



STRENGTHEN YOUR PEOPLE.
ACHIEVE YOUR MISSION.

2021 Nonprofit Talent Retention Practices Survey



Visit [nonprofithr.com/
2021talentretentionsurvey](https://nonprofithr.com/2021talentretentionsurvey)

Results Overview Webinar

Tuesday, September 21, 2021

2-3:30 PM ET

2021 Nonprofit Talent Retention Survey Overview Webinar



Webinar Presenter

Lisa Brown Alexander
Founder & CEO
Nonprofit HR

About Nonprofit HR

Our vision:

We are the leading source of innovative talent management, talent acquisition services and knowledge for the social impact sector.

- Total lifecycle solutions for talent management.
- 20+ years serving the social sector as a trusted advisor and thought partner.
- Thousands of missions served.
- Woman and Minority-owned.
- National footprint.
- Award-winning and highly credentialed staff.

“Nonprofit HR’s experts listen, articulate people-centric solutions and understand the correlation between having high-performing, engaged staff and us being able to support our members’ needs. Their team has elevated the importance of and visibility around innovative HR practices. Nonprofit HR is an invaluable strategic partner.”

Cathy Gibney, CPA
Chief Financial Officer
National Hospice and Palliative Care Organization



Our Practices: Nonprofit HR's suite of solutions are centered around five core service areas

STRATEGY & ADVISORY

- HR Audits & Assessment
- Workforce Planning
- Performance Management
- Workplace Culture & Employee Engagement
- Learning & Development

OUTSOURCING

- Interim Outsourcing
- Comprehensive General Outsourcing
- Specialty Outsourcing (i.e. strategy, recruitment, benefits)

DIVERSITY, EQUITY & INCLUSION

- Equity Assessments & Implementation Support
- DEI Training
- Cultural Transformation
- Leadership Development
- Interim Chief Equity Officer

TOTAL REWARDS

- Compensation Benchmarking & Program Design
- Pay Equity Analysis
- Benefits Assessments & Administration
- Cost Containment Strategy Design
- HR Technology



SEARCH

- Executive Search
- Professional Search
- Recruitment Outsourcing
- Interim Leadership



SOCIAL ENTERPRISE

We also partner with nonprofit and for-profit social enterprises to help strengthen their people management practices.

Agenda

- The Great Resignation: What is it & What's Driving it?
- Retention Strategies: What Nonprofits are Using
- Retention Metrics: What Nonprofits are Tracking & What the Data is Telling Us
- Turnover, Turnover, Turnover: What's Happening Across the Sector
- Recommendations for Improving Employee Retention

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Gallup research from earlier this year found **48%** of the **American workforce** was actively looking to change jobs.

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The Great Resignation: What is it?

According to the U.S. Bureau of Labor Statistics, [4 million Americans](#) quit their jobs in July 2021.

The Great Resignation: What's Driving it?

“Many managers think beating the Great Resignation is all about work from home rules, what many misunderstand is that many employees have deeper concerns than just when they have to come into the office.”

Source: <https://www.inc.com/jessica-stillman/great-resignation-work-meaning-esther-perel.html>

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To what extent are you currently looking for a different job than the one you have now?

Employees who are looking for a job or watching for opportunities

	September 2019	March 2021
	%	%
Actively Disengaged	69	74
Not Engaged	51	55
Engaged	29	30

Source: GALLUP, SEPT. 2019, MARCH 2021

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The lost productivity of not engaged and actively disengaged employees is equal to **18% of their annual salary.**

Source:

[HTTPS://WWW.GALLUP.COM/WORKPLACE/351545/GREAT-RESIGNATION-REALLY-GREAT-DISCONTENT.ASPX](https://www.gallup.com/workplace/351545/GREAT-RESIGNATION-REALLY-GREAT-DISCONTENT.ASPX)

Nonprofit**HR**

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Key Drivers of the Great Resignation

- Managers are facing unprecedented challenges on leading with engagement and a focus on well-being.
- Employees are weighing the “value” of work against their mental, emotional and physical health.
- Resistance to workplace flexibility and unexplained commitment to in-person work.

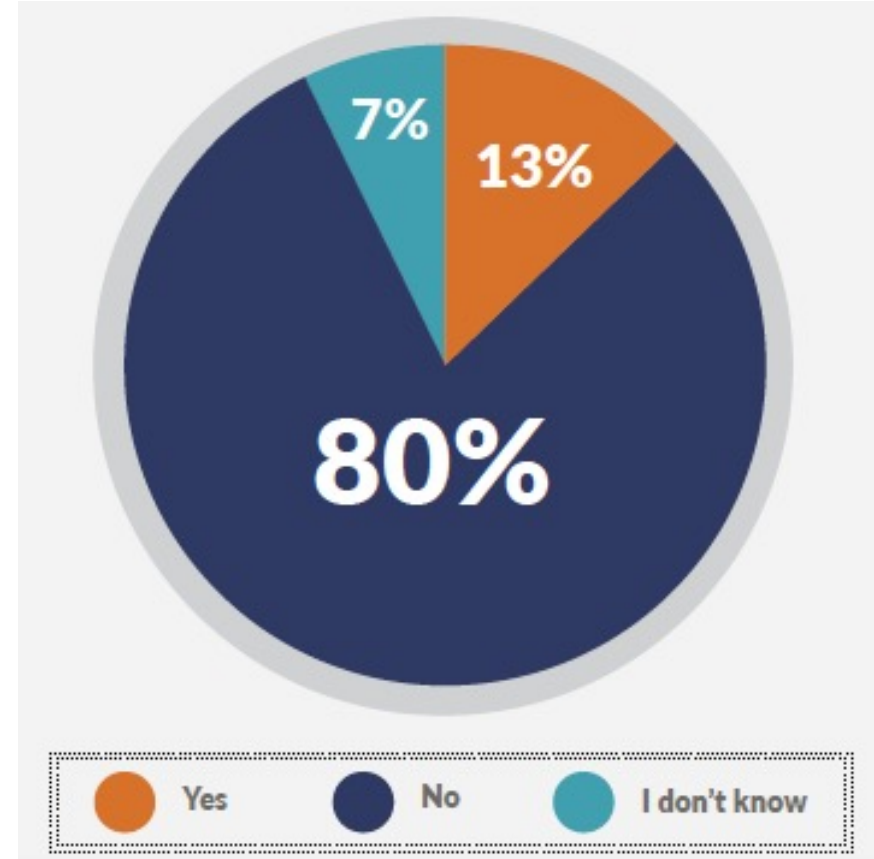
Source: <https://www.npr.org/2021/06/24/1007914455/as-the-pandemic-recedes-millions-of-workers-are-saying-i-quit>

