

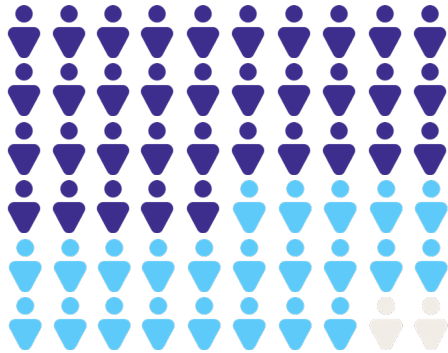
2023

# Nonprofit Talent and Leadership Survey

# ABOUT RESPONDENTS

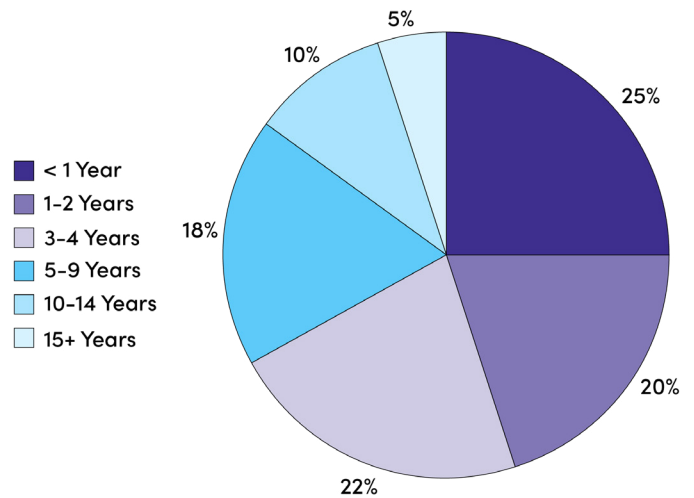
In Summer 2023, DRG surveyed 60 CEOs and Executive Directors of nonprofit organizations and interviewed 23 of those respondents. Our goal was to learn from the way leaders have adapted through the upheaval of the pandemic and share those lessons with the sector.

