

Small Nonprofits

Big Impact

Talent Challenges
and Opportunities



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Small Nonprofits Big Impact

Talent Challenges and Opportunities



The United States has more than 1.5 million nonprofit organizations, which provide approximately 12.8 million jobs, making it the third largest employment sector in the country. Based on their annual operating budget, a significant majority of nonprofits are classified as “small.”

Small nonprofits make a significant impact on communities. They respond to localized needs and provide essential services and programs that improve people's lives.

A small nonprofit is generally defined as an organization with an annual budget of less than five million dollars. These organizations are small in budget only. They are staffed by leaders, program managers, and volunteers with deep knowledge and caring for the social fabric of our communities.

Small Nonprofits, Big Impact | Talent Challenges and Opportunities is designed to provide talent management support for smaller organizations, defined in this report as organizations with two million dollars or less in the operating budget. Our goal is to share current compensation data for key positions within smaller organizations, identify significant hiring and retention trends, and recognize the impact of social and governmental challenges on small nonprofits.

To ensure long-term viability, small nonprofit organizations must adopt strategic, creative approaches focused on operations, hiring and retention, financial sustainability, and navigating cultural and regulatory changes in talent management.

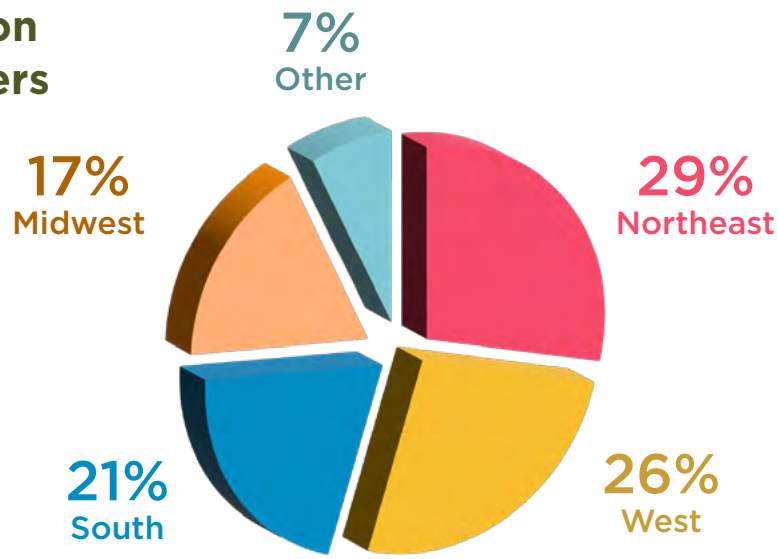
The Nonprofit Compensation Practices and Benchmarking Report (representing findings for nonprofit organizations with budgets up to \$250 million) and **Small Nonprofits, Big Impact | Talent Challenges and Opportunities** are based on a national survey conducted in Fall 2024. Six hundred and fifteen organizations participated in the study.

At Career Blazers, we are privileged to support so many innovative, deeply committed nonprofit organizations. To learn more about Career Blazers, please visit CareerBlazersNonprofitSearch.com.

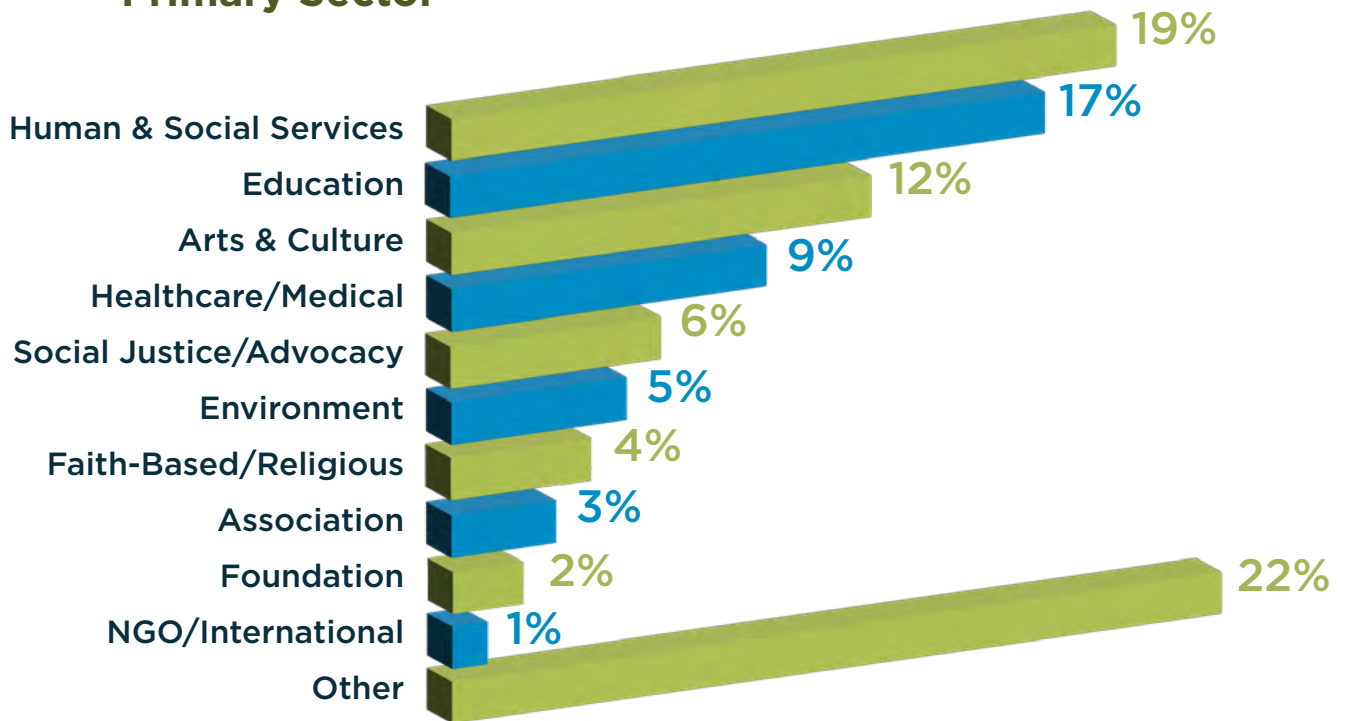
Profile of Small Nonprofits, Big Impact Contributors

This report's research is based on survey responses from nonprofit organizations with two million dollars or less in annual operating budgets. These "small" organizations primarily address local needs and are staffed by individuals with deep respect for and knowledge of their communities. Although small in budget, their impact is significant.