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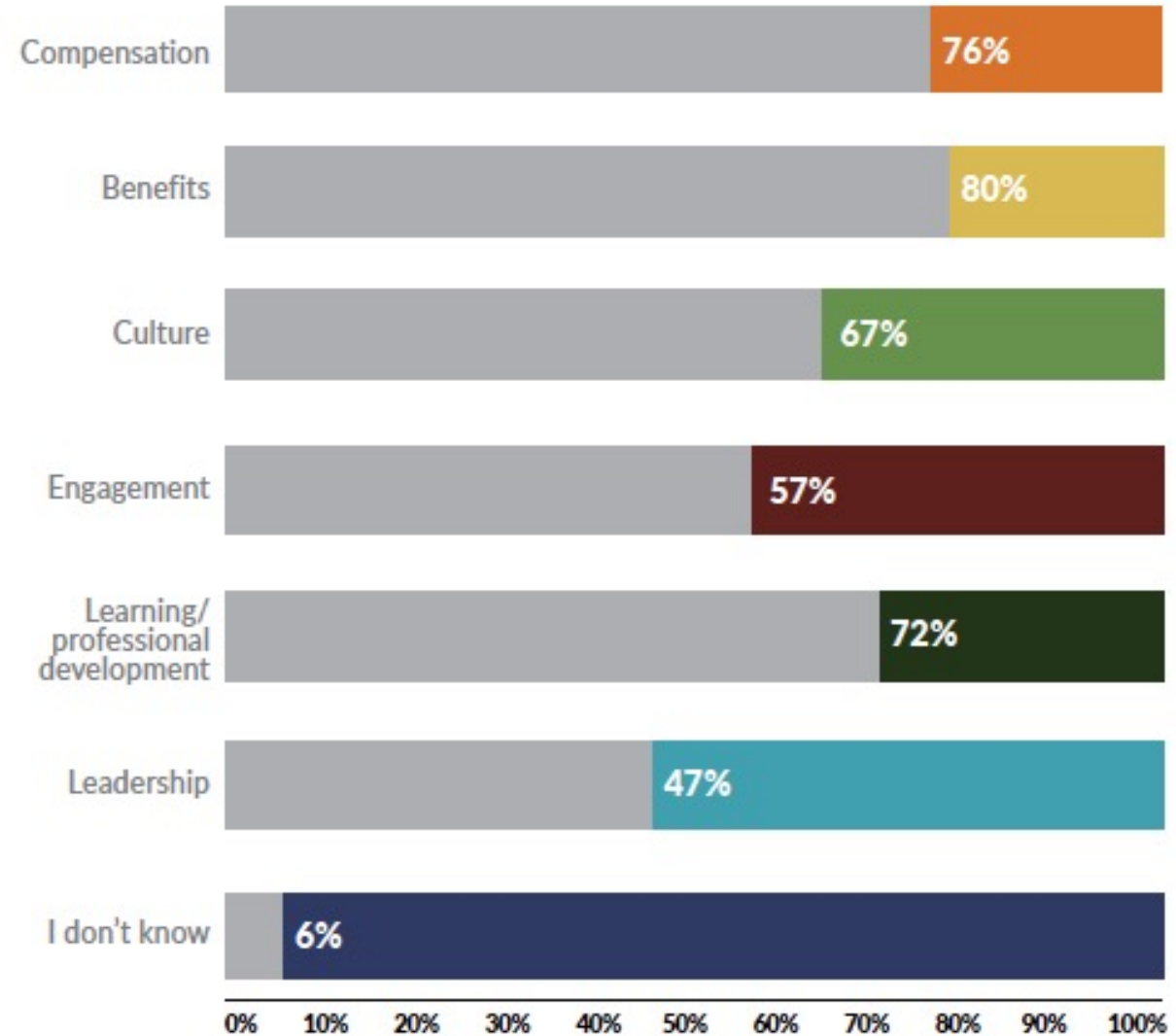
Insights

- Resignation rates are highest among mid-career employees.
- Program staff remain the hardest to retain across the nonprofit sector.
- Just under 20% of nonprofits report that they not facing any challenges with retaining staff.
- Fewer organizations have retention strategies in 2021 than in 2019 (16.8% → 12.6%).
- Roughly one-third (33%) of the largest nonprofits have retention strategies versus 12% of the smallest nonprofits (those with budgets of \$5M or less).
- It takes more than a 20% pay raise to lure most employees away from a manager who engages them and next to nothing to poach most disengaged workers.

