



Nonprofit**HR**

# 2024 NONPROFIT **TOTAL REWARDS PRACTICES** SURVEY RESULTS

*350+ plus organizations are either exempted through tax or are nonprofit including 501(c) located in North America.*

September 10, 2024



## ABOUT

# NONPROFIT HR

### Our Vision:

We are the leading source of innovative talent management, talent acquisition services and knowledge for the social impact sector.

- Total lifecycle solutions for talent management.
- 20+ years of serving the social sector as a trusted advisor and thought partner.
- Thousands of missions served.
- Black woman owned.
- National footprint.
- Award-winning and credentialed staff.

"Nonprofit HR's experts listen, articulate people-centric solutions and understand the correlation between having high-performing engaged staff and us being able to support our members' needs. Their team has elevated the importance of and visibility around innovative HR practices. Nonprofit HR is an invaluable strategic partner."

Cathy Gibney, Chief Financial Officer,  
National Hospice & Palliative Care Organization



# OUR PRACTICES

Nonprofit HR's suite of solutions are centered on four core service areas.

## PEOPLE & ORGANIZATIONAL STRATEGY

- Assessments
- Solutions Architecture
- Learning & Development
- Certified Coaching
- Advisory Services

## SEARCH

- Executive Search
- Professional Search

## HR OUTSOURCING

- Interim Outsourcing
- Comprehensive General Outsourcing
- Organizational Change Management Strategy Implementation
- Talent, Workforce Needs & Strategy Alignment
- Talent Acquisition Support

## TOTAL REWARDS

- Salary Benchmarking
- Compensation Program Design
- Pay Equity Analysis
- Benefits Assessments
- HR Technology Strategy

*We partner with all mission-driven organizations, including nonprofits, associations, foundations and social enterprises to help strengthen people management practices.*



YOUR NONPROFIT HR

# PRESENTERS



**Lisa McKeown**  
Managing Director,  
Total Rewards



**Tina Twyman, MA,**  
**SHRM-SCP**  
Team Leader & Senior  
Consultant, Total Rewards



**Stuart Wales, MS,**  
**SHRM-SCP, PHR, CCP**  
Senior Consultant,  
Total Rewards



**Shaunna Hook, MSL**  
Consultant, Total  
Rewards



## Respondent organization types

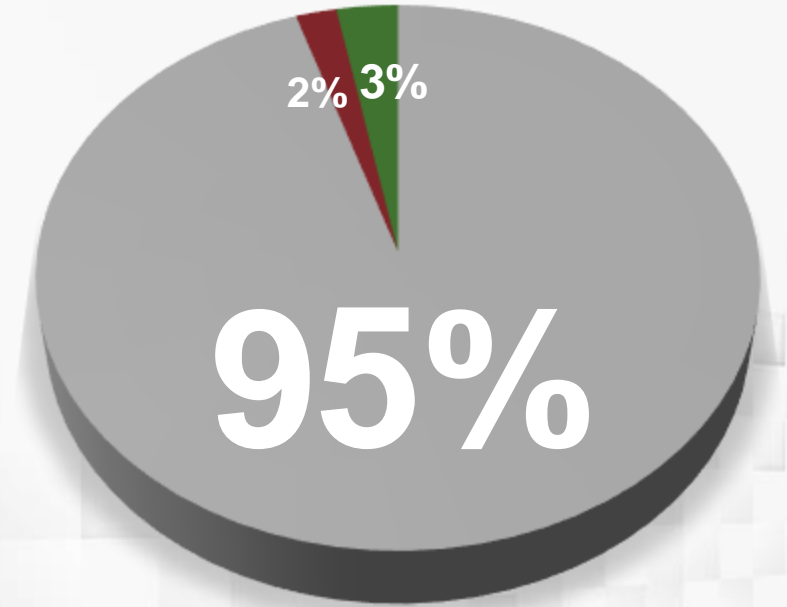
- A tax-exempt or nonprofit organization, including 501(c) located in North America

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- A for-profit social enterprise or mission-driven organization located in North America

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- Neither of the above



## Descriptors of the mission-driven for-profit respondents (8)

25%

We are a mission-first/  
mission-centric for-profit

37%

We have corporate social  
responsibility business objectives  
(includes benefit corporations and  
those focused on double or triple  
bottom line)

25%

We are a conscious company  
or lifestyle brand (we engage  
the community and/or support or  
fund social causes)

13%

Other



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

12%

Education

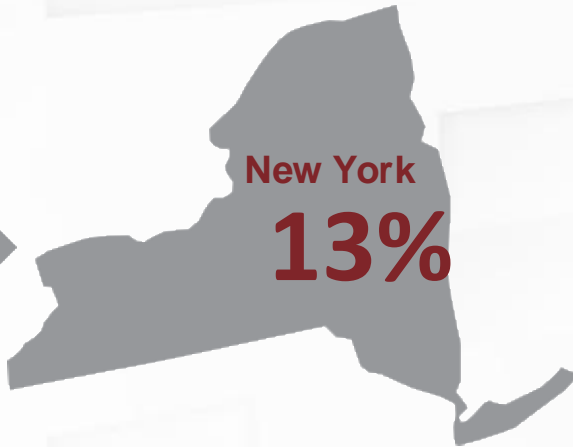
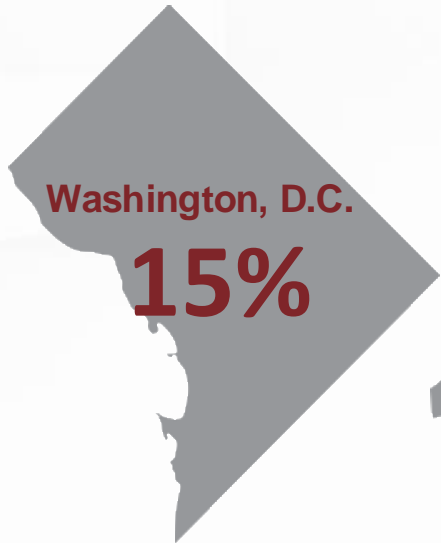
10%

