a collaboration of :
NextAfter
& LifeThrive

Optimize Your Team and Improve Your Results Using Human Data

How Nonprofits Can Use Human Data to Hire, Develop, and Retain Top Talent.

Foreword

Why I Stink at Hiring

There is something that I need to confess—I stink at hiring good people. In fact, I'm horrible at it.

Let me explain: for the first several years of NextAfter's existence, we were batting less than .500 with our new hires (if you are not a baseball fan, that means that we had over 50% turnover for new staff). Now, for a small company that is really high. And what really stinks is that it was very expensive and very disruptive having every other new hire leave in the first 90 days.

I thought we were doing everything right. We would look for talented people that were successful in their previous positions at other companies. And we looked for people that shared our zeal for innovation and optimization—and even practiced it themselves. And even though the people we hired were extraordinarily talented, and just as obsessed with testing and optimization as we were, we continued to experience turnover.

Obviously, we were doing it wrong. And that's when I called Dr. Chuck Coker. After spending some time with him and taking our team through a battery of assessments, we learned that **we were neglecting the consideration of Human Data in our hiring process**. Once we understood the NextAfter DNA through the assessments, we began to screen all future hires first to make sure that their values and personalities were a right fit for our team and a specific role on that team.

And guess what—it has worked famously! Not only has our **turnover gone down to nearly zero**, but our new team members have been able to hit the ground running which has been a huge blessing to us as we have been scaling to meet the growing demand for our services.

That's when it hit me, *"I wonder if nonprofits could benefit from this stuff?"*

So, we invited Dr. Coker to come speak at our Nonprofit Innovation & Optimization Summit. He shared insights into how Human Data or the "H Factor" is the most important ingredient in any successful organization. Then he did something extraordinarily generous—he offered everyone in the audience an opportunity to take his battery of assessments for free!

Now, you must understand, when we screen new hires, it costs us $400 per assessment. But because Chuck shares our passion for helping nonprofit organizations optimize their results, he wanted to help all our attendees start the journey of better understanding themselves and their specific role within their organization.

And then we realized we had something very interesting—benchmark H-Factor data on over 500 people working in the nonprofit industry!

So naturally, we flipped into research mode. We took the anonymized assessment data and began comparing the results to national averages—what we found was absolutely fascinating. That's when we decided that we needed to turn this data into a study that could be shared with the nonprofit community.

As the data suggests, there are some **significant differences** between employees of nonprofit organizations compared to employees of for-profit organizations. Some of those differences make us unique and more suitable for charitable work. Some of those differences may be what draws us to this space in the first place.

But not everything that makes us different is necessarily good. As the study suggests, there are some significant deficiencies across every level of nonprofit employee. And it may be that these deficiencies in our H-Factor are holding us back from having an even greater impact.

Much more research must be done; however, this study points to significant opportunities to leverage H-Factor data to help us better hire, develop, and train top talent. At NextAfter, it has already helped us do just that.

Onward!

Tim Kachuriak
Chief Innovation & Optimization Officer
NextAfter

Introduction

In September 2017, the NextAfter and LifeThrive teams partnered to conduct an in-depth study of **500 nonprofit marketers and fundraisers**, spear-headed by Dr. Chuck Coker. These participants came from a variety of types of organizations (nonprofits, consultancies, and agencies) and sizes of organizations. Participants also held a variety of roles within their organization including:

- Executives (High-level decision makers)
- Mid-managers (Managers of teams)
- Practitioners (Non-managerial, functional roles)

500 study participants came from in-person and online attendees of the 2017 Nonprofit Innovation & Optimizaiton Summit.

In this study, we'll break down some of the most significant organizational problems in nonprofits today, using human data to understand why they exist and what we can do to solve them. We'll also compare nonprofits to their agencies to see how human data plays a role in their relationship.

Human data, or the "people factors" of your organization, plays a major role in your organization's effectiveness. In order to grow and improve, you need to understand exactly what factors influence organizational *effectiveness* and employee *performance*. By the end of this study, we'll explore four steps that can help improve the productivity, performance, and profitability of nonprofit organizations and agencies.

