Fuller, R. P., & Rice, R. E. (2022). Nonprofit organization communication, crisis planning, and strategic responses to the COVID-19 pandemic. *Journal of Philanthropy and Marketing*. Online first (March 25). nvsm e1750 https://doi.org/10.1002/nvsm.1750

Abstract

Nonprofit organizations have somewhat different foci, contexts, and resources than typical for-profit organizations, so may have experienced and responded to COVID-19 in ways not covered in traditional corporate research. We investigate the influence of nonprofit organizations' communication support and use, crisis experience and preparation, and extent and impacts of COVID-19 on their strategic responses to the crisis (from retrenchment to perseverance to innovation). Our study is a longitudinal panel survey conducted with 578 U.S. public charities, once before the pandemic and the other 6 months into it. Data were analyzed using descriptive statistics to characterize the sample, and hierarchical regressions to assess the influences on strategic responses to the COVID-19 pandemic. A major finding is that communication with external stakeholders predicted organizations' abilities to maintain core activities (perseverance) during a crisis and to pivot (innovating) on mission delivery. Practical applications for nonprofit organizations are addressed, with particular attention to COVID-19.

Keywords:
COVID-19, crisis communication, readiness for renewal, crisis responses, nonprofit organizations, longitudinal panel study

Nonprofit Organization Communication, Crisis Planning, and Strategic Responses to the COVID-19 Pandemic

Introduction

The global COVID-19 pandemic, a once in a 100-year event, has sent shockwaves through the U.S. economy (Pew Research Center, 2021). The environmental jolt was particularly acute for U.S. nonprofit organizations (NPOs), due to their dependence on public sources of income (i.e., grants, donations), uncertainty surrounding the long-term implications of the pandemic, and threats to organizational survival. Nonprofits encountered challenges fulfilling contract deliverables, technology issues due to a rapid pivot to virtual work, increased demand for services, difficulties attaining essential supplies and personal protective equipment, and lost revenue from cancelled events, among other consequences (Center for Effective Philanthropy, 2021; Fuller, 2020a, 2020b; Independent Sector, 2020; The Nonprofit Finance Fund, 2020). Areas of impacts have included: career shocks to NPO staff (Kuenzi et al., 2021); nonprofit advocacy coalitions supporting vulnerable populations (Raeymaeckers & Van Puvelde, 2021); board leadership and governance approaches (McMullin & Raggo, 2021); philanthropic foundation funding priorities during COVID-19 (Finchum-Mason et al., 2020); financial management and operating reserves (Johnson, et al., 2020; Kim & Mason, 2020); and the emergence of COVID-19 community funds to support NPOs (Paarlberg et al., 2020).

This research has demonstrated novel roles for NPOs including advocacy, brokerage, and crowdfunding to support target populations (Raeymaeckers & Van Puvelde, 2021); the protective buffer of operating reserves ("rainy day funds") against economic shocks (Kim & Mason, 2020); the pre-crisis necessity of community capitals (i.e., capabilities and resources: human, economic, social, cultural, and political) to generate and share resources within a community when a triggering event occurs (Paarlberg et al., 2020); and among philanthropic foundations, changes in strategies and giving, changes to agreements with grantees, prioritization of marginalized or underrepresented groups disproportionately impacted by COVID-19, and collaborations within and across sectors (Finchum-Mason et al., 2020). The research to date supports Salamon's (2015, p. 64) characterization of NPOs constituting a resilient sector that responds to challenges through "reinvention and re-engineering"; yet NPOs do experience differential impacts of COVID-19 (Kim & Mason, 2020; Paarlberg et al., 2020).

Beyond this considerable research on the recent COVID-19 period, there are some important gaps that warrant investigation to develop theory and influence practice. First, research should explore explanations of impacts and responses beyond organizational financial management (Kim & Mason, 2020). NPO capacity-building research has characterized financial management as one of many capabilities that can be fostered and important for organizational sustainability (Shumate et al., 2017). In response to a crisis, NPOs may undertake a range of strategic choices, which may or may not relate directly to financial management (Wenzel et al., 2021). For example, NPOs may exit (permanently close), retrench (e.g., cut back spending, layoff staff), persevere (maintain core activities; use or seek resources to continue mission-centric services), or innovate (develop new financial strategies, engage in collaborations) (Wenzel et al., 2021). Second, research should examine influences on effective responses (i.e., those that are desirable, productive) (Paarlberg et al., 2020). For example, effective communication is one possible capability of NPOs (Shumate et al., 2017); effective communication leads to knowledge of services, supportive stakeholder relationships, and attainment of fundraising, advocacy, and education goals. Communication has shown to be

important in preparing for, responding to, and recovering from crises (Coombs, 2019; Ulmer et al., 2019). However, a communication focus has not been foregrounded in research on NPOs and COVID-19 (with two exceptions: Finchum-Mason et al., 2020 has one question about increased communication with grantees; Raeymaeckers & Van Puvelde, 2021 describe information brokering and advocacy roles taken on to communicate with a variety of stakeholders).

