Your 5-Step Crisis Communications Plan for Non-Profit Organizations

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The sudden onset of a crisis can pose an existential threat to your non-profit organization, especially since your reputation is your most valuable strategic asset. A strong reputation is often the primary driver of financial support and your ability to fulfill its mission, allowing you to maintain solid donor relations, volunteer support, and community trust. But when crisis strikes, leaders can find themselves making reactive decisions under immense pressure, especially when it comes to internal and external messaging, risking irreparable damage to your standing. The good news is that there are proactive steps you can take now to prepare yourself for the worst-case scenario, and this Insight will provide you with a proactive five-step crisis communications plan you can put into place now.

Hypothetical Scenario: Damage Control

Consider this scenario: In the middle of your annual audit, your accounting firm calls the executive director with unsettling news. Someone appears to be embezzling funds. The amounts are not catastrophic, but the discovery is a serious breach of trust and must be reported to donors and regulators. The auditors will finalize their report in a few days.

In this scenario, the executive director is faced with a series of critical and time-sensitive questions. Who needs to be informed? What will the board, the public, and a major foundation that provides significant funding think? Panic in this situation is a natural response, but that is not a sustainable strategy. A proactive crisis communication plan is the most effective countermeasure to minimize the impact of this type of event on your organization's operations.

Understanding What Constitutes a Crisis

The first step in planning is recognizing the wide range of events that can trigger a crisis. Leaders should take time to identify potential vulnerabilities specific to their organization. While a financial issue like embezzlement is a clear threat, many other scenarios can quickly escalate and jeopardize a non-profit's operations and reputation.

Examples of potential crises include:

- **Social Media Allegations:** Negative posts gain traction online, alleging issues like racial discrimination, mismanagement, or a toxic work environment.
- **Data Breaches:** Your computer systems are hacked, and sensitive information on clients or donors is compromised, creating legal and reputational liabilities.
- **Leadership Vacuums:** The organization's executive director becomes suddenly and unexpectedly absent due to illness, resignation, or another unforeseen event, leaving a void in decision-making.
- **Public Opposition:** A group of citizens organizes protests outside your offices, opposing the work your organization performs and attracting media attention.
- **Operational Disruptions:** A natural disaster, such as a flood or fire, forces a temporary shutdown of your facilities and suspension of services.
- **Regulatory Sanctions:** Regulators determine an individual within your organization has used assets for personal gain or engaged in suspicious billing practices, subjecting the non-profit to unexpected sanctions and public scrutiny.

5 Core Components of a Robust Crisis Communication Plan

A well-structured crisis plan is a directive document that outlines clear procedures for responding to a triggering event. It eliminates guesswork and empowers appropriate levels of leadership to act decisively. The plan should be tailored to the organization's specific needs, but here are five several essential components to get you started.

1. Establish Significant Reportable Events

Not every negative interaction constitutes a crisis. Even with training, however, it is likely to be difficult for some leaders in your organization to distinguish between an incident that should be handled at the lowest level and a crisis requiring the full and immediate attention of organizational leadership.

Because the definition of a crisis is fluid and unique to each organization's sensitivities and vulnerabilities, the first step to empowering your organization's leaders is to define those situations where your organization expects them to take special care and involve others in your organizational leadership structure. These should be clearly distinguished from situations that junior leaders are expected to handle at their level.

2. Establish a Clear Chain of Command

When a significant event occurs, there should be no ambiguity about who is notified and who has the authority to make critical decisions. This can be delegated based on incident severity and organizational vulnerabilities. While a shift supervisor should be empowered to respond to a minor interaction such as a single negative online review, that same supervisor should know that they do not have the authority to respond to a scathing blog post by an influential local writer. Time is of the essence, and waiting for a full board meeting may not be feasible. Your plan must define the immediate notification protocol and the decision-making hierarchy.

- **Who is notified first?** The plan should specify the sequence of communication. Does the information go directly to the executive director, the board chair, or both simultaneously?
- **Who has decision-making authority?** Identify the individuals or groups authorized to make swift decisions. This may be the Executive Director, the Board Chair, the Board's Executive Committee, or a designated crisis response team. Involving legal counsel at this early stage is almost always a prudent step.
- **What are the guardrails on that early decision-making authority?** A critical and often-overlooked component of empowering leaders is clearly outlining the scope of their authority. While organizations are often quick to establish enabling protocols (i.e., those that grant authority to act), they are often less clear in establishing restrictive protocols (i.e., those where decision-making authority is expressly reserved by the Board, Executive Committee, or Executive Director). Both are essential to help leaders act quickly and confidently.

