Sustainable Labor Practices for Nonprofit Organizations
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Capstone Research Report Submitted in Partial Fulfillment
of the Requirements for the Degree of
Master of Nonprofit Administration
School of Management

University of San Francisco
Spring 2017
Abstract

Today’s modern 501(c)(3) charitable organization has come a long way from the voluntary, charitable associations of the past as they are now regulated employers of 10% of the American workforce. As nonprofits continue to grow as employers and in hiring opportunities, it is shown to have significant barriers in retaining its workforce, particularly in direct service provider and fundraising positions. The sustainable labor project defines, highlights, and offer solutions for problems related to worker burnout, worker dissatisfaction, employment inequities, and high turnover rates in non-profit organizations in the United States.

The first objective of the sustainable labor project is to highlight problems, complexities, and significance of low retention rates and recruitment of talent in the nonprofit workforce. The second objective is to provide quantitative and qualitative data to show trends, disparities, opportunities, and areas of development in current nonprofit labor practices. The third objective is to provide recommendations to support strategic planning around retention, recruitment, and positive work environments. The sustainable labor project is rooted in values of social justice, democracy, and prosperity to all.

The sustainable labor practices project analyzed, reviewed, collected, and combined data from qualitative expert interviews, a web-based survey, and literature review and proposes recommendations for sectoral strategies to lower turn-over rates by using the Unity Model. The Unity Model is a tool developed within the sustainable labor practice project that combines elements of network density theory and stakeholder theory to support and utilize community-minded frameworks in strategic planning. The development of the Unity Model is a response to current hierarchical and capitalistic labor practices adopted for-profit corporate models of human resource strategies that aim to maximize profits by reducing the costs of high turn over-rates in a capitalistic industrializing era. This project recognizes the problematic use of capitalistic, frameworks within nonprofit employment practices due to differences relating to the nondistribution constraint. This project prescribes community building models and frameworks to replace supply/demand models of employment. The Unity Model redirects planning and strategizing processes to focus on centering multi-directional relationships and accountability inter and intra-organizationally to strengthen and enrich work environments and pose nonprofits as serious contenders as long-term career paths for their employees.
Acknowledgments

This research project is dedicated to social justice warriors who have been called to nonprofit work to change the world. It is with your hard work, dedication, and vision that the world is making progress toward a more just world. It is with great hope that this project contributes and responds to the call for creating sustainable and supportive practices in social justice work.

I would like to give special thanks and gratitude to my life partner, Armando Cerna, who supported me with love, compassion, energy, and care through this project and through the whole of the MNA program.

I would also like to thank faculty from the Master of Nonprofit Administration at University of San Francisco, who expected my best from the beginning and accepted no less in the end and beyond. Thank you to Dr. Marco Tavanti, Dr. Richard Waters, Adele James, MA, Lyn Corbett, MA, JoAnne Speers, JD, Dr. Peter Wright, Hafsa Mustafa, MA, and Robert Derbin, JD, MBA.
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Section 1. Introduction

The Sustainable Labor Project (SLP) aims to define, highlight, and offer solutions for problems related to worker burnout, worker dissatisfaction, employment inequities, and high turnover rates in non-profit organizations in the United States. This project examines the problems and possible solutions exploring multiple frameworks using three different methodologies: literature review, expert interviews, and a web-based survey. Using these methodologies, this project explores the following questions:

1. Why do nonprofits, especially social service organizations, have such high turnover rates?
2. How can nonprofits increase employee retention and workplace satisfaction?

The three methodologies highlight and explore multiple perspectives and frameworks:

**Human Resources:** Issues of retention and recruitment, using business models evolving from for-profit, capitalist models of organization

**Political Frame:** Issues of collective bargaining and labor unions, laws and statutes within the Fair Labor Standards Act

**Community Building:** Anti-oppression, multi-cultural, Marxist, and Feminist theories

**Expert Interviews:** Qualitative contexts from social movement, board of directors, management, labor union, fundraising, and direct service perspectives

**Web-based Survey:** Collection of responses from nonprofit employees regarding demographics, quality of life and overtime hours, and nonprofit employee satisfaction with mission alignment and social justice work.

**Objective 1:** Highlight problems, complexities, and significance low retention and recruitment of talent in the nonprofit workforce.

**Objective 2:** Provide quantitative and qualitative data to show trends, disparities, opportunities, and areas of development in current nonprofit labor practices.

**Objective 3:** Provide recommendations to support strategic planning around improving retention, recruitment, and positive work environments.

**Values:** This project is upheld by values of social justice, democracy, and prosperity to all. The value of social justice is upheld by the belief in the high value and dignity of workers of all backgrounds, and that the labor of workers should yield enough profit to provide quality lives for themselves and their families. Workers should be able to afford quality health care, education,
food, and shelter. The value of democracy rests upon the belief that the unified voices of workers should be empowered enough to affect and determine rules and agreements about their own working conditions. The value of prosperity to all rests upon the belief that wealth should not be granted to a few, but to all. This project is operating under the belief that the spread of wealth to the mass creates a society rich in resources, health, and well-being.
Section 2: Literature Review

Wages and Overtime Compensation in Nonprofit Organizations

Bureau of Labor Statistics. In 2012, the Bureau of Labor Statistics (BLS) reported that employment in nonprofit organizations was 10.3% of the total United States private sector employment, which translates to approximately 11.5 million jobs. The reported to be 126,796 nonprofit establishments in health care and social assistance industries, which employed 7,716,694 workers who earned average annual wages of $47,324 (BLS, 2014).

Overtime Exemptions and the Fair Labor Standards Act. “Overtime exempt employees” refer to workers who are covered under the Fair Labor Standards Act and have met all criteria in one of the exemption categories (professional, executive, administrative, professional/white collar workers). If a worker meets all criteria under at least one of the exemption categories, they are not entitled to receive overtime pay for hours worked over 40 hours per week. If they do not meet all the requirements for one of the exemption categories (exemption tests), they are eligible to receive overtime pay for every hour over 40/week worked (DOL, 2008).

In recent federal labor news and under the presidency of Barack Obama, overtime exemptions under the Fair Labor Standards Act (FLSA) were announced to change by the U.S. Department of Labor (DOL). The FLSA previously stated that employees earning less than $455/week ($23,660 per year) were entitled to overtime pay. Under the Obama Administration, the bar was set to a higher standard in the overtime Final Rule, announcing that the minimum level for salaried, exempt workers was $913/week ($47,476/year), regardless of other met criteria for overtime exemptions. Based on the BLS statistics, annual wages for workers in healthcare and social assistance industries fall under the $913/week threshold and would thus qualify for overtime pay. This exemption increase was set to be effective on December 1, 2016 with automatic increases every three years starting in 2020. The Final Rule also sets the compensation requirement for “highly compensated employees subject to a minimal duties test to the annual equivalent of the 90th percentile of full-time salaried works nationally” from $100,000 to $134,004 per year (DOL, 2015). Since then, some states such as Texas, have been issuing preliminary injunctions to block the interpretation of the overtime final rule, ruling that the DOL exceeds its authority to create different or higher standards, and that the DOL does not have the authority to define what types of duties qualify for overtime exemptions (National Council of Nonprofits, 2016).

Impact of the Final Rule on Nonprofits. The National Council of Nonprofits (2016) warns that the overtime Final Rule may apply to nonprofits if they are covered under the FLSA and if they meet “Coverage through State Law,” “Enterprise Coverage” or “Individual Coverage” and nonprofits with government grants and contracts. Coverage through State law is applied to states who expressly incorporate by reference the FLSA regulations into state law by way of
statute, regulation, or administrative ruling, and so far, include Alaska, District of Colombia, Illinois, Maine, Maryland, Massachusetts, Missouri, New Jersey, New York, North Carolina, and Ohio. Enterprise coverage an entity that has at least $500,000 in annual revenues measured by volume of sales made or business done- if they engage in commercial activities and operate like a business. The DOL specifies that income generate that is used for charitable activities are not factored into the $500,000 threshold. Individual coverage refers to employees who work for an entity not covered in enterprise coverage, and who engages in interstate commerce or in the production of goods and services for interstate commerce. Nonprofits with government grants and contracts are required to comply with the new federal requirements, even if the requirements were not known at the time contracts and grants were signed (National Council of Nonprofits, 2016).