Therefore, the current research focuses on how a sample of U.S. NPOs responded to the COVID-19 crisis. It draws on a panel of NPOs with data collected at two points in time, 6 months prior to COVID-19 and 6 months into the pandemic. This project contributes to the literature on NPO responses to crises generally, and COVID-19 specifically, by emphasizing the roles of different NPO communication and crisis management practices that lead to varying responses to a crisis.

Literature Review

Organizational Crises

A crisis is an event or event series that threatens an organization's high-priority goals, increases uncertainty, and (potentially) generates opportunities normally unavailable (Ulmer et al., 2019). Most organizations will experience one or more crises in their lifetimes (Coombs, 2010; Lalonde & Roux-Dufort, 2013, p. 21). Crises can be intentional, perpetrated by malicious actors on an unsuspecting organization (for example: data breaches), or unintentional, caused by natural or environmental forces (for example: economic downturn). *Experienced crises* can significantly disrupt the organization's operations (*operational crises*, such as an industrial/environmental accident or a product recall, etc.), or not disrupt operations but require management to respond in full view of stakeholders (*paracrises*, such as false rumors, a boycott, or government investigation, etc.) (Coombs & Holladay, 2012). Xu (2018) conceptualized the *extent of a crisis* as involving three dimensions: uncertainty, urgency, and severity.

Yet, most organizations do not spend enough time planning for the wide variety of operational and paracrises relevant to their risk profiles (Taleb, 2010; Ulmer, 2012). They often do not perform risk analyses or risk-reduction models (Coombs, 2019). This peripheral treatment of crises often leads organizational leaders to be unaware of potential crises, to hope crises do not happen to their organizations, or to not be *concerned about future risks* (i.e., specific kinds of operational crises or paracrises) (Shrivastava et al., 2013). Thus, a significant part of preparedness is learning from past crisis experiences, identifying barriers to response, and formulating future concerns (Horsley & Barker, 2002; Liu, 2012; Spillan, 2003).

A wide variety of articles, books, and industry practices on crisis management and response discuss ways in which businesses, governments, and NPOs should develop a range of *crisis preparedness tactics* (e.g., Coombs, 2019; Ulmer et al., 2019). These include, but are not limited to, having staff with communication responsibilities, identifying actions and responsibilities, monitoring media channels, developing an official written communication plan, having teams in place to plan for and respond to emergencies and crises, and maintaining relationships with stakeholders (Cloudman & Hallahan, 2006; Coombs, 2019; Jaques, 2007; Lee et al., 2007; Seeger et al., 2003). Indeed, many researchers and practitioners emphasize the central role of communication in preparing for, managing, and responding to crises (e.g., Austin & Jin, 2017; Carboni & Maxwell, 2015; Coombs, 2019; Houston et al., 2015; Ozanne et al., 2020). In particular, researchers have emphasized the critical role of developing positive stakeholder relationships and a reservoir of goodwill before a crisis occurs (Ulmer et al., 2019) to manage a crisis effectively. Ongoing interaction with different publics through a range of

channels is critical to developing, engaging, and maintaining relationships with external stakeholders (Maxwell & Carboni, 2014).

Organizations may use a wide variety of traditional *external communication channels* to provide information, leverage limited resources, clarify crisis responses, generate support, engage with their supporters, and shape stakeholder interpretations (Coombs, 2019; O'Neill, 2009; Ulmer et al., 2019). These range from newsletters and mass emails to websites and public service announcements. Computer-mediated communication, websites, and especially *social media*, have played increasingly more frequent and influential roles in organizational communication with their publics generally, as well as in crisis management specifically (Austin & Jin, 2017; Pang et al., 2018). Online and digital media can increase interactivity and targeting, foster ongoing relationships, provide notifications and updates, improve donations to NPOs, and stimulate and mobilize group and social support for specific causes (Guo & Saxton, 2014; Pang et al., 2018; Seo & Vu, 2020), though can also foster negative implications such as inaccuracy, poor credibility, and criticism (Kim & Park, 2017). Analyzing Twitter postings by major NPOs in 2009, Lovejoy and Saxton (2012) described three primary social media use purposes: *information* (one-way transmission), *community* (interacting, fostering community, etc.), and *action* (appealing for donations, mobilizing support, lobbying, etc.). Typically, advocacy organizations emphasize information purposes at the expense of community and action outcomes (Auger, 2013; Carboni & Maxwell, 2015; Guo & Saxton, 2014). They do not take advantage of social media to develop and maintain stakeholder relationships (Bortree & Seltzer, 2009), though they are often constrained in doing so by considerations of excessive transparency, privacy, and message control (Maxwell & Carboni, 2014).

A more subtle, internal aspect of communication is whether organizations and their leaders and members can develop over time a vision about preparing for and responding to possible crises, such as by communicating ethically and effectively with organizational stakeholders, with meaning aligned to their goals and appropriate to the situation, leading to a fresh sense of purpose after the crisis (Ulmer et al., 2019). Recently, researchers (Fuller et al., 2019) have described this form of preparation as *readiness for renewal*, which focuses on ethical and effective organizational communication strategies during normal and crisis times. Such readiness for renewal can help organizations move toward resilience and renewal in the face of crises (Seeger et al., 2003; Ulmer et al., 2019). As Kinsky et al. (2014, p. 277) argue regarding nonprofit crisis communication, "Organizational crises, although often surprising, can be an opportunity for organizations to review missions, values, and strategies to identify needed areas of change to allow for organizational growth and revitalization."