Organization Headquarters

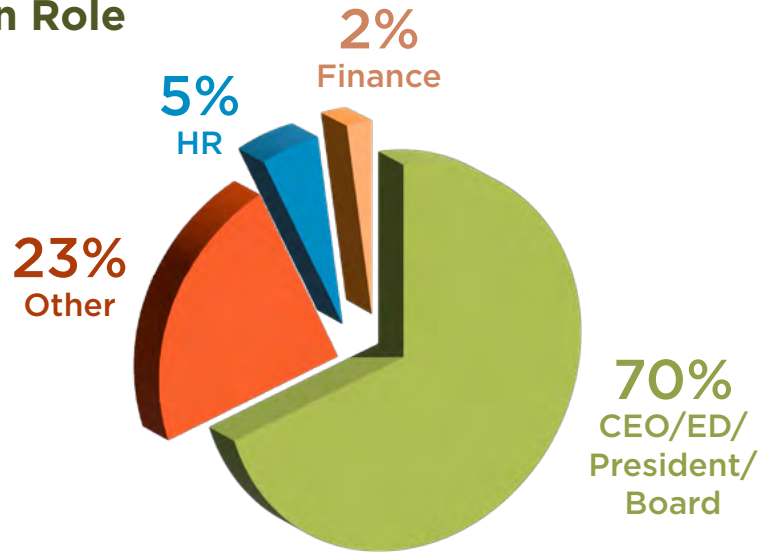


Primary Sector

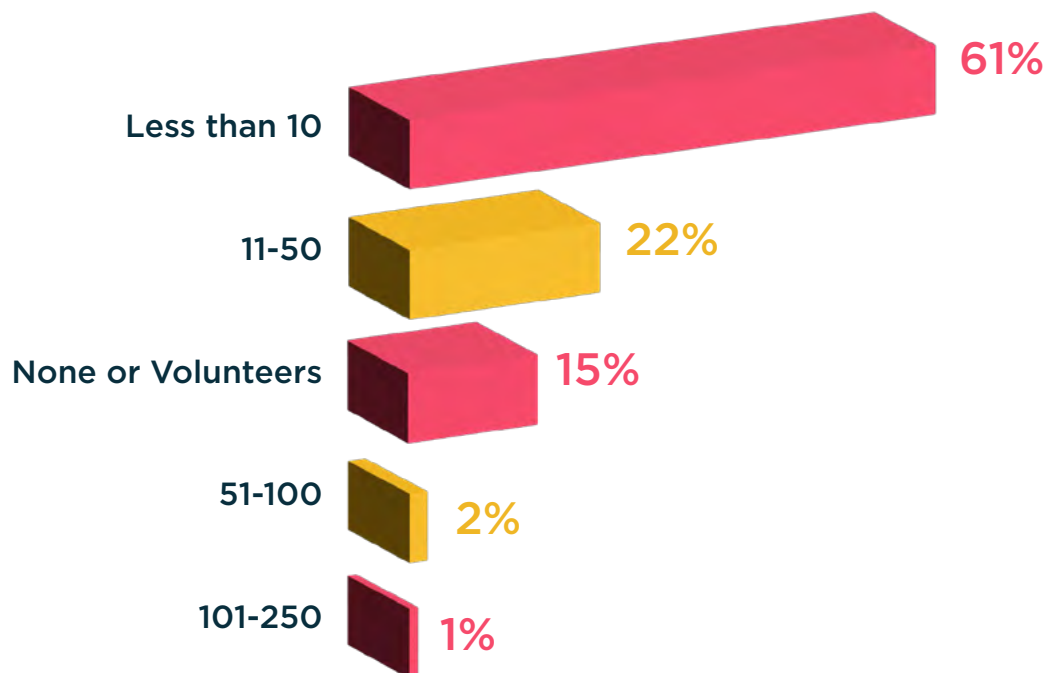


Profile of Small Nonprofits, Big Impact Contributors

Organization Role

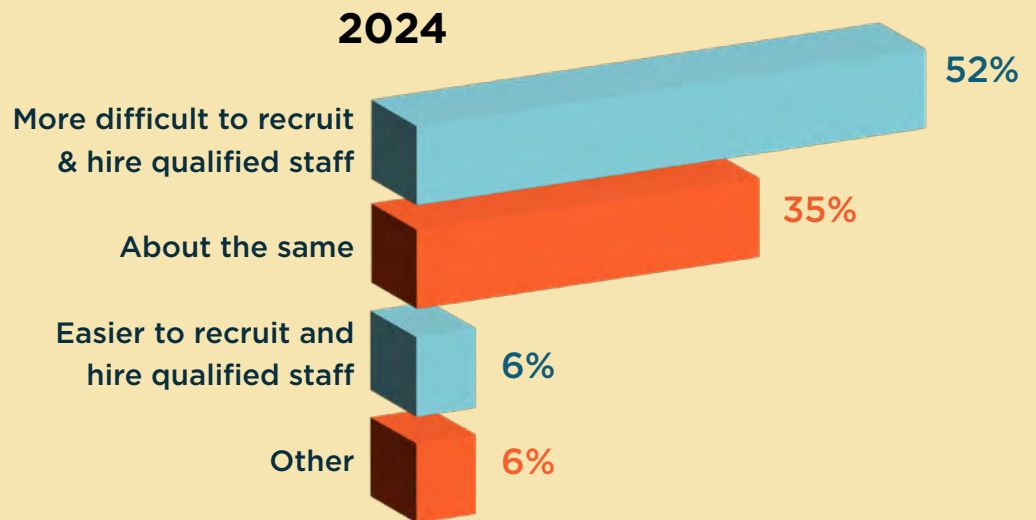


Full-Time Employees



Recruiting Challenges

Difficulty Level in Recruiting



Recruiting and hiring qualified staff has always been challenging. Our data shows that these challenges vary significantly between smaller and larger nonprofits, offering important insights into the recruitment difficulties faced by smaller nonprofits.

Over half of the smaller nonprofits found recruiting and hiring more difficult in 2024, indicating a persistent struggle to attract and retain talent.

Several factors may contribute to the heightened recruitment difficulties for smaller nonprofits. These organizations often operate with tighter budgets, limiting their ability to offer competitive salaries and benefits compared to larger organizations. In addition, larger nonprofits typically have more established brands and reputations, making them more attractive to potential candidates. Being less known, an organization may struggle with visibility and perceived stability.

Difficulty Level in Recruiting



Two significant structural issues impact the difficulty level:

- In smaller nonprofits, employees often manage broader job scopes. While this may appeal to some, most candidates seek specialized roles and clearer career progression.
- Larger nonprofits usually have more robust recruitment processes and dedicated HR teams, whereas smaller organizations frequently lack these resources, leading to less efficient hiring practices.

The strongest factors in overcoming this challenge are the nonprofit's visibility and ability to emphasize its unique mission and impact. Passionate candidates are often motivated by the opportunity to contribute to meaningful causes.

Maintaining visibility and garnering opportunities to be seen in the community is valuable on many levels; attracting employees now and in the future is certainly one of them. Among the intangibles candidates seek are benefits like flexible working conditions, strong organizational culture, and opportunities for personal and professional growth.

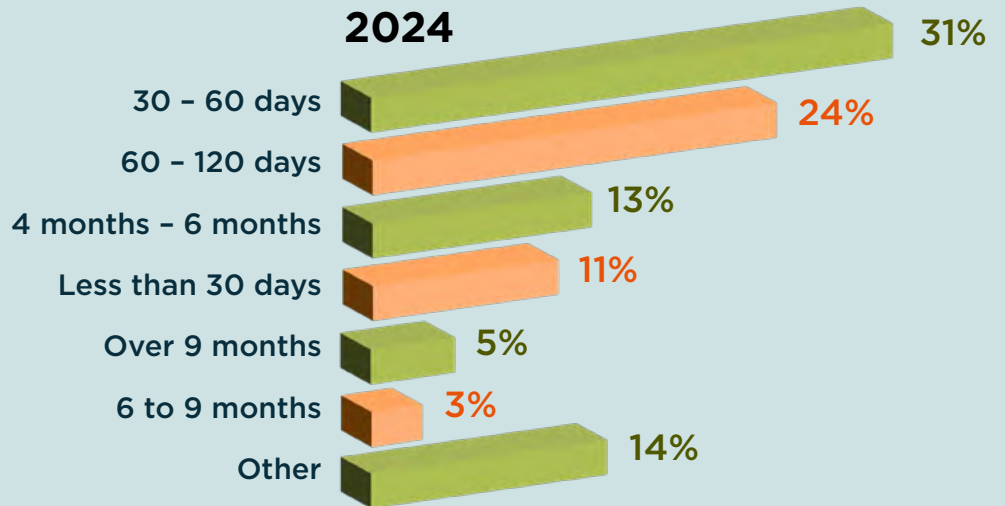
By addressing these areas, smaller nonprofits can better position themselves to compete in the talent market and successfully recruit the staff they need to fulfill their missions.

