



Dissatisfied and Disillusioned: Nonprofit Professionals are Unhappy at Work

Mary Barroll: Welcome to CharityVillage Connects. I'm your host Mary Barroll.

(SFX: Hummingbird flying and tone)

That's the sound of the Hummingbird pollinating our world and making it a better place. The Hummingbird is CharityVillage's logo because we strive – like the industrious Hummingbird – to make connections across the nonprofit sector and help make positive change.

Over this series of podcasts we'll explore topics that are vital to the nonprofit sector in Canada. Topics like diversity, equity and inclusion, mental health in the workplace, the gap in female representation in leadership, and many other subjects crucial to the sector.

We'll offer insight that will help you make sense of your life as a nonprofit professional, make connections to help navigate challenges and support for your organization to deliver on its mission.

MUSIC TRANSITION

Mary Barroll: In this episode...A new report by Environics Institute, Future Skills Center, and the Diversity Institute, exploring challenges in nonprofit employment, has highlighted a disturbing and perhaps surprising finding. Job satisfaction in the nonprofit sector appears to be lower than in either the private or public sector. In a sector that focuses on meaningful work, what is driving a significant number of workers to feel dissatisfied? And what does this mean for the future given the existing talent crunch and the need for recruiting younger demographics to work in the sector?

Steven Ayer: We know that people who are dissatisfied with their job are more likely to make mistakes. They're more likely to be disengaged, so that might result in very different circumstances when someone's a frontline service worker versus potentially a fundraiser. But we know there's going to be profound consequences and costs to the organization when people are dissatisfied.

Wendy Cukier: I think for us, it was actually surprising to see that the levels of dissatisfaction with employment in the sector are higher than in the private sector or in government. There are a number of possible explanations, we don't know the reasons, we just know the patterns, and the fact that the level of dissatisfaction was between 30 and 40% higher than in the private sector and much higher than in the government sector, I think really gave us pause.

Ryan Erb: What we see in our industry is that people, because they care, they get into the industry in the first place. And oftentimes they end up taking on more work than they can realistically do because they want to do the right thing for their community. And we end up with burnout.

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Pamela Uppal: People are questioning internally, what type of work do I want to do? What gives me motivation, self-fulfillment? What sort of fits the lifestyle I want to live? They're questioning the quality of their jobs, they want good work, they don't want to just work from minimum wage and precariously and perhaps not have a pension to retire on and their expectations of employers to meet those demands are valid and are coming up more and more.

Zahra Esmail: There's major looming HR concerns, not necessarily that dissimilar from some other major sectors who get a lot more attention than our sector does, but nonprofit leaders are preparing for changes as senior staff are retiring, there's been quite a big turnover of people who have been in leadership roles for a long time, and there's a little bit of a gap in terms of new people who are experienced and ready and also willing to take on those often very demanding roles.

MUSIC TRANSITION

Mary Barroll: We live in one of the happiest countries on earth according to the data, but there are some troubling signs.

NEWS CLIP

<https://www.ctvnews.ca/canada/canada-slips-to-15th-place-in-annual-world-happiness-report-1.6815318>

“Canada by comparison has slipped in the rankings on the global joy index...”

Mary Barroll: According to the World Happiness survey Canada now ranks fifteenth, down from seventh in less than a decade.

NEWS CLIP

<https://youtu.be/6lav1d8EU7w>

“Some call it the great exhaustion. Cases of employee burnout are on the rise...”

Mary Barroll: Since work is such a big part of our identities, how we feel about what we do affects our overall happiness. Our, apparently growing, discontent is reflected in a new report entitled The Burden of Care which explores the results of surveys of more than 12,000 Canadians about their jobs, zeroing in on workers in the nonprofit and charitable sector, to see how they are faring compared to the rest of Canada's workforce.

Steven Ayer: So, the data is a fascinating and unprecedented snapshot of what the Canadian workforce looks like and one of the things that makes this data set so unique is that it has a question asking people whether they work in the nonprofit sector. So, it allows us to have this really amazing sample that's representative, that allows us to directly compare folks who work in the nonprofit sector versus those who work in the private and public sector.

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Mary Barroll: That's Steven Ayer, who authored the report, Burden of Care. He's also President of Common Good Strategies, a consultancy devoted to helping clients make meaningful and lasting social impact through the use of data and evidence. He says that the report's focus on job satisfaction within the sector comes at a critical time.

Steven Ayer: Yeah, we've never been at a point in Canadian history where the nonprofit sector has been at such challenges in terms of surging demand. At the same time, so many nonprofits are reporting they can't fill positions.

A lot of vacancies, reduced volunteerism has only contributed to those challenges. And I think now looking at the challenges that we're seeing in the sector, it really behooves us to understand why are there differences between the sector, what are they, and how can we do something about it to make sure that we can ensure that we don't continue to see these really high job vacancy rates, these surges in organizations saying that their lack of skills and the inability to fill positions are meaning they can't fill this giant surge in need that so many Canadians are reporting. So, I think that right now these sorts of data sets allow us to understand why are we seeing some of these gaps in employment and give us some suggestions of where we can go and what we can do about them.

Mary Barroll: The data was collected from surveys done in four waves, starting in 2020, just before the global pandemic was declared, and continuing until 2023 when restrictions were lifting. One of the key findings in the data is sobering, revealing higher levels of discontent in the nonprofit sector than among private and government workforces. 26% of workers in the nonprofit sector reported low job satisfaction, compared to only 17% of people employed in the public sector and 19% of workers in the private sector.

