



2019 Talent Retention Practices

SURVEY RESULTS

**Current Retention
Practices Data**

**Voluntary, Involuntary
& Total Turnover Data**

**Demographics for
Survey Respondents**

Social Sector in the United States and Canada shared their talent retention practices with Nonprofit HR. This report provides an overview of the survey findings.

350+ Organizations

**12+ Participating
Mission Areas**

**Budget Ranges for
Survey Respondents**

< \$1 million - > \$40M

**Organizations from
44 U.S. States and Canada
Represented**

General Retention Comment Shared by Survey Respondent:

"Our organization attempts to implement a healthy culture from day one; compiled with an abundance of professional development and learning opportunities that are both related and non-related to our business, the employees are continually engaged in a growth mindset."

Demographic Insight on Organization:

Mission Type: Professional Services

Budget: Less than \$1 Million

Employee Count: Less than 10

Geographic Proximity: Texas

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2019 Talent Retention Practices SURVEY RESULTS

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Survey Respondents Shared

"[The most significant impact on turnover for our organization has been] decreased institutional knowledge."

Demographic Insight on Organization:

Mission Type: Health Education

Budget: Greater than \$40 Million

Employee Count: 51-100

Geographic Proximity: British Columbia, Canada

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Dear Nonprofit Talent Management Community:

When I started Nonprofit HR I did not have access to sector-specific research and data. I am excited that our Knowledge Practice Area continues to plan and publish relevant content for your toolkit today. It is my hope that the data and information shared in this report, gathered from over 350 organizations, delivers critical insights to you as a nonprofit leader. The contents of this report are meant to complement your talent retention plans as you continually strive to focus on your organization's people.

Why focus on talent retention now? Did you know, over half (51%) of employees are actively looking for a new job or watching for openings and employers? Also, Gallup's most recent State of the American Workplace report describes U.S. Workers as "increasingly confident and ready to leave." And, this continuous job search phenomenon is showing no signs of slowing down. These ever-changing trends have a direct impact on your mission and the workforce you are working hard to retain. An increasingly transitory workforce is motivated by positive perceptions of the job market and access to more and seemingly better job options.

Add to the aforementioned statistics, quit or resignation rates across all sectors are increasing and employers continue to be concerned about retaining staff under 30 for the long-term. Fortunately, most employers are beginning to realize that it is critical to examine factors such as culture, compensation, and benefits which drive engagement, increase employee retention and decrease turnover.

So, what can your organization do to keep your employees engaged? The first step is to understand where you stand when it comes to retention. Evaluating where you are and benchmarking your retention practices against those of other nonprofits is a great place to begin. At Nonprofit HR, we know that there continues to be limited data available on nonprofit talent management practices and as a result, we remain committed to help close this gap.



Lisa Brown Alexander
Founder & CEO
Co-Leader, Knowledge Practice
Nonprofit HR
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Survey Respondents Shared

"Recent high levels of turnover have driven our attention to this issue in 2019."

Demographic Insight on Organization:

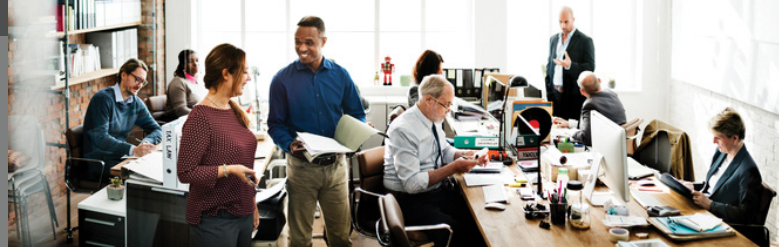
Mission Type: Journalism/Education/
Under-Reported Global Issues