**Controversy on nonprofit worker compensation.** The Nonprofit Quarterly (NPQ) (2016) echoed sentiments and responses to the Final Rule, expressing largely negative sentiments regarding the impact of nonprofit ability to fund overhead from over 270,000 comments left on the DOL page (McCambridge, M. L., 2016). Main complaints lamented that the mission would take a “backseat” to the difficulty of meeting the raised overtime standards. Themes in the comments also predicted lowered outcomes, staff reductions, service cuts, and agency closings. NPQ found no positive comments relating to the increased pay for low earning workers as a benefit. NPQ estimated that the new law would impact 4.2 million employers. While workers may see larger paychecks, employers are looking for ways to balance new overhead costs to keep the organizations afloat.

Other platforms for opinions highlight the benefits and openness for changing compensation standards in nonprofits. Simone Joyaux (2012), an internationally recognized fund development, strategic planning, and management expert wrote,

> I believe in a living wage for everyone, including employees in the nonprofit sector. I believe that adequate infrastructure is necessary to support the programs and services provided to fulfill mission. And, by the way, I believe that competent people work in the nonprofit sector, just like competent people work in the for-profit sector. There are, certainly, stars working in the nonprofit sector—and they would be stars if they were working in the for-profit sector, too. I also believe that there are incompetent performers in every sector: nonprofit, for-profit, and government.

> …I’m tired of whiny nonprofits that think it’s okay to put all the money into programs and treat staff poorly. I’m tired of nonprofits that won’t fight against this silliness. I’m tired of organizations (nonprofits and watchdogs) that promote inadequate support for infrastructure by promoting inappropriate ratios (Joyaux, 2012).

In their article “The Systematic Starvation of Those Who Do Good,” Collins and Kohomban (2017) ask, “What does the system say about your worth if the person helping you is paid so little they need public assistance to feed their own family?” Exemplifying the 2014
bankruptcy of the Federation Employment and Guidance Service (FEGS), a $250 million human service nonprofit in New York, the Human Services Council's Commission on Nonprofit Closures reported,

The systematic underfunding of nonprofits has led to ‘salaries so low that many nonprofit employees depend on safety net programs, such as food stamps and Medicaid. It also results in inadequate investment to keep facilities safe and in good repair. . .this underfunding can be described as the ‘starvation cycle’ where nonprofits settle into a ‘low pay make do, and do without’ culture. (Collins and Kohomban, 2017).

Nonprofits, funders, and governing bodies are starting to see the significance of employee retention and fair compensation as indicators connected with better or poor outcomes. By agreeing to fully fund overhead costs with committing to providing 20% in overhead costs, foundations such as the Ford Foundation are starting to challenge the “overhead fiction,” the complaint that funders, governments, and donors are forcing nonprofits to submit proposals that do not include the actual costs of overhead (Collins and Kohomban, 2017).

The costs of low wages. According to Professor of Management at University of Colorado, W. Cascio (2014) stipulates that in skilled and semi-skilled jobs, the cost of replacing a worker who leaves, without accounting for lost productivity, is typically 1.5 to 2.5 times the worker’s annual salary. When looking at for-profit examples of costs of compensation and benefits packages and turnover, Cascio (2014) compares three examples, Costco, Walmart, and Sam’s Clubs, and argues that while Costco’s benefits and compensation is higher than the other two, the turnover rate are significantly lower that results in higher profits for Costco. Other sources site that turnover costs depend on the level of employee, and that replacement costs can range between 30% to 300% of the employee salary (Ust, 2016). If an organization has 100 employees with a 19% turnover rate (19 workers), and their workers earn $47,324 per year, the organization will have to spend between $269,746 (30%) to $2,697,468 (300%) on turnover costs.

Reasons Employees Leave

Overview of them 2016 Nonprofit Employment Practices Survey. Guidestar and NonprofitHR conducted the 2016 Nonprofit Employment Practices Survey which highlighted current employment practices, economic trends, and implications of employment practices. The survey included responses from 443 nonprofits in North America (including Canada) as a representative sample of the nonprofit sector. Information about staffing, recruitment, and retention practices were measured to gain contexts on current employment practices and trends.

The number one problem identified from the survey was that despite hiring growth and projections for 2017 for fundraising and direct service positions, the biggest problem in
employment practices was recruitment and retention. Notably, the survey showed that direct service and fundraising positions were the most difficult to retain. The survey showed that 19% turnover rate, and nonprofits are reporting that budget restraints are the biggest staffing challenge. The survey showed that 60% of nonprofits do not have a formal recruitment strategy, 77% of nonprofits do not have formal recruitment budgets, and highlighted that the lack of recruitment budget is closely related to the lack of recruitment strategy.

The survey underlined that 1 in 3 nonprofits report their biggest retention challenge are diversity challenges, indicating difficulty in retaining staff under the age of 30, balancing ethnic and cultural diversity, having staff reflect the composition of the served communities, and balancing gender diversity.

**Reasons to workers stay.** According to the Ust (2016) Nonprofit Employee Engagement and Retention Report (2016) (n=1300 nonprofit employees and supervisors), the highest indicators for job satisfaction were as follows:

1. Strong affinity for the organization’s mission or purpose
2. Culture or workplace environment
3. Flexibility/work-life balance,
4. Sense of purpose in their work
5. Benefits and/or perks

**Reasons to leave.** According to Ust (2016), the top six reasons why nonprofit employees leave the organization are as follows:

1. The culture isn’t tied to the mission (the organization needs to define core values, communicate them regularly, establish rewards for demonstrating them, and make them part of the employee experience starting at the interview)
2. The organization hires the wrong people (the organization needs to hire the right fit for the culture and the job)
3. Compensation is below the living wage (perceptions of fair wages show to not add to satisfaction, but detracts from satisfaction)
4. High employee stress (organizations need to better address workload and better work/life balance)
5. Employees don’t receive training (organizations need to provide onboard training)
6. Leaders aren’t leading (managers and leaders need to engage employees and find ways to give employees voice)

Other sources provide additions reasons employees leave nonprofits that include no upward mobility or internal promoting, lack of career development, poor vision, poor communication, no job evaluations, no stretch opportunities, no mentoring program, and no reward or recognitions (Techimpact, n.d.).
Labor Union Considerations

In the article, “Wage Theory, New Deal Labor Policy, and the Great Depression: Were Government and Unions to Blame,” Kaufman (2012) discussed the importance of unions, industrial-relations, and governments as humanizing, balancing, stabilizing, and necessary forces to support survival and growth of capitalism. While capitalist ventures differ from focusing on profits for shareholders as the bottom line, nonprofits have borrowed human resource models of employment from capitalist ones and should take caution of the deleterious effects of such systems without balancing structures. In the 1910s and with the roll out of the assembly line, Henry Ford struggled with exorbitantly high turnover rates (370%) and high absenteeism that contributed to financial hemorrhaging. Ford’s solutions to his labor problems was to create an employment system that doubled the rate of pay, integrating a highly formalized human resource management the following features:

…centralized employment department, job/wage classification system, training program, extensive welfare (benefit) programs, replacement of employment at-will with termination-for-cause, and a grievance/mediation committee. (Kaufman, 2012, p. 509)

From having no human resource system at all to inventing the most advanced system of the day, profits soared, turnover rates plummeted, and his system of human resources spread.

