

I. Definitions

A. ORGANIZATIONAL RESILIENCE

The ability of an organization to respond and adapt to incremental changes and sudden disruptions while also constantly anticipating and preparing for future challenges in order to sustainably meet its mission.

B. CATEGORIES OF ORGANIZATIONS

- Local nonprofit organizations: Those headquartered in Colorado Springs with operations limited to Southern Colorado. Some that were studied include Cheyenne Mountain Zoo and Colorado Springs Food Rescue.
- Nationally affiliated nonprofit organizations: Either have a headquarters in Colorado Springs, but also serve nationally or internationally, such as Compassion International, or are part of a firmly established national organization, like the American Red Cross.
- Micro-business: For-profit businesses with less than ten employees like Absolute Vapor and Kimball's Peak Theater.

C. DIMENSIONS OF ORGANIZATIONAL RESILIENCE

- Financial Resilience: The ability to manage resources such that an organization can afford to continue operations when income drastically changes.
- Leadership Resilience: The ability of leadership to consistently demonstrate character, intentionality, and methods that contribute to the wellbeing and satisfaction of the organization's employees and clients.
- Operational Resilience: The ability to function through adverse events and continue to meet the organization's mission.
- Community Resilience: The ability of an organization to create, nurture, and build strong bonds with an inclusive community of stakeholders.

D. KEY CHARACTERISTICS

- Accountability: The willingness to be held responsible by stakeholders; members of the organization have a clear understanding, and take ownership, of their roles and duties/tasks.
 - Financial accountability: The act of accounting, budgeting, keeping books in order, and maintaining internal controls, as well as the completion and publication of 990 and other forms.
- Authenticity/Empathy/Humility: The ability to embody all of these characteristics in the organization as well as within leadership.

- Authenticity: A leader/organization choosing to relate to those they serve with honest character.
- Empathy: Intentionally using one's ability to understand and share feelings/perspectives of another person/organization/group. This term encompasses sympathy as well.
- Humility: A willingness to accept external support.
- Board Effectiveness: Productive and effective conversation with the board on both a scheduled basis as well as general query. The board should be willing and available to help when issues arise and also be invested in the success of the mission.
- Collaboration: The ability and willingness to work with other organizations/businesses to achieve similar goals and/or contribute to the greater good.
- Community outreach/engagement: The active pursuit of engaging with the community and also the community actively engaging with the organization.
- Communication: Breeding open and honest dialogue through multiple lines of communication, including ones with the community, board, and other stakeholders.
- Commitment to the mission: Knowing, understanding, and devotion to the mission. Returning to the mission if mission creep occurs.
- Decisive problem solving: The ability to solve problems swiftly and firmly. Creating conclusive and innovative solutions.
- Diversity: Having a wide range of abilities, ideas, opinions, and types of involvement in the organization. This also includes having funders of different backgrounds as well as a varied board composition.
- Employee loyalty: Low employee turnover, this includes creating a culture and environment where employees want to stay and or having a mission that employees are dedicated to.
- Flexibility: The ability of an organization to be agile, willing, and able to adapt to the changing climate.
- Financial security: Having cash reserves, prepared for loss of revenue.
- Internal and external awareness: Having an understanding of what factors can affect and contribute to an organization that may come from inside as well as outside the organization. This definition of awareness refers to present and future tense (factors that are currently at play and factors that may be relevant in the future).
- Transparency: Reporting financial data publicly; being open and honest about the state of the organization.

II. The Rubric

A. THE RUBRIC

As there are differences between nonprofit organizations and micro-businesses, two different rubrics were made. They are both available in Google Sheets. Further development will likely include a version for Excel. To open the rubric, click to be taken to the [Nonprofit Rubric](#) or the [Micro-Business Rubric](#). Instructions given apply to both rubrics.

B. INSTRUCTIONS FOR USE

- 1. Open the rubric:** when first opening the document from the above links, it will be “View only”. To make changes, make a copy by going to “File” and selecting “Make a copy.” Verify the document Name and Folder, make a note of it below, and click “OK.” To access the rubric again, find it on the Google Drive.

