

# Nonprofit Talent

How to Get the Most  
from Your Leaders



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A large blue circular graphic containing a quote by Peter Drucker. The background of the circle shows a blurred image of people in an office setting. The quote is written in white, italicized text. There are blue quotation marks on either side of the text.

*Management is doing things right; leadership is doing the right things.*

- Peter Drucker

A large red circular graphic containing text. The circle is solid red and overlaps with other elements on the page.

You did the right things to get to where you are today. Let's keep going.  
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A large red circular graphic containing a list of services. The circle is solid red and overlaps with other elements on the page.

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# How to Train Young Employees for Leadership Roles

By REBECCA KOENIG

**N**ONPROFITS WANT to retain young employees. Young employees want to advance in their careers. But few charities have the resources to send many staff members to training courses or to run the kind of full-fledged leadership-development programs that corporations have.

Leadership training need not bust the budget, though. Consultants at Bridgespan and Compass-

Point recommend that nonprofits offer low-cost on-the-job training and mentoring. Indeed, there are many ways nonprofits can incorporate professional development into their daily operations.

And it's vital that they do so: Training and professional development were the benefits most requested by people applying for nonprofit jobs, according to a PNP Staffing Group report that surveyed organizations in New York and Washington.

## **1 GET IDEAS FROM THE STRATEGIC PLAN.**

The goals for growth that nonprofits outline in their strategic plans can be a good starting point for considering what kinds of leadership and professional training to offer employees, says Marc Pitman, whose consulting firm produces the Nonprofit Sector Leadership Report. A strategic plan can prompt such questions as: What programs will require new leaders in the future? What skills will those leaders need?

## **2 CREATE CROSS-GENERATIONAL TEAMS.**

Pairing senior and junior employees on projects can transfer knowledge organically. For example, the Meyer Memorial Trust recently started using teams of people with different levels of experience to make grant-making decisions instead of having just one program officer making the decision. Every grant area now has a team consisting of a director, program officers, and a program associate who all contribute to the work.

Working in teams provides a “pipeline” for professional development to staff members who “might aspire to a role to which previously they didn’t have an entry point,” says Candy Solovjovs, director of programs for the trust.

## **3 TAKE ADVANTAGE OF BOARD MEMBERS’ SKILLS.**

Individuals are often invited to serve on nonprofit boards because of their professional skills. Mr. Pitman recommends inviting board members to give employees training sessions in their areas of strength.

“It could be a great way to engage board members with your staff,” he says.

## **4 GIVE “STRETCH” ASSIGNMENTS.**

Giving junior employees assignments that stretch their limits helps them grow and enables managers to identify which employees are likely to succeed with more responsibility. For example, at Women in Distress, a domestic-violence nonprofit in Florida, managers put a fundraiser with high potential in charge of the capital campaign instead of hiring outside consultants to do that job.

## **5 ENCOURAGE JOB SHADOWING.**

Assigning a junior staff member to follow, observe, and assist a more senior employee can prepare the former to assume a leadership position and prepare the nonprofit in case the latter leaves the organization. For example, the executive director of Living Room, a nonprofit in Georgia that helps people living with HIV/AIDS find housing, had been training another employee in the details of his job when he unexpectedly died. When the trainee assumed the top job, the transition was smooth, said Audrey Krumbach, the charity’s director of donor relations.

## **6 HOLD PROFESSIONAL-DEVELOPMENT WORKSHOPS.**

Taking time out of the workday to teach new skills to employees can be beneficial for both them and the organization, Mr. Pitman says. It can be doubly valuable from a leadership-training perspective if employees run these sessions. That’s what happens at the Cara Program, a job-training nonprofit in Chicago, where, once per quarter, staff members plan professional-development days.

How do you train employees in-house for leadership positions? Tell us at [Resources@philanthropy.com](mailto:Resources@philanthropy.com).