Children, Youth & Families

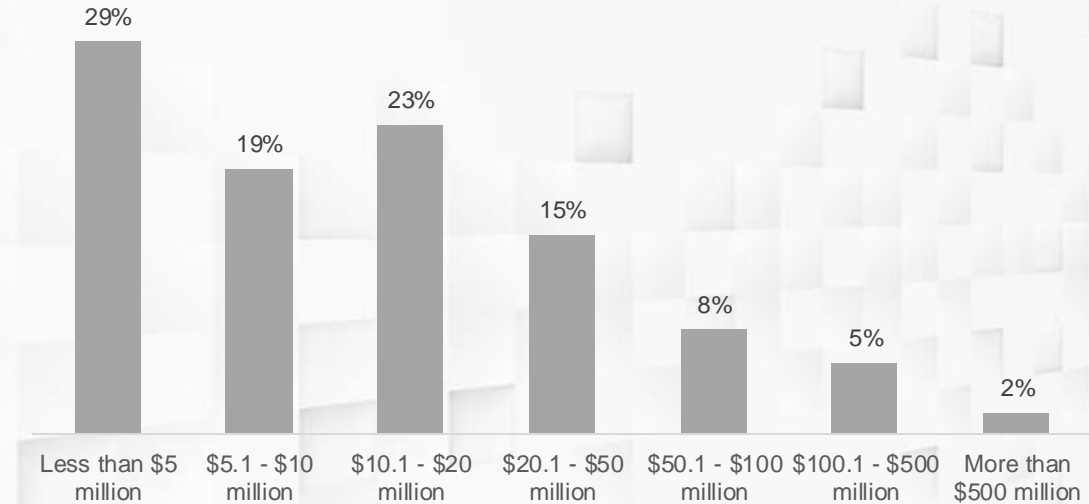
9%

Healthcare

## Top three headquarters locations of respondent organizations

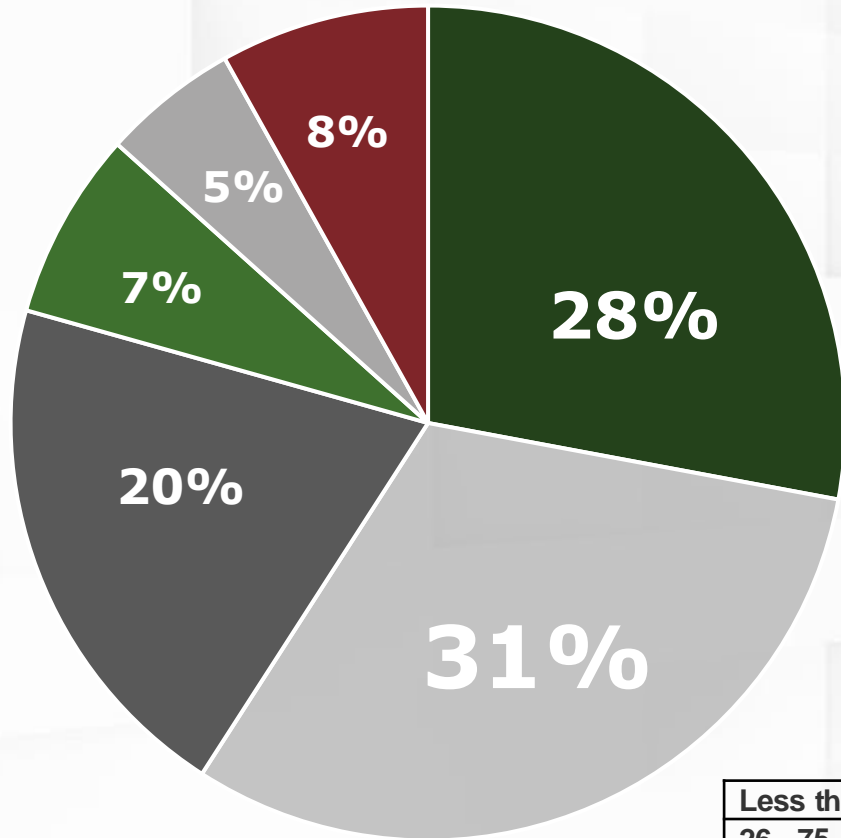


## Operating budget of respondent organizations



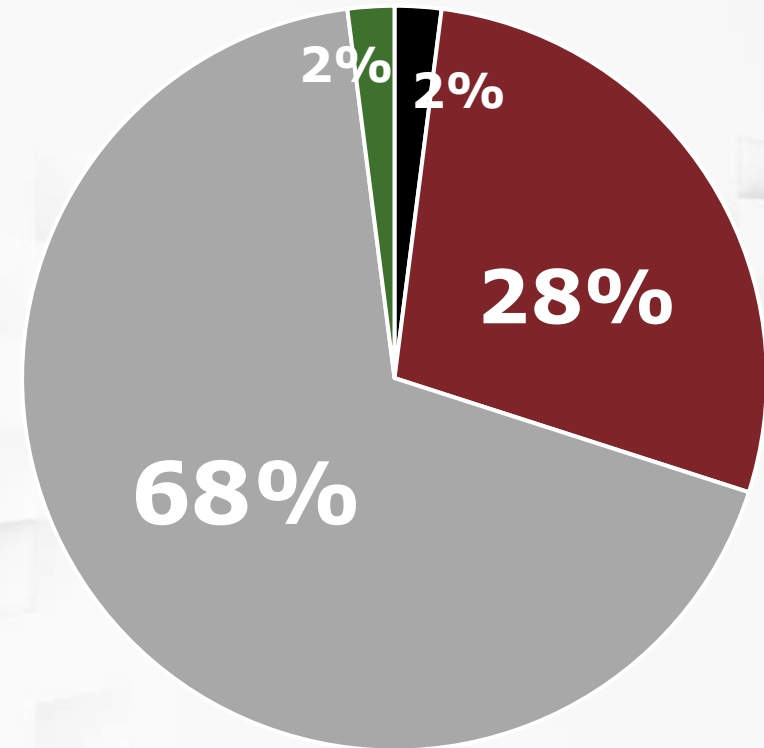


## Headcount of respondent organizations



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

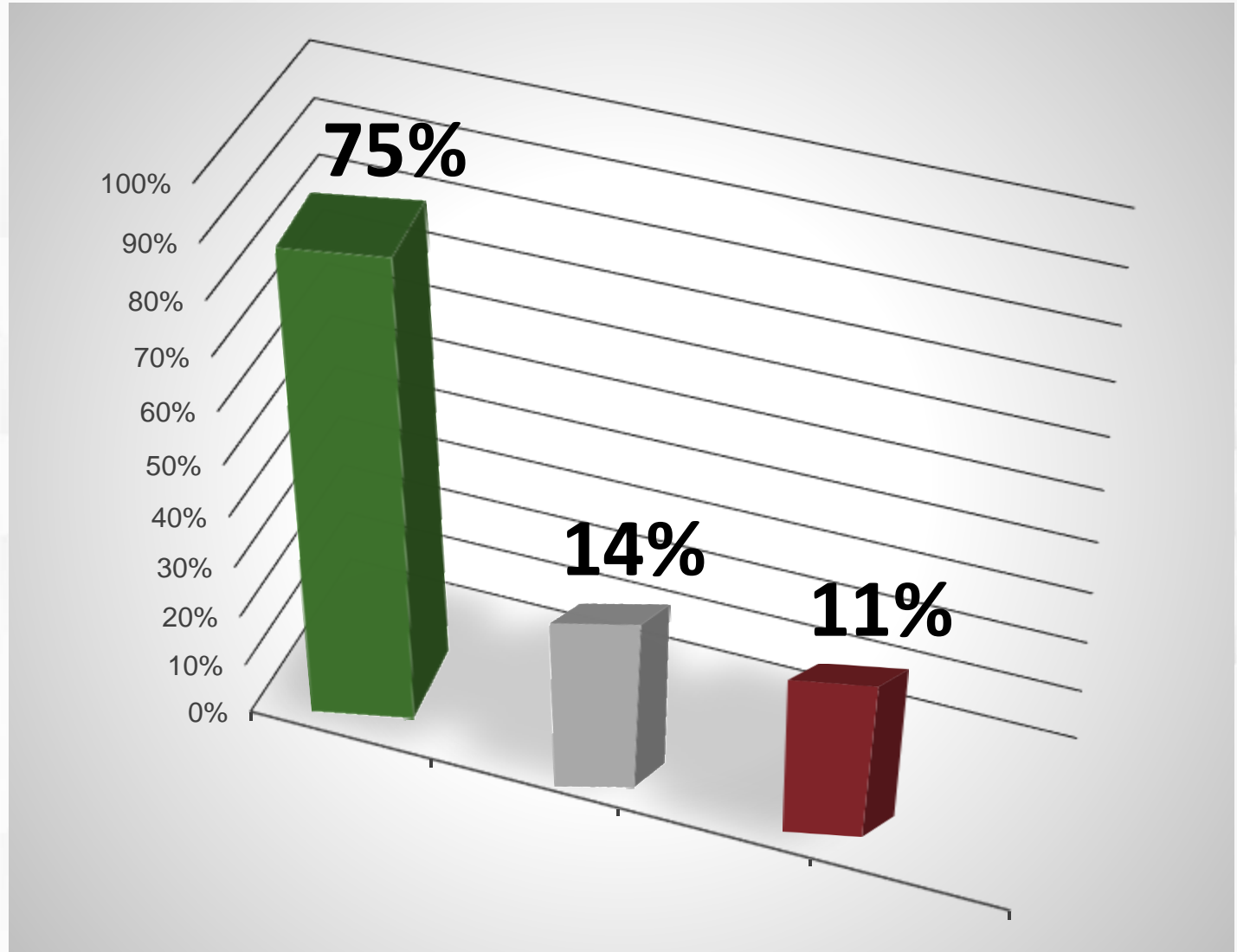


Start Up (within first 5 years of operation)	2%
Growth-Mode	28%
Maturity/Sustainability	68%
Decline	2%



