

## Nonprofits Pressured As Jobs Remain Open

BY MIKE SPECTOR

Nonprofits, already strained from declining donations, are facing another problem that could compound their woes: widening vacancies in senior leadership positions.

Despite the swelling ranks of jobless Americans from big corporate firms, many charities have been searching for months to fill key management roles. All told, about 77,000 senior management positions were open at nonprofits in 2008, according to a survey by the Bridgespan Group, a Boston firm that advises nonprofits. Those vacancies were 43% higher than Bridgespan had forecast two years earlier. What's more, an additional 24,000 senior positions are expected to open this year, Bridgespan found.

James Cleveland, president of Boston-based Jumpstart, a nonprofit that pairs college-student mentors with disadvantaged preschool children, has seen his staff stretched thin.

He would like to spend more time courting donors. Instead, he is often tied up overseeing the charity because he lacks a vice president of operations. Another unmet need: a vice president for government relations to help maintain the nonprofit's AmeriCorps community-service funding and nurture other donor relationships.

Mr. Cleveland already has laid off about 13% of his staff and slashed his budget to \$15.5 million from \$17 million as the recession drives down revenue. Jumpstart has grown quickly over the past several years and now serves 15,000 children in several U.S. cities. "I'm spending a lot more time operating the organization at a time when I should be spending a lot more time" raising money, he says.

Elsewhere, the YMCA in Atlanta has been looking for a chief financial officer for a few months, while the National Foundation for Teaching Entrepreneurship in New York needs a fund-raising chief. Project Sunshine, a New York charity that provides services to hospitalized children, took nine months

to find the new executive director it just hired.

The reasons for the paucity of nonprofit leaders are myriad. More jobs are being created as nonprofits grow and become more complex. At the same time, many baby boomers are retiring, vacating nonprofit jobs.

The positions can be hard to fill because nonprofits pay less than for-profit companies; executive directors of charities with budgets between \$500,000 and \$1 million earned about \$75,000 on average in 2006, according to GuideStar, an electronic database that gathers information about nonprofits.

Many charities are also insular in their searches, favoring those candidates with nonprofit experience over private-sector candidates. They worry that some talented laid-off employees from corporate America might be bad cultural fits with their organization's mission, or that they are interested mainly in a short-term paycheck, primed to jump ship when the economy rebounds.

Many nonprofit leaders today are unsure whether candidates from the private sector are "looking for a port in the storm," says David Simms, a partner at Bridgespan. "The last thing you need is to bring on senior leadership talent that's not committed to the mission."

Still, Mr. Simms says the current recession should serve as "a wake-up call" to some nonprofits to cast a wider net, tapping for-profit expertise flooding the job market in areas such as finance. In the past few years, many wealthy donors have increasingly looked for solid business plans at charities before committing money.

In some cases, business-minded candidates today are steering clear of nonprofits, daunted by the prospect of trying to boost donations during an historic downturn, says Marilyn Machlowitz, who runs an executive-search firm specializing in nonprofits.

For some candidates, "their faces wince visibly when I broach fund-raising," Ms. Machlowitz says.