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Abracadabra: Combatting Nonprofit Turnover When Your Staff Perform the Disappearing Act

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Abstract

As one of America's top employers, the nonprofit sector is filled with outlets for individuals to blossom in creativity and innovation, while allowing them to be connected to a cause they are passionate about advocating for. However, more and more nonprofit organizations are faced with a frightening disappearing act amongst their staff. With this readily growing rate of high employee turnover, it is more vital than ever for employers to build workforce environments that inspire dedication and longevity amongst staff. This study is focused on pinpointing sources for poor employee retention and differentiating the role that these sources play amongst various levels of staff. In addition, this study will compare the relationship between these sources and identify any commonalities or trends. Furthermore, practices and programs leading to higher retention rates will be noted. Throughout the literature review, variables such as: type of nonprofit/mission; job descriptions; gender, age, and education level of employee(s); geographic area(s) of agency/employer; financial benefits; non-monetary forms of compensation; and organization size, were analyzed as they were presented within the literature. The study found that the causation of high nonprofit employee turnover rates are often multifaceted, as are the solutions. Specific factors for the influence of voluntary nonprofit employee turnover were identified and analyzed as follows: commitment to an organization's mission, compassion fatigue/vicarious trauma, employee relations, job structure, lack of compensation, and limited potential for leadership development.

ABRACADABRA: COMBATTING NONPROFIT TURNOVER WHEN YOUR STAFF PERFORM THE DISAPPEARING ACT

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ABSTRACT

As one of America's top employers, the nonprofit sector is filled with outlets for individuals to blossom in creativity and innovation, while allowing them to be connected to a cause they are passionate about advocating for. However, more and more nonprofit organizations are faced with a frightening disappearing act amongst their staff. With this readily growing rate of high employee turnover, it is more vital than ever for employers to build workforce environments that inspire dedication and longevity amongst staff.

This study is focused on pinpointing sources for poor employee retention and differentiating the role that these sources play amongst various levels of staff. In addition, this study will compare the relationship between these sources and identify any commonalities or trends. Furthermore, practices and programs leading to higher retention rates will be noted. Throughout the literature review, variables such as: type of nonprofit/mission; job descriptions; gender, age, and education level of employee(s); geographic area(s) of agency/employer; financial benefits; non-monetary forms of compensation; and organization size, were analyzed as they were presented within the literature.

The study found that the causation of high nonprofit employee turnover rates are often multifaceted, as are the solutions. Specific factors for the influence of voluntary nonprofit employee turnover were identified and analyzed as follows: commitment to an organization's mission, compassion fatigue/vicarious trauma, employee relations, job structure, lack of compensation, and limited potential for leadership development.

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CHAPTER 1

INTRODUCTION

The nonprofit sector can be one of the most fulfilling and exciting fields, often allowing individuals to express their creativity while providing them with an outlet to give back to a cause they are passionate about. According to a study from Johns Hopkins University, “the nonprofit sector is America’s third leading employer”, creating jobs for nearly 11.9 million people (Salamon, 2018, p. 1). With the nonprofit sector being responsible for such a large amount of employment, it makes sense that the employee turnover rate is equally as high. This is evolving into a dreaded phenomena of disappearing acts amongst staff. In a survey conducted by the NonprofitHR, nearly 45% of nonprofit employees will be seeking new positions by the year 2025 (Brew, 2020). Of that 45%, 23% of individuals stated that they would be looking for employment solely outside of the nonprofit sector (Brew, 2020). To compare, for-profits experience turnover at a rate of approximately 12-19% annually (Brew, 2020; Light, 2004; Kjerulf, 2016).

With these statistics in mind, it is more crucial than ever for nonprofit organizations to design and implement employee retention programs. Moreover, it is vital for nonprofits to be constantly seeking to hire new talent with the goal of longterm retention in mind. This study will examine employee retention rates among nonprofit organizations, as well as the nonprofit sector as a whole. Moreover, the motivators of voluntary employee terminations will be analyzed. Furthermore, key strategies in increasing employee retention will be discussed to apply to future nonprofit workforce programing.