Steven Ayer: And there's a couple different ways to look at this and why it's so critical. First of all, when we look at job satisfaction, it's an incredibly strong predictor of a lot of important things that we really need and want as a sector. It means when people have higher job satisfaction, they're more likely to stay in their job. We know very well at this point how expensive it is to replace someone, how long it might be to bring a new person on board, give them the right training so that they can be brought up to speed. So, from an organizational perspective, this certainly is a strong predictor.

But when we also look at what this means for the people that we serve, we know that people who are dissatisfied with their job are more likely to make mistakes. They're more likely to be disengaged, so that might result in very different circumstances when someone's a frontline service worker versus potentially a fundraiser. But we know there's going to be profound consequences and costs to the organization when people are dissatisfied. And then, of course, one of the most critical is the impact on employees themselves. There's so much evidence showing that how people perceive their job has a tremendous impact on their overall quality of life, it affects their quality of the relationships with others in their families and their households and it can have lasting impact on their health, it can have lasting impact on their mental health. So, there's so many different pieces that we see low job satisfaction is predicting concerns.

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Mary Barroll: Delving deeper into the data, Steven Ayer sees a trend that threatens to seriously undermine the future of the nonprofit sector.

Steven Ayer: When we see who's dissatisfied, I think the concerns become even larger. The workers who are most likely to be dissatisfied in the nonprofit sector are younger workers, particularly those between 18 and 29, and first-generation Canadians. So, we look at who's the generation that's going to be providing the workforce of the future. These are the folks that we need to be satisfied, and in fact, they're the folks who are least satisfied, in many cases, the differences were quite striking and quite large.

Don Shafer: According to the Burden of Care report, workers under the age of 35 were almost twice as likely to report being dissatisfied with their jobs as workers 35 to 64. More specifically, 34% of "under 35s" reported being dissatisfied, while 17 and a half percent of those who are older than 35 said they were unhappy.

Mary Barroll: The report emphasizes that the nonprofit sector relies more heavily on younger workers than other sectors do, so the consequences of these results will be felt more acutely if they are not addressed.

Steven Ayer: So, if we're thinking, how are we going to make sure that we have the workers we need for the future? If these are the folks who are saying - joining these organizations saying this is not for me and they're leaving and going to join other sectors, we're going to have some real problems for a very long time ensuring that we're able to provide services, particularly as we have in a population that's aging and has more need for services. And we have a younger generation of newcomers who coming to these roles and finding they're not quite for them. So, I think it's particularly a concern both in terms of, okay, we see these low job satisfaction figures overall, but when we see who it is, this really speaks to a major strategic issue the sector needs to figure out and resolve or we're going to be in a lot of trouble.

Wendy Cukier: Well, I think there's an assumption that people who work in the nonprofit sector are often called to the work because of values alignment, because they believe in the goals of the organization, because they feel that having an impact really is one of the things that gets them up every day.

Mary Barroll: Wendy Cukier is an award-winning diversity leader and best-selling author. She's also the founder of the Diversity Institute at Toronto Metropolitan University and the Research Lead at Future Skills Centre. Both organizations collaborated with Environics Institute to publish the Burden of Care report written by Steven Ayer, who we heard from earlier.

Wendy Cukier: And so, I think for us, it was actually surprising to see that the levels of dissatisfaction with employment in the sector are higher than in the private sector or in government. There are a number of possible explanations, we don't know the reasons; we just know the patterns. And the fact that the level of dissatisfaction was between 30 and 40% higher than in the private sector and much higher than in the government sector, I think really gave us pause.

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Mary Barroll: The data also found higher levels of dissatisfaction among women, who make up the majority of the nonprofit workforce, and among workers with disabilities, as well as unsettling reports of racial discrimination in the nonprofit sector.

Don Shafer: 31% of women in the sector said they were dissatisfied with their jobs – significantly higher than in other sectors, while 40% of workers with disabilities stated they were unhappy with their jobs. Slightly more than half of racialized workers reported having been subjected to racial discrimination – 52%, compared to 48% in the public sector and 36% in private workplaces.

Mary Barroll: Disturbingly but perhaps not surprisingly, the surveys found higher reports of discrimination not just based on race, but also gender.

Wendy Cukier: Women who dominate the sector, 41% indicated that the experience of discrimination was as a result of their gender. Think about that. It's a women dominated sector where women experience discrimination.

Mary Barroll: The results, in a sector that strives for better diversity, inclusion and equity in the workplace, may seem like a startling contradiction. The question is why?

Steven Ayer: We did see much higher reports of discrimination at work amongst racialized workers or folks with disabilities or indigenous workers for amongst workers in the sector than in the rest of the economy. And we can't pinpoint exactly the reason why. We don't know is that coming from their managers? Is it coming from their coworkers? Is it coming from some of the folks they might work for on a service level? So, it's definitely very concerning, but we can't pinpoint the reasons. That being said, when we see such particularly high rates of discrimination across so many different fields, it certainly is something that organizations need to pay attention to.

