

**DRi Waterstone**  
HUMAN CAPITAL

**Attracting the Next Generation of Social Impact Leaders**

AUGUST 21, 2024

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**DRiWaterstone Human Capital**

- Founded in 2001 by former nonprofit executives who have experience in fundraising, leadership, strategy, program design, and team-building.
- A boutique executive search firm that works with purpose- and mission-driven organizations – nonprofits, associations, foundations, international relief agencies, and some government agencies.
- Completed over 1,000 searches from coast-to-coast.

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# Setting the stage



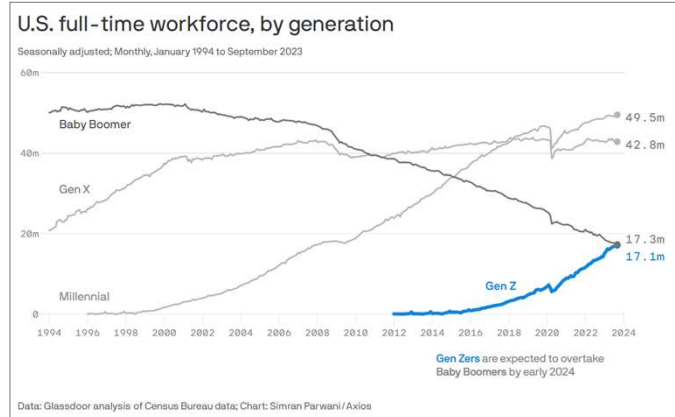
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# Key Statistics



Millennials represent the largest share of the U.S. workforce. Gen Z's share is growing rapidly.



Millennials: born 1980 – 1996  
Gen Z: born 1997 – 2013

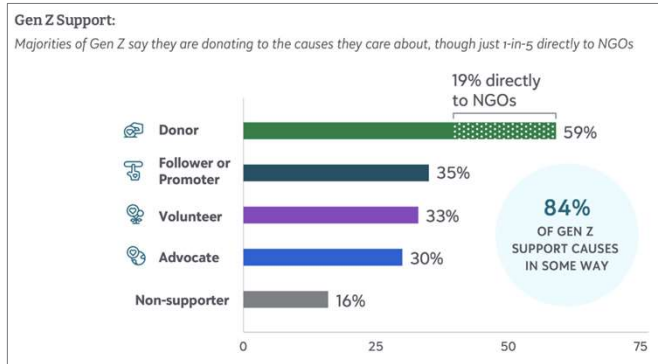
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## Key Statistics



**84% of Gen Z support nonprofits in some way**



Source: Gen Z at the Table: A Special Edition of The Next Generation of Giving



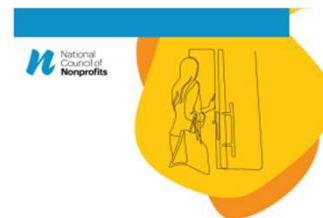
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## Key Statistics



**52% of nonprofits said they had more vacancies than before the pandemic.**

**74% of nonprofits reported vacancies in their program and service delivery positions.**



**2023 Nonprofit Workforce Survey Results**

Communities Suffer as the Nonprofit Workforce Shortage Crisis Continues



Source: 2023 Nonprofit workforce survey results; National Council of Nonprofits

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## Key Statistics



**50% of nonprofit leaders feel more concerned about their own burnout than this time last year.**



Source: Nonprofit Voice Project; State of Nonprofits 2024: What Fundraisers Need to Know

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## Key Statistics



### Nonprofit CEOs are Under Pressure

#### Nonprofit Leaders Love Their Jobs

**97%** Share of nonprofit leaders who say the benefits of their jobs outweigh the negatives.

**96%** Share of nonprofit leaders who say they feel tremendous satisfaction in their jobs.

#### Being a Nonprofit Leader Is Hard

**90%** Share of nonprofit leaders who say they feel tremendous pressure to succeed

**88%** Share who say the demands on nonprofit leaders are never-ending

**58%** Share of nonprofit leaders who say they struggle with work-life balance because of the demands of their jobs



Source: 2023 Chronicle of Philanthropy State of Nonprofit Leadership Research Study

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# Key Statistics



## Nonprofit CEOs are Under Pressure

### Fundraising Is a Source of Frustration

**80%** Share of nonprofit leaders who say securing the money their organizations need is becoming more and more challenging

**62%** Share of nonprofit leaders who say the fundraising demands of their jobs have increased significantly

**47%** Share of nonprofit leaders who are satisfied with the amount of time they have to spend raising money

**24%** Share of nonprofit leaders who are satisfied with the amount of fundraising their boards do

### Many Leaders Plan to Leave Their Jobs

**33%** Share of nonprofit leaders who say they are likely to leave their current position in the next two years

**22%** Share of leaders who say they are likely to leave the nonprofit world altogether in the next two years



Source: 2023 Chronicle of Philanthropy State of Nonprofit Leadership Research Study



## Highlight the unique benefits of working for a nonprofit



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## Highlight the unique benefits of working for a nonprofit



1. Ability to witness the direct impact of your work
2. Opportunity to interact with leadership and board members
3. Environment that encourages team members to implement creative solutions quickly
4. Decision-making ability and autonomy
5. Greater responsibility and exposure



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## Showcase your purpose, culture, and plans



1. A compelling mission
2. Workplace culture: emphasis on belonging and inclusion.
3. Leadership's vision and plans. Where is the organization going?
4. Describe ways that the individual will contribute to the organization's growth and mission.
5. Involve your team in the interview process.



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## Prioritize professional development



1. Mentorship opportunities
2. Support for ongoing training and certifications
3. Map out metrics to bonuses and promotions



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## Explore alternative compensation and benefits – be creative



1. Signing bonus
2. Success-linked rewards: bonuses
3. Opportunity for additional vacation



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## Emphasize your workplace differentiators



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## Emphasize your workplace differentiators



1. Hybrid or remote work options
2. Schedule flexibility
3. Offering vacations around major holidays (e.g., Labor Day, Independence Day, etc.)
4. Other



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## Promote your culture early and often



1. Website and social channels: Include details about your workplace culture and benefits.
2. Feature team members highlighting their jobs and why they love working there – perfect for social media and YouTube.
3. Monitor reviews on Google and Glassdoor



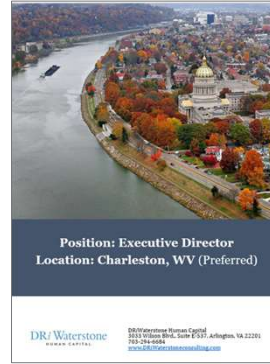
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## Things to consider when hiring



1. Use a compelling position overview: selling the organization, the role, the opportunity.
2. If it's a national search and you are in a small market, be sure to promote your community.
3. For executive and highly specialized roles, partner with a search firm that:
  - a) Is familiar with your sector
  - b) Has a clear search process
  - c) Has a proven track record



## Monitor turnover and the reasons for it



1. Engagement surveys
2. Engagement teams
3. Exit interviews



## Let's Not Forget the Executive Team



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## Boards must step up to help CEOs



1. Narrow the scope of the organization's services
2. Watch out for mission creep
3. Evaluate your board make up and performance (annually)
4. Constantly rebuild and rejuvenate the board



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## Succession Planning



1. Identify the critical roles within the organization: CEO, CFO, CDO, etc.
2. Develop and cultivate internal talent
  - Cross-training
  - Exposure
  - Professional development
3. Develop contingency plans for unexpected departures
4. Maintain relationships with search firms that know your organization and sector.



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# Questions?

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