**Respondent organizations
that have a formal
retention strategy**



**Retention strategies
most employed by
respondent
organizations**



Qualitative retention tactics used by respondent organizations

72% Exit interviews

28% Stay interviews

43% Engagement surveys

39% Culture or climate surveys

61% Effective onboarding

54% Recognition programs

25% Retention bonuses

7% Loyalty program

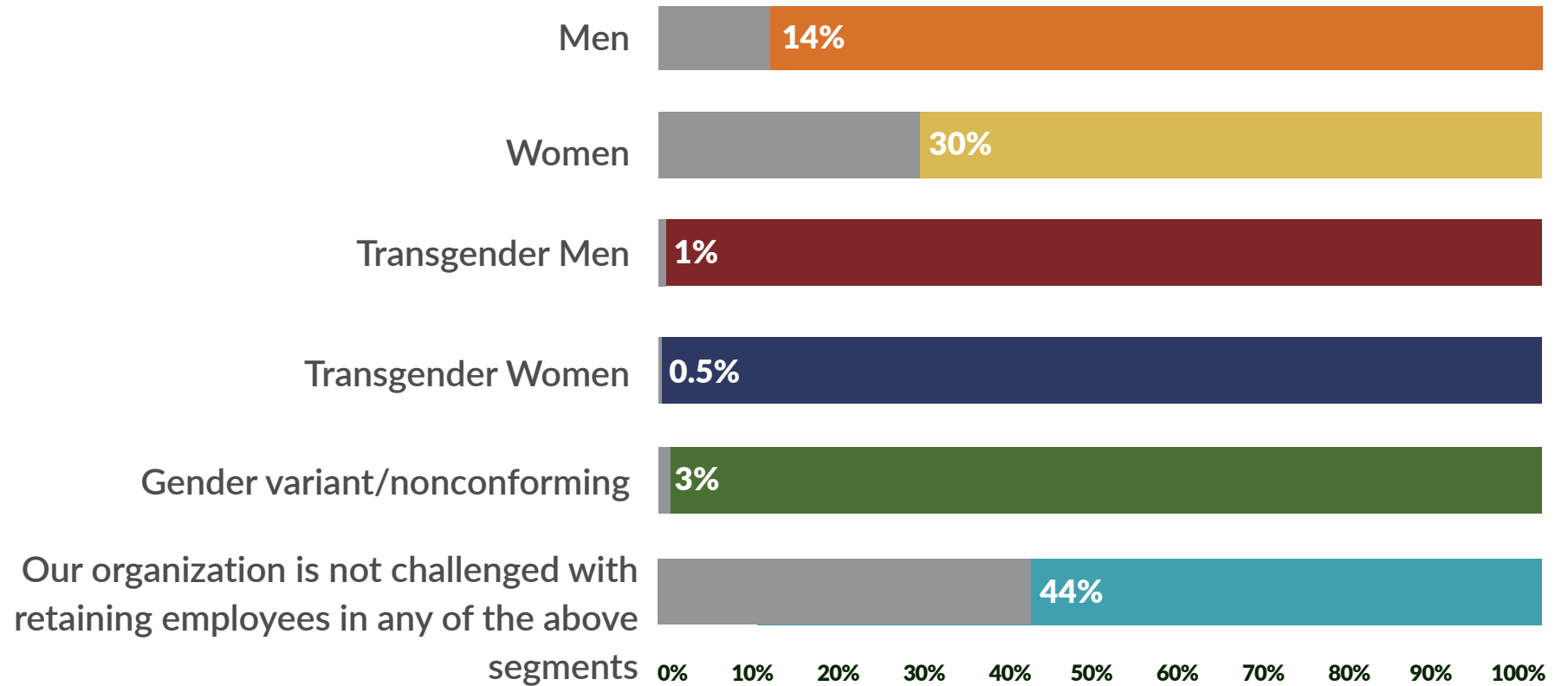
26% Long-service bonuses

10% I don't know

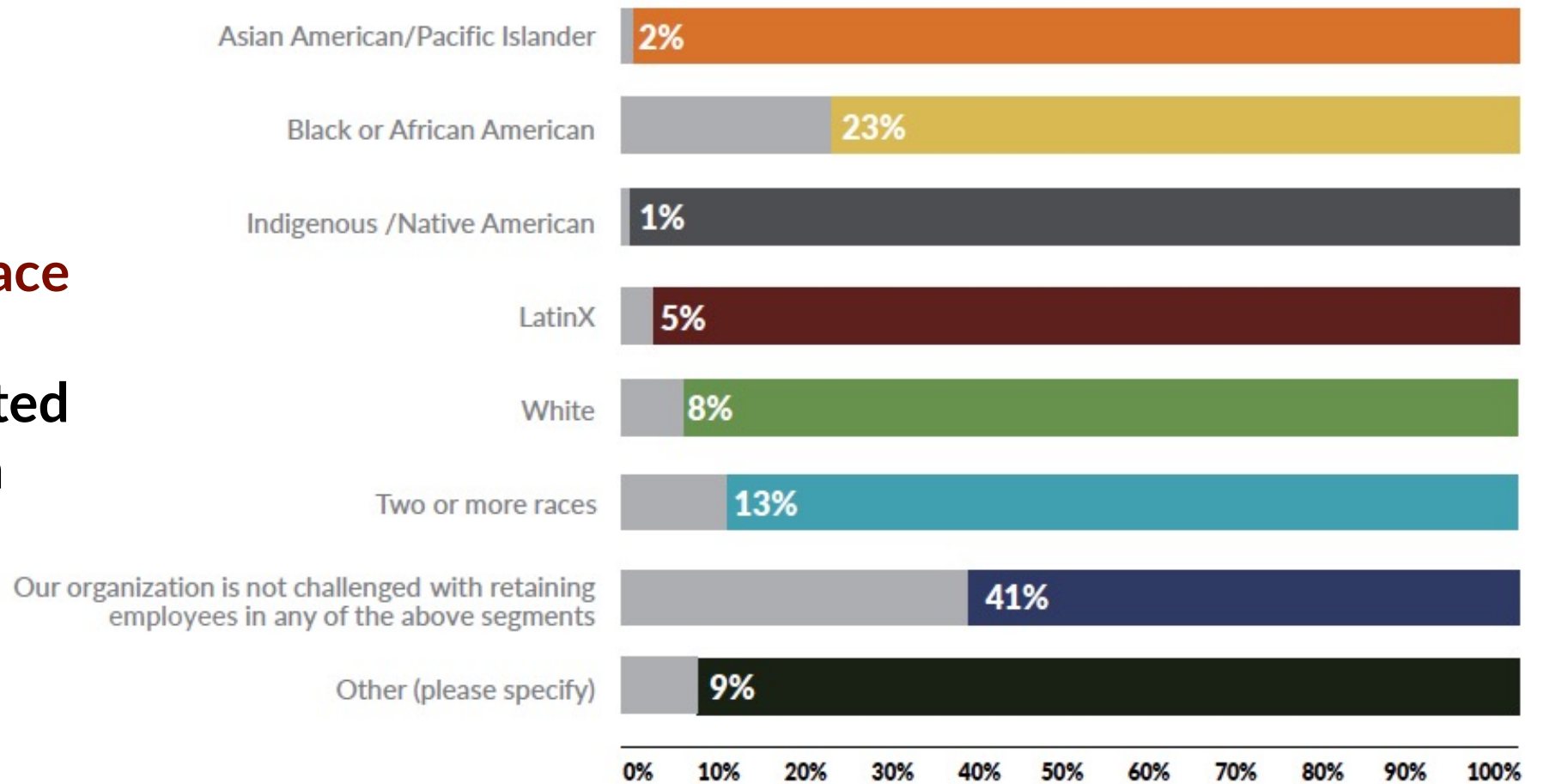
**Respondent organizations
that track retention metrics**