## By Gender Identity

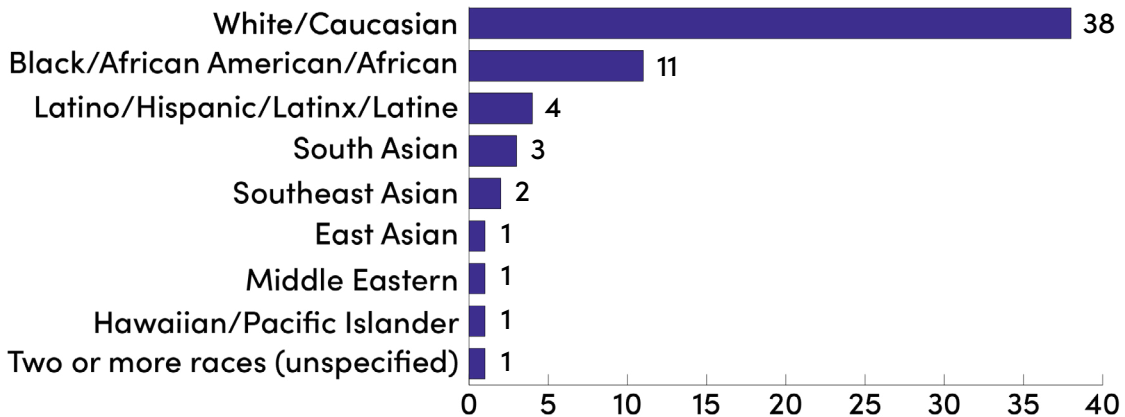


**59%** identified as women  
**38%** identified as men  
**3%** chose not to answer

## By Experience



## By Race and Ethnicity



## By Organization

Budgets ranged from  
**less than  
 \$1M to \$141M**

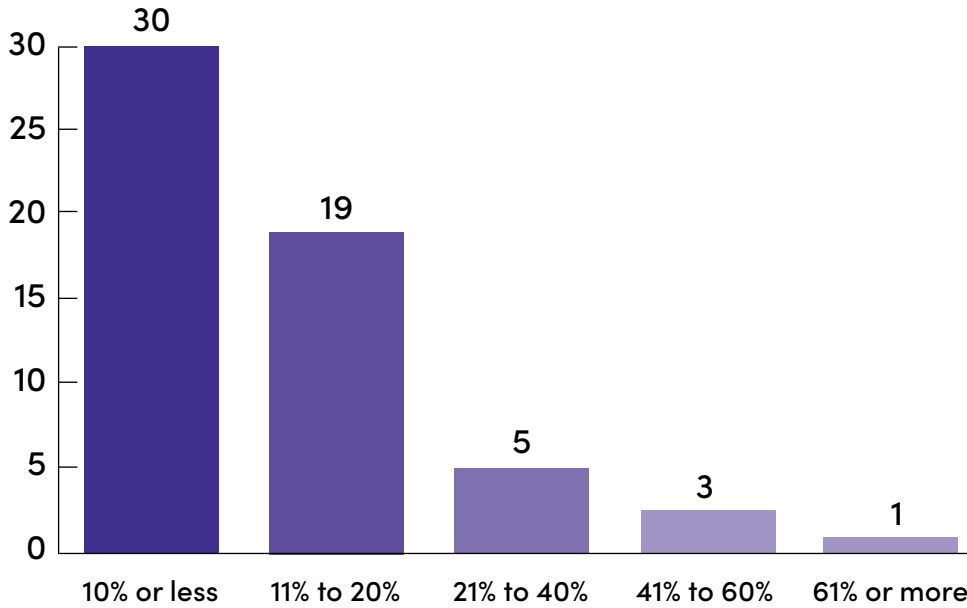
### Missions Include:

- Community Development
- Education
- Health
- Youth Development
- Philanthropy
- Jewish Organizations
- Social Justice
- Economic Development
- Arts

Staff size ranged from  
**less than  
 5 to 250+  
 employees**

# THE CURRENT STATE OF TALENT

## Recent Annual Turnover Rate



### IN THEIR OWN WORDS

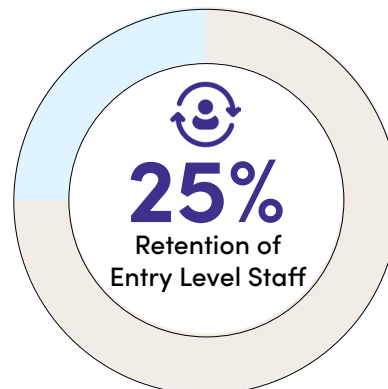
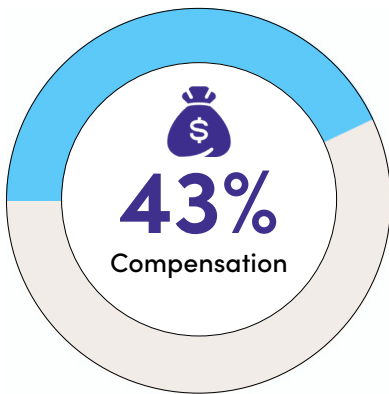


Burnout is real and requires intentional programs and activities to mitigate it.”

- Survey Respondent

## Top Challenges Related to Talent

Respondents named their top three challenges related to talent.



**Staffing**

Respondents rated the capacity of each functional area.



\*Finance saw the most divergence (or greatest variation), though more leaders (47.9%) than not rated it as understaffed.

**Compensation**

Respondents reported perceived staff satisfaction with compensation.



IN THEIR OWN WORDS



Early on in the pandemic, we had to do salary reductions across the organization, which was one of the hardest things I have ever had to do as a leader. This brought to light many discrepancies in salaries across the organization, ultimately leading to a compensation study and overhaul in our compensation philosophy (a silver lining).”