What Did We Assess?

The study was conducted from two unique perspectives.

First, we started with an assessment of 500 nonprofit marketers and fundraisers called the Tri-Metrix –an assessment published by Target Training International. The purpose for this assessment was to remove any emotionally based biases that might exist about who nonprofit marketers and fundraisers are, how they might approach their work, and the types of cultures that exist around them. Additionally, we wanted to glean recommendations that would position nonprofits at or above the effectiveness level of those marketing in the for-profit community. The only way to identify the differences was through unbiased data and research.

The Tri-Metrix uses three independent assessment tools to gather human data. The reason for using this battery of assessments is because of the increased accuracy of the information retrieved. A single battery can provide reasonable accuracy, depending on the type of validity used. Two assessments are better. However, when three assessments are in use, it becomes a multivariate analysis and the accuracy of the information improves to 90+%.

The three types of information that these assessments gathered were:

1. **Behaviors** – These provide insight into an individual's **four dimensions of normal behavior**. Based on Dr. William Moulton Marston's book, "The Emotions Of Normal People", DISC is a validated and accurate measure of each of those behavioral dimensions and provides insight on how a person will approach their work.

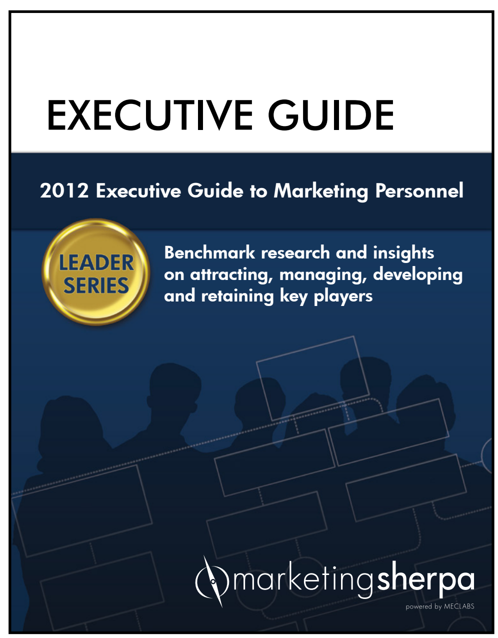
2. **Motivators -** These are made up of the personal **priorities, attitudes, and values** an individual has gleaned from their environment or culture system. Based on Eduard Spranger's Book, "Types of Men," this assessment helps us see into an individual's motivations. Motivators are what cause people to prioritize what they believe is important, and therefore determine *why* they approach their work the way they do.

3. **Axiology** - This is the study of values and how those values come about in a society. It seeks to understand the nature of values, judgment and worth. Based on Robert S, Hartman's work "The Structure of Value," two areas of knowledge are gleaned from the assessment:

   - **Capacities** – Each individual has capacities for or the ability to perform and develop in 66 different core skill areas of life. These aspects help us identify the "mental resume" which is most often the outgrowth of the genetically formed behaviors and the culturally influenced motivators.

   - **Dimensional Balance** – The Dimensional Balance provides insight into how people perform in external environments, as opposed to how they see themselves in their own light.

Second, LifeThrive created an additional study which was extended to these same participants. The survey consisted of **10 specific questions** about the issues their organizations faced that were impacting *productivity* and *performance*. The purpose of this study was to identify the biggest issues that are facing nonprofits today. Additionally, we wanted to know if nonprofit challenges were unique and different than those of the for-profit industry.



By comparing and contrasting the information studied by Dr. Coker in his 2012 study of 1,646 for-profit marketing professionals, we would be able to identify the key factors impacting performance and productivity unique to nonprofits. With this data, recommendations could be made to accelerate growth, development, and giving to charitable causes.

By conducting these two correlated studies, we were able to take the information we gathered on the executives, mid-managers, and practitioners in nonprofit organizations and agencies to identify what people issues are actually causing performance problems. Together, these studies identify what is inhibiting organizations from reaching more donors, improving their fundraising, and reaching their potential for success.