In addition to the above resources and practices, the ways in which leaders conceptualize a specific adverse event as a crisis will also shape their organization's approach to it (Xu, 2018). Organizations may confront a crisis with a threat bias (Ulmer et al., 2019), which may lead to rigid and dominant responses when the situation calls for flexibility and novel approaches. However, crises may also present opportunities that are not available during normal times, such as hastening change, confronting latent problems, and reconfiguring organizational strategies (Meyers & Holusha, 2018). Facing fundamental upheavals, in this study the COVID-19 pandemic, organizations may respond with different strategies, such as by cutting back (*retrenchment;* e.g., layoffs, not filling positions, limiting operations); permanently shutting down (*exit*); maintaining core activities (*perseverance*; e.g., increasing fundraising appeals, applying for disaster loans/grants, seeking more flexibility in use or reporting of funds, etc.); or

pivoting (*innovating*; e.g., working with government agencies, collaborating with for-profit sector, cooperating with other NPOs, etc.) (Wenzel et al., 2021).

Nonprofit Organizations and Crises

NPOs are tax-exempt, public-serving (providing support for arts, disaster response, housing and mental health, among other sectors) charitable organizations that receive more than half of their financial resources from public sources. They are a significant sector ranging from neighborhood to national economies, and engage a large number of volunteers (Auger, 2013; CauseIQ, 2020). NPOs typically have limited budgets and work within strict regulations (Liu, 2012; Wiggill, 2011). They must publicly report a variety of organizational resources and financial indexes, such as number of employees, liabilities to assets ratio, and program to expenses ratio. Moreover, compared to for-profit and government organizations, NPOs have broad expectations to act ethically, spend money wisely, operate efficiently, and work for the public's benefit (California Association of Nonprofits, 2019).

Because NPOs are held to high ethical standards and public expectations, they can suffer negative consequences when their actions fail to match expectations (Kinsky et al., 2014). NPOs in particular face a wide range of operational crises and paracrises that could impact their high-priority goals (Herman et al., 2004; Spillan, 2003). The crisis potential for NPOs is affected by some unique features of the sector compared to others. For example, NPOs depend heavily on public financial support, so economic downturns or loss of an important stakeholder could be particularly harmful. Further, NPOs experience a variety of *crisis communication barriers*, both *internal* (insufficient knowledge, limited funding for communication, etc.) and *external* (legal implications, constituent complaints, regulatory agencies, etc.) (Liu, 2012; Wiggill, 2011).

In particular, the COVID-19 pandemic created extensive pressures on and harms to NPOs, as with nearly all sectors of U.S. and global society. CauseIQ (2020) predicted substantial income reductions (from donations, conferences, performances, and admission fees), expense increases (greater need from disadvantaged clientele), and layoffs and furloughs. Surveying nearly 500 NPOs, The Nonprofit Finance Fund (2020) reported the need for increased and more flexible funding, reduced revenue and donations, and unstable long-term finances. Fuller (2020a,b) identified and pretested 11 early *impacts* from the COVID-19 pandemic experienced by NPOs in the Sacramento, California, area (including loss of revenue due to cancelled events, increase in demand for essential services, and difficulty in getting essential supplies, etc.).

Research Question

Thus, we seek to answer the following research question: How do NPOs' communication resources, traditional and social media use, and crisis management experiences and practices influence its strategic responses to the COVID-19 pandemic?

Methods

Data Sources

Our study combined data from U.S. charitable (501c3) organizations that had their contact information on file with GuideStar (a clearinghouse of U.S. NPOs), budgets of at least $500,000, and at least one employee, with longitudinal data from two panel surveys. We first obtained from GuideStar the list of the NPOs' Internal Revenue Service 990 filings, which such organizations are required to complete. This list included 20,998 nonprofit organizations, their formal representative contact, and resource and financial data.

The T1 survey focused on crisis experiences, crisis concerns, crisis communication planning, external communication channels, and readiness for renewal. The T1 survey was reviewed by two experts in crisis and risk communication and one NPO executive director.

Feedback from the survey was integrated before the survey was administered to a large sample of NPOs. The T2 survey was developed by combining measures on crisis extent, external communication channels, social media use, and impacts of and responses to COVID-19. The impacts and responses to COVID-19 were developed by consulting media accounts and nonprofit and philanthropy industry websites and pilot tested (Fuller, 2020a, 2020b).

Samples

Survey T1

Through initial and follow-up emails between March and September 2019, we invited the listed NPO representatives to participate in a survey about crisis preparedness. The final T1 sample included responses from representatives of 2,005 organizations (9.9% response rate). Significant differences were found between the 2,005 NPOs that responded and the 18,993 nonparticipating NPOs in that respondees had fewer employees (96.76 to 148.91) and a very slightly higher ratio of program expenses to total expenses (.82 to .81), both $p<.01$.