Name: _____ Folder: _____

- 2. Name the organization:** The spreadsheet has a separate worksheet for each organization to be evaluated. These are seen as tabs along the bottom of the screen.¹ To change the name of the tab, click the small triangle next to the name (as shown) and select “Rename.” Change the name to the organization being evaluated. In that same sheet, change the name in cell C1.

Grant App1 ▾

- 3. Fill out the rubric:** questions are in column B, and answers are to be input in column C. If a question is not applicable, leave it blank – this will not influence the score in the next step. Otherwise, fill in accordingly:

Y for Yes

N for No

S for Sometimes

- 4. View results:** along the bottom of the screen, select the “Results” tab. Answers previously given will calculate the scores shown. At the bottom of each dimension’s section is a score representing resilience in that dimension. The bottom of the table has the organization’s total score, representing their overall resilience. As shown, there are two rows with the same total score, but different color coding.

Total Score (Gradient Scale)	73.33%	83.33%	59.51%
Total Score (Grouped Scale)	73.33%	83.33%	59.51%

The “Gradient Scale” assigns color as a gradient, while the “Grouped Scale” assigns color according to their range. Colors are coded as shown to the right.

Gradient	Grouped
good	80-100%
fair	50-80%
bad	0-50%

¹ There are currently worksheets for up to 10 different organizations. For ease of viewing the tabs, several have been hidden. To view a hidden sheet, click the four small lines in the bottom left of the screen and select the name of the sheet.

5. **(Optional) Indicate priorities:** by default, each dimension and characteristic is weighted equally. If a funder values specific dimensions more than others, and/or specific characteristics within each dimension, those can be weighted more heavily.² Scores will be adjusted according to the new assigned weights.

- **Dimensional Priorities:** directly under each Dimension header in column B is the weight assigned to the dimension. Adjust the numbers accordingly, making sure they add up to 1 (sum is displayed in cell B36, next to the Total Score).
- **Characteristic Priorities:** assigned weights for each characteristic are entered on the far right of the table in column N. Adjust the numbers accordingly, making sure each dimension adds up to 1 (sum is displayed in the row with the dimension's total)

Weights
0.25
0.2
0.2
0.2
0.2
1.05

If either sum does not add up to 1, the sum will change to red.

C. QUESTION JUSTIFICATION

While not included in this report, justification is available for questions on both the Nonprofit rubric and the Microbusiness rubric. They are available upon request.

III. Supporting Research

A. CONTEXT FOR DEFINITION OF ORGANIZATIONAL RESILIENCE

Historical

Organizational resilience is a relatively young term. The term started to appear in academia during the 1980's and has become increasingly popular since then, as researchers have acknowledged the importance of such an area of study. There is no strict definition for the term itself. Rather, organizational characteristics, resources, or processes are identified as significant.³ As scholars evaluate different case studies, they also come upon different criteria that define a resilient organization, therefore there is little consensus on the concept. However, there are trends in the subject matter. The British Standards Institution and Cranfield School of Management identifies five distinct phases with five contrasting perspectives over the past 40 years. More specific categories built off existing ones, reiterating that there is no one definition for organizational resilience. The concept of organizational resilience evolved as such:

- *Preventative control:* risk management (preparing for potential threats)
- *Mindful action:* noticing threats and responding to them
- *Performance optimization:* fine tuning current processes to take better advantage of current markets (progressive + consistent)

² Weights assigned to dimensions and characteristics will apply to all organizations evaluated.

³ Stephanie Duchek, "Organizational resilience: a capability-based conceptualization," *Business Research* 13, no. 1 (14 Jan 2019): 216, doi: 10.1007/s40685-019-0085-7

- *Adaptive innovation*: creatively exploring ways to use new technology to create and take advantage of new markets (progressive + flexible)
- *Paradoxical thinking*: considering all of the former points, and trying to find the best-balanced use of them together

Historically, there has been a preoccupation with defensive (preventative/reactive) resilience behaviors rather than adaptive (proactive) resilience behaviors. However, once the importance of adaptive measures was recognized, that preoccupation waned. Now, the focus is on balancing both defensive and adaptive strategies.⁴