**Working in teams provides a “pipeline” for professional development to staff members who “might aspire to a role to which previously they didn’t have an entry point.”**

# 10 Steps for Success as a Nonprofit CEO

By ATUL TANDON



**C**ONGRATULATIONS! You've just been named CEO of a nonprofit organization.

Those years of toiling in the gritty neighborhoods of office cubicles — through interminable budget meetings, unending conference calls, and high-stakes strategy sessions — have paid off. You've arrived at the corner office. If you are lucky, you even have a private conference room and that greatest of office luxuries, a private bathroom.

You feel honored and maybe a bit humbled by the responsibility the nonprofit's board has bestowed on you. After your colleagues finish toasting your success, but before you assume your new role, consider a few of the challenges you're likely to face in the early days of navigating these new waters. Here are some lessons learned, drawn from my experience in various c-suites and from watching hundreds of CEOs of local nonprofits, from Adelaide to Zamboanga.

## **1 YOU'RE A LEADER, NOT A MANAGER.**

It's likely you were selected as CEO because you've demonstrated excellence in managing organizations, nonprofit or (maybe and) for-profit. Revenue skyrocketed when you were at the helm of fundraising. Costs plummeted when you served as chief financial officer. You recruited, hired, and retained brilliant people as the head of human resources. You did all the right things to get to where you are today.

**CEOs are leaders who create a vision for an organization and then educate, enlighten, and inspire others to embrace that vision and make it their own in all they do.**

Now forget all those things.

As the pioneering management consultant Peter Drucker once said, "Management is doing things right; leadership is doing the right things." CEOs

are leaders who create a vision for an organization and then educate, enlighten, and inspire others to embrace that vision and make it their own in all they do. You are now a visionary.

## **2 MAKING DEMANDS IS COSTLY.**

My career started in the early 1980s in India and my boss was a patriarch. Patriarchs gave orders and we humble servants followed directions. Today, thankfully, patriarchy is all but extinct. Your ability to build consensus, especially in the multi-stakeholder world in which you now live, is what will define your success.

Embrace the classical virtues used to lead and inspire people. The apostle Paul's admonition is still relevant nearly 2,000 years later: "So, as those who have been chosen ... put on a heart of compassion, kindness, humility, gentleness, and patience."

Often, new CEOs face mandates from their boards to "shake things up," but making big changes, especially within your first 100 days, can be costly and erode trust you need to build.

Imagine you decide to summarily dismiss some or all the members of your senior team. Think through the unintended consequences of alienating other important leaders, as well as the confusion that will reign, the rumors that will run rampant, and the staff's resentment you suddenly will be facing.

## **3 YOU'LL NEVER KNOW IT ALL AND PLEASE DON'T TRY.**

As CEO, you must spend your time in ways that enable you to see the big picture, the important issues your organization is facing. Getting bogged down in details not only wastes precious time, but it sends a message to those responsible for such details: I question your competence.

Do all you can to avoid the tyranny of the urgent. And please, don't micromanage. You have staff to handle the details and those "urgent" issues. Devote your energy and passion to the cause your organization is advancing, be it eradicating poverty, serving the homeless, or abolishing nuclear weapons.

## **4 YOU'RE BEING WATCHED — ALWAYS.**

As the man or woman in the corner office, everything you do — from the way you dress to the type of car you drive to what you eat for lunch — speaks of who you are. Those around you, including your

senior leaders, your line staff, and even external stakeholders, will take notice.

The effective CEO understands that actions speak much louder than words. This tenet was essential to leadership long before YouTube, Twitter, and Facebook started to dominate our lives. As Mr. Drucker noted, “The most important thing in communication is to hear what isn’t being said.”

## **5 YOU MAY THINK YOU’RE IN CHARGE, BUT ...**

Any CEO who believes he or she is “in charge” will soon learn that nothing could be further from the truth. Whether facing angry stakeholders or disappointed board members, every CEO has a multitude of bosses, some of whom may be demanding and unafraid to threaten a sooner-than-expected plan of succession.

As all of us in the nonprofit world recognize, a well-functioning and engaged board of directors is an integral element of any successful nonprofit organization. And, of course, the opposite is also true.

