



# An event or an era? Scenarios addendum

**How COVID is changing strategic planning:  
Fresh thinking for nonprofit leaders**

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As *Time* editor and film critic Richard Nelson Corliss once wrote, “Nothing ages so quickly as yesterday’s vision of the future.” Ever since the first US deaths from COVID-19 a year ago, the world has continued to spin at a pace so fast nonprofit and foundation leaders struggle to figure out how to plan for what’s next.

Several COVID vaccines have now been approved, offering a light at the end of the tunnel for many and bolstering hopes for a clear solution to the health crisis. Political polarization remains a concern even as the federal government passed a stimulus bill and the new administration’s COVID response has been rolling out.

Meanwhile, the American economy appears to be experiencing a K-shaped recovery, with the stock market rising and high-wage earners experiencing increases in overall wealth, while low-wage workers (and certain industries) have experienced severe, concentrated losses.

All these changes have deep implications for the directions the future may play out in the coming months. Yet even as we have gotten greater clarity on certain aspects of our national and local context, the cone of uncertainty remains dauntingly wide. And it doesn’t show signs of narrowing anytime soon.

That’s why we believe **scenario planning** is more necessary than ever, and that’s why we have begun to intentionally integrate scenario thinking into all of our strategy work with grant makers and nonprofits. Scenario planning is an approach to thinking about the future that is rooted in the recognition that even in the best of times, we can’t accurately anticipate what will come ahead. Instead decision-makers can begin to imagine multiple plausible pictures of the future and rehearse how their organizations might respond.

Scenario planning uses stories about what the future may look like to help organizations stretch their thinking, challenge their traditional assumptions, and drive better strategic decision-making. The scenarios aren’t about what *will* happen; they’re provocative pictures of what *could* happen, designed to guide what we do today so we’re ready to shift no matter what comes next.

In July when we issued [An Event or an Era](#), a report based on more than 80 interviews with experts and practitioners in the field, we explored many of the key uncertainties of the moment, but focused specifically on what we believed were the two most critical ones: the severity of the crisis (a combination of both health and economic factors) and the level of social cooperation. The choice of those two uncertainties has proven out powerfully over the last six months. Even as a number of the specific details related to the scenarios have changed, the core ideas behind each of them remain as relevant now as ever.

Below, we’ve attempted to revisit each of the scenarios we laid out in light of the significant shifts that have occurred since our report was published. Our hope is that these updates enable organizations to contemplate and discuss how their current strategies and tactics would—or wouldn’t—work in each context. What new threats would there be to an organization’s survival? What actions would be productive no matter what scenario plays out? What new opportunities might emerge? And what makes sense to do now to prepare?

Here’s how we could imagine hypothetical scenarios playing out.

# Scenario 1: Return to “normal”

**Throughout 2021, we start to pull through the crisis, coming together as we begin to get back to normal again. Vaccine distribution gets the virus under control and the economy continues to improve.**

Disputes about the election results are pushed even farther to the margin, as political leaders from both sides of the aisle try to move forward. Even among those that were initially skeptical of the election results, most acquiesce to the calls for moderation.

The new administration makes vaccine distribution, access, and adoption its number one priority. While there are still segments of the population that vocally oppose vaccine adoption, most sign up and show up for the shot, as people are eager for a return to some sense of normalcy. By the fall, most students are back in classrooms, surrounded by teachers and peers who are all eager to move on.

While economic recovery remains elusive for many low-income families in 2021, the new stimulus alleviates some of the most severe economic disruptions. As jobs begin to be added back, people are grateful, almost impatient, to go back to work. While some in Washington push for the reinvention of long-standing programs on healthcare, social security, and public education, relief at the prospects of a return to some semblance of normalcy dampen progress toward more wholesale changes.

By late 2021, effective treatments, broad vaccine deployment, economic stabilization, and a political discourse with a “lower temperature” make the world feel closer to normal. For most, there is significant relief at these developments. But to some nonprofit advocates, the relief undermines the opportunity to address deeper inequities and social challenges revealed by the crises. The good news is that we are getting back to normal; the bad news is that normal isn’t necessarily a positive outcome for many communities.



# Scenario 2: Social fabric unraveled

**Over the course of the year, the virus is getting under control and the economy is steadily improving for many. But instead of coming together as a nation, we continue to come apart.**

Vaccines prove effective and efforts to produce and distribute them continue to roll out. New viral strains exacerbate the spread of the disease but, fortunately, the vaccines remain effective. As US vaccinations surpass 100 million then 200 million, people begin to resume their lives with a high level of protection against the virus. Infection rates, however, fall less quickly as mask and social distance compliance remains sporadic and vaccine hesitancy remains high in a divided nation.