# Places from which employees work in 2024

- 100% in office/workplace
- Hybrid (a mix of office/workplace and remote)
- 100% remote







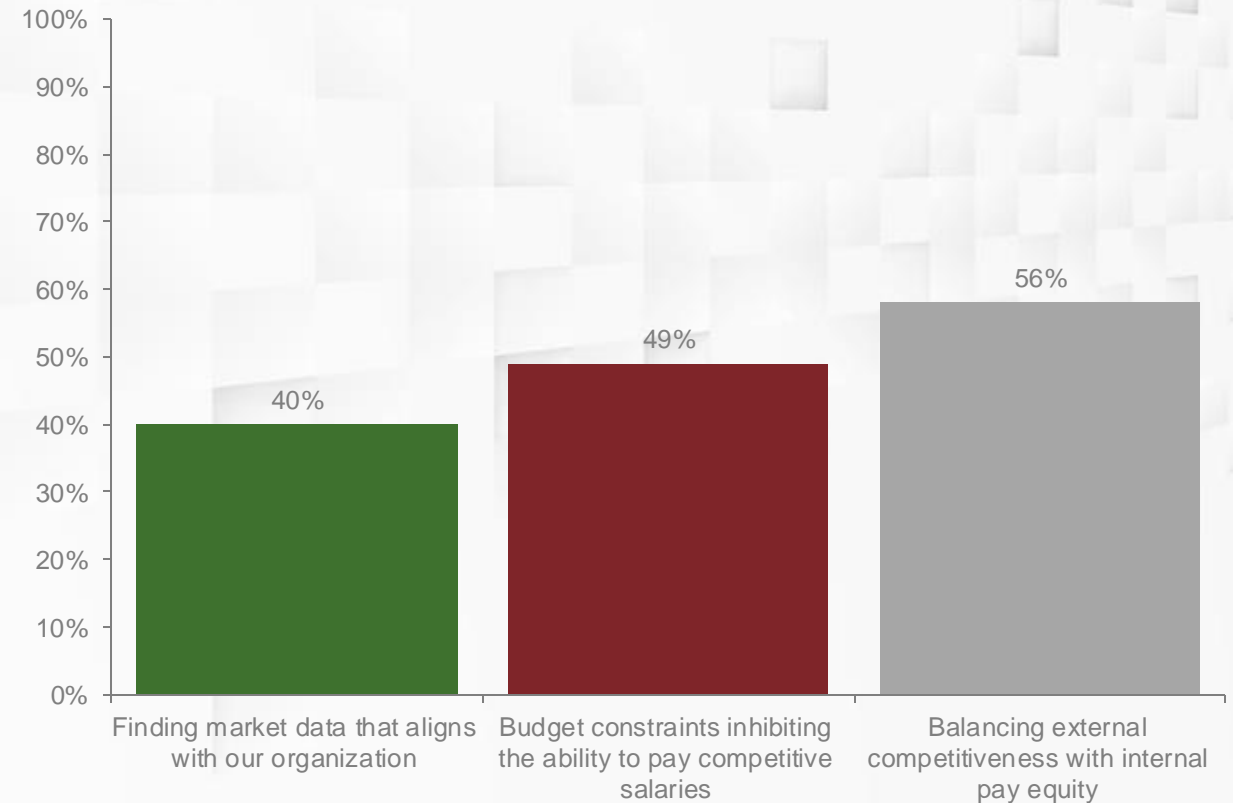
## Respondent organizations' top three compensation challenges in 2024

**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's top three compensation management challenges in 2024





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

70%



During recruitment for an open position

51%



During a promotion

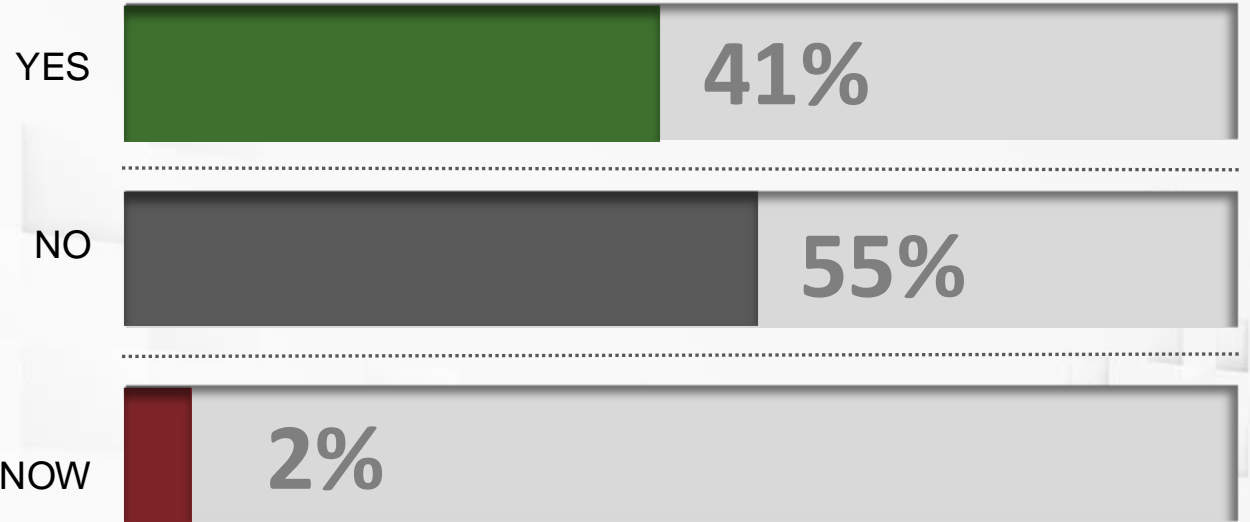
40%

During performance management season

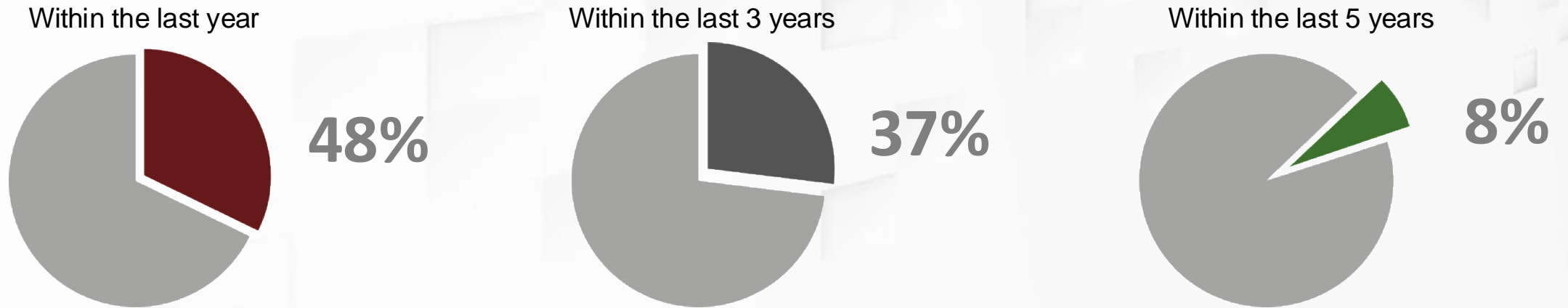




**Respondent organizations that conduct a total compensation analysis for staff (base pay, variable and benefits) with an independent third-party consultant**

