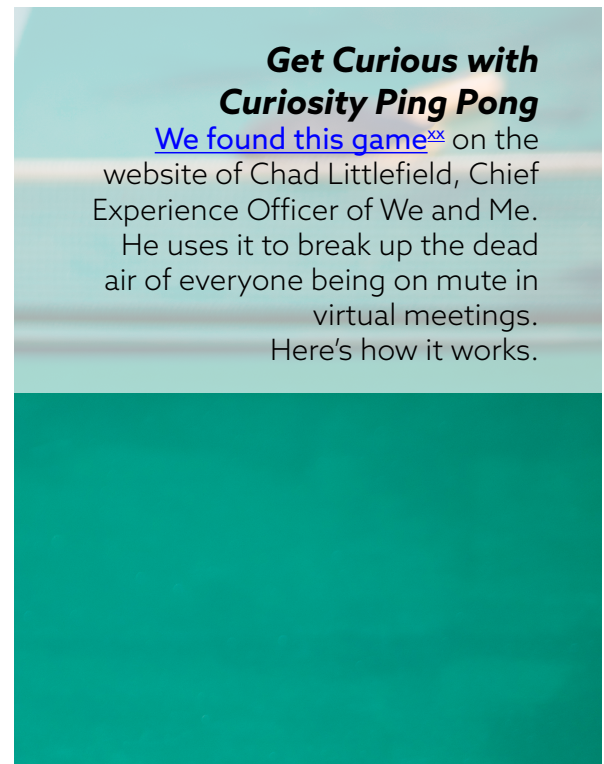
If you've identified work as mission-critical, we encourage you not to abandon it simply because it could face legal challenges. Take these steps first.

- **Evaluate your legal exposures.** What work you do, or are considering, raises the greatest litigation risk? Talk with your in-house attorney or outside counsel.
- **Talk with your community.** What do your constituents need most from you in this moment? What services can they find elsewhere? What measures would help them stay safe—for example, collecting and storing less data from them, or increasing data privacy safeguards? Use surveys, focus groups, and one-on-one conversations to see what your community needs most during this time.
- **Strategize with your board.** If higher-risk work is mission-critical, don't abandon it: plan for it, including how you will prepare for legal challenges and respond if they arise.
- **Finance and share risk.** Can you build a reserve fund that could help address potential legal challenges? Do higher liability coverage limits make sense for your nonprofit in a climate of increasing legal risk? How can you team up with others in your sector to pool legal resources and collaborate on mission-suited approaches?



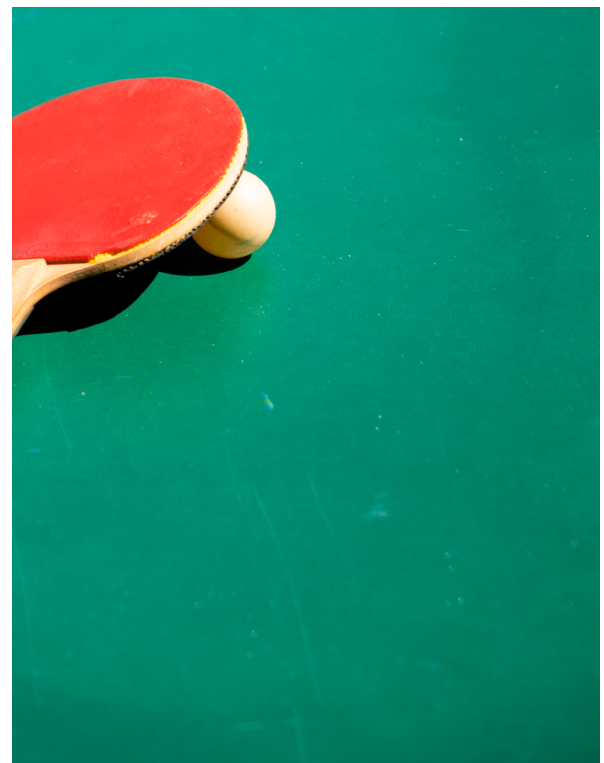


- At the beginning of a meeting, ask people a question in the chat. One example: "What's a bucket list travel destination for you?"
- Then, have each person pick an answer they're curious about from the chat, come off mute and ask that person a follow-up question. This is the ping-pong. If one person says, "I'd like to see the Grand Canyon," a colleague might ask, "What do you dream of doing on a visit to the Grand Canyon?" and they might say hiking the canyon rim-to-rim.
- This takes a typical icebreaker one level deeper. If you have fewer than 12 people in your meeting, you could play until everyone has asked a question and everyone has answered one.



