Introduction

This paper is an abridgement of a comprehensive review of recent and ongoing research on human resources issues in the nonprofit and voluntary sector undertaken by The Calgary Chamber of Voluntary Organizations on behalf of a working group convened by United Way of Calgary and Area.

As the first piece of a multi-year initiative on human resources issues in Calgary and beyond, it offers a summary of the problems and possible solutions presented by the sector.

This document serves as a starting point for discussion regarding the future of Alberta’s community-based nonprofit workforce. Its aim is to provide background material for considering the implications of a general shortage of skilled labour and the increasingly competitive market conditions in Calgary and across the province.

Among the questions this review set out to address were: Is it possible to estimate the extent of the problem now? Who might be most affected by the current and forecasted shortage? Is it possible to identify common issues, needs, and long-term problems in nonprofit organizations? What actions can be taken by or within the sector?

There has been a good deal of interest in learning more about community-based nonprofits in Canada since Statistics Canada’s 1999 Workplace and Employee Survey (WES) first allowed comparisons between for-profit, quango or quasi-public, and nonprofit employment, and since the introduction of the Voluntary Sector Initiative (VSI) in 2000.

Although a large number of national studies have been completed by Statistics Canada, Canadian Council on Social Development (CCSD) and Canadian Policy Research Networks (CPRN), there has been comparatively little new work that documents local interests.

This review focuses on human resources-specific research findings of studies completed in Calgary, in Alberta and, to a lesser extent, elsewhere in Canada. It identifies converging themes in the needs and pressing issues identified, predictions for long-term problems, and recommendations for change that support the holistic approach to thinking about human resources issues advanced by members of the working group.

The studies referenced throughout vary a great deal. Some are ‘silos’ specific (human and social services, for example), others are broad-based, and they include both urban and rural communities. Almost all include only nonprofit organizations and employees.

Many of the recommendations and conclusions reported in research refer to the relationship between funding levels, funding practices and human resources issues.

The availability of financing is a key factor governing the ability of employers to offer competitive and equitable salaries, benefits, and adequate workspace, to be able to develop their human capital or provide the technology necessary for employees to perform the tasks for which they were hired.

The under-representation of funding issues in this review in no way underplays their importance. Undeniably, funding plays a role in shaping the preconditions that inform the everyday internal practices of nonprofit organizations especially in regards to human resources. Rather, because funding practices and their effects on community-based nonprofits are well addressed elsewhere, this review focuses on other challenges.
It has been argued that the overall aging of the Canadian workforce could have less of an impact on the labour market here in Alberta.

According to recent Statistics Canada studies, “Alberta has the youngest as well as the fastest growing adult population, with 57% of people in Alberta less than 45 years old last year” (Statistics Canada, 2006a: 11). Most of those who come here from other parts of Canada—and stay—are young adults and young families (Government of Alberta, 2006a), and Alberta is the only province with a rising birth rate (Statistics Canada, 2006a).

Nonetheless, there are a number of intersecting factors that underscore the impact that the aging baby boom generation will have on the labour force (Statistics Canada, 2006c). Not only is this age cohort of an estimated 9.8 million Canadians approaching retirement, there is a trend of decreasing retirement age that is speeding their exit from the general workforce.

The age of those who retired from the general workforce in 2005 differed somewhat by gender: the median age for women was 60 years as opposed to 62.6 years of age for men (Statistics Canada, 2006c).

It is not clear if this trend of increasingly early retirement will continue (Statistics Canada, 2006c). Some studies suggest that the majority of baby boomers will not be in a good position financially, even if they defer retirement to age sixty-five.

Alberta has no mandatory retirement age but it is fair to say that the baby boom generation will have, en masse, exited the general workforce by 2031 and Statistics Canada labour market studies forecast that “fewer young people are expected to enter the work force to take the place of retirees” (Statistics Canada, 2006c: 84).

Overall, the nonprofit workforce is predominately female, so a movement towards earlier retirement is of added significance in our efforts to understand how the nonprofit workforce will change over time.

The trend suggests that projections regarding the loss of experienced workers in the sector may actually be underestimating the timeframe for the coming crisis. On the other hand, it speaks to the viability of recommendations summarized in this review that identify recent retirees as a potential source of new labour for nonprofit organizations.

