

Nonprofit**HR**

2024 NONPROFIT TOTAL REWARDS PRACTICES SURVEY RESULTS

- *350+ respondent organizations*
- *Dozens of participating mission types*
- *Budget ranges for survey respondents from under \$5 million - over \$500 million*
- *Organizations from 35 U.S. states*

nonprofithr.com/2024trsurveyresults



Top three primary mission focuses of respondent organizations (nonprofit, association or other social impact organization)

12%

Education

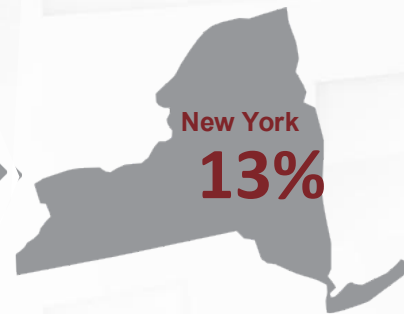
10%

Children, Youth & Families

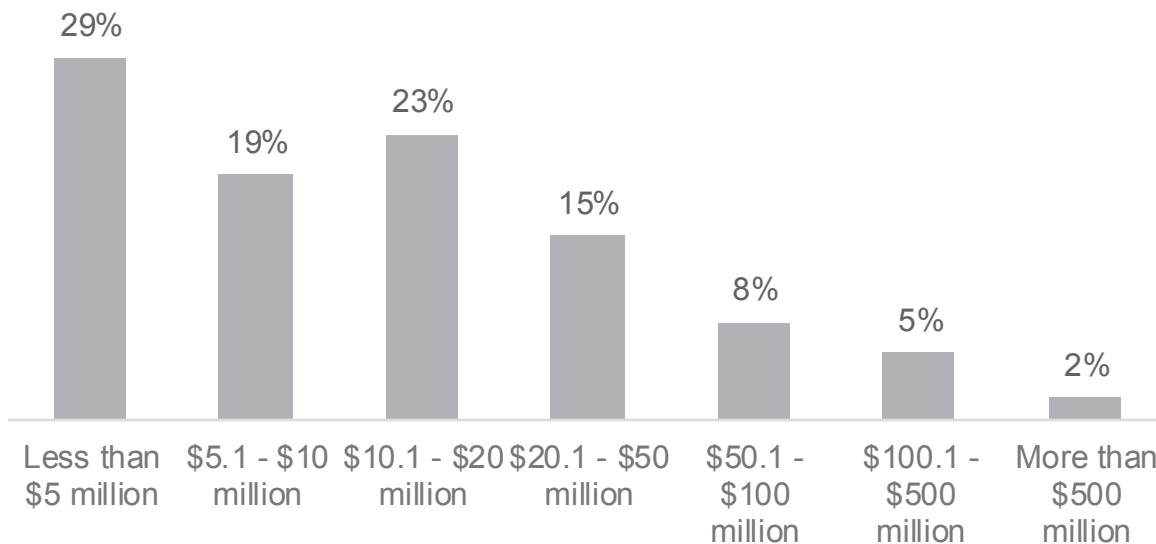
9%

Healthcare

Top three headquarters locations of respondent organizations

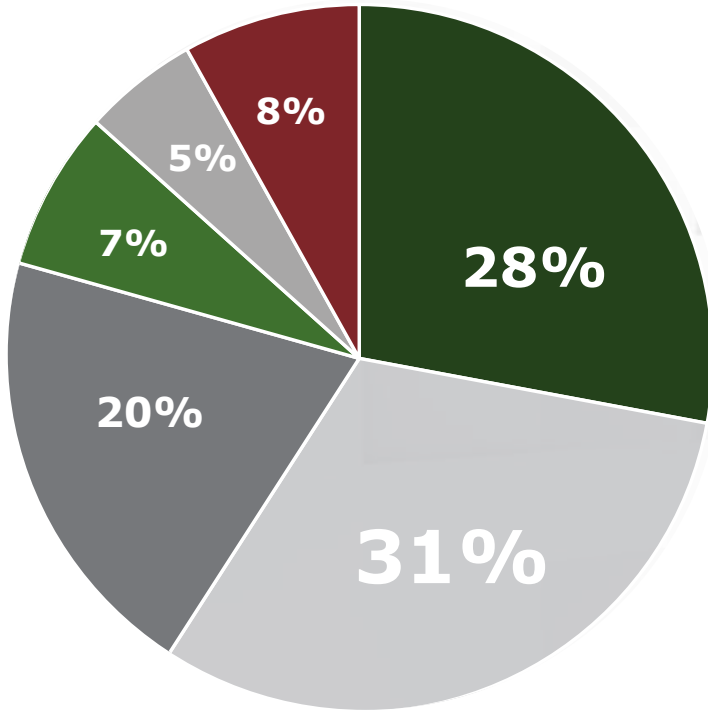


Operating budget of respondent organizations



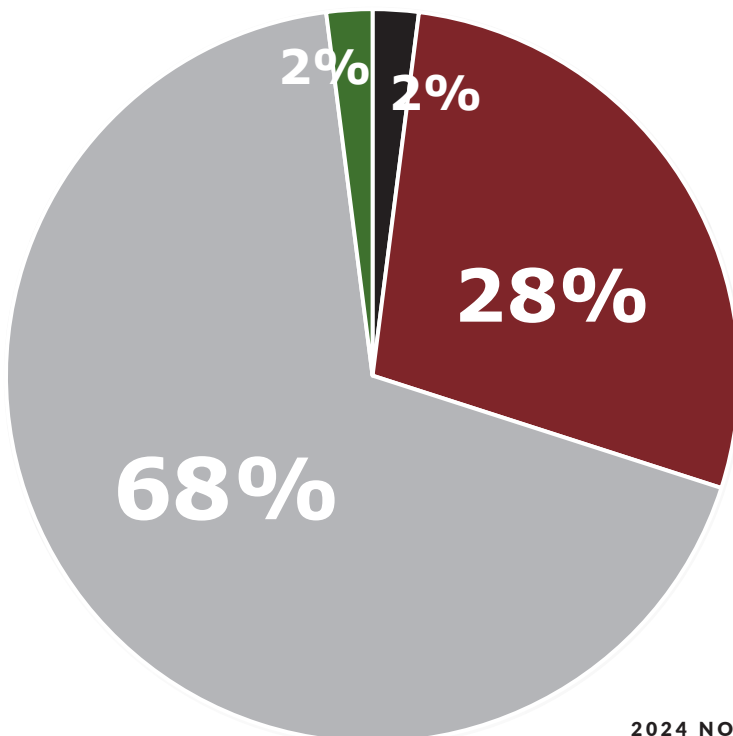


Headcount of respondent organizations



Less than 25	28%
26 - 75	31%
76 - 150	20%
151 - 250	7%
251 - 500	5%
More than 500	8%