Recruiting Challenges



Average Vacancy

(length of time to replace or hire new staff)



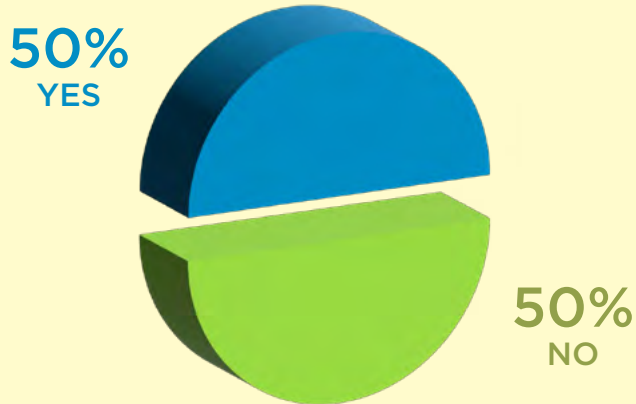
Smaller nonprofits are seeing lower vacancy rates as the country moves further away from the onset of the pandemic. Fifty-five percent are still experiencing extended time-to-hire rates. These staffing vacancies often impact service delivery, overextend current employees, and influence donors. Collectively, it becomes harder to maintain organizational efficiency and effectiveness, jeopardizing the organization's long-term sustainability.

Vacancies significantly impact a limited team size, pushing current employees to increase workloads and fulfill growing service demands. The jobs most commonly unfilled are those that interact with the public the most. The result is reduced services and sometimes elimination of services.

A proactive focus on retention and hiring strategies will continue to improve vacancy rates. These strategies include a focus on competitive benefits, such as flexible work arrangements and professional development. They also emphasize the importance of a positive workplace culture and employee well-being. Organizations can distinguish between baseline job expectations and incentives for high-value performance. Additionally, it's essential to tell your brand story effectively. Finally, cultivating intentional talent strategies that focus on immediate hiring needs while planning for next-stage HR and talent needs can substantially improve vacancy rates.

Recruiting Challenges

Reaching the Best Candidates 2024



In smaller nonprofits, employees often wear multiple hats, which can be both a strength and a challenge.

While the 'multiple hat syndrome' is common in smaller organizations, creating future-focused talent strategies to ensure 'a leader for every role' is essential for sustainability and market share.

The 50:50 Odds Can Change in 2025

1. Larger nonprofits typically offer more competitive compensation packages, including comprehensive benefits critical in attracting top talent. Smaller nonprofits may struggle to match these offers. However, they can compete by emphasizing non-monetary benefits like mission-driven work, flexibility, and work-life balance.
2. Larger organizations often have the resources to invest in extensive training and development programs, making them attractive to career-focused candidates. Smaller nonprofits may need to be more creative in providing growth opportunities, such as mentorship programs and partnerships with educational institutions.

The 50:50 Odds Can Change in 2025

3. Smaller nonprofits may offer a close-knit, family-like culture that appeals to certain candidates. This environment can foster strong connections and a sense of community, which is less prevalent in larger organizations. Combined with the agile decision-making process frequently found in smaller organizations, this attracts innovative candidates who want to make a tangible impact.
4. Strategic processes can trump dollars. While smaller nonprofits might lack an adequate marketing budget to promote their job openings and organizations effectively, enhancing the nonprofit's online presence and leveraging social media help mitigate impressions about the overall stability of smaller nonprofits.

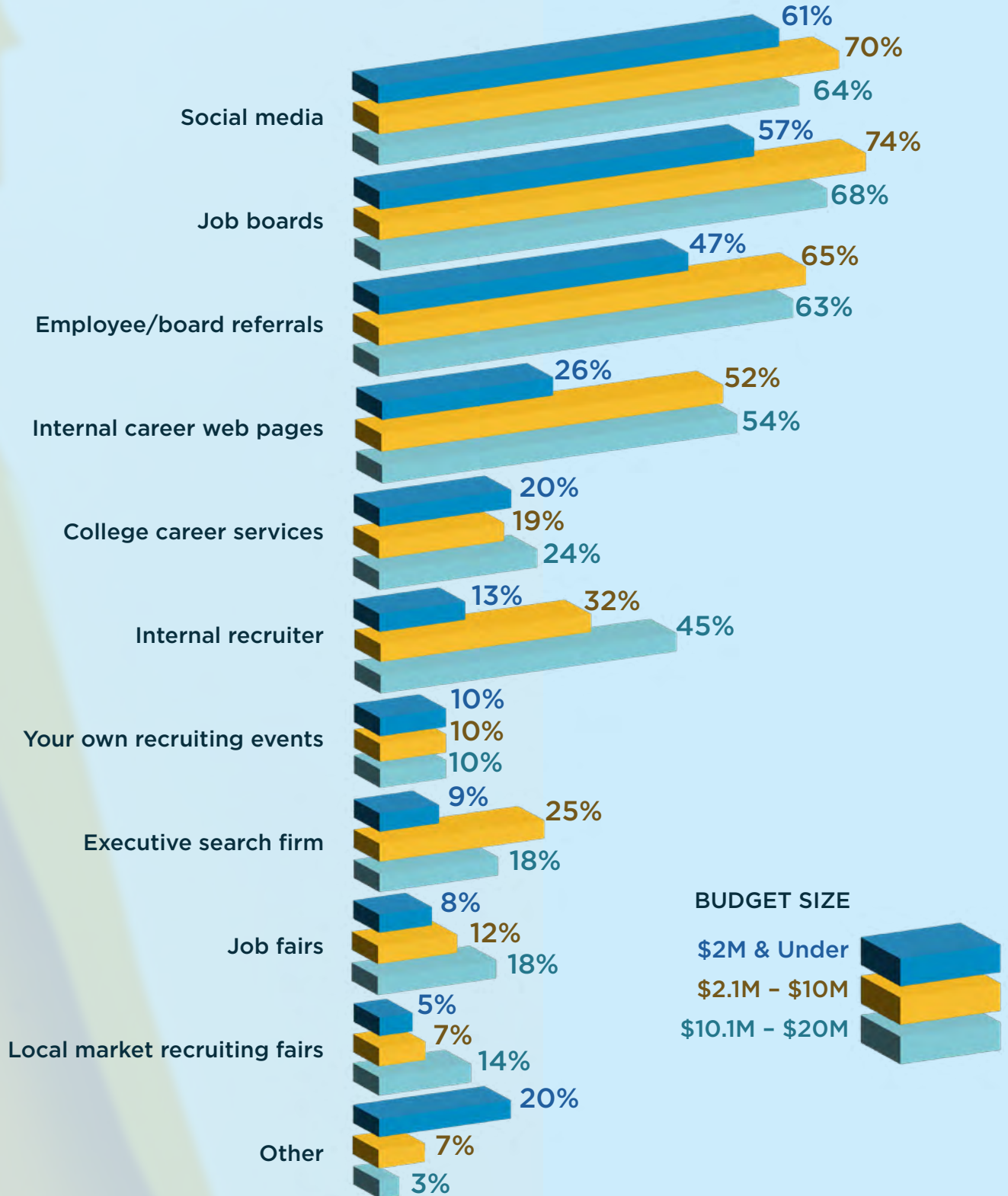
Smaller nonprofits can alter career-growth perceptions by offering strong development programs for volunteers, interns, and employees. These programs can serve as a pipeline to building a committed, talented workforce and strong employer brand.