A recent survey by the Conference Board of Canada found that “even though many baby boomers will want to supplement their income or keep active after retirement, very few employers plan to recruit from this large, underutilized labour pool” (Parker, 2006: 8). If the trend continues, it may prove to be a boon to the sector in the short term.  

While all sectors of the Alberta economy feel the effects of the shortage of skilled workers, industries (and community-based nonprofits) that have traditionally relied upon what Statistics Canada identifies as unskilled or low skilled employees (individuals without post-secondary education or apprenticeships) will be most affected. Even now, they are reporting huge shortages (Statistics Canada, 2006a) and wage inflation. The latter is an issue of great concern in nonprofit human resources management.

In spite of provincial initiatives to address labour shortages, community-based organizations will continue to face challenges in competing with industries that can offer more in terms of compensation, opportunities for advancement and other benefits.
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According to recent Statistics Canada studies, “Alberta attracts relatively few immigrants from abroad—they gravitate mostly to Toronto, Vancouver and Montréal” (Statistics Canada, 2006a: 11).

The current in-migration rate of almost 30,000 individuals annually (net), expected to continue through 2025 (Coughlin, 2006), does not and will not meet the growing shortage of employees in Alberta.

Census data from 2001 indicate that “migrants with a Master’s Degree are the least likely to stay in Alberta” (Government of Alberta, 2006a: 6).

Preliminary (unpublished) findings from the University of Calgary-based Alberta Immigration Study confirm that the desire to better themselves financially is a primary motive for people moving here from other provinces and suggest that those who stay tend to share an entrepreneurial spirit that values free-enterprise (Hiller, 2006).

Though these action-oriented risk-takers may become a good source of volunteer labour, incompatible career objectives and monetary expectations would preclude successful recruitment from this population for paid positions in much of the nonprofit community.

Calgary

The tight labour market and wage inflation limits the ability of nonprofit employers to compete for skilled workers.

Market-driven increases in residential real estate and rental accommodation costs encourage experienced nonprofit employees to seek better paying positions elsewhere.

The competitive business real estate market is also eroding the affordability of space for nonprofit community, cultural and arts groups. Nonprofit service providers voice concerns about shared offices and crowded spaces that compromise client confidentiality and security.

Shortages of business real estate have forced some nonprofit organizations out of their ‘homes’ and prevented others from expanding their operations to meet community needs. Trends and projections for the future suggest continuing challenges.

A recent Calgary Economic Development report on the labour shortage “speculated that...the city can expect a shortage of 30,000 workers over the next 10 years” (Toneguzzi, 2006e: A5). This is despite projections that “Calgary’s population is expected to reach at least 1.1 million by 2014 and 1.23 million by 2033” (Cooper, 2006: iii).

Employers in Calgary are finding it more difficult to fill hospitality, service, entry level and junior administrative positions than senior management ones.

For-profit employers are taking great pains to fill vacancies – offering non-wage benefits and better pay as well as ‘fun’ workplaces, social incentives and perks like subsidized gym memberships and entertainment vouchers.

Human service agencies are reporting persistent shortages of applicants for entry level and front line positions and limited ability to compete (McLean, 2006; Vocational Rehabilitation Research Institute (VRRI), 2005).

Despite increased demand for their services, quasi-non-government organizations like schools, hospitals and universities, as well as public, municipal and provincial workplaces—which are often career destinations for those leaving positions in nonprofit organizations—are losing their own long-term employees.

The reasons for leaving given by those who are going to for-profit employers are similar to the reasons reported in studies of community-based nonprofits: better opportunities for career advancement and compensation.

For artists, individuals who work in the homeless assistance sector and other nonprofit staff, the rising cost of accommodation and acute shortage of affordable housing are among the reasons individuals leave or are considering leaving the nonprofit and voluntary sector.
Key Findings

The following section summarizes aspects of human resources issues that members of the sector have identified as topical and worthy of study. These included organization and employee demographics and data on compensation, working conditions and job quality, job security, overtime, workloads, work-related stress and motivations for engagement.

Researchers also looked at issues related to recruiting and retention—like the ‘poaching’ of staff within, and the ‘brain drain’ out of, the nonprofit and voluntary sector. Gender, pay equity, the difficulty of securing candidates with the desired qualifications, and the quality of services offered were also important themes identified in their research.

Human resources issues expected to be important in the future included the changing and increasingly multifaceted needs of clients and communities and the staff training necessary for community-based nonprofits to be able to meet those needs.