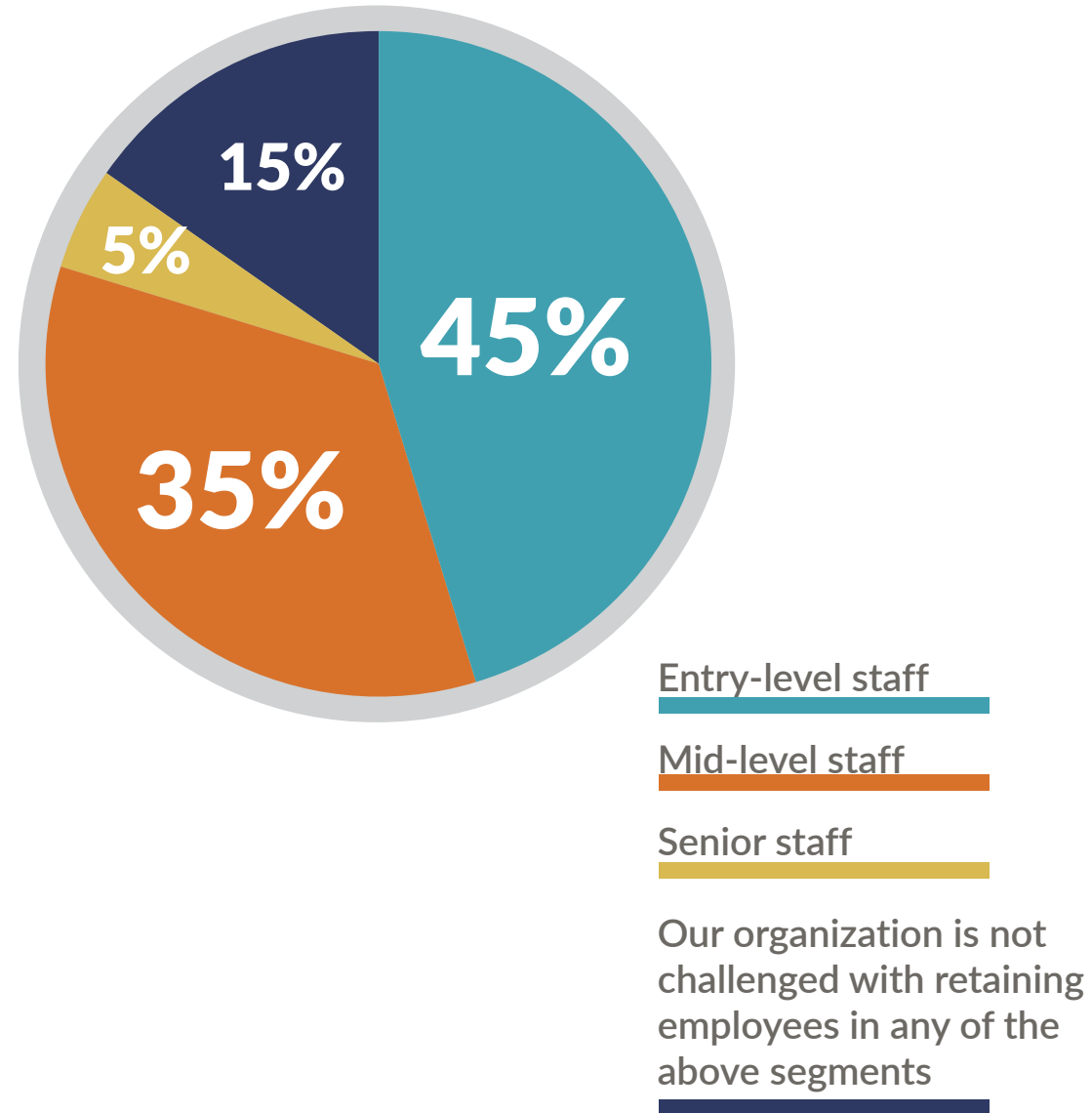
Staff segments by **gender** that respondent organizations reported most challenge with retaining



Staff segments by **race**
that respondent
organizations reported
most challenge with
retaining



Staff segments by **career level** that respondent organizations reported most challenge with retaining



Staff segments by department that respondent organizations reported most challenge with retaining



34% Programs



18% Our organization is not challenged with retaining employees in any of the staff segments by department