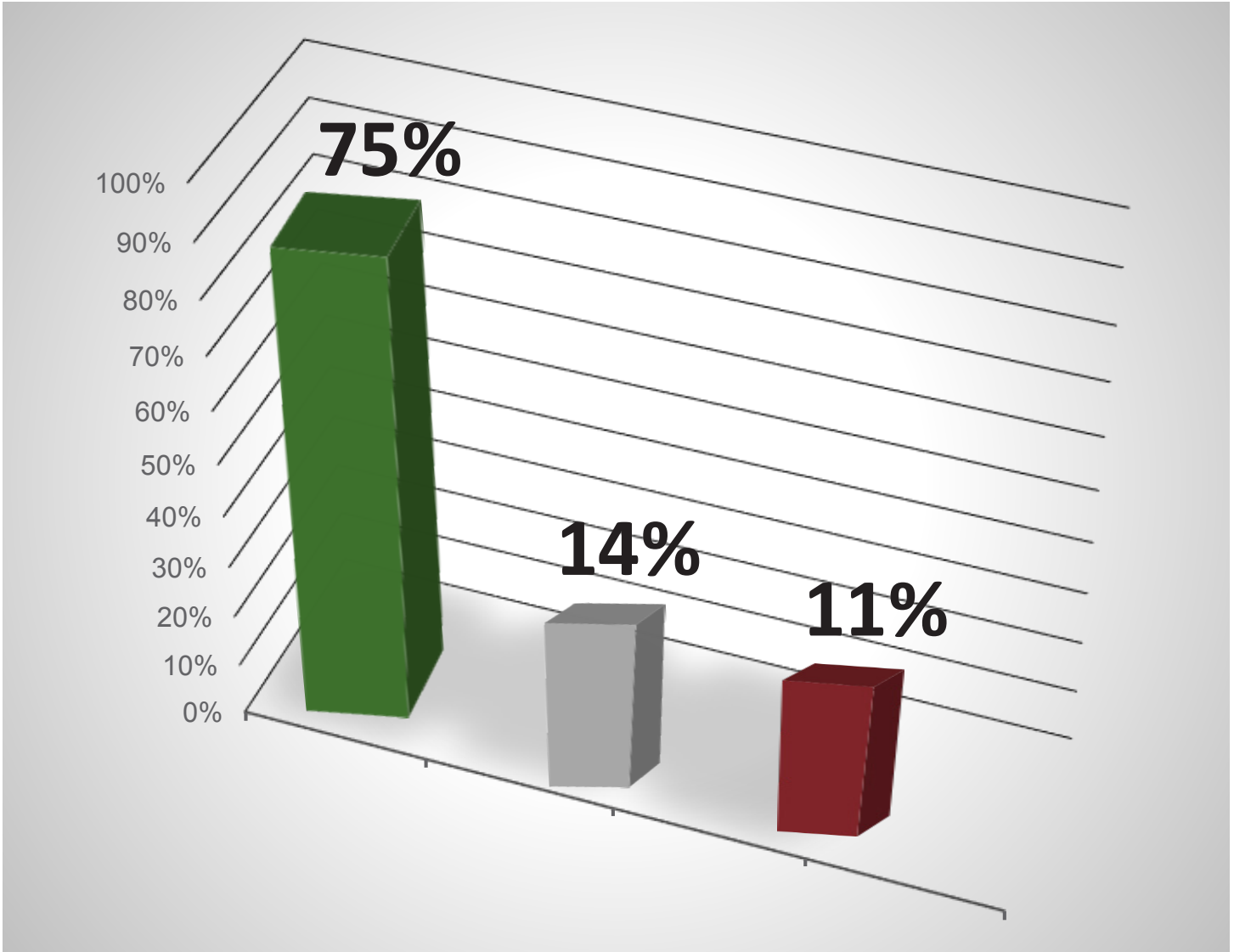
Lifecycle stage of respondent organizations




Start Up (within first 5 years of operation)	2%
Growth-Mode	28%
Maturity/Sustainability	68%
Decline	2%




Places from which employees work in 2024



 100% in office/workplace

 Hybrid (a mix of office/workplace and remote)

 100% remote



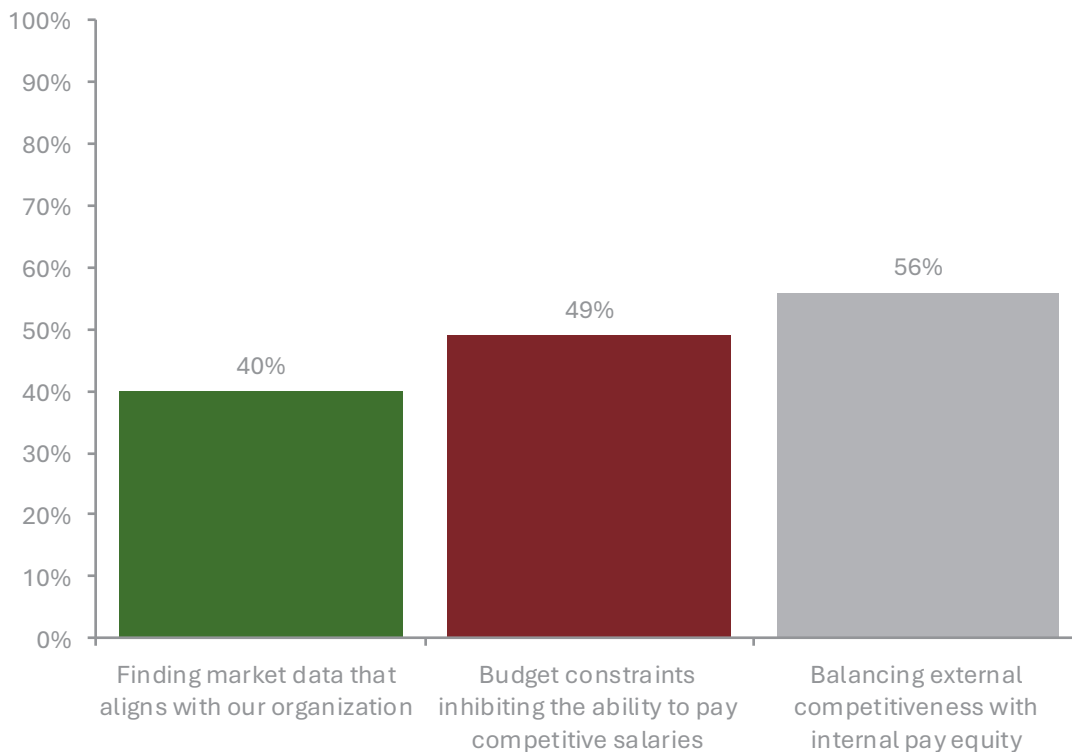
Respondent organizations' top three compensation challenges in 2024

68% Development of organizational/leadership competencies and career paths

63% Building out our compensation philosophy and pay practices, solidifying our organization's approach to salary decision making

58% Educating people managers and rolling out the compensation program to staff

Respondent organizations' top three compensation management challenges in 2024



IN THEIR OWN WORDS

What respondents shared about their organization's total rewards program and/or priorities for 2024

“We are exploring and will be providing a pet insurance option.”

“We are looking to enhance benefits equitably across our 7 jurisdictions. Also, we offer significant schedule flexibility for employees as a benefit without direct cost.”

“We have little budget for ‘extras’ so rewards are mainly through increases to salary and an occasional bonus. We'd love to be able to give more lifestyle benefits if they were inexpensive.”

“Struggling to keep up with expectations of compensation and benefits despite lack of increases in funding.”