### **Get Curious with Curiosity Ping Pong**

[We found this game<sup>xx</sup>](#) on the website of Chad Littlefield, Chief Experience Officer of We and Me. He uses it to break up the dead air of everyone being on mute in virtual meetings. Here's how it works.







**Prepare for  
Economic  
Volatility**



The economic outlook for this year remains challenging and unpredictable. [The International Monetary Fund's latest World Economic Outlook<sup>xxi</sup>](#) predicts global economic growth of 3.2 percent in 2025, with the U.S. economy largely driving that increase. The IMF expects the US gross domestic product will increase by 2.2 percent in 2025. U.S. consumer spending has remained strong even as the Federal Reserve tightened monetary policy to address inflation.

Total U.S. giving is predicted to increase by 3.9 percent in 2025, driven by growth in personal income, net worth, and consumer sentiment, according to the [CCS Fundraising Philanthropy Outlook 2024-2025<sup>xxii</sup>](#).

But in a late 2024 [webinar convened by the Chronicle of Philanthropy<sup>xxiii</sup>](#), experts noted that federal pandemic-era funding is drying up. And they expected federal funding to shrink significantly in the next several years, as newly elected political leaders fulfill campaign-trail promises to tighten government spending. Federal dollars have a huge impact on nonprofits. On the Chronicle webinar, Nonoko Sato, Executive Director of the Minnesota Council of Nonprofits, cited a Nonprofit Quarterly study that found that local, state and federal governments provided \$650 billion in federal funding to nonprofits as of 2020.

Additionally, geopolitical risk, including the wars in Gaza and Ukraine, could continue to shake the world economy and financial markets. You can't control world events or the movements of the markets, but you should know how your nonprofit would respond to a range of economic impacts.

If economic volatility is at the top of your risk worries for 2025, consider the following steps and strategies to replace worry with productive action.

**Employ scenario planning.** Take time to model best-case, worst-case and midrange economic scenarios for your organization. Identify three major actions you could take to respond in each scenario, and what you'd need to do to put those measures into place. This approach, which takes a few hours of staff time, will help everyone involved with your organization sleep better at night.

**Test your thesis.** Assemble a diverse group of colleagues to participate in an exercise putting one of your economic scenarios into practice. How might it play out in real time? How would you react to uncertainty? This exercise will help you meet the unknown in all aspects of your organization, not just the economy.

**Stockpile some funds.** In times of great need, you don't want to hoard cash that could be deployed in the community, but you don't want to be caught in the rain without an umbrella, either. Determine how much of a cash reserve you need to meet the

uncertainties of this year and beyond. If you have no rainy day fund, it's OK to start small. Try setting aside a little money every month, as a household building savings from scratch would.

**Keep an eye on expenses.** We can't cut our way to a better world. But changing times may sometimes call for pause or recalibration on the rollout of big projects that come with big expenses. Could you delay a new program until 2026 if revenues don't match projections? Could you eliminate subscriptions to tools and resources that your team doesn't use consistently?

**Think long-term.** Your theory of change likely requires you to make some investments on the way to having the impact you seek in your community. If the economy stumbles this year, consider whether a short-term rein on expenses could put you in a position to invest in your infrastructure in 2026 and beyond.





## ***Have Better One-on One Meetings***

Your employees can share status updates in emails or Slack messages. Save your one-on-one time for real conversations that show how your organization values your people and wants to help. Ask questions like these.

- What support do you need from me this week?
- How does your workload feel right now? Where can I help?
- What was a win for you this week? What was a challenge?

Listen, then look for ways to take action. Say what you'll do and honor it—for example, you could tell a team member: "You can put that project aside for two weeks so you can focus on wrapping up your report before you take time off to care for your mom."





# Artificial Intelligence: Stay Human





Nonprofits use AI to sift through large datasets, craft donor appeals, create website chatbots that respond to client inquiries, and much more. The explosion of generative AI over the past two years showed many nonprofits just how much they already use AI. Many organizations have realized their team members are using a mix of AI products, often with no guidelines or guidance.