Staffing—Age, Gender, Education

To begin building an understanding of what and who it is that make up our ‘human resources’ in Alberta, we draw on 2003 National Survey of Nonprofit and Voluntary Organizations (NSNVO) data (Roach, 2006).

From this, we know that more than half of all nonprofit and voluntary organizations (11,238 or 58%) in Alberta have no paid personnel. The vast majority of nonprofit employers have between one to four staff but the majority of nonprofit employees work in large organizations. Even when hospitals, universities and colleges are excluded, the remaining “5% of organizations in Alberta with revenues of $1,000,000 or more account for 64% of all paid staff” (Roach, 2006: 39).

Age

Drawing on the 1999 Workplace and Employee Survey, the Canadian Policy Research Networks (CPRN) found that overall, there were fewer employees under 35 years of age in the nonprofit and voluntary sector than in either for-profit or quango workplaces (McMullen and Schellenberg, 2002). In 1999, 26% of workers in nonprofits were then under age 35 and 39% were over age 45. Distributions varied a little depending on the category of the nonprofit organization. For example, there were more people under 35 years of age (39.9%) employed in the arts, culture and recreation. More current comparative data is not available.

Gender

Drawing on the same 1999 WES, CPRN research on the nonprofit and voluntary sector found that overall, about three-quarters of paid staff were women. For comparison, about two-thirds of employees in quango workplaces and almost half of those in for-profit were women. The most recent Statistics Canada data on the public sector illustrate that gender distributions remain unchanged: “61.3% of public sector employees were women” (Statistics Canada, 2006c: 46).

The findings of the 2006 Calgary Homeless Assistance Sector Staff Sustainability Project demonstrate that “while there is a greater prevalence of male employees in the homeless service sector than in other areas of the social service nonprofit sector, women still constitute the majority” (McLean, 2006: 10). In the cross-sectoral study of executive directors in Calgary and Alberta, researchers found that “among executives women outnumber men by 2 to 1” (Boland, Jensen and Myers, 2005: 12).

Education

Community-based nonprofits generally boast a well-educated workforce though some organizational cultures value life experience more highly or on par with formal education. Employers are reporting that they have difficulty hiring people with the qualifications needed for the job. Given our competitive labour market, this trend is expected to continue and its implications for training needs and ongoing staff development must be considered in human resources strategies.

According to the WES, 28% of people employed in nonprofit workplaces had a university degree in 1999; while 40% of employees in the quango sector and 15% of staff in for-profit enterprises had a university degree (McMullen and Schellenberg, 2002). The publication Make a World of Difference: Careers in the Nonprofit Sector, produced by the Institute for Nonprofit Studies at Mount Royal College and The Calgary Foundation (2006), offers a snapshot of the expected qualifications for common occupational categories now. Almost all of them require a related university degree, college diploma or certificate, and relevant work experience as well.

Note: Quango is the term used to describe quasi-non-governmental organizations including elementary/secondary schools, colleges/universities, hospitals and public infrastructure.
Comprehensive compensation data more recent than the 1999 WES is limited to specific sectors and regions and is often reported in ways that make it difficult to draw meaningful comparisons or conclusions. Still, the research findings from various members of the sector are noteworthy, even when they lack specificity. For example, differences in compensation found in all studies of the sector that looked at comparable job categories across organizations were attributed in part to workplace size, rural-urban differences, constituency served or services offered by the organization.

Boland, Jensen and Myers (2005: 6) found that among Alberta executive directors, “gender based pay differentials appear to exist and do not seem to be related to different tenure patterns...or organizational size.”

There is also evidence to support accounts that there are considerable differences in compensation for comparable job categories within nonprofit organizations. Although there is little in the way of current public information on wages and salaries in nonprofit organizations in Alberta and Calgary, some of what has been documented is disconcerting. For example, the Calgary Homeless Assistance Sector Staff Sustainability Project’s research team found that “a significant percentage of the front-line staff consulted report receiving salaries that place them below the Low Income Cut-Off (LICO)” (McLean, 2006: 22). Further, “front-line staff regularly reported using the Food Bank [and] more than half of all respondents worked two or more jobs to survive” (McLean, 2006: 14). The accounts that appear in that study are similar to the ones documented in Toronto; the Front Lines project, too, learned that “some of the focus group participants feared that they were at the risk of becoming service users in their own sector” (Ahmed, 2006: 16). As stated plainly in Sustaining Passion and Commitment, “in human terms, front-line staff must accept a lower standard of living in order to remain in the sector” (McLean, 2006: 14).