Top three circumstances under which respondent organizations review and update job descriptions

70%



During recruitment for an open position

51%



During a promotion

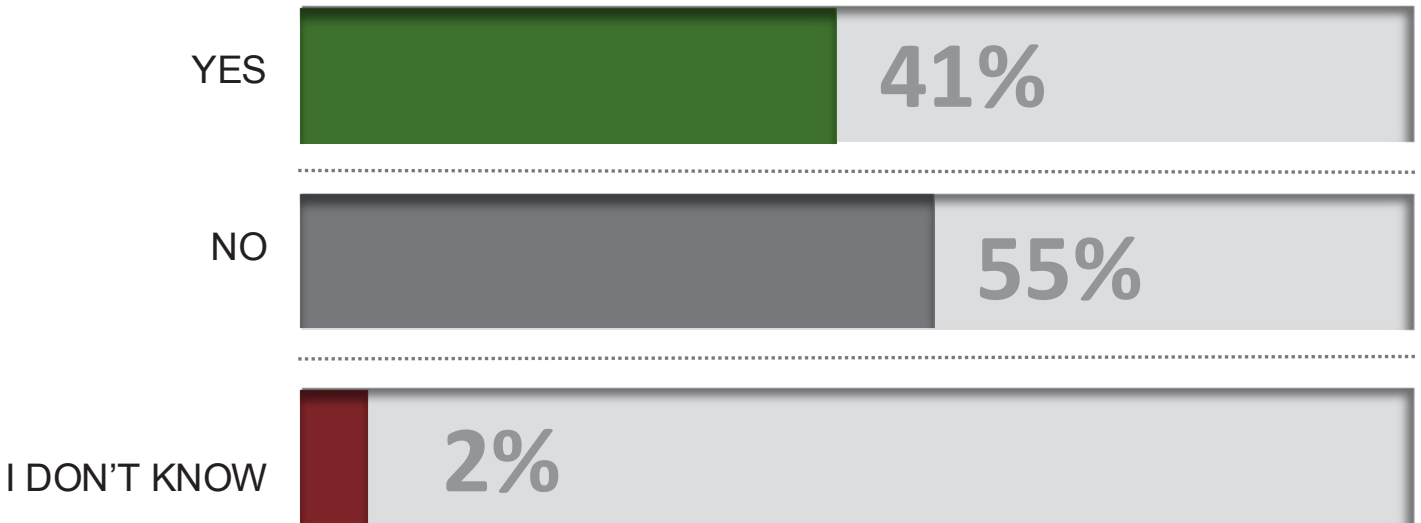
40%

During performance management season

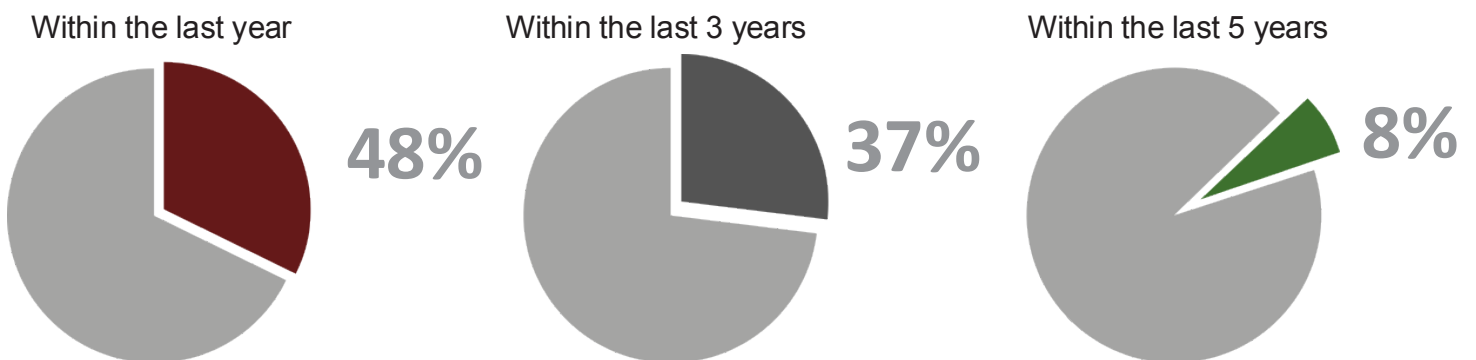




Respondent organizations that conduct a total compensation analysis for staff (base pay, variable and benefits) with an independent third-party consultant

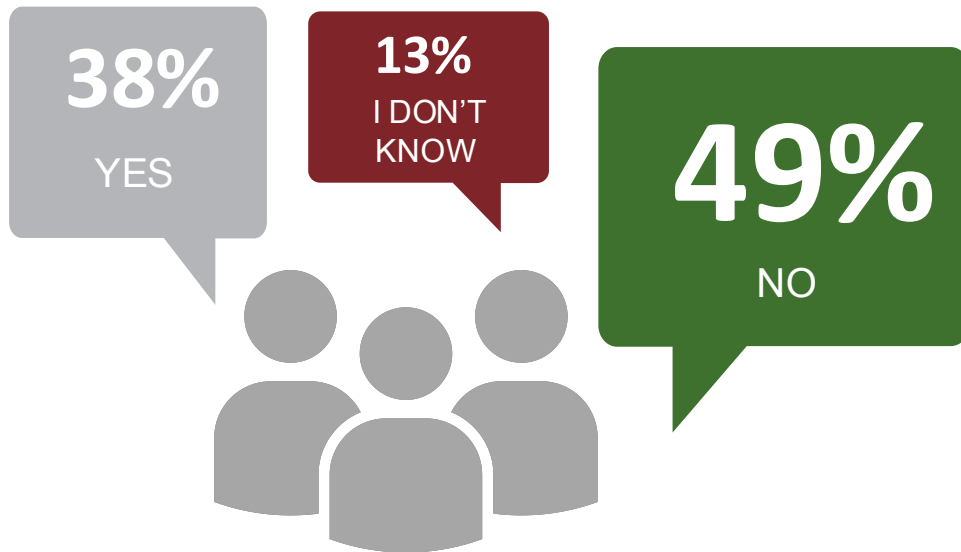


The last time respondent organizations conducted an independent market analysis for staff with a third-party consultant





Respondent organizations that conduct a total compensation analysis for the executive director/president/CEO (base pay, variable and benefits) with an independent third party consultant



How executive compensation is managed at respondent organizations in terms of the base salary increases