So, what are the issues challenging nonprofits today? **Are people a part of the solution, or the problem?**

While we don't have a complete answer, these studies gave us a deeper insight into where the challenges exist and what we, as nonprofit industry leaders, can do to help our organizations succeed in the future.

What Challenges are Nonprofits Facing Today?

Without an understanding of what the challenges are, we'll never be able to obtain better results, nor will we unleash "The Most Generous Generation." From the responses we received, we've identified four major challenges that nonprofits currently are facing.

Nonprofits seem to be hiring at random.

This was our first area of major concern of the nonprofits we surveyed. Nonprofits have little-to-no formal process of looking into their organization and identifying where problems or people needs exist. For any organization, big or small, it's critical to know where challenges exist in order to learn, grow, and change in order to prevent those issues from becoming long-term problems.

Because there is no needs analysis being done, several major issues arise.

All levels of employees—executives, mid-managers, and practitioners—had similar behavior styles to the national norms. This is contradictory to the needs of a specific job description, its tasks, and processes. If nonprofits were hiring people that had the right personality types, mindsets, skills, and values for a specific role, it wouldn't look like the national average. You can't use a person with average behaviors to do either an executive's, a mid-manager, or a practitioner's role. You need **highly specified behaviors** for each role because it's those behaviors that are going to naturally impact the way a person approaches a job and the way that they perform, especially in high-stress situations.

80% of nonprofits don't have a formal process for attracting and retaining employees. When there is no process, *hiring is done at random* based on personality, an interview, and a resume. This is concerning because recent studies show that over **40% of the information on resumes today are either exaggerations, fabrication, or outright lies**. So, when we screen and interview based on resumes, 40% of the information received is not accurate. Imagine what would happen if we used 40% incorrect information to determine our marketing and fundraising budgets. It would be senseless, and we'd be flushing money down the toilet.

92% of nonprofits have not analyzed job requirements, and do not have a position benchmark set. This means there's no criteria that allows the hiring manager to understand exactly what the needs are for that position. One challenge is that a typical job description is written as tasks. When someone looks at the tasks, unless specified, all tasks are equal to the others. The truth is that it is not just tasks that people perform; it's processes and procedures. People are wired differently and therefore will conduct the same process and procedure differently than someone else. So, when a job description is written in a task format, you lose the ability to prioritize which tasks or which process/procedure is most important, and which should receive the highest level of priority.

For example, a nonprofit executive probably is going to spend 50% of her/his time representing the organization, communicating, raising funds, and doing other similar tasks. Because of this, more than 50% of the executive's personality must be focused on speaking, communicating, and strategic thinking. If this job description were listed in a description as tasks, these major areas would be given equal weight to administrative details in which executives are obviously less involved.

The hiring process has no structure.

61% of the hiring managers told us that they're using the least effective processes to acquire new employees. Resumes are only 14% effective at obtaining an employee and retaining that person for five years or more. In fact, resumes actually are the least effective hiring aid. This is a significant issue, and we'll cover this more when we discuss retention later on. Resumes, background checks, and employer checks on employment don't uncover the most critical point in the hiring decision: *Does the person have the behaviors or genetic capacities to do the job, and will the candidate fit into the culture we're asking them to embrace?*

According to our data, 61% of people do not use the key criteria that bring about retention. According to the Bureau of Labor Statistics, the average tenure for an employee in a corporate environment is two years and four months. If you follow a prescribed process that includes benchmarking the role and hiring to that benchmark, the average retention rate will increase to 4.4 years. It will double simply because you're using available data.

Nonprofits seem to be hiring at random. *Because there is no formal hiring process in place, there are systemic issues of people not being a good fit and this leads to a very high turnover rate.*

ACQUISITION

40% of the information on resumes today are either **exaggerations**, **fabrication**, or **outright lies**;

YET...

61% of the hiring managers told us that they're **relying primarily on resumes** to make hiring decisions.

TO MAKE MATTERS WORSE...

92% of the job descriptions being hired for are not aligned with the **behavioral skills** needed for the job.

IN EFFECT...

NONPROFITS SEEM TO BE HIRING AT RANDOM.