Today, nonprofits continue to offer similar constructed human resource systems without the doubled, competitive wages. Working conditions also contain some parallels—Ford’s assembly line required highly specialized and efficient workers to work at fast, overwhelming paces. Nonprofits, especially with government contracts and funding are required to hire trained and specialized professionals to deliver direct services. As nonprofit workers are systematically underpaid and overworked, labor unions may be appearing as more viable options to balance time, energy, and money for workers.

As workers are becoming more professionalized, educated, and specialized, nonprofits are increasingly categorizing direct service workers as “learned professionals” who are treated as overtime exempt. It is important for nonprofit workers to carefully test the workers under the “learned professional” exemption test. The DOL (2008) outline the professional exemption test is as follows:

To qualify for the learned professional employee exemption, all the following tests must be met:

• The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than $455 (updated to $913 as of December 2016) per week;
• The employee’s primary duty must be the performance of work requiring advanced knowledge, defined as work which is predominantly intellectual in
character and which includes work requiring the consistent exercise of discretion and judgment;
• The advanced knowledge must be in a field of science or learning; and
• The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

A common misconception is that the test of having a salary rather than an hourly wage exempts and employee from overtime pay, and employees may not know to question their overtime exemption. Social service nonprofits should look closely at the requirements of advanced knowledge and compare the criteria against employees with bachelor’s degrees rather than master’s degrees. The DOL sites on its FLSA Wage and Hourly Division page, “The course of study for a bachelor’s degree in ‘social sciences’ does not constitute the ‘specialized’ academic training necessary to qualify an occupation for the learned professional exemption” (DOL, 2005). As nonprofit workers are overworked and underpaid (the recipe for burnout), and if they believe they cannot legally qualify for overtime, they may look to creating collective bargaining agreements and forming unions to bridge the gap.

The DOL (2015) makes provisions for following the FLSA in relation to collective bargaining, stipulating that minimum stands may be “exceeded, but not waived or reduced" and employers may “on their own initiative or under a collective bargaining agreement, provide a higher wage, shorter workweek, or higher overtime premiums than provided under the FLSA” (DOL, 2015). Furthermore, collective bargaining agreements cannot waive or reduce FLSA protections, and nothing in the FLSA relieves nonprofit employers from their contractual obligations made under any bargaining agreements.

**Modern union practices.** Across the United States, organized labor declined from union membership of 17.7 million workers from 1983 to 14.4 million workers in 2013. Nonprofits have the lowest sectoral union rates, less than 6% compared to the 20% of the government sector (Hill, 2013).

Arbitrator Timothy Williams (n.d.) explained collective bargaining, union and collective bargaining unit membership, union certification, and other union and non-profit related topics. Williams (n.d.) noted collaborative options among nonprofits and unions compared to traditional relationships. Traditional relationships are adversarial with low trust. Collaborative options that are characterized by:

1. High levels of trust and open communication between the two parties
2. Instead of self-interest bargaining, the parties mutually promote a win-win problem solving approach to issues
3. A conscious joint decision to focus on long term benefits as opposed to short term victories.

The Service Employees International Union (SEIU) (2013) is a widespread union representing nonprofit worker collective bargaining units that supports collaborative options for nonprofits.
SEIU asserts that unions base contracts on “financial realities including contingent funding.” Larkin Street Youth Services is a San Francisco-based social service nonprofit that was unionized with SEIU in 2013 (Hill, 2013). Pre-union, Larkin Street workers reported experiences from management exploited employee desire to “do good” and “guilt tripped” them into working long hours for low pay in the name of the mission. Larkin Street workers expressed hope that the union would support collaborative options (Hill, 2013), outlined by Williams (n.d.) and promised by SEIU (2013).

Community Models and Theories.

Patterns and themes in nonprofit management are reported difficulties in funding competitive wages and overhead while recognizing the need for fair and competitive wages to support higher retention of employees. Workers appear to be leaving jobs because of low compensation and benefits, high stress, burnout, poor relationships, and poor career development and promotion opportunities. Compelling reasons to stay include positive environment and culture, flexibility and positive work/life balance, strong affinity for organizational mission and purpose and employee sense of purpose and positive benefits and perks. Focusing on strengthening culture and relationships by using community models over business models in within nonprofit human resources is likely to create progress toward higher retention.

Network density theory. Network density theory is a community-based theory that posits the strength of a network is built on connections of nodes (nodes can be people, groups, or entire organizations). High network density refers to greater number of connections between more nodes with greater numbers of paths and combinations of connections. Higher network density indicates healthier communities (see appendix A and B) (Rosenblatt, 2013). Network density changes over time and with community changes. Smaller communities tend to have low network densities because the number of paths of connections due to the small amounts of nodes is limited. When the community grows, the number of paths and frequencies of connections becomes more complex, and may require deliberate focus to grow connections on part of the organization (Isaf, 2012).

Stakeholder theory. Stakeholder theory is a theory of organizational management and ethics and has been used in models and practices in corporate social relationship. The theory highlights the importance of considering central and peripheral stakeholders (organizational members, served communities, employees and staff, donors, competitors, community partners, etc.) during organizational development, planning, and work. Stakeholder theory adds a socio-political dimension to organizational consideration (Freeman, 1984).

Components of a community. In their book, “Do Good Well,” Vasan & Przybylo (2013) emphasized the importance and ethics of building community around projects and social change. They identified four key components of thriving communities:

1. Integration and fulfillment of needs- shared values and rewards that are effective reinforcers
2. Shared emotional connections: commitment and belief that members have and will share history, common places, time together, and similar experiences
3. Membership: the feeling of belonging
4. Influence: a sense of mattering of making a difference in a group

Approaching nonprofit organizations and work environments as platforms and environments of communities and community members rather than staff and employees can support the work of building positive relationships, culture, and personal investment in the community that can support longer term stay at the organization. Using community approaches rather than business approaches can be a major equalizer and distributor of power and influence that connects nonprofit community members to the work, to the mission, and supports collaborative and productive processes, environments were creativity and innovation thrive (Vasan & Przybylo, 2013)

**Considerations of Millennial generation in the nonprofit workforce.** According to 501(c)Trust (2017), in a few years, one out of every two workers will be a member of the millennial. Millennials are members of the generation born approximately between 1980 and 1994. Sixty-nine percent of millennials believe regular attendance at work is not necessary. Sixty four percent want flexible work schedules and casual dress environments. Sixty-four percent would rather make $40K annually at a job they love rather than $100K at a “boring job.” Millennials are cause oriented, 92% believing business success should be measured by more than profit and that helping make a positive difference is more than professional status. When deciding where to work, Millennials pay attention to social media as 89% use social media and are on average connected to sixteen co-workers and colleagues. Millennials find credibility of working conditions with their peers, who are believed to be more credible than the CEO. Millennials are worried about unemployment as 37% of 18-29 year olds were unemployed in the most recent recession. When considering workers in the millennial generation, nonprofits should lean on the strength of their mission and give their staff reasons that they would say positive things about the organization on social media (501(c)Trust, 2017; Guidestar and NonprofitHR, 2016).

**Current nonprofit HR retention strategies**

Since the burgeoning recognition of nonprofit employee retention and turnover has increased in recent years, a plethora of resources have presented recommendations for retention strategies. Common current strategies and tasks include the following:

1. Plan to secure a recruitment budget if one does not exist and plan a recruitment strategy.
2. Create a retention strategy
3. Create a succession plan
4. Conduct regular human resource audits that examine staff perceptions, knowledge, opinions, wants, and needs of benefits (paid time off, compensation, health care,
dress, retirement, etc.). Include inquiries about reasons that staff stay at the organization and why they may be thinking of leaving.

