

How Can I Possibly Do More With Less?
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Papers and pundits suggest the recession is over. Yet many in the nonprofit community continue to figure out how to operate with decimated budgets. “Many organizations are actually quite fortunate to still have a budget at all,” suggests John Taylor, Associate Vice Chancellor for Advancement Services at NC State University. “Some of our brothers and sisters in the nonprofit community have seen the doors to their organizations close for good,” Taylor continues. “It is sadly far from over. FY2010 has all the signs of being direr than last year. For those who depend on government funding, many may not be able to sense significant relief until FY12.”

Budgets are cut, while missions remain. How do you make ends meet, and are there any sacred cows? “It is time for creativity and, in some cases, education,” Taylor suggests. According to John one of the most important lessons to teach, especially to volunteer board members, is that you still have to spend money to raise money. “All too often decision makers look first at staff salaries when considering cuts – usually because that’s the largest line-item in the budget. That does not mean there’s any meat left on those bones,” Taylor remarked. “This is where we need to do a better job of showing the return on investment and compare our cost to raise \$1 not only to comparable institutions, but to ourselves. Most of us are spending far less today than ever before.”

Taylor suggests, instead, that organizations look for cuts in other places, that frequently add up to more savings than eliminating a position. Taylor includes the following as places to look to save money:

- **Travel & Entertainment.** While some outreach is expected, compress visits to donors and prospects into regional trips, and stay at modest hotels. Constituents appreciate a visit over coffee just as much as a lavish dinner
- **Staff Training & Professional Development.** Eliminate most of this for a year, except for required certification classes. Alternate programming, such as web seminars and coordinating onsite training with other local organizations, can accomplish much
- **Savings in Numbers.** In larger organizations, it is common to find many departments paying fees for similar services. Join forces and eliminate redundancies. It is also possible to share services/subscriptions with other nonprofit organizations in the same city
- **Staffing Structure & Timing.** Rather than eliminate a position, consider a 6-week delay in filling openings, and evaluate whether the position is a good candidate for job-sharing, which can significantly reduce HR costs, and results in greater productivity and job coverage

“Certainly these are challenging times for the nonprofit community,” Taylor concludes. “However we do not have to always consider lay-offs. Think creatively and prioritize your budget reductions. A few dollars here and there can add up very quickly!”