60%

Individual performance-based

50%

Organizational financial performance

13%

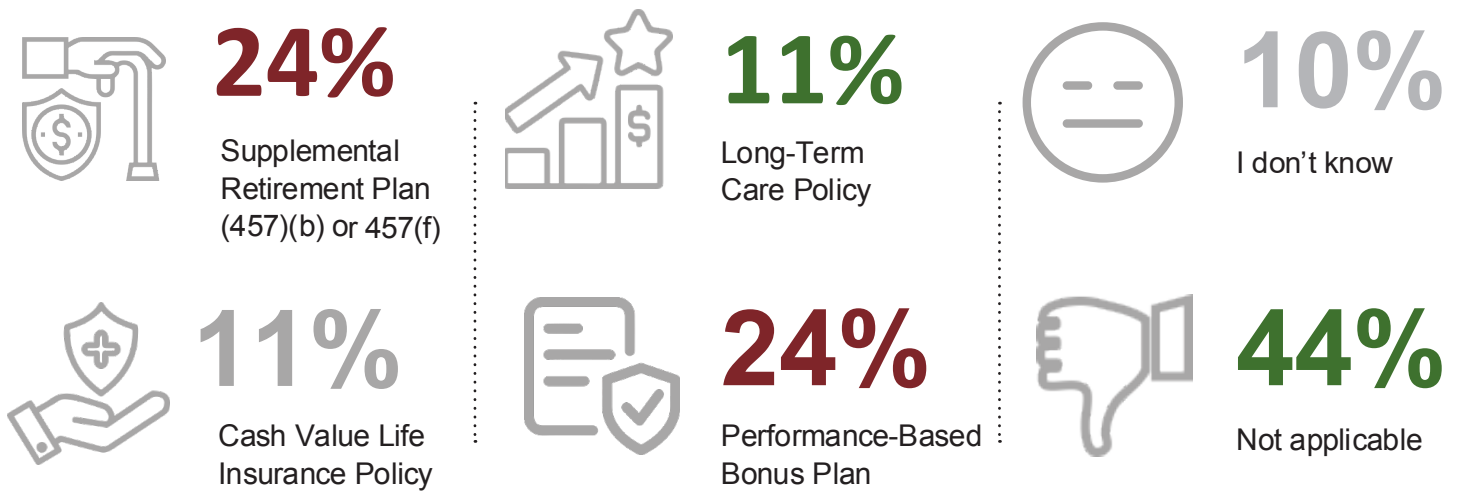
I don't know

14%

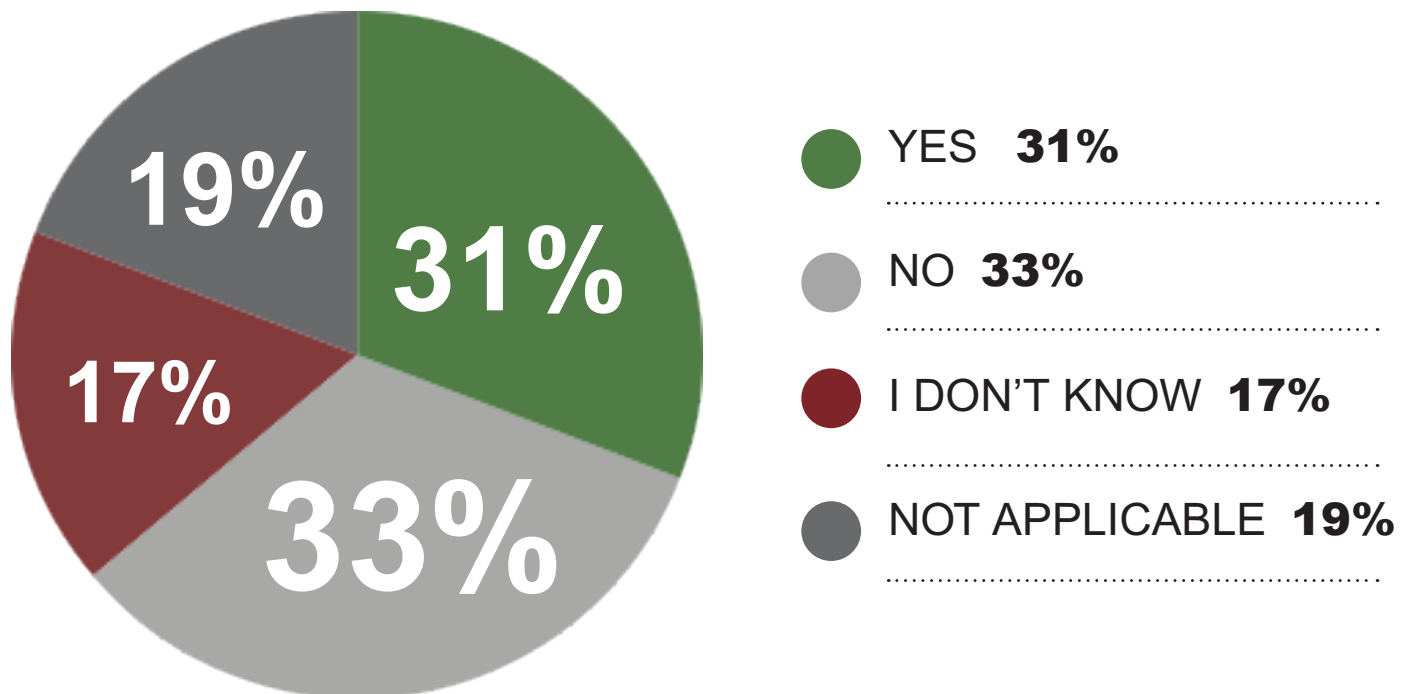
Not applicable



Executive benefit plans respondent organizations offer

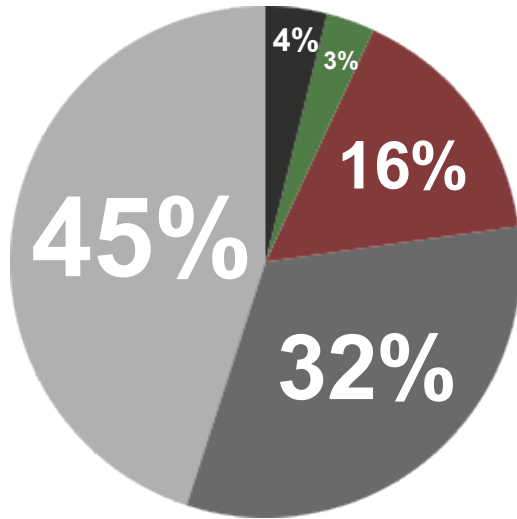







Respondent organizations that offer coaching for the newly hired executive director/ president/CEO throughout the year



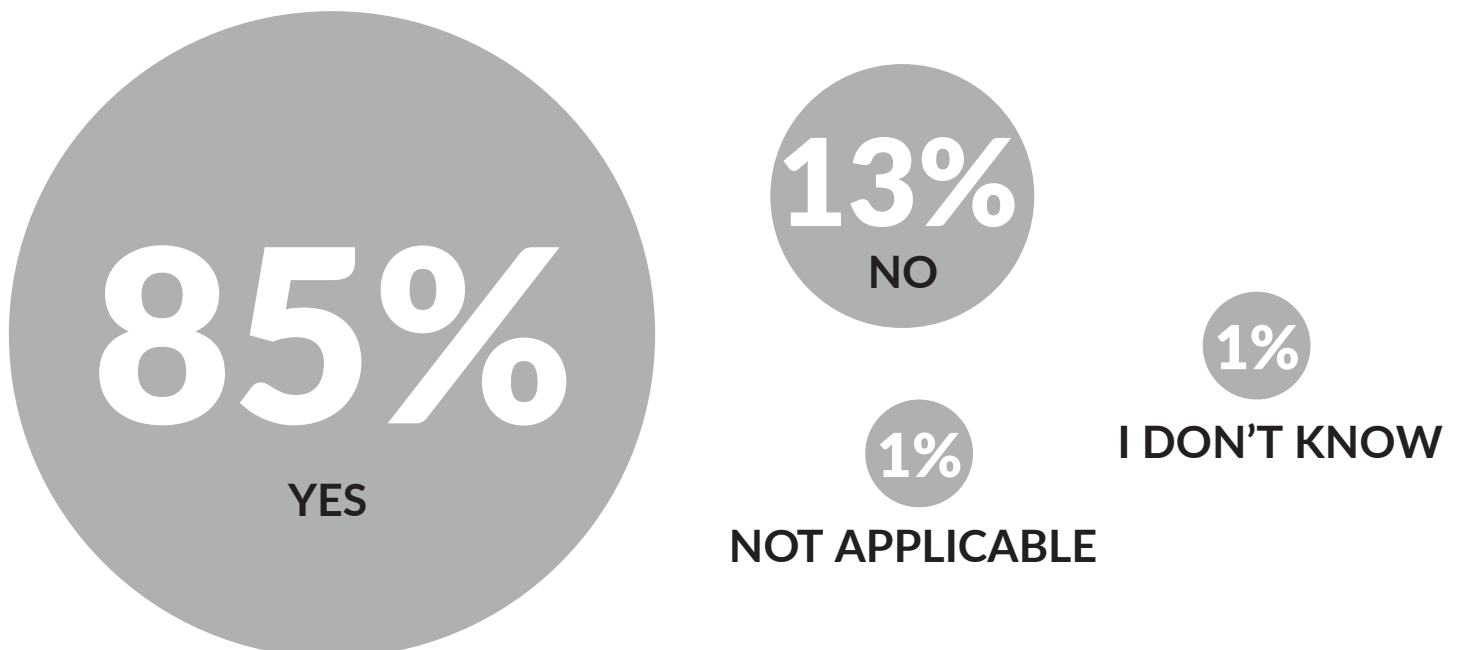


Respondent organizations' level of staff transparency with regard to compensation program details



