

2022 NONPROFIT TALENT MANAGEMENT PRIORITIES

SURVEY RESULTS

Nonprofit**HR**

Webinar

Tuesday, December 14, 2021

2-3:30 pm, ET

Nonprofit**HR**

STRENGTHEN YOUR PEOPLE.
ACHIEVE YOUR MISSION.

Webinar Presenter

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CEO
Nonprofit HR





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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



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

STRATEGY & ADVISORY

nonprofithr.com/project-based-hr-consulting/

OUTSOURCING

nonprofithr.com/hr-outsourcing/

DIVERSITY EQUITY &
INCLUSION

nonprofithr.com/deipractice/

TOTAL REWARDS

nonprofithr.com/totalrewards/



SEARCH

impactsearchadvisors.com/



SOCIAL
ENTERPRISE

gosita.com/

Survey Background

Highlights by
Function

Implications for
Your Nonprofit

With our annual Nonprofit Talent Management Priorities Survey, Nonprofit HR sought to learn what the social sector was most concerned about regarding talent management moving into 2022.

We heard from over 400 mission-driven leaders and HR professionals from organizations representing a diverse range of missions, locations and budget sizes.

Learn more about our Knowledge and Research. Visit us online:
nonprofithr.com/knowledge

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Top-Level Findings

2022 Results

Organizations that have a formal talent management strategy/plan that will guide its work in 2022

Engagement

Development

No

I don't Know

25%

Yes

68%

No

7%

I don't Know

Top three talent management priorities in 2022

49%

Culture and Engagement

37%

Learning and Development

48%

Performance Management

2021 Results

Survey
Background

Highlights by Function

Talent Acquisition

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Talent Acquisition

TOP 3 PRIORITIES

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Top Three Talent Acquisition (Recruitment) Priorities

69%

Attracting/hiring diverse talent (i.e. across all demographics including but not limited to race, age, gender, identity, differing abilities, etc.)

46%

Strengthening your employer brand to attract better talent

50%

Strengthening internal capacity around interviewing skills and practices (e.g. behavioral interviewing, panel interviewing, increasing # of staff involved in interviewing, training interviewers to mitigate bias, etc.)

Top 2021 priorities: Attracting/hiring diverse talent (54%); Strengthening internal capacity for interviewing (24%; Implementing initiatives to increase candidate engagement (15%).



Talent Acquisition

Insights and Implications

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- DEI has taken on more importance in talent acquisition as more applicants make job choices based on organizations' public commitment to equity and inclusion.
- The COVID pandemic and the Great Resignation have changed the talent acquisition game.
- We're currently in a candidate-driven market. For the first time on record, the number of job openings has surpassed the number of unemployed workers.
- Improvements in hiring results will continue to be driven by interviewing effectiveness.



Talent Acquisition

Insights and Implications

Nonprofit**HR**

- More organizations are focusing on reducing/eliminating bias from their interview processes in support of better DEI results
- Transparency of your employer brand is a must. Your environment and what you sell to job seekers must align!

What practitioners have to say about prioritizing talent acquisition in 2022

“We made a series of hires in early 2021 as a strategic effort to grow the organization; this doubled the size of our core team, and we likely would only hire part time staff in the year ahead.”

-Survey respondent

New York | Technology | Less than \$5 million | Less than 25 Employees

Survey
Background

Highlights by Function

Culture and
Engagement

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Culture and Engagement

TOP 3 PRIORITIES

Nonprofit**HR**

Top Three Culture and Engagement Priorities

53%

Assessing organizational culture
(e.g. values, workplace behavior/
attitudes, leadership effectiveness,
communication effectiveness, etc.)

37%

Improving organizational culture
(e.g. reducing conflict, dysfunction,
miscommunication, etc.)

53%

**Implementing employee retention/
engagement strategy, programs
and/or initiatives**

Top 2021 priorities: Assessing organizational culture (33%); Building more inclusive organizational culture (21%); Improving organizational culture (19%).



Culture and Engagement

Insights and Implications

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- Workplace culture and ineffective leadership are drivers of the Great Resignation, not compensation.
- Workplace cultures thrive when staff feel engaged, valued and heard. They are choosing to walk with their feet when they don't.
- You can't strengthen a workplace culture that you don't understand or can't define.
- Organizations have a choice about their culture: They can allow it to be defined by unspoken actions or they can proactively shape their culture in order to succeed.



Culture and Engagement

Insights and Implications

Nonprofit**HR**

- Flexibility and inclusion, which drive culture and employer brand value, will continue to be key drivers of engagement.
- Employees are increasingly less tolerant and less willing to be quiet about internal dysfunction and poor communication.
- Our current climate demands leadership competencies in engagement, empathy and equity. Effective leadership happens on purpose and with intention.

