

# Nonprofit Life Cycles Overview

Stage	Key Question	Duration	Obstacles	Opportunities
<b>Grass Roots - Invention</b>	Is the dream feasible?	0 – 5 years	<ul style="list-style-type: none"> <li>• Resistance to forming</li> <li>• Lack of funding/expertise</li> <li>• No outside support</li> </ul>	<ul style="list-style-type: none"> <li>• Creativity</li> <li>• Energy for the dream</li> <li>• Excitement to join</li> </ul>
<b>Start-Up - Incubation</b>	How do we get this started?	1 – 2 years	<ul style="list-style-type: none"> <li>• Fear of formalizing</li> <li>• Sustaining initial enthusiasm</li> <li>• Focusing the founder and energy</li> </ul>	<ul style="list-style-type: none"> <li>• Excitement of funders</li> <li>• Charismatic leader</li> <li>• People wanting to belong</li> </ul>
<b>Adolescent – Growing</b>	How can we build this to be viable?	2 – 5 years	<ul style="list-style-type: none"> <li>• Absence of systems &amp; accountability</li> <li>• Overwhelmed with change</li> <li>• Change may alienate funders, clients, staff and board</li> <li>• Danger of becoming isolated in the system</li> </ul>	<ul style="list-style-type: none"> <li>• Sense of accomplishment</li> <li>• New faces, ‘arms and legs’</li> <li>• Diversification in all areas of the organization</li> <li>• Rejuvenation for the founders</li> </ul>
<b>Mature - Sustainability</b>	How can we ensure sustainability?	7 – 30 years	<ul style="list-style-type: none"> <li>• Lack of or too much control</li> <li>• Lack of risk taking</li> <li>• Board &amp; staff too operational</li> <li>• Unable to transition in to a governance board</li> <li>• Conflict between old and new</li> </ul>	<ul style="list-style-type: none"> <li>• Feeling secure</li> <li>• Adequate resources</li> <li>• New staff/board – fresh ideas</li> <li>• Ability to try something new</li> </ul>
<b>Stagnation &amp; Renewal</b>	How, if any, can we renew?	2 – 5 years	<ul style="list-style-type: none"> <li>• Resistance to change</li> <li>• Inability to address key challenges</li> <li>• Declining excitement</li> <li>• Isolation of the agency</li> </ul>	<ul style="list-style-type: none"> <li>• Wisdom from past</li> <li>• Strategic Partnership opportunities</li> <li>• Chance to take risks again and think ‘out-of-the-box’</li> </ul>
<b>Decline And Shut-Down</b>	Should we close?	1 – 2 years	<ul style="list-style-type: none"> <li>• Financial crises</li> <li>• Inappropriate leadership</li> <li>• Loss of staff and volunteers</li> <li>• Lack of any passion</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment to complete turnaround</li> <li>• Graceful ‘sunset’ or merger</li> </ul>