Sages and apostles admonish us to “speak the truth in love.” This is wise counsel for effective communication between a CEO and his or her board in discussing relevant issues facing the organization. Discerning board members will offer you advice, not edicts or demands; encouragement, not unreasonable expectations. Board members who extend grace often gain in stature and influence as well as earn your trust and respect.

**“The most important thing in communication is to hear what isn’t being said.”**

## **6 PLEASING DONORS IS NOT YOUR ONLY PRIORITY.**

CEOs who boast they have one and only one priority — their donors — likely will soon be departing, or imparting self-inflicted wounds on their organization. You have multiple stakeholders with conflicting priorities and you are always in a balancing act.

Your organization must deliver real impact. Are you meeting the ends of “public good” (i.e. achieving your mission)? Do you have a sustainable and scalable resource engine? Are your volunteers excited and engaged? Do those volunteers know what to

do? Is your staff motivated? Do you have the right people on the proverbial “bus”? Is your operational model sound?

You need to work hard to simplify these complexities, or they will consume you. You will be well-served to remind yourself often of Occam’s razor. The medieval English theologian and philosopher William of Ockham devised a simple yet profound problem-solving principle: choose the strategy with the fewest assumptions.

We live in a world more complicated than anyone could have predicted even 10 years ago. Great organizations are those that understand their times and their mission, develop straightforward solutions to the issues they seek to address, and execute them flawlessly and relentlessly. Consider Charity: Water and World Vision.

## **7 DONORS ARE ESSENTIAL.**

Of course they are. But those CEOs who look at donors as ATMs fail to understand one of their most profound obligations: transforming those donors into advocates through education and personal enlightenment. In jobs I held at World Vision United States and United Way Worldwide, I’ve witnessed firsthand such inspiration and passion in donors who see an organization’s programs at work. They return home more engaged and inspired, and in many cases become powerful advocates for the organizational cause.

## **8 SAY “THANK YOU” OFTEN.**

Those two words go a long way, in the short run and in the long run. One of your biggest challenges as CEO will be to ensure that your organization recruits employees with outstanding skills as well as a commitment to excellence and teamwork. I know a lot of individuals with the former, but not all of them possess the latter. By acknowledging work well-performed, you are sending an important message that compensation and perks cannot buy, fostering self-esteem, confidence, and motivation.

I’ve known CEOs who fail to do this, and I can assure you that turnover rates in their organizations keep their recruiters way too busy.

## **9 YOUR BUDGET IS NOT A BLANK CHECK.**

Even though I moved from the world’s largest banking firm to one of the largest nonprofits, I had a steep learning curve. First-class seats on flights? No way. Five-star hotels? Things of the past!

You are not Croesus, the ancient ruler known



**Great organizations are those that understand their times and their mission, develop straightforward solutions to the issues they seek to address, and execute them flawlessly and relentlessly.**

for his wealth and who is credited with introducing gold and silver coins in Lydia, his kingdom that encompassed parts of what is now Turkey. I can assure you that budgets at your organization will be tight; your ability to spend money, especially on fostering innovation, will be limited, if not nonexistent. Looking for a return on investment of 10 to 1 on your fundraising? Look again. You'll be nicknamed "Midas" if you get 5 to 1.

Get used to it. Pick your budget battles wisely, spend sparingly, and always strive to expand your resource engine, not diminish it.

## **10 YOU DO NOT WALK ON WATER.**

Give yourself, and other around you, grace. You will make mistakes. Those who admit their mistakes and learn from them grow professionally and gain respect. Trust me. I've made many mistakes since I worked for that first Indian patriarch. And I have sought to learn for each one.

*Atul Tandon is chief executive of the Tandon Institute, which works with nonprofits to accelerate their impact, revenue, and performance. He has served in leadership roles at Citibank, World Vision, and United Way Worldwide.*



AMERICA'S PROMISE ALLIANCE

People find jobs through their networks, so if you don't have access to a particular network — say, people of color — that will limit the job candidates you interview, says John Gomperts, chief executive of America's Promise.