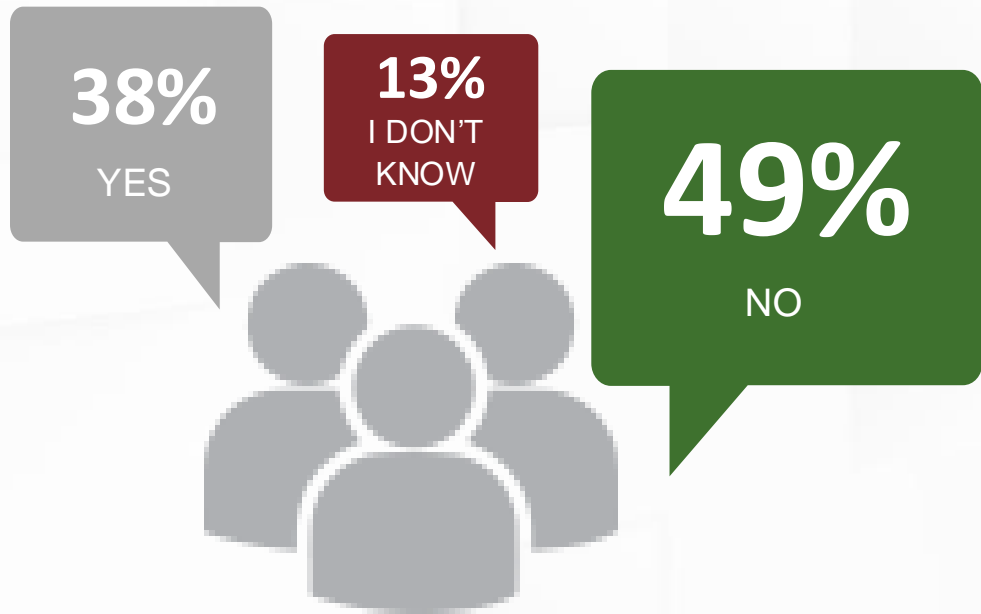


**The last time respondent organizations conducted an independent market analysis with a third-party consultant for staff**





**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 managed at the 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



**24%**

Supplemental Retirement Plan (457)(b) or 457(f)



**11%**

Long-Term Care Policy



**10%**

I don't know



**11%**

Cash Value Life Insurance Policy



**24%**

Performance-Based Bonus Plan



**44%**

Not applicable

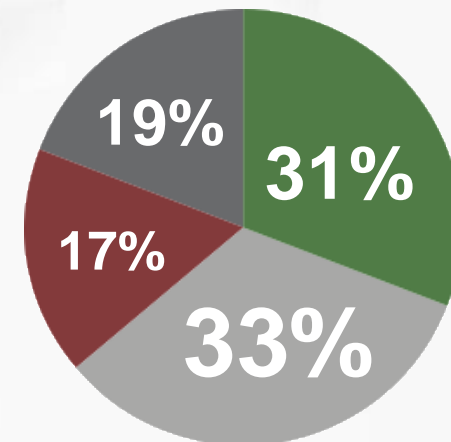
## Respondent organizations that offer coaching for the newly hired executive director/president/CEO throughout the year