Turning to new talent search resources, engaging in the community, building partnerships, and developing efficient, effective, and repeatable internal systems and processes builds organizational strength, brand, and interest from the best candidates.

By understanding these nuances, smaller nonprofits can better navigate their recruitment challenges and develop targeted strategies to attract and retain the best candidates, ensuring their organizational growth and mission success. Building a mission-aligned talent pipeline, even during non-recruitment periods, can simplify future hiring efforts.

Recruiting Challenges

Methods Used to Reach New Candidates



Methods Used to Reach New Candidates

The data on page 10 illustrates several key trends and differences in recruitment methods between smaller and larger nonprofits. Available financial and human resources often limit a smaller organization's ability to hire a dedicated recruiter or utilize a search firm, but there are ways for those with limited resources to attract and secure talent.

These figures indicate diverse recruitment methods, with social media, job boards, and employee/board referrals being the most popular across all organizations. For smaller nonprofits, maximizing these cost-effective tools can attract talent without exceeding budgets.

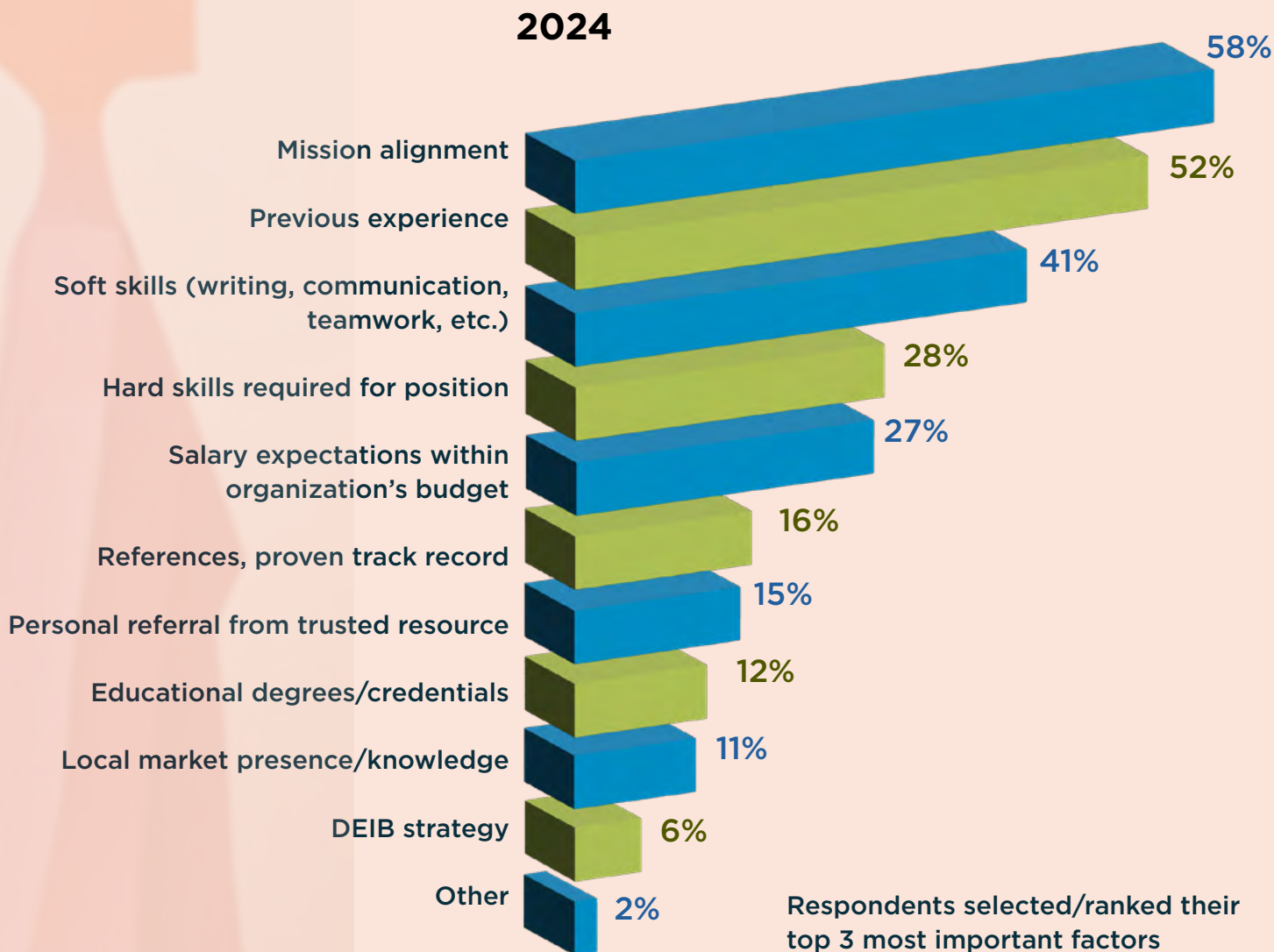
Smaller organizations can benefit from expanding their social media presence by creating engaging content highlighting their mission and impact.

Although smaller organizations utilize job boards significantly less, they may explore free local boards.

Websites are a significant source for larger organizations. Creating a simple, dedicated career page for job openings, and including volunteer opportunities can strengthen outreach.

Recruiting Challenges

Factors Considered Most Important When Hiring



For the past two years, mission alignment has consistently been the top factor for all nonprofits. This underscores the importance of the most successful candidates aligning with the organization's core mission and values. Similarly, prior experience remains a universally critical factor.

Recruiting Challenges

Factors Considered Most Important When Hiring

Soft skills can often be more important than hard skills in smaller nonprofit organizations, depending on the nature of the work environment, the range of responsibilities, and the unique challenges smaller nonprofits face.

Staff members might be required to handle tasks beyond their primary job description. Soft skills such as adaptability, problem-solving, and effective communication enable employees to transition smoothly between diverse roles and responsibilities. In addition, smaller nonprofits may lack the resources or need for an individual with a specialized function.

Collaboration and critical teamwork skills in a smaller organization require individuals better able to navigate conflict, facilitate action, and foster a positive, mission-driven culture.