The issue of employee retention has been long studied, both in its implication in the nonprofit sector and other workforces (Bode et al., 2015; Kjerulf, 2016; Light, 2004). However, there is limited data focusing primarily on the impacts that employee turnover (especially voluntary turnover) has on the organization itself. Rather, current research spends a great deal of energy discussing the effects that turnover has on other employees, primarily middle management (Brimhall, 2019; Vincent & Marmo, 2016). Additionally, a vast amount of research covers the impact that turnover has on the fellow employees' emotional and mental well-being (Babin, 2012; Cho & Song, 2017; Knapp et al., 2017; Partnership for Public Service & Hamilton, 2010).

A a whole, turnover is problematic for the organizations themselves for numerous reasons, but can especially create an immense financial impact (Selden & Sowa, 2015). As nonprofit staffing budgets vary greatly from organization to organization, the attributed costs are arduous to estimate. Rather, a comparable estimated cost of employee turnover can be seen in the following study by the Partnership for Public Service & Hamilton (2010):

> The financial costs of the private sector employee who leaves can generally run from 50 percent to 200 percent of the employee's annual salary, depending on the individual's role, seniority, specialization, performance level, and training received while on the job (p. 1)

For smaller nonprofits with limited resources, this financial impact can be devastating. This can create a stress too great for many staff members, especially those in leadership roles, and can leave them feeling burnt out and ready to leave (Mex, 2018).

Other research, typically geared towards larger organizations with sizable financial resources, can be found focusing on the implementation of strategies to enhance employees' work experiences, boosting both short-term and long-term morale (Bode et al., 2015; Smith, 2019). While these practices can be implemented in smaller-scale organizations, they often require a little bit of ingenuity.

Problem Statement

With a readily growing rate of high employee turnover among nonprofit organizations, it is more vital than ever for employers to build workforce environments that inspire dedication and longevity amongst staff. This study is focused on identifying sources for poor employee retention and differentiating the role that these sources play amongst various levels of staff. In addition, this study will compare the relationship between these sources and identify any commonalities or trends. Furthermore, practices and programs leading to higher retention rates will be noted.

Purpose of the Study

The purpose of this study is to indicate the primary reasons why employees choose to leave their current jobs in the nonprofit sector. Causes such as lack of compensation, commitment to the mission, limited potential for leadership development, compassion fatigue/ vicarious trauma, employee relations, and job structure will be analyzed in the literature review. Moreover, it will examine the role an organization's leaders have in impacting employee turnover rates. Finally, it will compare turnover rates amongst nonprofit employees to those working for for-profits.

Research Questions

Upon joining a nonprofit setting, one may often realize that they are surrounded by a relatively new staff. While this is not always the case, this experience has been mirrored in the author's own personal work-life, inspiring the research behind this study. For some individuals, the author has seen how this can trigger a somewhat alarming response, leaving those new employees wondering why more staff haven't served in the organization for a longer period of time. For other individuals, this can be a welcoming change and can help them feel more at ease about being new to the job themselves. For many, their reaction is somewhere in between and they often wonder the reasons behind the high turnover rates in their job. Beyond identifying the causes behind these rates, this paper will be focusing on exploring the following questions:

1. How do compensation levels/methodologies, job structure, employee relations, compassion fatigue/vicarious trauma, and mission commitment affect nonprofit employee turnover rates?

2. Is poor employee retention more common in the nonprofit field than other workforces?

3. How can employers combat burnout and compassion fatigue/vicarious trauma in nonprofit staff, while also encouraging healthy workplace practices and interpersonal relationships between staff?

4. What incentives or workplace practices lead to high employee retention rates?

Significance of the Study

The author of this study has been employed in the nonprofit sector for four and a half years; during this time she has noted a prevalence in high turnover rates amongst one of the three organizations she has worked for. Because of this, she has experienced firsthand how poor employee retention can impact the day to day practices of an organization, as well as its impact on overall workplace morale. Furthermore, it can be noted that turnover, regardless of whether it is voluntary or non-voluntary, can induce a negative impact on the clients that an organization serves.