5. Plan ways to engage, motivate, and inspire staff by communicating the mission, accomplishments, achievements, and staff recognition frequently.

6. Participate in conferences and summits to broaden knowledge and collect strategies from community partners (NonprofitHR, 2016).

Section 3: Methods and Approaches

The sustainable labor practices project analyzed, reviewed, collected, and combined data from qualitative expert interviews, a web-based survey, and literature review.

Literature Review

Reviewed literature support efforts to define and examine problems and questions relating to nonprofit employee rates of turnover, worker dissatisfaction, burnout, and employment inequities. Primary literature included national surveys, empirical research, original studies, conference papers and video recordings, and statistical reports. Secondary literature included distillation and collection of information from textbooks, guidebooks, handbooks, and news media. The literature review focused on exploring relationships and conflicts within theoretical frameworks and praxes rooted in anti-oppression, Feminism, Marxism, multiculturalism, community building, collective bargaining (and sectoral comparisons in for-profits, government, and nonprofits), governing labor legislation, and human resources. Other areas of review intersected historical and foundational theoretical frameworks based on wage theory, labor history, and a general history and development of human resources.

Interviews

Six expert interviews were conducted to gain in-depth context and insights on employment practices and conditions. Interviewees included two direct service nonprofit workers, a board member, a labor union organizer, a doctor of sociology with special knowledge on social movements, and a non-profit program director.

The interviews were rooted in principles of Participatory Action Research (PAR). Interviews were conducted over the phone. Interviewed were non-scripted and conversational to maintain centrality of the interviewee perspective and their perceptions of what was important and needed in their nonprofit labor experience. A general prompt of the project topic was given. To gather dimensional qualities around theoretical frameworks and empirical data, interviewed experts included an experienced union organizer, a nonprofit fundraising (social services) officer, a nonprofit direct services worker (social services), a program director (social services), a member of a nonprofit board of directors (social services), and an expert in social movements who also had direct nonprofit direct service experience (animal rights). The interviews were
recorded with interviewee permission, then transcribed and coded for themes. In consideration of the potential for workplace contentiousness, job risk, and due to the sensitive nature of the topic, all interviewee names, private information, and affiliated nonprofit organizations are anonymous and will remain confidential.

Web-Based Survey

This survey provides an illustration of trends in nonprofit employment practices by capturing information relating to employee demographics, overtime hours, compensation, length of time worked, and mission alignment. This survey utilized multiple choice answers, rating scales, short-answer, semantic differentials, and demographics questions to gain context in current employment practices and conditions in which they experience. This survey was distributed as a google forms link online using personal and professional networks accessed through social media sites.

This survey collected responses from 101 respondents previously or currently employed in a non-profit organization. The respondents were divided into two categories, “non-managers” (33 respondents), and “managers” (68 respondents). Respondents were asked to select all applied titles from the following selections: non-managerial front line worker, non-managerial administrative staff, non-managerial support staff, other non-managerial staff, non-managerial direct service provider, supervisor position, manager position, director position, and “C” level leadership (Chief Executive Officer, Executive Director, Chief of Operations, Chief of Finance). Responses were categorized as “managers” if at least one of the manager/director/leadership/supervisor title was selected. If a manager title was selected with a non-manager title, the respondent was categorized as a manager.

Section 4. Data Analysis: Expert Interviews

Overview

Six expert interviews were conducted to give dimensional quality to data found from literature and from the web-based survey. These interviews extrapolate expertise from nonprofit workers at in various positions within nonprofit ecosystems. Emphasis and focus is placed on the experiences and reasons for burnout and high turnover among direct service providers as recent national surveys have shown those positions to be at the highest risk for burnout and high turnover (Guidestar, 2016).

Data Collection

The call for interviews were posted online using personal and professional social media networks. The subjects were chosen for their representation of diverse positions within social service and grassroots nonprofit organizations. Preference was given to non-managerial
nonprofit workers who had experience with labor unions to speak to complexities and issues relating to collective bargaining.

Thirty to sixty minute interviews were conducted over the phone or over the internet, and were recorded with permission from each interviewee. Interviewees are referred to by fictitious names to preserve confidentiality and anonymity. The first interviewee (Sam) is a social movements expert with a doctorate in sociology who also had 10 years of nonprofit direct service provider experience in animal's rights and liberation movements. The second interviewee (Alex) is a direct service provider at a social service unionized nonprofit. The union recently had a successful contract negotiation. The third interviewee (Corin) is a fundraising and grants officer at a social service unionized nonprofit. The union is appropriating a contract re-negotiation. The fourth interviewee (Will) is labor union organizer with ten years of organizing experience. The fifth interviewee (Freida) is a program director for a mental health nonprofit organization who has over 14 years of experience working with nonprofits. The sixth interviewee (Brea) is member of a board of directors for a social service nonprofit.

Interviews were conducted using frameworks of Participatory Action Research. To keep interviewee perspective centered, the interviewer used a conversational style of interviewing with no scripting. Interviewees were given a general prompt of the project to topic. The interviewer followed the conversational leads of the interviewees and used open ended questions and reflections to stay on general topic, and to highlight information presented by the interviewees as important and central to the topic from their perspectives.

Analysis and Key Findings

Interviews were transcribed and combed for thematic and patterned content. Interviews were divided into two categories. The first category grouped the social movement expert, the fundraising officer, the direct service worker, and the labor union organizer. The second category grouped the board of director member and the program director. These categories were grouped to parallel comparative groups in the web-based survey analysis that separated managers and non-managers. Thematic content was divided into three categories: retention and recruitment, collective bargaining, and overtime/burnout. Overall, non-manager interviewees described and reported themes of contentiousness around issues of union, lack of support from management, inequality, and frequent burnout from poor work/life balance.

Overall, manager interviewees described and reported focus on mission alignment, anti-union sentiment, and lack of discussion around issues brought up among non-managers. Noticeable absences from management and board of director interviews were discussion around addressing issues of low compensation and poor work/life balance among non-managers (see figure 1.1 and 1.2).
### Figure 1.1 Themes and Concerns from Social Movement Expert, Fundraising Officer, & Direct Services Worker, Expert Interview

<table>
<thead>
<tr>
<th>Retention and Recruitment</th>
<th>Collective Bargaining</th>
<th>Overtime/Burnout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion was based on “putting head down.”</td>
<td>Union is helpful to keep fairness, managing time and workload, and equity, but is a drain on the org. High COLI’s, low funding.</td>
<td>Emotional burnout and trauma, unaddressed by organizations</td>
</tr>
<tr>
<td>People just get skills, then hop to other orgs.</td>
<td>Assumes high tensions during contract negotiations</td>
<td>Workers clock out then work overtime.</td>
</tr>
<tr>
<td>Not enough employees to meet fundraising goals.</td>
<td>Union- Contract Renewal</td>
<td>People leave because their voices don’t matter.</td>
</tr>
<tr>
<td>Perception that Management does not support the union.</td>
<td>Frequent overtime, no compensation</td>
<td>Encouraged to do volunteer work in employee free time using employee personal resources.</td>
</tr>
<tr>
<td>HR is for management, not for non-management staff</td>
<td>Low wages (long commute) Workload does not fit in 40-hour week.</td>
<td>Reported good work life balance because of the nature of the work, deadlines, and union</td>
</tr>
<tr>
<td>Unsustainable work as a union worker</td>
<td>Union- Meta busting</td>
<td>Sacrifice</td>
</tr>
<tr>
<td>Mass firings</td>
<td>Mass firings with or without collective bargaining</td>
<td>Compassion Fatigue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ruined personal relationships because of poor work/life balance.</td>
</tr>
</tbody>
</table>

