

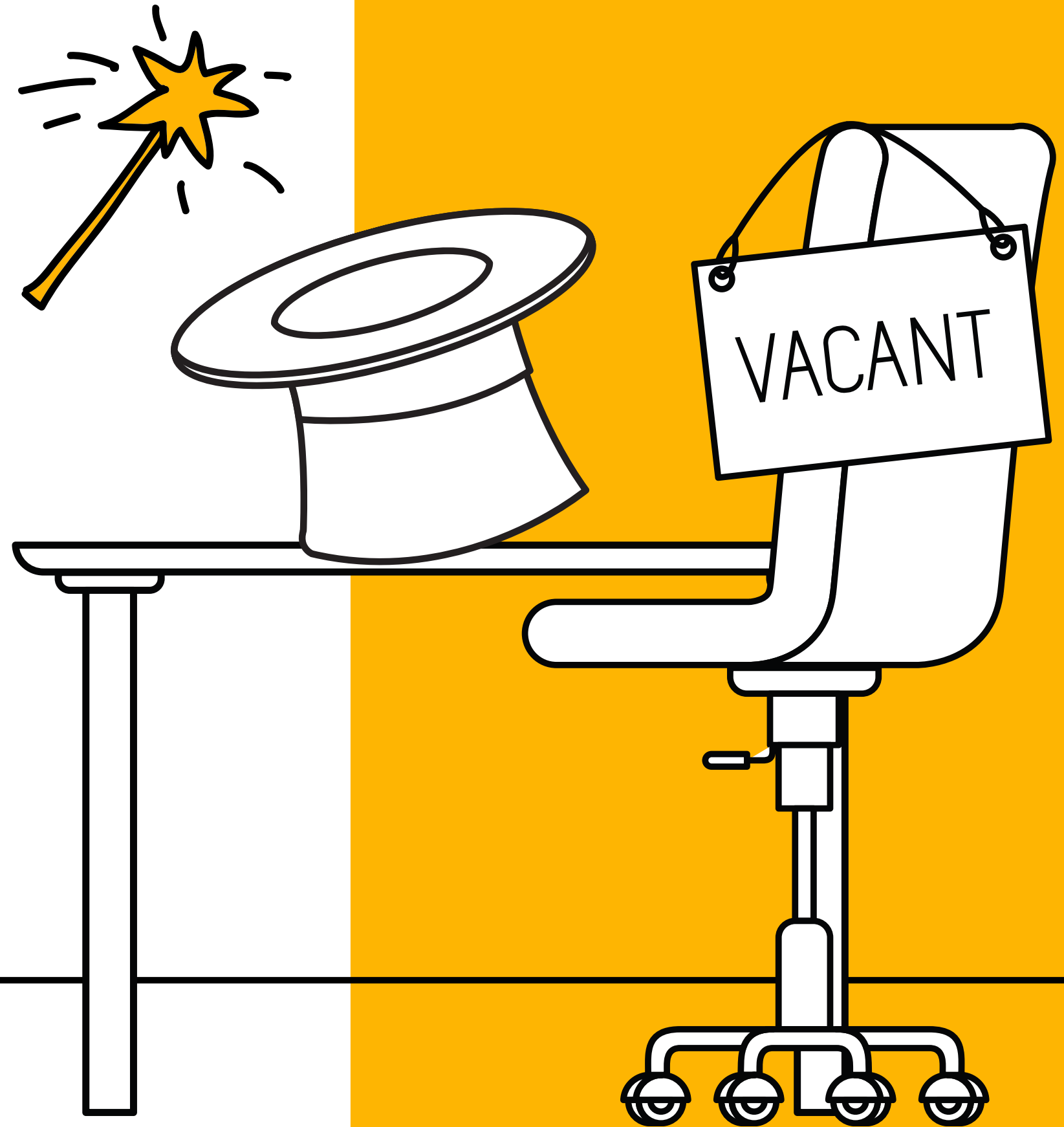
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# Abracadabra: Combatting Nonprofit Turnover When Your Staff Perform The Disappearing Act

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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 (Brew, 2020).

