



# From Burnout to Balance: 5 HR Challenges to Nonprofit Success

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### Today's Presenter



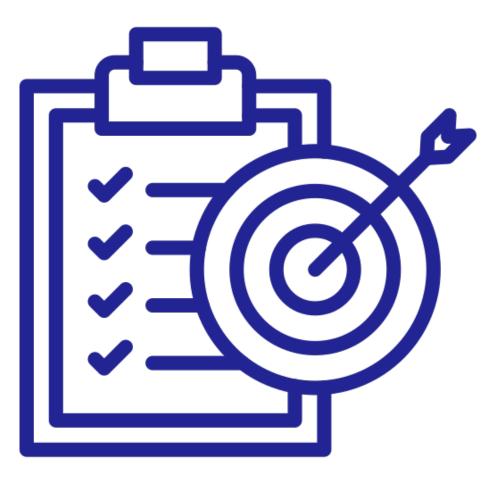
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### **HR** Practice Leader



# **Session Objectives**

- Learn why HR is so important in nonprofit organizations
- Discuss the connection of HR with mission
- Identify the top HR challenges for non-profit organizations
- Determine how HR creates culture in support of employee engagement
- Understanding the value of an HR strategic plan





# The Importance of HR

- HR is the glue that keeps the organization running
- HR is in charge of hiring, firing, training and the wellbeing of employees and volunteers
- HR helps align the organization with the mission
- HR helps ensure the those on the ground can focus on what truly matters to them
- HR connects people to the strategy









### COMMON HR CHALLENGES NON-PROFITS FACE



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# **5** Common HR Challenges Non-Profits Face Limited or inconsistent funding

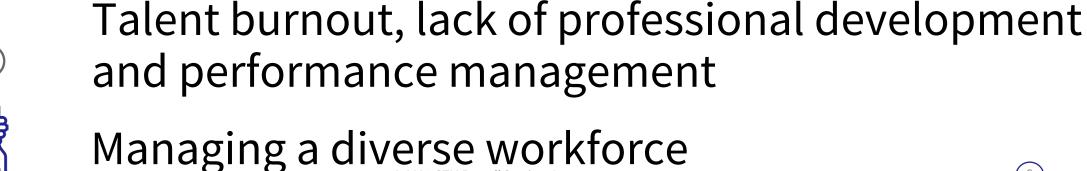


Difficulty recruiting and retaining talent/turnover



Compliance with federal and state law











### HR CHALLENGE #1: LIMITED FUNDING



# Limited Funding

Funding affects all aspects of HR:

- Is inconsistent and may change yearto year
- Creates difficulty in attracting and retaining talent, especially at the Executive Director level
- Generally requires lower pay overall
- Often limits benefits can offer
- Often leads to the need to utilize volunteers





### **Overcoming the Challenges of Limited Funding**

- Creative compensation
- Grant funding
- Volunteers
- Utilizing workforce in different ways





# Compensation

What you *should not* do:

- Pay men and women differently for the same work
- Ask candidates about salary history

### What you **should** do:

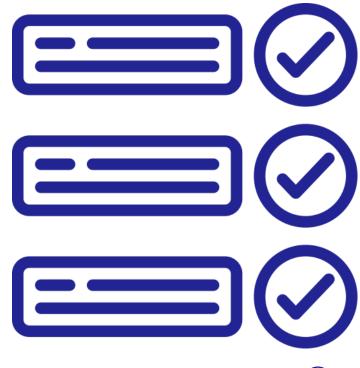
- Evaluate jobs for levels of skill, effort, and experience
- Determine if employees can be assisted by volunteers
- Determine when to cross-utilize talent
- Set wages to job roles for hiring



## **Compensation - FLSA and State Labor Standards**

### What you *should* do:

- Determine if the FLSA applies to your organization
- Understand the terms Exempt and Non-Exempt
- Collect all time worked; adhere to meal break law
- Track volunteer time separately; do not "pay" volunteers for work they do
- Make sure you are paying at the correct frequency weekly pay requirement for "manual workers"
- Understand Independent Contractor rules



