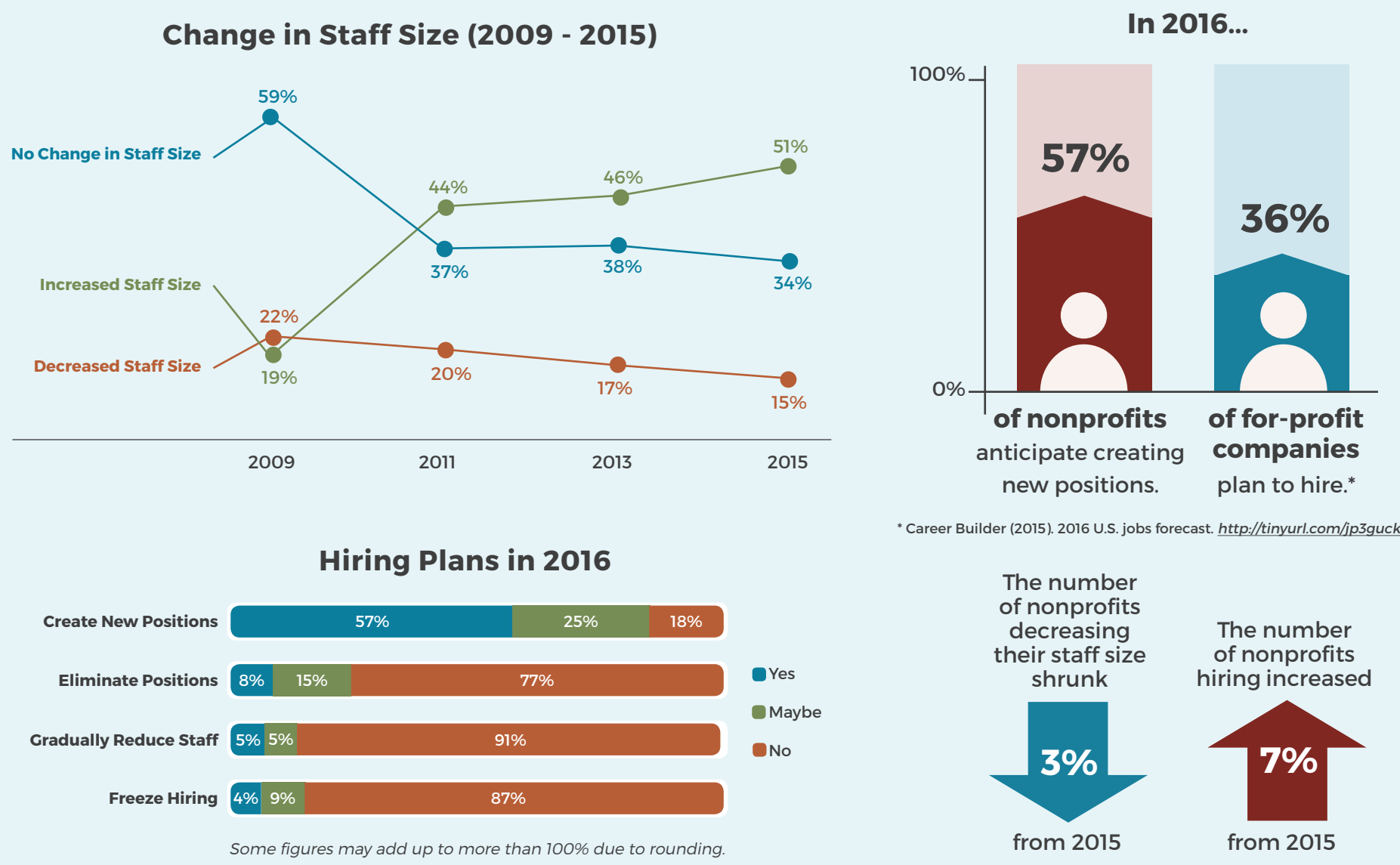


2016

NONPROFIT EMPLOYMENT PRACTICES SURVEY™

The 2016 Nonprofit Employment Practices Survey has been conducted through a partnership between Nonprofit HR, GuideStar and the Improve Group.

NONPROFITS CONTINUE TO EXPERIENCE GROWTH WHILE THE PRIVATE SECTOR REMAINS STAGNANT.