92% of job descriptions are not aligned with the necessary behavior skills needed to do that job well. Every job has a very specific set of requirements, and jobs performed by people must meet the natural genetic code that a person carries into the job. For example, some people prefer a fast-paced environment, and others prefer a slow pace.

Job benchmarking is not that complicated. A simple 15-minute test by subject matter experts will be able to pinpoint what exactly is needed in a given job. This will allow the hiring manager to prioritize those needs during the hiring process to ask the right type of questions. Creating a standard set of interview questions can eliminate interview biases and ensure that the same questions are asked to each candidate. It then allows for conclusions to be drawn from objective data by multiple people.

If a person's natural behaviors are not in line with the job they were assigned to do, they will not perform, and they will experience a high level of stress while they attempt to perform. When stress and adrenaline levels *increase*, the cognitive abilities of the individual *decrease* and the heart rate increases. This causes a person to be stressed out and exhausted at the end of the day, and **eventually leads to burnout**. When a person isn't aligned with the behavioral skills of the job, it's a prescription for burnout, for turnover, and for internal conflict between employees.

24% of the nonprofits surveyed used no assessment whatsoever to identify whether they were hiring the right person. Only 31% tested for the skills that were necessary to do the job, and 92% did not test to match the person to the job. How is it possible that 69% of the nonprofits in America know that the person they're hiring is going to be able to do the job when they don't test for it? Truthfully, they won't. It's a costly gamble.

The challenge we find in most nonprofits is that interviewers often sell people on why they should work for their great cause and organization. But the hiring process should be a screening process, not a sales pitch. Interviewers need to filter out people who do not fit. Interviewees should want to work there already and shouldn't need to be sold on the fact that the organization has a great cause. If you receive nonprofit status, you have a legitimate cause.

The onboarding process is incomplete and does not encourage development.

According to the University of Continuing Education, the number one desire by employees between 25 to 40 years old was to grow and develop – both personally and professionally. This means they want to be challenged, and they want their resumes to be built as a result.

54% of respondents said that their job description was so general that they must remain flexible and do whatever is needed. There is little to no specificity. This may be understandable in small nonprofits. But if people don't know what they're supposed to do and there's no predictability concerning the future path of the organization, there's no way to comprehend what preparation, research, and development needs to be done. This is disengaging to most employees who prefer an environment of predictability. They have no way to foresee their future, and, therefore, there is very little sense of attachment to the organization.

Most jobs in the nonprofit space tend to be a dead end. If 54% have a generic job description that requires them to remain flexible, and 92% of people have no career path whatsoever, these jobs provide no incentive to grow, develop, or improve. With turnover as high as it is at nonprofits, it's obvious that after several years most employees realize they aren't going anywhere in their careers unless they leave.

8% of respondents were provided with a full career development process after being hired. In other words, 9 out of 10 people that work for a nonprofit have no glimpse, and therefore little hope for the future. They have no idea where they're going. This indicates that most people working in nonprofits are there because of an emotional attachment. Emotional attachments only last until the newness wears off. If there is no full career development process and the person doesn't see their future within the organization, there is no reason for them to engage

DEVELOPMENT

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AND...

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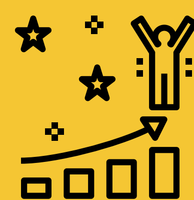

BUT SOMEHOW...

78%

believe that the **work ethic** and **synergy** of their organization is good.

THIS TELLS US THAT...

MOST JOBS IN THE NONPROFIT SPACE SEEM TO BE A DEAD END.
AND MOST PEOPLE DON'T SEE A PROBLEM.

long-term. If there's no engagement, there is no organizational wellness, and there is very little chance for the organization to become profitable or productive long-term.

78% believe that the work ethic and synergy or their organization is good. This is striking because these are the same people that just told us they have no direction or career development plan. This is another indication that there is an emotional attachment, but there's little objectivity long-term. How can this be possible? A strong emotional attachment to a cause could lead one to think that their organization is doing just fine. This perception of work ethic and synergy is not necessarily a result of what the organization is doing to become more productive.

The retention process does not address key issues.