3. Develop a Comprehensive Media Relations Strategy

Controlling the narrative is crucial during a crisis. An effective media relations plan ensures that your organization communicates with a clear, consistent, and credible voice. Consider the following questions as you proceed.

- **Will you issue press releases?** Determine the circumstances under which a formal statement is necessary and have templates ready.
- **What are your options short of press releases?** Plan for less formal interactions, such as stakeholder emails or social media posts, and have templates ready.
- **Who is the spokesperson?** Designate a single, trained individual to serve as the official voice for the media. This person must have the composure and knowledge to handle difficult questions. Different types of crises may require the use of different spokespeople or points of contact – think through early whether that is appropriate. Set up set-aside e-mail addresses and phone numbers for informational and press inquiries to avoid flooding individual mailboxes.
- **What individuals are necessary to advise the spokesperson?** Certain predictable emergencies will require certain types of specialized knowledge, such as operational knowledge for a service-delivery crisis, financial knowledge for a funding crisis, or technical knowledge for a data breach. Establish the teams you will need for certain categories of crisis and establish how they will interact and exchange information.
- **What is the approval process?** The spokesperson should know whether and how they must consult with others, such as legal counsel or the executive committee, before making certain statements to the media, as well as which statements do not require (slower) approval.

- **What is a realistic statement tempo?** How and how often will you be informing media and stakeholders with updates from holding statement to final post-investigation position? How will those updates come?
- **Who are external allies or adversaries?** Are there outlets who have published positive or negative coverage of the organization previously? Does the organization have media contacts that it can use to publish a sympathetic or open-minded narrative? Are there regulators, legislators, or public figures that have taken public positions about your organization or some aspect of its composition or services? These should be identified in advance and, where beneficial, proactively cultivated.
- **What information is off-limits from public disclosure?** When composing statements it is very important to identify clear guidelines in advance about what types of organizational information are and are not releasable. This should take into account not only regulatory obligations like HIPAA, but also possible impacts on services and stakeholders, such as releasing otherwise-confidential employee information. During a crisis, you may not have time to give this the thought it requires, leading to costly mistakes.
- **What external resources are available to your organization?** How will your staff and leadership use and leverage those resources? How can they be contacted? Do they have a background with your organization or will they have to learn it during the crisis? Preparation must involve critical external vendors as well as internal resources.
- **Who is your target audience?** Different types of crises will have different audiences that constitute key stakeholders. Make sure you understand who you are trying to persuade in a variety of circumstances so that your communications can be appropriately targeted and broadcast for maximum impact.

4. Plan for Leadership Succession

One of the most common crises faced by organizations occurs when there is either a temporary or permanent departure in the Executive Director role. A crisis plan must include a clear succession protocol to ensure smooth continuity.

- **Prepare strong internal messaging by senior leadership.** In any crisis involving an Executive Director, managing internal stakeholders often presents the most complex challenge. This is especially true when a leader has been controversial among staff, and even more so if your workforce is at least partly unionized.
- **Who will act as the interim leader?** The plan should name an individual or a position to step in immediately.
- **What are the interim leader's powers?** Define the scope of the interim leader’s authority. Can they assume full responsibilities, including signing checks, making hiring decisions, and representing the organization publicly?

5. Create an Emergency Contact Directory

During a crisis, you cannot afford to waste time searching for contact information. The plan should include a readily accessible list of key internal and external contacts.

- **Internal Contacts:** Ensure the Executive Director and Board Chair can reach key people (such as legal counsel, executive committee members, financial advisors, and insurance agents) without delay.
- **External Contacts:** Employees should know how to contact the Executive Director and Board Chair within minutes. The plan should also contain a list with phone numbers for local first responders, relevant public officials, and key news organizations in your area.

Conclusion

If your organization is ready to develop a proactive strategy to safeguard its reputation, the attorneys in Fisher Phillips' Reputation and Crisis Management practice group can help. We work with non-profits and other organizations to conduct risk assessments, develop integrated crisis communication plans, and manage real-time incident response to protect both your legal interests and your public image.

If you have additional questions, please reach out to the author of this article, your Fisher Phillips attorney, or any attorney on our Non-Profit and Tax-Exempt Organizations team. We will continue to monitor all developments related to non-profits and tax-exempt organizations, so make sure you are subscribed to Fisher Phillips' Insight System to receive the most up-to-date information.

Related People

Erin Gibson Allen
Partner
412.822.6635
Email

Pawel Z. Binczyk
Partner
207.477.7006
Email

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