Economic

Colorado Springs is known as an “opportunity zone” to investors due to its high expected growth in future years. The 2010-2014 and 2014-2018 American Community Survey 5-year estimates report El Paso County population growth to be 113 percent and household income growth to be 75 percent. This level of growth shows Colorado Springs and El Paso County as a whole to be an up-and-coming place to live and work.⁵

To start broadly, organizational resilience is tested by both internal and external factors when faced with changes to ‘business as usual.’ Internal factors include employee satisfaction, financial malpractice and communication breakdowns. Putting organizational resilience into an economic and political context exemplifies how outside factors can test an organization’s ability to adapt to changes and stay resilient. Changes in the business climate such as shifting global demand, introduction of new competition or disruptive technology, and the growing globalization of business are all aspects that test the resilience of a business and its ability to adapt and use these disruptions for their advantage.⁶ Currently, the biggest economic challenge that exists for business is the global economic pause from the Covid-19 pandemic that halted economic activity for several months during the ‘stay at home’ order put in place by states. This type of disruption affected industries across the world, whether it be shut doors, halted supply chains, cancelled conferences and business meetings, disbanded social gatherings, or reduced demand.⁷

⁴ David Denyer, *Organizational Resilience: A summary of academic evidence, business insights and new thinking* (BSI and Cranfield School of Management: 2017), 9-10, <https://www.bsigroup.com/LocalFiles/EN-HK/Organisation-Resilience/Organizational-Resilience-Cranfield-Research-Report.pdf>.

⁵ Milehighcre, “El Paso County a Top 10 Fastest Growing Opportunity Zone,” Mile High CRE, June 16, 2020, <https://milehighcre.com/el-paso-county-a-top-10-fastest-growing-opportunity-zone>.

⁶ Victoria Tuomisto, “Organisational Resilience,” The Economist Intelligence Unit, December 2, 2015, <https://eiperspectives.economist.com/strategy-leadership/organisational-resilience>

⁷ Brian Menickella. “COVID-19 Worldwide: The Pandemic’s Impact On The Economy And Markets,” *Forbes*, April 8 2020, <https://www.forbes.com/sites/brianmenickella/2020/04/08/covid-19-worldwide-the-pandemics-impact-on-the-economy-and-markets>

Although some businesses are reopening, many sources say the consequences of this pandemic are long-term. The federal government gave 26.2 billion dollars in unemployment benefits and the nation's unemployment rate as of May 2020 is 13.3 percent, affirming the fact that economic recovery is not likely to happen soon.⁸ Organizational resilience has been greatly tested between the Covid-19 pandemic and protests for the Black Lives Matter movement advocating for social equality across the country. Businesses are in a critical position to stand up for their values and show solidarity while navigating a changing business climate.

The City of Colorado Springs has taken committed action to implement programs for local businesses impacted by Covid-19 to aid in their economic recovery. Some of this assistance is in the form of funding assistance which includes low-cost loan and grant programs. The following are notable local funds:

- *The Survive & Thrive COS Small Business Relief Fund* is a partnership with Exponential Impact and Pikes Peak Community Foundation that provides mentorship, resources, and funds to local businesses in industries most impacted by Covid-19.
- *The Artist Recovery Fund* provides emergency support for artists and creative professionals in El Paso and Teller Counties that have suffered financially from cancellation of events.
- *Colorado Springs Downtown Development Authority Small Business Relief Fund* offers grant funding to downtown storefront businesses in the DDA Boundary for utilities, payroll, mortgage payments, etc.
- *Pikes Peak Enterprise Zone Business Relief Fund* is the first community-based grant funded program coordinated by El Paso County Economic Development and other local economic development partners to provide financial assistance to small businesses affected by Covid-19.⁹

Additionally, the City of Colorado Springs waived penalty and interest charges for late payment of February and March sales and use taxes for local businesses adversely impacted by Covid-19. The City also waived late fees for the renewal of liquor licenses for bars and restaurants. Also, parking enforcement in Colorado Springs and Old Colorado City was suspended through the end of April, which helped traffic for local businesses and corresponded with fewer crowds from the stay at home order. Lastly, Colorado Springs Utilities made several exceptions to help individuals and businesses that could not afford their utilities payments during

⁸ Tiffany Hsu, "Sobering Jobs Outlook: 'We're Expecting a Long Haul'," *The New York Times*, Updated July 9, 2020, <https://www.nytimes.com/2020/06/11/business/economy/unemployment-claims-coronavirus.html>.