10% Operations/Administration/Facilities



6% Education/Professional Development



6% Fundraising



4% Marketing/Communication/Public Affairs



3% Finance



2% Human Resources



2% Membership/Member Relations

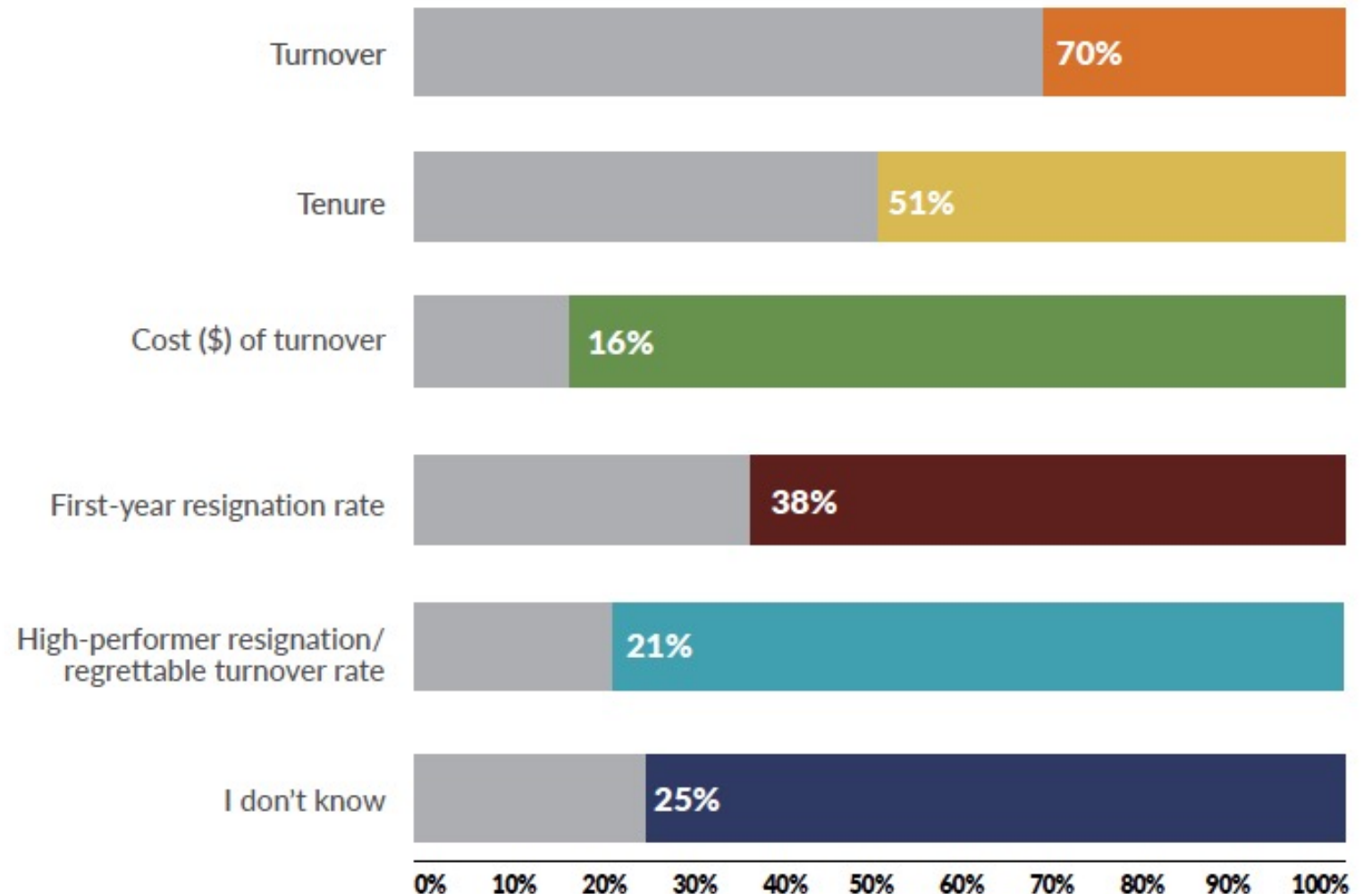


2% IT/Tech

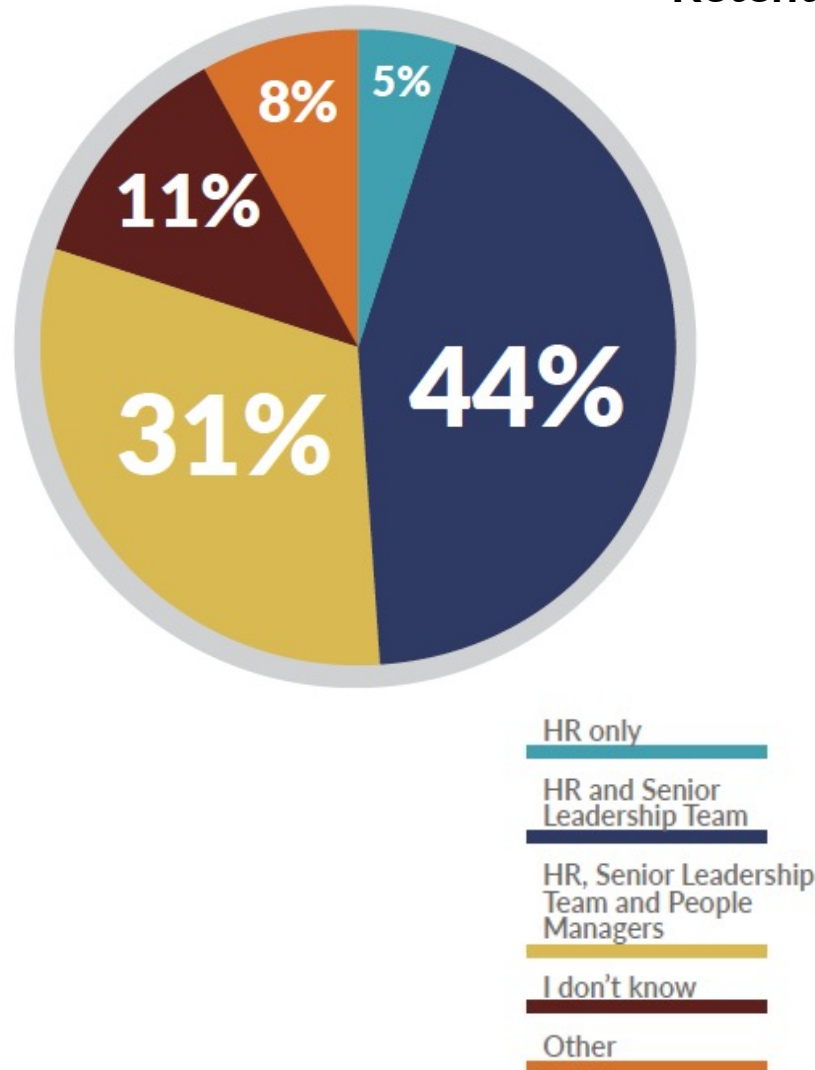


1% Event/Meeting Planning