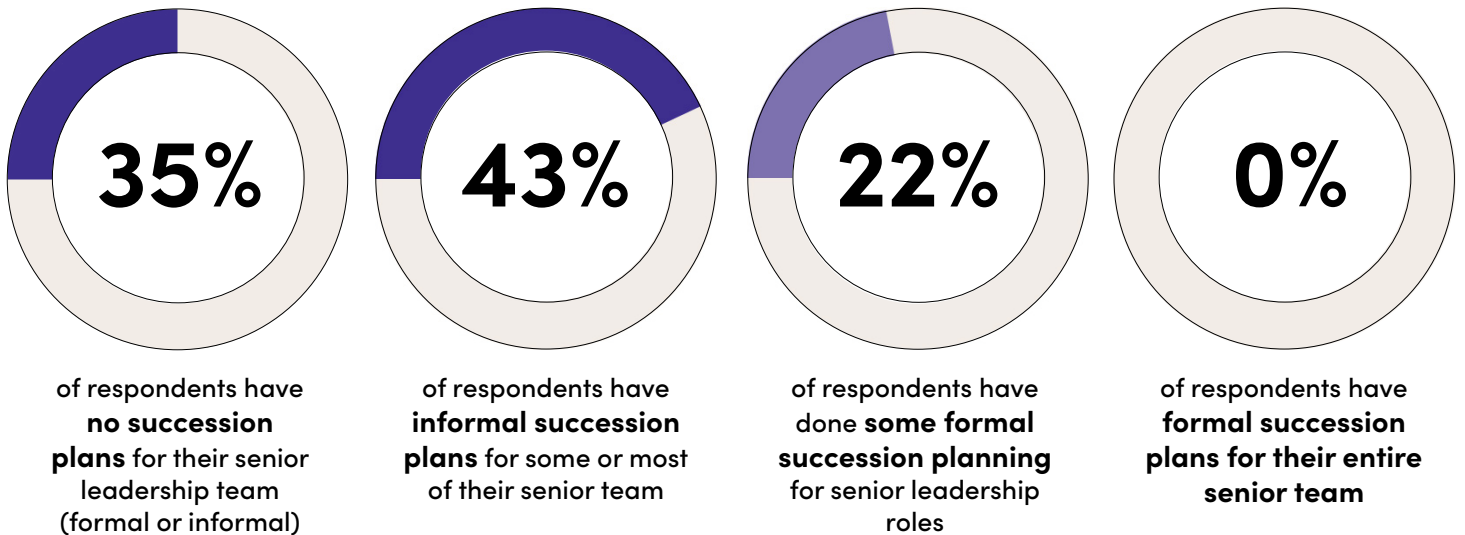
- Survey Respondent

# SUCCESSION PLANNING

## Senior Teams

Respondents shared the current state of succession planning for their senior team.

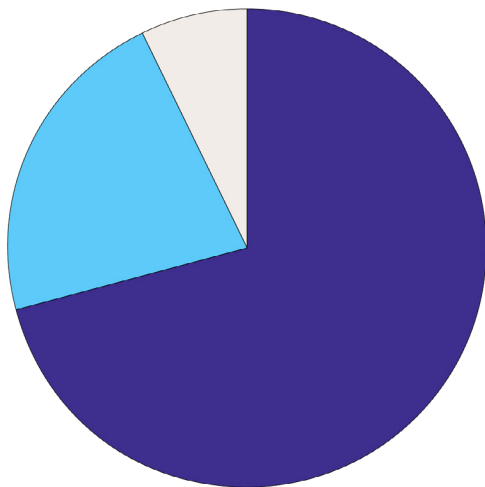
CEOs/EDs are the drivers of succession planning for their senior team. The results highlight a significant gap and potential challenge:



## CEOs/EDs

Respondents shared the current state of succession planning for their roles (CEO/ED).

Often, CEO succession plans are board-driven. What we found is a wake-up call for board members.