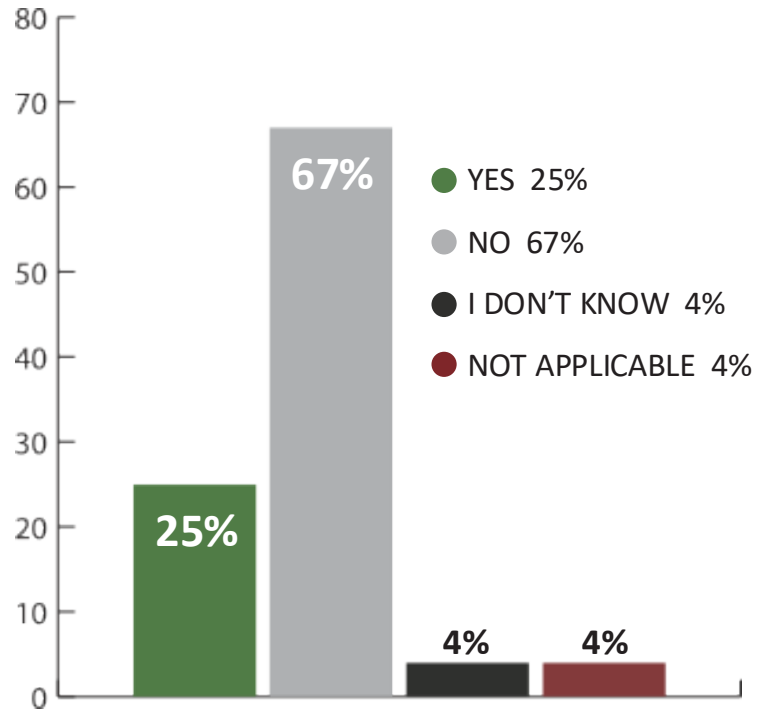
-  We share no information with staff
-  We share information only related to the employee (what their grade and placement in pay range is)
-  We share the compensation structure with staff (salary bands/ranges that detail each position within each salary band)
-  I don't know
-  Not applicable

My organization posts pay/hiring ranges on the external job postings





My organization trains people managers to lead their teams in compensation conversations



Topics included in training for respondent organizations that train people managers to lead their teams in compensation conversations

82% Understanding the organization's compensation program

24% Compensation 101/foundations of compensation (i.e., cost of living vs cost of labor)

42% Understanding market analysis (i.e., how jobs are grouped, where does the market come from)

79% Compensation philosophy and pay practices

57% Compensation training when discussing compensation

6% Other

IN THEIR OWN WORDS

What respondents shared about the supplemental benefits plan their organization offered

“Restorative Schedule (4.5 day workweek).”

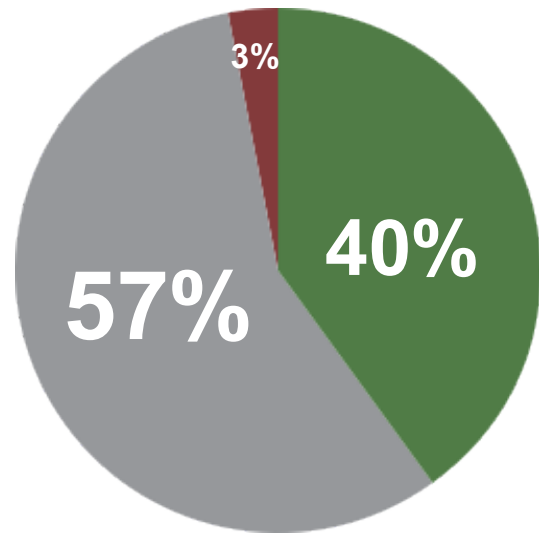
“Accident insurance, and a transportation/parking allowance.”

“Tuition Assistance, Health Advocate, Identity Theft, and Legal Services.”

“Gym membership; cell phone reimbursement.”

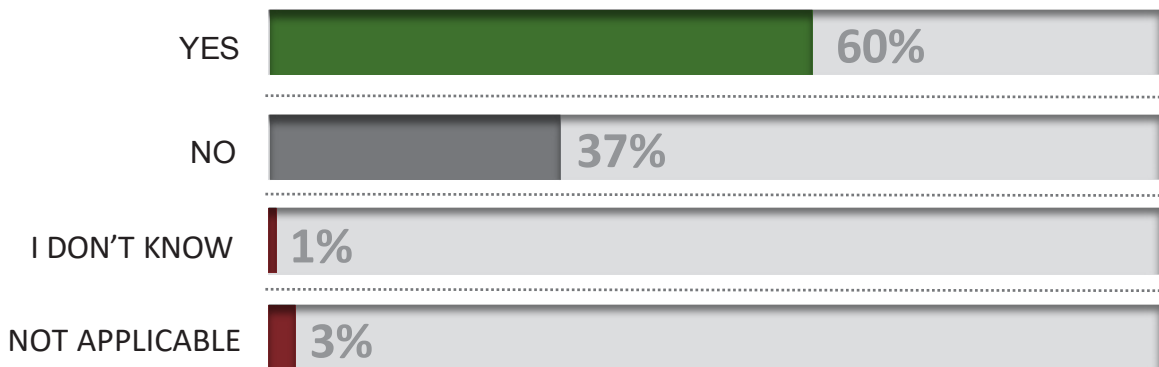


My organization operates from a formal compensation philosophy that is shared with the staff



● YES 40% ● NO 57% ● I DON'T KNOW 3%

My organization operates with the work-from-anywhere policy



Location where respondent organizations' pay is based

Pay staff based on the headquarters location	59%
Pay staff based on regional business locations	11%
Pay staff according to where they live	17%
Pay staff using U.S. national averages	12%



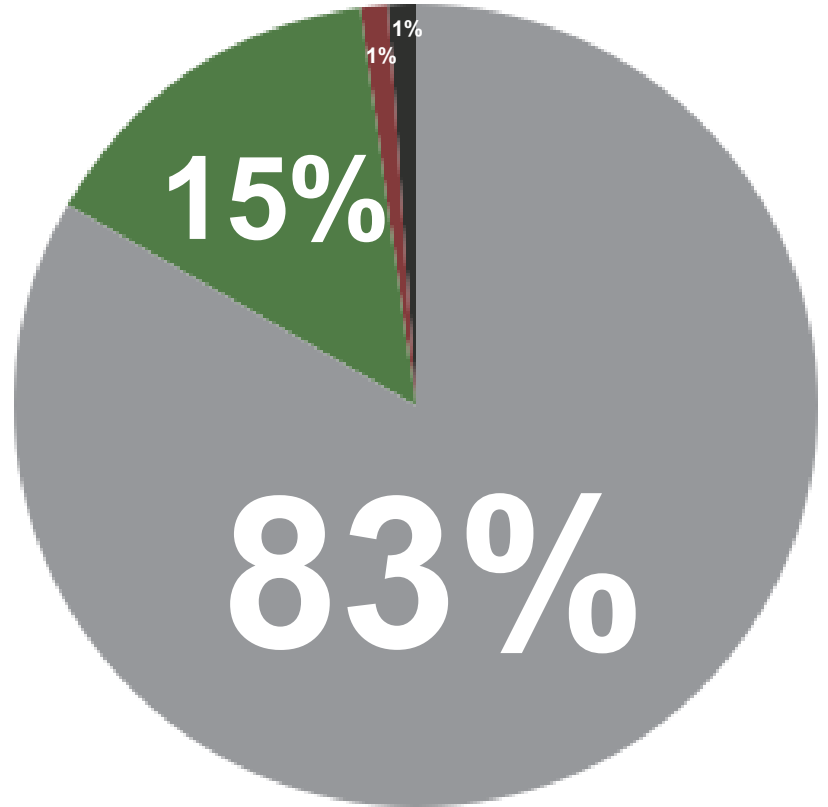
Type of salary increases that respondent organizations provide

