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COMMUNIQUÉ No. 10

A Nonprofit Workforce Action Agenda: Report on the Listening Post Project Roundtable on Nonprofit Recruitment and Retention

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BACKGROUND

The Nonprofit Listening Post Project's Workforce Roundtable followed up on the project's 2007 survey focused on the recruitment and retention of professional and support workers at nonprofit organizations. This Sounding demonstrated that overwhelming majorities of nonprofit human service, arts, and community development organizations are facing real challenges recruiting and retaining quality workers; but it also found that most organizations were able to overcome these challenges and attract the qualified workers on which they rely to fulfill their missions (for the full text of the report on this Sounding, see www.jhu.edu/listeningpost/news).

To explore nonprofit workforce challenges and methods for overcoming them in greater depth, the Listening Post Project convened an all-day Roundtable on March 5, 2008. Participating in this session were nonprofit recruiters, experts in the workforce field, and nonprofit practitioners representing organizations of wide-ranging sizes working in a range of fields (see Attachment A in the Appendix for a complete list of Roundtable participants). This Communiqué summarizes the major findings that emerged from this session, focusing first on lessons from the field, and then turning to strategies that could help the sector as a whole address key workforce challenges.

LESSONS FROM THE FIELD

The nonprofits participating in the session agreed with the Sounding's finding that recruitment and retention are challenging processes, but their experiences demonstrate that

there are numerous strategies that nonprofits can employ to attract and retain quality staff.

Five overarching lessons emerged from this conversation:

- 1) The importance of selling "the context" of nonprofit jobs;
- 2) The realization that new, costly methods do not always have better results;
- 3) The importance of thinking creatively about bringing people into the sector;
- 4) The need to re-define work and the working environment;
- 5) The importance of professionalizing the human resource function.

The discussion that follows elaborates on these five central themes.

1. The Importance of Selling "the Context"

Participants agreed that an essential recruitment and retention tool is to sell not just the job, but the context of the job. This took a variety of forms:

- **Selling the physical environment:** Perhaps the most basic form of selling the context is the physical setting of the job. Typical here is the experience of the Maryhill Museum of Art in Goldendale, WA. To overcome the challenge of recruiting staff to a rural area, Executive Director Colleen Schafroth has turned this negative into a positive by emphasizing the desirable features of this rural loca-

tion as part of its recruitment process. “When we start to recruit,” noted Ms. Schafroth, “what we do is sell the area because it is so beautiful...It is a wonderful place to live and a wonderful place to raise kids.” As a result, once employees come, they are hooked and typically stay for 15-20 years.

- **Selling the work environment:** The real competitive advantage of nonprofits is not selling a location but selling a workplace infused with special values. Instructive here is the experience of Catholic Care Center, a long-term care facility in Wichita, Kansas. Recognizing that high staff turnover is common in the long-term care industry, Catholic Care developed several programs to help enhance its

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work environment and reinforce its organizational values. For instance, one successful program is its Culture Day, an afternoon social for employees and residents designed to reinforce the value of diversity. At these events, employees from a particular area, which have included West Africa, Jamaica and Ireland, bring in their food, music, and native dress. As Gayle Randa, Vice President of Human Resources, explained, “Employees are so excited to share their culture and the residents absolutely love it. It ends up being a successful day for both residents and employees.”

- **Selling organizational missions:** Even more than a workplace infused with supportive values, nonprofits also have the opportunity to sell something even more valuable: a life of meaning. This is done by connecting employees intimately with organizational missions and reinforcing this connection at every opportunity. The Berkeley Repertory Theatre in Berkeley, CA, for example, provides repeated opportunities for employees to hear about the organization’s values and encourages discussion about whether the theater is living up to them. Noted Susan Medak, Managing Director: “This has made a huge difference for us in attracting and retaining a workforce.”

Catholic Care Center also recognizes the importance of emphasizing its mission and values. The organization strives to put its mission first and works to ensure its employees understand that. As such, it organizes numerous trainings on its values, including an in-service training once a quarter on each of its core values. As Ms. Randa

emphasized, “I believe that instilling our mission and values in our managers and other employees really sets us apart from our for-profit competitors in the market.”

2. The Realization that New, Costly Methods Do Not Always Have Better Results

Another theme that emerged was that new, costlier recruitment and retention methods are not necessarily better than some traditional approaches. This theme could help explain why our Sounding found that the most commonly used recruitment techniques were also some of the most basic and least costly—word of mouth, current employee referral, and local newspapers (used by 96, 93, and 80 percent of the respondents, respectively).