⁹ "City of Colorado Springs COVID-19 Business Relief Package," Office of Economic Development, Updated May 27, 2020, https://coloradosprings.gov/sites/default/files/colorado_springs_business_relief_package_5.27.20.pdf

the stay at home order in the midst of the pandemic because it is a community-owned utility.

These aid programs demonstrate how Colorado Springs comes together during economic hardship and values its local and small businesses. There are other nonprofit organizations to donate to that are working to support businesses that need it most. Examples of these nonprofits are Support the Springs Campaign and Pikes Peak Emergency Relief Fund. Colorado Springs businesses' resilience is being greatly tested, but with the help of community partners, the city of Colorado Springs, and nonprofits, businesses may be able to survive. Furthermore, it is important to note that federal and state funding has been made available to small businesses and nonprofits through the US Small Business Administration's Paycheck Protection Program and the Colorado State COVID relief fund.¹⁰

Political

Local Government

The political climate organizations operate in is always changing, and organizations need to be ready to adjust. Organizational resilience has become increasingly important in recent years due to the speed at which changes in technology, society, and the economy occur. Organizations need to be able to keep up with these changes and reshape themselves to prosper in an ever-changing environment. The general public has also become more aware of natural and manmade disasters. Because people are more aware, it can affect laws and governance organizations operate under, as well as how an organization is seen by its consumers.¹¹

Colorado's jurisdictional approach changed in response to Covid-19. Jared Polis was the governor of Colorado,¹² John Suthers was the mayor of Colorado Springs,¹³ and El Paso County had five County commissioners.¹⁴ At the time of this study, the regulation of businesses was being controlled at the state level under Polis due to the Covid-19 pandemic. Colorado was in phase two of its plan to reopen the state economy while flattening the curve of the pandemic. Governor Jared Polis was willing to move to the third phase as well as give counties control over implementing policies if they showed they had the ability to execute it properly. El Paso County, the county serving Colorado Springs and the surrounding area, believed that it and its public health department could handle its own situation within its borders. El Paso County formally requested that Governor Polis give El

¹⁰ "COVID Relief Fund Awards Second Round of Grants," Colorado Governor Jared Polis, May 1, 2020, <https://www.colorado.gov/governor/news/covid-relief-fund-awards-second-round-grants>.

¹¹ Cristina Ruiz-Martin, Adolfo Lopez-Paredes, and Gabriel Wainer. "What we know and do not know about organizational resilience," *International Journal of Production Management and Engineering* 6, no. 1 (2018): doi: 10.4995/ijpme.2018.7898.

¹² "Jared Polis," Colorado Governor Jared Polis, Accessed June 9, 2020, <https://www.colorado.gov/governor>.

¹³ "Mayor Suthers," Colorado Springs, Accessed June 9, 2020, <https://coloradosprings.gov/mayors-office/page/mayor-suthers>.

¹⁴ "Board of El Paso County Commissioners," Accessed Jun 9, 2020, <https://bocc.elpasoco.com>.

Paso County control over applying opening orders.¹⁵ Governor Polis was willing to do that and let counties move on to the third phase, called Protect Our Neighbors, if they could prove they were capable of controlling the pandemic in its area of responsibility.¹⁶ Governor Polis planned to give those counties control starting the first week of July. Rapid jurisdictional changes such as these contributed to a general sense of uncertainty and challenged the resilience of businesses in Colorado Springs.¹⁷

Social Justice Movement

Black Lives Matter and Pride protests have been occurring in Colorado Springs. As of June 2020, protests have erupted across the United States over the death of George Floyd and are still active, inciting a social justice movement. Pictures and videos of the protests show little social distancing practices being observed. While this has had little positive or negative effect on business operations in Colorado Springs, it is an important part of the ever-changing political context of Colorado Springs and should be considered.¹⁸ ¹⁹ Impact on local businesses may appear at a later time.