Similarly, the author has heard firsthand accounts of the detrimental effects of high turnover rates in other nonprofit organizations. It is hoped that by analyzing the data presented in the literature review, organizations will be able to identify the key factors causing high turnover rates. This information can then be applied to guide nonprofit organizations in creating talent recruitment and employee retention programs. There is a vast amount of literature regarding employee turnover rates, and it is the goal of this study to break down this material into a simpler understanding so that nonprofits may focus the greater amount of their energy into helping their clients. By gaining an understanding of employee turnover, organizations may be able to improve their overall retention rates and in turn, the success of their missions.

CHAPTER 2

LITERATURE REVIEW

Often times, an employee's decision to leave an organization is not limited to one singular reason, but rather is a combination of multiple motivators. However, it is critical that each of these reasons are examined carefully on an individual basis to fully understand the depth of the problem behind employee retention. Through these analysis on an individual level, it may be possible for a nonprofit to identify the main reasons behind poor employee retention and learn ways to combat them as a whole at their agency. The author of this paper will be analyzing variables such as: type of nonprofit/mission; job descriptions; gender, age, and education level of employee(s); geographic area(s) of agency/employer; financial benefits; non-monetary forms of compensation; and organization size, as they are presented within the literature.

This chapter is divided into six sections. The first section of the literature review focuses on nonprofit employees' commitment to an organization's mission and includes nine citations. The next section of the literature review is concerned with compassion fatigue and vicarious trauma and contains sixteen citations. The third section of the literature review is dedicated towards employee relations and is comprised of seven citations**.** The fourth section of the literature review is focused on job structure and has seven citations. The fifth section reviews lack of compensation and is made up of seven citations. The sixth and final section overviews limited potential for leadership development and has seven citations. Table 1.1 is split into six sections that reflect a graphic representation of the literature review.

Literature Review Table

Table 1.1

Literature Review Sources

Study Areas	**Sources**
Commitment to the Mission	Brimhall, 2019; Vincent & Marmo, 2018; Selden & Sowa, 2015; Hawkins, 2014; Linden, 2010; Meyer & Allen, 1997
Compassion Fatigue/Vicarious Trauma	Cho & Song, 2017; Knapp et al., 2017; Silard, 2020; Richardson-Heron, 2016; Rothman & Melwani, 2016; Katopol, 2015; Merchant, 2015; Kaplan, et al., 2014; Shier & Graham, 2013; Babin, 2012; Parrott, 2001, 2002; Fisher & Ashkanasy, 2000; McCann & Pearlman, 1990
Employee Relations	Brimhall, 2019; Vincent & Marmo, 2018; Knapp et al., 2017; Kjerulf, 2016; Barsade, 2002; Fisher & Ashkanasy, 2000
Job Structure	Brew, 2020; Brimhall, 2019; Vincent, 2018; Salamon, 2018; Studies from University Wisconsin, 2017; Stewart, 2016; Selden, 2015; Hackman and Oldham, 1974, 1975
Lack of Compensation	Smith, 2019; Kjerulf, 2016; Light, 2004; Bode et. al, 2015
Limited Potential for Leadership Development	Brew, 2020; Kjerulf, 2016; Mex, 2018; Selden & Sowa, 2015; Light, 2004

Commitment to the Mission

Too often, nonprofits hire employees who are not devoted to their cause, making burnout inevitable. It’s hard for an individual to completely devote themselves to the job at hand when they don’t fully believe in what they’re doing. Research has shown that “employees who are personally committed to the agency and those who experience value congruence with the agency’s mission were more likely to work harder and intend to stay with the agency” (Vincent & Marmo, 2018, p. 460).

Commitment to an organization is often defined as having shared beliefs with that of an organization. “These include the mission of the agency, the values of an agency, the agency’s commitment to social justice, what the agency expects from their staff, and how the agency treats their employees and consumers/clients” (Vincent & Marmo, 2018, p. 460). Without commitment to an organization, employees will always be looking for another job that provides them with the fulfillment they are seeking.