Gayle Randa reinforced this theme in describing Catholic Care Center’s major recruitment strategies and its experience offering referral and signing bonuses: “We use the old stand-bys for recruiting—that is newspaper ads and our website. We’ve tried other progressive strategies but we always come back to those basic ads.” Ms. Randa explained that referral and signing bonuses are not as effective as people expect. Although workers tend to get excited about them at the outset, workers that want to leave will leave the Center regardless of what they promised when they joined. Moreover, the programs occasionally result in negative feelings among employees, including among those that referred people before the program was initiated (and thus, were not rewarded), or those who become ineligible for a bonus because of a performance issue. As Ms. Randa explained, “In the end, we have found that because we are simple and people are simple, going back to the basics works for us.”

3. The Importance of Thinking Creatively about Bringing Young People into the Sector

The third major theme centered on the need to think more creatively about bringing people, especially young people, into the sector. This has two major sub-components—a) the need to be more pro-active and strategic about recruitment; and b) the need to adopt more innovative strategies to recruit and retain the next generation of nonprofit workers.

a) The need to be more pro-active and strategic about recruitment

As Susan Medak pointed out, a major difference between nonprofits and for-profits is that for-profits *recruit* while nonprofits *hire*. She explained that there is

an expectation that MBA candidates will have days full of interviews, culminating in several job offers before they graduate from business school. As Ms. Medak stressed, “They will leave school knowing where they will be in the next year and with a sense that they are really valued. I would be floored if anyone who is enrolled in a nonprofit administration graduate program has ever had that experience.”

To begin to address this dichotomy and bring greater diversity to its pool of candidates, Berkeley Repertory Theatre just hired an African-American woman who used to work at the theater to spend one week a year at historically black colleges specifically to convey to students that “you are wanted.” Susan Medak also pointed out that over the past year, the theater field has begun to have more serious dialogues with those running nonprofit administration programs in an attempt to impact their curriculum. As Ms. Medak explained: “We realize that there are many, many schools that are teaching nonprofit administration, but very few of them are producing people who we feel we could hire.”

“[Internships have] actually become the most important way that we recruit...we could develop people with the skill set that we wanted but also people with the mind set that we wanted.”

Another Roundtable participant, Arba-Della Beck (President of FamilyMeans, Stillwater, MN), described her organization’s Next Generation Leadership Council, which provides a model for helping to better connect young people to the sector. The Council is a win-win for the organization and its members, usually young professionals in their 20s and 30s: the members help FamilyMeans better understand how to meet the needs of young singles and families, and in return, the Council teaches them about nonprofit leadership. As Ms. Beck highlighted, “These young people are our future leaders in this community. Through this program they are becoming board members and donors and even bringing their friends to the organization. It is just amazing.”

b) The need to adopt more innovative strategies to recruit and retain the next generation of nonprofit workers

The Roundtable participants shared a number of innovative strategies that they were employing to recruit and retain workers, particularly young people. Strategies described as especially effective include:

- **Internships:** Berkeley Repertory Theatre’s most suc-

cessful recruitment and retention tool is its formal internship program. As Susan Medak described: “What started out as being a way to enhance a small staff with eager young volunteers has actually become the most important way that we recruit.” In fact, the Theatre hires about 60 percent of its interns each year, and many of its current department heads are people who began there as interns. Ms. Medak emphasized, “What we found was that we could train our own—we could develop people with the skill set that we wanted but also people with the mind set that we wanted.”

- **Online postings:** Recognizing that most young people seek information online, many Roundtable participants post job advertisements on their own or on other organizations’ websites. One surprisingly popular site was Craigslist. Participants noted that web-based recruitment was particularly valuable in attracting people from outside the community, which could help diversify their candidate pool, and mid-level staff. Susan Posner

(Human Resource Director of Metropolitan Family Services, Portland, OR) pointed out that while 65 percent of Metropolitan Family Service’s applicants hear about the organization through its website, Craigslist, or another career site, just 20 percent learn about its positions through newspaper ads. Ms. Posner explained, “A lot has to do with the type of positions we’re recruiting for, which for us is primarily Program Coordinators. These are not entry-level positions, but typically require a college degree or equivalent experience. Most of the folks who seek these positions are looking online for employment opportunities.”

- **Job fairs:** Participants also had positive experiences hosting their own job fairs or participating in fairs within their communities. For example, Susan Posner explained that she had great success recruiting at Portland’s nonprofit job fair. She noted that, “It is that one-on-one contact... it is that talking to the applicants and explaining what our services are and who we are and what we do.”
- **Re-thinking positions:** When Maryhill Museum of Art had difficulty recruiting for an upper-level development position, it decided to hire someone at a lower level and then train this person so that he could develop the nec-

essary skills over time. This not only enabled the museum to hire someone at a lower salary, but also gave it the opportunity to shape this employee's skill set to ensure it would match the museum's needs.