Quantitative retention metrics that respondent organizations tracked in 2020



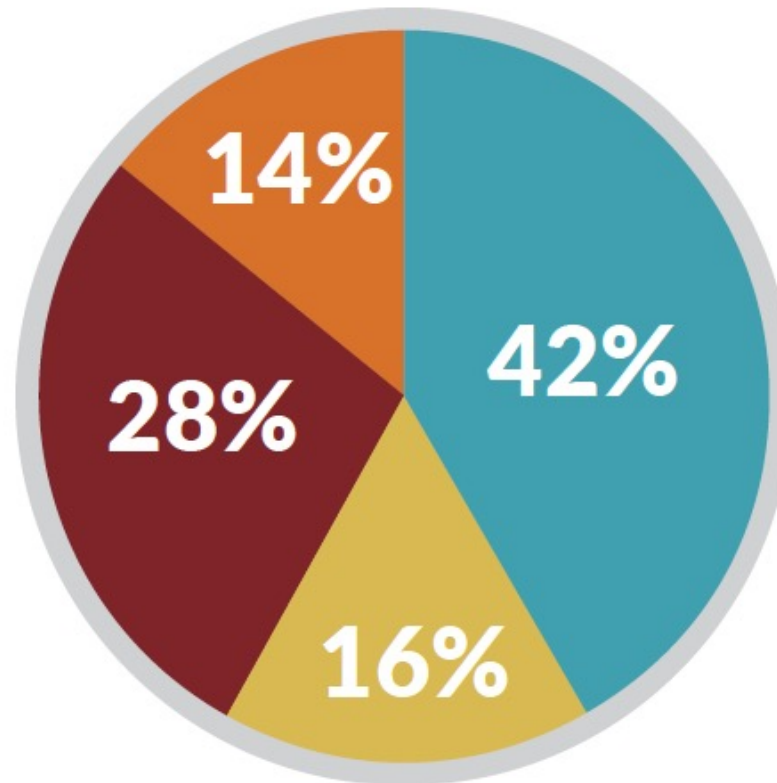
Internal stakeholders who receive and review retention metrics as indicated by respondent organizations



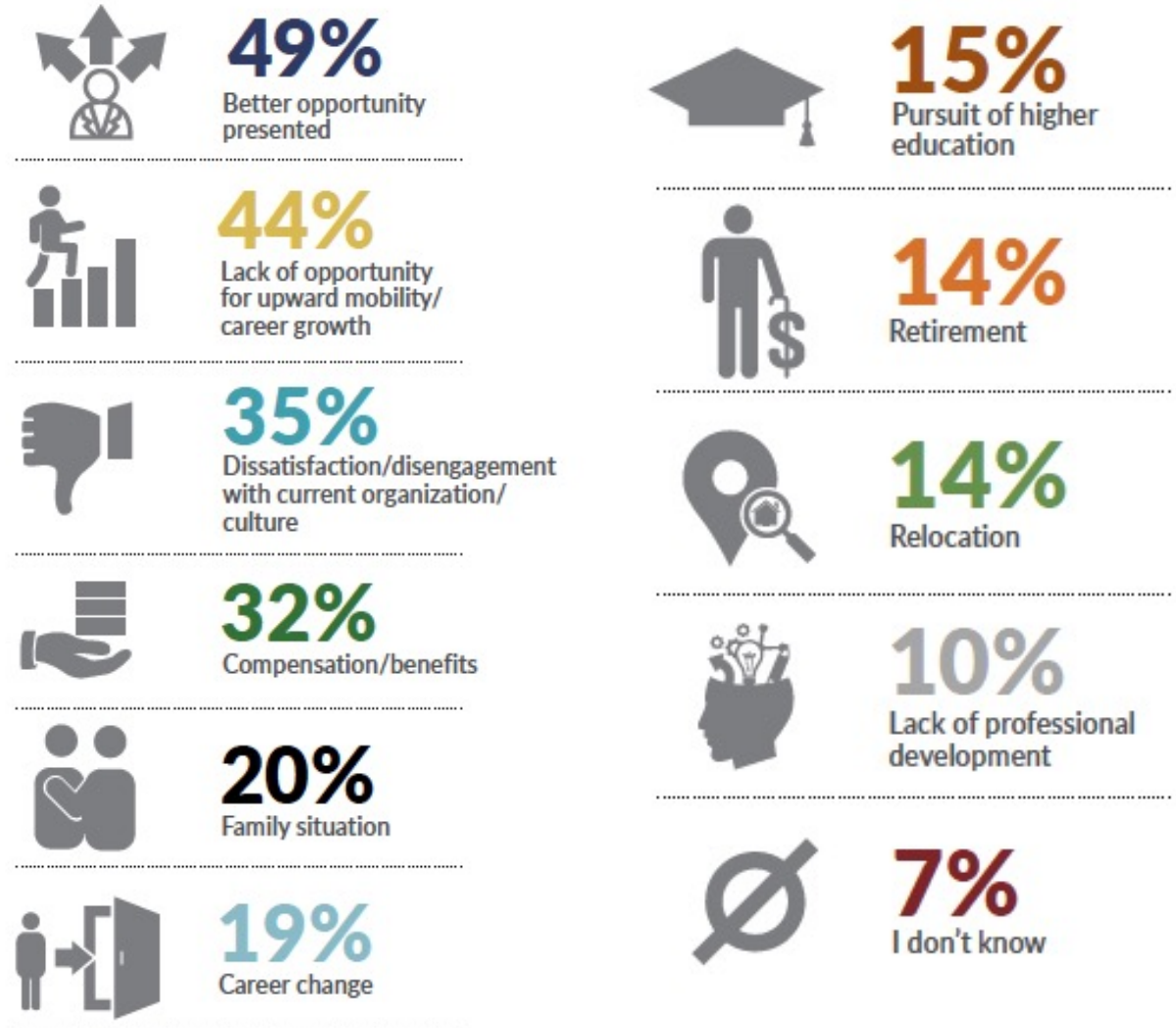
Retention data used by respondent organizations