This problem can often be prevented at the start of the hiring process by examining the intentionality of the potential hire. Is this individual devoted to the organization? Why or why not? Is this simply “another job” for this individual or is this something they are doing to follow their passions and make a positive change in society? While an applicant may seem like the perfect candidate on paper because of their education, work experience, or skills, they may not be an effective employee in the long-run if they don’t feel emotionally connected to the mission. It may also be beneficial for the employer to ask the candidate about their current knowledge of the agency's mission and work. If they know a substantial amount about the organization's goals and projects, then they are more likely to have value congruence.

By being highly selective during the hiring process, many nonprofits are able to reduce their turnover rates (Brimhall, 2015; Selden & Sowa, 2015). "This includes having clearly defined competencies in relation to job duties, but also understanding what behaviors and competencies would make the hire a good fit for the organization as a whole" (Selden & Sowa, 2015, p. 188). For some organizations, this may mean identifying characteristics in potential employees that connect well with the position specific mission at hand. For other organizations, it may be more efficient to identify characteristics that will allow a potential employee to connect well with a team of other employees, working together for a more substantial mission.

In a study of nonprofit employees at a hospital setting, the significance of a climate for inclusion was studied (Brimhall, 2015). This idea conceptualizes a team environment where all levels of leadership work together towards a common goal, sharing information freely to fulfill the mission of the organization. This can create a strong sense of belonging for each individual employee, both with the team and with this organization's mission. This can, in turn, greatly increase employees' emotional attachment to the organization, that is, their affective commitment (Meyer & Allen, 1997).

It is also equally important for an organization's leadership to stay devoted towards the mission, and to not stray from the agency's ideals. While the concept of mission drift may sound like an attempt by leadership to overthrow the agency's ideals for their own personal interests, it's actually more likely a well-intentioned action to keep the organization current within changing trends in the nonprofit world. With awareness to issues such as racial inequality rising, many agencies are struggling to find balance between implementing practices that promote diversity, while also ensuring that they're still focusing on the mission at hand (Hawkins, 2014). Because every nonprofit has many constituents with several different personal interests and goals, as well as many employees with their own strong ideals, it's impossible to please all parties at all times. Nonprofits must ensure they have strong leaders who aren't afraid to displease at least one party with their decisions. Leaders cannot be too narrow-minded on any one aspect of this process (Linden, 2010).

Compassion Fatigue/Vicarious Trauma

Many employees in the nonprofit sector, especially those working in a direct service role, may experience compassion fatigue (also referred to as vicarious trauma) at some point in their career (Katapol, 2015). Compassion fatigue "is concerned with the [interpersonal] affective responses an individual can experience during or subsequent to an interaction(s) with another person who recounts his or her personal stories of abuse, trauma, or disempowerment" (Silard, 2020, p. 636). These effects can often mimic those that the person experiencing the trauma firsthand is exhibiting, and they can cause immense issues in the secondary individual's life both personally and professionally (McCann & Pearlman, 1990).

While vicarious trauma is most often viewed as something that only direct service staff can experience, it is something that anyone can experience (Merchant, 2015). For example, administrative staff may experience vicarious trauma when they see direct service staff struggling mentally and/or emotionally, or when they hear about the life experiences and struggles of the program's participants. They also may struggle emotionally when they are not able to be included in conversations about program participants due to confidentiality, legal issues, etc.

In the case of program participants at a domestic violence shelter, advocates cannot share information with administrative staff due to legal concerns (Merchant, 2015). While administrative staff know the reason behind this, they may still feel as if the advocates don't trust them. This feeling of mistrust can build and can prevent administrative staff from relaying essential pieces of information to advocates in turn (Babin, 2012; Merchant, 2015). Over time, this issue of trust can build and a rift can be torn between the two sides of the agency. This can lead to a feeling of "us versus them", and both parties can become emotionally exhausted (Babin, 2012; Cho & Song, 2017; Merchant, 2015).