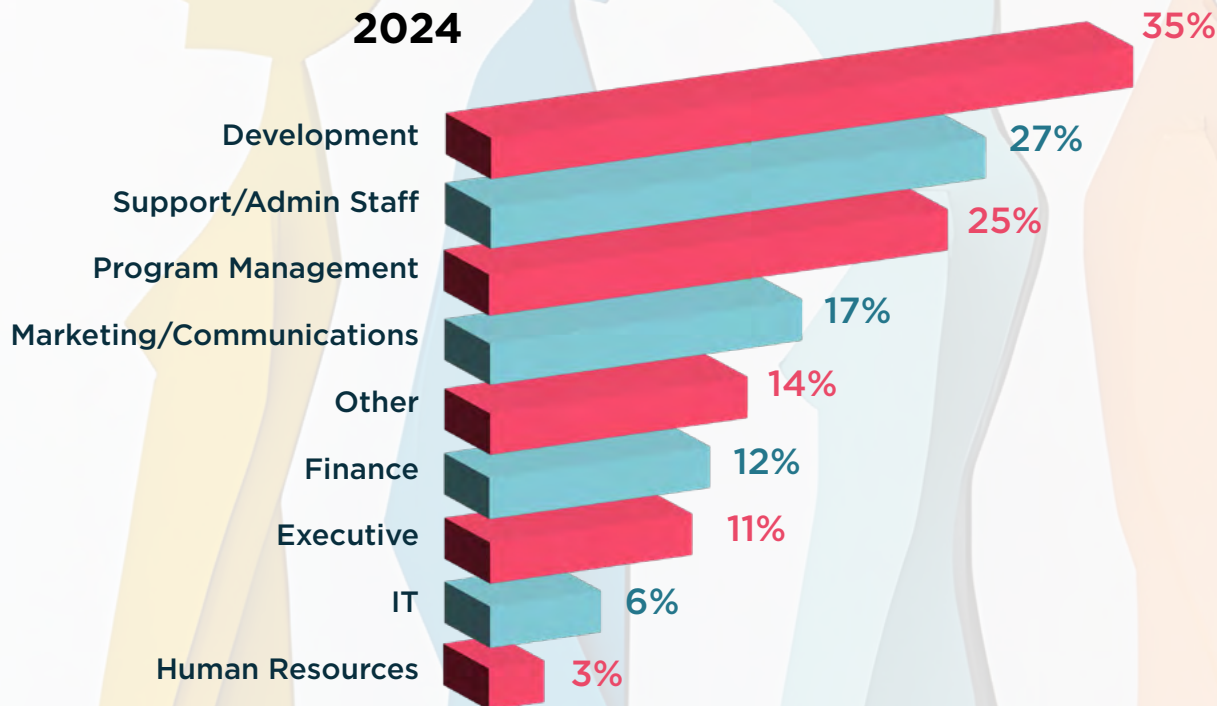
Small nonprofit staff frequently engage directly with stakeholders, including donors, volunteers, and community members. Effective communication skills are vital for building and maintaining this relationship, which is critical for the organization's success. Employees who communicate effectively, verbally and in writing, can better advocate for the cause, raise awareness, and secure support.

Soft skills like empathy and passion for a cause cannot be understated. Leadership skills can allow the organization to develop talent and position individual's for growth, and further drive the organization's success.

While hard skills are essential for performing specific functions, the versatility, collaboration, communication, innovation, mission alignment, and leadership potential that soft skills bring are indispensable in the resource-constrained and dynamic environments typical of smaller nonprofits. Prioritizing soft skills in hiring and development can help small organizations build resilient, adaptive, and high-performing teams.

Recruiting Challenges

Most Difficult Positions to Fill



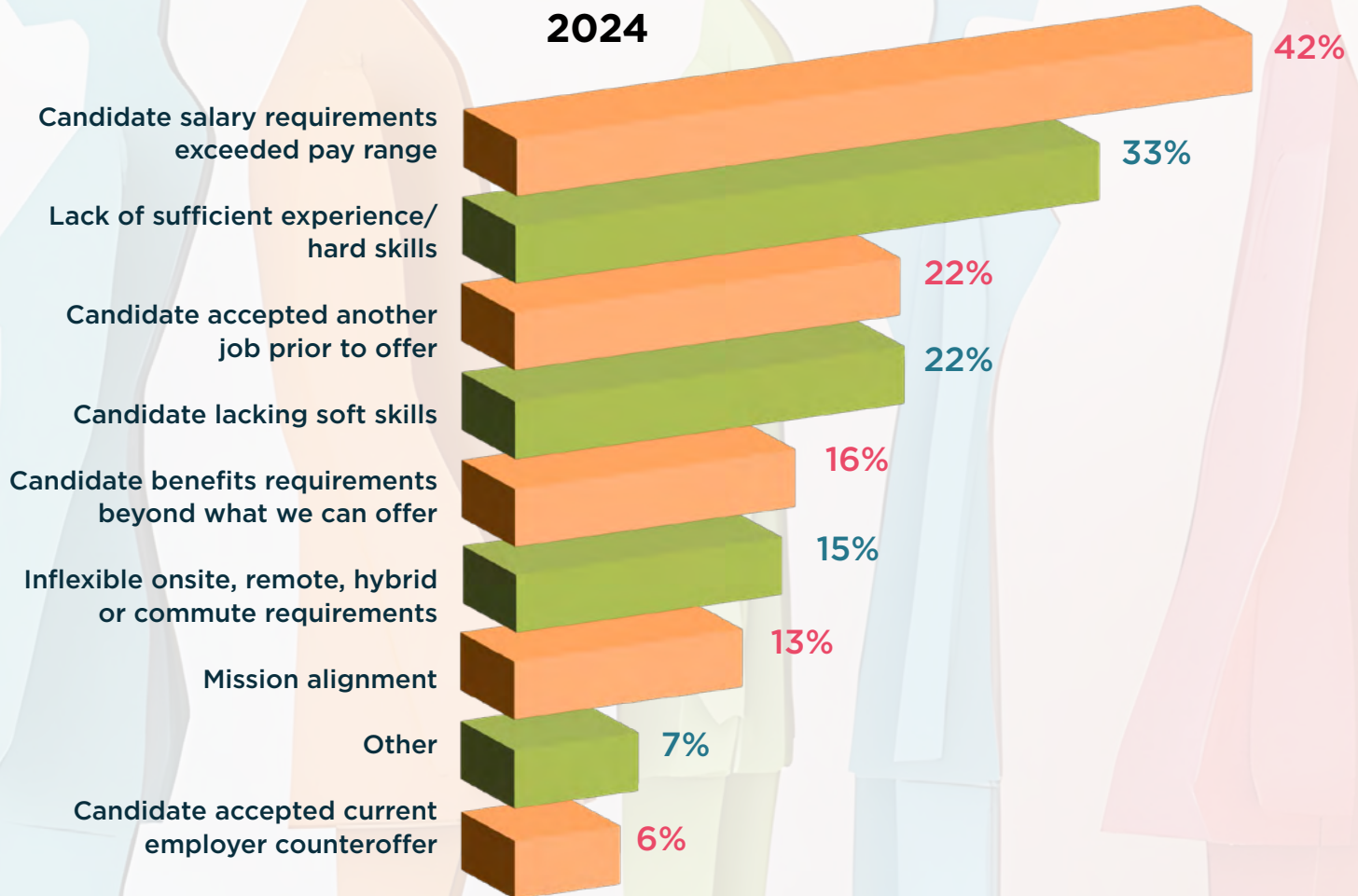
Development roles are consistently the most difficult for an organization to fill. The largest organizations fare a bit better based on their recruiting acumen, resources, and, very importantly, their name recognition.