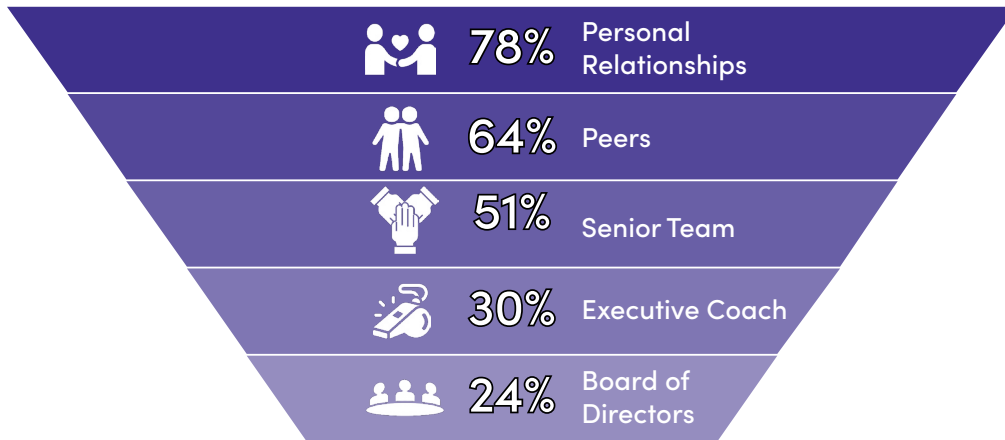


- 71% of respondents have not communicated a succession plan to their board
- 22% of respondents have formal plans shared with their board (with or without a specific successor identified)
- 7% have informal plans shared with their board

# CEO SUPPORT AND PLANS

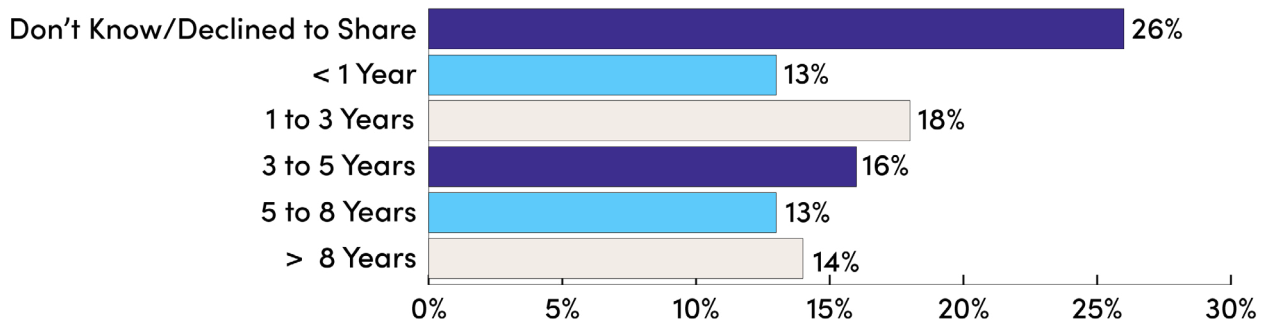
## Support

Life as an ED/CEO can be lonely. Respondents shared where they draw primary sources of support in challenging times. The following highlights where they often or always draw support (many chose multiple sources of support):