Cost-of-living adjustments	65%
Market-based adjustments (made because of a market analysis study)	65%
Pay equity adjustment (made to ensure pay equity between staff with the same or similar positions)	63%
Pay for performance (bonus or merit increase to pay)	62%
Promotion	83%
Interim assignment (for stepping into a similar or higher-level position for a set period of time)	48%
Stay or retention bonuses	17%
I don't know	1%
Not applicable	1%



My organization offered staff wide salary/base pay increases in 2023

Yes	83%
No	15%
I don't know	1%
Not applicable	1%

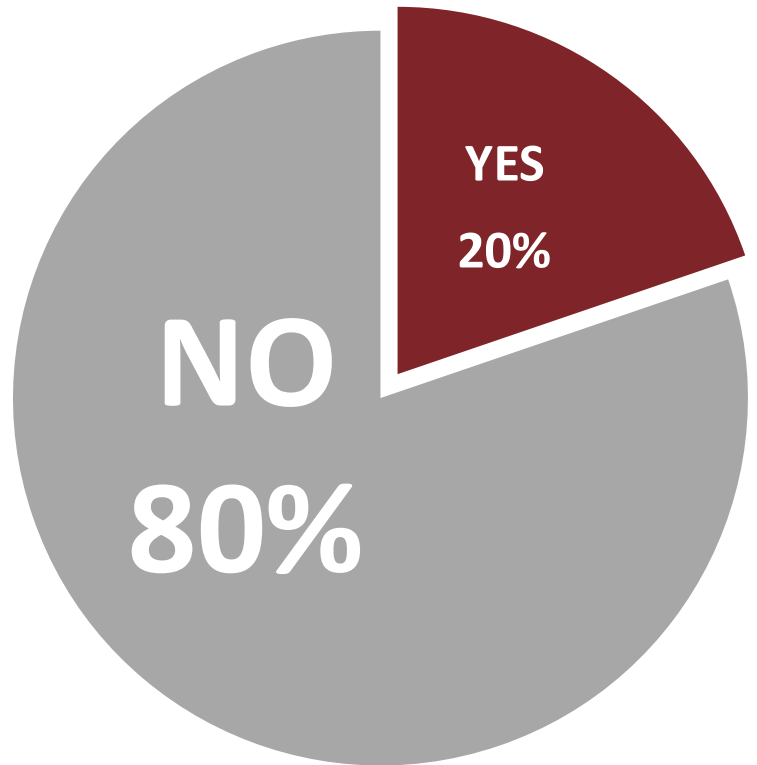


My organization's current combined annual budget for salary increases (pay for performance promotions, cost of living, equity or market-based adjustments)

No budget for increases	6%
Up to 2%	3%
2%-3%	16%
3%-5%	55%
5%-7%	8%
Above 7%	4%
I don't know	7%
Not applicable	1%



My organization has a formal variable pay/bonus program



Types of variable pay respondent organizations offer

92% Individual (bonuses, commissions, non-monetary incentives, e.g. awards, trips)

12% Group/team (shared goals, quality improvement, cost reduction)

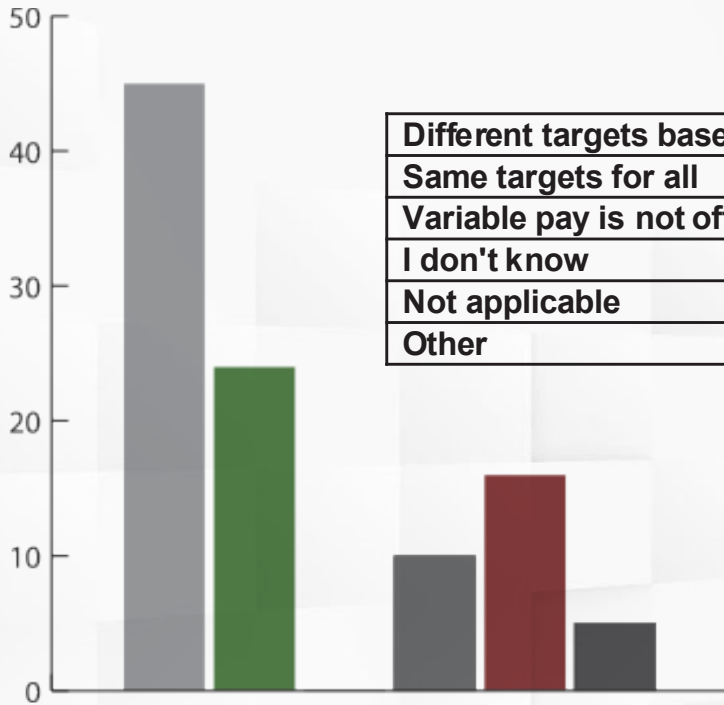
27% Organization-wide (budget goals, deferred compensation)

2% I don't know

4% Not applicable

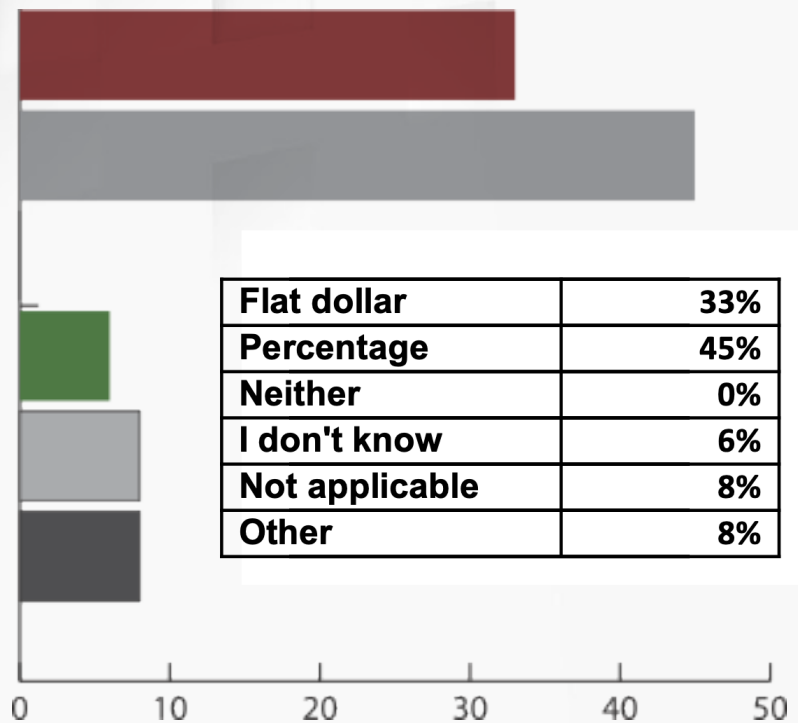


How variable pay targets are determined for respondent organizations



Different targets based on job level	45%
Same targets for all	24%
Variable pay is not offered	0%
I don't know	10%
Not applicable	16%
Other	5%