Support and administrative roles are challenging for smaller organizations as those roles are to daily operations and often require covering a wide range of tasks. Finding versatile candidates with the necessary hard and soft skills can be challenging, particularly when limited budgets result in less competitive salaries and benefits.

Smaller nonprofits can enhance their brand by highlighting the benefits of working with a flexible, agile organization that values employees' impact and contributions. Offering learning experiences with hands-on involvement in the mission can be a substantial perk to prospective employees.

Recruiting Challenges

Top Reasons for Rejecting or Losing a Candidate

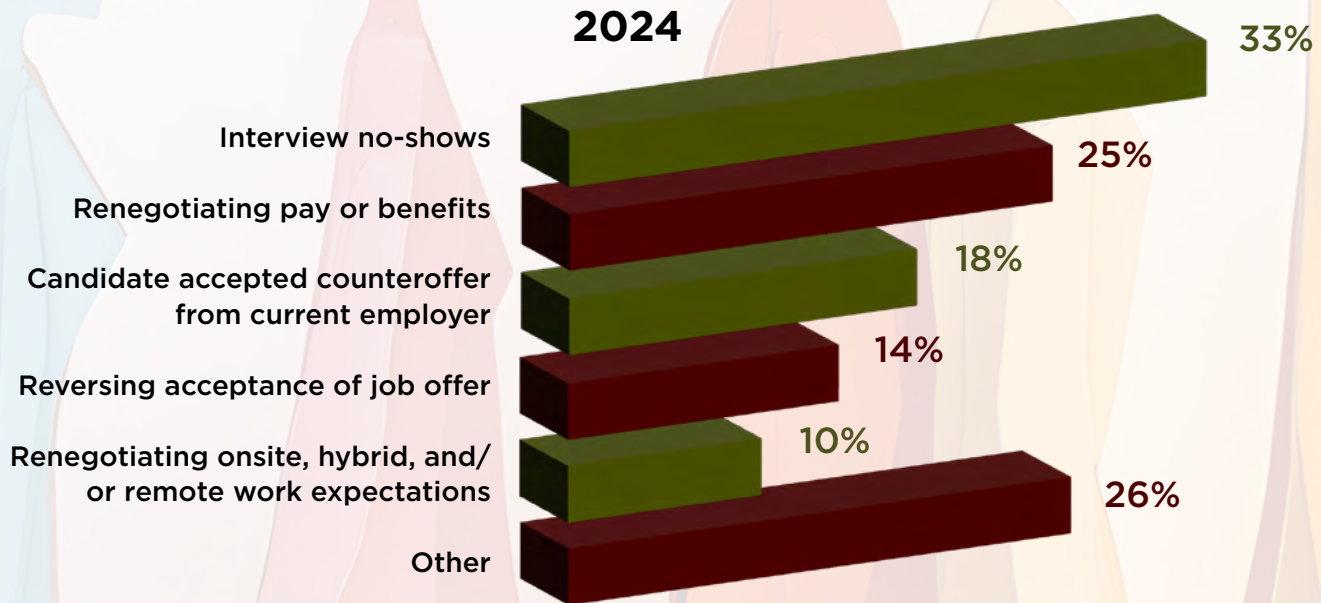


The most common reason for rejection or losing candidates across all organization sizes is salary requirements exceeding the pay range.

Interestingly, the lack of skills is less of an issue for smaller nonprofits, likely because their employees often wear multiple hats rather than filling specialized roles. These organizations may prioritize candidates with broad skill sets and a willingness to learn over those with specific hard skills, broadening the talent pool and improving hiring success.

Recruiting Challenges

Candidate Behaviors Experienced During Past Year



Overall, this data demonstrates that smaller nonprofits experience more favorable candidate behaviors. This might be explained by some unique advantages of the smaller organizations.

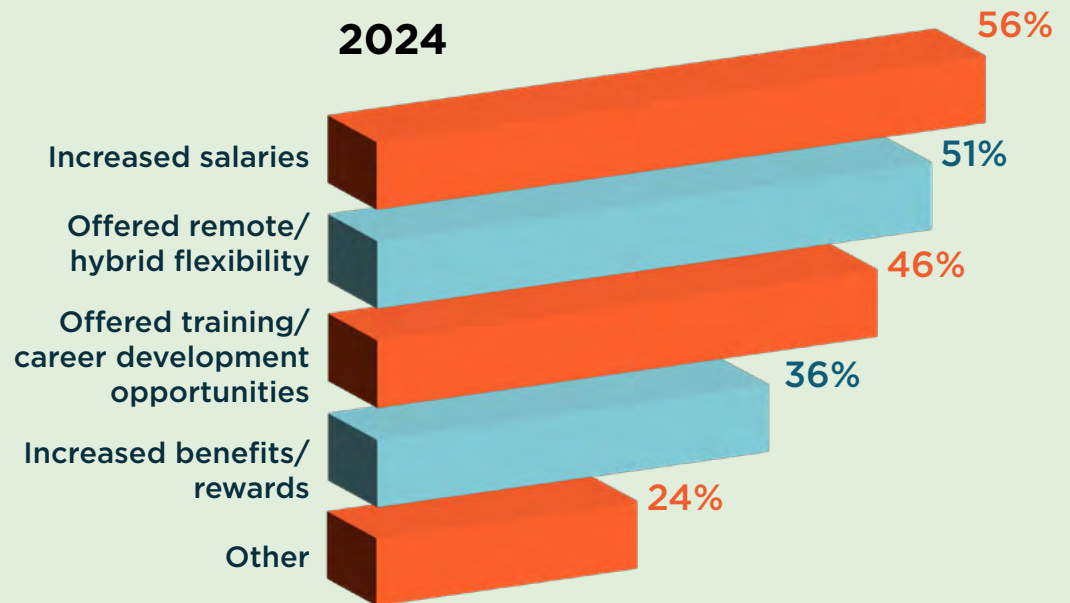
Interview no-shows may be less due to a more personalized or streamlined process as compared to larger organizations. Candidates may have an opportunity to meet members of the team and feel a more personal connection to the team, reducing reversed decisions and renegotiating. There may also be a community factor, where the local ties foster a sense of loyalty and commitment.

Smaller organizations might leverage these strengths to further enhance their recruitment process by highlighting the mission-driven culture and sharing real stories that exemplify impact on the community. The organization can personalize candidate engagement with warm transparency and introductions to key team members.

Streamlining the interview process demonstrates your genuine interest in the candidate and respect for their search process.

Retention Challenges

Actions Taken to Keep Your Best Employees



For years, the nonprofit sector has grappled with the high turnover rate among development directors. This report notes that 35% of smaller nonprofits find development the most challenging role to fill. In the [2025 Nonprofit Compensation Practices and Benchmarking Report](#), forty-six percent of all nonprofit organizations surveyed rated development as the most challenging position to replace.