**YES 31%**

**NO 33%**






**I DON'T KNOW 17%**

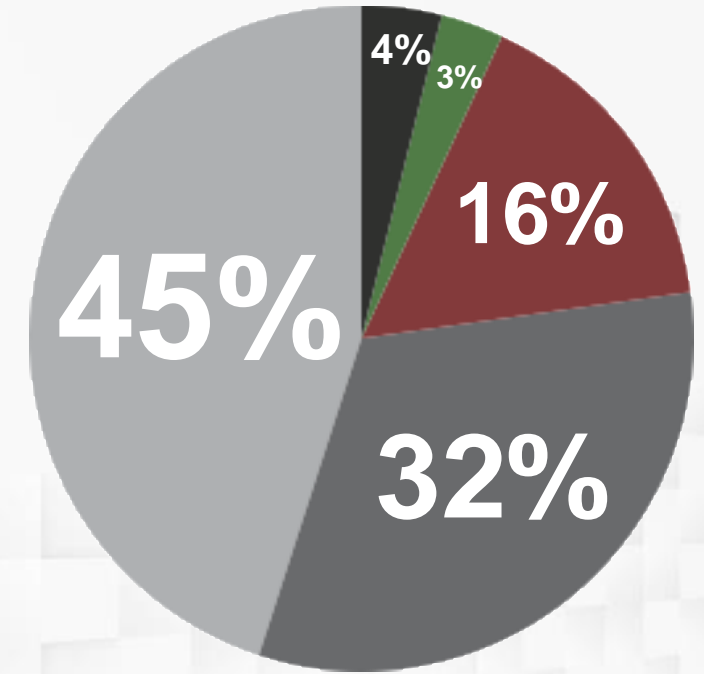
**NOT APPLICABLE 19%**



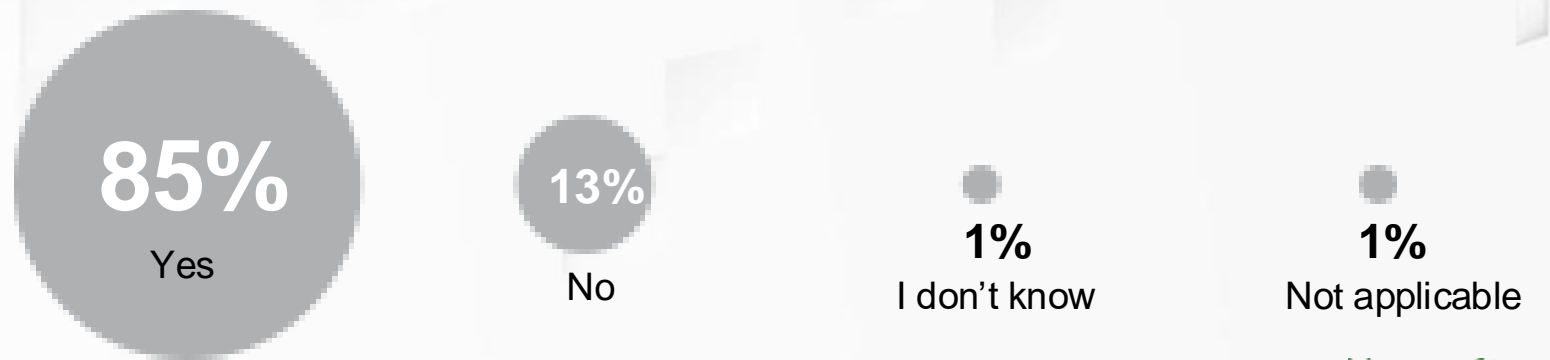


## Respondent organizations' level of staff transparency regarding compensation program details

-  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

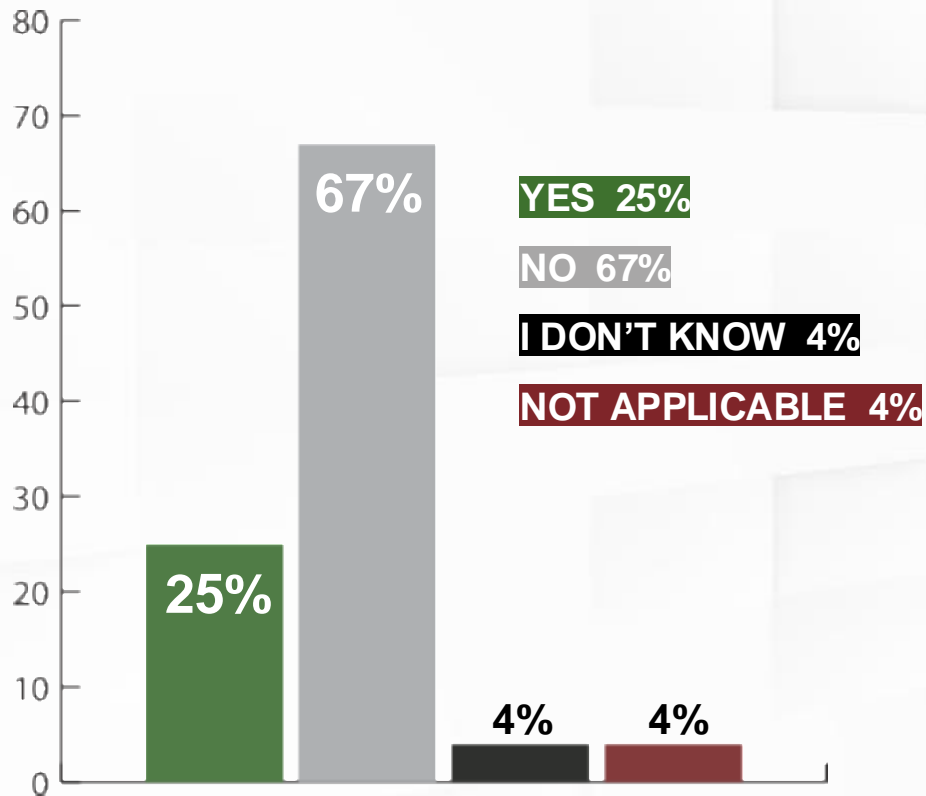


## My organization posts pay/hiring ranges on the external job postings

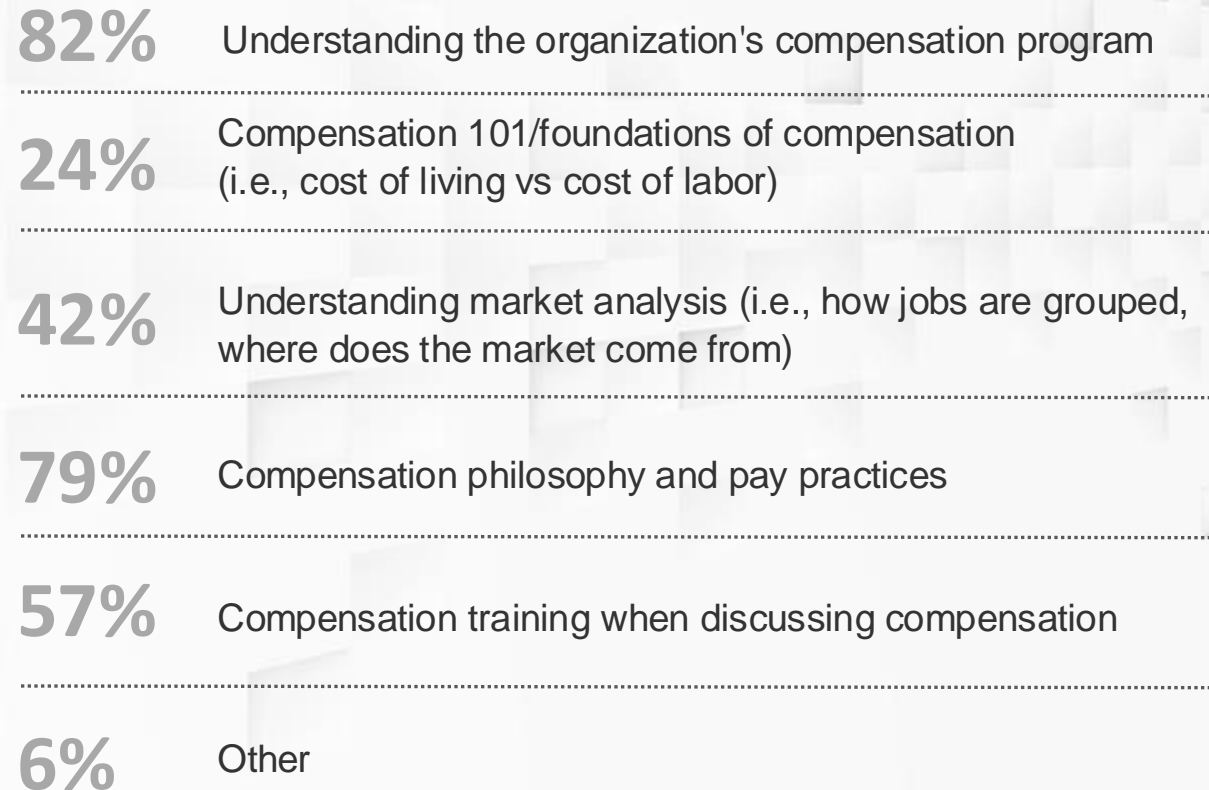




## My organization trains people managers to lead their teams in compensation conversations

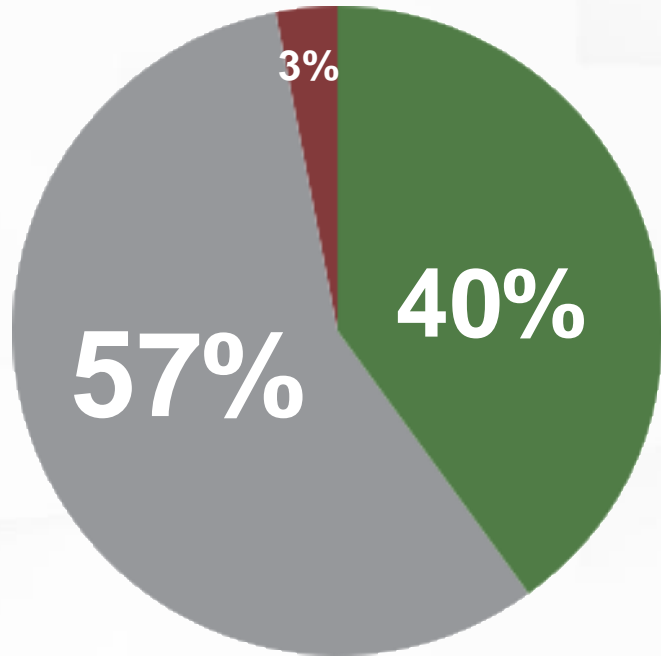