Survey T2

The T2 survey was conducted mid-August through September 2020, using the same email and survey process. From the initial list of 2,005 organizations, 578 representatives responded (30% response rate, out of 1,922, as some emails bounced). Significant differences between the 578 who responded to the T2 survey and the 1,427 that did not were: slightly more likely to be recently founded (1981.4 to 1977.6), to have obtained federal disaster status (21% to 17%), to be an independent entity (83.4% to 78.5%), and to have fewer employees (108.2 to 68.5) (via t-tests or Goodman and Kruskal tau, at least $p<.01$).

Measures

Organizational resources T1

In additional to organizational representative contact information, the GuideStar list also provided each organization's number of employees, liabilities, assets, and program expenses, and total expenses. The liabilities-to-assets ratio is an indication of NPO solvency and long-term financial sustainability, where a lower number is better and indicates the NPO is able to pay its debts. The majority of NPO expenses should go toward program delivery, reflected in a higher program-to-expenses ratio. These indicate size, resources, and efficiency of NPOs, and are used (among other measures) to evaluate NPO performance and risk (Goza et al., 2016; Herman et al., 2004).

Survey T1

The T1 survey asked about whether organizations had paid *communication staffing* and use of each of 11 *communication channels* with external stakeholders. It also included *prior crisis experienced* (total of 11 operational and total of 6 paracrises selected), *future crisis concerns* (the same 11 and 6), *crisis communication preparedness tactics* (total of 10 listed), and *barriers to crisis response* (total from 3 internal and 5 external) (Horsely & Barker, 2002). *Readiness for renewal* was measured as the mean of 15 items (Fuller et al., 2019), representing both ethical communication (such as organizational values, stakeholder relationships, provisional communication, and significant choice) and effective organizational rhetoric (e.g., ability to structure reality for stakeholders following a problematic event, to convince them to stick with the organization, to become a model to others in the industry and beyond, etc.; $\alpha = .89$) (from 1=very strongly disagree to 7=very strongly agree).

Survey T2

The T2 survey asked the same questions about *staffing* and *external communication channels*. Further it asked for the percentage of use in August 2020 of each of four social media

(Twitter, Facebook, Instagram, and YouTube) for the three *purposes* identified by Lovejoy and Saxton (2012): *information*, *community*, and *action* (using the mean percent for each separate purpose across the four platforms). Also included was an overall mean scale (α = .89) of Xu's (2018) set of 14 items for three aspects of the *extent of (COVID) crisis: uncertainty* (4 items, *urgency* (5 items), and *severity* (5 items) (from 1=strongly disagree to 7=strongly agree). The survey asked about whether the organization had experienced (no, yes) *impacts* from COVID-19 (total of 11 listed), using items based on anecdotal evidence reported in local and national newspapers and the websites of nonprofit advocacy associations. *Responses* to the crisis are measured by three separate total scores about whether the organization had engaged in (no, yes) a variety of *responses* the nonprofit has undertaken to ensure survival or capacity maintenance (total of 4 for *retrenchment*, 5 for *perseverance*, and 4 for *innovating*) (Crutchfield & Grant, 2012; Wenzel et al., 2021). A supplemental file contains all the of the main concepts in the surveys.

Analyses

Using SPSS-24, we first provide descriptive statistics of the organizations, based on data from the GuideStar/IRS 990 Filing, the T1 survey, and the T2 survey. We then report a hierarchical multiple regression for each of the three types of response (retrenchment, perseverance, innovating) as dependent variables. Note that organizations may range from low to high on each of the three responses; however, they are weakly though significantly intercorrelated (retrench with persevere r=.29, retrench with innovate r=.23, persevere with innovate r=.33, all p<.001 (Pearson, two-tailed significant tests). We forward-entered related predictor and explanatory variables within each of six hierarchical blocks, as follows. Communication measures at T1 or T2 were entered first and second, respectively, as the primary focus of the study. Measures included paid communication staff, external communication channels, and purposes of social media use (Twitter, Facebook, Instagram, and YouTube). The third block contained experiences with, and future concerns about, operational crises and paracrises. The fourth block represented crisis preparedness tactics as well as crisis communication barriers (internal and external), along with readiness for renewal (ethical communication and effective rhetoric). The fifth included the organization's number of employees and the two financial performance ratios. The sixth and final block involved both the perceived extent of, as well as specific organizational impacts from, the COVID-19 crisis.

Results

Descriptives

Table 1 provides general descriptive statistics for the items, totals, and scales used in the analyses. The following subsections summarize the means and percentages of these and their more frequent constituent items.

---Table 1---

Organizational resources T1

The 578 NPOs had a mean of 68.5 and a median of 23.0 employees, a low liabilities-to-assets ratio (M=.20), and a relatively high allocation of program expenses relative to overall expenses (M=.81).

Survey T1

Over two-thirds (68%) had paid communication staff. The most frequent of 11 media channels used to communicate information externally to constituents were website (97%), social media (98%), mass emails (85%), flyers or brochures (84%), and newsletters (81%). The most frequent of 11 operational crises experienced in the prior two years were loss of a major

stakeholder (28%), attempted or actual breach of computer system by hacker (14%), and computer system breakdown (13%), while the most frequent of 6 experienced paracrises were negative word of mouth on social media (23%), and malicious or false rumors (11%). The NPOs were more frequently concerned about future operational crises (stakeholder loss, 55%; computer system breakdown, 42%; natural disaster, 38%) and paracrises (negative word of mouth on social media, 37%; negative news media coverage, 27%; malicious or false rumors, 24%).