Budget: Between \$5 - \$9.9 Million

Employee Count: 11-20

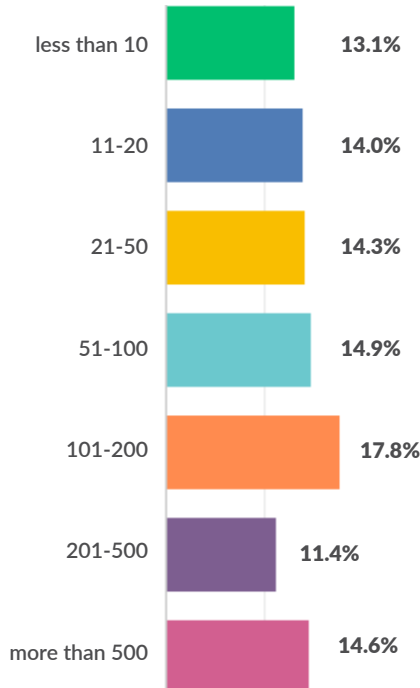
Geographic Proximity: Washington, DC

Nonprofit Talent Retention Survey Data

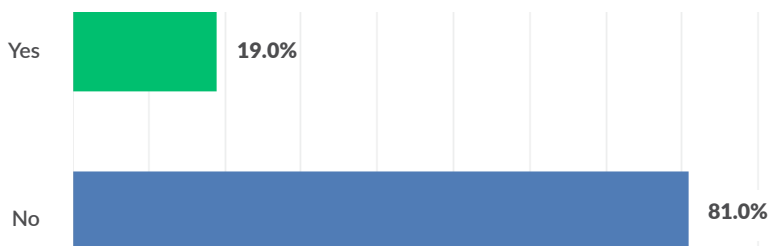


2019
Survey
Data

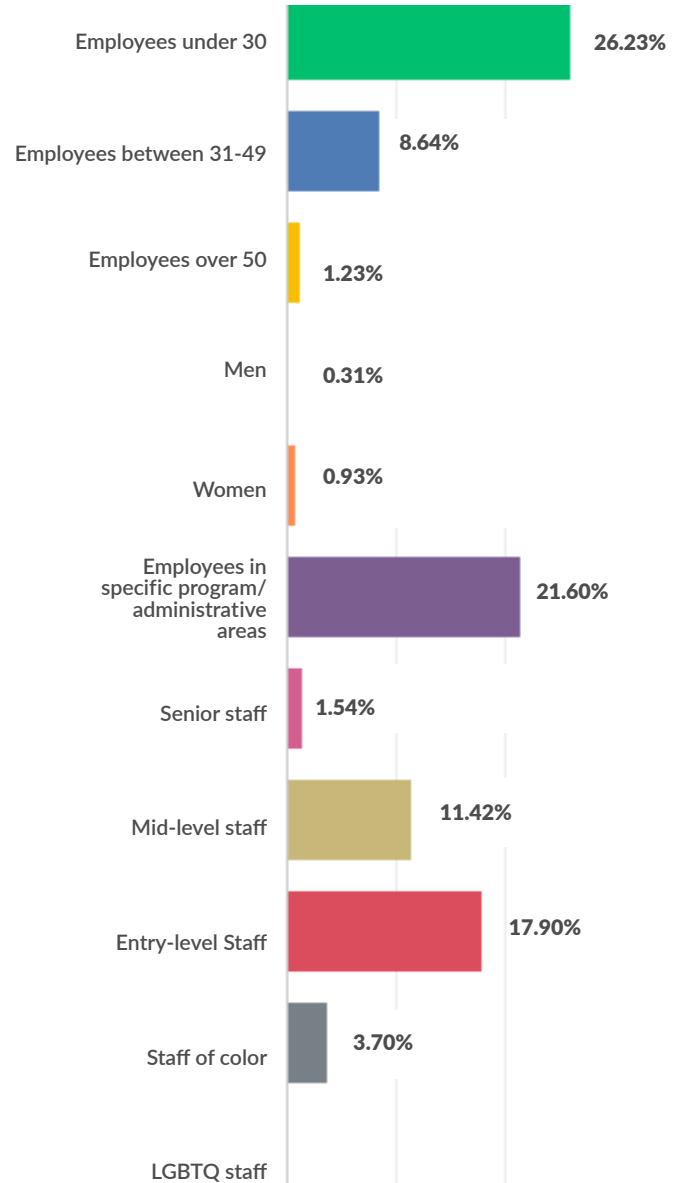
Number of Employees for Survey Respondents



Organizations Which Have a Formal Retention Strategy



Segments Most Challenged with Retaining



Survey Respondents Shared

"Our organization is most challenged with retaining women."

Demographic Insight on Organization:

Mission Type: Social/Human Services
Budget: Less than \$1 Million
Employee Count: Less than 10
Geographic Proximity: Ontario, Canada



Creating an Intentional Culture

Cultural fit is arguably the most important aspect of retention, and be engaged. When an organization's culture aligns the work to be done and the personalities with the work styles of employees, staff is more likely to enjoy their time at work. Culture is the overarching "feel" including everything from the physical workspace to the behaviors within the organization. It includes the values practiced within the organization in action, with intention. Much too often organizations adopt values on paper but do not see them through with aligned actions. If collaboration is stated as one of your values, cubicles or open work spaces can foster more collaboration than offices. It is challenging to collaborate when confined to areas away from others. Cultural alignment fosters employee satisfaction by creating predictability and making priorities and practices clear to staff.



What is Culture?