### Classifying Workers - Employee vs. Volunteer



- Be careful to classify nonemployees correctly
- Volunteers cannot receive compensation
- Do not provide any in-kind benefits
- Misclassification can lead to backpay, back taxes, and penalties
- Organization not required to carry workers' comp insurance in NYS





### HR CHALLENGE #2: RECRUITING & RETENTION

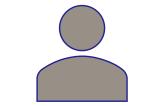




# **Recruiting and Retention**







Lower pay does not help in attracting talent Fewer increases and lack of development makes it hard to retain talent Especially difficult to hire Executive Director and executive talent





# 4 Recruiting and Retention Solutions

Solutions commonly used by non-profit organizations to attract and retain talent:

- **Mission-Driven Recruitment:** Highlight the organization's mission and the impact employees can have on it. Many people are motivated by a sense of purpose, not just by money.
- Non-Compensation Benefits: Communicate "total compensation" annually
- Career Development: Offer opportunities for growth and professional development. Employees are more likely to stay if they see opportunities for growth.
- **Positive Workplace Culture**: Foster a supportive and engaging work environment. A positive work culture can enhance job satisfaction and employee retention.





### HR CHALLENGE #3: COMPLIANCE



# Compliance

### What you **should** do:

- Update your handbook (share with EEs & Volunteers):
  - Fair treatment policies for recent law compliance- sexual harassment, transgender, ADA, religious accommodation
- Provide annual and new hire sexual harassment training – EEs and Volunteers
- Pay Transparency law Pay Equity
- Leave Management
- Technology policies ability to monitor
- Federal and State Poster Requirements
- Develop systems and procedures to follow policies created
- Have go-to resources to keep updated!!





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# Compliance - Keeping Up With Leaves

What you **should** do:

- Administration of NYS Paid Family Leave, Disability, Workers' Comp and FMLA – which apply (Size of ER; EEs/Volunteers)?
- PTO or separate pools align internal policies
- Watch for mandated sick leave (including COVID)
- Mandated leaves:
  - Victim and Witness Leave
  - Emergency responder
  - Military Leave and Military Spouse Leave
  - Blood donation
  - Bone marrow
  - Voting leave







### HR CHALLENGE #4: TALENT MANAGEMENT



# Talent Management

### **Reduce employee burnout**

- Work-life balance
- Offer EAP Wellness
- Recognition and rewards

### **Offer Professional Development**

- Budget-friendly internal training
- Online courses/webinars
- Networking opportunities

### **Performance Management**

- Set goals to meet organizational needs
- Provide upward mobility or options for success June 17, 2025 GTM Payroll Services Inc.





# Employee Engagement a Priority

What you *should* do:

- Train managers!
- Create an environment in which employees can share ideas and problems
- Do not limit discussion to annual evaluations and/or discipline
- Examine processes and workflows
- Embrace family/work needs
- Recognize talent provide positive feedback
- Use engagement or culture surveys for direction









### HR CHALLENGE #5: MANAGING A DIVERSE WORKFORCE



# Managing a Diverse Workforce

What you **should** know:

- Often serving diverse communities and need workforce that reflects that diversity
- Inclusive recruitment
- Diversity and Inclusion Training
- Develop inclusive policies
- Two largest population groups together for the first time (up to 5 generations now working together) - different motivators, learning styles, work styles
- New workspaces remote





# Key Points to Remember!



HR is critical in managing non-profit organizations



HR is in charge of hiring, firing, training and the wellbeing of employees and volunteers



HR helps align the organization with the mission



HR connects people to the strategy









### GTM'S HR CONSULTING SERVICES



# HR Audit

- Risk management tool
- Comprehensive review of HR policies, practices, and procedures
- Conducted by a certified HR consultant
- Fully assess whether your HR processes and policies comply with federal and state laws
- Identify areas of improvement
- Ensure compliance and mitigate risks







# QUESTIONS



## Continue the Conversation...



### **Questions about nonprofit HR**

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