These feelings of mistrust can also begin affecting the individuals in their relationships outside of the workplace. They can begin questioning the actions of those around them, with whom they have interpersonal relationships with. When their spouses or family members don't share all the details of their day, they may wonder what secrets they're actually keeping from them (Cho & Song, 2017; McCann & Pearlman, 1990). As their personal relationships become more and more affected, so do their workplace relationships. Eventually, the employee feels they have no one to turn to for emotional support, and they will be unable to fulfill even the most minimal of their job duties (McCann & Pearlman, 1990). This is when effective leadership must be in place to pose an intervention in the emotional regulation of their employees.

Anthony Silard (2020) conducted a study examining ways that nonprofits can employ leader emotion management (LEM) to combat compassion fatigue in their staff. LEM is defined as being concerned with “the processes and behaviors involved in assisting employees in regulating their emotion experiences so as to facilitate the attainment of organizational objectives" (Kaplan, et al., 2014, p. 566). This process is based on a follower’s receptiveness to their leader’s behaviors and expressions of emotions and beliefs (Parrott, 2001, 2002). While it was previously believed that followers benefited the most from positive expressions only, further research argues that a careful balance of negative and positive emotions show that leaders can engage in emotional complexity (Rothman & Melwani, 2016; Silard, 2020). A leader’s ability to show this emotional complexity, allows the followers to acknowledge the leader’s capacity for empathy; thus, allowing them to feel open and able to communicate about their emotional needs regarding vicarious trauma without judgement (Fisher & Ashkanasy, 2000).

Alternatively, a trauma sensitive environment can also be created to encourage employees to take the time to practice the self-care they need to combat compassion fatigue. These practices, such as flexible leave and mental health insurance coverage are something that many nonprofit leaders are readily realizing the importance of (Richardson-Heron, 2016). Moreover, shorter shifts working direct service and more time spent debriefing can also help employees feel less alone in their work (Shier & Graham, 2013).

Employee Relations

Emotions are often contagious. Whether these emotions be viewed as good or bad, they all have an equal impact of the mental state of those experiencing them- even on a second hand basis (Barsade, 2002). If employees are primarily viewing their coworkers’ negative emotions about their workplace, they too will begin to feel negatively about their organization (Knapp et al., 2017). This is why it’s vital that positive employee relationships are developed. Not only can these relationships help employees feel less alone in their struggles and make them view their organization in a favorable light, but they can also lead to increased creativity, greater confidence, faster learning, and better resilience (Kjerulf, 2016).

It is the responsibility of the organization's leaders to promote healthy workplace relationships. This includes providing regular trainings on harassment and bullying, creating an open door policy to allow employees the opportunity to report interpersonal struggles between workers, allowing employees to have time to practice self care, and offering voluntary bonding experiences for coworkers outside of a typical work day (Fisher & Ashkanasy, 2000). By forming healthy relationships with each other, employees are able to communicate more freely and form an environment of collaboration (Kjerulf, 2016; Knapp et al., 2017).

Inclusion practices have also been identified as key to reducing turnover rates (Brimhall, 2019; Vincent & Marmo, 2018). Fostering an environment where everyone feels like they are part of something bigger than themselves, can truly encourage others to work harder. This type of environment allows every individual to feel appreciated for their own personal characteristics and skills, helping them feel safe to further develop these skills (Brimhall, 2019). When every employee's personal skills are elevated to their highest level, it can only mean good things for the future of the organization.

Job Structure

As with many problems, poor employee retention often starts at the bottom. In this case, with the underlying structure of the job itself. With this idea in mind, many have looked at the role that middle managers play in regards to the retention of employees. The "middle managers role is an essential component of representing and improving communication within the organization and the community and a shared vision of social justice may be helpful in increasing both job satisfaction and intention to stay with the agency" (Vincent & Marmo, 2018 pg. 459). Often times, nonprofit middle managers struggle to find a balance between helping the employees who oversee operations on a day to day basis and following the guidelines of their own supervisor who may or may not be providing any direct service in the organization.