- Values (safety, empowerment, trust, respect)
- Beliefs
- Work ethics
- Acceptable behavior
- Unwritten rules
- Value proposition (for staff & stakeholders)

Why Culture Matters to Mission:

When effective, organizational culture:

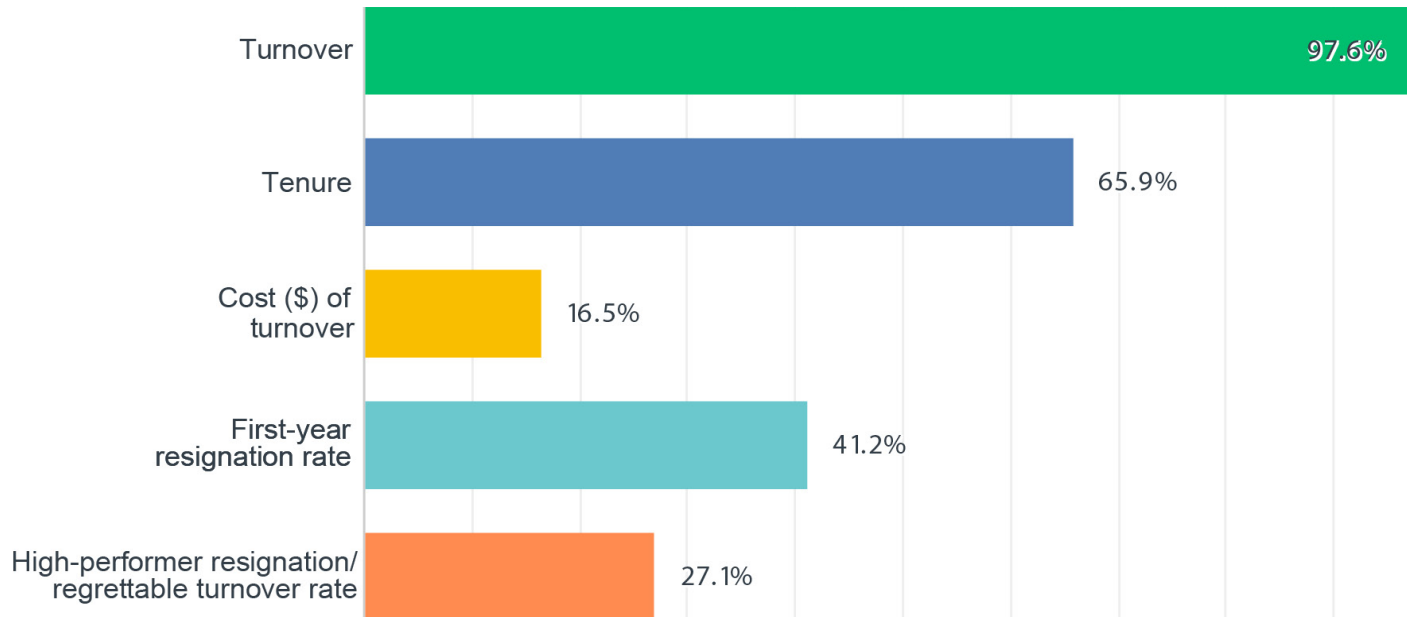
- helps attract talent
- drives employee engagement
- impacts employee satisfaction
- affects individual and organizational performance

Nonprofit Talent Retention Survey Data



2019
Survey
Data

Quantitative Retention Metrics Survey Respondents track:



Other Quantitative Retention Tactics Used by Survey Respondents:

“We use a 90 day failure rate.”

Demographic Insight on Organization:

Mission Type: Health /
Health Services / Health Education
Budget: Between \$10 – \$14.9 Million
Employee Count: Between 101-200
Geographic Proximity: Colorado

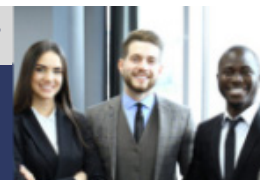
“Promotion Metrics that relate to turnover and tenure.”

Demographic Insight on Organization:

Mission Type: Philanthropy
Budget: Between \$5 – \$9.9 Million
Employee Count: Between 21- 50
Geographic Proximity: Massachusetts