# How 2 Nonprofit Leaders Diversified Hiring

By REBECCA KOENIG and MEGAN O'NEIL

**M**AKING WORKPLACES more diverse and inclusive is everyone's responsibility, experts say. Especially people in leadership positions, who are, let's face it, often white men.

Thinking and talking about race, gender, and other components of our identities can be uncomfortable in a professional setting, especially for people whose traits allow them to navigate the world with relative ease.

"There's always something complicated about the white leader trying to bring diversity and inclusion," says John Gomperts, chief executive of America's Promise, which works to improve graduation rates and other educational and economic outcomes for young people.

*The Chronicle* interviewed Mr. Gomperts and Gary Lindner, head of PeopleFund, a loan-making nonprofit that primarily serves women and minorities. The white, male nonprofit leaders talked about

how, with lots of help from their colleagues of color, they are working to build staffs that better reflect those they serve.

Both say their efforts are ongoing and imperfect — a few steps forward can be followed by some steps back. Still, they say, such changes are imperative for any organization that wants to thrive in an increasingly diverse, global environment.

## REMAKING PEOPLEFUND

When Gary Lindner took the reins at this Texas nonprofit in 2010, he made it a priority to reshape the organization to reflect its clientele. Its portfolio shows the type of people Mr. Lindner has sought to hire: Last year, more than 90 percent of PeopleFund loans went to women, racial minorities, and veterans.

Thanks to his 29-year Air Force career, Mr. Lindner was accustomed to working with people from many different backgrounds. His last military assignment was as chief of staff to an African-American four-star general, in which role he was responsible for identifying officers of color who had high potential for advancement.

In the military, “diversity felt like a natural state of affairs,” he says. Upon leaving the Air Force, he realized that “was not the case.”

The first steps on the road to change at PeopleFund involved creating leadership opportunities and forging new connections. Mr. Lindner set out to make the mostly white board more diverse, instituting term limits for members to open up vacancies for new people.

Next, he joined the boards of other nonprofits that serve people of color, demonstrating his interest in their missions and building relationships with



PEOPLEFUND

Among the first steps Gary Lindner took as leader of PeopleFund, which makes loans primarily to women and minorities, was to join the boards of other nonprofits that serve people of color and build relationships with their members.

their members. For example, PeopleFund’s record of supporting black business owners led the chair of the Greater Austin Black Chamber of Commerce to invite Mr. Lindner to join its board. Eventually, Mr. Lindner recruited people he met there, and on other boards, to help govern PeopleFund.

PeopleFund’s current board of 16 members includes seven women and 12 people of color. Compared to their predecessors on the board, current directors are more involved in the “nuts and bolts” of the organization, says Amber Cooney, director of advancement and education.

“They’re from the communities we’re trying to serve; they’re passionate about the mission and more engaged,” she says. “A Hispanic woman understands it can be hard to walk into a bank full of white people and ask for money.”

## INTERNATIONAL STAFF

Change at the top was followed by work to attract a more diverse array of job candidates. Mr. Lindner has taken advantage of staff turnover — only one employee remains from the group he inherited seven years ago — to build a more diverse workplace.

PeopleFund broadened its internship program, seeking recent college graduates from varied backgrounds, including young people from other countries who were in the United States on student visas. That’s helped to create an international staff, with employees who hail from Mexico, Central America, and Colombia.

“If they’re really good, we just nab them on the spot” for jobs, Mr. Lindner says.

Of the 34 people on staff today, two are veterans. A little more than half are people of color, and more than 80 percent are women.

“All of my directors are ladies who have extraordinary talent,” Mr. Lindner says. “Some took pay cuts to work at our organization” because they believe it is more effective than the for-profit sector in helping small-business owners attain their goals.

Given the large Hispanic population PeopleFund serves, Mr. Lindner made a point of hiring employees with strong Spanish-language skills. The organization now has Spanish-speaking employees in all its branches.