With this also comes the initial work that supervisors must do to ensure that they are hiring the right employees for the job. With high turnover rates, supervisors and hiring managers face an enormous amount of pressure to hire replacements quickly; often resulting in hiring replacements who are not good fits. "[It is vital for hiring mangers to have] clearly defined competencies in relation to job duties, but also understanding what behaviors and competencies would make the hire a good fit for the organization as a whole [...]" (Selden & Sowa, 2015 pg. 188). This is especially important in human services nonprofit organizations, as employees are more likely to experience burnout if their job role is not what they expected upon hire.

This includes not regularly having employees act in capacities outside of their job description. While situations may arise where employees have to fill in on an emergency occasion, workers should not be expected to act in other job capacities on a regular basis. When workers are constantly conducting operations for other positions, their own job duties begin to inadvertently be neglected (Selden & Sowa, 2015). These employees also experience much quicker periods of burnout (Katapol, 2015; Silard, 2020).

Moreover, there are certain characteristics that have been identified to develop increased growth in employees (Stewart, 2016). Task significance, task identity, autonomy, and clear and consistent feedback are theorized to lead to an enhanced personal identity, which in turn can develop a better team and organizational identity (Hackman and Oldham, 1974, 1975). It is also believed that by finding job roles that are lacking these characteristics, one would be able to predict a higher turnover rate (Knapp et al., 2017; Studies from University Wisconsin, 2017).

Lack of Compensation

In a world where many nonprofits operate with very limited financial resources, it can be difficult to compete with the pay incentives that come in the private sector. While an employee may join a nonprofit seeking to make a change in the field they are passionate about, they may grow frustrated over the lack of monetary compensation over time (Bode et al., 2015). While some nonprofits may be able to find leeway in this by providing an annual bonus or small raises periodically, the majority struggle to find this opportunity (Kjerulf, 2016).

This is where many nonprofits have decided to be creative and compensate their employees in non-monetary ways. Providing incentives like flexible leave and allowing employees to bring their children or pets to work with them are becoming the newest ways to keep employees happy (Bode et al., 2015; Smith, 2019). Professional development opportunities can also be used in this way. Having free or low cost trainings can allow employees to feel like they are growing intellectually and emotionally, even if they are unable to grow monetarily (Bode et al., 2015). They may also allow employers to work on college coursework in their downtime at work or offer internships in different departments (Kjerulf, 2016; Smith, 2019).

Employees can also be compensated intellectually by allowing them to learn other job roles outside of their own and by having creative freedom within their position. Supervisors can encourage them to share their ideas for new events, fundraisers, and programs. Going beyond this, they can allow them to implement these ideas, and develop their own leadership skills (Vincent & Marmo, 2018). By harnessing these leadership skills under the support of management, they can prepare for leading the organization on an elevated level in the future (Brimhall, 2019).

Limited Potential for Leadership Development

Many nonprofit employees also struggle to identify an opportunity for growth in their organizations, forcing them to feel like they would have to leave their agencies to advance in their careers (Mex, 2018). The importance of planned career advancement was studied as followed by Selden & Sowa (2015):

> Studies of succession planning have demonstrated that attention to leadership development and succession planning does more than simply ensure that there will be someone to fill the leadership positions in the organization in the case of a vacancy. Leadership development and succession planning can help foster employee engagement in the organization, as high-potential employees are identified and offered career development that may lead them to eventual leadership positions in the organization (p. 188).

This succession planning can instill feelings of confidence in employees, allowing them to know they have the opportunity to advance while still serving in an organization they feel passionate about. Additionally, the creation of strong leadership development among employees can also help organizational volunteers build better attitudes about their own involvement, thus developing the potential for the recruitment of them as future employees (Light, 2004; Mex, 2018).

Unfortunately, succession planning isn't always possible due to fiduciary restrictions or organization size. Employers can implement this idea in other ways such as identifying employee talents and discussing ways they can use their talents to grow. This should be done on a regular and consistent basis, as often as every six months (Mex, 2018). Many employers are afraid to talk about their employee's future plans because they don't want their employees to think about leaving (Selden & Sowa, 2015). However, even if an employee does leave an organization to advance their career, it doesn't mean that the agency is at a loss. If an employee leaves an organization on good terms, they are likely to continue referring others to the agency (including potential volunteers and employees), make donations, volunteer their time, and spread awareness of the organization in the community (Mex, 2018). They may also encourage collaborations between their new employer and their former organization, which can be mutually beneficial (Linden, 2010).