Wendy Cukier: What I would be inclined to say is in private sector organizations and in government, which were the comparators, you tend to have well developed HR practices and processes. Expectations are codified and so on and so forth. It may also be that a lot of the people responding were working for smaller nonprofits where there's very little capacity, based on the work that we've done on equity, diversity and inclusion. It's not that there aren't good intentions, but there often aren't the processes in place for dealing with the issues, for addressing complaints, for managing and we know that the pyramid tends to be dominated at the top by non-racialized people who may or may not have a real understanding of what the issues people on the front lines are facing day in, day out.

Steven Ayer: Are your managers properly trained to deal with these sorts of issues? Are they trained properly to understand what their obligations are legally and what the organization expects from them, how they're treating people? But also, like, when their staff people might be encountering these instances of discrimination, do they feel comfortable coming to their leaders. If they do come to leaders, do those leaders have any idea whatsoever how to provide the appropriate support? And I think in a lot of cases, the answer is probably going to be no. So this is why when we look at the high rates of discrimination amongst sector workers compared to folks sharing similar

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characteristics in other sectors, it really does speak to, okay, it's not only that there's a lot of demand and need for this across the entire economy, there's even more need for that in nonprofits in particular and there may be less resources available to provide support, which I think really speaks to the gap we do see.

Mary Barroll: The surveys drilled down even further and found higher levels of dissatisfaction among new immigrants in the nonprofit sector, with 34% reporting they are unhappy with their jobs. And participants were also asked questions about age discrimination.

Don Shafer: Among workers over 55 in the nonprofit sector, 22% said they had been discriminated against because of their age compared to 16% in the public sector, and 26% in the private sector. On the other end of the spectrum, 22% of young nonprofit workers, aged under 30, also reported age discrimination, although this was a much lower rate than the 40% who felt this way in the public sector and the 33% in the private sector.

Mary Barroll: So, in a sector that's dedicated to "social good" what's driving dissatisfaction, especially at a higher level than we see in other sectors? And what can be done to reverse the trend? How do nonprofit employers re-engage with their workers, build stronger more resilient relationships and improve working conditions and staff morale? Let's take a look at some of the causes, and what can be done to reverse the trend.

MONTAGE NEWS CLIPS

<https://globalnews.ca/video/10520962/inflation-is-cooling-why-are-canadians-still-so-stressed-out-financially/>

"Money related stress is off the charts..."

<https://globalnews.ca/video/10520962/inflation-is-cooling-why-are-canadians-still-so-stressed-out-financially/>

"A new online survey by Leger and FB Canada shows 44% of respondents say money is the number one source of stress."

Mary Barroll: Perhaps not surprisingly, the affordability crisis is fueling anxiety everywhere, not just in the nonprofit sector and it's hitting young people particularly hard.

NEWS CLIP

<https://youtu.be/6lav1d8EU7w>

"Life for young professionals can be exhausting. Housing prices are way too high. Food prices are way too high."

Mary Barroll: As mentioned earlier, the nonprofit sector relies heavily on younger workers. In fact, 47% of nonprofit workers who were surveyed – almost half, were under

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the age of 35, largely in lower-level jobs. Steven Ayer says their dissatisfaction should come as no surprise and it is a warning sign for the future.

Steven Ayer: For those who are in the first half of their career, this is not a surprising finding. The folks who have expressed surprise are often people who are in the second half of their career, who've been in managerial roles or senior roles for a period of time. And I was quite struck by how many of them were surprised by the results, they weren't even realizing how many the younger folks the organization might be dissatisfied with their job, who might not be getting everything they were hoping for when they came into these roles. And I think that discrepancy, I mean, these older folks who were the ones expressing surprise in these findings are often the ones who are creating job policies, they're determining compensation packages. They are the executives and the bosses. And these are the folks who are expressing surprise that the meaningful nature of the work wasn't compensating for all of the other challenges. And I think there's a whole bunch of different pieces that when we look at, meaningful work. When you come in with really high expectations and they're not met, that can be particularly and profoundly dissatisfying for folks. And when we even look at the changing nature of Canada, houses have gotten so much more expensive, so something that may have been even appropriate, or not appropriate but, even something that may have been acceptable to people 10 years ago, that the low wages, like this can be incredibly challenging now when you're figuring out, especially in the major cities, like how am going to be able to pay for the cost of living on a nonprofit sector salary?

And we are hearing sometimes high-minded rhetoric from some of leaders of organizations about values that they're not necessarily translating into compensation or benefit policies. I think that discrepancy can be particularly some of the source of the dissatisfaction, because people are hearing these high-minded principles, but when they look at their paycheck, when they look at their benefits, when they look at their day-to-day environment, they're not necessarily meeting all of those sorts of rhetoric that they might be hearing from the most senior executives in their organization.

Mary Barroll: In their 2022 report entitled Diversity Is Our Strength: Improving Working Conditions at Canadian Nonprofits, Imagine Canada cites Statistics Canada data from 2019 that indicated people working in community nonprofits were being paid an average of 39,000 dollars a year – almost 20,000 dollars less than the average in the overall economy.

What people in the sector are now being paid has just been updated in CharityVillage's newly released Canadian Nonprofit Sector Salary and Benefits Report.

Don Shafer: According to CharityVillage's newest report, support staff are earning an average of 52,000 dollars a year. Functional and program staff are making just under 54,000, while senior managers top 95,000 and chief executives average around 117,000.

Mary Barroll: Still, low wages in the nonprofit sector are nothing new. Workers in the sector have long complained of being underpaid and overworked.