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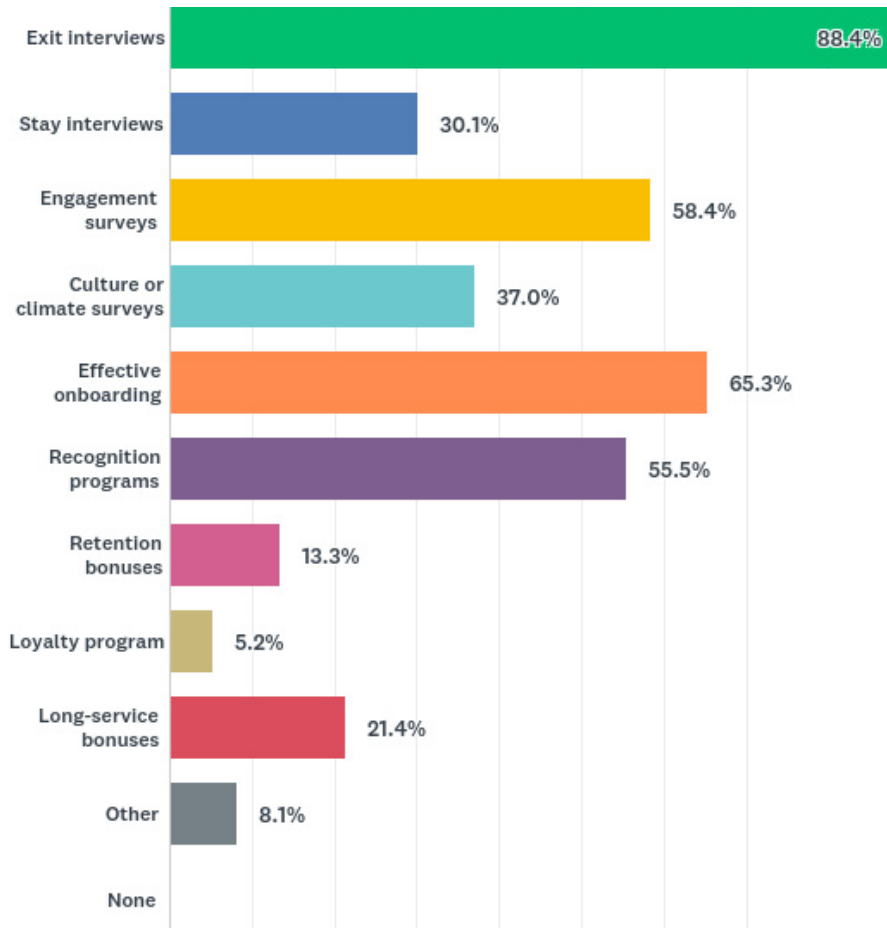


Nonprofit Talent Retention Survey Data



2019
Survey
Data

Qualitative Retention Tactics Used by Survey Respondents:



Other Qualitative Retention Tactics Used by Survey Respondents:

“Career development and pay progress programs are among the tools we are trying.”

Demographic Insight on Organization:

Mission Type: Arts & Culture
Budget: Between \$15 – \$19.9 Million
Employee Count: Between 101-200
Geographic Proximity: Maine

“Pulse surveys.”

Demographic Insight on Organization:

Mission Type: Education
Budget: Between \$20 – \$39.9 Million
Employee Count: More than 500
Geographic Proximity: California

