

Other Nonprofits are Hiring — Should Yours?

02.01.17

Nonprofits are hiring! That's according to human resources consultant Nonprofit HR and charity watchdog GuideStar. In 2016, they surveyed almost 450 nonprofits and found that more than half of all small, midsize and large organizations were actively seeking new staff. Only 8% of respondents planned to eliminate jobs.

Although the survey's results showed healthy job growth of 6% over 2015, plenty of nonprofits are still hesitating to add employees to the payroll. If your organization is on the sidelines but thinking about hiring in the near future, the following three questions can help you decide:

1. Do you need more staffers? Although this may seem like an obvious question, it isn't necessarily. Even if you plan to expand services and introduce new programs, volunteers may be capable of picking up the slack. Or current staffers may be underused on projects that are stagnating or winding down. Carefully examine your nonprofit's priorities and consider eliminating programs that aren't meeting expectations so that you can redeploy human resources where you need them most.

2. Do you have the money? Many nonprofits are experiencing a rebound in financial support to prerecession levels. Even if you're flush, the fact remains that nonprofits are obligated to be careful financial stewards. Donors, watchdog groups and the media demand it.

So consider how you'll make the most of any new staffing budget before you spend it. Is it more important to hire one executive-level person or two entry-level staffers? Are you hoping to attract someone from the for-profit business world? If so, you may need to pay him or her more than you would a candidate from the nonprofit sector. The bottom line is that you'll need to make hard choices, regardless of the size of your budget.

3. Is outsourcing an option? Remember that, when you hire full-time employees, the expense isn't limited to salaries or hourly wages — you'll also be paying for benefits. In many cases, it's cheaper to outsource functions, particularly accounting, IT and human resources work. Outsourcing offers the additional benefit of being temporary if you aren't happy with the vendor. Underperforming employees are much harder to let go.

These are only a few questions to ask before deciding to hire new employees. The important thing is to share the decision. Consult your organization's managers, board members and professional advisors.

BPM for Nonprofits

BPM is one of the largest California-based accounting and consulting firms, ranking in the top 50 in the country. It has served the San Francisco Bay Area's emerging and mid-cap businesses, as well as high-net-worth individuals, since 1986. Our Nonprofit services group, one of BPM's most established practice groups, consists of over sixty professionals across our tax, assurance and consulting practices. One of our founding goals was to make a difference in the manner nonprofits were served by our profession. Each member of our group brings differing expertise from our tax, audit, consulting and accounting departments - together we provide a comprehensive understanding of the functions needed to operate a nonprofit organization. For more information, contact Daniel Figueredo at (415) 288-6284 or Shannon Silverman at (408) 961-6308.