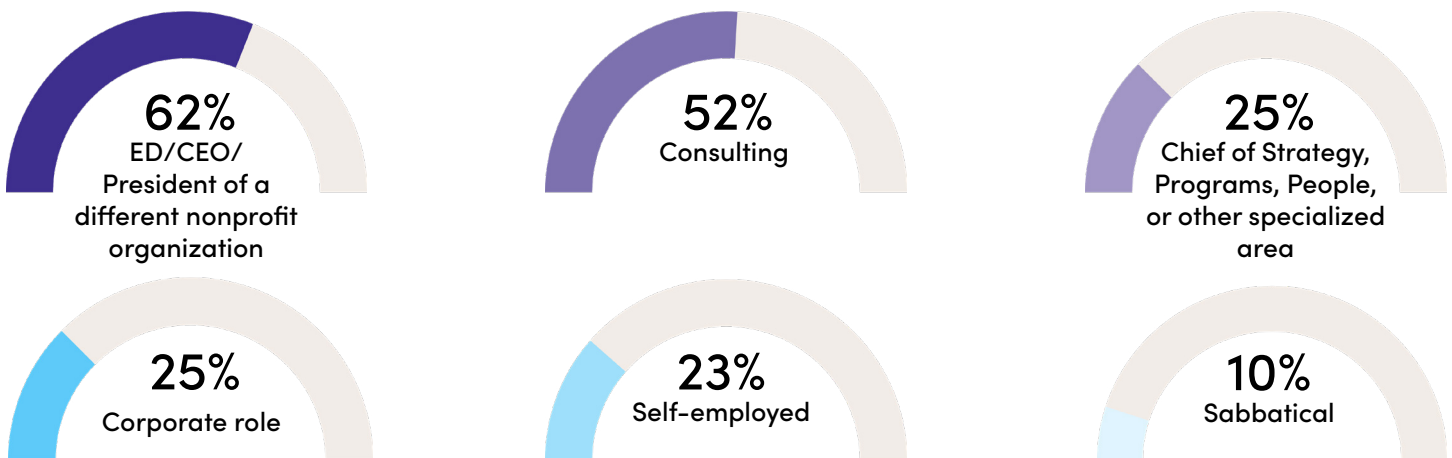
## Plans

Organizations need to be ready for more turnover at the top in the coming years. Now is the time to consider succession planning for the C-suite. Respondents shared how long they plan to stay in their current role:



## Potential Next Roles

The overwhelming majority of respondents selected multiple options for their potential next role.

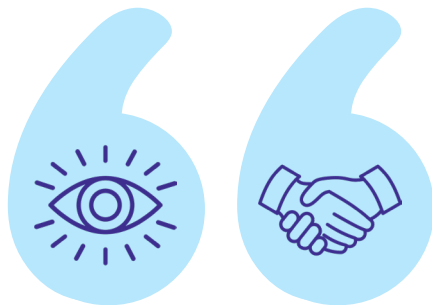


# LEADERSHIP PRE-PANDEMIC

Respondents were asked to describe their leadership style pre-pandemic.

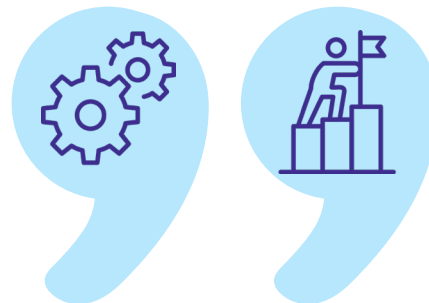
**Collaborative** was the top descriptor. Followed by **inclusive**, **flexible**, and **open**. Other frequently mentioned descriptors of leadership include **hands-on** and **goal oriented**.

“My main focus was **empowering** the team, coming up with a **collective vision**, and making sure everyone was bought in to the mission and the plan.”



“[I was] focused on getting work done urgently, and collaboratively, and **working in partnership** with my team and external organization toward shared goals.”

“[I had a] highly adaptive leadership style, adjusting to the demands of different situations. Most commonly **leading from behind by creating systems and structures**, and helping people to see ways they could grow and shine.”



“I was more of a coach in 2019. My team had clear requirements and understood the expectations of them and their team. I served as a **guide to help them accomplish goals and objectives**.”

# LEADERSHIP TODAY

Respondents were asked to describe how their leadership style has evolved (if at all) over the past few years. Many described shifts at the intersection of their personal and professional lives. Some leaders mentioned that their leadership style remained relatively consistent, even in the face of significant changes.

## Top Themes

### Openness to Change



Adapting to significant personal and professional changes, such as job transitions, relocation, and family demands, impacting their leadership styles.

### Empathy and Support



Becoming more empathetic and supportive, particularly towards working parents, women, and BIPOC staff.

### Flexibility and Adaptability



Being flexible and having an adaptable leadership approach, especially in remote work environments and as the needs of staff are changing.

## Other Notable Themes

**Empowerment and Trust** especially related to decision-making.

**Transparency and Communication** especially during times of change.

**Inclusivity and Diversity** and specifically championing opportunities for women and BIPOC staff.

**Strategic Focus** on how to leverage the ED/CEO role for organizational success.

**Collaborative Leadership** especially when transitioning to new organizational structures or roles.

#### IN THEIR OWN WORDS



Change is hard, but necessary [and] unavoidable... [it's] best to embrace it and dig in and view it as a strength."

