

3 Reasons to Consider Outsourced Accounting for Your Nonprofit



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As the pace of change continues to accelerate, nonprofits are finding new and creative ways to keep up. Today's leading nonprofits are perfecting the art of virtual fundraising and volunteering. They're implementing fresh social media strategies. They're creating innovative donor retention programs. And they're driving their missions forward despite myriad ongoing global challenges.

It's a complicated landscape. That's why operations need to be as simple as possible. So, why do so many nonprofit leaders find themselves spending more time on day-to-day tasks and less time on the type of strategic thinking that will drive their organizations forward?

Trying to be a part-time CFO and run a nonprofit just won't work anymore. To be a true visionary leader, nonprofit executives need real-time financial information to make the right decisions that can embolden their organizations' missions.

If you're trying to do everything yourself, it's time to stop and find a partner who can give you the people, proven processes, and software to handle your finances so you can focus on strategy.

Let's explore three reasons why nonprofit leaders need access to better financial data and how outsourced accounting services can help:

1. Nonprofits need strategic leadership now more than ever

When you're asked to make strategic decisions for your organization, do you base them on data, gut feeling, or a combination of both? If you said you decide by gut alone, it may be time to rethink your decision-making process. A recent study of nearly 700 business leaders conducted by BI-Survey revealed that [best-in-class companies today base their strategic decisions on data \(60%\)](#), while "laggard" companies base as many as 70% of their strategic decisions on gut feel.

The only path forward for nonprofit leaders is to back up gut feelings with real-time financial information. But before that can happen, leaders need the time to think strategically. Sadly, they're not getting enough of it in today's evolving environment.

A study of nonprofit executives conducted by shows the reasons why leaders need to spend every minute possible on strategic tasks:1

- 73% say if their company fails to transform, it won't exist in the future
- 78% say the competitive landscape is "more aggressive"
- 79% believe the pace at which their company needs to change is accelerating

Ask yourself: What does your nonprofit need to do to keep up?

2. Nonprofits need real-time insights that power quick, smart decision-making

According to a study of 1,135 executives conducted by PwC and The Economist, [44% say they make a big, strategic decision at least once a month](#). But nearly one-third of respondents said they ended up making those big decisions based on gut alone because they couldn't access the data they needed in a timely fashion.

When you make big decisions, you need to access and understand data fast so you can evaluate all the possible scenarios. And if you or your finance team is using QuickBooks or other manual processes that leave you drowning in a sea of disconnected spreadsheets, you won't be able to move quickly enough.

Spreadsheets don't just inhibit decision-making for nonprofit leaders. They also rely on too many manual keystrokes that raise the risk for inaccurate reporting. They don't create and deliver dashboards you can use to view your success and take your organization to the next level. And they don't give you the kind of transparency into your finances that you need to plan the programs and fundraising initiatives that will resonate most with key constituents.

If your nonprofit is experiencing any of these challenges, it's time to consider how a partner can help you take finances off your plate.

3. Nonprofits need highly-advanced financial expertise without adding headcount

Having financial data that is as accurate as possible isn't a nice-to-have in the nonprofit sector. It's a necessity. It takes just one error or omission to put an organization's tax-exempt status in peril. Any noncompliance issues can jeopardize your grant eligibility.

But that's where it gets hard for leaders. If your organization is like many nonprofits, you may not have the budget for a CFO, let alone a large, in-house financial staff. Even if you do, your budget likely pales in comparison to the for-profit down the street. And when staff turnover happens, that financial professional you trusted the most takes their expertise out the door with them, leaving you in a mad dash to hire someone new fast in a challenging job market.

You can't afford to lose your best people, especially those who know the ins-and-outs of nonprofit finances and have the power to help your organization go further with limited resources.

Your fastest path to data-driven success: partner up

If you're spending too much time on operational tasks and not enough time on strategic thinking, you don't need a new smartwatch. You need outside expertise. At [Dean Dorton](#), we provide outsourced accounting services that help nonprofit leaders recapture lost time, increase financial efficiency, improve data accuracy, and accelerate their mission's success.

We'll give you access to a team of qualified financial professionals who work with nonprofits of all sizes. We perform everything from core accounting functions to strategic financial analysis and virtual CFO services — all without breaking your budget. Best of all, outsourced accounting services can scale as your organization grows. We'll serve as a true financial partner, helping you brainstorm new ways to expand your mission impact and accelerate your success.

Our services are powered by the best-in-class, cloud-native, highly secure Sage Intacct platform, giving you constant access to the timely, high-value financial information you need when you need it.

To learn more, [contact us](#) today.