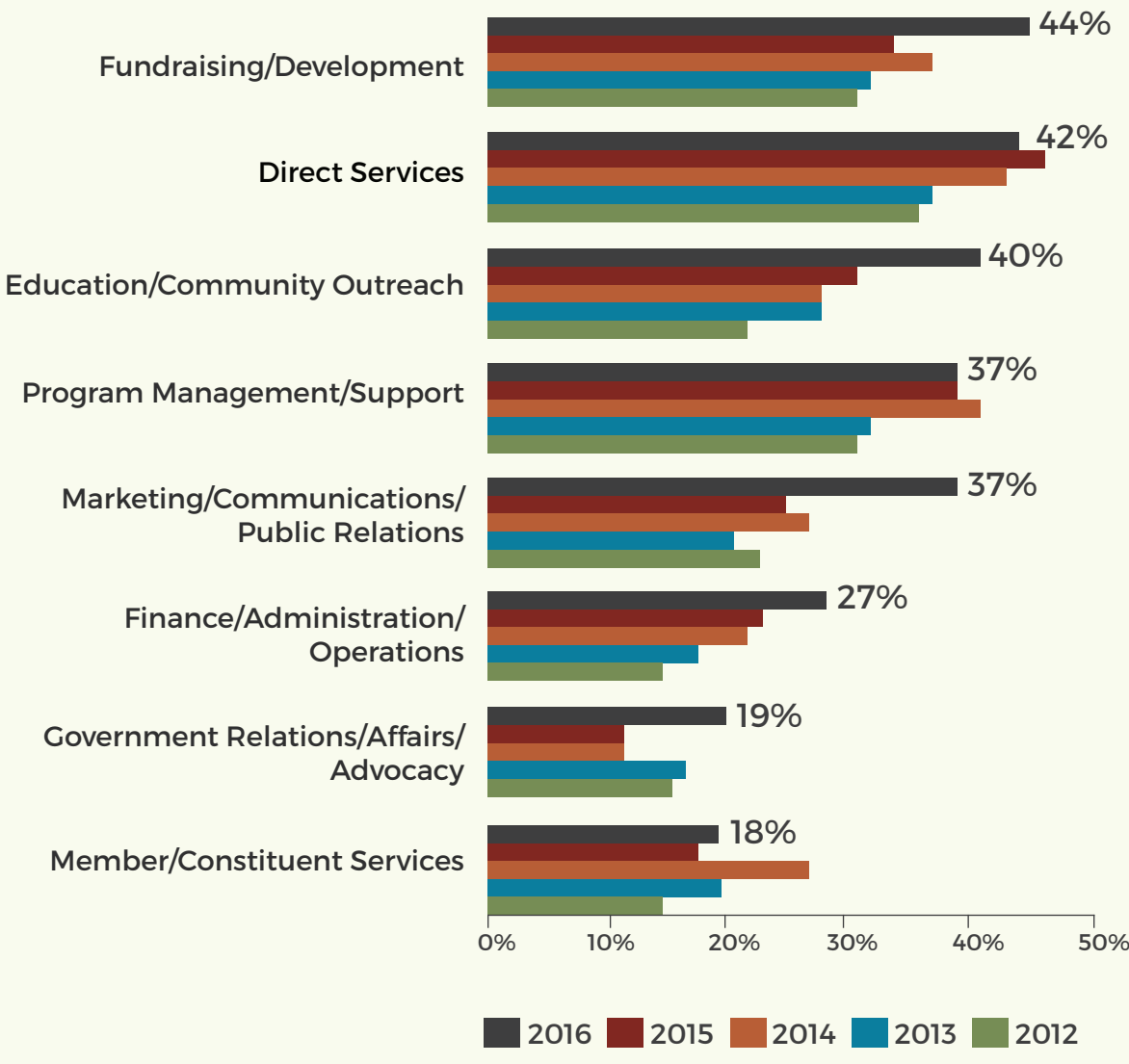


The Size and Impact of the Nonprofit Sector



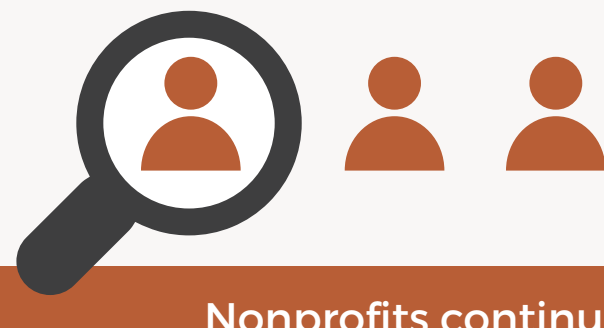
The greatest growth is expected in the area of Fundraising & Development.