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Ryan Erb: What we do see consistently is that it is a struggle in the not-for-profit sector to pay employees as well as they should be.

Mary Barroll: Ryan Erb is executive director of the United Way of Perth-Huron and is the acting chair of Living Wage Canada, which aims to improve working conditions in the nonprofit sector by certifying employers who commit to paying a so-called “living wage”.

Ryan Erb: Living wage is a calculation to help us all understand what it takes for people to simply make the basic payments in their life. So, what we want to do is have an understanding of what it takes for someone to have appropriate shelter, appropriate healthy food, and to be able to pay the other bills and call that a baseline from which we can stand upon as a nation. We're to make sure that government, employers, and employees have that understanding, so that when we are working together, whatever industry we're in, we're working together in a way that is fair for all involved.

Mary Barroll: But when it comes to trying to level the playing field, Ryan Erb says it can be very challenging. Nonprofits often find themselves in competition with employers in the public and private sector.

Ryan Erb: Quite often, for example, if I can tell you about in mental health, there are a number of organizations that are funded to provide mental health support, whether that's through direct counseling or whether that's through other support programs, and they're in competition with people who are in the private sector that can leave the public sector and go and set up their own shop and offer counseling and get paid quite a bit more to do that. And so, the competition for people is really challenging in many not-for-profit circles because what we're doing is we have parallel industries that are being paid much higher, whether that's through healthcare sometimes the payment is higher in a healthcare sector versus a mental health sector. And so, it just depends on the organization that you're working for, pay scales are not unilateral, even if organizations are funded by the same source at the government level. So, the province might fund the hospital to do something that's very similar to the province funding a not-for-profit organization to do something and the amount of money that's available for the not-for-profit organization to do that very same work is less.

Mary Barroll: And Ryan Erb says it's not uncommon to find people working at nonprofits wearing many hats, trying to do more with less, eventually leading to job dissatisfaction, and worse.

NEWS CLIP

<https://globalnews.ca/news/10550099/canadian-workplace-burnout-survey/>

“Reports of burnout in the workplace are growing year after year.”

Ryan Erb: What we see in our industry is that people, because they care, they get into the industry in the first place. And oftentimes they end up taking on more work than they can realistically do because they want to do the right thing for their community. And we end up with burnout, we end up with challenges that are significant because we don't

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set the standards within our own organizations to take care of our people as well as we should because we have these expectations that...

People are there for quote unquote the right reasons and while that is all true, you know, I've had conversations for example with people who are involved in service clubs, wonderful work that service clubs do and sometimes they'll say well our service club can do X, Y, & Z without even paying a salary. You know, and that's true. They can do X, Y, & Z because they're fully charitable to have volunteers but the sustainability of offering a program is not going to happen only on the shoulders of volunteers when we talk about the professionalized nature of offering, I don't know, addictions counseling or any number of things. And so, what we need to do is to recognize that not-for-profit organizations shouldn't actually start with less. It doesn't make sense that they have less money to deal with, we're not the cheaper version of trying to provide service. We shouldn't look at ourselves as that. But often not-for-profits will do that. We'll say to the government, well, we can do it for less. So please give us less and we'll take the contract kind of thing. And I think that's been happening for many, many years. And so, we're seen as a cheaper way to do work. And in the end, that leads potentially to burnout and other concerns.

MUSIC TRANSITION

Mary Barroll: Zahra Esmail of Vantage Point, a nonprofit that works to uplift and amplify the nonprofit sector in British Columbia, believes this conflict between meaningful work and living wages is also impacting the sector's ability to recruit and retain younger workers, a critical factor for the future resilience of the sector.

Zahra Esmail: I think a lot of young folks from my understanding are looking for opportunities to engage in ways that align with their values. And I don't think that there's many nonprofits who can't offer something great to young people now, but how are we able to actually pull in that relationship so that people can understand the impact? On the staffing side, I mean, we've already talked about the cost of living and how tough it is for young folks. And we did hear, our team did a little bit of convening over the last few years called The Youth Network.

And some of the key learnings were that young people often will not leave our sector because they don't love the work. They're passionate about the work, but if we can't offer competitive wages, people have to make difficult decisions and will go to a different sector where they can pay rent or buy a car or do the things that people want to do. And our sector really should be compensating people in a way that they can live a good life, and I think that's like some of the advocacy and the systems change work is important because we shouldn't feel or present ourselves as a second-class sector when we are an essential sector.

Mary Barroll: And yet organizations in the nonprofit sector point to funding restraints as the reason why they can't afford living wages and other benefits for their staff. So, what needs to change? And what really can change?

Zahra Esmail: I think we can improve; I think that there's efforts, but we could improve. Actually, I think the systems that nonprofits work within are quite dated. One of the things that we've been talking about a lot is administrative caps. So, if a donation comes through, let's say there's a grant from a government body for a hundred thousand dollars, we're capped at being able to spend 10% of that, usually sometimes less, sometimes slightly more on administration or overhead and not direct service.

Oftentimes volunteer engagement falls within that area of administration and overhead so, when organizations can't actually invest in better systems or better recognition or better outreach, the way in which we're able to innovate and pull in new people with a changing demographic is limited. So, just by design, the sector is kind of cut off at the knees a little bit in terms of how to respond to and engage with young people and just more people in general.