**This Study is Focused On:**

- Identifying sources for poor employee retention
- Differentiating the role that these sources play amongst various levels of staff
- Comparing the relationship between these sources and identifying any commonalities or trends
- Noting practices and programs leading to higher retention rates

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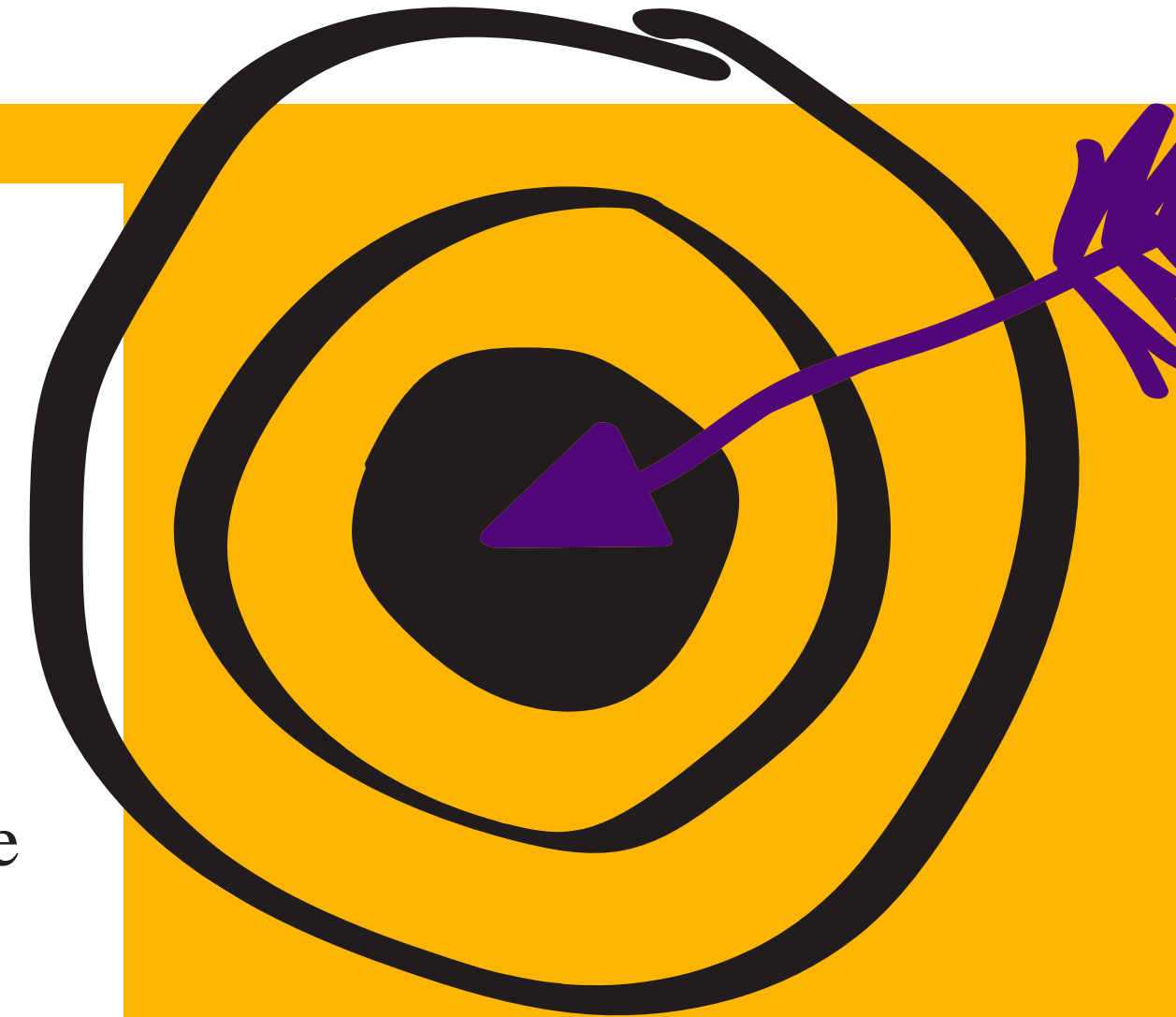


# Purpose Of The Study

**The purpose of this study is to indicate the primary reasons why employees choose to leave their current jobs in the nonprofit sector.**

During This Presentation:

- 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
- The role an organization's leaders have in impacting employee turnover rates will be examined
- Turnover rates amongst nonprofit employees to those working for for-profits will be compared



# Research 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?

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 **breakdown 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**.




# Literature Review



## Study Areas:

- Commitment To The Mission
- Compassion Fatigue/Vicarious Trauma
- Employee Relations
- Job Structure
- Lack of Compensation
- Limited Potential For Leadership Development

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Too often, nonprofits hire employees who are not devoted to their cause, making burnout inevitable. It's hard for an individual to fully 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)



## Preventing Turnover Due To Lack of Commitment To The Mission:

- Become highly selective during the hiring process
- Have clearly defined competencies related to job duties
- Understand what behaviors fit with the overall organization and its mission
- Identify characteristics and personality traits that will mesh with that of other employees at the organization
- Maintain leaders that believe strongly in the mission (i.e., avoiding mission drift)



