

So you want to Work as a Non-Profit Executive...



Given my line of work, I am frequently asked to meet with senior-level executives who are either in transition or thinking about making a career move. Usually, they are people who are referred to me by people I already know and they are often executives who have had outstanding, successful careers.

I always ask them a very direct question at some point in these meetings - "Have you decided what you want to do next in your career?" Most everyone has given the question some serious thought before meeting with me and they usually have a handful of options they are considering.

More often than not, one of those options is taking their considerable success and skill in the for-profit sector and applying it to the non-profit sector. Viewed as a way of "giving back," this idea positively fascinates many executives. They imagine they will bring a set of skills that will make a sleepy non-profit organization turn into a high-performing machine conquering whatever problem it was created to fix.

While certainly admirable and noble, my experience with people transitioning from the for-profit to the non-profit world is this: it is far more difficult than you might expect. Most executives have a mental picture of non-profit life that is inaccurate and outdated - they expect to find people in leadership roles who are completely devoted to whatever cause they have embraced but who know little about management. That may have once been true, but it certainly is not true today.

So, when I hear executives embrace this idea of transitioning to a non-profit, I always do a reality check with them. Here are the things I tell them, all of which I have observed repeatedly in my role as a non-profit board director as well as during my early career in non-profits.

As a business executive, you must think about the opinions and needs of customers, investors, employees and, sometimes, regulators. A non-profit executive has a much larger group of shareholders to answer to: community members, funders, board members, clients, government agencies, media, employees - the list goes on and on. And since it is a non-profit, everyone usually thinks they have the right to be heard.

If you think you were a hero in your corporate gig when you cut your budget by 10% while increasing sales by 5%, you should know that is child's play in the non-profit world. This is a sector that defined the concept of doing more with less.

When things go badly in a for-profit company, the consequences can be serious, but not necessarily life threatening. If you choose to get involved in issues such as addiction, abuse, homelessness, poverty and the like, making a mistake can cost a life.

Contrary to popular belief, non-profits are famously and relentlessly competitive with each other. They are fighting for miniscule resources and seldom see the value in cooperation. I believe it is much easier for a company to buy and integrate a second-level competitor than it is for two \$500,000 non-profits to combine forces.

How do you feel about asking people for money? If you are going to be a successful executive in a non-profit, you are going to



spend a great deal of time trying to separate people, corporations and foundations from their money. And you have to do this without having a tangible, valuable product or service to trade as you did in the corporate world.

And speaking of money, you are going to make about half of what you expect to make in the non-profit world - which is about 25% of what you are actually worth.

So, how can you make the leap from the for-profit to the non-profit world successfully? Here are a few tips:

Join a non-profit board of directors and chair a critical committee such as finance or fundraising. This will give you an inside look at how things work. It will be less helpful if you simply join the board without chairing a committee.

Take on an important project for a non-profit organization as a volunteer. Make sure it is truly meaningful to the organization and involves several stakeholder groups.

Join a fundraising committee for a non-profit. Go out and ask people for donations.

There is no question that a senior role in a non-profit organization can be very fulfilling and energizing. Proceeding with caution rather than jumping into the deep end of the pool will make it all the more rewarding.

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