### Figure 1.2. Themes and Concerns from Board of Director & Management

<table>
<thead>
<tr>
<th>Retention and Recruitment</th>
<th>Collective Bargaining</th>
<th>Overtime/Burnout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involved in salary standardizations</td>
<td>Alerted to union activity</td>
<td>Relied on Director’s reports.</td>
</tr>
<tr>
<td>Separate from “daily work,” no “micro-managing”</td>
<td>Anti-Union (takes away from employee focus on mission alignment)</td>
<td>Flex, no overtime</td>
</tr>
<tr>
<td>Build positive culture, invest in employee development to retain.</td>
<td></td>
<td>Use mission alignment and relationships to combat overtime and burnout.</td>
</tr>
<tr>
<td>Wages are difficult because of the limitations in funding</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Section 5. Data Analysis: Web-Based Survey

Overview

A survey titled “Nonprofit Social Service Sustainable Labor Questionnaire” (NSLQ) was conducted to measure multiple variables among nonprofit labor practices. The survey measured employee demographics (age, length of time worked, titles and positions, education, and compensation). The survey also measured experiences and perceptions of quality of life in relation to nonprofit overtime and compensation with emphasis on employee ability to provide basic needs for oneself based on a nonprofit salary. Finally, the survey measured nonprofit employee satisfaction with mission alignment and social justice work.

Questions and Expectations

The larger two questions of the overall sustainable labor project are as follows:
1. Why do nonprofits, especially social service organizations, have such high turnover rates?
2. How can nonprofits increase employee retention and workplace satisfaction?

In support of these larger questions, the survey aims to explore and respond to the following questions:
1. How well can nonprofit employees meet their basic needs on nonprofit salaries and wages?
2. Are nonprofit workers working overtime?
3. Is it possible to complete workloads within a 40-hour week?
4. How satisfied are nonprofit employees with mission alignment and social justice work?
5. Are there differences in these answers between manager and non-managers?

Based on data from the literature and expert interviews, it is expected that there will be some differences in manager ability to meet basic needs on nonprofit salaries compared with non-managers. It is expected that nonprofit employees frequently work overtime and are unable to realistically complete their workloads in a 40-hour work week. It is expected that employees have moderate levels of satisfaction toward social justice work and moderate levels of mission alignment. It is expected that managers will have longer work experience than non-managers.

Data Collection

Measurement Tool and Distribution. A web-based survey was the chosen method for data collection due to the low cost of the method and convenience framed by the time frame and resource limitations of the project. The absence of an interviewer also allowed for anonymous responding in consideration of the potential contentiousness and sensitivity of the topic. The survey utilized Google Forms and was distributed using a link posted on personal
and professional networks accessed through social media sites. The survey refrained from requesting identifying information to maintain anonymity.

**Sample.** The sample size was N=101, and were divided into two categories, managers and non-managers. Managers made of 67% of the responses (n=68) and non-managers made up 33% of the responses (n=33). Criteria for respondents to be counted in this survey specified that respondents are currently or were previously employed at a 501(c)(3) organization based within the United States. They may have been employed at a nonprofit involved in international work, but the nonprofit was registered as a nonprofit in the United States.

**Limitations.** Limited time frames and resources narrowed the allotment of time for respondents to complete the survey. The allotment of time was also narrowed for complete data analysis of all variables and questions asked on the survey. People of older age, lower income, lower education, and in rural environments may be under-represented in this survey due to lack of access to the internet.

**Analysis and Key Findings**

**Section 1.** The first section of the survey measures nonprofit employment status, length of time employed at a nonprofit, titles & positions, receipt of benefits, income and salaries, and educational requirements for nonprofit employment.

**Nonprofit employment status.** One hundred percent of respondents answered the single response multiple choice answer question: When have you been employed at a 501(c)(3) nonprofit organization? Fifty-seven of total respondents were employed at a nonprofit organization at the time of the survey, and 44 respondents were employed at nonprofits. Twenty-three respondents were employed 1-2 years prior to taking this survey and 21 respondents were employed at nonprofits three or more years prior to taking this survey.

**Titles and Positions.** According to the survey, a total of 101 respondents (100%) answered the question: What types of positions did/do you hold while employed at a 501(c)(3) nonprofit organization? There was a total of 219 positions reported because the question was a multiple answer question (See Figure 2.1 & Figure 2.2).

**Figure 2.1.** Breakdown of titles and positions

<table>
<thead>
<tr>
<th>C Level Leadership</th>
<th>Manager Position</th>
<th>Supervisor Position</th>
<th>Non-Managerial Direct Service Provider</th>
<th>Non-Managerial Frontline Worker</th>
<th>Non-Managerial Administrative Staff</th>
<th>Non-managerial support staff</th>
<th>Other non-managerial staff</th>
<th>TOTAL Responses (N=101 respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>23</td>
<td>47</td>
<td>24</td>
<td>36</td>
<td>23</td>
<td>25</td>
<td>28</td>
<td>5</td>
</tr>
<tr>
<td>7.92%</td>
<td>22.77%</td>
<td>46.53%</td>
<td>23.76%</td>
<td>35.64%</td>
<td>22.77%</td>
<td>24.75%</td>
<td>27.72%</td>
<td>4.95%</td>
</tr>
</tbody>
</table>


For the purposes of comparative analysis, respondents were categorized in two categories: managers and non-managers. Managers included "C" level leadership (Chief Executive Officer, Executive Director, Chief of Operations, Chief of Finance, etc.), director positions, manager positions, and supervisor positions (n=68). Non-managers included non-managerial direct service providers, non-managerial front line workers, non-managerial administrative staff, non-managerial support staff, and other non-managerial staff (n=33) (see Figure 2.2).¹

**Length of time employed at a non-profit.** One hundred percent of respondents replied to the question “How long have you been/were you employed at a nonprofit (number of years).” The average total years worked 2-3 years (m=3.60, sd=1.37). The average total years worked for managers were 2-3 years (m=3.91, sd=1.31). The average total years worked for non-

¹ It is notable that comparative analysis does not separate experiences of managers during experiences of non-managerial positions. Thusly, comparative analysis may be under-reporting experiences and data for non-managers in these instances, and is a salient limitation of this analysis.
managers were 1-2 years (m=2.97, sd=1.29). This shows that managers tend to have lower turnover rates than non-managers, however, a t-test revealed that these mean scores were not statistically significant (t=3.295, df=98.5, p>.05) (see figure 2 Length of time employed at a non-profit).

*Figure 3.1. Length of time employed at a non-profit.*

Receipt of Benefits. One hundred percent of respondents responded to the question, “Do/Did you receive benefits while employed at a nonprofit.” A total of 16 respondents responded, “No” (9 manager and 7 non-manager), and 85% of respondents responded, “Yes” (59 manager, 26 non-manager) (see Figure 4.1). On average, total respondents marked yes (m=1.84, sd=0.34). The average total for managers (m=1.86, sd=0.42) was higher than for non-managers (m=1.79, sd=0.42). A t-test revealed no statistical significance in the mean differences (t=.90, df=99, p>.05) (see Figure 4.1 Receipt of benefits).
Figure 4.1. Receipt of benefits.