This technology can bring nonprofits and the people they serve substantial benefits, and very real harms. Let your team know how they can and can't use it and help them build the skills to work with this changing technology to advance your mission. Here are some steps to do so.

**Evaluate your nonprofit's ability to center equity.** AI poses the greatest risk to the most vulnerable populations. All nonprofits must determine how close they will allow AI's algorithms and training systems to any personal information about team members, constituents, donors, and more. Data breaches present a threat to everyone, but team members and constituents from historically marginalized communities face especially high risk if their information gets compromised.

Because of that, your nonprofit needs practices to center the voices of people who will be most affected by a change. If you don't have those practices, focus on creating them before you go further with AI. If you don't know whether you have a strong equity foundation, some great questions to ask might include "How do voices get heard at this organization?" and "Whose input does this organization act on?" If you need help to assess that, [Equity in the Center](#),<sup>xxiv</sup> the [National Council of Nonprofits](#),<sup>xxv</sup> and the [Building Movement Project](#),<sup>xxvi</sup> among others, offer resources for nonprofits working to center equity.

**Empower humans in your transition to using AI.** Tell employees why your organization is experimenting with AI use and how you hope it will affect the mission. Ask team members to share their hopes and fears about AI. What information do they need to understand its possibilities, limitations, and risks? Provide access to webinars and training sessions to upskill your team. *The Chronicle of Philanthropy*, Microsoft and others hold frequent sessions on AI for nonprofit organizations, some of which are free.

**Start small.** Try a limited AI experiment. Pick one area of your organization where you have too many tasks and too little staff or time. How could AI help? Monitor your experiment before expanding your use of AI. Set clear guidelines about how you will evaluate your trial, what success would look like, and what would cause you to stop the experiment immediately.

**Create an AI policy.** Key things you'll want to consider including:

- **The purpose of your policy.** Why does your organization want to experiment with AI? What aspects of your nonprofit's work will this policy touch?
- **What kinds of AI use are encouraged, and within what parameters.** What behaviors and uses fit with your nonprofit's mission and values?
- **What kinds of AI use are prohibited.** What behaviors and uses will your nonprofit not allow under any circumstances?
- **How your organization will train, equip and educate team members to use AI.** How will you work with your team to find out what skills they want to hone and help them do that within your budget?
- **How you will preserve the security and privacy of data in your AI use.** What practices will you use to safeguard sensitive data? What security requirements will you have for AI services, vendors and products? What will you do if data is breached? When and how will you use informed consent, and what opt-out options will you give constituents?
- **When and how you will disclose your nonprofit's use of AI to internal and external audiences.** How will you document and communicate your use of AI?
- **What measures you will take to ensure accuracy and mitigate or avoid bias in your use of AI.** How will you create safeguards to reduce the risk of plagiarizing from published material? Some options to consider:
  - » fact-checking any work created with generative AI against official sources, such as government data or your own;
  - » running a Google search on 250 words of any AI-created or assisted work to help gauge whether it's been previously published;
  - » using generative AI to iterate and improve your team's own work, rather than to create new work from scratch.

Also consider: How will you educate your team about [potential AI biases<sup>xxvii</sup>](#) and check for them? How will you ensure that a diverse group of constituents reviews all AI-generated work? What will you do if you find bias in AI-generated work, before or after the fact? What questions will you ask your vendors about how their algorithms work and their safeguards against bias?

**What consequences will result from intentional or unintentional violations of the policy.** What responsibilities do team members have to report suspected violations? How should they report them?

NRMC has created a draft Artificial Intelligence Policy, available to subscribers of our My Risk Management Policies product, which is available at [www.myriskmanagementpolicies.org](http://www.myriskmanagementpolicies.org) and costs \$179, or \$29 for Affiliate Members. Other organizations, including nonprofit consultants [RoundTable Technology<sup>xxviii</sup>](#) and [Tech Soup<sup>xxix</sup>](#) offer draft AI policy templates or guides for developing them, which can provide additional insight on what to consider and include in your organization's policy.

Once you establish your policy, revisit it regularly. You may need to make changes and additions as you uncover new challenges and benefits of AI use. That's okay. A simple, flexible structure will provide a consistent backbone for your AI use as technology rapidly evolves and allow you to make changes along the way.





### ***Build Camaraderie with Your Team***

Review your progress as a team. Doing this periodically can help your team build trust that you can meet challenges together. Set aside time at the end of a month or quarter to discuss:

- What new lessons have we learned recently?
- What was hard? How might we approach it differently given what we know now?
- How did we grow?