In 1999, the salary gap between the employees of Canadian nonprofits and those in for-profit and quango workplaces represented a substantial differential, especially for managers, professionals, technical and tradespersons (McMullen and Schellenberg, 2003b). For example, the median hourly wage in 1999 dollars was $2.00-$4.00 less in nonprofit workplaces for managers ($16.44) and professionals ($19.73), technical and tradespersons ($13.52); the median wage was $13.66 per hour for clerical and administrative staff then (McMullen and Schellenberg, 2003b). Using Statistics Canada census data, Hill Strategies Research (2006) found that even though artists in Calgary had the highest earnings of all artists in the prairies in 2001, they were taking home only $21,500 a year—42% less than the average earnings in the local labour force overall.

Community-based organizations competing with for-profit employers and governments will find that candidates are being offered enriched benefits packages (and better pay).

Many of the non-wage strategies that for-profit employers in Calgary and Alberta are beginning to use to engage staff (flexibility, responsiveness to employee needs and recognition of quality of life issues) are similar to intrinsic benefits touted as characteristic to working in the nonprofit sector.

Workplace Conditions and Job Quality

Measures of job quality used in Canadian Policy Research Networks (CPRN) publications that draw upon data from the 1999 WES included: job permanency, frequency of full and part-time employment, uncompensated overtime, alternative work arrangements, compensation, self-reported job satisfaction and self-reported satisfaction with pay and benefits (McMullen and Schellenberg, 2003a). Other studies of job quality and working conditions in community-based nonprofits offer similar definitions.

Job Permanency

Regarding job permanency, studies have found that job security is a “factor that influences [an individual’s] decision to remain with an agency” (McLean, 2006: 25) and “agencies lose staff because there are fewer permanent jobs and more contract positions” (Ahmed, 2006: 26). Job insecurity leads many people to leave voluntary sector organizations during their contract for more secure work in the public and private sectors” (Daya, Haitham El-Hourani and
De Long, 2004: 68). Contract positions are seen to be less attractive, make it more difficult to fill positions and thereby reduce the “efficacy of innovative projects” (McLean, 2006: 25). The Calgary Homeless Assistance Sector Staff Sustainability Project found that “senior managers and directors report...that it has become increasingly difficult to attract and retain staff with appropriate qualifications and experience” (McLean, 2006: 10). The lack of job security was also cited as a contributor to workplace stress and anxiety (Ahmed, 2006; Cherneski, 2005).

**Full & Part-Time Employment**

Only a few of the studies reported statistics on employment status. Approximately half of the jobs documented in the Survey of Rehabilitation Service Providers in Alberta (VRRI, 2005) were permanent full-time positions. About one-third were identified as permanent part-time positions but there may have been some overlap with positions that were counted as ‘variable, casual and on-call.’

Participating employers reported that it was not uncommon for individual employees to work more than one job onsite—for example “a permanent, full-time staff person who also does relief work for the same agency” (VRRI, 2005: 13).

**Overtime Work**

Overtime information was collected in the Calgary study of nonprofit financing issues. Administrative and front line staff, supervisors and senior managers all reported overtime work but there was marked difference in how or if that time was compensated. Front line and administrative staff were more likely to have their overtime work compensated, financially or in the form of earned-time-off; but 28% of supervisors who worked overtime regularly reported that they could not take time off in lieu of pay and 38% of senior managers reported that they donated a significant number of hours to their organizations each week (Eakin, Kealey and van Kooy, 2006).

**Alternative Work Arrangements**

The ability to make alternative work arrangements is one of the more commonly cited job quality attributes in surveys of employees in community-based nonprofit organizations.

Employees “appreciated the fact that there was often flexibility in working hours with time in lieu of overtime pay available. With a predominance of women working in the sector, part-time work was seen as an important option for workers seeking to better balance jobs and family life” (Ahmed, 2006: 14).

**Why People Leave & Where They Go**

To develop human resources strategies that improve the ability of community-based nonprofits and the sector as a whole to recruit and retain skilled individuals, we need to identify common patterns in staff turnover and job tenure.