21.3%

Total Average
Turnover

16.7%

Average Voluntary
Turnover

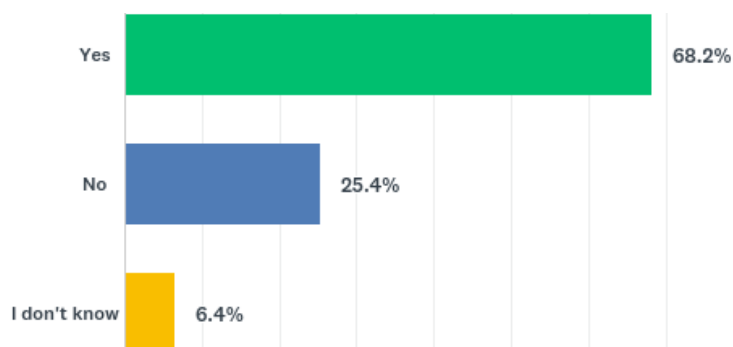
5.2%

Average Involuntary
Turnover

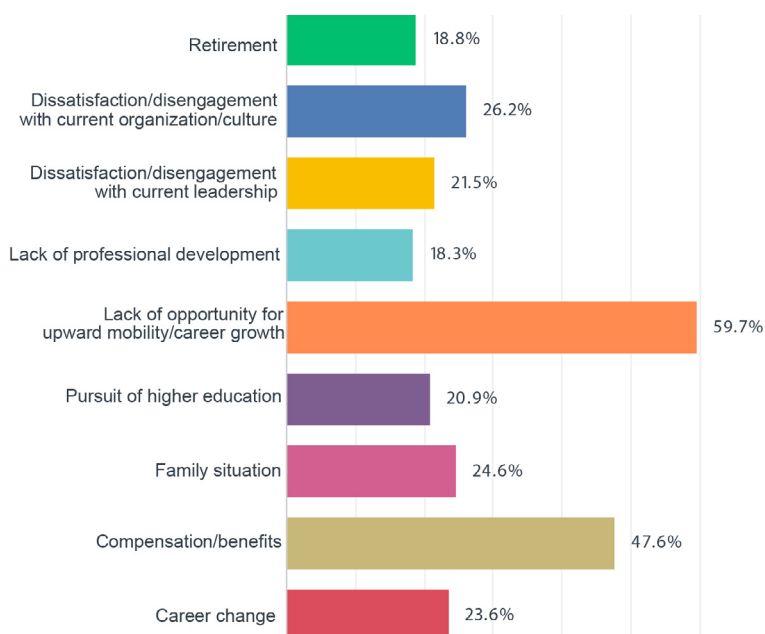


2019
Survey
Data

Organizations that track turnover



Drivers for Voluntary Turnover



*Note: Survey respondents chose all that apply, allowing for greater than 100% total.

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QUESTIONS
TO ASK IN A
STAY
INTERVIEW

1. What factors cause you to enjoy your current job and work situation?

2. How much have these factors contributed to you staying at the organization as long as you have?

3. What reason do you give others for your decision to work and stay at our organization?

4. Do you feel that you are currently doing the 'best work of your life'? What factors could contribute to you 'doing the best of your life'?

5. Do you feel that your work makes a difference in the organization? Do you feel that your work makes a difference externally to the world?

See more questions to ask:

<https://www.nonprofithr.com/15questions/>

Survey Respondents Shared

"We have seen several changes in key leadership positions over the past several months, which may also lead to voluntary exits."

Demographic Insight on Organization:

Mission Type: Social/Human Services

Budget: Between \$20 – \$39.9 Million

Employee Count: Between 201- 500

Geographic Proximity: Kansas



Compensation Is Great – But Many Times It’s Not Enough!

Compensation, and an employee’s perception of how well or poorly they are compensated, are ever-constant challenges for most employers. Employees want to be compensated fairly and they want to feel great about their workplace as well! While studies show that employee productivity is not as closely linked to monetary rewards as previously thought, employees still need to feel like they are earning fair pay.

Nonprofits with tight budgets and capacity challenges tend to fall in the trap of underpaying and overworking their employees. Nonprofit staff oftentimes have responsibilities that traditionally fall outside the role their job titles suggest. Limited donations, grants and government funding can shift the prioritization of direct-service programming and resources over capacity building and talent management. Plus, media criticism of organizations that compensate generously can deter leadership from implementing generous compensation packages. Exercise the balance of making intentional decisions about what is realistic and responsible while prioritizing recruiting and retaining talent. If you are not able to provide more competitive salary offerings, get creative with your benefits. Think outside the usual fare of paid leave, retirement contribution/match and health insurance plans. Notes, cards and announcements of recognition and appreciation go a long way toward employee satisfaction.

Survey Respondents Shared

“We try very hard to create a supportive environment where employees can have flexibility to handle personal responsibilities. We work hard but also try to create happiness and fun where we can.”

Demographic Insight on Organization:

Mission Type: Social / Human Services
Budget: Between \$10 – \$14.9 Million
Employee Count: Between 51-100
Geographic Proximity: Indiana

Career Quality and Employee Retention

Organizations must invest in helping management and staff:

- Improve soft skills
- Continuously learn
- Grow professionally
- Have career enriching experiences
- Realize when growth needs to happen at another organization

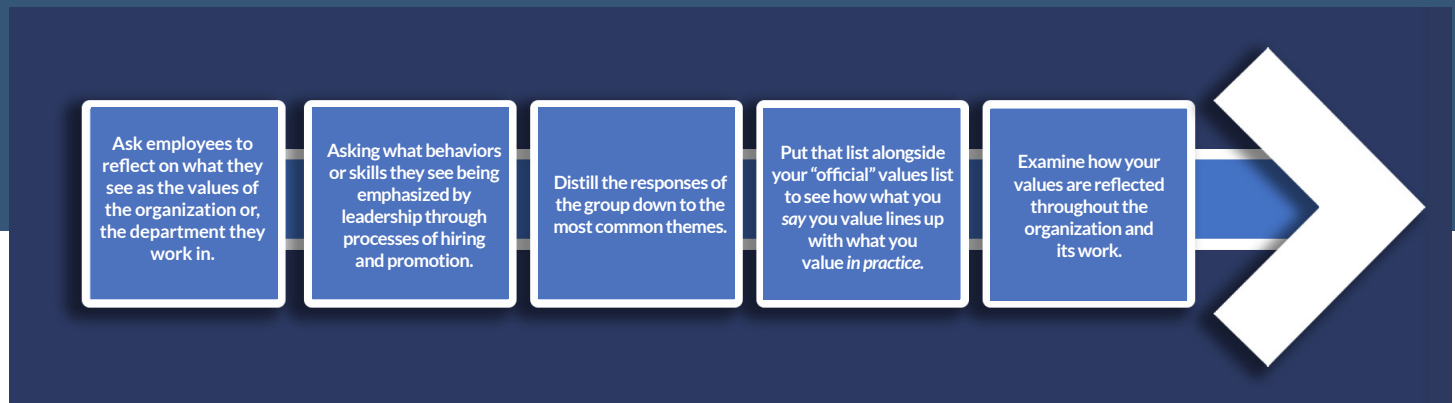
5 Steps to Ensuring Strong Career Development in Your Organization