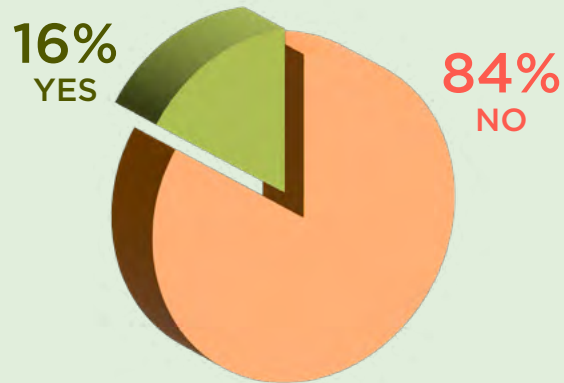
However, development roles aren't the only challenge. Nonprofit leaders often struggle to retain employees because they lack effective retention strategies. Given the hiring challenges post-pandemic, what steps are nonprofits taking to retain their top talent? As shown in the chart above, key actions include increased salaries, offering remote/hybrid work flexibility, and providing training and career development opportunities.

Hiring the right team member is the foundation of success. By re-evaluating your hiring process, prioritizing fair and transparent pay practices, and fostering a healthy, growth-oriented workplace culture, you can attract and retain employees who thrive at your nonprofit.

Retention Challenges

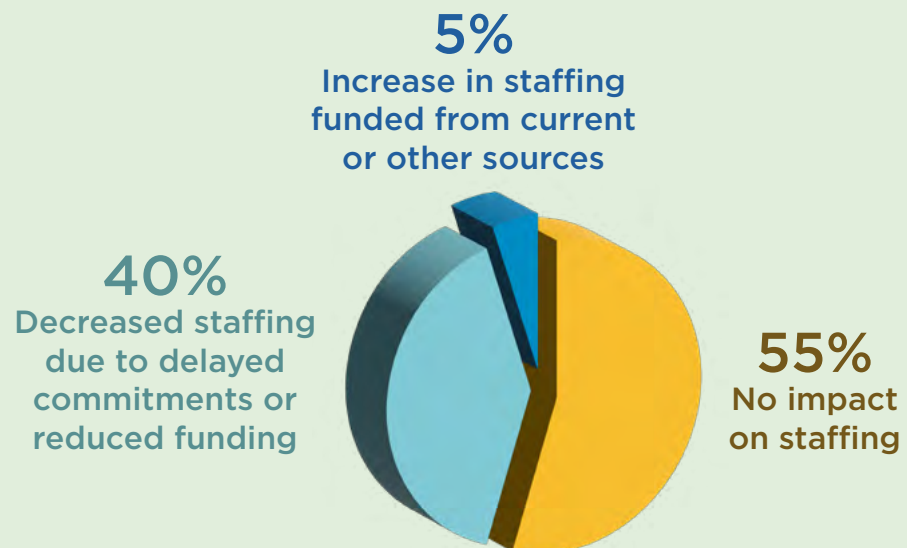
Conducted Pay Equity Compensation Analysis

2024



Regularly scheduled compensation audits are key to maintaining transparency and equity within your nonprofit. Without them, your organization may unknowingly face risks related to pay equity concerns. Addressing pay equity proactively helps mitigate potential legal and financial challenges, strengthens your nonprofit's reputation, enhances your ability to attract top talent, and builds trust with donors.

Staffing Impact of National or State Budget & Funding Delays



Staffing Impact of National or State Budget & Funding Delays

Administration changes can significantly impact funding for nonprofits that rely heavily on governmental funding from the national, state, or municipal level.

A new administration can lead to shifts in funding priorities that might delay or reduce grants. This emphasizes the importance of understanding how government budget changes could impact your organization.

It is vital to stay abreast of where policymakers and candidates stand on issues related to your mission. Advocacy and relationship-building with elected officials can help you navigate policy changes more effectively.

Relying on a sole source – or concentrated streams – of funding heightens financial risk. Proactively expanding funding through private donors, foundations, or earned income opportunities can help safeguard your mission against political and economic fluctuations.

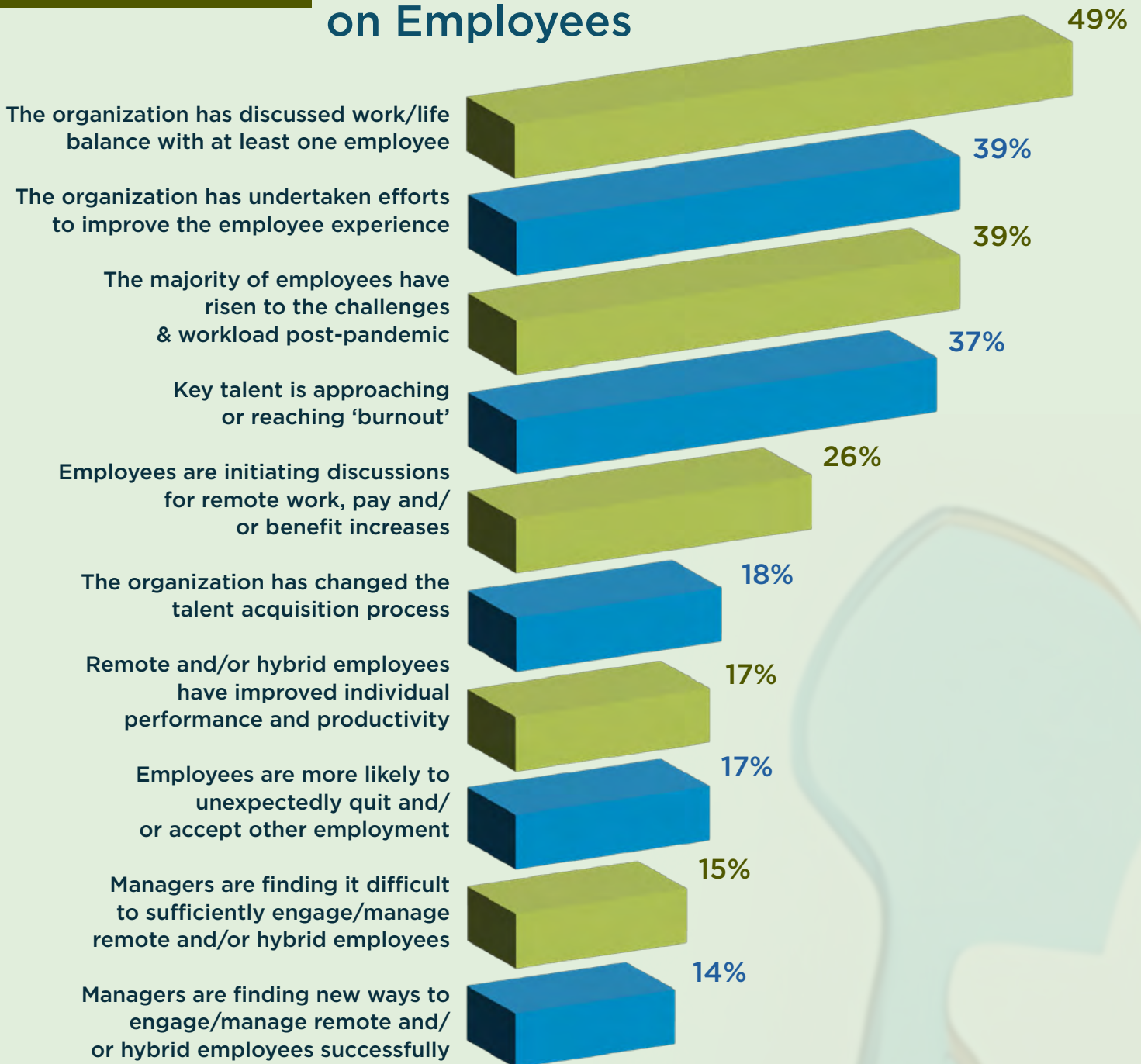
Elections represent significant change management events. Preparing for transitions with contingency plans and flexible programming ensures your organization can adjust to shifting priorities and funding conditions without compromising service delivery or staffing levels.