When considering whether an organization has organizational resilience, it is important to consider how the organization is responding to the current political context in their local area. Social justice movements and epidemics (or pandemics) are just two good examples of how local circumstances can change very quickly and thus drastically alter the political atmosphere. Can organizations continue conducting business under a climate where laws on how they must operate change on a weekly basis? Are they able to adjust and continue providing service that is reasonably comparable to service under normal operations?

¹⁵ "COVID-19 update for June 9: El Paso County seeks local authority to reopen regional economy," *Colorado Springs Business Journal*, June 9, 2020, <https://www.csbj.com/2020/06/09/covid-19-update-for-june-9-el-paso-county-seeks-local-authority-to-reopen-regional-economy>.

¹⁶ Leslie James, "Polis introduces next phase of reopening Colorado; loosens 'Safer-at-Home' restrictions," *The Gazette*, Updated June 19, 2020, https://gazette.com/news/polis-introduces-next-phase-of-reopening-colorado-loosens-safer-at-home-restrictions/article_0848de9c-af61-11ea-94f7-f7d20b50ca26.html

¹⁷ Lindsey Grewe, "As Colorado's coronavirus cases remain on downward slope, bars are next to reopen," *KKTV 11 News*, June 16, 2020, <https://www.kktv.com/content/news/As-Colorado-remains-on-downward-trend-bars-are-next-to-reopen-571287321.html>.

¹⁸ "Black Lives Matter protest and Pride combine forces in Colorado Springs," *Fox 21 News* online, June 14, 2020, <https://www.fox21news.com/top-stories/black-lives-matter-protest-and-pride-combine-forces-in-colorado-springs/>.

¹⁹ Elena Rivera, "'It's Time For Black People To Be Heard:' Colorado Springs Community Organizer On Protesting," *KRCC*, June 16, 2020, <https://www.cpr.org/2020/06/16/its-time-for-black-people-to-be-heard-colorado-springs-community-organizer-on-protesting/>.

B. PERSPECTIVES ON RESILIENCE

Contrasting Perspectives

Organizational resilience is innately a contrasting exercise where opposing strategies are used together to create tension. This tension is what creates resilience. The opposing strategies are: progressive vs defensive behavior and consistency vs flexibility. External circumstances dictate what balance is necessary for the tension to be successful. In other words, organizational resilience requires that one entertain and embrace paradoxical thinking. Engaging with this tension is required for success. Once intentionality is no longer present, the tension slacks and so does the resilience it brought.²⁰

Covid-19 has created a unique set of circumstances which require a unique balance of the aforementioned tension pairs. Analysis of current research indicates that it is nearly impossible to find the exact balance needed. However, a general trend can be seen. Circumstances caused by Covid-19 favors behavior that falls on the flexible and defensive side of the spectrum (which is termed mindful action--noticing threats and responding to them).

There are several ways of looking at organizational resilience that conflict with one another.

- *Nature vs nurture*: Resilience can be seen as an innate trait of some organizations (the people who compose some organizations are simply more resilient). Resilience can also be seen as something that is learned. In this second scenario, an organization can teach its current members to be resilient, even if they are not resilient initially, thus making the organization resilient.²¹ If the first scenario is true, organizations cannot become resilient unless they acquire new individuals who are innately resilient.
- *Good vs bad*: Most people see resilience as a good thing. However, some assert that resilience can be harmful in some contexts. "Extreme resilience... can be dysfunctional when individuals or teams bounce back so easily and so quickly that they blindly adjust to any jolt thrown their way, even if it is harmful to themselves or others and detrimental in the long-term. While quick recovery and moving on is important, doing this too quickly can by-pass important reflection and time that is necessary to fully heal from tragedy or crisis, creating unexpected reactions and consequences downstream."²² When too great a focus is placed on survival, the lessons provided by unfortunate circumstances are ignored. Bad things happen for a reason. Rather than being eager to move past

²⁰ Denyer, 17-19.

²¹ George S. Everly, Jr, "Building a Resilient Organizational Culture," *Harvard Business Review*, June 24, 2011, <https://hbr.org/2011/06/building-a-resilient-organizat>

²² Elaine D. Pulakos, "Unlocking Organizational Resilience," December 10, 2018,

<https://www.russellreynolds.com/insights/thought-leadership/unlocking-organizational-resilience>.

them, it is important to try and understand the cause and what changes can be made to heal the underlying issues rather than simply masking the symptoms.