Staff turnover occurs in all positions in community-based nonprofit organizations but rates and patterns vary across organizational size and type, sub sector, occupational category and employment status. “In 2004, there was 32.3% turnover in community-based rehabilitation services, compared to 6.9% in government operated rehabilitation services” (Sonpal-Vallas, 2005: 13). The 2006 Calgary Homeless Assistance Sector Staff Sustainability Project found that “of the sample group, 37% had been in their current position for less than one year and only 15% reported working for the same organization for five years or longer” (McLean, 2006: 11). Research shows that staff turnover is inversely related to both job permanency and job tenure; it is also higher “for direct service workers (especially in residential settings), and for workers younger than 30 years old” (Sonpal-Vallas, 2005: 49).

“Unpaid overtime is prevalent in the not-for-profit although not unique to the sector; 85% of overtime hours are unpaid, and one in twenty hours worked by paid employees in the sector is donated labour.” Sonpal-Vallas, 2005: 47

There is evidence of ‘poaching’ at management levels as well as in front line and program positions. Almost half of the executive directors surveyed in Alberta who were not promoted to their positions from within their organizations had come from other nonprofits (49%) and 55% of them had held positions of executive director in their previous place of employment.

Boland, Jensen and Myers, 2005
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Potential Areas for Action

Many of the recommendations and conclusions that emerged in the research completed within the nonprofit and voluntary sector across Canada speak to practices like funding over which organizations and individuals have little or no control.

What follows is an outline of recommendations with actionable items that are within the scope of community-based nonprofits in Calgary. These have been put forth by members of the sector, informed by their own research, best practices and efforts to address the human resources challenges they identified.

Work-related Stress

Work-related stress continues to be of paramount concern in nonprofit organizations. Factors mentioned most often include having to fill multiple and often conflicting roles, unmanageable work/case loads and unrealistic expectations for individual or organizational outputs, inadequate resources to meet clients’ needs and insufficient support from colleagues and supervisors.

In Sustaining Passion and Commitment: an Examination of Staff Sustainability in Calgary’s Homeless Assistance Sector, McLean (2006: 19, 23) reported that the “opportunity to witness positive outcomes is a significant form of recognition and plays an important role in sustaining staff,” but “in many cases the resources available to staff with which to address client needs are limited or absent.”

While many organizations have ‘healthy workplace’ policies in place—and despite widespread recognition of the organizational costs of unaddressed work-related employee stress—various studies among nonprofit staff indicate a gap between policies and practices.

The Homeless Assistance Sector Staff Sustainability Project, for example, found that over half of the employees (55%) indicated that their employers did not have supports or strategies to help them manage work-related stress (McLean, 2006). And 67% of participants in that study cited a “lack of support as their primary reason for leaving former positions” (McLean, 2006: 12). Practical strategies to alleviate the preconditions for toxic working environments are urgently needed but, as noted by Lowe (2004: 3), “the shift to a new culture and work systems takes time,” vision and leadership.

Management Skills

The Canadian Policy Research Network’s many publications on improving job quality (in for-profit and nonprofit workplaces) emphasize that, more often than not, people leave because of the poor management skills of their immediate supervisors. This is reflected in the urgent need for training in the ‘soft’ or ‘people’ sort of management skills voiced in the surveys.

The unhealthy workplaces that many nonprofit organizations have created for themselves may be, in part, an unintended consequence of a common practice in many human services and community-based voluntary organizations, namely promoting supervisors and managers directly from program and client services positions. According to studies of the sector, mid-level managers and supervisors rarely have access to formal training or mentoring to be effective in those roles. Even senior managers and executive directors, who according to many of the studies were more likely to have opportunities for professional development, reported feeling unprepared.

The push to eliminate middle management positions in response to funding cuts intersects with the pull of aggressive recruiting of experienced staff by quango and for-profit employers to create organizations with poor work dynamics. The management-related elements most often cited in the studies of the sector that looked at nonprofit employees’ perceptions of job quality and recommendations for improvement included reports of individuals’ feeling expendable, disrespected and or unappreciated by colleagues and managers, poor communication and interpersonal skills, unclear job descriptions and shifting responsibilities, inadequate (or nonexistent) performance reviews, and negligible opportunities for skill development.

Most of the recommendations for improving conditions in the sector recognize the practical challenges to implementation. For example:

Organizational policies and practices that

“Work-related stress is...a major contributing factor to staff ‘burnout’ and frequent turnover.”