## MORE PARTNERS, MORE MONEY

The work to make PeopleFund represent its clients is ongoing, Ms. Cooney says. The nonprofit reviews its clientele quarterly to assess whether the board and staff adequately reflect the backgrounds of those they serve. In addition to gender, race, and veteran status, PeopleFund takes age into consideration while hiring because nearly 20 percent of its loans go to business owners over the age of 55.

Older adults have “been ignored, and we’re trying to make it more inclusive to them as well,”

Mr. Lindner says.

These efforts have resulted in significant financial gains. PeopleFund raises much of its revenue from grants given by banks that want to reach underserved populations. In 2016, the organization's goal was to work with five new banks and raise \$3 million for lending; it ended up working with 11 new banks and raised \$5 million.

One bank expressed interest in working with PeopleFund to open a women's business center, but its representatives wanted to visit the nonprofit's office first. When they arrived, they met with some of the nonprofit's Hispanic and black women staff members.

"When our entire senior leadership team is women," Ms. Cooney says, "I can walk into a room and say, 'We are the organization to serve women.'" After the meeting, the bank committed to giving even more money than PeopleFund had requested for the women's center.

## LIVING UP TO AMERICA'S PROMISE

When John Gomperts joined the America's Promise Alliance as chief executive officer five years ago, the nonprofit had a "good deal of diversity" on its staff and board. Colin Powell was the founding chairman of the 20-year-old, Washington, D.C.-based organization, which focuses on youth achievement, and his spouse, Alma Powell, is the current chair.

But there were diversity gaps, too. "As you got higher up, there was less," Mr. Gomperts says.

And while Latino students are a key and fast-growing group with which the nonprofit works to improve high school graduation rates, America's Promise had no Latino staff members.

Mr. Gomperts decided that had to change if the nonprofit was to improve its work on childhood health, safety, academic success, and civic engagement. So he made it an organizational priority.

He and his colleagues took what he calls an opportunistic approach — when positions opened up, they worked hard to ensure candidate pools included people of color. For Mr. Gomperts, that meant reaching out to former colleagues and other professional contacts of color and asking for references and recommendations. It was a means to tap into professional circles that he himself was not a part of.

"Everybody gets jobs through their networks," Mr. Gomperts says. "If you're an organization that doesn't have access to that network it is really hard to get started."

One important hire came in 2014. Looking to bring on a senior member of the communications staff, the CEO reached out to professional acquaintance — a woman of color — whom he thought might be ready for a job change.

"She said, 'No, but I have this friend who is in New York and wants to move to D.C., and you should definitely talk to her.'" The candidate,

Daria Hall, became vice president of communications and external relations, responsible for building her own team and doing her own hiring. In her

**"Everybody gets jobs through their networks. If you're an organization that doesn't have access to that network it is really hard to get started."**

talent searches, she has used resources such as ColorComm, a network of women of color in the communications industry.

"If the people who are hiring managers are people of color tapping their networks and being the lead interviewers, likely you're going to end up with a different pool of qualified candidates," Mr. Gomperts says.

Today, the America's Promise staff of 30 is roughly half individuals of color and half white people, including several Latinos.

## INCLUSIVE TALK

Mr. Gomperts also invested in encouraging constructive conversations about diversity issues in the workplace. He hired Michelle Molitor, a consultant who specializes in leading discussions on race, equity, and inclusion, to moderate in-office sessions during which staff members shared personal experiences with prejudice. The first took place days after the 2016 presidential election, and emotions were running high, Mr. Gomperts says.

The sessions spurred conversation about things large and small. One example: the extra care and consideration a young female staffer of color might have to take when traveling to another region of the country for work. Is the area safe? How will she be treated? Such concerns might never occur to a white, male staff member, Mr. Gomperts says.

He describes what is happening at America's Promise a work in progress.

"We probably go forward, then we go backward a little, then we go sideways a little, and then we go forward a little," Mr. Gomperts says. "But it continues to be a very significant priority for the organization."