- *Externally vs internally defined:* “At times, resilience is described as a trait, other times, as a state of being, and still additional authors refer to resilience as a skill set that can be developed... there is no single answer to how to define resilience, and each organization must decide how to approach their employees within the context and goals of their unique situation.”²³ Rather than seeing organizational resilience as an external definition that an organization either matches or fails to match, some argue that the definition of organizational resilience depends on the organization you are analyzing. In this perspective, the term *organizational resilience* is relative and without definition until it is considered in the context of one particular organization.
- *Many vs the few:* Some highlight the importance of leaders for organizational resilience. Others highlight the importance of resilience from all members of an organization. In the first scenario, the resilience of an organization depends on the quality of only a few of its members. In the second, an organization cannot be resilient unless most of its members intentionally contribute to making it resilient.

Complimentary Perspectives

Several complementary aspects of resilience that build on one another include training/mentoring, self-efficacy, awareness, and future planning.

- *Training and mentoring:* Multiple articles promote the idea of training and mentoring, specifically “developing a psychological body armor.” A great amount of the attention is focused on the leadership within an organization and producing dynamic leaders that are capable of dynamic leadership and adaptability. Leaders are taught to be competent and confident so that they are able to act should adverse circumstances present themselves.^{24 25}
- *Self-efficacy:* “Self-efficacy may be thought of as the belief in one’s agency and the ability to be a catalyst for change.” Self-efficacy shapes key human behaviors and is a critical component of resiliency.²⁶
- *Proactive awareness:* Resilient organizations are constantly improving and changing with their environment even during times of relatively low turbulence.

²³ National Academies of Sciences, Engineering, and Medicine 2019. “A Design Thinking, Systems Approach to Well-Being Within Education and Practice: Proceedings of a Workshop,” (That National Academies Press: Washington DC, 2019), 40, DOI 10.17226/25151

²⁴ Everly.

²⁵ “Organizational Resilience,” BSI, accessed June 17, 2020, <https://www.bsigroup.com/en-US/our-services/Organizational-Resilience/>.

²⁶ Everly.

These organizations also have an emergency plan for the unexpected while having an appropriate level of autonomy to allow the plan to be executed. Additionally, the organization has a common purpose and consenting opinions on the plan of action.²⁷

- *Future planning:* Resilient organizations have a timeline that looks to improve the long-term condition of the organization by making micro-changes in the present. These micro-changes not only prepare the organization for success in the future but also allow the greatest level of adaptability to present circumstances.²⁸

C. BOARD GOVERNANCE: NONPROFIT LEADERSHIP NOTES

Establishing a strong board of directors that is passionate about the organization’s mission and the organization’s surrounding community is foundational for any nonprofit’s resilience. The board of directors play a pivotal role in ensuring that the organization is able to make institutional changes promptly. They also act as a connection to the external world due to their existing social networks, ensuring they best meet the needs of the community. The board wants to see the organization and community as a whole succeed, and is instrumental in doing so. The board provides the nonprofit oversight (this includes oversight of the CEO/ED), exercises fiduciary responsibility, and provides the strategic long-term vision for the organization.²⁹ The board must show a high level of self-awareness and perform specific practices to be an effective and resilient entity within the organization. The board must function constructively with the nonprofit’s chief executives, as well as set the job description, annual expectations, and evaluate the chief executive and hold them accountable for their performance. If the chief executive is held accountable, the board must also hold themselves accountable for continually improving their own performance and intentionally adopting good governance practices. In tandem with this role it is favorable for the CEO or Executive director of programs to act as a non-voting member of the respective board. This allows the individual to continually provide critical input, while preventing possible conflicts of interest.

Some other essential practices that must be in place to maintain a resilient board are strict meeting attendance, term limits, strategic board recruitment and onboarding practices, developing the strategic plan, annual budget approval, and organization auditing. Setting term limits is very important for a board of directors because the regular turnover encourages the board to continually evaluate their composition. This practice not only avoids stagnation, but new members expand the board’s outreach and contacts. It is also an efficient way to remove

²⁷ Kweilin Ellingrud, “Increasing Resilience During A Recession: Three Factors Of Successful Companies,” *Forbes*, August 20, 2019, <https://www.forbes.com/sites/kweilinellingrud/2019/08/20/increasing-resilience-during-a-recession-three-factors-of-successful-companies/>.