McLean, 2006: 13
promote an informed, engaged staff, and that encourage the building of internal capacity through professional development, mentoring, and supervision should be encouraged. This takes time, and such time is rarely funded (Ahmed, 2006: 26).

Together with the necessity of training and mentoring for better management skills across flattened organizational structures, the operational realities of ‘skinny infrastructure’ (Boland, Jensen and Myers, 2005) need to be considered in developing next steps.

**Recognition & Professional Designation**

In the executive summary for *On the Front Lines of Toronto’s Community Service Sector: Improving Working Conditions and Ensuring Quality Services*, the Community Social Planning Council of Toronto and Family Service Association of Toronto call for the people who work in the sector to take ownership of the need for better recognition of the contributions of their own employees, their own organizations and others’ (Ahmed, 2006).

Research findings come together in recommendations for informal and personal recognition of the contributions made by individual employees and several suggest more formal recognition in the form of awards and events. For example, recognizing the contributions made by individuals by “hosting staff appreciation activities and providing various forms of staff recognition” was one of the components of ensuring staff had strong support—not only work-related support but support in the sense of attending to staff morale—the retention strategy recommended most often by employers in the Workforce 2010 initiative (VRRI, 2005).

Studies also converge in recommending the development of professional certification and accreditation specific to nonprofit roles or their respective sub sectors. Introducing professional designations were seen as a means of recognizing the skills of employees and the value of the work they do, of aiding efforts to ensure consistent pay scales across and within organizations, and as a long term human resources strategy to increase the social status of employment in community-based nonprofit organizations.

**Training & Mentoring**

All of the studies of the sector that looked at human resources issues recognized the need to improve knowledge-sharing between veterans, brand-new staff and employees with some experience.

Because of the varied ways in which data was collected and recorded in the different studies of the sector that looked at skill gaps, training needs and priorities, it is difficult to produce an accurate ranking of what was seen to be needed.

It is perhaps fair to say that in terms of urgency, the most frequently mentioned training needs were sub sector, vocation or activity specific and related to keeping abreast of new knowledge and innovative practices for developing and delivering services.

According to Lowe (2004: 4), the “best way to help supervisors and managers play a leadership role in change is to make improved workplace health their issues.”

As noted in the *Homeless Assistance Sector Staff Sustainability Project*, employees are aware when the lack of support they experience is a symptom of an overtaxed system:

Staff report feeling that supervisors are disconnected and unavailable due to heavy demands related to administration, fund development and the high ratio of front-line staff to each supervisor (McLean, 2006: 24). *“Mentoring and other forms of professional development for high potential employees have never been more important.”* Boland, Jensen and Myers, 2005: 6

In the *Calgary Homeless Assistance Sector Staff Sustainability Project* for example “staff report that training and professional development have not kept pace with the demands of their work which leads to diminishing effectiveness in responding to client needs and issues” (McLean, 2006: 24).

Most executive directors in Alberta (70%) reported that they did not have the time for professional development (Boland, Jensen and Myers, 2005). The Workforce 2010 initiative found that “the biggest challenge to providing staff with development and training is lack of resources” – financial as well as human resources (VRRI, 2005: 42).

In Calgary’s homeless assistance sector, time as well as money "for training and professional development within homeless service agencies
are very limited” (McLean, 2006: 24). High staff turnover and training challenges were found to intersect in many organizations because, as stated in one report, people “often leave before the material learned in training can be implemented effectively” (VRRI, 2005: 43).

According to the literature reviewed in Trends, Issues and Best Practices (Sonpal-Valias, 2005), employees in the Generation X age-cohort value opportunities to develop and expand their skill sets. Organizations that offer training and portfolio-building lateral career moves would have an advantage over those who do not.

**Succession Planning**

Recently Boland, Jensen and Myers (2005) found that overall, 82% of the nonprofit and voluntary organizations they surveyed in Alberta had no succession plans in place; only 14% of those based in Calgary said that their organization had made plans for succession.

In 2003, researchers at the Niagara College Centre for Community Leadership (2003: 32) attributed the general absence of plans for succession in organizations to “aging leadership in combination with the loss of a number of middle management positions within the sector.”

Studies of the rehabilitation sector have found a disproportionately small pool of candidates well situated to be groomed for the senior management positions that will become vacant when the older cohort approaches retirement (Sonpal-Valias, 2005).