How respondent organizations expect turnover rate to change from 2020 to 2021



Primary reasons for **voluntary** turnover in respondent organizations



Primary reasons for
involuntary turnover
at respondent
organizations



Layoff/position
elimination



Termination
for performance

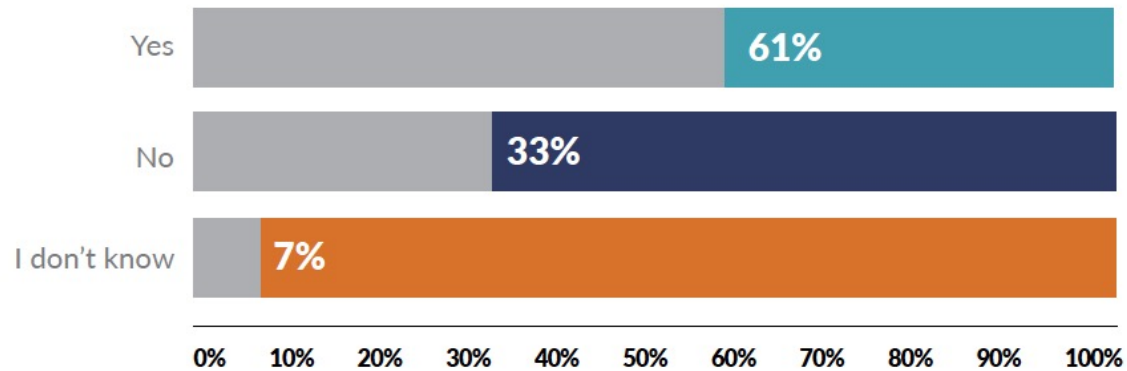


I don't know



Termination for
other reasons

Respondent organizations that track turnover rate



Most significant impact on turnover in respondent organizations



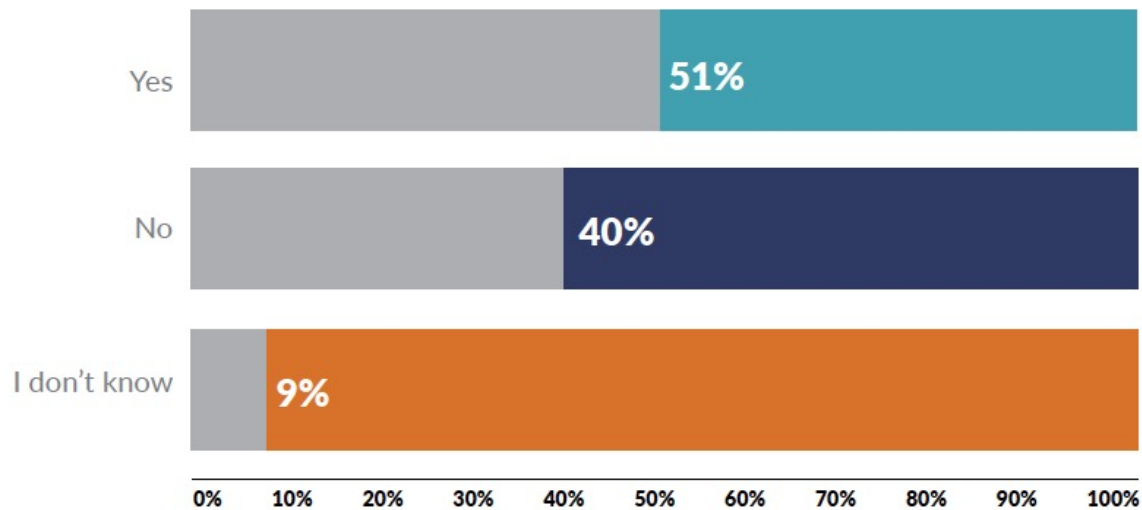
Employee Retention & the COVID Factor

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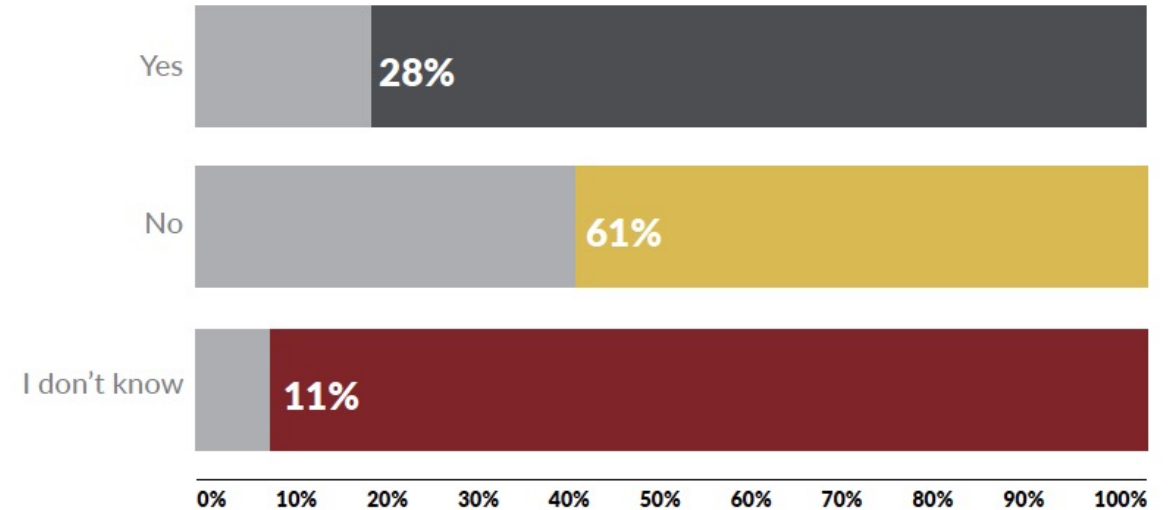
“Workers are making decisions to leave based on how their employers treated them—or didn’t treat them—during the pandemic. Ultimately, **workers stayed at companies that offered support, and darted from those that didn’t.**”

Source: <https://www.bbc.com/worklife/article/20210629-the-great-resignation-how-employers-drove-workers-to-quit>

Whether or not the COVID-19 pandemic impacted respondent organizations' retention strategies and tactics



Whether or not renewed calls for racial justice impacted respondent organizations' retention strategies and practices



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“Workers aren't just looking for higher pay, more time off, or more days at home (though those things would surely help in the short term). They're actually questioning the whole meaning of the daily grind. Why do we put so much of ourselves into our careers? And are we getting a fair deal from our employers in return for all this stress and heartache?”