Lowest and highest nonprofit salary and wages. One hundred percent of respondents answered the questions “What was your highest single annual income while employed at a nonprofit)” and “What was your lowest single annual income while employed at a nonprofit). The total average highest annual income was $40,000-$50,000 (m=6.22, sd=2.42). Managers averaged higher incomes ($40,000-$50,000) (m=6.59, sd=2.44) than non-managers who averaged $30,000-$40,000 per year (m=5.48, sd=2.25). In a two-tailed t-test, no statistically significance difference was found (t=2.21, df=99, p>.05). The total average lowest income was $15,000-$20,000 per year (m=3.84, sd=1.94). On average at their lowest income, managers (m=3.82, sd=1.80) and non-managers (m=3.89, sd=2.23) made $15,000-$20,000 per year with no statistical differences found (t=.169, df=99, p>.05) (please see Figure 5.1).
Educational requirements and perceptions of nonprofit employees. Respondents were asked questions regarding educational requirements for employment status at their respective nonprofits as well as perceptions about the importance of education in relation to promotion and raises (see Figure 6.1). This question as presented as a multiple choice, mark all that apply question and received 160 responses from the 101 respondents. These responses show high educational requirements at nonprofits which may be indicators and complicating factors contributing to high turnover rates due to student debt and low income in relation to ability to care for basic needs.
Section 2. Section two of the NSLQ collected demographic data of nonprofit employees. Demographic data includes age groups, sources of income, racial and ethnic self-identification, gender self-identification, education, and dependent status. This section asked questions in multiple choice, closed-ended question format.

Age groups. When asked their age, total responses averaged in the 35-44 years old range (m=3.92, sd=.92). Managers average 35-44 years old and are older than their non-manager counter parts who average 25-34 years old (m=3.48, sd=0.61).

Sources of income. Respondents were asked to provide data about their sources of income, and were provided a multiple-choice, choose all that apply question (see Figure 7.1 and 7.2).
The figures above show nonprofit employees to mostly rely on non-profit wages and salaries, single salary and wages from other business/employment, partner/spouse salary and wages.

**Racial and ethnic self-identification.** Respondents were asked to self-identify racially and ethnically, and were presented with multiple choice, mark all that apply categories (see Figure 8.1). These figures indicate white-identified over-representation in both groups with higher percentages of over-representation in the manager group. Inversely, these figures indicate extreme under representation of people of color in both groups with higher percentages of Black/African American and First Nations/American Indian/Native American
underrepresentation in management. The 101 respondents provided 127 responses under the 6 provided categories. Of the total responses from managers (73), managers identified as 82% white, 9.59% Latino/Hispanic, 6.85% Asian/Pacific Islander, 5.48% Other, not listed, 0% black, and 0% First Nations/American Indian/Native American. Of the total non-manager responses (38), 10.52% Black/African American, 15.8% Asian/Pacific Islander, 57.9% white, 7.89% First Nations/American Indian/Native American, and 2.63% other, not listed.

Figure 8.1. Racial and ethnic self-identification

<table>
<thead>
<tr>
<th>How do you identify racially and/or ethnically? Check all that apply.</th>
<th>Black/African American</th>
<th>Asian/Pacific Islander</th>
<th>White</th>
<th>Hispanic/Latino</th>
<th>First Nations/American Indian/Native American</th>
<th>Other Not Listed</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager Totals</td>
<td>0% (0)</td>
<td>6.85% (5)</td>
<td>82.19% (60)</td>
<td>9.59% (7)</td>
<td>1.37% (1)</td>
<td>0% (0)</td>
<td>73</td>
</tr>
<tr>
<td>Non-manager Totals</td>
<td>10.53% (4)</td>
<td>15.79% (6)</td>
<td>57.89% (22)</td>
<td>5.26% (2)</td>
<td>7.89% (3)</td>
<td>2.36% (1)</td>
<td>38</td>
</tr>
<tr>
<td>Combined Totals</td>
<td>3.6% (4)</td>
<td>9.91% (11)</td>
<td>73.87% (82)</td>
<td>8.11% (9)</td>
<td>3.6% (4)</td>
<td>.9% (1)</td>
<td>111</td>
</tr>
</tbody>
</table>

Gender self-identification. Respondents were provided with a multiple choice single-answer question to self-identify their gender among 5 categories (cis-male\(^2\), cis-female, transgender\(^3\), non-binary\(^4\), and other/not listed). Among total responses, 19.8% identified as cis-male, 74.25% identified as cis-female, 3.96% identified as transgender, 3.96% identified as non-binary, and 0% identified as other/not listed (see figure 9.1 and 9.2). Combined groups showed disproportionality and overrepresentation of cis-female nonprofit employees with higher rates of overrepresentation in the manager group and extreme underrepresentation and disproportionality of non-cis-gendered populations in both groups.

\(^2\) The prefix “cis” refers to congruent alignment of biological sex designators with socially normalized male or female gender identities.

\(^3\) Transgender refers to gender and sex incongruence of sex/gender alignment.

\(^4\) Non-binary refers to gender identification outside of the socially normalized and polarized woman/man gender binary as well as the biological male/female sex binary.
**Figure 9.1** Gender self-identification.

<table>
<thead>
<tr>
<th>How do you identify by gender?</th>
<th>cis-male</th>
<th>cis-female</th>
<th>transgender</th>
<th>non-binary</th>
<th>other-not listed</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager Totals</td>
<td>13.24%</td>
<td>79.94%</td>
<td>2.94%</td>
<td>5.89%</td>
<td>0%</td>
<td>68</td>
</tr>
<tr>
<td>Non-Manager Totals</td>
<td>33.33%</td>
<td>66.67%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>33</td>
</tr>
<tr>
<td>Combined Totals</td>
<td>19.8%</td>
<td>74.25%</td>
<td>1.98%</td>
<td>3.96%</td>
<td>0%</td>
<td>101</td>
</tr>
</tbody>
</table>

**Figure 9.2** Gender self-identification graph.

**Education.** Respondents were asked to report their highest level of education. Figure 9 and 9.1 show trends in educational levels, depicting 57.4% of managers (n=68) to have Bachelor’s degrees and 29.4% have master’s degrees. Higher percentages of managers have bachelor’s degrees and master’s degrees than non-managers. Of non-managers, 33.33% hold bachelor’s degrees, and 57.58% have master’s degrees. Combined, 49.5% hold bachelor’s degrees and 35.64% hold master’s degrees (see Figure 10.1 and 10.2). This may have implications based on practices in overtime exemptions tests outlined in the Fair Labor Standards Act of 1938, §29 U.S.C. 201, et seq (2012).
**Figure 10.1. Education levels**

<table>
<thead>
<tr>
<th></th>
<th>High School Diploma or Equivalent</th>
<th>Associate’s Degree or Vocational Certification</th>
<th>Bachelor’s Degree</th>
<th>Master’s Degree</th>
<th>Doctorate</th>
<th>Post-Doctorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>1.47%</td>
<td>4.41%</td>
<td>57.4%</td>
<td>29.4%</td>
<td>7.4%</td>
<td>0%</td>
</tr>
<tr>
<td>Non-Managers</td>
<td>6.06%</td>
<td>0%</td>
<td>33.33%</td>
<td>57.58%</td>
<td>0%</td>
<td>3.03%</td>
</tr>
<tr>
<td>Combined Total</td>
<td>2.97%</td>
<td>5.94%</td>
<td>49.5%</td>
<td>35.64%</td>
<td>4.95%</td>
<td>0.99%</td>
</tr>
</tbody>
</table>

**Figure 10.2 Education Levels graph.**

**Household dependent and non-dependent status.** Most of the total respondents (68.3%) report having no dependents in their households while 10.9% have 1 dependent, 11.9% have 2 dependents, 6.9% have 3 dependents, 1% have 4 dependents, and 1% have 5 or more dependents in their household (see Figure 11.1).
Including themselves, 59.4% of total respondents reported having 2 non-dependents in the home while 19.8% reported only themselves in their home. The following 20.8% reported having 3 or more non-dependents living in the home (see figure 10.2 Household non-dependent status).

Figure 11.2. Household non-dependent status
How many non-dependents are in your household including yourself?
101 responses

Figure 11.1 Household dependent status
How many dependents are in your household.
101 responses
Section 3. Section three of the NSLQ collected data relating to quality of life, work/life balance, and overtime hours. This section used five-point rating questions from strongly disagree to strongly agree. This section also used multiple choice opinion questions regarding types of compensation for overtime hours worked.