- Survey Respondent



## As you look to the future, what are your biggest concerns related to talent at your organization?

### Top Concern Areas Expressed by Respondents:



#### Recruitment and Talent Acquisition

- Challenges in finding qualified individuals willing to work for nonprofit wages.
- Difficulty in hiring the right individuals for organizational growth and culture.



#### Compensation and Benefits

- Concerns about compensation and benefits packages.
- Need for competitive salaries to attract and retain talent.



#### Retention and Talent Development

- Retaining talent, especially when work volume is high but tasks are routine.
- Providing learning opportunities, advancement, and professional development.
- Providing upward mobility and career paths for entry-level positions.
- Succession planning for experienced staff.



#### Diversity and Inclusion

- Attracting and retaining a diverse staff.
- Accountability in the DEIB (Diversity, Equity, Inclusion, and Belonging) space.



#### Financial Challenges

- Need for increased funding to upgrade salaries and hire for new or open roles.
- Challenges in securing funding for BIPOC-led and serving organizations.
- Incorporating regular pay raises for staff and fundraising for them.
- Aligning finances with organizational need and capacity.



#### Organizational Growth and Sustainability

- Maintaining culture and connection as headcount changes.
- Equipping the leadership team to meet the moment by deepening skills and knowledge.
- CEO succession planning and hiring strong leaders.

## As you look to the future, what are your biggest hopes related to talent at your organization?

### Top Hopes Grouped by Theme:

1	<p><b>Team Development and Engagement</b></p> <ul style="list-style-type: none"> <li>• Investing in team members' growth and creating a collaborative work environment.</li> <li>• Building a motivated and dedicated staff.</li> <li>• Producing thriving leaders.</li> <li>• Retaining and developing the best staff.</li> <li>• Growing the talent pool and promoting from within.</li> <li>• Offering growth and promotion pathways.</li> </ul>
2	<p><b>Organizational Growth and Adaptation</b></p> <ul style="list-style-type: none"> <li>• Hiring new senior roles and attracting skilled executive staff.</li> <li>• Stabilizing the field and attracting mission-focused team members.</li> </ul>
3	<p><b>Financial Sustainability and Fundraising</b></p> <ul style="list-style-type: none"> <li>• Attracting unrestricted funding to increase compensation and grow programs.</li> <li>• Retaining employees through competitive wages and benefits.</li> <li>• Creating opportunities for professional development and mentorship.</li> <li>• Transitioning to a stronger infrastructure for better team performance.</li> </ul>
4	<p><b>Diversity and Inclusion</b></p> <ul style="list-style-type: none"> <li>• Attracting diverse talent.</li> <li>• Diversifying staff by race, gender, and perspective.</li> <li>• Ensuring support and development for staff.</li> </ul>
5	<p><b>Leadership and Succession Planning</b></p> <ul style="list-style-type: none"> <li>• Hoping for the next leader to open new possibilities for the organization.</li> <li>• Building a team with a succession plan and layers of coverage.</li> <li>• Growing internal talent and promoting ownership of projects.</li> </ul>
6	<p><b>Community Impact and Advocacy</b></p> <ul style="list-style-type: none"> <li>• Advocating for the importance of the organization's services.</li> <li>• Supporting community development and engagement.</li> </ul>
7	<p><b>Remote Work and Efficiency</b></p> <ul style="list-style-type: none"> <li>• Acknowledging the benefits of remote work for efficiency and work-life balance.</li> </ul>
8	<p><b>Stability and Resilience</b></p> <ul style="list-style-type: none"> <li>• Hoping for staff retention and stability.</li> <li>• Stabilizing the organization during future crises.</li> </ul>

## About DRG Talent

DRG is a talent advisory group that serves purpose-driven organizations that care for, inspire, and enrich the lives of people all over the world. Our team of talent advisors shares a commitment to the values that matter to our clients, bringing more than 30 years of experience to serving the nonprofit community.

As a talent advisory group, we offer a suite of services to help nonprofits search for, attract, and nurture innovative, diverse leadership for their organizations. We also help organizations maximize their impact through talent assessments, transition planning, and by providing insights into compensation and organizational design. Our mission is to support nonprofits in bringing together the right leadership, talent, culture, and structure – so people and organizations can thrive together.