Overall, 63.3% reported no barriers to communicating during an organizational crisis. The most frequent of 3 internal barriers was that the nonprofit chose not to implement crisis communication efforts (12%), and the most frequent of the 5 external barriers was legal implications (31%). Overall, nonprofits engaged in an average of 5.5 crisis preparedness tactics (out of 10), the most frequent of which were: maintains emergency contact information for external stakeholders (90%), has designated a spokesperson (spokespeople) (81%), and has a team to respond to or to plan for critical events (69%). Only 39% had an official written crisis communication plan. The NPOs agreed that they engaged in ethical communication (M=5.28), effective organizational rhetoric (M=5.00), or overall readiness for renewal (M=5.13).

Survey T2

Values for T1 variables repeated at T2 were fairly similar. Of note was a slight increase in having paid communication staff (68% T1 vs 73% T2, $p<.01$) and slightly less use of all 11 communication channels (6.99 T1 vs 6.39 T2, $p<.001$), again with nearly all using websites (97%), social media (97%), or mass emails (95%). Facebook, with between 71% and 57% reporting usage of Instagram, Twitter, or YouTube. As prior research showed (Auger, 2013; Hearn et al., 2018; Waters et al., 2009), NPOs use social media (here, Twitter, Facebook, YouTube, or Instagram) on average more for disseminating information (M=37.8%), than for promoting community (16.6%), or action (18.5%).

The NPOs slightly disagreed that the extent of the COVID-19 pandemic involved uncertainty (M=3.53), agreed that the organization experienced urgency about information (M=5.60), and somewhat agreed that the crisis was severe (M=4.80), with an overall mean of some agreement (M=4.72). On average the NPOs reported 4.5 of the 11 listed impacts of the COVID-19 crisis. The most frequent were loss of revenue (77%), and decrease in number of volunteers (57%), followed by difficulty in getting essential supplies (42%), increase in demand for services deemed essential (41%), and need to modify budgets due to costs of disinfecting (41%). Of the three kinds of responses to ensure survival and/or maintain capacity, the most frequent was perseverance (2.75 responses out of 5 listed), followed by innovating (2.17 out of 4), with the least being retrenchment (.91 out of 4); on average, the organizations enacted 5.83 of the possible responses (out of 13).

Hierarchical Regressions on the Three Responses

Table 2 provides standardized beta coefficients and significance levels for all measures within their hierarchical blocks, as well as overall regression adjusted R^2 and F-statistics.

Differences in Responses across Influences

The results vary by the three types of responses (Wenzel et al., 2021). *Retrenchment* (19% variance explained) is more likely when the nonprofit had paid communication staff, more employees, less proportional available financial resources, and experienced greater extent of and more impacts from the COVID-19 crisis. Note that use of communication channels, including social media for any purpose, prior experience with or concerns about future crises, or T1 crisis preparedness and readiness for renewal, was associated with retrenchment.

Perseverance (23% variance explained) is more likely with more T1 and T2 use of communication channels, more community and action orientation in its social media use, slightly less prior experience with but more concern about paracrises, and greater perceived extent of and impacts from the crisis. Interestingly, organizational resources had no influence on this type of response.

An *innovating* response (22% variance explained) was more likely with more T2 external communication channel use, more community orientation in its social media use, more concern about future operational crises, greater readiness for renewal, and a higher liabilities-to-assets ratio. It was much less (by at least half) associated with perceived extent of the crisis, but more related to total impacts, compared to the two other responses.

Differences in Influences across Responses

We can also consider the role of influences within each of the six blocks across the three types of responses. With respect to *communication*, having more paid staff at T1 is associated with retrenchment, more use of external channels at T1 and T2 with perseverance, and more at T2 with innovating. The purposes to which the 4 social media were put also had varying influences, with community orientation associated with both perseverance and innovating, but action only with perseverance. However, as critiqued in the prior literature, using social media for information (broadcasting, dissemination, one-way transmission) was unrelated to any of the responses.

Experiences with and concerns about crises also had mixed effects on the T2 responses. Interestingly, prior *experience of* paracrises *reduces*, while prior concerns about future paracrises *increase*, the likelihood of a perseverance response. However, T1 concerns about operational crises predict an innovating response.

Crisis preparation and *crisis communication barriers* did not predict any of the three responses. It may be that the pervasive, rapid, and chaotic nature of the COVID-19 pandemic made prior responses and internal barriers irrelevant or insufficient. In terms of NPO orientation toward crises, *readiness for renewal* only predicted an innovating response, in line with the conceptualization of the discourse of renewal.

All three *organizational resources* (employees, liabilities to assets ratio, and program to total expenses ratio) were associated with retrenchment, while liabilities-to-assets ratio also predicted an innovating response.

Finally, the c*risis extent* and *total reported impacts* were positively associated with all three responses, with slightly decreasing strength of perceived extent and slightly increasing strength of impacts from retrenchment through innovating.