He calls it a "forever project," like maintaining a healthy weight or a happy marriage.

"I think it is a more interesting way to have a workplace, to live in the world. Diversity strengthens us in many, many dimensions."



# Better Nonprofit Succession Planning Hinges on Training Leaders From Within

By LIBBIE LANDLES-COBB,  
KIRK KRAMER, and KATIE SMITH MILWAY

**Y**EAR AFTER YEAR, in survey after survey, nonprofit organizations have identified succession planning as their No. 1 concern. But they are missing an answer hidden in plain sight: developing leaders inside their organizations.

It's an issue sure to become even more pressing: In the past two years, 25 percent of senior nonprofit executives have left their jobs, according to a recent Bridgespan Group study. Nearly as many plan to leave in the next two years. At this pace, the equivalent of the entire corps of senior nonprofit executives will need to be replaced in the next eight years.

And a full 50 percent of the 438 nonprofit executives polled by Bridgespan said top talent is leaving to pursue opportunities that will help them develop their careers. "I haven't even had the right experiences to move to the next level if I wanted to," said a senior-ranking executive at a Jewish federation.

Most organizations will replace these leaders by hiring an executive from another nonprofit, creating a revolving door for talent. Our survey showed that only 30 percent of senior spots at nonprofits are filled by internal candidates — about half the rate of the business world. That means higher costs for recruiting and training and the loss of institutional memory. And many new hires don't work

out: In the business world, 40 percent of new CEOs resign or are asked to leave in the first 18 months.

How to close the gap in leadership development? Our research over the past three years identified four keys to attracting and keeping effective leaders:

- Put in place managers who are committed, effective mentors and champions of up-and-coming talent.
- Identify professional-development opportunities that are in line with organizational and individual needs.
- Work with staff members to create plans for their own professional growth.
- Establish mechanisms to ensure follow-through on those plans, including linking progress on development goals to performance evaluations.

Consider how Sister Paulette LoMonaco, executive director of Good Shepherd Services in New York City, has integrated these elements into a culture of training high-potential staff members to meet the organization's future needs. Yan Li, a member of Good Shepherd's finance team, and Greghan Fischer, her supervisor and the organization's chief financial officer, created a plan specifying development goals for Ms. Li — such as strengthening communication during meetings and guiding more senior program directors on budget and strategic questions — and the personal investment it would take to help achieve them.

Ms. Fischer began with coaching Ms. Li and giving her practice in leading budget meetings. At each meeting, she observed Ms. Li's leadership style and afterward provided feedback. To help Ms. Li overcome her natural reticence, Ms. Fischer brought in a communications coach.

Then when Ms. Li's supervisor took maternity leave, she took charge of all budget meetings, which forced her to translate her sharp analytical skills into clear recommendations.

"She stepped in and led budget meetings and did it so well that people felt clarity and support," Ms. LoMonaco said. Ms. Li began helping others, including senior program directors, improve their knowledge of analytics.

"The transformation is striking," says Ms. LoMonaco.

On returning to work, Ms. Fischer promoted Ms. Li to assistant director of contracts. "She will now stretch us all to think of things a little differently, role modeling for others that they can grow in confidence and position, too," Ms. LoMonaco said. "She literally has found her voice."

Nonprofits perennially struggle with staff development. Indeed, in the Bridgespan survey more

than half of nonprofits scored their organizations below six on a 10-point scale on their ability to develop staff. Nonetheless, we believe the solution to the leadership-development deficit is within reach of most nonprofits if they invest in identifying future leaders and give them assignments, mentoring, and formal training to develop those skills.

The Center for Creative Leadership recommends thinking about development this way: 70 percent should come from on-the-job training, 20 percent from coaching, and 10 percent from coursework.

It takes focus, money, time, and action to help a

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## Staff Development Recommendation

**70%** from on the job training  
**20%** from coaching  
**10%** from coursework

Source: the center for creative leadership

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nonprofit's aspiring leaders find their voices.