The results from 2024 provide a baseline for understanding the interplay between government budgets and nonprofit operations. Monitoring these trends in the coming years will offer valuable insights into how organizations can thrive amidst political and economic change.

The bottom line is that adaptability, foresight, and diversified resources are key to weathering political shifts. By planning strategically, nonprofits can protect their missions, staffing, and impact even in uncertain times.

Retention Challenges

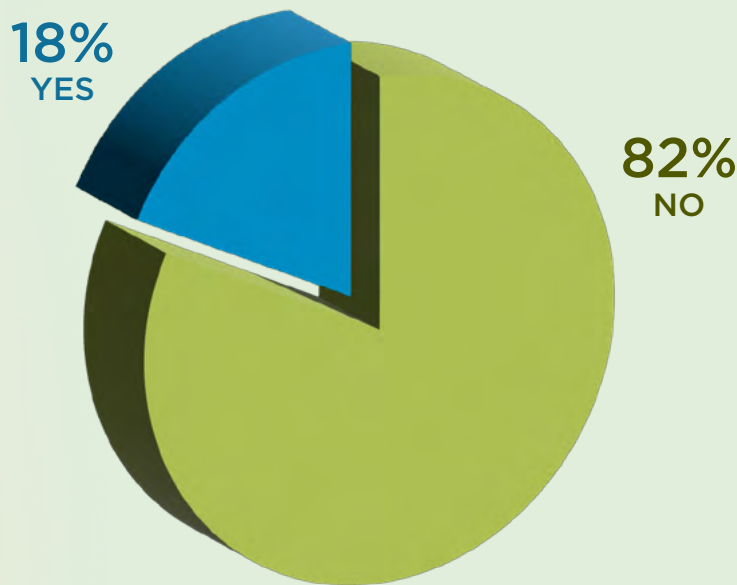
Impact of Post-Pandemic Changes on Employees



Smaller nonprofits' unique strengths have allowed them to be less impacted than their larger counterparts across these data points. The size of the staff, the community focus, and the necessity to work and communicate across functions may have lessened the post-pandemic effects on the employees.

Pay Transparency Regulations

Pay Transparency Regulations Impacted Employee Recruitment & Retention Efforts



Pay transparency laws are gaining traction across the country. With the push for transparency at the state and federal levels, pay transparency will soon become standard practice, if not mandated. With new generations now integrated and leading many organizations, keeping salaries private can be detrimental. Studies show that employees are increasingly concerned about culture, fairness, equity, and how organizations treat people. Pay transparency plays a role in the perception of your workplace culture. Read [How Pay Transparency Can Become a Competitive Advantage](#) to learn more.

Small Nonprofit Salary Ranges by Job Title

For this report, a small nonprofit is defined as an organization with an annual operating budget of \$2 million or less. Compensation excludes benefits, perks, or bonuses.

Of the thirty-eight executive job titles presented in the survey, small nonprofits reported that twenty-five titles were volunteer roles, and/or the responsibilities were consolidated into other position titles. The twenty-five job titles that have been removed fit within two departmental groupings: (1) IT, Database and Technology Management or (2) HR, Benefits and Talent Management.

If you do not see a particular title that your organization uses, please find the nearest applicable title. For additional budget sizes, job titles, and salaries, please reference the [2025 Nonprofit Compensation Practices and Benchmarking Report](#).

JOB TITLE	MEDIAN SALARY RANGE Budget \$2 Million & Under
EXECUTIVE DIRECTOR	\$85,000 - \$94,000
VP/COO	\$75,000 - \$84,000
DIRECTOR OF FINANCE	\$30,000 - \$39,000
ACCOUNTANT	\$10,000 - \$19,000
BOOKKEEPER	\$10,000 - \$19,000
DIRECTOR, DEVELOPMENT	\$80,000 - \$89,000
DEVELOPMENT MANAGER	\$50,000 - \$59,000
GRANTS WRITER	\$10,000 - \$19,000
DIRECTOR, MARKETING/PR	\$50,000 - \$59,000
MARKETING MANAGER	\$25,000 - \$34,000
DIRECTOR, PROGRAMS	\$70,000 - \$79,000
PROGRAM MANAGER	\$60,000 - \$69,000
PROGRAM ASSOCIATE	\$40,000 - \$49,000

Small Nonprofits Big Impact

Talent Challenges
and Opportunities



Working solely with nonprofit organizations, we learn so much. Although our primary focus is securing exceptional talent for our clients, we value the relationships we develop with our clients and candidates and the insights they share with us. We uncover nuances, allowing us to provide comprehensive, targeted support to clients and candidates. Gleaning in-depth knowledge that we can share, not only in talent acquisition, but in other areas as well, enables us to develop true partnerships.

We encourage nonprofit organizations to consider an intentional talent strategy.

Rather than wait until there is a critical recruitment need, fostering ongoing relationships, telling brand stories, and a strong workplace culture inherently help others understand the value of their good work. The connections in the community and the positive culture exemplified make reaching talent easier when needed. Organizations are driven by their people, and you want to secure the best. No organization wants to be in a position where you must settle for mediocrity because of urgency.

We often meet with an organization for the first time and immediately share what we have heard with our team. We are so moved by the mission and enthusiasm of the communication that we are inspired to share it. Creating a sense of passion is crucial. It certainly helps us in our recruitment efforts on behalf of our client and can be helpful to an organization's internal efforts.

Incorporating your culture and your organization's impact into job posts is critical. Crafting a job post that speaks to the reader, where they can see themselves in the role, is powerful. Developing a palpable description of your mission invokes value. Put these items together, and small nonprofits can compete effectively for talent with any organization.

Resources and opportunities to build a thriving small nonprofit are well within reach. Drawing on our 75 years of experience and dedication to the nonprofit sector, we aim to share valuable insights and resources to help our clients succeed.

We welcome your feedback on any of our publications.

Handwritten signature of Barbara Gebhardt in black ink.

Barbara Gebhardt, CEO
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About Career Blazers Nonprofit Search

Career Blazers Nonprofit Search has a proud history dating back to 1949. Founded as a family business by a trailblazing woman, it remains woman-owned and operated today. Over the decades, our team has built a legacy of leadership in employment, placement, and the nonprofit sector. In 2024, we proudly celebrated our 75th anniversary. We invite you to explore our journey of innovation at careerblazersnonprofitsearch.com/history-of-staffing-innovation.

Today, we are dedicated exclusively to the nonprofit community, helping organizations secure exceptional talent to advance their missions. Our deep understanding of the nonprofit sector, combined with decades of expertise in employment and placement, ensures unparalleled value for clients and candidates. Our reputation is built on delivering the right resources to meet critical, confidential, complex, or urgent needs.

With a sharp focus on the diverse sectors within the nonprofit world, we partner with our clients to strategically identify professional talent that aligns with their mission. Our expertise in identifying and securing transformative talent makes Career Blazers Nonprofit Search a trusted partner for nonprofits committed to driving meaningful impact.



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