- **Collaborations:** Many participants had success working with other organizations around recruitment. These activities ranged from posting ads on other organizations' websites (e.g., professional associations) to participating in local job fairs. Berkeley Repertory Theatre is more unique in that it "mutually recruits" with other nonprofit theaters. In fact, as Susan Medak explained, the theater also helps its interns and employees find new jobs if needed: "The assumption is that we will actually look for future employment for people when they reach a point where they are not going to be learning anymore with us. We aggressively go out and look for work for them in other theaters, ultimately because we think it serves our field well."

4. The Need to Re-Define Work and the Working Environment

Given recent demographic shifts, attitudinal differences between the new generation of nonprofit workers—the "Millennials"—and older generations, and the increasing numbers of older Americans looking for volunteer or employment opportunities at nonprofits, many participants noted that they have had to re-define the traditional work

"We have a generation that is used to much more engaged kinds of activities and who really want to help. We need to find how to incorporate them in a way that is productive for both them and the nonprofit."

environment, including traditional job benefits and the nature of the work itself, to recruit and retain talented workers. As Susan Medak explained, "We are going to have to change. What we keep finding and with increasing frequency is that all the tenets that we thought were absolute and all of those things that we thought were immovable rocks are not." Key elements of this re-structuring include the following:

- **Re-designed benefits:** Some organizations pointed to the importance of re-structuring their benefits packages to better meet their employees' needs. For instance, Catholic Care Center offers four levels of health insurance coverage: employee, employee plus children, employee plus spouse, and employee plus family. Because the largest proportion of its workforce are single people or single people with children, Catholic Care Center decided to

direct most of its available benefit dollars to these two groups. Gayle Randa noted that, "This has been very well received," and serves as an important retention tool.

- **Flexible environment:** Recognizing that many young people prefer working in a flexible environment, organizations are trying to adjust accordingly. For example:

- Berkeley Repertory Theatre offers flexible hours. As Susan Medak described: "As long as your work gets done, we don't challenge where you are doing it or when you are doing it. As a result of that, I think that we've been able to make people reasonably happy and very productive."

- After surveying its employees, Metropolitan Family Services found that its staff wanted more flexibility. To meet this need, the organization upgraded its technology so that its staff could work remotely from anywhere in the community.

- **Focus groups:** Participants stressed the importance of staying connected to their employees to better understand the elements of work that are important to them. For example, Catholic Care Center held focus groups with its Certified Nursing Assistants (CNAs), a position that had significant turnover. These groups have played a critical role in helping the organization understand its CNAs' needs, and thus have helped the organization understand

the changes it needs to make in the CNAs' working environment to improve retention. As Gayle Randa explained, "We wanted to hear from them. And what we did hear was that the CNAs wanted to feel more valued. We are now concentrating on that and implementing programs to ensure CNAs feel more respected."

- **New roles for volunteers:** Given the growing number of baby-boomers interested in giving back to their communities, participants emphasized the need to re-think traditional volunteer opportunities so that they can take better advantage of these boomers' skills and strengths and provide them with more meaningful opportunities. For example, Susan Posner noted that Metropolitan Family Services has been trying to rethink how it can more creatively use its volunteers and establish new volunteer roles that are more robust than typical office work. As Ms. Posner described, "We try to look at it from a project basis, whether it is strategic planning, development, marketing, or human resources."

Other participants noted that young people also want more enriching volunteer experiences. As one participant noted, the younger generation is even willing to give up their vacation time and pay to participate in community service related activities. She noted, "It is a different era and we need to be thinking of volunteers in a much different way. We need to find how to incorporate them in a way that is productive for both them and the nonprofit." Demonstrating that this can be a win-win for both the volunteer and nonprofit, one participant pointed out that as it has created more meaningful activities for its volunteers, it has been able to secure larger donations from them.

5. The Importance of Professionalizing the Human Resource Function

The Roundtable discussion underscored the importance of investing organizational resources into human resource management. For large organizations this could mean staffing a human resources department; for small organizations, it could mean forming coalitions/intermediaries with similar groups that would serve their HR needs. Demonstrating the significance of human resources, Lisa Morton (President of Nonprofit HR Solutions, Washington, D.C.) pointed out that the notion of "recruiting" instead of "hiring" is a good one, but one that nonprofits will never be able to achieve until they create a permanent human resource function that will allow them to be more pro-active and strategic. She emphasized: "The sector needs to invest in HR at the same level as development, marketing, and program advancement. It is just critical."

Interestingly, many of the participants indicated that their organizations had only recently begun to devote resources to human resource management, and all of them pointed to positive changes that resulted from such investments. For instance, Susan Posner noted, "My agency did not have an internal HR department five years ago. Having a dedicated HR department has made a huge difference."