We can see, then, that a wide variety of communication resources, traditional channels and social media use, and crisis management experiences and practices, along with the experienced extent and impacts of the COVID-19 pandemic, influence non-profit organizations' responses. Table 1 provided statistical results for these relationships, while Figure 1 summarizes them visually.

---Figure 1---

Insights from Qualitative Data

At the end of the survey, we also asked an open-ended question: "Do you have anything else to share about your organization's response to the COVID-19 pandemic, and/or the use of social media to help respond to the crisis?" Of the 578 T2 organizations, 236 provided comments. We inspected the dataset for organizations that had maximally different values on retrenchment (0) and innovate (4), and also provided responses to the question. Here we provide

a brief description of one illustrative NPO. This Human Services (NTEE high-level category P) NPO is very small (5 employees), though it used nearly all (9 of 11) external communication at both time periods, and used social media for diverse purposes (46.3% for information, 25.0% for community, 31.3% for action). Perhaps as one impact of COVID-19, while it had paid communication staff at T1, by T2 it did not. It had a few experiences with and concerns about crises at T1 (crises 1, 2, 4; and 2, respectively), yet had implemented a large number of crisis preparedness tactics (9), reported no crisis communication barriers, and assessed its readiness for renewal as somewhat above average (5.6). The organization had almost no liabilities (ratio of .01), and was efficient in administering programs (.84). It also reported somewhat below-average crisis extent (4.5) and few impacts (2 out of 11). Clearly, this is an active and efficient organization, highly engaged in communicating with its stakeholders for a variety of purposes, aware of and well-prepared for crises, and not suffering much (at that time) from the COVID-19 pandemic. Its orientation toward innovating and collaborating, rather than retrenchment, is well represented in its comment: "We formed partnerships in ten parishes (counties) with agencies and congregations to identify families who lost jobs, and to deliver needed food and supplies. This network became important following Hurricane Laura also; we hope to continue it long-term in some form."

Discussion

Summary of Results

The present study extends beyond recent COVID-19 and disaster-related research (Chen, 2021; Kim & Mason, 2020) by examining the communication capabilities and purposes that nonprofits apply, and also by not relying solely on economic explanations for their response strategies.

This study's guiding research question was: How do NPOs' communication resources, traditional and social media use, and crisis management experiences and practices influence its strategic responses to the COVID-19 pandemic? This project demonstrated that nonprofits experienced a range of operational crises and paracrises and had crisis and paracrisis concerns. Similar to other research (Center for Effective Philanthropy, 2021), the present research found nonprofits were dealing with the COVID-19 crisis in different ways, even though the pandemic had moderate to severe negative impacts for them.

The present study addresses a weakness in both survey and crisis management research (Fuller et al., 2019) by providing longitudinal rather than cross-sectional data alone. Comparing before and after measures, distinguishing among a variety of communication and crisis management influences, and central organizational resources, as well as among types of responses to COVID-19, helped identify subtleties in how NPOs responded to the early stages of the COVID-19 crisis.

This research extends recent research (Kim & Mason, 2020) by incorporating nonprofit responses and impacts to crises into a coherent framework of strategic choices (Wenzel et al., 2021). In turn, these strategic choices are associated with a variety of influences. Responding to the COVID-19 crisis by retrenching is driven solely by greater resource demands and the extent and impacts of the pandemic. External communication, and attention to paracrises, but not crisis preparation, along with the negative implications of COVID-19, fostered a greater perseverance response. Conversely, innovating response to this immense crisis was facilitated by an external, community, future, and operational focus, and, compared to the other two types of responses, less extent but more impacts. As other recent research has shown (Raeymaeckers & Van Puyvelde, 2021), here NPOs innovated during the COVID-19 crisis by taking on novel roles and

collaborating with a range of stakeholders. Moreover, the study shows the applicability of the strategic response framework to nonprofits, where it has primarily focused on business, and contributes measures that could be further developed and tested in other types of crises that have widespread implications for organizations, such as natural disasters (Chen, 2021) or economic downturns (Besel et al., 2011).

The findings support the principle that communication is a fundamental capability for NPOs (Shumate et al., 2017). Engaging in external communication activities, with particular emphasis on using social media for community and action purposes (Lovejoy & Saxton, 2012), contributes to their ability to persevere and innovate. More specifically, our results support decades of case-based research on crisis renewal (Pyle et al., 2020; Ulmer et al., 2019) by demonstrating that organizations that communicate effectively and ethically before a crisis are more likely to be able to pivot in a crisis, i.e., collaborate and find new ways to deliver on the mission, because they use their values to guide their actions, view crises as opportunities, and have developed positive stakeholder relations. The study and results suggest that attending to the organization's readiness for renewal (Fuller et al., 2019) can be more effective than traditional crisis communication preparedness tactics, especially for an innovating response.

Application of Findings for Practical Purposes

Even before COVID-19, NPOs appear to have a range of experience with and concerns about crises that disrupt their operations as well as with non-operational crises. These findings suggest that leaders could consider thinking about how they would respond to crises in ways that support the maintenance of core activities and innovation. Consequently, scenario planning and response rehearsals (typical activities of crisis planning) could focus not only on strategic responses such as scaling back operations (i.e., retrenchment, such as what to cut), but also those that help maintain core services and stakeholder relationships (perseverance), as well as to seek out additional resources, collaborate with other NPOs and business and government sectors, and generate novel ways to deliver on the organization's mission (i.e., innovating).