# 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 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.

# Compassion Fatigue/ Vicarious Trauma

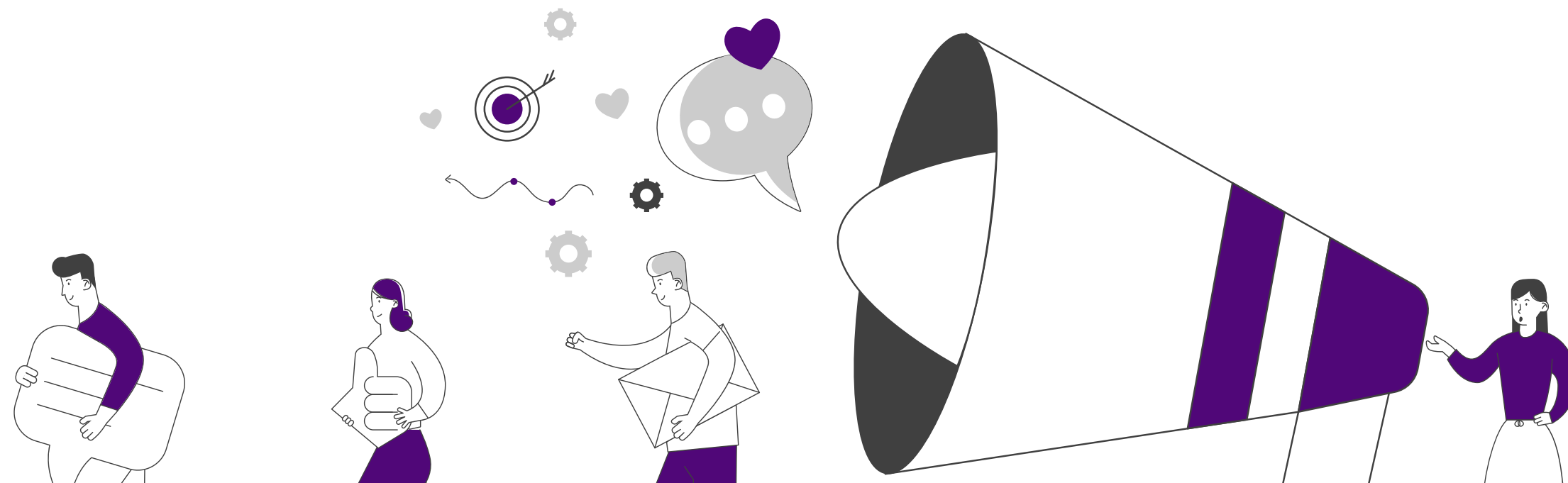
## **Preventing Turnover Due To Compassion Fatigue/Vicarious Trauma:**

- Effective leadership must be in place to pose an intervention in the emotion regulation of their employees. Organizations should consider employing 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).
- Creating and maintaining a trauma sensitive environment
- Organization practices, such as flexible leave and mental health insurance coverage
- 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).



## Preventing Turnover Due To Poor Employee Relations:

- 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
- Offering bonding experiences for coworkers outside of a typical work day
- 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.





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.




## **Preventing Turnover Due To Job Structure:**

- Providing potential employees with clear expectations of their day-to-day job duties
- Not expecting employees to perform outside of their job description
- Having management that is willing to do the same types of tasks as their employees (i.e., not expecting employees to perform tasks that management isn't willing to perform)
- Identifying and promoting characteristics that encourage growth in employees, such as task significance, task identity, autonomy, and clear and consistent feedback

# 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 for some flexibility in this by providing an annual bonus or small raises periodically, many others 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.

## Preventing Turnover Due To Lack of Compensation:

- Providing incentives like flexible leave and self-scheduling
- Allowing employees to bring their children or pets to work with them
- Professional development opportunities through training or college tuition payment
- 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

# Limited Potential For Leadership Development

Many nonprofit employees also struggle to identify an opportunity for growth in their nonprofit organizations, forcing them to feel like they would have to leave their organizations to advance in their careers (Mex, 2018).

The importance of planned career advancement was studied by Selden & Sowa (2015). 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 (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.

# Limited Potential For Leadership Development

## **Preventing Turnover Due to Limited Potential For Leadership Development:**

- Succession planning
- Regular discussion of an employee's future/career development
- Identification of ways an employee can grow within the organization outside of a traditional promotion
- Maintain healthy relationships with former employees
- Encourage collaborations between their new employer and their former organization



# Literature Review- Key Findings & Synthesis

- 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. Combining 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).

# Literature Review- Key Findings & Synthesis (Continued)

- 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.

- Nonprofit turnover rates are also significantly higher than those in for-profit organizations. 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).



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# 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.

# 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 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 beneficial 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 beneficial 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. Secondly, one could analyze how high volunteer turnover rates impact employee retention rates.



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Thank You!