What practitioners have to say about prioritizing culture and engagement in 2022

“After being without an HR Director for almost a year, we have other lower-level HR processes to focus on before we can move up the hierarchy of HR functions to culture and engagement.”

-Survey respondent

North Carolina | Arts & Culture | \$20.1 - \$50 million | 76-150 Employees

Survey
Background

Highlights by Function

Performance
Management

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Performance Management

TOP 3 PRIORITIES

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Top Three Performance Management Priorities

57%

Restructuring existing performance
management systems/programs

42%

Implementing training and development
initiatives aimed at strengthening
managers' skills around giving/receiving
feedback

39%

Shifting from a traditional,
event-driven performance management
model to a continuous feedback model

Top 2021 priorities: Restructuring existing performance management systems/programs (40%); Implementing training and development initiatives aimed at feedback (33%); Shifting from a traditional event-driven performance management model (16%).



Performance Management

Insights and Implications

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- The shift to remote and hybrid work have changed the way organizations look at performance management.
- Pre-pandemic employers tended to associate a higher value to the effort that they could see, even if the output, post-pandemic was the same.
- The de-prioritization of the transactional aspect of work is driving performance management redesign; organizations are defining new factors on which to evaluate employee performance.
- Performance factors such as communication, collaboration and accountability are increasingly important in virtual work environments.

What practitioners have to say about prioritizing performance management in 2022

“Need to focus on integration of changes made during the pandemic.”

-Survey respondent

New York | Economic Development & Finance |
Less than \$5 million | Less than 25 Employees

Survey
Background

Highlights by Function

Learning and
Development

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Learning & Development

TOP 3 PRIORITIES

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Top Three Learning and Development or Training Efforts Respondents Will Offer in 2022

57%

Developing a learning and development strategy/program

32%

Implementing diversity, equity and inclusion training

45%

Expanding investments in developing and strengthening teams

Top 2021 priorities: Developing a learning & development strategy (36%); Expanding investments in developing and strengthening teams (22%); Implementing a staff mentoring program (15%).



Learning & Development

Insights and Implications

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- Lack of career growth and mobility are driving staff resignations. Investments in the same are increasing to drive retention.
- Organizations are moving beyond statements and symbols of equity and inclusion to deepening awareness and eliminating inequity through learning and development.
- Social connections are one of the most important building blocks of team resilience. Investments in team relationships strengthen the social bonds that enhance trust, collaboration and mutual support – all essential in a virtual and hybrid work environment.
- We continue to see investments in leadership development in the areas of change management, crisis management, emotional intelligence and leading diverse teams.



What practitioners have to say about prioritizing learning and development in 2022

“Implementing a professional development/learning program for all staff - not just high performing.”

Massachusetts | Economic Development & Finance
| Less than \$5 million | Less than 25 Employees

Learning & Development

Insights and Implications

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Highlights by Function

Total Rewards

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Total Rewards

TOP 3
PRIORITIES

Top Three Total Rewards (Compensation and Benefits) Priorities

42%

Correcting/addressing pay/benefits inequities

48%

Expanding benefits program offerings/
investments

51%

Implementing/restricting merit-based pay
programs

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Top 2021 priorities: Benchmarking existing total rewards practices/programs (19%); Correcting pay/benefits inequities (18%); Expanding benefits program offerings/investments (13%).



Total Rewards

Insights and Implications

- Equitable pay is a competitive advantage.
- Organizations are moving beyond symbols of diversity, equity and inclusion. Pay equity has risen in importance among social impact leaders seeking equity in their systems, policies and practices.
- Pay equity remains a key indicator of organizational commitment to equity.
- Compensation is an essential piece of any organization's retention strategy. No matter how valued an employee may feel, they are likely to look outside their current employer if they feel inadequately compensated for their work.



Total Rewards

Insights and Implications

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- Expanding benefits programs is a direct response to decreases in staff retention.
- Employee benefits can be life-changing for today's workforce, especially those centered around care, flexibility, and mental health. In order to better support their employees and their missions, leaders are revising their benefit strategies.
- Employee wellbeing and flexibility continue to dominate as priorities among today's social impact workforce.
- Continue pushing leadership toward empathy and the need to embrace flexibility as a strategy for attracting and retaining top talent.