Reliance on assistance. Respondents were asked how many times they applied for or seriously considered applying for assistance (financial, housing, or food). The purpose of the designator “serious consideration” for assistance accounted for stigmas and other barriers in applying for assistance, while weighting “serious consideration” toward struggling to afford necessities for oneself. Figure 12.1 shows that while 59.4% of respondents did not apply for or seriously consider applying for assistance during nonprofit employment, it also shows that 40.6% of respondents did apply for or consider applying for assistance.

Figure 12.1. Times applied for or seriously considered applying for assistance while employed at a nonprofit (combined managers and non-managers).

How many times have you applied for or seriously considered applying for assistance (food, housing, money) while employed at a nonprofit?

While statistical significance was not found in differences or rates of assistance application, it may be qualitatively pertinent to consider the significance of frequently working overtime and still needing (or seriously considering application for) assistance due to insufficient wages and salaries. Figure 12.2 and 12.3 show comparisons between managers and non-managers, indicating that both groups show need for or consideration of assistance. Non-managers had a higher percentage of consideration (48%) than managers (37%).
Figure 12.2 Times applied for or seriously considered applying for assistance while employed at a nonprofit (comparative managers and non-managers).

Ability to afford basic life necessities. Respondents were asked two comparative questions presented in a 5-point rating scale from strongly disagree to strongly agree. When asked if nonprofit employees could provide for themselves and their dependents based only on their income considering their earnings at their lowest point in their career financially, nonprofit employees disagreed that they were able to provide for their families ($m = 2.44$, $sd = 1.27$) when using a 5-point rating scale from strongly disagree to strongly agree. Management reports a slightly higher mean score ($m = 2.51$, $sd = 1.32$) than the overall and non-management employees ($m = 2.28$, $sd = 1.17$); however, all the mean scores were still below the neutral point on the 5-point scale ($t=.39$, $df= 99$, $p>.05$) (see figure 13.1). However, when comparing differences between ability to afford necessities at the lowest income and highest income, non-managers showed statistically significant differences when running a two-tailed t-test ($t=-4.468$, $df=32$, $p<.001$).
**Figure 13.1. Ability to afford basic life necessities**

A Pearson correlation was computed to assess the relationship between dissatisfaction with work/life balance and knowing co-workers to frequently work overtime among managers and non-managers. There was a positive correlation between the two variables (r = 0.50). A scatterplot summarizes the results. Overall, there was a moderate, positive correlation between feeling a dissatisfaction balance of work and life balance and frequently working overtime among total respondents.

A Pearson’s correlation was computed to assess the relationship between dissatisfaction with work/life balance and frequently working overtime. Respondents were given five-point rating scales from strongly disagree to strongly agree. There was a positive correlation between the two variables (r = 0.43). Overall, there was a moderate, positive correlation between feeling a dissatisfaction balance of work and life balance and frequently working overtime.

**Work/life balance and overtime.** Respondents were asked to rate the statement, “When employed at a nonprofit, I was extremely unsatisfied with my work/life balance.” A Pearson correlation was computed to assess the relationship between dissatisfaction with work/life balance and knowing co-workers to frequently work overtime among managers and non-managers. There was a positive correlation between the two variables (r = 0.50). A scatterplot summarizes the results. Overall, there was a moderate, positive correlation between feeling a dissatisfaction balance of work and life balance and frequently working overtime among total respondents.
A Pearson correlation was computed to assess the relationship between agreement that labor unions contribute to better work/life balance and the agreement that non-managerial workers cannot complete workloads without working overtime. Respondents were given five-point rating scales from strongly disagree to strongly agree. There was a negative correlation between the two variables (r = -0.41). Overall, there was a moderate, negative correlation between agreement that unions contribute to better work/life balance, and agreement that non-managerial workers cannot complete their workloads without working overtime. The more workers disagree that they cannot complete their work in a 40-hour week, the more likely they are to agree that unions can help balance their lives.

Section 4. Section four of the NSLQ collected data about nonprofit employee satisfaction with mission alignment and social justice work. This section used seven-point semantic differential questions and five-point rating questions from strongly disagree to strongly agree. This section also used multiple choice opinion questions regarding types of compensation for overtime hours worked. This section also asked an option open-ended essay question for respondents to provide opinions, statements, problems, solutions, ideas, and other comments relating to their experiences and knowledge of nonprofit labor practices. This analysis looks for correlates for what creates a sustainable nonprofit workplace. Independent variables were tested using a Pearson’s correlation with the dependent variable, “If nothing changed at my nonprofit job, I believe my current or most recent nonprofit job was/is a sustainable job for me (DV).”

When testing the DV against the question, “As a nonprofit employee, I am my true self/professional self,” a negative but extremely weak correlation between the two variables (r = -0.04). When testing the DV against the question, “How many times did you apply for assistance while at a nonprofit,” a negative and weak correlation was found between the two (r = -0.28), showing that the fewer times a worker applied for or seriously considered applying for assistance, they found the position to be more sustainable. When comparing DV against perceptions of co-workers working overtime, there was a moderately positive correlation (r = 0.41) found. When workers perceived that their co-workers could complete their work within a 40-hour week, their belief that the job was sustainable increased. When comparing the DV to the level of agreement that the respondent is “creating the world I want to live in,” a weak and positive correlation was found (r = 0.29), indicating some relationship that when belief in creating a better world is higher while at work, the job is more sustainable. When asked a different way, “Mark your level of agreement. My work at nonprofits has a made a difference in the world,” a still positive, weak, and slightly lesser correlation was found with the DV (r = 0.24).

When comparing responses between feeling satisfied with work/life balance at a nonprofit and frequently working overtime, a moderately negative Pearson’s correlation was found between the two variables (r = -0.49). Work/life balance satisfaction goes down when overtime work goes up.

Open ended question. Respondents were provided space at the end of the survey to provide an optional, open-ended response. The prompt provided was, “Please leave a
statement about nonprofit missions and/or labor practices, problems, solutions, ideas, and/or questions that you may have. Twenty-five responses were completed (n=17 managers, n=8 non-managers). The responses were coded into 16 emerging themes and patterns. The theme that emerged most frequently related to needing better wage and overtime compensation, increases, benefits (received 15 total responses). The second most frequently emerged patterns were that employees left nonprofits because of the pay, overtime, and there was better pay elsewhere (7 total responses) and there is belief that non-profits are unable to fund overhead and retention (7 total responses). The third most frequent theme was the belief that respondent’s respective nonprofits do not do best practices, follow the mission, or there is a lack of mission alignment with the nonprofit (6 total responses). Non-managers' highest frequency theme (5 responses) was a reporting of burnout and poor work/life balance. Mangers' highest frequency theme was needing better wage/overtime compensation, increases, and benefits (13 responses) (see figure 14.1).