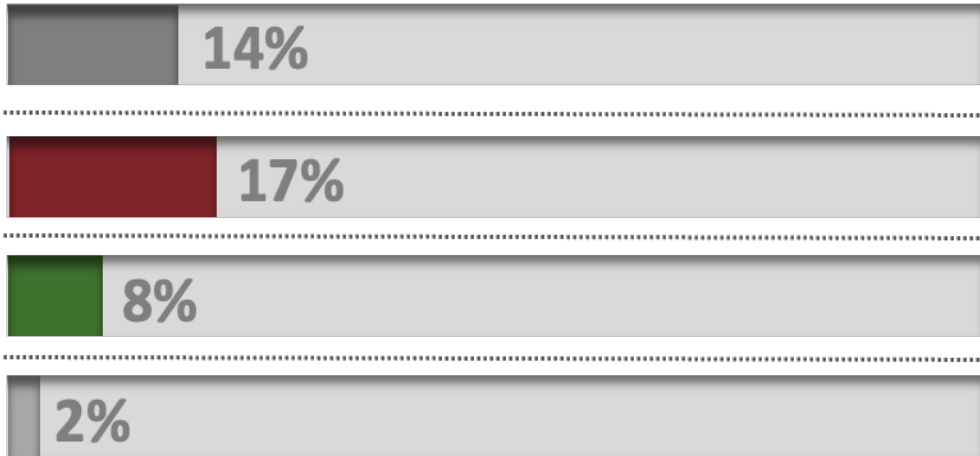
How variable pay is calculated for respondent organizations



Flat dollar	33%
Percentage	45%
Neither	0%
I don't know	6%
Not applicable	8%
Other	8%

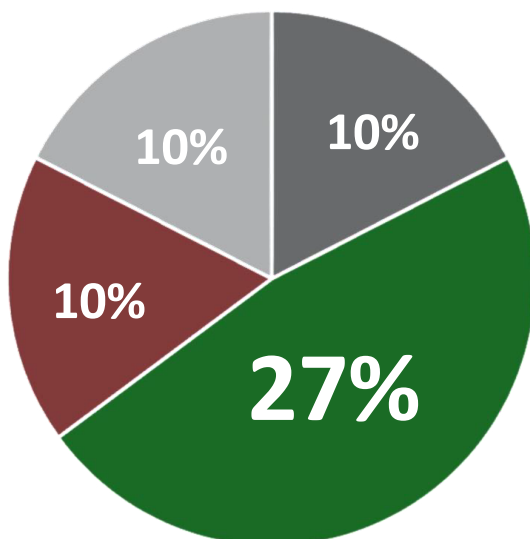


For respondent organizations that calculate variable pay according to flat dollar, the amount



Under \$1,000	14%
\$1,000-\$2,500	17%
\$5,000-\$10,000	8%
Above \$10,000	2%

For respondent organizations that calculate variable pay according to a percentage, the amount



Up to 3%	10%
3% - 5%	27%
5% - 7%	10%
Above 10%	10%



My organization distributes bonuses

60%

Yes

38%

No

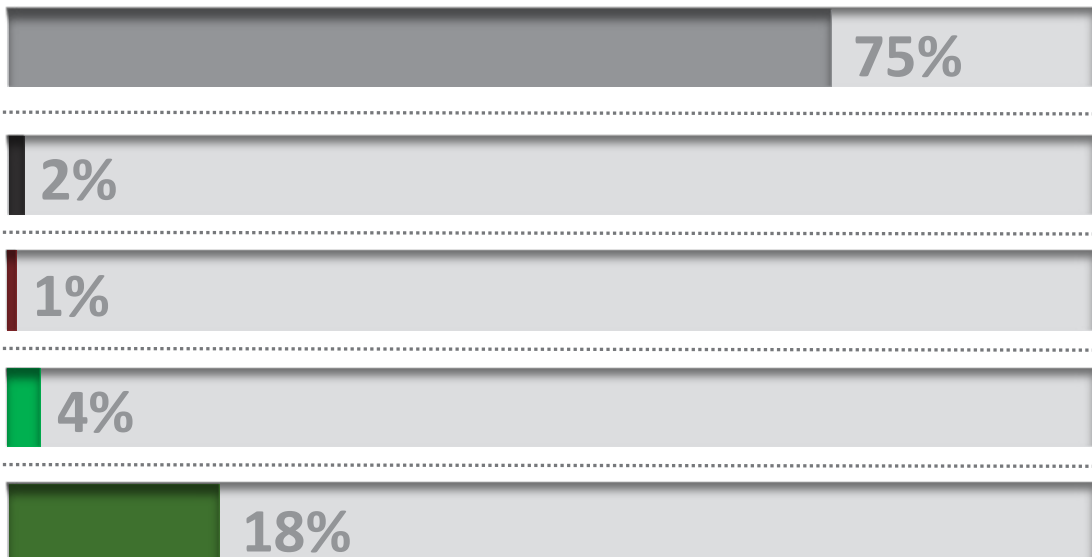
1%

I don't know

2%

Not applicable

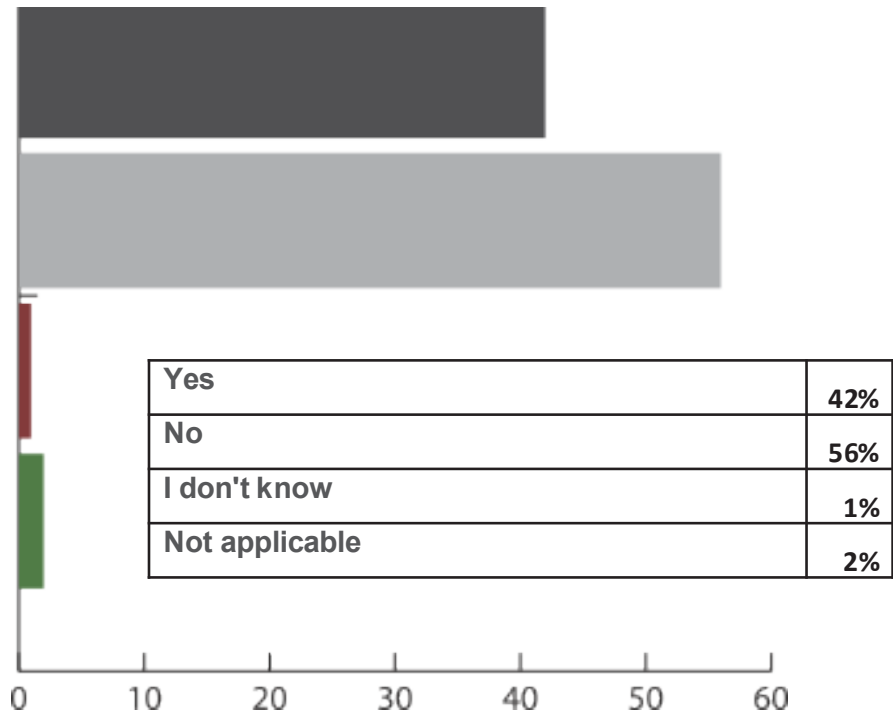
How frequently respondent organizations distribute bonuses



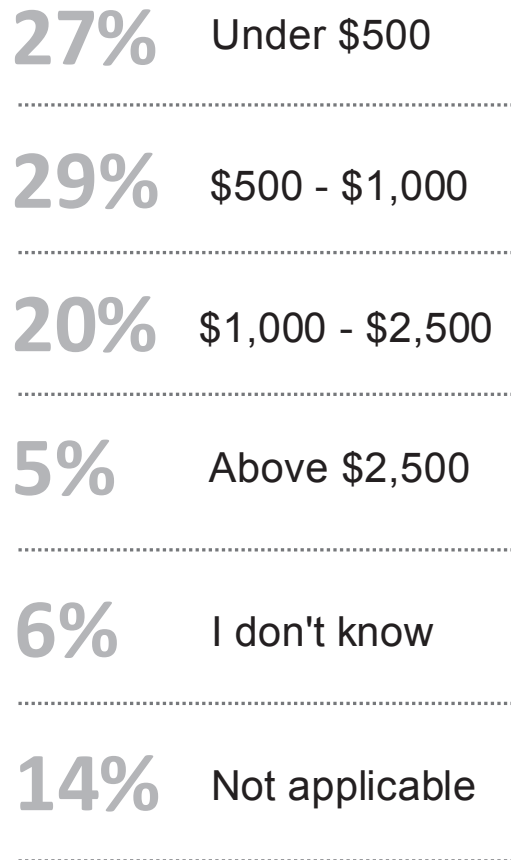
On a fiscal year basis	75%
On a quarterly basis	2%
On a monthly basis	1%
I don't know	4%
Not applicable	18%



