

2017 Regional Nonprofit Compensation & Benefits Report

Discussion Guide



Among its many findings, the *2017 Regional Nonprofit Compensation and Benefits Report (Report)*, highlights two perennial challenges in the nonprofit sector. First, nonprofit salaries in the region, in many cases, are below the national average for both the for-profit and nonprofit sectors. Second, as both the *Report* and national data suggest, compensation disparities exist, particularly for women and people of color.

The Community Foundation for a greater Richmond and the Center for Nonprofit Excellence hope that the *Report* will help you benchmark salaries and compensation for your own organization, and better understand and address the challenges identified. To that end, we have created the *2017 Regional Nonprofit Compensation and Benefits Report: A Discussion Guide (Guide)* to facilitate conversations among board and leadership staff on the topic of fair compensation and equity in hiring, promoting, and retaining staff. We intend the *Guide* to aid the reflective process of self-examination within organizations, as we all work to create more sustainable work environments throughout the nonprofit sector in our region.

compensation

Are you looking to attract new talent, reward and motivate existing employees, or ensure they stick around? Here are some questions to help guide your thinking about compensation:

QUESTIONS FOR BOARD MEMBERS AND EXECUTIVE DIRECTORS

- o How do you prioritize compensation in your annual budgeting? Are raises the first thing you cut?
- o How does compensation at your organization compare to the regional and national average for both nonprofit and for-profit business?
- o How do the compensation packages you offer compare to similar positions in similarly sized organizations? Consider direct compensation (basic pay and bonuses) but also indirect components (ex. leave, benefits) and non-monetary incentives (ex. flex time, telecommuting, casual Fridays, staff socials).
- o Packages that meet individual needs can make a difference. Health insurance, paid leave to care for children or aging parents, flexible hours, or a retirement plan—what matters to each of your employees?
- o Keeping employees informed about opportunities for growth and compensation decisions can increase job satisfaction. How do you communicate with your staff on these topics?

QUESTIONS FOR SUPERVISORY STAFF

- o Having a choice about what projects we work on, and how and when we get things done is a top motivator. What ways do you ensure worker autonomy?
- o Feeling that our employers appreciate our work motivates us. How do you show employees that you value their work?
- o Where we work and who we work with matters. How do your employees experience the work environment and culture?
- o Job security can keep people from actively looking elsewhere. How do you communicate messages about organizational stability to your staff?
- o People crave challenges. What opportunities exist for employees to grow and learn?
- o Purpose drives performance. What are you doing to connect tasks to the mission and values of the organization?

disparities, gender & race

How diverse is your staff? How might diversity strengthen your organization and the work you do to achieve mission? Here are some questions to help guide your thinking about staff diversity:

EMBRACING DIFFERENCE

- What kinds of differences currently exist among your staff?
- What value do those differences add to your team?
- What do you do to encourage people to draw on those differences and incorporate their strengths?
- In what ways do your organization's policies, procedures, and practices take into account differences of race and gender?
- What discussion and/or training have you initiated related to diversity, inclusion, and equity?

RECRUITMENT

- What groups are underrepresented on your staff?
- What changes can you make to attract candidates from these groups?
- Have you included equity, inclusion, and/or diversity among your organizational values? How do you communicate this to the public and to potential candidates?
- What unseen consequences are your recruitment practices having? Do your postings ask for unnecessary degrees or other qualifications?
- Putting too much emphasis on cultural fit can mask hidden biases and breed cultural homogeneity. What does "fit" mean for your organization? What unconscious biases might be shaping that meaning?

ORIENTATION AND RETENTION

- What does your team do to support the individual needs of new staff members?
- Are all employees equally included in social activities and are activities structured in a way that would allow everyone to participate fully?

LEADERSHIP GROWTH AND ORGANIZATIONAL CHANGE

- Organizational change can't happen without executive staff and boards leading the way. What action steps have you taken to make inclusion and equity an organizational priority?
- Women and people of color are generally underrepresented in leadership roles. What institutional structures has your organization put in place to develop staff and promote internally to leadership positions?

action steps

These four final questions should help draw your discussion to a conclusion and begin to create a plan for change within your organization:

- What opportunities exist to create positive change?
- What are some ways you can quickly get started?
- What longer term goals can you identify?
- What are the next steps, and who is responsible for carrying them out?

resources

COMPENSATION AND RETENTION

Compensation For Nonprofit Employees. National Council for Nonprofits.
councilofnonprofits.org/tools-resources/compensation-nonprofit-employees

How To Increase Satisfaction With Pay (Without Increasing Pay), Joel Folkman. Forbes.
forbes.com/sites/joefolkman/2017/06/08/how-to-increase-satisfaction-with-pay-without-increasing-pay/#d1fdc2929d0e

Think Your Employees Are Paid Fairly? Most of Them Disagree, Anne Fisher. Fortune.
fortune.com/2016/03/01/employee-pay-salaries-fair/

Non-Monetary Compensation. PayScale.
payscale.com/compensation-today/2009/08/non-monetary-compensation

EQUITY AND DIVERSITY

Why Diversity, Inclusion, and Equity Matter for Nonprofits. National Council for Nonprofits.
councilofnonprofits.org/tools-resources/why-diversity-inclusion-and-equity-matter-nonprofits

The Voice of Nonprofit Talent: Perceptions of diversity in the workplace, Robert Schwartz, James Weinberg, Dana Hagenbuch & Allison Scott. Common Good Careers & Level Playing Field Institute.
commongoodcareers.org/diversityreport.pdf?_ga=2.58475818.1640095167.1533302829-1285702256.1533302829

Step By Step: A guide to achieving diversity and inclusion in the workplace, Tyra Sidberry. TSNE Mission Works.
tsne.org/step-step-guide-achieving-diversity-and-inclusion-workplace

Recruiting Diverse Talent. The Bridgespan Group.
bridgespan.org/bridgespan/images/articles/recruiting-diverse-talent/RecruitingDiverseTalent.pdf?ext=.pdf

A Toolkit for Recruiting and Hiring a More Diverse Workforce. University Health Services, University of California, Berkeley.
diversity.berkeley.edu/sites/default/files/recruiting_a_more_diverse_workforce_uhs.pdf

National Diversity Council.
nationaldiversitycouncil.org/