**Figure 14.1.** Open ended responses from web-based survey

<table>
<thead>
<tr>
<th>Non-managers</th>
<th>Theme</th>
<th>Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Need better wage/overtime compensation, increases, and benefits. (15)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Rather work for non-profit than for-profit/ NP is supportive of me. (5)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>There is discrimination in nonprofits. (5)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Nonprofits are unsupportive employers/need to be mindful/need to recognize workers/need more realism, not idealism (5)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>I need to go to school to get an increase or promotion (2)</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Leaving because of not enough pay and overtime/better pay elsewhere (7)</td>
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<tr>
<td></td>
<td>I want union support/Pro-union (2)</td>
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<tr>
<td></td>
<td>Lack of training (2)</td>
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<tr>
<td>3</td>
<td>NP doesn't do best practices/doesn't follow mission/I don't feel fulfilled by the mission (6)</td>
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<tr>
<td></td>
<td>Toxic work culture/poor relationship with supervisor (4)</td>
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<tr>
<td></td>
<td>Nonprofits can't afford to pay overtime and stay open/need willingness to fund overhead. Nonprofits should be more creative for retention (7)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Too much over time/workload/not enough time/ Burnout/Poor work/life balance (11)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Flexible schedule helps (5)</td>
<td>2</td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td>1</td>
<td>I care about the mission (2)</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Need community and unity and equality (4)</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>I'm okay because of other income streams/I work another job (4)</td>
<td>2</td>
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</tbody>
</table>
Section 5: Conclusions and recommendations

Reasons for high nonprofit turnover rates and low retention are complex and challenging to solve. The issues are framed in historical, political, socio-economic and values issues that create discomfort, contentiousness, and overall disagreement. The have been shown to be related to low and uncompetitive compensation, overwork and burnout, poor relationships, and toxic work cultures. In effort to shift thinking, practices, inclusiveness, and investment in nonprofit missions toward positive outcomes, the follow recommendations in addition to previously identified recommendations in the literature review are outlined below.

Choose community frameworks over business frameworks. Business models and frameworks in human resources are rooted in capitalistic models to for the ultimate bottom line of turning profits. While some business models are supportive toward nonprofit missions and desired outcomes, they can contribute to inequity, hierarchical, and dehumanizing labor practices. Focus on increasing network density (intra and inter-organizationally) and work to close gaps in directions of accountability and relationships. Create ways of equalizing accountability measures to served communities and accountability measures to funders and donors.

The Unity Model. The Unity Model was developed as part of the Sustainable Labor Project (SLP) by combining concepts from network density theory and stakeholder theory. The Unity Model was developed in response to common hierarchical practices of one directional relationships and power/influence/accountability directions that separate accountability directions and power from funders, donors, and service recipients (see figure 15.1). Here, the SLP recognizes a core contributor of toxic workplace and culture that leads to turnover. Hierarchical relationships, power, and accountability create oppressive and one-direction communication environments. The Unity Model combines funders, donors, and service recipients in one category and prescribes building accountability measures that are equal to both. The Unity Model redistributes hierarchical relationship in a circular pattern, prescribing non-hierarchical relationship, power, and influence, modeled after concepts in community building.
The Unity Model (see figure 15.2) is a framework attached to a tool (see Appendix XX) to be included in strategy planning designed to strengthen retention and worker energy through combining concepts of community building, collective bargaining, and human resources. When using the model and the tool, the question should be asked when confronted with a directional arrow, “What do we need to do to build relationships and accountability in this direction?”

**Figure 15.1.** Hierarchical model of power, influence, accountability, and relationship
Advocate for cultural and values shifts to support increases in overhead funds. Akingbola’s (2004) study of staffing, retention, and government funding found that contract-based funding leads to more temporary hiring and can have overall negative impacts on staffing and retention. The nonprofit-government relationship can be beneficial because government can provide larger amounts in funding. However, the study showed that larger amounts lead to higher professionalized levels of service without government covering the costs of recruitment and showed increased use of “alternative” staffing with impeded ability to recruit due to instability of government funded positions. Akingbola (2004) writes,

...contract, temporary, part-time, shift work—is not good, sustainable work. The main implications of nonstandard work were lack of consistency, retention, and quality. These negative features make alternative staffing detrimental to community services. (p.462).

Temporary staff may be beneficial in a for-profit setting for contingent work, however, social service organizations heavily rely on high quality direct relationships with serve community for to ensure greater effectiveness, trust, and high quality delivery of services which become disrupted with frequent staff changes. This study also connects government contracts with low morale and productivity resulted in the agency repeating the entire cycle of recruitment, placement, orientation, and training with each short-term contract (Akingbola, 2004).
Dan Pallota (2013) in his Ted Talk, “The way we think about charity work is dead wrong” urges society to rethink the conflation of frugality and morality when considering attitudes and practices in philanthropic giving to nonprofit overhead. Pallota spends his TED talk providing innovative reframes for the importance and the potential for societal change if nonprofits had higher budgets for overhead. Advocating for cultural values shifts may mean connecting with a network of nonprofits to collaboratively find, create, and invest voices like Pallota’s to support strategic societal reframe in giving. Direct advocacy may include providing training to development officers and staff to create pro-overhead language and focus energy on developing financial diversity with less restrictive funding streams.

Conclusion

Nonprofit workers come to the work wanting to make a positive difference. With increasing educational requirements and professionalization paired with continuously uncompetitive and low compensation, workers have struggled even earning the right to do exhausting, often thankless and traumatic social justice work. It is the responsibility of nonprofit organizations and leaders to greet worker dedication and passion with kindness, opportunity, and community, rather than exploitation, hierarchy, and entitlement. The communities and missions that nonprofits serve have increased chances of better outcomes when workers are treated well, when relationships are stable and recurring, and when organizations create cultures and relationships that match their missions and visions. Nonprofit leaders are tasked with building infrastructures that hold the wealth and benefits of high skills, commitment, and passion from their workers. It is with great hope, enthusiasm, and care that the Sustainable Labor Project can honor and support social service workers who do the work of social change, and equality in their nonprofit work.
References


Pallotta, D. (2013). The way we think about charity is dead wrong. TED Talk. Retrieved from https://www.ted.com/talks/dan_pallotta_the_way_we_think_about_charity_is_dead_wrong


http://www.the-vital-edge.com/what-is-network-density/


Appendices

Appendix A. Depiction of high network density

Appendix B. How to calculate network density

**Network Density**

![Network Density Formula](image)

**Examples:**

- **Nodes (n): 2**
  - Potential Connections: $1 \cdot (2-1) / 2 = 1$
  - Actual Connections: 1
  - Network Density: 100\% (1/1)

- **Nodes (n): 3**
  - Potential Connections: $3 \cdot (3-1) / 2 = 3$
  - Actual Connections: 3
  - Network Density: 100\% (3/3)

- **Nodes (n): 3**
  - Potential Connections: $3 \cdot (3-1) / 2 = 3$
  - Actual Connections: 2
  - Network Density: 66.7\% (2/3)
Appendix C. Unity Model Strategy Planning Tool.

<table>
<thead>
<tr>
<th>Unity Model Tool</th>
<th>Non-management Staff &amp; Volunteers</th>
<th>Management &amp; Supervisors</th>
<th>C-Level Leadership and Directors</th>
<th>Board of Directors</th>
<th>Served Communities + Funders/Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directions of Accountability &amp; Relationship</td>
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<tr>
<td>Non-management Staff &amp; Volunteers</td>
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<td>Board of Directors</td>
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<td>Served Communities + Funders/Donors</td>
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</table>
Author’s Bio

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MNA Candidate

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Yun Jin “YJ” Carson is currently a clinical social worker at the nonprofit organization Fred Finch Youth Center at the Contra Costa Transitional Age Youth program. YJ has been a social worker since 2008 doing community building, clinical, and forensic work in the social services field. YJ received her B.A in Music with minors in Piano Pedagogy and Multicultural and Gender Studies, and a M.A in Social Work from California State University, Chico. YJ is currently a Master of Nonprofit Administration candidate at the University of San Francisco School of Management. Over the past decade, YJ has committed herself to nonprofit and social justice work with special interests in populations who are affected by the child welfare and justice systems, complex trauma, violence, addictions to alcohol and other drugs, poverty, labor and commercialized sexual exploitation, human trafficking, and mental illness with specialized experience in treating psychotic and mood disorders with transition aged youth. YJ been involved and served through nonprofit organizations as a service recipient, volunteer, community advocate, employee, and board member. YJ is dedicated to nonprofit social justice work, drawing from experience and education in social work, nonprofit management, research, diverse direct service work, grassroots, community-based activism, and world travels.