My organization offers employee spot bonuses



The amount respondent organizations offer for employee spot bonuses





40%

Gift cards



44%

Compensatory time



18%

Volunteer day



53%

Staff gifts



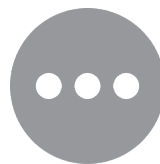
60%

End-of-year celebration



12%

Not applicable



16%

Other

Perks offered by respondent organizations



Respondent organizations' top three employee benefits priorities in 2024

Priority 2

34%

Reducing the benefit plan costs

Priority 1

58%

Evaluating our benefit offerings to ensure they are competitive and meeting the diverse needs of our staff

Priority 3

39%

Adding lifestyle benefits to our organization's benefits program (childcare, elder care, financial wellness, wellness subsidy, infertility/fertility benefits, mental health benefits, home office stipend, etc.)



Steps respondent organizations take to ensure employee benefit equity

Health insurance covers in-patient and out-patient mental health care	64%
We regularly remind employees about benefits and flexibility policies to encourage use	67%
We regularly remind employees about benefits and policies available during critical times (e.g. reminding employees about mental health benefits during a crisis)	72%
Health, dental and vision plans cover all members of employees' household, including civil unions, adopted or foster children and elderly parents	39%
We offer benefits that are inclusive of non-binary and/or trans employees (e.g., gender transition)	40%
We provide benefits that are inclusive of same-sex and non-biological parents (e.g., adoption benefits)	51%
We provide managers with guidelines on how to provide access to flexible work arrangements for all employees who need them	44%
We have not yet taken steps to ensure employee benefit equity	9%
Other	6%

IN THEIR OWN WORDS

What respondents shared about ensuring employee benefit equity

“We work very hard to make sure we have Health insurance that is affordable for our employees to use.”

“We subsidize more expensive benefits so they are available to all staff.”

“I love this question and never actually considered it as benefits equity. Will definitely be approaching benefits admin differently in the future.”



Top three core benefit plans respondent organizations offer staff



98%

Health Insurance



93%

Dental Insurance



92%

Vision Insurance

Top three supplement benefits respondent organizations offer staff

67%

Parental leave benefits

52%

Mental health support or services

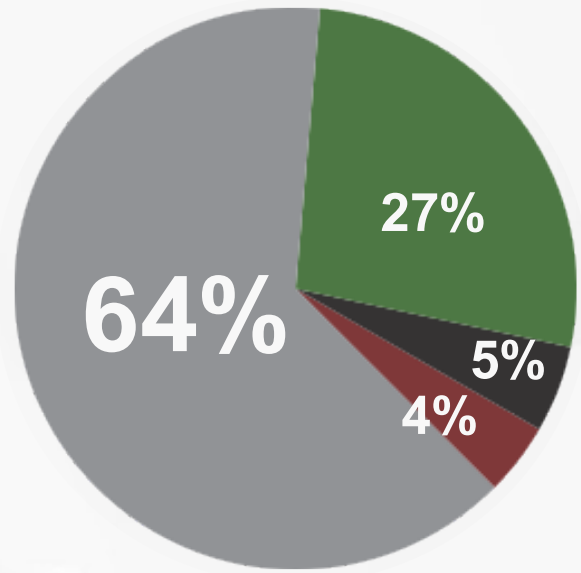
79%

Employee assistance programs (EAPs)



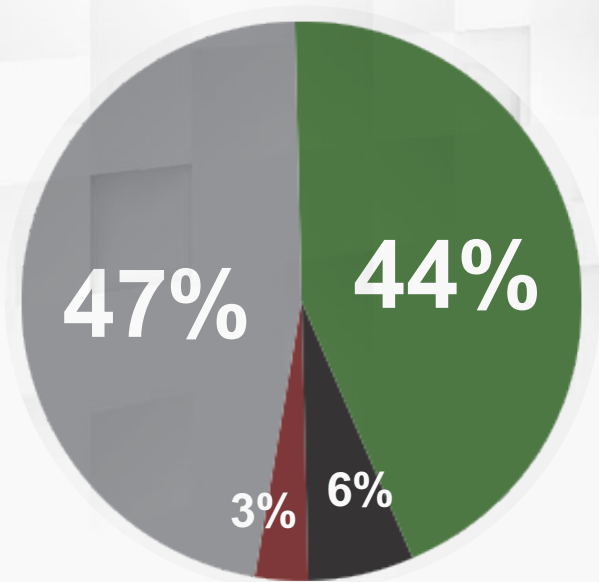


Respondent organizations that are headquartered in a state that has paid family leave



Yes	64%
No	27%
I don't know	5%
Not applicable	4%

My organization implements a parental leave policy that goes above and beyond the statutory limit (varies by state)



Yes	47%
No	44%
I don't know	6%
Not applicable	3%



Duration (in weeks) of paid parental leave in respondent organizations

6	10%
12	46%
24	1%
32	1%
48	0%
Other	42%

Duration (in weeks) of unpaid parental leave in respondent organizations

6	10%
12	26%
24	2%
32	2%
48	<1%
Other	60%



Types of parental leave respondent organizations offer



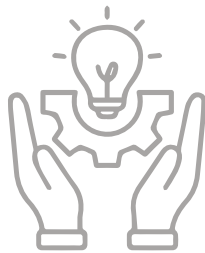
93%

Birth of a child



71%

Child in foster care



88%

Adoption



5%

None of these



My organization solicited feedback from employees regarding satisfaction with the benefit plans and programs offered



IN THEIR OWN WORDS

What respondents shared about soliciting feedback from employees regarding their satisfaction with the benefit plans and programs offered

“Feedback received via annual company survey.”

“We're doing a benefits survey this summer.”

“Annually in fall before open enrollment process begins.”

“Not formally but feedback was part of a recent engagement survey.”



Top three areas where respondent organizations have optimized a human resources information technology solution

Core HR & payroll

81%



Timekeeping, leave management & scheduling

74%



Benefits administration

63%

ABOUT NONPROFIT HR

We were founded with one goal in mind: to strengthen the social impact sector by strengthening its people.

Nonprofit HR is the country's leading and oldest firm focused exclusively on the talent management needs of the social sector, including nonprofits, associations, social enterprises and other mission-driven organizations. Since 2000, our staff of credentialed experts have advanced the impact of some of the world's most influential brands in the sector.

Nonprofit HR's Total Rewards team partners with mission-driven organizations to engage, empower and sustain their people through a holistic Total Rewards approach that fully aligns with people management priorities, the strategic plan and shared values.

Some of the areas Nonprofit HR's Total Rewards team partners with organizations on:

- Compensation Program Design, including Compensation Philosophy, Practices and Policies
- Job Description Review, Revision or Creation
- Benefit Program Design and Implementation
- Benefit Compliance to State and Federal regulations
- Retirement Plan Guidance and Support
- Leave Benefit Programs
- FLSA Compliance
- Market Valuation of Positions
- Performance Compensation Policies
- Rewards and Recognition Programs
- Executive Compensation and Benefits Program Design/990 Analysis and Reasonableness Testing
- Pay Equity Review and Recommendations

Learn more about the missions we serve. Visit us online at nonprofithr.com

Does your organization need help creating or strengthening your total rewards approach?

Schedule a mini consult: solutions@nonprofithr.com

Call us: 202.785.2060