## Topics included in these trainings





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

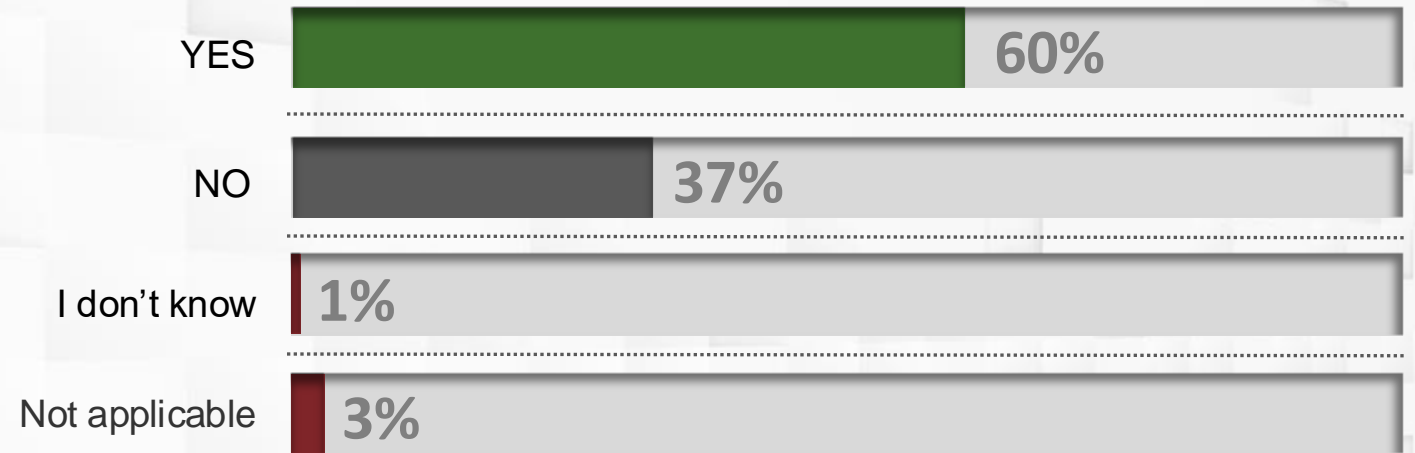


YES 40%

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%



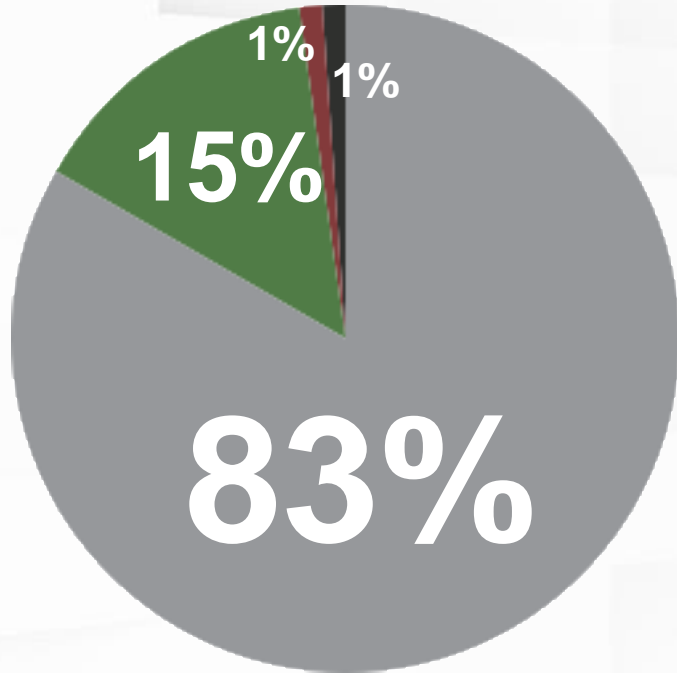


## Type of salary increases that respondent organizations provide

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



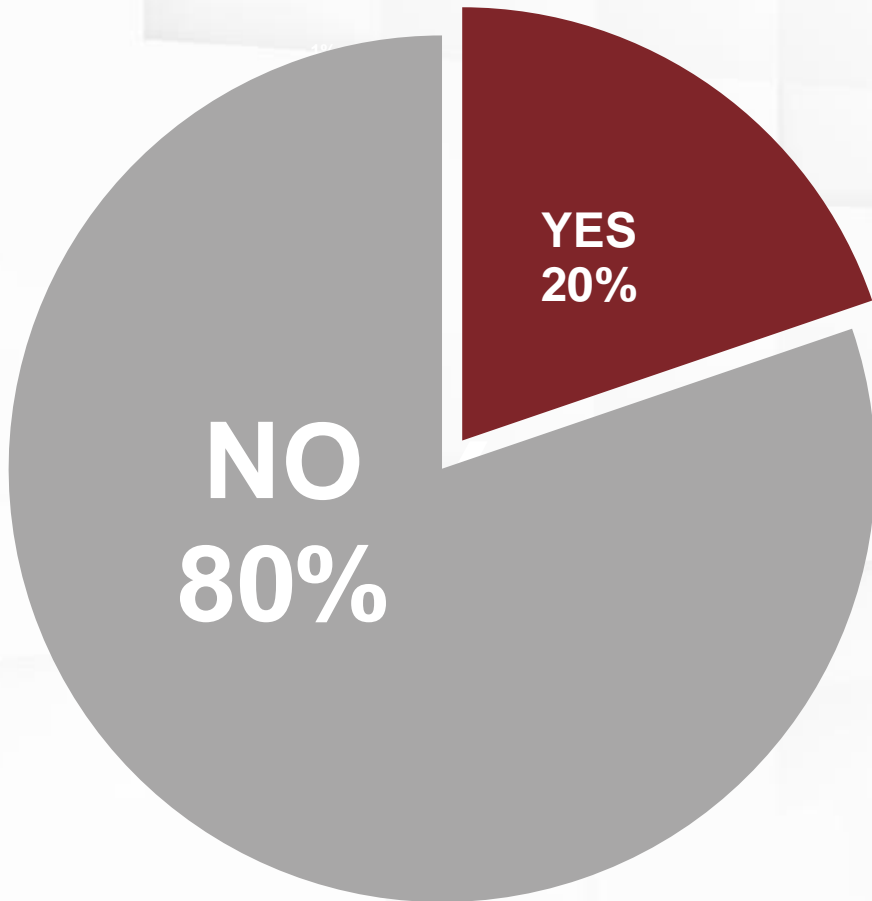
Yes	83%
No	15%
I don't know	1%
Not applicable	1%

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

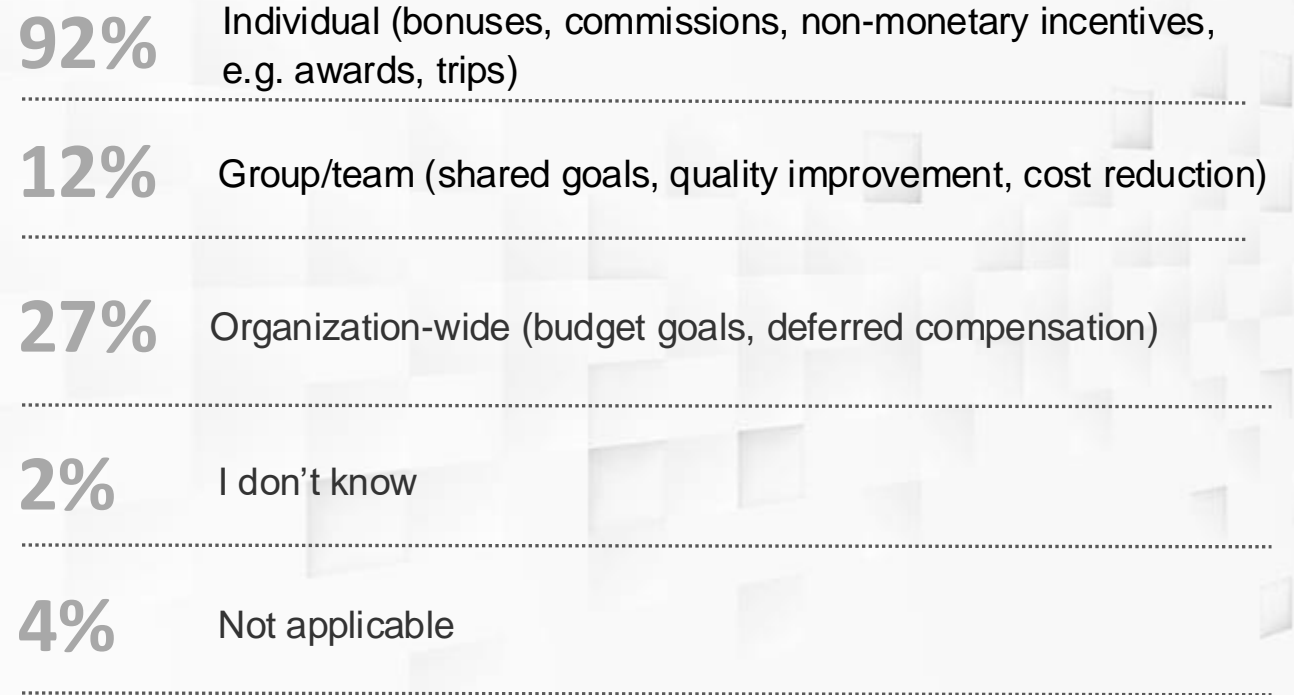
No budget for increases	6%
Up to 2%	3%
2%-3%	16%
3%-5%	55%
5%-7%	8%
Above 7%	4%
I don't know	7%
Not applicable	1%