Communication with external stakeholders at *both* T1 and T2 predicts organizations' abilities to maintain core activities (*perseverance*) during a crisis, unlike the other two responses, while using external communication channels at T2 is fairly strongly associated with an *innovating* response during the COVID-19 crisis. Therefore, nonprofits should engage with external stakeholders using a variety of channels. Social media (Facebook, Twitter, Instagram, YouTube) are important media for external engagement by nonprofits. Information sharing is important, and especially as details about a crisis become available. However, even though it was the most frequent purpose (twice as frequent as community or action), it had no influence on *any* of the three responses. Building community and encouraging action through social media, on the other hand, were more likely to contribute to the organization maintaining its core activities and innovating. In non-crisis times, NPOs should develop a network of friends, allies, stakeholders, and similar organizations (followers) on social media that they can call upon during a crisis to help it, as well as use to provide aid to other organizations and clients (Eriksson, 2018). As Seeger (2006) argues more generally, when organizations have positive stakeholder relations before a crisis, stakeholders may help the organization through the crisis.

In addition, how organizations communicate about their readiness for renewal (ethically and effectively) seems to influence their strategy for responding to it. Extreme crises (such as COVID-19) may reasonably foster a retrenchment strategy, both as a rational approach as well as a traditional defense. It seems, however, that organizations that viewed crisis preparation in

terms of developing and communicating a readiness for renewal were significantly more likely to innovate, and even less likely (though not significantly) to retrench.

There are two practical applications from these findings about the linkage between readiness for renewal and response to crises. First, nonprofit leaders could work to reframe their perspectives about potential crises to include not only threat but also opportunities. First, leaders could assess their own responses to items on readiness for renewal scale, such as "My organization views crises as turning points that have the potential for future positive outcomes" and "In my organization, we embrace failure as an opportunity to learn" to understand their dispositions. In the case that organizations have a threat bias, leaders could practice reframing, an approach to redefining the problem that offers a do-over or fundamentally transforms the meaning (Fairhurst, 2010). To reframe, they could ask "How does a/this crisis present a threat and an opportunity?" Opportunities could include learning, growth, and new competitive advantages as well as opportunities for collaboration (Meyers & Holusha, 2018), for example. Second, leaders could focus on their responses to questions about organizational values, which provide clarity for how, what, when, and with whom to communicate (Ulmer et al., 2019). For example, their disposition on questions such as "In general people in my organization live by our values" and "We have a process in place that helps to resolve competing values about what information to share" could stimulate conversations about what the organization's values are and how to communicate in ways that are both consistent with, and reinforce, those values. Leaders should consider these recommendations regarding readiness for renewal as ongoing activities that maintain areas of excellence or improve weaknesses (Fuller et al., 2019).

Limitations

While this project had a rare opportunity to collect a wide variety of measures from a panel of U.S. NPOs before and after the initiation of the COVID-19 pandemic, there are several limitations. Obviously, we were able to report on only a very small percent of the full list of 20,998 qualifying NPOs: 2005 at T1 and 578 of those at T2. So, the responses and analyses results are illustrative rather than representative of U.S. 501(c)(3) public charities. Some measures would benefit from extensions. For example, we asked organizations if they had paid communication staff or not. However, nonprofits can outsource such activities (Pope, Saigal, & Key, 2015), either because they are too small to handle this function, or are large enough to afford such services, which respondents may have considered as not paid staff. It is also likely that some COVID-19 impacts and analysis results might vary by different sectors of NPOs (for example: arts and culture organizations, c.f. Kim et al., 2020). The National Taxonomy of Exempt Entities – Core Codes (NTEE-CC; National Center for Charitable Statistics) categorizes the nearly 400 specific codes into 26 major groups within 10 broad but very unevenly distributed categories; further, there is no clear theoretical justification for expecting distinctions among these. Impacts and analysis results might also vary by the phase of the COVID-19 pandemic in the regions where the NPO provided service during the T2 survey. So, one advanced approach would be to match the GPS coordinates of the headquarters with data on reported cases. However, many NPOs provide multi-region or national services, and early on there was very wide quality and prevalence of COVID-19 reporting.

Conclusion

This study provides a rare view into how a large number of U.S. NPOs prepared for, were affected by, and responded to, the COVID-19 pandemic during a one-year period before and after the pandemic took off in the U.S. Specifically, the study's results support attending to (1) external communication engagement, including more community-focused uses of social media,

(2) ongoing pre-crisis activities, including devoting effort to preparation for renewal, and (3) response visions, including retrenchment to perseverance to innovating. The study affirms that although the pandemic had in some cases quite substantial negative impacts on the sector, NPOs are drawing on their communication capabilities and crisis perspectives to maintain core activities and even innovate.