What practitioners have to say about prioritizing total rewards in 2022

"Due to the pandemic, we have limited budgets and are working hard to replace lost staff at the current time." -
Survey respondent

Nebraska | Children, Youth & Family
| Less than \$5 million | 26-75 employees

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Highlights by Function

Talent Analytics/
Metrics

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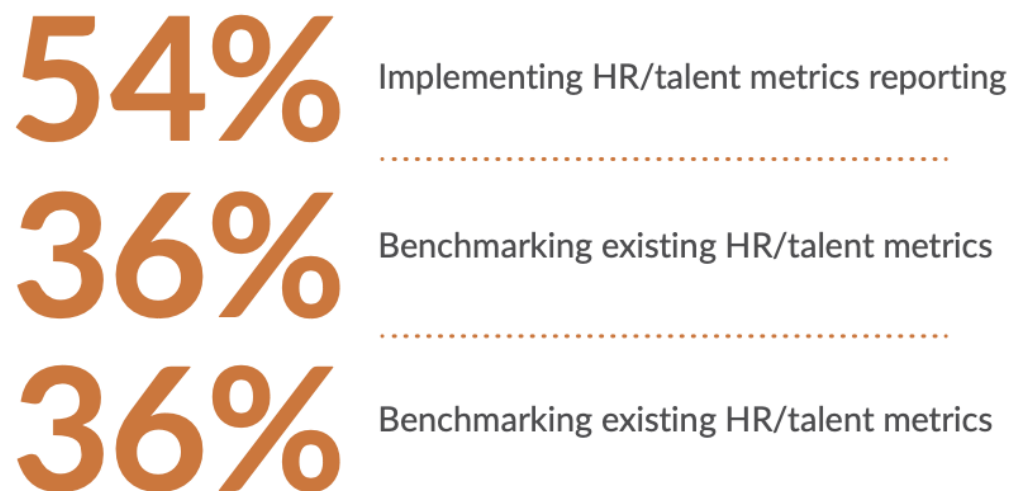


Talent Analytics/ Metrics

TOP 3 PRIORITIES

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Top Three Talent Analytics/Metrics Priorities



*42% - Expanding reporting of HR talent metrics was the second highest ranked category for Priority #3.

Top 2021 priority: Implementing HR/talent metrics (31%);
Benchmarking existing HR/talent metrics (25%); Expanding reporting of
HR/talent metrics (15%).



Talent Analytics/ Metrics

Insights and Implications

- Metrics help organizations and leaders better understand the effectiveness of the talent management function and HR practices.
- HR leaders across the sector are increasingly relying on talent metrics and analytics to make/influence talent management related decisions.
- The pandemic has accelerated the importance of talent on mission delivery and the actions that organizations are taking to track talent within the organization.
- Increasing numbers of nonprofits are implementing their talent management metrics against those of other/peer organizations.

Survey
Background

Highlights by Function

Talent-Focused
Technology

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Talent-Focused Technology

TOP 3 PRIORITIES

Top Three Talent-Focused Technology Priorities

63%

Increasing use of
talent acquisition
technology (i.e.
applicant tracking
system)

48%

Identifying/
implementing
performance
management
technology

57%

Implementing
a learning
management
technology system

Top 2021 priorities: Increasing use of talent acquisition technology (49%);
Identifying/implementing performance management (32%);
Implementing a learning management tech system (17%).



Talent-Focused Technology

Insights and Implications

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- Increased demand for new talent is driving increased need for effective applicant tracking systems technology.
- Increase in remote work is driving demand for more performance management technology. In person, event-driven performance management is becoming obsolete.
- Technology is already transforming the entire recruitment lifecycle. Everything's becoming digitized, from résumés to interviews. Increasingly it is becoming all about the “experience”—whether employee or candidate.
- Employee training is moving increasingly to the digital realm, a shift which also allows it to benefit from the latest HR tech innovations.
- Online employee learning is a must. This includes developing toward personalized, self-paced courses that fit employees' individual learning styles, career pathing, skills gap identification and competency development.



Talent-Focused Technology

Insights and Implications

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- Organizations are embracing new ways of securing sensitive employee data. Keeping data in the cloud, the increasing use of employee HR self-service platforms, and the shifts in data protection legislation will be a growing concern for HR and a must for software creators.

What practitioners have to say about prioritizing HR technology in 2022

“We have tools, but need to understand/leverage functionality.” -Survey respondent

California | Workforce Development
| \$5.1 million - \$10 million | 26-75 Employees

2021 Impacts & Highlights

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COVID-19 Impacts

Ways the COVID-19 crisis has impacted budget/talent management objectives of respondent organizations:

68% We have made adjustments to prioritize/reprioritize our talent management objectives.

38% We have, or expect to, increase our operating budget.

20% We have de-prioritized our talent management objectives, programs and/or initiatives.

20% We have not adjusted our approach. The COVID-19 pandemic has not impacted our organization's approach toward talent management.

18% We have, or expect to, reduce our operating budget.