## My organization has a formal variable pay/bonus program

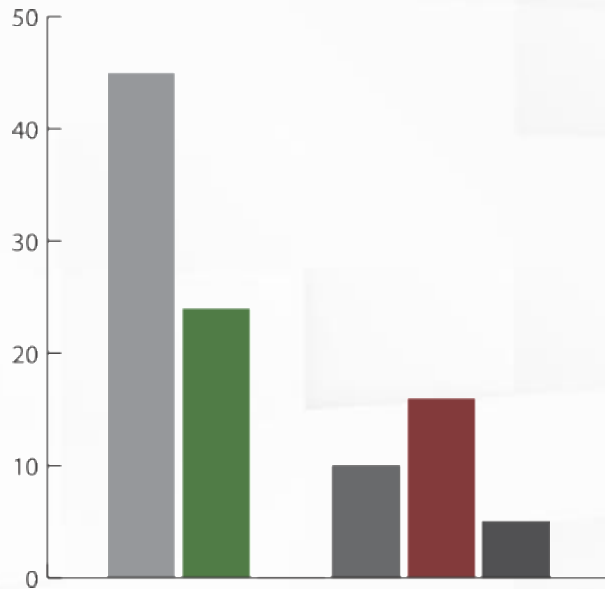


## Types of variable pay respondent organizations offer



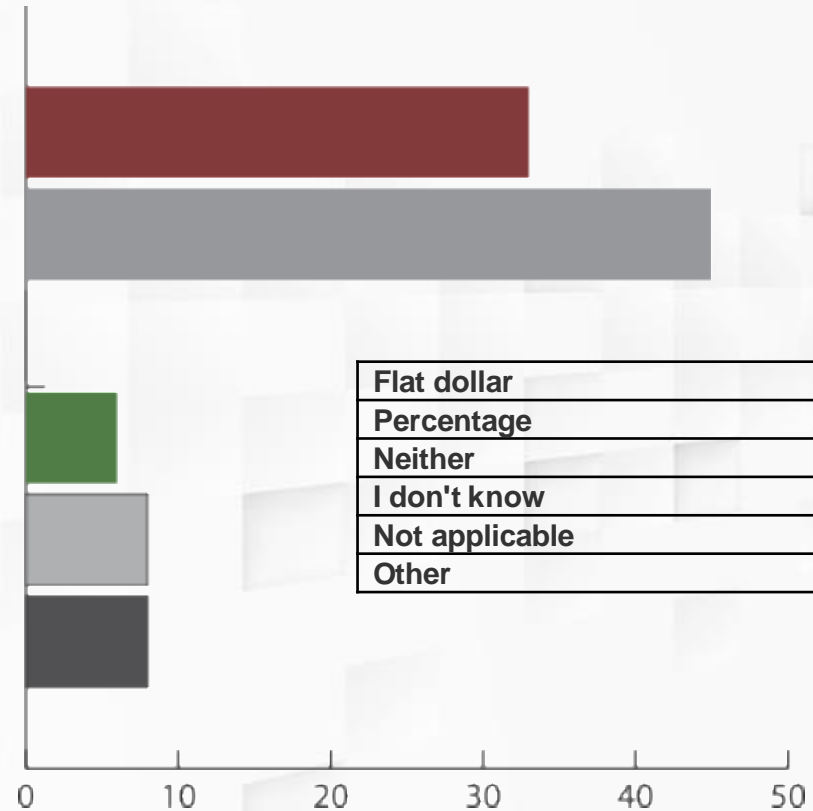


## How variable pay targets are determined for respondent organizations



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%

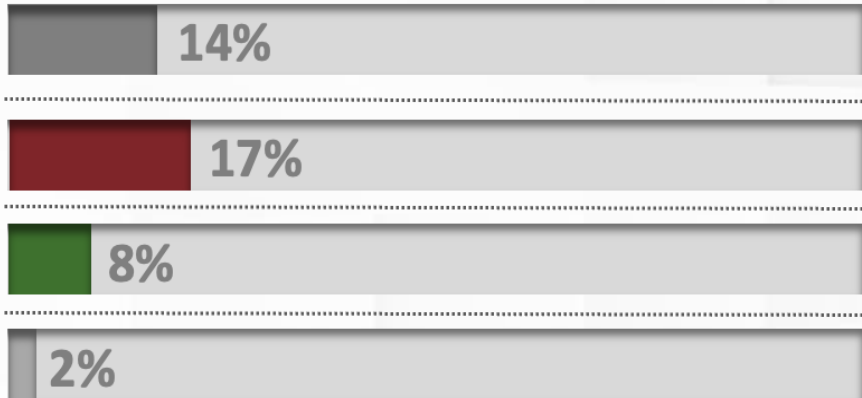
## How variable pay is calculated for respondent organizations