# People: Lean Into Flexibility



When NRMCM held a webinar for members on employee mental health risk, we chose the title ["It Takes More Than Self-Care."](#)<sup>xxx</sup> While self-care is essential, we can't ask our team members to do all the work of creating mentally healthy workplaces. Here's what author Adam Grant [said about that in a tweet:](#)<sup>xxxi</sup> "The best antidote to burnout is not teaching coping skills to reduce stress. It's redesigning work to reduce stress."

Your workplace policies can reduce stress—or compound it. Our teams need a balance of flexibility to work in the way that's best for them and structure to communicate what's expected of them and how to achieve it. Here are some policies and approaches that can make work less stressful for all team members.

- **Give employees as much autonomy as you can over where and when they work.** Schedule and location flexibility provide options to deal with the many responsibilities we all juggle in our lives. That can lessen the stress employees feel, which can contribute to mental and physical health issues.
- **Make sure you have clear policies on how to request time off for well-being.** Communicate those policies on multiple platforms.
- **Convey that it's OK to request time off when you need it.** Model this value by taking time off. And make sure that during some of your time off, PTO or vacation periods you're really away from work. That means not checking email and not attending meetings. Really. If you do it, your team members will think they must, too.

## *Frontline Flexibility*

Flexibility shouldn't just apply to people who can work from home. Here are some ways to provide flexibility to team members who mostly work in-person.

- **Give team members flexible work options for admin tasks.** Allow them to batch tasks if they like, so they can do all their paperwork from home or another location one day or half-day a week.
- **Make it easy to swap in-person shifts.** Things come up at the last minute. Your approach to staffing should account for that.
- **Maintain reasonable staffing ratios.** Bare-bones staffing leads to situations where the people who deliver your services can't take time off. That's not OK. Addressing this long-term might mean making tough decisions, like closing programs or scaling back hours. Those can be long and challenging discussions with bosses and funders. Keep emphasizing that exhausted employees can't give your community—and each other—the service and support they deserve.
- **Gather and act on frontline employees' input about the workplace.** Demonstrate that you want to know what's working and what isn't for the people who deliver your services. Follow up to share what you learned, what changes you're making and why.

## Better Workplace Norms

Some of the ways we approach work with our teams may rely on unspoken expectations. It's time to start talking about them. Here's where to begin.

**Train your managers to lead inclusively.** To recruit, retain and celebrate the benefits of a diverse team, [workforce expert Porter Braswell recommends<sup>xxxii</sup>](#) training managers on inclusive leadership. That includes how to build an atmosphere of psychological safety, where everyone feels comfortable sharing ideas and concerns, and supporting the growth of all employees. In practice, that might look like learning how to solicit and act on feedback from your employees, and [helping your team members work across differences<sup>xxxiii</sup>](#).

**Address unreasonable workloads.** One of the most common stressors employees face is unreasonable demands from their employer. Resources are at a premium for nonprofits, but you can't stretch your team to the limit without negatively affecting your organization and the people who work there. Have the difficult discussions with your boss and board to end a low-demand program or pursue fewer grants so your team members don't have to work unhealthy amounts. Be transparent about the consequences of making these difficult choices.

**Acknowledge what's happening around you.** When your team and your community face stressful situations, name them. If your community experienced a police shooting, or six days of air pollution that made it unsafe to go outside, or if your nonprofit just lost a major contract, acknowledge it. Your team members are carrying these things and more into the room with them. You don't have to dwell on all the stressors in the world at length, but you can't build trust with your team if you act like those things aren't happening.

**Make space in one-on-one meetings for your team members to share, or not.** Let your team members know it's OK to talk about struggles or concerns, and let them know it's also OK not to talk about that. You're not a therapist, but if your employee says, "My mom's dying and I'm having a hard time concentrating at the office," you can collaborate with them to adjust their workload and make sure they know what resources your nonprofit can offer for additional support.

**Communicate clear expectations to your team members.** This is always important, but especially when your team or someone on it is struggling. Every step you take to clearly communicate what work must get done and what can wait will make people feel more safe and secure.

**Revisit expectations when you need to.** Most people will be less productive during difficult times. Accept that and meet people where they are. If you've set clear guidelines about what work must get completed right now, you should be able to let a lot of things slide, at least temporarily.