1. Inventory staff/management skills
2. Align career development and learning to mission and goals
3. Address skills gaps based on mission and goals
4. Ensure equal access to learning and career development opportunities
5. Don’t limit your high-performers

How can you build engagement?



Empower your employees to share their experiences.



To put it simply, dissonance fosters distrust and disengaged employees. If there are significant differences between the practiced values and the theoretical values, it is likely time to revisit the values list to create alignment. While you may not be able to change the configuration of your physical office space, you can incorporate values into your interviewing and performance management conversations. Values should be evident and embodied in every aspect of your work from programming to board relations to fundraising. Close the gap between what you “say” you value and the values you nurture through action and a vibrant culture reflective of organizational priorities will inevitably follow. These steps can help initiate the conversation which can lead to increased engagement and retention.

Career development programs remind staff that your organization cares

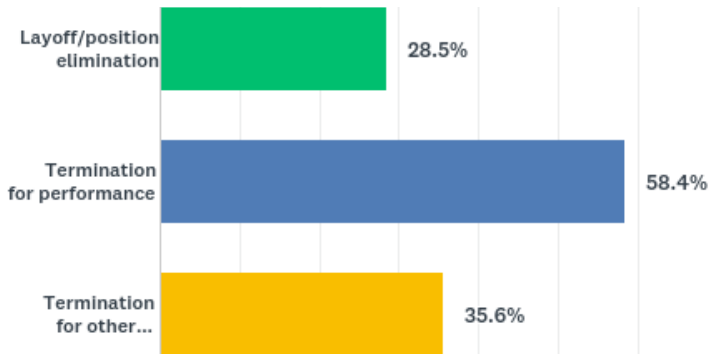
Remember to focus on employees’ career development. That added attention on the personal level helps them see their individual contribution to the mission and its success. While career development is for all employees, it can be an added bonus for high-performing talent who are motivated by intrinsic rewards. Focusing on emerging professionals, especially from younger generations is also key. Providing consistent career development and learning opportunities may increase retention for employees seeking faster growth.

Nonprofit Talent Retention Survey Data

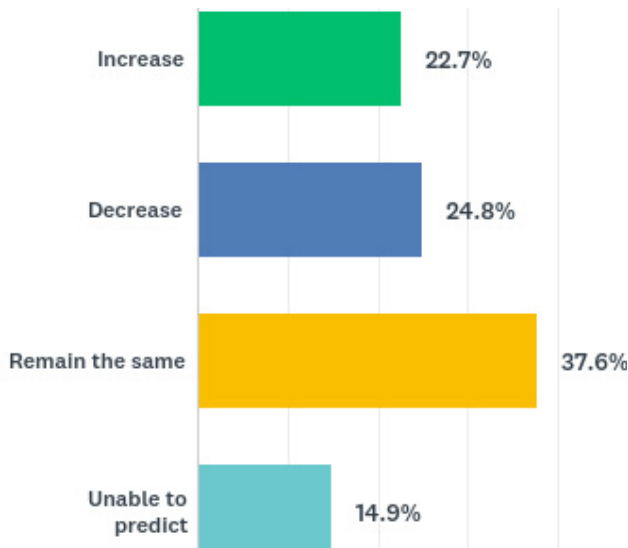


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Drivers for Involuntary Turnover



Organizations Expect their Turnover Rates to Reflect the Following Change from 2018-2019



Survey Respondents Shared

"We work really hard to coach and train employees when performance is an issue."

Demographic Insight on Organization:

Mission Type: Social / Human Services
Budget: Less than \$1 Million
Employee Count: Between 21-50
Geographic Proximity: Kentucky

Survey Respondents Shared

"New employees leave the agency shortly after being hired and trained (many within 3-6months)."

