



## **INDUSTRY OVERVIEW: NONPROFIT ORGANIZATIONS**

### **What are nonprofit organizations?**

Nonprofit, not-for-profit, or nongovernmental organizations (NGOs) operate to fulfill a mission, to benefit the community and to serve the public. They are overseen by volunteer boards of directors and are financed by grants and donations. Nonprofits are diverse in their missions and in the communities they serve. Some nonprofits operate to serve a member base while others operate to benefit the general public.

In general, there are four main types of nonprofits : 1) direct service providers – those that provide services to their constituents; 2) support providers – those that provide support and assistance to other nonprofit organizations, 3) funders – those that provide financial support to other nonprofits, and 4) advocacy organizations – those that shape public policy around an issue. Some examples of types of nonprofits include: education, health care, membership / professional organizations, legal services, research, urban planning, community development, civil rights, social advocacy, human rights, environmental conservation, and the arts. There are an enormous variety of careers within the nonprofit industry. Virtually any career you can find within a business such as accounting, finance, operations, human resources, strategic planning, law, information technology, and marketing can be found in a nonprofit organization as well (please see Industry Overviews for more information on these careers). For additional careers in nonprofits, review the Industry Overviews for Education, Jewish Community, Social Work, and Allied Health.

### **Career Tracks**

Development / Fundraising: Development professionals work to raise money to support their organizations. Nonprofit organizations could not exist if they did not raise the money necessary to fulfill their missions. Jobs within development can involve writing grants to foundations to apply for funding, planning and implementing fundraising events, building and maintaining relationships with individual and corporate donors, conducting research on potential donors, writing reports to keep donors abreast of activities (stewardship), writing letters requesting donations, and maintaining data on donations and different funding sources. Most positions in development involve working with people and essentially selling the organization's mission to possible donors. It is important to be professional and polished while also making people feel comfortable and interested in the organization. Positions within Development tend to pay on the higher end of those in the nonprofit industry.

Direct Service: Careers in direct service involve working on a more grassroots level to support the organization's mission. Those in direct service work directly with constituents and provide services to help the organization achieve its mission. Examples of careers involving direct service are: counseling clients in a homeless shelter, organizing a march to advocate for animal rights, planning and implementing activities in an afterschool program for at-risk youth, teaching, providing legal services to domestic violence victims, providing health information and screenings at a community center, conducting religious outreach, organizing an exhibit at a museum, and planning events for special needs adults in a group home. Depending on the area of focus of an organization, direct service work can be very intense and require dedication to the organization's mission and clients. Those working in direct services tend to earn less than those working in development and administration.

Programming: Positions within this area of the nonprofit sector involve developing, planning, and implementing events, programs, and services that help fulfill an organization's mission. Positions in

programming could involve planning a national conference for a professional organization, planning a series of events to advocate for and educate the public on human rights, organizing workshops for single mothers on parenting skills, developing and teaching a job readiness curriculum for former inmates, working with college students to plan and implement a new student orientation program, and planning a series of seminars and fairs to educate the public on disease prevention. There is a significant amount of overlap between direct services and programming roles within the nonprofit community. However, the latter involves more planning and implementing of projects.

Advocacy: Careers in advocacy involve working to shape public policy around a particular issue and educating the public. Working in advocacy could involve conducting research, writing reports, organizing events to raise awareness, and lobbying. Examples of issues an organization may work to promote include: gun control, animal rights, women's rights, civil rights, arts and cultural organizations, organizations advocating for healthcare issues, and environmental concerns.

Foundations: Foundations are nonprofit organizations that give away money to other nonprofit organizations to enable them to carry out their missions. There are two main types of foundations, private and public. The funding for a private foundation is derived from one source—usually an individual, family, or corporation—whereas a public foundation's money comes from a variety of sources, including, private foundations, individuals, government agencies, and fees for service. Positions in foundations are highly coveted within the nonprofit sector as they are the organizations giving away money as opposed to asking for funding. Common positions found in foundations include: administrative roles, where the main function is the overall running of the foundation; program officers, who review grant applications and make recommendations as to which organizations receive funding, conduct research on organizations whose missions fit within the scope of the foundation, and write reports on grantees; and grants managers, who work on the day-to-day details of following-up on grant recipients progress and writing reports on how grants are spent.

Administration / Management: Careers in administration and management involve overseeing the overall functioning of the organization. Those working in administration and management supervise staff, report to the organization's board of directors, and oversee the direct service, programming, and/or advocacy work to make sure that the organization is working to fulfill its mission. Positions in this area also include the more business oriented positions such as finance, human resources, communications, information systems, legal counsel, and operations.

## **Requirements/Skills**

The requirements and skills for the nonprofit industry vary greatly depending on the career track you choose. That said, nonprofit organizations generally like to hire people whose interests and values match the organizations. When thinking about a career in the nonprofit sector think about your values as well as your skills. Give some thought to what kinds of organizations you are interested in working for by industry (healthcare, children, poverty, education etc.) and by mission. As a whole the nonprofit sector seeks employees who are dedicated to what they do and the organizations for which they work. Since they are notoriously understaffed and overworked it is important to have a "can-do" attitude and be willing to go beyond the scope of your job description.

## **Salary**

Salaries in the nonprofit sector are very closely related to the type of organization and its operating budget. While entry-level positions are typically lower than in the for-profit arena, senior positions in management, administration, and fundraising for large organizations can have much higher earning potential. In fact, salaries in the New York City area can reach well into the six figure range for upper management (example organizations include: hospitals, universities, large cultural and arts organizations). Organizations with smaller operating budgets have lower salaries, even for senior executives. Salaries in development and fundraising tend to also be somewhat higher as those positions bring in money to the organization. Many of the more typical

business positions (finance, information technology, legal counsel, communications) also tend to offer slightly better compensation than other areas, as the nonprofit sector tries to compete for talent with the for-profit sector's much higher earning potential for similar positions. Positions in direct service tend to have lower salaries and lower earning potential.

Generally, starting salaries in the nonprofit industry range from \$28,000 to \$32,000, depending on the type of position, type of organization, and operating budget.

### **Professional Associations**

Young Nonprofit Professionals Network ([www.ynpn.org](http://www.ynpn.org))

Emerging Practitioners in Philanthropy ([www.epip.org](http://www.epip.org))

Society for Nonprofit Organizations ([www.snpo.org](http://www.snpo.org))

### **Publications**

*The Non Profit Times, City Limits*

### **Websites**

[www.idealists.org](http://www.idealists.org)

[www.commongoodcareers.org](http://www.commongoodcareers.org)

[www.nonprofitjobs.org](http://www.nonprofitjobs.org)

[www.orionsociety.org](http://www.orionsociety.org)

[www.interaction.org](http://www.interaction.org)

[www.socialservice.com](http://www.socialservice.com)

[www.thenonproffitimes.com/npt-jobs-career-center](http://www.thenonproffitimes.com/npt-jobs-career-center)

[www.vfp.org](http://www.vfp.org)

[www.cdsintl.org](http://www.cdsintl.org)

[www.nonprofitstaffing.com](http://www.nonprofitstaffing.com)

[www.philanthropy.org](http://www.philanthropy.org)

[www.fdncenter.org](http://www.fdncenter.org)

[www.opportunityknocks.org](http://www.opportunityknocks.org)

[www.hizdamnuyot.com](http://www.hizdamnuyot.com)