Mary Barroll: On the other side of the country, it's the same story. Ryan Erb says Ontario nonprofits are also challenged in finding ways to invest in infrastructure, administration, and especially fair wages that keep up with inflation and the cost of living. But there are efforts being made to change the expectations of funders by working with them to understand that nonprofits have to be able to pay a living wage to their workers – both to attract and retain talent but also to effectively deliver on their missions. Key to that process is certification of nonprofit employers who commit to paying a living wage. Here's Ryan Erb to explain.

Ryan Erb: Here in Ontario, what I can say to you is that there's been efforts among the organizations who are funding Living Wage Ontario Network or Living Wage Canada as the legal name that it holds, and those organizations are certifying themselves as part of the process, right? For example, my organization was one of the early adopters to certifying as a living wage employer and we are a funder and so that requires us to operate in a manner that all of our contracts and services have people pay the living wage, which is an interesting thing, right, to do that. And so, what we're trying to do actively at Living Wage Ontario is to certify funders as part of our work, and so, in our conversation with funders, whether it's United Ways or community foundations or other organizations who maybe provide funding, we're talking to them increasingly about how this equitable conversation can continue to roll itself out and so, organizations one by one are making this commitment, this is a grassroots kind of work, it's not a top-down kind of work, it's an invitation to join something that's positive and good and we recognize there's lots of hard things about it but so far, we've been able to gain many organizations across the province that are certifying as living wage employers, in fact, just this past week in my own community our community foundation certified as a living wage employer.

Mary Barroll: Still, despite the progress being made not all workers in the nonprofit sector are even full-time employees - much less earning a living wage. As Wendy Cukier points out, the data in the Burden of Care Report shows that many nonprofit workers are working part-time, or on contract, and are barely being paid minimum wage with little, if any, job security. Not surprisingly those conditions lead to job dissatisfaction and ultimately to defection from the nonprofit workplace.

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Wendy Cukier: The other thing that the study shows it's that many workers in the sector are precarious and do not have enough income. And we know this from other research that workers in the sector often are paid minimum wage or barely above minimum wage and, you know, if you're living in a large metropolitan area, we know with inflation, cost of living and so on, that's very difficult to survive, so it's great to have meaningful work, but if you can't pay your rent and feed your family, that could be one of the contributing factors. So, I think that's one thing we want to explore in more detail because certainly precarity, not having enough income, were much more frequently reported in the sector than the private sector or government, and that would make sense. What I found also, I won't say concerning, but interesting to think about is that people who were in management positions in the sector had higher levels of satisfaction. So, what exactly does that mean? One might infer that if you're paid well in the sector and you have a lot of autonomy and control, then the meaningfulness of the work and those other two things taken together produce higher levels of satisfaction.

Mary Barroll: We often hear that nonprofit organizations are told to learn to be more efficient in order to sustain themselves, and to carefully watch how much of their budgets is being spent on overhead – their administration and staff, because donors often monitor those costs closely in making their decisions about where their money should go. But Ryan Erb says being efficient for the sake of efficiency, doesn't always work out well.

Ryan Erb: So, you can have an incredibly efficient organization that may not be serving their people well or meeting their mission or their standards that they should be meeting. That is possible. It's also possible that you could have an organization that spends maybe too much money, how you ever define that is difficult, but on overhead and administration. And so, I think we have to tackle it from both ends and say, you know, we want to make sure that we have a not-for-profit industry that serves people well. And part of that is making sure that our own people are taken care of. Again, it's very difficult to try to solve poverty by putting people in poverty.

I just don't see the logic there and the average person, if you have five minutes of conversation about it, gets there too. It's just they've never thought about it because oftentimes in our world, we hear the efficiency question, and we hear the scandals, and we hear the things that people are driving home. And then we have to challenge ourselves to say, you know, like, 5% is not a great number, 10% is not even a great number, 15% might not be the right number, you know, even though people are very reticent to give to organizations that maybe spend more quote unquote on administration and overhead than that portion. And we often enter the conversation by trying to educate people and just saying, look, the most important thing is not efficiency. It is a question to ask, it's not that it's unimportant but let me ask these other questions first, join me with that. And if your organization is doing really well, serving its clients really well and you're spending 30 cents on the dollar, why would we care? It's not important. Any business that's out there would be thrilled if they could operate with more than 10% profit, but somehow in the not-for-profit world, we can't reverse that conversation, right? And we have to operate on 90% the other direction, right? In order

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to have a productive conversation with people so, I think it's an everyday thing for all of us. You can't get caught in the middle of it, you can't get angry about it, it doesn't help, you have to say to people, "hey, if you'll take the time to have the conversation with me, then let's delve a little bit deeper." It's not all about the money, but it still is at the end of the day, if people are struggling to make ends meet, that that is their first thing, their obligation is to make sure there's food on the table for their family, for themselves, you know? And we want to make sure it's more than just about surviving, right? We want people to thrive in our industry so that they have something to give.

If they're all burnt out and eating poorly, they're not going to be able to give and serve people in our community as well as they would if the other side was true.

MUSIC TRANSITION

Mary Barroll: Another initiative that's underway to help the sector attract and retain workers, and improve job satisfaction, is the Decent Work movement. Ontario's Nonprofit Network has been promoting it for the past decade.