Demographic Insight on Organization:

Mission Type: Social / Human Services
Budget: \$5 Million - \$9.9 Million
Employee Count: Between 201-500
Geographic Proximity: New York



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Keep Your Sights Set on Continuous Engagement

High engagement levels have been proven to benefit individuals and organizations. Low engagement, on the other hand, is usually the telltale sign that an employee is seeking another opportunity. The goal is to get to them before they get to that point but giving them opportunities to voice their dissatisfaction or concerns. Gathering feedback from an employee survey or short polls are two ways to gain anonymous insights. Since cultural shifts tend to happen over time, set up a schedule to check in on your employee engagement levels. Short but frequent polls allow you to track changes more closely while in-depth surveys will help you to pick up on nuanced challenges. A stay interview is also a powerful tool to use to strengthen an employee's engagement and retention with the organization. The insight provided from polls, interviews, and surveys will allow you to identify things that need to be addressed before employees start to disengage.

Good Retention Strategy Doubles as a Good Recruitment Strategy

While greater engagement is the goal, keep in mind that engagement is always subjective. For one, every employee is on somewhere along the learning curve of their current role. As learning plateaus, engagement starts to decline. Also, each employee's desired level of engagement will vary based on their personalities and workstyles. Given these two factors alone, employee retention is a complex balancing act of creating a strong culture at the organizational level but also providing one-on-one attention. Yes, a good retention strategy is challenging to develop but it is well worth the effort. A good retention strategy doubles as a good recruitment strategy. By creating a reputation as an employer who values their people, you will find that top talent will come to you and save you money on finding them. Instead of leaving the employee experience at your nonprofit to chance approach retention like you would any other critical strategy; because it is.



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COULD LEADERSHIP BE IMPACTING YOUR RETENTION RATE?

Effective Leaders set the tone for their organizations by leading by example. They ensure teams are open, engaging and cohesive. They understand the need to align the organization's mission, and goals with individual contributions. They support openness, transparency, organizational agility.

EIGHT SIGNS YOUR ORGANIZATION HAS A LEADERSHIP PROBLEM

1 LEADERSHIP IS NOT CREDIBLE

5 LEADERS DON'T UNDERSTAND THE IMPORTANCE OF DIVERSITY

2 LEADERS FAIL TO COMMUNICATE A CLEAR VISION

6 LEADERS FAIL TO BALANCE BETWEEN TAKING AND MANAGING RISK

3 LEADERS DON'T OWN THEIR RESPONSIBILITY AS CULTURE SETTERS

7 LEADERSHIP ALIENATES PEERS AT THE LEADERSHIP LEVEL

4 LEADERSHIP IS INFLEXIBLE OR RIGID

8 LEADERS ARE TONE-DEAF OR NOT DIALED IN

Survey Respondents Shared

"We have begun conducting capacity meetings with the CEO for employees to speak directly to leadership with their concerns and suggestions."

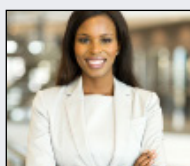
Demographic Insight on Organization:

Mission Type: Health Services
Budget: Between \$20 - \$39.9 Million
Employee Count: 21-50
Geographic Proximity: North Carolina

"Staff leaders who make the decisions are not educated in this sector."

Demographic Insight on Organization:

Mission Type: Animal Rights
Budget: Greater than \$40 Million
Employee Count: 101-200
Geographic Proximity: Maryland