The situation may worsen. McMullen and Schellenberg (2003b) found that dissatisfaction with pay and benefits increases with age; and limited opportunities for advancement combine with attractive offers from “quasi-governmental, governmental, or private sector organizations” to speed the exit of experienced senior staff from the voluntary sector (McLean, 2006: 19).

**Recruiting & Retaining Staff**

Considering the importance of job quality to people’s decisions to accept offers or to stay with an employer, action taken on recommendations for improving working conditions could increase the appeal of working in community-based nonprofit organizations.

Recommendations that speak specifically to staff recruiting and retention issues included realistic job previews and student co-op placements.

There was a marked convergence in recommending that organizations increase opportunities for full-time and permanent employment. According to the Labour Force Survey, “a permanent job is generally considered a ‘better’ job since it tends to be more stable and has higher wages than a temporary job” (Statistics Canada, 2006c: 63).

A number of strategies to improve the ability of organizations to provide their employees with training and professional development were cited in various reports. These included: leveraging existing networks to share costs and resources with partner organizations; cross-training in-house and allowing employees to gain experience or training at another organization; offering incentives like promotions, and increased wages or education bursaries for staff to take classes on their own time; and incorporating ongoing employee development into operational practice.

While there is evidence to suggest that some workers are attracted to employment in community-based nonprofit organizations because they offer part-time opportunities, turnover is highest among those who are what Statistics Canada identifies as involuntary part-timers. As stated plainly in one of the Ontario studies, a "lack of permanent positions can lead many individuals to seek more secure positions elsewhere" (Pillar, 2004: 2).

Other recommendations that emerged closely align with provincial strategies for addressing Alberta’s labour market challenges. These included recruiting from non-traditional populations like newcomers to Canada, Aboriginal people, recent retirees and people with disabilities.
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Fair Compensation & Pay

Better pay was the recommendation most often cited in reference to almost all the human resources related issues addressed in studies of community-based nonprofit organizations.

Summarized nicely in one study, the conclusions were that “wage parity, salary increases, and funding improvements may reduce staff turnover, increase staff satisfaction, and improve programs and services for clients” (cited in Cooper, Warthe and Hoffart, 2004: 16-17).

Studies support anecdotal reports that poor compensation is a factor when people choose to leave an organization or the sector, as are non-standard salary ranges. Several publications have reported that the belief that nonprofits offer poor compensation is deterring young people from considering careers in community-based nonprofit organizations. Stated bluntly by the Centre for Community Leadership (2003: 32):

It is very clear that other than flexibility in working hours, there aren’t a lot of other additional perks such as pensions, medical plans, dental coverage etc. to attract new people, particularly a young labour force, to work in the sector. This lack of benefits serves as a deterrent particularly to those with young families.

Many of the recommendations that emerged speak of specific employee benefits valued by study participants - things like extending benefits to include part-time staff, having a regional group employee benefits plan for smaller organizations and ones in smaller communities, pensions plans, and ‘well’ days to attend to family or other commitments. This emphasizes the importance that individual organizations, or networks of organizations, be sensitive to and responsive to the interests and values of their own employees rather than seeking to adopt a generic approach.

Final Thoughts

The substantial and growing human resources challenges that community-based nonprofits face are due to both internal and external factors.

Research supports anecdotal evidence that labour shortages are becoming more acute in entry level and lower-paying positions and in those requiring skills that are in great demand.

Within and across sub-sectors, many organizations are taking steps to improve their ability to recruit and retain staff.

There is a widespread recognition that many issues are systemic in origin. Working collectively to share information and best practices, develop strategies, encourage innovative practices and support organizational change has never been more important. Because the current system is not sustainable, many recommendations invite a re-envisioning of how the work of nonprofit and voluntary organizations is carried out.

Nonprofits are looking at organizational models that provide more support for human resources, career development and organizational depth. By changing practices to capitalize on the attraction of employment in community-based nonprofits—meaningful work, flexibility and other intrinsic rewards now recognized by for-profit employers—we can use our strengths to become even stronger.

Stakeholders, partners and funders need to be engaged in identifying obstacles and ways they can help support change. Funding relationships and conditions play an important role in creating sustainable workplaces. It is essential that funders work with the sector to address funding practices that exacerbate human resources issues.
Works Cited in this Report


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