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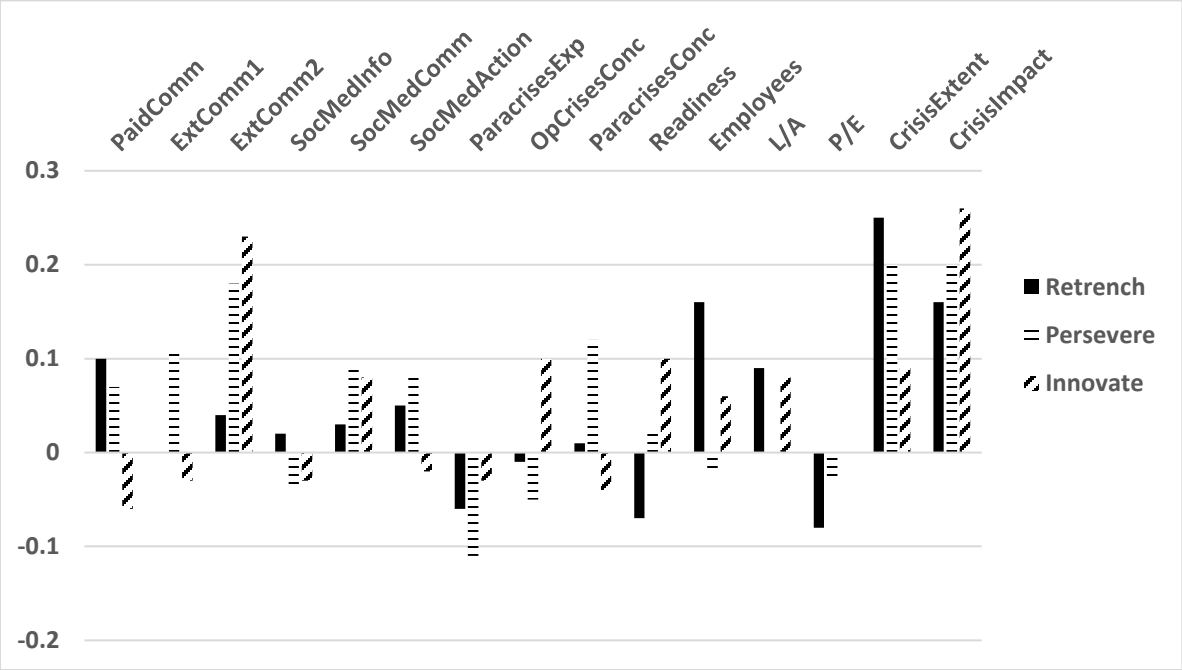
Table 1

Descriptive Statistics, and Hierarchical Multiple Regressions on Three Types of Responses

			Responses T2 to COVID-19		
			Retrench M=.92 (of 4)	**Persevere** M=2.78 (of 5)	**Innovate** M=2.18 (of 5)
Predictor Blocks and Variables	**M**	**SD**	SD=1.02	SD=1.34	SD=1.17
1: Communication: Staff, channels T1					
Have paid comm staff (0 No, 1 Yes)	.68	.47	.10 *	.07	-.06
External communication channels (sum of 11)	7.06	1.89	.00	.11 *	.-.03
2: Communication: Staff, channels, social media purposes T2					
Have paid comm staff (0 No, 1 Yes)	.73	.44	.02	-.04	.03
External communication channels (sum of 11)	6.46	1.86	.04	.18 ***	.23 ***
Social media purpose, information (mean %)	37.8	29.8	.02	-.04	-.03
Social media purpose, community (mean %)	16.6	18.3	.03	.09 *	.08 *
Social media purpose, action (mean %)	18.5	20.4	.05	.08 *	-.02
3: Crisis: Prior experienced, future concerns T1					
Crises experienced, operational (sum of 11)	.91	1.07	.01	.02	.05
Crises experienced, paracrises (sum of 6)	.54	.86	-.06	-.11 *	-.03
Crises concerned, operational (sum of 11)	2.39	1.96	-.01	-.05	.10 *
Crises concerned, paracrises (sum of 6)	1.20	1.50	.01	.12 **	-.04
4: Crisis: Preparation and readiness T1					
Crisis preparedness tactics (sum of 10)	5.51	2.53	.01	-.02	.07
Crisis communication barriers (sum of 3 internal and 5 external)	.55	.93	.04	.06	.01
Readiness for renewal (mean of 7 ethical comm, 8 effective rhetoric; response 1-7)	5.13	.62	-.07	.02	.10 *
5: Organizational resources T1					
Number of employees	69.2	179.1	.16 ***	-.02	.06
Liabilities to assets ratio	.20	.28	.09 *	.00	.08 *
Program to expenses ratio	.81	.11	-.08 *	-.03	.00
6: Crisis: COVID-19 T2					
Crisis extent (mean of 4 uncertainty, 5 urgency, 5 severity; response 1-7)	4.72	.91	.25 ***	.20 ***	.09 *
Impacts (sum of 11)	4.51	2.23	.16 ***	.20 ***	.26 ***
Adj R^2			.19	.23	.22
$F(19,538)$			7.8 ***	9.6 ***	9.1 ***

N=558; * $p<.05$, ** $p<.01$, *** $p<.001$

Figure 1
Influences on Three Crisis Responses



Note: Values are standardized beta coefficients from the respective hierarchical regression. Only influences that had a significant coefficient for at least one response are included.