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

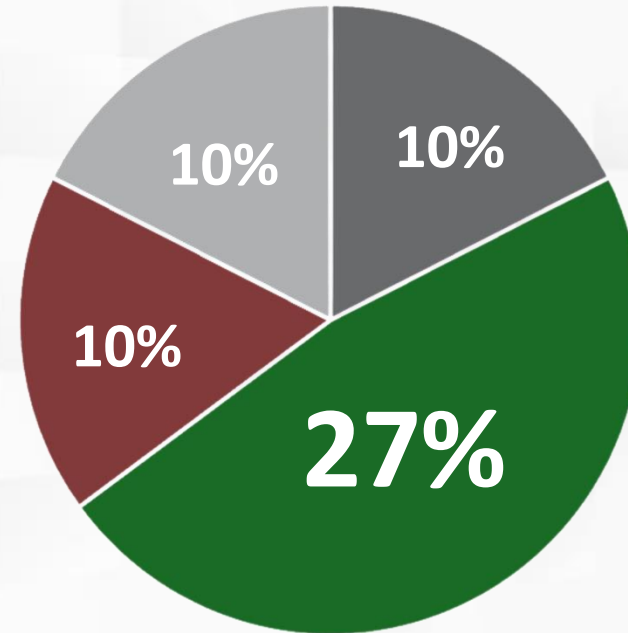


**For respondent organizations that calculate variable pay according to flat dollar, the amount**



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

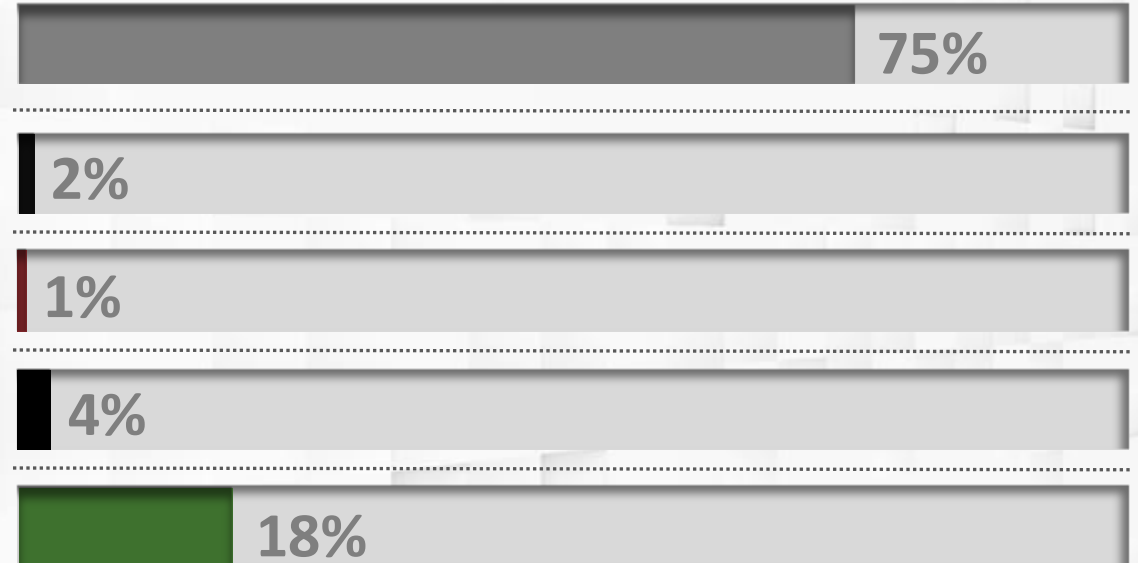
1%

I don't know

2%

Not applicable

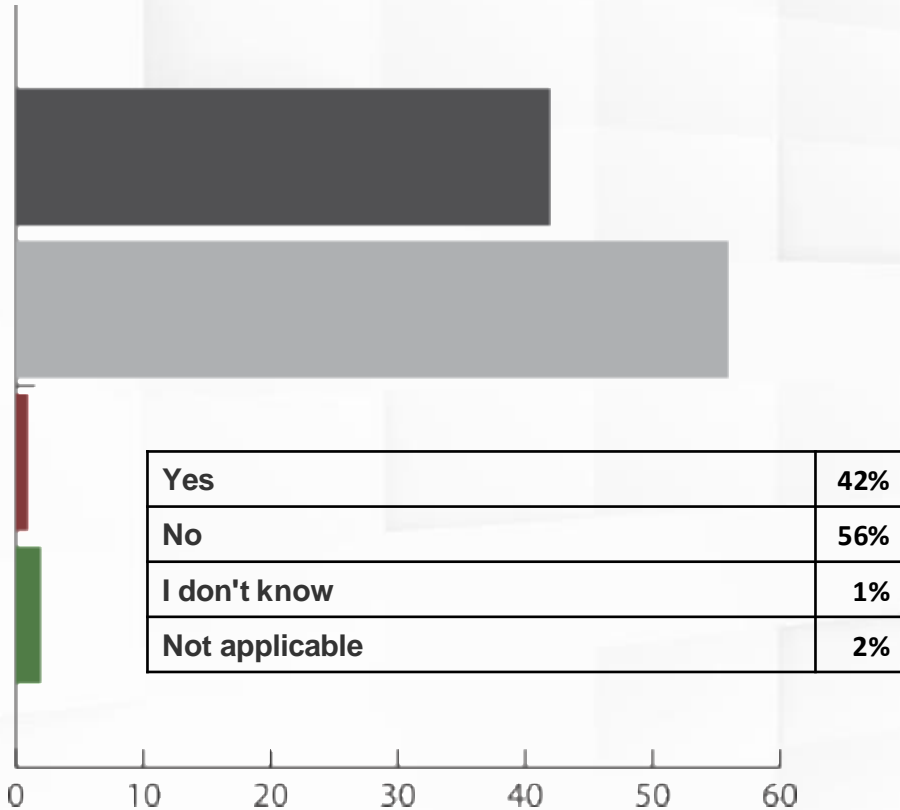
# How frequently respondent organizations distribute bonuses



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

27% Under \$500

29% \$500 - \$1,000

20% \$1,000 - \$2,500

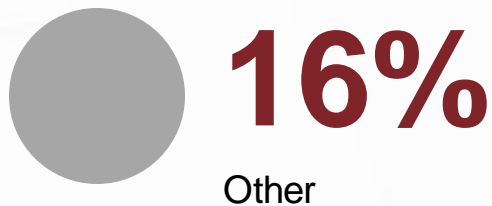
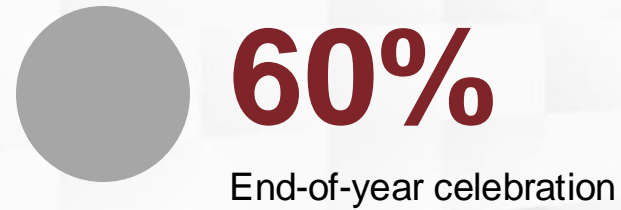
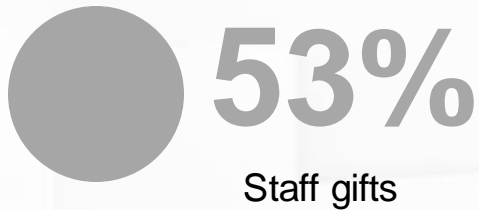
5% Above \$2,500

6% I don't know

14% Not applicable



## Perks offered by respondent organizations







## Respondent organizations' top three employee benefits priorities in 2024

Priority 1 **58%**

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

Priority 2 **34%**

Reducing the benefit plan costs

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%



## 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

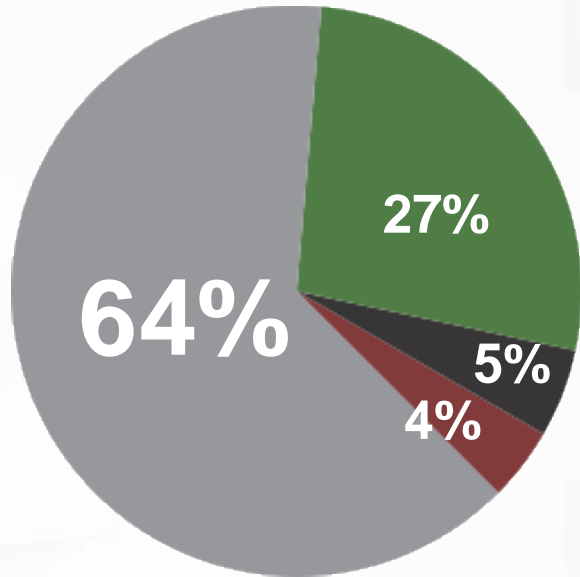
79%

Employee assistance programs (EAPs)



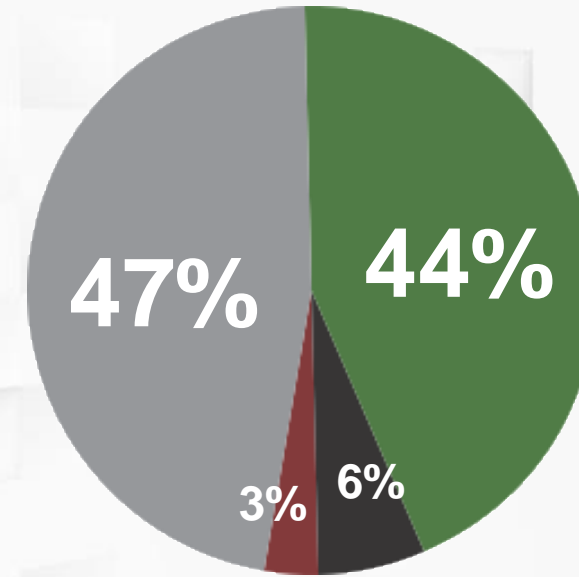


## Respondent organizations that reside in a state that has paid family leave



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

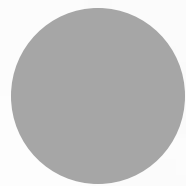
6	10%
12	46%
24	1%
32	1%
48	0%
Other	42%

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

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

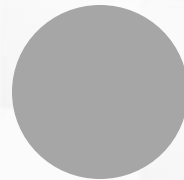


# Types of parental leave respondent organizations offer



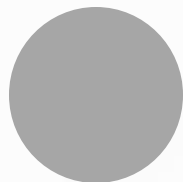
**93%**

Birth of a child



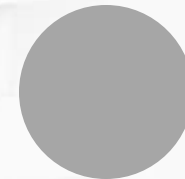
**88%**

Adoption



**71%**

Child in foster care



**5%**

None of these



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

Yes	62%
No	34%
I don't know	4%
Not applicable	<1%



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







# Q&A

# THANK YOU & CONTACT US

**Lisa McKeown**

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