Areas of Job Growth at Nonprofit Organizations



Expected growth in fundraising/development indicates that nonprofits may be getting more optimistic about the improving economy. Direct Services and Education & Community Outreach fall close behind when it comes to areas of the nonprofit sector that are experiencing the most job growth.

IN ORDER TO KEEP UP WITH GROWTH, NONPROFITS NEED TO INCREASE INVESTMENT IN RECRUITMENT AND RETENTION.

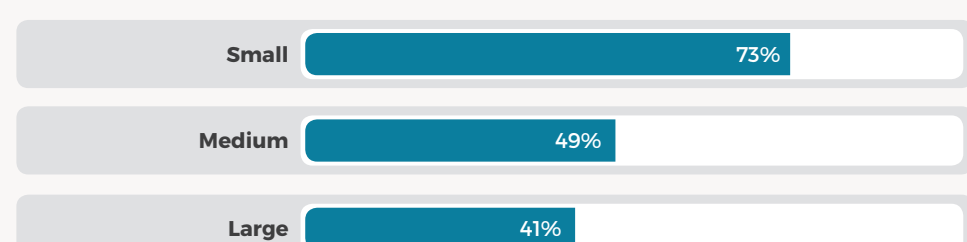


For the last 5 years, **1 in 3** nonprofits report that **"budget restraints"** are their **biggest staffing challenge**.

Nonprofits continue to face numerous talent and HR challenges, making it difficult to compete with the private sector.

60% of nonprofits do NOT have a formal recruitment strategy.

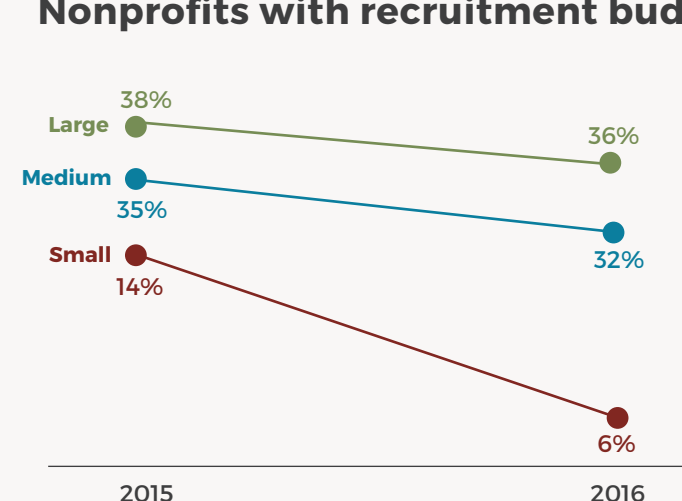
Nonprofits without a formal recruitment strategy



Without a recruitment strategy in place, nonprofits are losing out on the top talent they need to grow.

77% of nonprofits do NOT have a formal recruitment budget.