But to sustain and expand the impact of the organizations they support, boards, CEOs, and grant makers need to turn their concerns about succession into plans for developing homegrown leaders.

"When you invest in developing talent," says Adam Simon, director of leadership efforts at the Charles and Lynn Schusterman Family Foundation, "people are better at their jobs, people stay with their employers longer, and others will consider working for these organizations in the first place because they see growth potential."

*Libbie Landles-Cobb is a manager with the Bridgespan Group in San Francisco and a coach in its Leading for Impact program. Kirk Kramer, a Bridgespan partner in Boston, heads the firm's leadership and organization practice and is co-author of the 2013 study "Nonprofit talent Development: What's Your Plan A for Growing Future Leaders?" Katie Smith Milway is a partner in Boston and co-author of the 2009 report "Finding Leaders for America's Nonprofits."*



# 10 Steps Nonprofits Can Take to Close the Pay Gap for Women

By LISA SCHOHL

**D**ESPITE increased news coverage of the issue in recent years, the wage gap between women and men has barely budged at large nonprofits, according to a new study from GuideStar. In 2016, female chief executives at charities with

the highest annual budgets earned 20 percent less than their male counterparts, compared with 21 percent in 2015. And the gap doesn't just affect women in the top job. Last year, female fundraisers made \$74,519 on average compared with \$92,544 for men, according to the Association of Fundraising Professionals. Research on the work

force as a whole shows that the situation is even worse for women of color.

Yet few nonprofits seem to be tackling this issue within their organizations, experts say. “It’s not on the top of the agenda or the radar of the vast majority of groups that we work with,” says Lisa Brown Alexander, CEO of Nonprofit HR, a human-resource consultancy that works solely with charities. “There are other, more pressing priorities, and this doesn’t usually bubble to the top.”

But experts say that’s a mistake. On the one hand, a sector that strives to solve many of society’s biggest challenges, including gender equity, should lead by example, says Jennifer Lockwood-Shabat, CEO of the Washington Area Women’s Foundation, a grant-making organization that supports low-income women and girls. “It’s hard to make the case if you’re not doing it yourself.”

In addition, underpaying women could affect charities’ ability to thrive, experts say. In a nonprofit work force that is increasingly competitive — and majority female — groups should adopt pay practices that are not only fair but ahead of the pack if they want to attract and hold onto top talent, Brown Alexander says. Taking a stand on the issue also shows current employees that they are valued, which can raise morale and boost productivity, Lockwood-Shabat says.

## **BUILDING TRUST**

For Prosperity Now, a nonprofit that focuses on battling financial insecurity, fostering equality is also about building trust. The group shares with employees the salary ranges for different positions so that everyone knows who is at each level and how raises connect to performance. “The last thing we want is people’s ability to collaborate and work with each other to be undone by the fact that they think there’s not fairness in the organization,” says Andrea Levere, president of the charity.

Other ways Prosperity Now fights the wage gap include looking out for inequities or the need for market-based corrections during performance reviews and helping staff — two-thirds of whom are women — get the training and support they need to reach higher-paying positions within the nonprofit. In addition, the group ended one practice that Levere said had caused problems: asking about new hires’ previous compensation to set their salaries.

*The Chronicle* consulted a variety of nonprofit practitioners and experts who shared 10 steps that managers can take to help shrink the pay gap between men and women. These include determining whether disparities exist and creating a hiring process that prevents inequities. Here’s their advice.

## **1 ACKNOWLEDGE THE PROBLEM.**

“Assume that someone in [your] organization at some point in time has been biased, because the world has biased people,” says Katie Donovan, the founder of Equal Pay Negotiations, a firm that focuses on helping employers achieve equal pay for women and men. “There’s no way your organization is so perfect that you did not hire one. And then start thinking about what can you have as kind of checks and balances to that?” Donovan suggests. The goal should be to focus on changing your processes, not people, she says.