Source: <https://www.inc.com/jessica-stillman/great-resignation-work-meaning-esther-perel.html>

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10 Key Recommendations for Improving Employee Retention

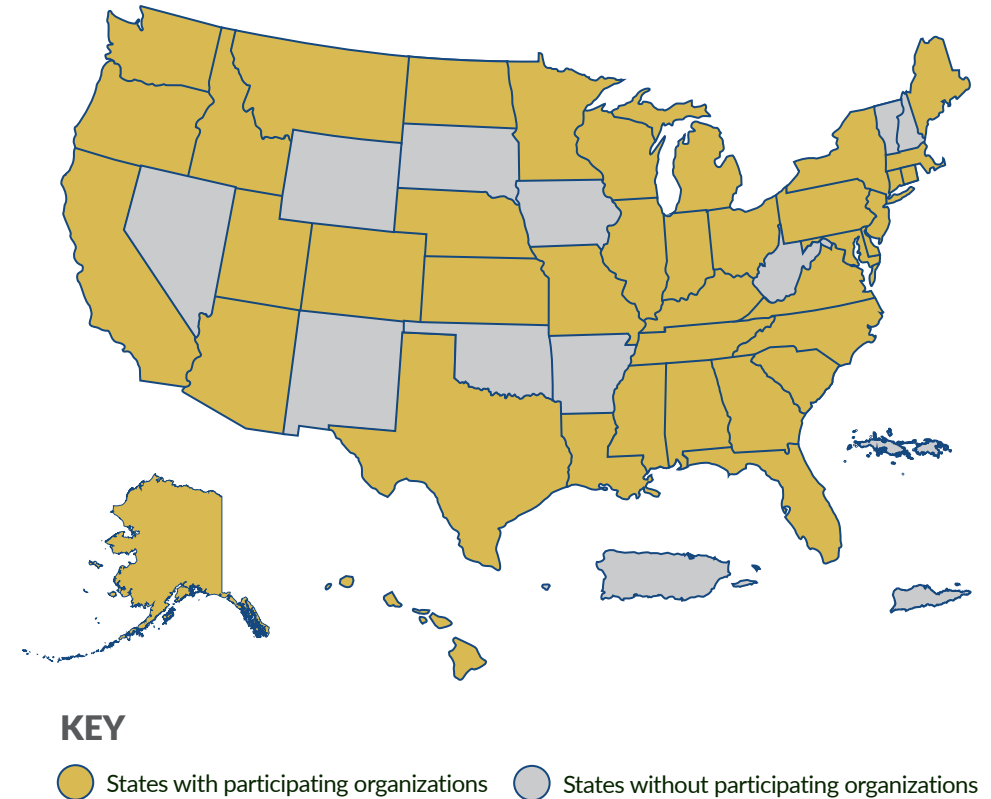
1. Know your numbers
2. Identify the root causes of turnover/poor retention (age, race, level, area of work, leaders)
3. Quantify the impact/costs of turnover on mission, goals, program/service delivery and surviving staff
4. Be intentional about understanding the intersections of culture, rewards, autonomy and leadership at your organization
5. Understand and leverage the power of flexibility + trust

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10 Key Recommendations for Improving Employee Retention

6. Develop tailored retention programs based on data
7. Define and communicate your EVP, regularly
8. Know that your mission isn't enough anymore
9. Understand that sometimes money matters—and sometimes it doesn't
10. Engage your highest performers, understand why they stay, take action and press repeat

- Number of Respondent Organizations: 500+
- Number of Participating Mission Areas: 30+
- Budget Ranges for Survey Respondents: < \$5 Million - > \$500 Million
- Participating U.S. States: 38
- Current Lifecycle Stage of Most Organizations: Mature & Growth-Level



Thank You for Attending!
Questions?



Download the infographic with results from this survey!

Visit nonprofithr.com/2021talentretentionsurvey

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