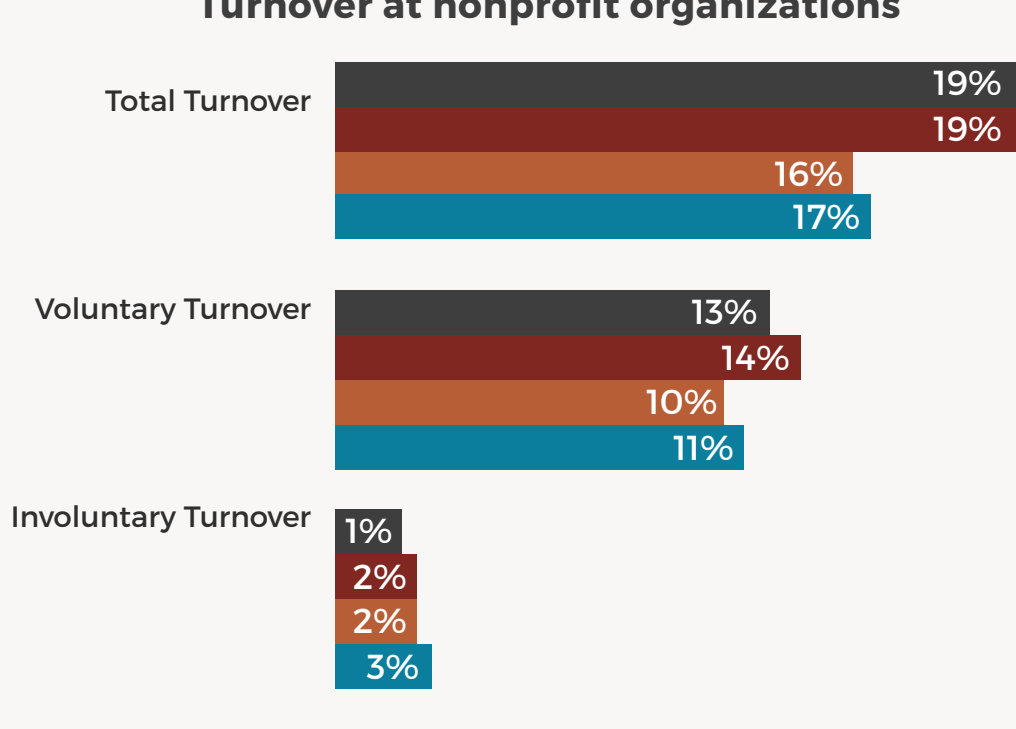
Nonprofits with recruitment budgets



The lack of recruitment budget is closely related to the lack of recruitment strategy.

Nonprofits are not positioned to retain talent and will need new strategies to survive in competitive job markets.

Turnover at nonprofit organizations



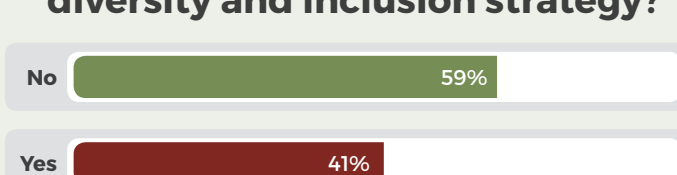
The total turnover remains steady from last year, likely because of the number of nonprofits increasing staff size.

NONPROFITS STRUGGLE WITH DIVERSITY, ESPECIALLY WHEN IT COMES TO RETAINING YOUNGER STAFF.