A NONPROFIT WORKFORCE ACTION AGENDA

At the end of the session, participants came together to identify a strategy for moving forward on nonprofit recruitment and retention. This Action Agenda includes six major points:

1) **Recognize the advantages that work in the nonprofit sector offers:** Nonprofit organizations have numerous strengths that uniquely match the interests and needs of the returning baby boomers and the new Millennial gen-

eration workers. Nonprofits need to identify and celebrate these strengths, which include their organizational values and society-focused purposes, and communicate them to these potential workers and volunteers.

2) **Invest in the HR function:** Too often, nonprofits view HR as a clerical function, which puts the sector at a huge disadvantage in terms of recruitment and retention. Nonprofits need to recognize the value of thinking pro-actively and strategically about recruitment and retention, and

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the importance of investing in human resources to do so. Funders could play a critical role in this by supporting nonprofit HR needs. Nonprofit boards could also promote the importance of a well-supported HR function and help their organizations obtain the resources they need to elevate and expand HR activities.

3) **Better connect nonprofit practitioners to existing HR resources:** Although a range of resources are available to help nonprofits address human resource and workforce issues, most practitioners indicated that they were not familiar with such materials. As such, there was a clear disconnect between the groups producing such resources and those on the ground in need of such information. Nonprofit intermediaries could play a role in helping these resources penetrate down to grassroots nonprofits. Roundtables such this are especially useful in bringing nonprofit practitioners together with the researchers and intermediaries familiar with these resources.

4) **Take a more flexible approach to the definition of work:** By remaining flexible about the nature of work and the working environment, nonprofits can better ensure that opportunities at their organizations appeal to the next generation of nonprofit workers, including baby boomers and the "Millennials." For example, recognizing that young people genuinely value learning, organizations could consider offering non-traditional benefits such as further education and training to attract this group. Rather than a "one-size fits all" approach, an entrepreneurial approach is needed in recruiting and caring for one's workers.

5) **Address the financial impediments discouraging young people from working in the sector:** Student debt burdens often make it challenging for students to pursue

a career in the nonprofit sector, which generally cannot compete with for-profit pay scales. As such, the sector as a whole needs to push for legislation that would reward students with loan forgiveness if they choose nonprofit work. A national policy such as this could make a huge difference in younger workers' career-path decisions.¹

6) Build stronger relationships with diverse community organizations: Too often, nonprofits are entrenched in particular networks, which results in their recruiting from only certain populations and limits their ability to benefit from a diversified staff. Building relationships with other organizations is thus critical for nonprofits to expand their networks. One type of organization that is especially important to reach out to is historically black colleges and universities, as these connections will also allow nonprofits to introduce diverse students to the sector. Nonprofit intermediary groups and funders could help by encouraging nonprofits to add relationship-building to their agendas so it becomes an active part of their practices, and by offering opportunities for various types of community organizations to come together.

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¹ At the time of writing this report there was one such federal policy proposal, the College Opportunity and Affordability Act of 2008 (HR 4137), which provides loan forgiveness for many employees working “in areas of national need.” The nonprofit sector is currently urging legislators to include specific coverage of employees working for 501 c3s in this bill. For updates on this, visit www.ncna.org.

Appendix: Attachment A

Nonprofit Workforce Roundtable Participant List

Charlene Akers

Scurry County Museum, Snyder, TX

Stephen A. Bauer

American Humanics, Kansas City, MO

Arba-Della Beck

FamilyMeans, Stillwater, MN

Ann Beltran

National Council of Nonprofit Associations,
Washington, DC

Joseph Brinker

Bethesda Health Group, St. Louis, MO

Lisa Brown-Morton

Nonprofit HR Solutions, Washington, DC

Jill Casner-Lotto

The Conference Board, New York, NY

Teresa Collins

Sarah Ward Nursery, Newark, NJ

Patrick Corvington

Annie E. Casey Foundation, Baltimore, MD

Abbey Frank

Managance Consulting, Silver Spring, MD

Peter Goldberg

Alliance for Children and Families, Milwaukee, WI

Judy Jove

Family Services & Children's Aid, Jackson, MI

Philip Katz

American Association of Museums, Washington, DC

Rustin Lewis

Young Nonprofit Professionals Network, Washington, DC

Pati Martinson

Taos County Economic Development Corporation, Taos,
NM

David McKinney

Public Allies, Milwaukee, WI

Susan Medak

Berkeley Repertory Theatre, Berkeley, CA

Sonya Meza

Services for Brain Injury, San Jose, CA

Susan Posner

Metropolitan Family Service, Portland, OR

Gayle Randa

Catholic Care Center, Wichita, KS

George Rothman

Manna, Inc., Washington, DC

Colleen Schafroth

Maryhill Museum, Goldendale, WA

James Siegal

Independent Sector, Washington, DC

Katie Sloan

American Association of Homes and Services for the
Aging, Washington, DC

Jeff Woodard

McLean County Museum of History, Bloomington, IL