

Thinking Through the Business Model

Mission: Why you exist & what you hope to achieve

The business model is how an organization raises and spends money to fulfill its mission and strategic goals. A sustainable business model that provides reliable revenue to cover the full cost of doing business is crucial to a nonprofit's ability to provide services effectively and grow to its potential. Use this worksheet to help articulate components of your nonprofit's business model —a useful step in helping to determine whether your organization is fully covering costs and balancing mission, capacity, and capital.

|  <p>Market Who receives services? Who pays for services?</p> |  <p>Programs How do you work towards your mission?</p> |  <p>Revenue How do you make money to achieve your goals?</p> |  <p>Expense How do you spend money, and on what?</p> |  <p>Outreach How do you reach your markets?</p> |
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Business Model Resources

- **Nonprofits Assistance Fund: [nonprofitsassistancefund.org](https://nonprofitsassistancefund.org/resources/item/transforming-nonprofit-business-models)**
"Transforming Nonprofit Business Models," at <https://nonprofitsassistancefund.org/resources/item/transforming-nonprofit-business-models>
- **Stanford Social Innovation Review: www.ssireview.org**
"Ten Nonprofit Funding Models": http://www.ssireview.org/articles/entry/ten_nonprofit_funding_models
- "Finding Your Funding Model": http://www.ssireview.org/articles/entry/finding_your_funding_model
- **MIT Sloan School of Management: ccs.mit.edu**
"Do Some Business Models Perform Better than Others? A Study of the 1000 Largest US Firms": <http://ccs.mit.edu/papers/pdf/wp226.pdf>
- **The NonProfit Times: thenonprofittimes.com**
"Your Nonprofit Business Model: Is It Really That Healthy?": <http://www.thenonprofittimes.com/news-articles/your-nonprofit-business-model-is-it-really-that-healthy/>
- **Blue Avocado: blueavocado.org**
Nonprofit Business Model Statements: "Your Nonprofit Business Model: Is It Really That Healthy?": <http://www.blueavocado.org/content/nonprofit-business-model-statements>
- **Google Business Templates: <https://docs.google.com/templates?category=2&sort=hottest&view=public>**
If you have a google account, you can use Google's simple Business Model Canvas to map out components of your business model in and share it with others: <https://docs.google.com/previewtemplate?id=102mOZQmMxs0CslmNsPZ5KCNQwAlh9rh4baYgTOVWNAA&mode=public>
- **Innovative Nonprofit Magazine: innovativenonprofit.com**
"The Nonprofit Business Model Canvas": <http://www.innovativenonprofit.com/2012/07/the-nonprofit-business-model-canvas/#.UC57vN1IQ1M>

Business Planning Resources

Especially in times of recession, funding declines, and changes in the the predictability and reliability of funding, it's critical to step back and look at what drives your organization's business model. But this can be difficult, especially if your organization is already stretched thin. There are a variety of resources online to help you through the process. NFF can also help! Visit us at nff.org to get in touch and learn more.

Business Planning Resources

- **Stanford Social Innovation Review: www.ssireview.org**
"Ten Nonprofit Funding Models": http://www.ssireview.org/articles/entry/ten_nonprofit_funding_models
- **National Council of Nonprofits: [councilofnonprofits.org](http://www.councilofnonprofits.org)**
"Strategic and Business Planning for Nonprofits": <http://www.councilofnonprofits.org/strategic-business-planning-for-nonprofits>
- **Small Business Administration: [sba.gov](http://www.sba.gov)**
"How to write a business plan": <http://www.sba.gov/category/navigation-structure/starting-managing-business/starting-business/how-write-business-plan>
- **Jossey Bass Publishing: [josseybass.com](http://www.josseybass.com)**
"Generating and Sustaining Nonprofit Earned Income": Sample business plans: <http://www.josseybass.com/WileyCDA/WileyAncillary/productCd-078797238X,typeCd-DOWNLOAD.html>
- **NorthSky Nonprofit Network: [northskynonprofitnetwork.org](http://www.northskynonprofitnetwork.org)**
"Nonprofit Business Plan - Template & Guidance": <http://www.northskynonprofitnetwork.org/resource-center/nonprofit-business-plan-template-guidance>