Pamela Uppal: It's not a new concept, we borrow it from the International Labour Organization, where decent work means fair, stable and productive work, so that it's a source of dignity.

Mary Barroll: That's Pamela Uppal, Director of Policy and Interim Co-Executive Director at the Ontario Nonprofit Network. She says while the Decent Work movement does seek better compensation for workers, it also pursues a broader range of goals.

Pamela Uppal: It really brings together this concept of work, of labor with social protection, dignity, benefits, pension, fair wages, productivity, all of those pieces together. And as I shared, we've been doing this for the past 10 years and it's taken a lot of different iterations. Part of the movement building was really looking at it from a gender-based intersectional lens, and what does decent work for women mean and what does that sort of unearth and how do we build that particularly if we're a sector of 77% women.

Don Shafer: The Decent Work movement says that "to fight for women's economic justice, investing in sectors where women are underrepresented is not enough. We need investments in sectors that are historically and traditionally overrepresented with women, like the nonprofit sector. When a sector is women-majority, it is often undervalued, underfunded and underestimated, which undermines decent work and stalls women's economic justice overall."

Pamela Uppal: We've also talked about decent work and volunteerism. Volunteerism can't replace employees and workers, but volunteers are so, so important and critical to the work that we do. I mean our board of directors are usually volunteers right and then over the past iteration of our decent work movement building, we really centered reconciliation, anti-black racism, really thinking about what does decent work for our Indigenous workers and our Black workers in our sector look like?

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Mary Barroll: The past few years have brought about a shift in thinking about employment. The Decent Work movement says it reflects a change in the culture, where work is about more than fair wages and benefits.

Pamela Uppal: The pandemic has really forced people to rethink what their relationship to work is. And by default, what the relationship and their expectations of their employers are, and I think that's sort of the tensions that we're seeing. People are questioning internally, what type of work do I want to do? What gives me motivation, self-fulfillment? What sort of fits the lifestyle I want to live? They're questioning the quality of their jobs. They want good work, they don't want to just work from minimum wage and precariously and perhaps not have a pension to retire on. And their expectations of employers to meet those demands are valid and are coming up more and more and we're seeing that happen, not just in our sector, across the sector. And I think employers are struggling to keep up, nonprofit employers are starting to keep up at times at the pace of the workers, while trying to keep their organizations afloat and all of these other things are happening.

And so, we are seeing in our sector workers want decent work, they want better wages, better benefits, flexibility. Now hybrid work models are really, really important,

especially folks that are caring for children, long-term stability, pensions. You want to retire on a pension. It's no longer a hope or maybe we'll have it someday and that's great because that's what the goal of the Decent Work Movement was, both from an employer and employee perspective, we wanted to empower workers to demand better for themselves, but also really equip the sector as an employer with all the things they would need to be able to make that happen and really talk about the value around that. Because as I shared, you know, we're competing with each other, but we're also competing against many, many other industries for workers and although we've always been able to rely on the mission and vision, passions alignment, values alignment for people to work in our sector, that might not be enough in the future when many other places might start offering that too.

Don Shafer: The Ontario Nonprofit Network has developed what it calls Eight Pathways to Decent Work. They include challenging white supremacy in the sector, understanding decent work culture at your organization, creating decent practices for recruitment and hiring, paying decent wages, offering decent scheduling, decent practices for conflict resolution, decent work, wellness, and equity.

Pamela Uppal: So, I really do encourage people to go check out our website, www.theonn.ca. Because as I shared, we've been doing this work for the past 10 years and so, we've really built an evolving suite of toolkits, resources, guides that folks can rely on. And it's really meeting where nonprofits are at in their decent work journey. If you're just at the beginning, you're trying to figure out what this would look like, there's a decent work charter and a checklist to sort of guide you through that. If you really want to look at it from a gender-based intersectional lens, we have a guide on setting up compensation practices with a gender equity lens. We have information on parental

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benefits and maternity leave benefits and more recently, as I was sharing, we have our decent work pathways that has come out.

And this really thinks about and centers equity really. So, the eight different pathways to not just achieve equity, but to achieve equity in your organization with a decent work lens. So really making sure you're supporting and lifting and creating positive workplace cultures for your Black and Indigenous workers in our sector and questioning some of those pieces as well. We've also translated a bunch of stuff into French. So, a lot of bilingual resources are available online too. And what I'll say is that, you know, again, there's something for everyone, where whichever part of the journey you're at, whichever part of the journey you're at, and that it's not a commitment that requires money. It's right away, it's a commitment that is about how do I make my workplace better and safer and more accessible for workers and our employees and whoever is going to come back in and it's such a critical recruitment and retention tool.

Mary Barroll: Another factor that may be affecting job satisfaction in the nonprofit sector more than elsewhere, is its reliance on part-time workers, a theory that's supported by the Burden of Care report. Here's Steven Ayer to explain.

Steven Ayer: And particularly what's concerning is when we saw much higher rates of part-time employment in the sector, that by itself isn't necessarily a good or a bad, but what is concerning is when we're seeing particularly high rates of involuntary part-time work. So, people who want to have more hours but aren't getting them. And the rate is mostly because the representation of part-time workers is so high in the sector. So, because there's so many part-time workers, it just is corresponding to more folks wanting to have full-time jobs and not getting them.