Summary

Chapter II provided a literary analysis of commitment to an organization's mission, compassion fatigue/vicarious trauma, employee relations, job structure, lack of compensation, and limited potential for leadership development. In reviewing all of these motivators for voluntary nonprofit employee turnover, it is easy for one to see how they might overlap. Commitment to the mission isn't just an individual struggle, it is one that an organization as a whole is fighting together. If employee relations aren't strong, then they will be unable to successfully work together to fulfill the goals of the mission statement. In many cases where there are poor employee relations between coworkers and/or supervisors and their direct staff, there are likely unclear job roles. Of course, the contributing combinations of motivators continue, so on and so forth. While the causes for the problem are often two-fold, so are the solutions. Combing different solutions to fit the organization's capabilities, can reduce turnover rates while still allowing the organization to operate under its standard operating budget and procedures (Selden & Sowa, 2015).

CHAPTER 3

SYNTHESIS & DISCUSSION

The purpose of this study was to indicate the primary reasons why employees choose to leave their current jobs in the nonprofit sector, examine the role an organization's leaders have in impacting employee turnover rates, and identify differences between nonprofit and for-profit retention rates. This chapter includes a discussion of major findings regarding the causes of high nonprofit employee turnover rates, such as lack of compensation, commitment to the mission, limited potential for leadership development, compassion fatigue/vicarious trauma, employee relations, and job structure will be analyzed in the literature review. The chapter concludes by identifying implications for practice, suggestions for future research, and brief concluding comments.

This chapter contains discussion and future research possibilities to help answer the research questions introduced in the first chapter:

1. How do compensation levels/methodologies, job structure, employee relations, compassion fatigue/vicarious trauma, limited potential for leadership development, and mission commitment affect nonprofit employee turnover rates?

2. Is poor employee retention more common in the nonprofit field than other workforces?

3. How can employers combat burnout and compassion fatigue/vicarious trauma in nonprofit staff, while also encouraging healthy workplace practices and interpersonal relationships between staff?

4. What incentives or workplace practices lead to high employee retention rates?

Synthesis & Key Findings

The literature found that the causation of high nonprofit employee turnover rates are often multifaceted. While inadequate compensation, poor job structure, limited potential for leadership development, tense employee relationships, compassion fatigue/vicarious trauma, and lack of commitment to the mission can individually cause some turnover, high turnover rates at a singular organization are more often caused by two or more of these factors (Kjerulf, 2016; Light, 2004; Selden & Sowa, 2015). Henceforth, the presence of one of these problems can often initiate or exacerbate a different problem. For example, when individuals are acting in extra job capacities due to poor job structure, they can begin struggling to maintain healthy relationships with their coworkers due to the task expectations placed on them.

Nonprofit turnover rates are also significantly higher than those in for-profit organizations. As mentioned in Chapter 1, nearly 45% of nonprofit employees will be seeking new positions by the year 2025, and of that 45%, 23% of individuals stated that they would be looking for employment solely outside of the nonprofit sector (Brew, 2020). The same study showed less than half the amount of turnover in for-profits (Brew, 2020). These numbers are especially staggering considering the financial risks currently posed due to the COVID-19 pandemic (Brew, 2020).

Most literature agrees that the best way to combat compassion fatigue/vicarious trauma is for an organization's leadership to regularly check-in regarding self-care, and to be available for employees to debrief about their emotions and interpersonal struggles. An organization can offer self-care activities, encourage employees to use their leave time, debrief regularly, provide mental health insurance or counseling, allow workers to bring their pets to the office, etc. (Fisher & Ashkanasy, 2000; Kjerulf, 2016; Richardson-Heron, 2016; Shier & Graham, 2013). Many of these solutions are low-cost and require little to implement other than the time and dedication of management.