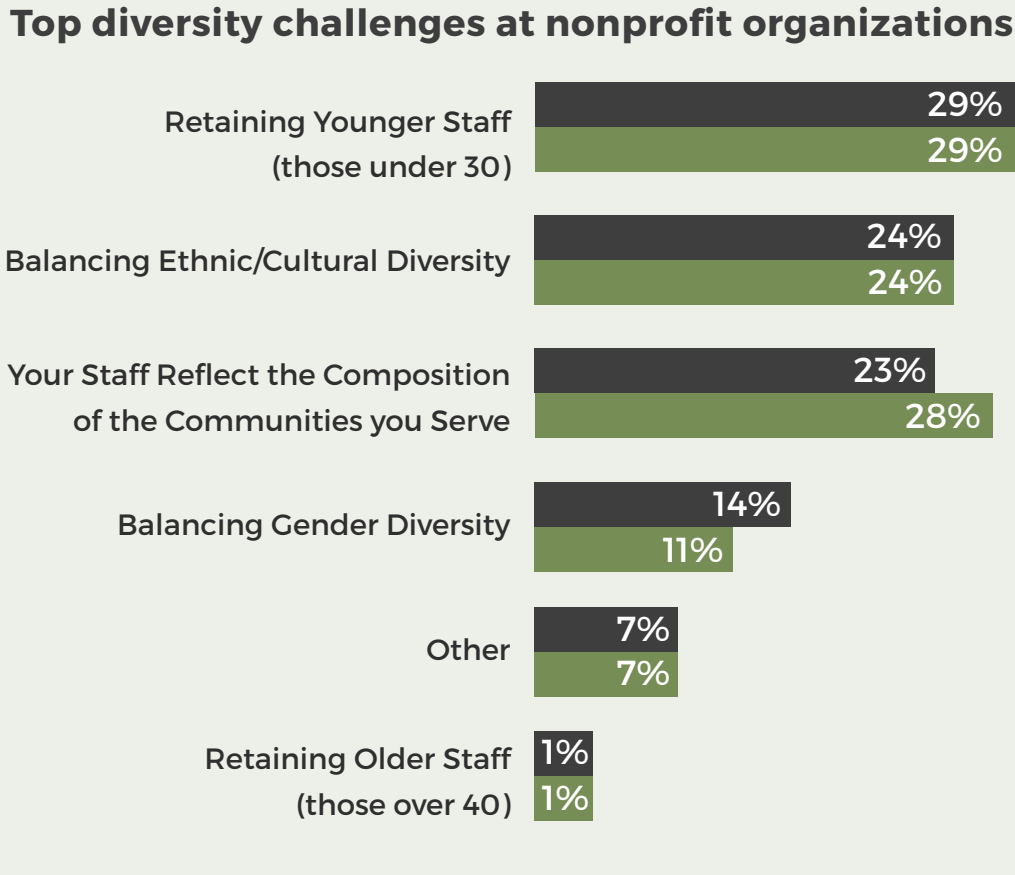


1 in 3 Nonprofits report their biggest retention challenge is **retaining younger staff** (those under 30)

Does your nonprofit have a formal diversity and inclusion strategy?

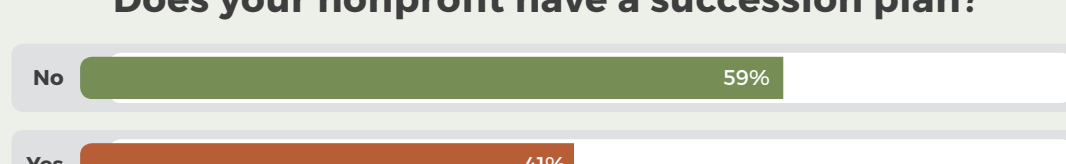


Top diversity challenges at nonprofit organizations



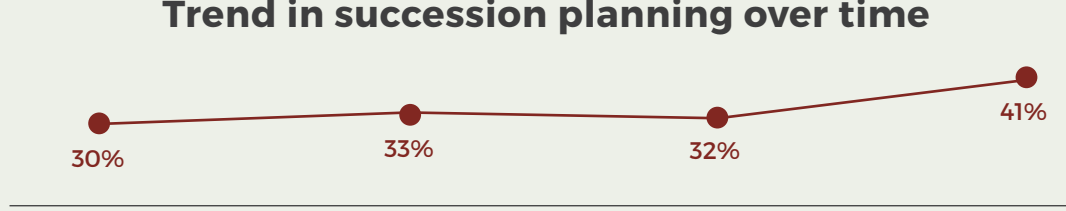
51% of nonprofits do not have a formal succession plan

Does your nonprofit have a succession plan?



While only 41% of nonprofits have a formal succession plan, more nonprofits are beginning to focus on succession planning year-over-year.

Trend in succession planning over time



ABOUT THE SURVEY

The 2016 Nonprofit Employment Practices Survey™ is intended to provide a snapshot of current employment practices and discuss the economic trends and implications of nonprofit employment in the nonprofit sector. This report, which has been produced annually by Nonprofit HR since 2007, includes responses from 443 nonprofits in the U.S. and Canada that serve as a representative sample of the makeup of the sector.

In this year's survey, as in years past, researchers collected information on nonprofit staffing, recruitment, and retention practices. The survey included a mix of multiple choice, rating scale, and short-answer questions to gain context on the current practices of nonprofit organizations and the employment trends they see in the nonprofit sector.

We thank all of the respondents for their participation in this study.

Nonprofit HR is the nation's leading human resources firm that works exclusively with nonprofit organizations. Since 2000, the firm has provided human resources consulting, executive search and talent acquisition services for organizations supporting advocacy, health and human services, arts and culture, education, the environment, the faith community and more. Nonprofit HR has offices in Washington D.C. and Chicago