



The Skills Needed by Nonprofit Leaders

Do you have the five skills most highly prized by today's boards?

By Dennis C. Miller

What are board members looking for in an executive director? You may be surprised to learn that the skills they care most about are completely different from what they sought in the past.

Traditionally, board members looked for someone with a passion for the organization's mission and the ability to develop programs, foster community relations, and secure grants. But the abilities board members are seeking in an executive director have dramatically changed.

In my work with leadership coaching, development, and succession planning, I've asked many board members what competencies they would seek when recruiting a new executive director. It's a vital question, because over 50%

of nonprofit executives plan to leave their positions in the next five to seven years.

Here's what board members say are the most indispensable leadership traits – the ones they want to see in their executive director:

1. Visionary Thinker

In the past, the board may have set the vision for the organization and sought an executive director to implement it. But that's no longer true. Now boards look for leaders who will chart the organization's future direction and communicate it to their internal and external stakeholders.

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It remains crucial for executives to initiate discussions with their boards on the topic. Of course, boards need to be part of the process. But it’s up to the executive to take the first courageous step to set the organization’s vision.

2. Entrepreneur

Having an entrepreneurial spirit is perhaps the next most significant skill requested by today’s boards. In the past, executives had to manage their revenue. Today they must create the revenue base. That means finding people to invest in projects, not just fund them.

In the for-profit world, chief executives are paid for increasing their stock price and improving the net worth of their investors. The nonprofit leaders of today need to do something very similar. In my book *A Guide to Achieving New Heights: The Four Pillars of Nonprofit Leadership*, I described the concept of a “nonprofit stock price.” As your organization’s “chief entrepreneurial officer,” you need to increase your organization’s stock price by doing the following:

Generate positive, impactful results from your programs and services.

Communicate widely, including the effective use of social media.

Enlist board members who are willing to hold friend-raising and fund-raising events and to serve as your ambassadors in the community.

Create a positive winning attitude among all stakeholders.

3. Relationship Builder

Another competency that board members want in their leader is the ability to build trusting relationships, both internally and externally. This is one skill set that you cannot delegate to someone else. You may be able to hire a communication expert, financial adviser, or professional fundraiser, but you can’t bring in someone else to create meaningful relationships.

One of your most important leadership tasks is to bring out the best in others. You must help people feel that their voices and concerns matter. As an old saying goes, “People may not remember what you did, they may not remember what you said, but they will always remember how you made them feel.”

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More on Skills for Leaders

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Putting Vision to Powerful Use in Your Organization (Vol. 13, No. 4)

The Best Leaders Are Change Agents (Vol. 34, No. 1)

How Do Leaders of Nonprofit Partnerships Foster Collaboration? (Vol. 22, No. 3)

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4. Collaborator

One of the questions business leaders often ask is: “Why don’t nonprofits collaborate more?” It was common in the past for executives and their boards to worry about who had control. The more programs they controlled, the greater their perceived empire. Today, the opposite is true – the more a leader can initiate discussions around collaboration, the greater their chances of success. In recruiting new leaders, board members are seeking those whose personality allows them to be more collaborative and less controlling. The best board members reward and encourage collaboration as a way to create a sustainable organization.

5. Inspirational Motivator

When resources are few and pay increases are modest or nonexistent, employees will still perform at very high levels when they’re led by inspiring leaders. Such leaders motivate others by listening and seeking input. They earn people’s respect and trust; they don’t demand it. They set expectations for their staff and board, communicate those expectations, and hold people accountable for measuring up. They appreciate their stakeholders, care about them, and communicate that appreciation and caring in all they do. 

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