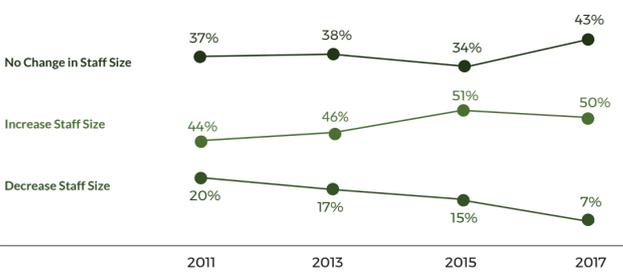


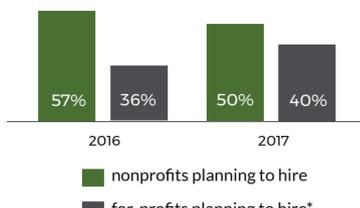


## Nonprofit hiring is still outpacing corporate hiring, but the gap is narrowing.

### Anticipated nonprofit changes in staff size by year



### Organizations planning to hire in upcoming year



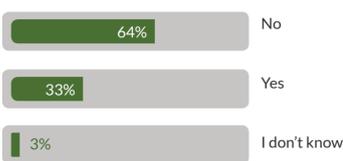
Nonprofits have been hiring more aggressively than for-profits for the last several years, and will continue to do so in 2017. However, the gap is narrowing, and nonprofits are facing increased competition for talent from the corporate sector, driven in part by the growth of social enterprise and purpose-driven business. The number of nonprofits that anticipate hiring shrunk by 7 percentage points between 2016 and 2017, while the 2017 corporate hiring outlook is the best the U.S. has seen in a decade. The number of for-profits that anticipate hiring grew by 4 percentage points between 2016 and 2017.\*

\* Careerbuilder 2016 and 2017 U.S. Jobs Forecasts

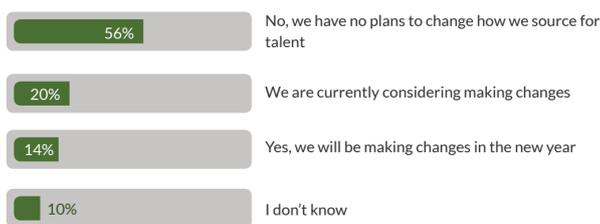
## Yet most nonprofits are not improving their talent and culture practices in order to keep up with increased competition and advance their missions.

Most nonprofits have no talent acquisition strategy and no plans to change the way they recruit talent.

Does your organization have a formal talent acquisition (recruitment) strategy?

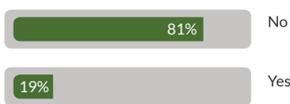


In 2017, will your organization make any significant changes in the way it sources and recruits for talent?

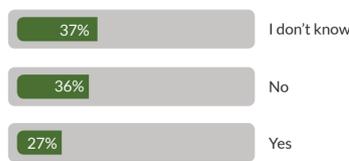


As corporate hiring improves, it will be harder for nonprofits to hold on to their top performers, but most nonprofits have not put a formal retention strategy or program in place, and a majority have no plans to create one this year.

Does your organization have a formal retention strategy/program?



Do you plan to create a formal retention strategy/program in 2017?

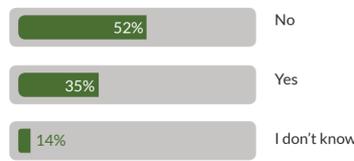


Many nonprofit leaders feel diversity, equity and inclusion (DEI) should be top priorities, yet a majority of organizations do not have a diversity, equity and inclusion strategy in place at this time.



\*\* Nonprofit HR 2017 Talent Management Priorities Survey

Does your organization have a diversity, equity and inclusion strategy/program?



## Without talent acquisition, retention and DEI strategies in place, nonprofits continue to struggle with familiar challenges.

What is the greatest challenge your nonprofit faces when it comes to talent?



Hiring qualified staff within limited budget constraints continues to be the top talent management challenge for nonprofits for the sixth year in a row. This challenge, along others that ranked in the top five, can all be addressed through the development and execution of recruitment, retention, DEI and other talent management strategies.

## What can you do?

If you hope to continue to advance your nonprofit's mission in the face of growing competition from the for-profit sector, changes in government support, shifts in funding and other challenges, it's time to take action. Consider these steps.

### 1 Develop talent acquisition, retention and DEI strategies.

44% of organizations that have a retention strategy report expecting decreased turnover, while only 25% of organizations that do NOT have a retention strategy expect decreased turnover.

Examples like this one prove that devoting time and resources to strategy can have a meaningful impact on HR and talent metrics.

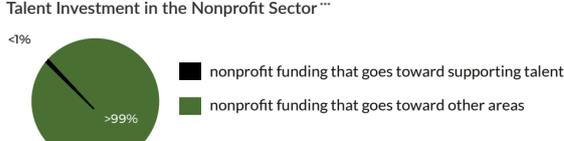
### 2 Align your talent strategies with your organization's strategic plan.



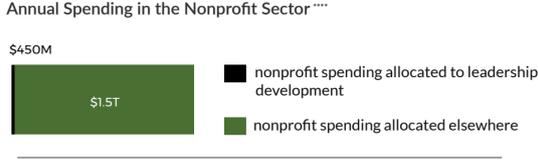
Organizations that develop talent strategies with their big picture goals and strategic plan in mind generally report better performance and are better equipped to advance their missions.

### 3 Advocate for an increased investment in talent.

Talent Investment in the Nonprofit Sector\*\*\*



Annual Spending in the Nonprofit Sector\*\*\*\*



If your nonprofit hopes to keep up with increasing competition for talent, you must make the appropriate financial resources available to support your people. Less than 1% of nonprofit funding has historically gone toward supporting nonprofit talent and only 0.03% (\$450M) of the sector's \$1.5 trillion annual spending has been allocated to leadership development. Show your leadership, board and funders these data and discuss what you can do together to begin to drive change.

\*\*\* Stanford Social Innovation Review, Monisha Kapila  
\*\*\*\* Fund the People, Rusty Stahl

## About The Survey

About The Nonprofit Employment Practices Survey

The 2017 Nonprofit Employment Practices Survey is intended to provide a snapshot of current employment practices and discuss the economic trends and implications of employment practices in the nonprofit sector. This report, which has been produced annually by Nonprofit HR since 2007, includes responses from 420 nonprofits in the U.S. and Canada that serve as a representative sample of the makeup of the sector. In this year's survey, as in years past, researchers collected information on nonprofit staffing, recruitment, and retention practices. The survey included a mix of multiple choice, rating scale, and short-answer questions to gain context on the current practices of nonprofit organizations and the employment trends they see in the nonprofit sector.

About Nonprofit HR

Nonprofit HR is the nation's leading human resources firm that works exclusively with nonprofit organizations. Since 2000, the firm has provided human resources consulting, executive search and talent acquisition services for organizations supporting advocacy, health and human services, arts and culture, education, the environment, the faith community and more. Nonprofit HR has offices in Washington D.C. and Chicago.