### ***Try the 30 Circles Exercise***

Draw 30 circles on a blank sheet of paper. Then draw on the circles to turn as many of them as possible into recognizable objects within three minutes. This challenge, [as shared by design firm IDEO](#),<sup>xxxiv</sup> can get your creativity flowing. You can practice it on your own or with your team.



# Fundraising Risk: Navigate a Changing World





Nonprofits face a rapidly evolving fundraising environment. For a U.S. nonprofit, an ordinary day might bring the news that one of your top funders will end its commitment, or a multi-million-dollar transformative gift from a well-known philanthropist. The latter sounds like a dream scenario, and it certainly can be, but a sudden large influx of funds can create its own challenges. We encourage nonprofits to adapt the same approach to fundraising risk that we advocate for economic risk: take time to envision best-and-worst-case scenarios, work through them, and prepare for uncertainty.

Many nonprofits have advocated for years for trust-based philanthropy and flexible funding. [Trust-based philanthropy<sup>xxxv</sup>](#) moves away from traditional grantmaking approaches, which often emphasize “due diligence” and can reinforce unequal power structures instead of challenging them. In trust-based philanthropy, funders and grantees share power, and grantees’ and constituents’ lived experience is viewed as an asset. In practice, trust-based philanthropy might look like giving multiyear, unrestricted grants so a nonprofit can thrive, accepting a nonprofit’s existing documents like tax forms instead of requiring cumbersome custom reports, and more.

Funders worldwide are slowly easing restrictions on the money they give. But many nonprofits still receive significant funds that come with strings attached. These strings create costly operational challenges and heighten risk worries related to non-compliance. Many nonprofits are resolved to be more nimble and responsive to their communities. But those nonprofits may still face stringent reporting requirements from their own funders, limiting how they can serve constituents. We encourage nonprofits whose funding models rely on restricted grants to adopt practical tools to navigate this changing environment. Here are some question prompts you can use when you engage with current or prospective funders.

If your nonprofit provides grants, you could ask these questions of your own team.

- What aspects of our mission and strategy do you feel align with your priorities and needs?
- What aspects of our mission and strategy do you feel may conflict with your priorities and needs?
- What kind of flexibility exists to revisit priorities and requirements of any funding we receive from you if mission needs change?
- If we perceive any conflict between your priorities and what we need to fulfill our mission, how would you like to approach that conflict?
- Here are some ways we measure impact beyond the ones you seek from grantees. How much value would those have as data points for you? Would you consider accepting them in lieu of or in addition to the data points you request?
- When necessary, would you allow us to repurpose a percent of any funding we receive from you to cover security costs?
- Would you consider an unrestricted gift for the future?



# Conclusion:

## Tap Your Humanity to Navigate Risk

In a world increasingly influenced and impacted by AI, your team's most human qualities will be the most necessary this year.

Empathy.  
Compassion.  
Collaboration.  
Curiosity.  
Creativity.

If you keep doing what you've always done the way you've always done it, you'll find yourself so buried in rote tasks that you can't breathe, let alone help reinvent broken systems. You and your team have everything you need to meet this moment. You just need to carve out some space for your most human qualities to flourish.

Working this way may be uncomfortable. It might feel impossible. "We're so good at doing X task," you may think. "Can't we just do that?" But you and your team can excel at so much more than checking off tasks. And for the sake of yourselves, your families and your communities, you must.

Focus is a practice. And practice makes progress. Use the tools in this whitepaper to help guide you. When you and your team feel overwhelmed, take a break to play Curiosity Ping-Pong, practice calming techniques, or do something that activates another part of your brain, like watching a movie as a group.

In 2025, there is no greater risk than stasis. May your team assess and act on risk this year with curiosity, empathy, enthusiasm, and joy.





## Endnotes

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- xxxv [Trust-Based Philanthropy Project](#)





## **Nonprofit Risk Management Center**

We inspire effective risk management and Risk Champions across the nonprofit sector. Our goal is to enable nonprofit leaders to identify and manage risks that threaten their missions and operations, while empowering them to leverage opportunities and take bold, mission-advancing risks.

Questions? Comments? Reach out!

[www.nonprofitrisk.org](http://www.nonprofitrisk.org)

[info@nonprofitrisk.org](mailto:info@nonprofitrisk.org)

(703) 777-3504

Designer: Whitney Thomey