And of course, when we look at temporary work, much more likely to be case in the sector than in the broader economy. And of course, when those sorts of things put a lot of precarity on workers, I mean, when you talk about if they ever want to get a mortgage, they might be denied because they may not have guaranteed income a year from now. If they're trying to get rent, you know, trying to get a new apartment, they might be denied because they don't have ongoing streams of income. These sorts of precarity have a lot of particular consequences and it is these sort of the younger workers, the first-generation Canadians, service workers who are taking some of the most critical role the sector does but are not necessarily the most appreciated roles in their organizations that are driving it. So, this is where this whole sense of precarity, the job conditions and vulnerability start to roll together and something that's really leading to a lot of challenges that are going to lead to burnout, to people leaving their organizations, to people leaving the sector altogether. And so, I think this is where you start to see the precarity and the other issues or jobs that section that we talked about come together.

Mary Barroll: Ryan Erb acknowledges it isn't easy for organizations, especially those attempting to move forward from being entirely volunteer run, to hiring their first staff person.

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Ryan Erb: I've observed organizations doing the best they can, moving perhaps from being all volunteer to the one day they say, well, we can't do it with volunteers anymore, so we're going to hire somebody. And that first hire, well, we can only afford to hire part-time or we can only afford to hire at this wage level. They're all trying to do the right thing and move something forward but it's quite typical that in the early days of an organization before it matures and has more solid funding structures, and even sometimes organizations that have existed for a long time, that they don't pay as well as they could or should. And it's a difficult balance, but it exists everywhere, especially in the not-for-profit world.

Mary Barroll: In addition to better wages and benefits, there's considerable evidence that people want greater flexibility in their jobs.

MONTAGE NEWS CLIPS

<https://www.youtube.com/watch?v=ELs5KwbnwBs>

"You've heard of the four-day work week concept; well, the results are in...."

<https://www.cbc.ca/player/play/video/1.6395716>

"Flexibility is really what is the most important perhaps more important than increase in pay."

<https://www.youtube.com/watch?v=ELs5KwbnwBs>

"Many of the participants reported higher rates of job satisfaction, lower rates of burnout."

Mary Barroll: While the four-day work week has yet to become the norm, working remotely certainly has, at least for some jobs. And yet, in an era of great technological connection, some workers say they've lost the human connection.

NEWS CLIP

https://youtu.be/sqthz0xu_Gw

"43% say they don't feel connected with their colleagues at all."

Mary Barroll: Steven Ayer says nonprofit workers over thirty who were surveyed, overwhelmingly want to work from home, some or all of the time. But those under thirty said they'd rather work just one day a week from home – or less.

Steven Ayer: And I think when we start looking at the challenges, particularly for young workers and for first generation Canadians, working from home might be a very different experience for someone who's just entering the workforce or someone who's just entering the workforce in Canada and would love to meet new people or see some of the cultural norms you might see in an office space. There's certainly, I think, something we need to really think through when we have so many jobs, particularly amongst these groups that are expressing dissatisfaction starting remotely, they might never see their coworkers in-person for the first six months. And like, are we ensuring that, you know,

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they have mentors, are we ensuring they have the tools and training to be able to, you know, take these jobs on appropriately? Are we talking to them about how this might affect their long-term ability to advance the organization or, you know, get exposure to some of the senior management who might be major roles in deciding their future, but they might not ever encounter because, you know, that's not part of their direct online experience.

Mary Barroll: And there is at least one more important job retention stressor on the horizon – the looming exodus of boomers who are about to retire – leading to what some are calling a succession crisis at many Canadian nonprofits. Here's Zahra Esmail of Vantage Point to explain.

Zahra Esmail: There's major looming HR concerns, not necessarily that dissimilar from some other major sectors who get a lot more attention than our sector does, but nonprofit leaders are preparing for changes as senior staff are retiring, there's been quite a big turnover of people who have been in leadership roles for a long time, and there's a little bit of a gap in terms of new people who are experienced and ready and also willing to take on those often very demanding roles. We know that wages and benefits are not high enough for people to meet the cost of inflation and living in big cities or rural regions across BC, so that's a big struggle. Nonprofits, we cover social services, arts, sports, heritage, climate, justice, a whole bunch of different types of subsectors. But we really are the group that meets people's needs where they are, if they're living in difficult situations, if they're experiencing housing insecurity or food insecurity or are in need of social services. And so, it's really important that our sector be in a position where we're compensating people appropriately and making sure that we're not actually inadvertently putting people in a situation where they could be nonprofit clients or participants.

Ryan Erb: We have seen a generation of people that perhaps have overcommitted and now some of them are retiring and the next generation isn't as interested in being overcommitted. So, there's that. We also have come through COVID and in those years, many people again to do the right thing for their community and I can count myself and my colleagues in our own organization in this like we all worked like dogs for three years you know just trying to help people as best we could but we didn't attend to our own needs as much as we should have during that period of time and now there's a bit of a rebound on that for sure where people are still I haven't really recovered you know even a couple of years later and so we have to understand that we've got, you know, an aging workforce, we also have the COVID sort of rebound that's existing for us. And then in addition to that, we have the same things that have always been true within the organizations that are not-for-profits that are challenging in the first place. However, I have hope, Mary, because there are so many beautiful people that want to do the right thing and care and I think part of that caring attitude is going to be, let's get this industry, you know, more organized and to address some of the concerns that we're facing and to try to overcome them.