## **2 GET YOUR LEADERS ON BOARD.**

Pay-equity work involves many people in an organization, but the push needs to come from leaders, Lockwood-Shabat says. “The CEO, executive director, and board have to be fully committed,” she says.

Although managers can and should make sure that the people on their teams are being paid fairly, Donovan says, it usually takes someone at the C-suite level to decide to spend the money needed to correct pay discrepancies on a large scale.

To keep the issue at the forefront and hold leaders accountable for delivering results, set equal pay as one of your organization’s strategic priorities, Brown Alexander says.

## **3 DON’T LEAVE MEN OUT OF THE CONVERSATION.**

They need to be involved in these efforts because they’re often in a position to make or influence decisions that affect women’s compensation and benefits, Lockwood-Shabat says.

Donovan puts it another way: Men have to be involved, she says. “They are on the upper management and boards of every employer and every nonprofit. You need to get leadership buy-in: by definition, that means men.”

## **4 STRENGTHEN YOUR HUMAN-RESOURCE TEAM,**

starting with hiring a strong director to oversee it, Levere says. Whether you build a department internally or work with a consulting firm, you’ll need people with this expertise to help you figure out where you are in terms of pay equity and where you need to go, she says.

They also can help you develop a performance-review system that enables you to evaluate job candidates and assess employees’ contributions in an objective way, she adds.



## **5 CONDUCT AN INTERNAL AUDIT OF COMPENSATION.**

Compare the salaries for men and women in similar jobs at your organization to learn whether inequities exist. If you find a gap, develop a strategy to correct it. “You certainly can’t take the money away from the men, and we don’t advocate for that,” Brown Alexander says. But you should take steps to balance the pay for women and men at all levels, even if you have to spread out increases over a year or two. If your group lacks the cash to erase disparities among current employees, resolve to do better with new hires.

And be transparent throughout this process, she says. Communicate your intentions to your staff, share what you learn about where you are, and explain how you’re working to meet your goal.

## **6 CHECK YOUR PAY SCALE AGAINST MARKET RATES.**

In addition to looking within your nonprofit, compare your salaries with those at similar organizations. By working with a company that has access to this kind of data, Lockwood-Shabat says, you can also identify ways your benefits and policies could better support women.

## **7 FILTER UNDERPAID GROUPS OUT OF THE DATA YOU USE TO SET SALARIES.**

Many organizations look to median wages to determine fair levels of compensation, Donovan says. But if your data includes women, who typically make less than men, then your offers will be based on numbers that are too low. Instead, she says, look only at the medians for men — and preferably just white men, since that figure reflects the goal you’re trying to reach. “If you’re using a database that includes all the underpaid

people, you’re never going to achieve pay equity,” Donovan says.

## **8 DON’T ASK NEW HIRES ABOUT SALARY HISTORY.**

Despite a growing movement against asking job candidates to provide their most recent salary — including an increasing number of states that ban the practice — many organizations continue to make offers based on candidates’ previous wages. That practice continues the cycle of unfair pay, Donovan says, because women coming to your nonprofit from other employers have likely been affected by the gender pay gap at some point.

## **9 DON’T ASK NEW HIRES HOW MUCH THEY WANT TO MAKE.**

That’s because people usually “anchor” their answers to their last salary, Donovan says, which often puts women at a disadvantage. Take, for example, a man and a woman at the same career level who both apply for a higher position at a new employer. If the man currently earns \$100,000, he may ask for \$120,000 to try to get a 10-15 percent pay bump, which is typical for such a move, Donovan says. But for the woman — who would likely be making around \$80,000 for the same job — to reach that same amount, she would have to ask for a 50 percent increase. “That’s not going to happen,” Donovan says.

## **10 TELL JOB CANDIDATES WHAT THE POSITION PAYS.**

“If you want to really close the gender pay gap, include the pay for your job in any of your job listings,” Donovan says. “That would be the quickest and easiest way to eliminate one of the biggest hurdles to achieving pay equity” — tying offers to candidates’ past wages.

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