**7 Core Competencies of Successful Non-profit Leaders**

Every non-profit organization is different, so a single set of competencies is difficult to articulate. However, there are seven key non-profit leadership skills that anyone who wants to exercise prudent leadership in the non-profit sector should seek to build throughout their careers, whether as a professional or as a volunteer board member. These non-profit core competencies include:

**Financial Management:** Non-profit organizations, by nature of their work, have extremely

narrow profit margins and are entrusted, in many cases, with public funds and private

philanthropy. Guaranteeing to a diverse group of stakeholders that the non-profit is in good

hands with a basic understanding of balancing financial realities with social need is key.

**Fundraising:** Or as we like to call it, “building non-profit equity.” A successful leader may not

like fundraising, but each knows he or she must have a demonstrated competency in order

to attract givers and their giving over a sustainable period of time.

**Human Resourcing:** Money doesn’t change the world, people do. The non-profit leader

must know how to assign people to tasks and manage those tasks and workers with a sense

of fair accountability. The leader is also especially attuned to the diversity of the community

and demonstrates a cultural competency that brings out the best in diverse people to work

together to do great things. With limited resources, non-profit organizations are constantly

having to change their designs, teams, and ways of doing business. A sense of working with

people and understanding accountable people structures is key as non-profits are the only

sector in the economy that includes volunteered human resources as part of their human

resource equation.

**Program Knowledge*:*** Helping feed the hungry requires some knowledge about the extent of

hunger in a community, how hunger impacts a community, and successful programs that

have had significant impact. Every non-profit is seeking to make a difference in a particular

area. It is incumbent on the non-profit leader to have working knowledge of that area.

**Governance:** Every non-profit organization must, according to the Internal Revenue Service,

have a board of directors. Many problems exist in nonprofits because their leaders have not

received formal training on the roles and responsibilities of nonprofit boards.

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**Planning:** Virtually every contributor to a non-profit wants to know its plan for helping people

in efficient and effective ways. They also want to know that the organization is evolving with

the community that it serves and is astute about the political, economic and social factors

weighing on its future. Social problems will not end on their own. Sustainable arts programs

will never be able to reach everyone who can benefit without community involvement and

participation. The health needs of people will require a combination of health care

institutions, the community and the government. Every non-profit must have a realistic plan.

**Community Relations and Communication:** The most effective non-profit is “in touch” with

the community it serves. Non-profit leaders cannot be afraid to make speeches, meet and

greet, network, and be visible in and to the community. Non-profits by and large are

community-based organizations which means each was started by someone in the

community to be of benefit to the rest of the community. A non-profit leader isn’t going to

get very far if he or she isn’t interacting with, communicating with, and advocating the

mission to the community.

Source: <https://thirdsectorcompany.com/importance-leadership-nonprofit-organizations/>