Mary Barroll: While it is important to note and address the level of job dissatisfaction within the nonprofit sector, the picture isn't all gloomy. The Environics Institute surveys

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found that many in the sector were content in their roles. 72% said they were satisfied, although that's lower than the 80% of private sector workers and 83% of public sector workers who said they were satisfied. But what's important is that nonprofit employers take note of the disturbing trends identified in the Burden of Care Report now - while there is still time to stem the tide. For leaders to take a good, hard look at their workplaces and practices, and really explore alternatives and potentially embrace the solutions our guests have recommended, to transform dissatisfied workers into satisfied, energized and even inspired ones. The failure to do so may cause dissatisfied worker to become disillusioned and disaffected workers, who may finally depart nonprofit organizations for greener pastures - putting the future of the sector in peril.

I'd like to thank our guests for participating in this episode. Before we go, here they are with some final thoughts.

Steven Ayer: So, my optimism often comes from the fact that I think there's a growing recognition of the issues that are present in the sector and there is certainly a growing interest and willingness to change. But if we keep doing what we're doing, if you look five years from now, I don't think a lot of these measures are going to be improving in the way we want to do, and I think the consequences would be dire. So, when we look at how are we going to ensure that young people and first generation Canadians really want to work in the sector and stay in the sector, there's a lot of folks who have written really enthused about this research, are really thinking through these practices in the organization, and they can make a gigantic difference. But when we look at things like, do we have sufficient will from policymakers? Do we have sufficient will from funders to really say, yes, this is how we should be spending and supporting the workers in the sector? And we don't care if it might mean that we have to change the way we've been always doing things. That's where the potential for change comes and there's certainly a lot of willingness to change, but I think we need a lot more folks to make pretty substantial changes to the way they do things to be ending up in a different spot.

Wendy Cukier: We know that overall, across sectors, we are seeing more dissatisfaction, more burnout, more demanding workforce, and we have generational differences, all sorts of dynamics. We are going into field with another wave of surveys, and I think one of the things that we need to do is try to unpack the data over time to see whether this is a blip or whether or not this is the new normal. And employers really need to be thinking harder about how to keep employees satisfied, engaged, and retained because the research shows really clearly engaged employees, satisfied employees perform better and stick around and in the current environment, there's competition for talent and so this really does need to be a strategic concern.

Zahra Esmail: I think that the HR crisis is a big one. I think that the expectations of the workforce have changed, I think about, I'm not even, I guess I'm middle-aged now, I'm in my early 40s, I don't feel like I'm that old, but when I think about when I started my career in the nonprofit sector, the level of sacrifice I was expected to make in order to follow my passion, to have a career in the sector, was significant. And I don't think people should be put in a situation where they have to make those choices. And I don't believe that our younger workforce is either willing or able to make those similar

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sacrifices. And with our older workforce retirees and exiting the sector, if we don't find a way to compensate people and provide benefits and an ability for people to thrive in their lives, we are going to have a major workforce crisis.

Pamela Uppal: It's something really to think about because no one has calculated, I think, in our sector, and you can correct me if I am wrong, but the true cost of staff turnover and burnout. We know what happens, we see it every day, there's staff disconnection, there's low morale, folks that are still on the team have to pick up extra work, if you're on the front lines, you're experiencing vicarious trauma, there's lots of compassion fatigue, especially if you're asked to do more and help more with much less and the work is hard. You know, if you're getting paid minimum wage to help people find housing, we can also get paid minimum wage to work at McDonalds. What's easier, right? And so, we're definitely seeing some of that and I think one thing we also have to remember that our staff isn't separate from the communities that we serve. So, they're also experiencing the affordability crisis.

Ryan Erb: And I would just advise people to start. You can't do everything at once. An organization is not likely to be able to wake up and say, OK, we're going to do everything different tomorrow, but why not pick a few things? Why not, you know, this year let's work on, you know, the number of vacation days we offer or the number of sick days that we offer and next year, let's work on raising pay in this way, shape or form. You have to stagger it in, and you have to have a plan to fund it over a period of time. I think the worst thing we can do is just see it as overwhelming and not start, so, whatever it might be in your organization, I would encourage you to think about the next step to make your organization stronger and to make the people that you're working for number one, right? We have to make sure that we take care of our people so they can take care of other people.

MUSIC TRANSITION

Mary Barroll: You can access the Burden of Care report, as well as links to the Decent Work Project, and Living Wage Canada in the show notes, with links to other helpful resources and CharityVillage's Nonprofit Sector Salaries and Benefits Report is also available through the CharityVillage website.

If you want to learn more from any of our subject matter experts featured in this episode, their full video interviews can be found on charityvillage.com. CharityVillage is proud to be the Canadian source for nonprofit news, employment services, crowd funding, eLearning, HR resources and tools, and so much more. Please take a moment to check out our website at charityvillage.com.

In our next episode:

The nonprofit sector is set, in the coming decade, to see a massive turnover in leadership as the Boomers retire. Indeed, sector experts say this trend started during the pandemic, as many established leaders stepped back from their roles and opted for early retirement. How can the sector be more intentional about succession planning in order to build sustainable organizations? What does it take to build for succession

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planning, attract more young people to the sector, and build better pipelines for boards of directors? Tune in to the next episode of CharityVillage Connects to find out! I'm Mary Barroll, thanks for listening.

MUSIC OUT