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Synopsis: In an uncertain economy, nonprofits can't afford to hire the wrong development director. By taking some expert advice from experienced recruiters, nonprofits will be better able to hire the right fundraiser with the precision of the pros.

Hiring the Right Fundraiser in a New Economic Reality

By Ellen Sibley, Vice President, Nonprofit Professionals Advisory Group LLC

Nonprofit organizations are facing greater than ever financial challenges in this new economy: funding is being cut dramatically sector-wide, invested funds are skydiving in their value, and donors are losing large percentages of their fortunes. Many donors and foundations are wondering if they can still follow through with their commitments, leaving nonprofits scrambling to find the next new dollar.

Instead of asking for large donations now, this is the time for nonprofits to build on their relationships with past, current, and future funders, making stewardship is more important than ever. So what does this mean for development professionals and the nonprofits that employ them? Successful fundraisers will be forced to become more relationship driven and will need to provide comfort and understanding to donors in the pipeline. Donors must know that they are still important to the organization, even in this new economy, but that the organization can be patient and can wait for their support while remaining in very close touch. Nonprofits will be forced to prioritize, but must also make sure to take a long range view of the economic cycle.

Nonprofits should treat the uncertain economy as an opportunity to re-evaluate their organizations from the top down and remind everyone of their core mission. They will need to decide what is most important and streamline their operations and programs wherever possible to make sure the important action items get accomplished. If their development department stewards their donors properly, donors will appreciate the time and understanding and thoughtfulness that they were given and will remember those nonprofits when markets, as they always do, turn around.

Next year, nonprofits are going to be more cautious about hiring new employees and candidates will be more careful about choosing where to work. Nonprofits should evaluate the importance of each staffed position and, once vacant, review whether the job description and the incumbent's salary is still appropriate for future hires. Likewise, candidates should do more due diligence, conducting deeper research than ever before about their future employer to ensure that they can be successful in the new position. The players on both sides of the table will need to adjust to search in this new economy.

As an executive search and professional development firm dedicated to building the nonprofit sector through an innovative, new economy approach, the Nonprofit Professionals Advisory Group works with organizations to weather these tight times. By unbundling our search services, we allow clients to utilize as much or as little of our expertise and network as they need, and by partnering with our clients, we produce a result that meets their capacities, their needs, and their budgets.

NPAG's Top Ten Tips to Make a Development Search Successful for the New Economy

In this new economy, nonprofits cannot afford to hire an ineffective development professional, whether at the Chief Development Officer level or as a development associate. Based on deep experience filling development positions across the sector, we've come up with some best practices that nonprofits will need to utilize in these uncertain times.

1. Write a clear position description that outlines why your organization is “the place to be” right now and what challenges the successful candidate will face in their first 12-18 months. Be honest. Do not exaggerate what your funding future looks like, but don't draw too desperate of a picture either. Development professionals need to know what the expectations are in order to be successful.
2. Look for candidates with staying power when evaluating resumes. A successful development professional must stay at an organization for three to five years in order to be involved in the full cycle of a high end ask including prospecting, the ask, receiving the donation and properly acknowledging the gift.
3. Inquire during your phone interview what the candidate likes about fundraising. In any economic times, successful fundraisers will be the ones who are passionate about it and love it, but in these uncertain times, you'll need one who loves it enough to stick with it even when the going gets tough.
4. Ask candidates to describe the whole process of an ask; it should be their proudest, even if not their largest. If they can't describe it clearly enough so even a novice can understand, they might not have been part of the whole process. If the story is not passionate you should wonder about their ability to convince donors. Look for energy. If you are bored then think how donors will feel when talking with them.
5. Request dollars raised instead of percentages. An increase of 100% sounds impressive until you find out that that the original number was \$5,000. Find out where the money came from; if 50% of the money from a three year federal grant written by the executive director, 40% was a planned gift set up on the candidate's predecessor's watch out, that leaves only 10% that was really raised.
6. Ask each candidate for stories about how they have stewarded gifts. Were they warm and friendly? Did they have strong follow-through? How did they acknowledge gifts? How did they keep in contact with donors? What kind of correspondence have they been accustomed to producing? Did they write you a thank you note after a phone or in person interview? If not, how well will they steward donors in this new economy?
7. Get examples of their networking skills. Do they like to network? Are they involved in their community? Are they comfortable and available to network at lunches, dinners and other functions? Do they have a rolodex of donors?
8. See if they are really connected and passionate with your organization's mission. Why do they want to work at your organization? What is it about your organization that attracted them? If a fundraiser is not passionate about the mission for which they are raising money, they will most likely not be successful.

9. Be prepared to talk about how your organization plans to raise money in this new economy and what will happen if fundraising goals are not met. Is your operating budget fully dependent on dollars raised? Be honest so the candidate understands the risks and responsibilities that will rest on his or her shoulders. No one wants any surprises. Ask candidates how they will handle donations in this new economy especially if a donor reduces the amount pledged or puts it on hold.
10. Be flexible when negotiating salaries. If you can't pay as high a salary as your top candidate wants, can you give them other things that might mean a lot to them but not cost your organization as much? Be creative. Can you give them free parking, a laptop and blackberry, or more training? Can they work one day from home? Can you plan a six month review with a possible increase if the economy improves? Remember, a new search can cost more than the increase a candidate is requesting.

NPAG is available to help with your search needs as you hire responsibly and thoughtfully. We offer our retained search services unbundled so that you can hire us for only the work that you need and while keeping part of the process in-house, therefore saving on the price of a full search.

About Ellen Sibley, MBA, Vice President and Development Search Director at Nonprofit Professionals Advisory Group LLC:

Ellen Sibley leads executive search assignments and manages client relations across the full spectrum of Nonprofit Professionals Advisory Group clients. Previously, she served as a consultant with the Galler Group, a full-service executive search and consulting firm that focused on helping organizations hire senior development professionals and Isaacson Miller, a leading executive search firm serving the nonprofit sector. Ellen has worked with social service, advocacy, environmental, higher education, independent schools and nonprofit organizations to help them find Executive Directors, Vice Presidents of Development, Directors of Development, and Major Gift Officers. Ellen is a graduate of Milton Academy, holds a Bachelor of Arts in French from Trinity College, and a Master of Business Administration in Marketing from Columbia University's Graduate School of Business. To read more on Ellen and others at Nonprofit Professionals visit: http://www.nonprofitprofessionals.com/about_us.htm

About Nonprofit Professionals Advisory Group LLC:

Designed to operate with 'new economy' savvy, the Nonprofit Professionals Advisory Group unbundles traditional executive search and leadership transition packages and offers innovative, strategic, sophisticated services highly tailored to our clients' various needs and budgets. We work worldwide with mission-driven client organizations in the nonprofit, academic, and public sectors, as well as with the job seekers who serve them. Our team members are personally dedicated to our clients' missions and together offer more than 40 years of executive search experience in addition to the wealth of perspective, expertise, and networks they offer from previous careers in the nonprofit, academic, public, political, and private sectors. For more information, please visit our website at <http://www.NonprofitProfessionals.com>.

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