People see the virus as “under control” as the year progresses and pent-up demand, especially for travel and leisure, helps laid-off workers get re-hired as unemployment falls and the economy rebounds. The stimulus, despite its size, isn’t able to avert deep and targeted pain in several states and for many workers, while policy divisions hold up any further assistance. As a result, the recovery is pronounced through the end of 2021, but continues to be bumpy and highly unequal.

As the year unfolds, it quickly becomes apparent that the main fear is no longer the virus or the economy, but rather the nation’s increasing polarization—across both political and racial lines. Extremists increasingly view the political system as rigged against them and clashes at events between opposing groups increase. What’s more, the unfortunate idea that political violence is an acceptable solution in an unfair system gains a dangerous foothold with certain populations and calls for compromise are drowned out by louder, more radical voices.

In this scenario, grant makers and nonprofits are whiplashed as they respond not only to the COVID-19 health and economic crises, but also to emergencies related to the racial justice crisis and increasing political violence. Regardless of what choices nonprofit organizations make, they are seen as heroes by some and villains by others.



# Scenario 3: A nation on the brink



**As the health and economic crises grow much worse, our cultural fabric begins to tear apart at the seams. Things get worse at an alarming rate.**

Newer, more easily transmitted strains of the virus take hold in the US, some of which appear less responsive to existing vaccines. Increased infection rates combined with continued vaccine hesitancy wreak havoc on both the healthcare system and public morale. More people than ever give up hope of ever controlling the virus.

In fact, the health crisis is only one of the many grave concerns facing Americans. Dissatisfaction with existing systems rises further. Emboldened by the perceived effectiveness of the Capitol riot in January, violent fringe views gain traction in some communities. Sadly, a small but growing number of groups begin to see violence as an increasingly acceptable tactic to use against a system they see as broken or rigged. And while there is

initially hope for activists working towards racial justice, a deteriorating social fabric and increased polarization creates an “us-versus-them” mentality instead of solidarity.

The mounting unrest causes the economy to take a nosedive, sparking another round of layoffs, this time across the economic spectrum. Despite a tanking economy, the idea of yet additional stimulus is a nonstarter in Washington due to partisan gridlock. As families grow increasingly desperate, extremism is fueled by a dangerous combination of worsening job markets and the belief that no one is coming to help.

The spiraling economy combined with growing political and racial unrest means that nonprofits and funders begin to consider how they will respond if most other civic infrastructure fails American communities.



# Scenario 4: Rising from the ashes



**Even as communities reel from the losses and hardships of the crisis, the country begins to find ways to move forward together in the face of the dire economic realities and a persistent health crisis.**

Through 2021, things get worse before starting to get better. Early in the year, vaccine hesitancy remains high, people—worn down by months of quarantining—begin to relax precautions, and new viral strains increase infections. The virus persists even in the midst of vaccinations, and schools and businesses are forced to stay closed longer than expected. Even when they reopen, many people are still wary of resuming their normal activities and travel.

The lower consumer demand combines with a perfect storm of external economic variables. Despite the federal stimulus, states and municipalities are crunched for cash, leading to additional layoffs, while people struggle to pay their living expenses and debts. A broad economic contraction hits everyone, though low-wage service workers bear the brunt, having already stretched their savings and incomes to the max.

As the recession worsens, there are glimmers of hope. Continued incidents of political unrest serve as a shock to the system, waking a wide majority up to the need to lower the political temperature and repudiate violence. People generally realize that the situation is getting worse and we need to act. Action begins in states to re-imagine faltering local health, economic, housing, and criminal justice systems. Nationally, there is more modest progress and growing momentum, but a key question for 2022 is just how deep national systems change will go.

For grant makers and nonprofits, there's a real need to continue to support those going through dire emergencies while also working to build momentum for larger systemic change.



# Integrating scenarios into your strategy

Over the last several months, we've talked with more than a thousand nonprofits and grant makers to help them engage with the scenarios. Some organizations dive in headlong and have fully integrated scenario planning into their strategy development efforts. Others have done light translation of the scenarios to the issues, places, and populations they care about. And still others are simply engaging in brief leadership conversations about how they would respond if different futures play out. Regardless of the level of intensity, in the midst of so much continuing uncertainty, it's become clear that scenario planning has moved from being an interesting thought exercise to being an inextricable component of good strategy.

COVID has helped us see that crises can completely upend an organization's work—and also open up new opportunities for outsized progress. And COVID is certainly not the only shock that nonprofits and grant makers will need to be prepared for in the coming years. We can't control how these future uncertainties will play out. But we hope that considering these scenarios as part of your strategy work will make it possible to influence or nudge the future your way.





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