²⁸ “Organizational Resilience,” BSI.

²⁹ “Best Practices in Board Governance and Leadership,” CNM, 2019, <https://thecnm.org/wp-content/uploads/2019/12/Board-Governance-Best-Practice-Guide.pdf>

unproductive members. To have the most constructive board possible, the board must clearly define their ideal composition and diversity. These factors must help the board represent the client population the nonprofit serves, which would enable them to strategically recruit members to meet these criteria. A diverse board is able to constantly and most effectively develop, support, or improve the strategic plan that sets the direction and track for the organization.³⁰ Auditing is something that makes an organization, with over one million dollars in revenue annually, resilient because it clarifies that financial statements are presented fairly and creates responsible fiscal oversight.³¹ Each essential practice above illustrates a willingness to remain engaged in the operations of a nonprofit, and take measured steps toward improvement.

IV. Interview Questions and Answers

The organizations contacted for interviews were selected through research and recommendations. The list included organizations from each category and a variety of sectors. Those that responded positively were interviewed by phone and Zoom. Interviews were conducted over approximately a week at the end of June 2020. Below is the total number of organizations interviewed, and answers are summarized, by category.

- Local nonprofit organizations: 7
- Nationally affiliated nonprofit organizations: 2
- Micro-businesses: 4

A. WHAT KIND OF OBSTACLES IS YOUR ORGANIZATION FACING RIGHT NOW?

Local Nonprofits: many have transitioned to virtual work and services offered, in some cases this has made communication and processes more difficult. Concerns over funding and keeping staff, volunteers, and clients safe.

Nationally Affiliated Nonprofits: continuing operations safely through a time of heightened uncertainty, minimizing the impact lower revenue can have on employees.

Micro-Businesses: government shut down for 2 months meant a loss in revenue; decrease in customers due to concerns about COVID. They are willing to ask community for financial support, accepting new funding such as COVID grants, and seeking customer loyalty.

³⁰ Zoom Interviews with Colorado Springs Nonprofit Organizations, June 2020

³¹ "Recommended Governance Practices," BoardSource, 2015, <https://boardsource.org/wp-content/uploads/2016/10/Recommended-Gov-Practices.pdf>

B. HOW WAS YOUR MISSION (VISION) IMPACTED BY UNEXPECTED EVENTS SUCH AS COVID-19?

Local Nonprofits: mission/vision remains the same, some view mission/vision with reinforced importance – ultimately, to serve the community; many have simply adapted how they accomplish mission.

Nationally Affiliated Nonprofits: mission/vision remains the same, but how they serve the mission is different.

Micro-Businesses: shift in perspective/approach to fit current circumstances, in-person interaction is less feasible and more impersonal.

C. HOW HAVE YOUR OPERATIONAL PLANS FOR THE NEXT FIVE YEARS CHANGED DUE TO THE HEALTH AND ECONOMIC CRISIS SPURRED BY COVID-19?

Local Nonprofits: varied responses regarding 5 - year plan; some have accelerated the implementation of programs, some have seen programs be postponed, some have the same 5-year plan. Some have the funding they need while others have received COVID funding. Many feel prepared for other changes they may have to make.

Nationally Affiliated Nonprofits: had 3-year strategic plan; lost revenue has been accounted for with grants and PPP.

Micro-Businesses: plans have changed and the next 5 years are uncertain, but they're optimistic about their ability to adapt; all interviewed applied for loans to cover payroll and rent/utilities; more focus on virtual services.

D. HOW WOULD YOU DEFINE RESILIENCE IN YOUR ORGANIZATION?

Local Nonprofits: adaptability to community needs, collaboration with the board, empathetic in approach to work.

Nationally Affiliated Nonprofits: remaining focused on the mission, adapting to continue providing services.