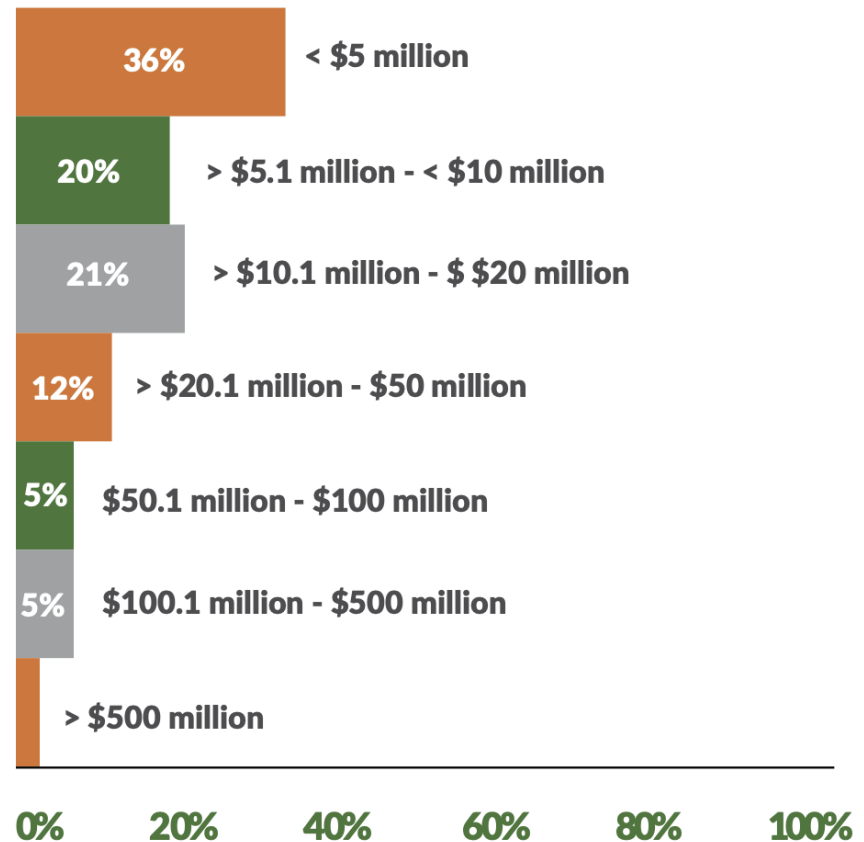
Survey Participant Demographic Data



Survey Participant Demographic Data

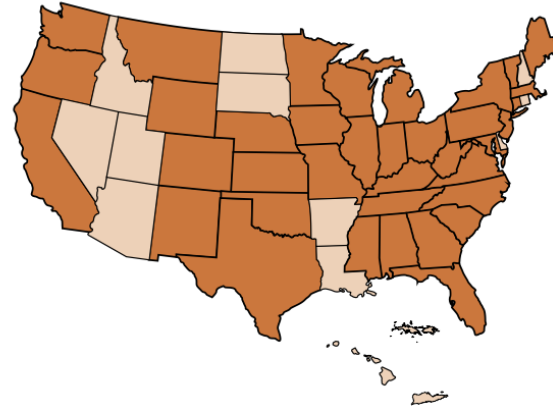
SURVEY PARTICIPANT DEMOGRAPHIC DATA

Average operating budget of survey participants:

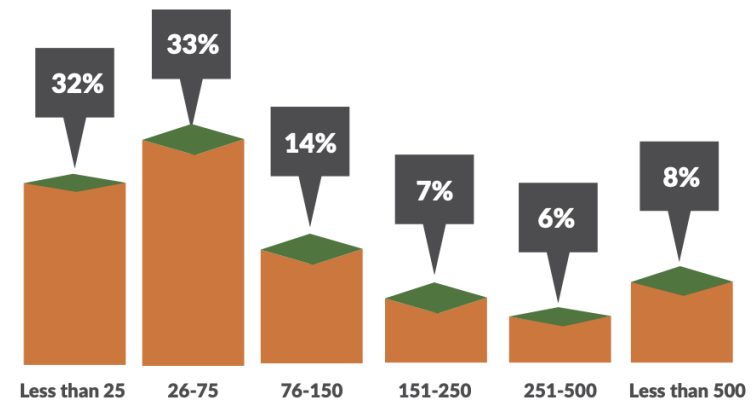


Survey Participant Demographic Data

Organizations in the dark orange shaded states participated in the survey. States with light gold had no participating organizations.



Employee counts for participating organizations:



Survey Participant Demographic Data

Organization mission types that participated in the survey:

Education  **12%**

8%  Children & Family

 Human Services/
8%

6%  Advocacy/Policy

 **6%** Arts & Culture

Healthcare  **6%**

 **5%** Environmental

 **3%** NGO

Housing & Houselessness  **5%**

3%  Social Justice

Other mission types include Community/ Economic Development, Youth Development, Public Policy, Faith-based organizations

Q & A and Thank You!

Contact Us

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