**RESOURCES** 

# Shifting Conditions Spark Innovative Change for Government and Nonprofits

A dive into over 100 financial professionals' insights and how technology drives readiness and resilience.



## **Through Uncertainty** Government and nonprofit organizations work similarly in

**Staying Mission-Focused** 

terms of how they handle funds and where those funds are allocated. Following economic volatility since the pandemic, these sectors may have seen shifts in funding and grant opportunities that can impact overall business operations. To better understand how mission-driven teams are adapting, we asked over 100 finance professionals in

government and nonprofit organizations how they're leveraging technology to navigate economic uncertainty.

# **Impacting Organizations** 46% are feeling the effects of federal budget cuts by having to adjust

**How Current Pressures Are** 

budgets, staff, or restrucure their teams. What impact, if any, are federal budget cuts and associated

> Significant impact — we've had to reduce 16% headcount or restructure teams **30%** Moderate impact — we've made some

role eliminations having on your organization?



**Fueling Strategic Shifts** 

staffing or budget adjustments 30% Minimal impact — we've seen limited effects so far

No impact — our operations remain 14% unchanged

Positive impact — we've gained opportunities 1% or absorbed displaced talent

Not applicable — we are not affected by 8% federal budget decisions Unsure 1%

**64%** of finance leaders are the most concerned about **inflation**, followed by the impact of tariffs, and concerns around a recession.

**Top Economic and Labor Trends** 

How concerned are you about each of the following economic factors?

64% **53%** 

**Impact of Tariffs** 

employee expectations.

are still delivering value.

22%

8%

6%

Inflation

Recession

To what extent are the following labor market conditions currently impacting your organization? **Difficulty Hiring for Specialized Roles** 

The biggest labor-related challenges organizations face today is hiring

for specialized roles, retaining top talent, and keeping up with evolving

**Employee Retention Challenges** 65%

61%

Shifting Employee Expectations (e.g. flexibility, remote work) 52%

71% of finance pros say tech investments made during COVID-19

### Did your organization make technology investments in 2020 (e.g. during the onset of the COVID-19 pandemic) that are helping you better navigate today's economic uncertainty?

**New Technology Drives Long-Term Continuity** 

49% Yes, they've helped somewhat No, we made investments, but they 15% haven't made a noticeable difference

Yes, those investments have significantly

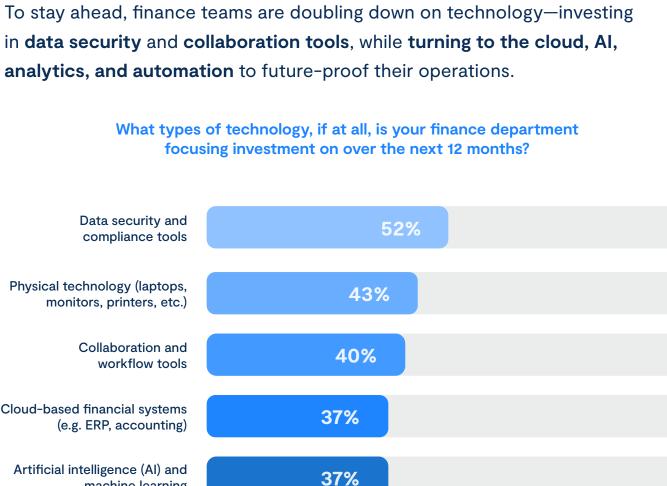
No, we did not make significant technology

improved our preparedness

investments in 2020

Unsure/not applicable

**Future-Ready Tools Helping Teams** Stay on Mission in data security and collaboration tools, while turning to the cloud, Al, **analytics**, and automation to future-proof their operations. What types of technology, if at all, is your finance department



25%

24%

6%

When Uncertainty Persists, Resiliency Awaits As economic uncertainty continues, government and nonprofit finance leaders are prioritizing what matters most—agility and long-term resilience. Staying mission-driven means being able to adapt. Nearly half (43%) of survey respondents said their top focus for 2025 is investing in technology that improves operational

machine learning

Automation

No planned

Advanced analytics and

technology investments

business intelligence tools

efficiency. For these organizations, it's not just about navigating change, it's about building future-ready operations that can withstand it.



### Let's partner together. Discover how accounts payable (AP) automation can help your team work

smarter, improve visibility, and stay in control—so your mission stays on track. To learn more, visit www.AvidXchange.com.

Important Notice: Material portions of this infographic are based on AvidXchange's eBook, "Are

avidxchange

**LEARN MORE** 

Finance Teams Equipped for Sustained Economic Volatility?" published on July 16, 2025