Micro-Businesses: adaptability and creativity, dedication to the business and community; characteristics were in place before and during the critical event. *"We have the unique opportunity to kind of invent and build a better future."*

E. HOW PREPARED DID YOU FEEL FOR THE ECONOMIC CRISIS ASSOCIATED WITH COVID-19? WHAT FACTORS AND OPERATIONAL CHANGES MADE YOU FEEL PREPARED?

Local Nonprofits: many had some reserves but not to withstand the longevity needed in the current climate. Plans were in place, but not accounting for enough time. Many have quickly adapted and transitioned to virtual work and services provided.

Nationally Affiliated Nonprofits: financially prepared as a result of having reserves; one organization had a crisis plan in place that helped, the other expressed a need for continual adaptation.

Micro-Businesses: mixed feelings of preparedness for COVID; changes made to remain operational and becoming better prepared for future disasters.

F. HOW WERE YOUR OVERHEAD COSTS IMPACTED WHEN COVID-19 HIT? ARE YOU NOW SPENDING MORE FUNDING ON OVERHEAD RATHER THAN YOUR MISSION?

Local Nonprofits: most did not see a change in overhead costs – some used savings in office space to fund other needs. Others saw an increase due to needing more resources / technology.

Nationally Affiliated Nonprofits: decreased overhead from reduced operating costs, working remotely instead of on-site.

Micro-Businesses: most were concerned with overhead costs but made it through with solid relationships (community, bank, landlord) and financial assistance.

G. WHAT STEPS DOES YOUR ORGANIZATION TAKE TO FOSTER LEADERSHIP ON ALL LEVELS OF MANAGEMENT?

Local Nonprofits: many organizations have a hierarchical structure in place among staff, directors, etc. Many have leadership training or professional development for all staff. Board of directors collaborates with members of the organization. Everyone is encouraged to take personal responsibility and be accountable for their work/actions.

Nationally Affiliated Nonprofits: identify individuals who are clearly passionate about the mission and provide them with greater opportunities for growth, formal board orientation process.

Micro-Businesses: communication among team members, who are given freedom to make decisions, take ownership of, and accountability for, their work.

H. WHAT STEPS DO YOU TAKE AS AN ORGANIZATION TO ASSESS AND UNDERSTAND THE NEEDS OF THE COMMUNITY?

Local Nonprofits: most communicate directly with their stakeholders to understand their needs, many meet with partnering organizations, and some conduct their own demographic research.

Nationally Affiliated Nonprofits: conduct surveys for direct feedback, collaborate with local governments.

Micro-businesses: meet with other nearby businesses to discuss problems in the community, value relationships with clients and seek to build trust, ask clients directly about needs and address them.

I. HAS COVID-19 SPURRED COLLABORATION? HOW DO YOU COLLABORATE WITH OTHER ORGANIZATIONS?

Local Nonprofits: most have seen an increase in collaboration with other organizations, some mentioned more engagement with their board.

Nationally Affiliated Nonprofits: not initially, they organized their individual responses, later increased collaboration to better serve community.

Micro-Businesses: all have collaborated with other businesses/organizations to support each other and move forward together.

J. HAVE DISRUPTIONS SUCH AS COVID-19 CAUSED POSITIVE CHANGE OR ONLY HARM?

Local Nonprofits: all have seen both positive and negative changes; positive changes include a reinforced mission, new partnerships, some services made more accessible by being made virtual; negative changes include postponing services and harming the community and those the organizations serve.

Nationally Affiliated Nonprofit (1 answered): both positive and negative changes; there were some layoffs but they have adapted and developed innovative solutions.

Micro-Businesses: there has been both positive and negative changes; there have been financial struggles, but it has inspired creative, innovate, and sustainable changes and has deepened community relationships.

K. WHAT STRATEGIES HAVE YOU USED TO KEEP THE CUSTOMERS/VOLUNTEERS THAT YOU CURRENTLY HAVE?

Local Nonprofits: regularly engage with staff, volunteers, and donors, ongoing communication with updates; many expressed an empathetic approach and seek to understand the impact on the community and the organization within the community.

Nationally Affiliated Nonprofit (1 answered): maintain relationships through open communication and a consistent projection of gratitude towards stakeholders.

Micro-Businesses: loyal customers are critical to business; collaboration with and making accommodations has inspired loyal customers.