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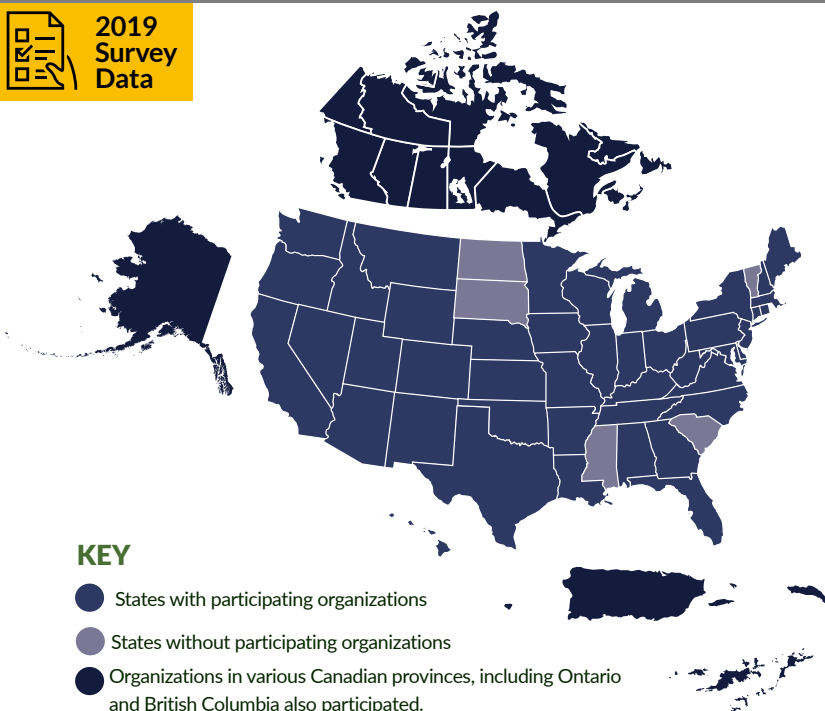
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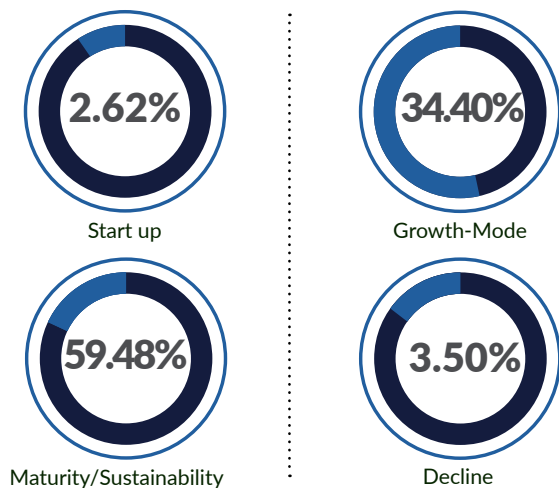
Survey Participant Demographic Data



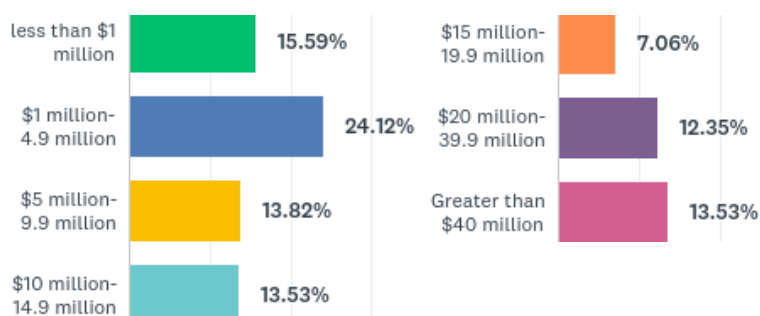
2019
Survey
Data



Stage in Organizational Life Cycle:



Participant Budget Size:



Organization mission-types that participated in the survey:



42.38%

Social/
human services



18.96%

Education



13.38%

Health/Health
Services/Health
Education



6.69%

Associations



4.83%

Human/civil rights



6.32%

Arts & culture



4.46%

Environmental



2.97%

Animal

Other mission types include faith-based, philanthropic, homelessness, museums, membership and research.

Survey Respondents Shared

"We offer top of the line medical benefits and have good PTO days; work from home policy that is quite liberal. We have good pay compared to external market."

Demographic Insight on Organization:

Mission Type: Poverty
Budget: Between \$10 Million- 14.9 Million
Employee Count: 51 -100
Geographic Proximity: New York

Survey Respondents Shared

"We instituted a [program] that allows anyone to nominate anyone else anytime for a \$100 gift card in recognition of a significant contribution that demonstrates the company's values. It has become hugely popular."

Demographic Insight on Organization:

Mission Type: Professional Services
Budget: Less than \$1 Million
Employee Count: Less than 10
Geographic Proximity: Texas

Results from the 2019 Nonprofit Talent Retention Practices Survey are in – Watch a Survey-Findings Webinar Recording Available!

Is retention an issue in your organization? Have you felt the impact when good employees leave your organization? With the tight labor market, employees are in demand, so you need to have strategies in place to retain those employees you want to keep.

Download a new webinar recording and learn the retention practices of nonprofits across North America.



Learning objectives covered include:

- Turnover data in the nonprofit sector
- Retention challenges of fellow nonprofits
- Quantitative and qualitative metrics you can use to track turnover and its impact
- Strategies to increase retention



About Nonprofit HR

Nonprofit HR is the country's leading and oldest firm focused exclusively on the talent management needs of social impact organizations. We focus our efforts on project-based human resources consulting, HR outsourcing, talent acquisition, and executive search. Nonprofit HR also offers customized trainings, research and events, all with the objective of strengthening the people management capacity of the workforce.

Since 2000, our staff of credentialed experts have advanced the impact of some of the world's most influential brands in the sector. Learn more about the missions we serve. Visit us online at nonprofithr.com.

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