Similarly, incentives for reducing turnover can also be of minimal cost. Many employees can be encouraged to stay at an organization with unique methods of compensation such as creative freedom in their job duties, intellectual stimulation through trainings or internship opportunities, ability to bring children to work, and flexible work hours (Brew, 2020; Kjerulf, 2016). Leadership can also check in with employees about their emotions and create succession plans, so workers can see their future at the organization (Linden, 2010; Selden & Sowa, 2015).

While nonprofits clearly do not have the same resources for preventing and combatting high turnover rates as their for-profit counterparts, they may have an advantage in one way. Many nonprofit organizations have a team of leaders who are already devoted to using creativity to find solutions. They simply need to shift their mindset from finding inventive answers for day-to-day operational issues, to identifying unconventional tools to promote employee longevity.

Implications for Practice

There are many implications for practice that organizations can identify from this study. The first being the creation and implementation of talent recruitment and employee retention programs. These can consist of self-care workshops, anti-harassment and bullying lectures, succession planning/career mentoring, mental health counseling, flexible leave and scheduling, among others. While it may seem lofty to design these programs, it is more arduous to constantly have to replace employees.

One can also use these programs to increase volunteer retention rates. Like employees, volunteers want to feel supported in their roles and connected to the organization's mission and team of staff. They also need to be included in succession planning. This allows them to see themselves as a vital part of the future of the organization, rather than as a passive agent. Volunteers can also be instrumental in the recruitment process of new employees (outside of self), as they typically hold an unwavering level of value congruence with the agency's mission. In essence, they have the potential to aid in identifying those individuals who may hold similar competencies.

Moreover, organizations can utilize this information to design firmer hiring policies for supervisors and managers. These policies should outline specific questions to be asked during the interview process, as well as the identification of particular personality traits needed to maintain value congruence with the agency's mission. This is something that should be mission driven, but may need time to build and fine-tune. Nonprofit leaders should pause and reflect on what personas best mesh with not only each job position, but also with the current workplace culture. The last thing any agency wants to do is bring in a new employee who upsets the existing team.

Suggestions for Future Research

In the future, it would be beneficial if more studies were done on the implementation of programs to prevent employee burnout and boost retention rates in nonprofit settings. Currently, most literature focuses on the longterm benefits of similar employee retention programs in for-profits. While some of the programs may be applicable to nonprofit agencies, the findings of the literature have limited potential in their implications in the nonprofit sector without further research.

It may also be conducive to conduct comparative studies with volunteer and employee retention rates. Many articles in the literature review discussed ways that poor employee retention can impact volunteer retention and perception of an agency, but none of them presented data on the frequency of these impacts occurring. This type of data would be helpful in that it would show not only how volunteer recruiting and retention is affected by high employee turnover rates, but it would also show how the community's perception of an organization may be negatively impacted by poor employee retention. Secondarily, one could analyze how high volunteer turnover rates impact employee retention rates. Nonprofit organizations rely heavily on volunteers, and employees may be subjected to higher rates of burnout when volunteer turnover is especially high.

Finally, cost analysis of turnover in nonprofit organizations needs to be conducted on a longterm scale. The author was unable to find any literature presenting on this level of financial impact outside of that in the for-profit field. This appears to be primarily due to a broad range of nonprofit operating expenses, resources, and size. An exhaustive amount of research across various nonprofit organizations needs to be conducted before turnover costs can be compared to for-profits.

Concluding Comments

The results of this study showed that nonprofit turnover rates are not limited to one cause, and are often the result of multiple issues combined. The solution to poor retention is also multifarious, and flexibility in problem solving is needed to fit each organization and employee's unique struggles. Because of limitations in nonprofit resources, each organization's leadership needs to utilize a great amount of innovation in designing solutions and incentives for employees. With education and awareness to employees' struggles, nonprofit leadership can begin to work to combat these especially high turnover rates. Through creativity, patience, and flexibility, organizations can invest in a strong future for nonprofits and their communities alike, and the disappearing act can return to its place in the magic show.

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