68% of respondents believe that all or part of the positions in their organization are held by the wrong type of people. From an outside perspective, we're tempted to think there must be a mistake here. But this data comes from real people working in the nonprofit organizations. If one translates what we have learned to this point, we could rightfully assume these respondents are saying: "I am excited about what we are trying to do, but I honestly don't believe that the people here are as committed as they say they are."

53% of people believe that their management is qualified and competent. While it would be easy to see this answer as a direct opposition to the previous response, we must consider that most nonprofits are small. Management at many nonprofits is just the founder or the visionary. Since it was their vision, one of these respondents might say "Who understands what needs to be done better than the founder?" While the founder of a nonprofit has a focus on what needs to be done, it is obvious that they may not always have the executable skills to perform at a high level based on this response rate.

70% turnover was reported for practitioners under 5 years. This is devastating. The amount of organizational knowledge lost because of this turnover rate is unmanageable. However, it is not surprising when we consider the lack of hiring, development, and career opportunities available to the practitioners. Emotion and enthusiasm for a cause will only last so long, and burnout is one of the key causes for turnover in most nonprofits.

40% of organizations report turnover issues.

40% of the organizations reported there were turnover issues in the organization. This is scary because that turnover impacts the relationships necessary for maintaining relationships with donors. There must be consistency of interaction and connection with donors. Donor relationships, as has been discussed many previous NextAfter studies, is critical to increasing the annual giving of the organization. Without that connectivity, donations will not continue.

These numbers are high, but they are not untypical for a "small business" where structure and organization development processes do not exist. The good news about these statistics is that there are answers available at very reasonable costs that could improve the organizational well-being dramatically. However, it appears that the people in the organization get "lost" in the pursuit of the vision. When an organization realizes that it is the people that make the vision a reality, change will occur, and the organization will prosper.

What We Discovered About People

What is the source of these challenges for nonprofits today? Now that we know what the challenges are, let's break down the people aspects of respondents. We'll look at three main areas of people metrics: *behaviors*, *motivators*, and *dimensions*. These will help us identify what types of people are working in the various roles within nonprofits, how they approach their roles, and what are the most probable sources of the challenges that we've outlined.

RETENTION

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AND ONLY...

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THIS LEADS TO A...

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+

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ARE PEOPLE A PART OF THE PROBLEM? OR ARE THEY THE SOLUTION?

Behaviors:

An Indication of How People Approach Their Job

Behaviors are the genetic makeup of an individual, and indicate how people's natural instincts, pace, and communication style impact the way they naturally approach a job.

Overall, the nonprofit community looks very much like a cross-section of the American population. The only minor differences are that they are slightly more optimistic, detail oriented, and open to change in their work environments. Their higher degree of optimism is the fuel for their cause, as long as they can maintain it.

We could say that they have to be open to change because many nonprofits have evolving fundraising and work needs, even though the mission remains the same. They're in a constant mode of fundraising because they're seeking to serve a specific cause and are not "required" to save or develop reserves for the future. Therefore, a person in the nonprofit space needs the capacity to change, whereas the average person in America desires more predictability in a work environment. While the average employee usually knows what the next day looks like, nonprofit employees' demands are based on the current state of the organization.

BEHAVIORS

Only 35% of nonprofit executives are task-oriented and strategically focused.

They have optimism around the cause, but they lack the forward-thinking behavior to push new ideas forward.

Middle-managers are more task-oriented than executives.

They're trying to get things done, but they don't have clarity and direction from their leadership.

Practitioners are 83% people oriented, and only 17% task-oriented.

They value collaboration, but it is hard for practitioners to focus on tasks and get things done.

NONPROFITS ARE LOOKING FOR SOMEONE TO LEAD THEM.

In preparation for this section, let's consider the behavior types that impact the way a person approaches a role. The DISC assessment is designed to accurately measure the four dimensions of normal behavior. Generally, there are two dimensions that are "default" response avenues (with one higher and a second somewhat high) that take precedence during normal interaction and under stress.

Those dimensions of how a person approaches their role are:

Dominance (18% of people) – This dimension has a distinct extroverted orientation to tasks more so than people. It's not that the person does not like people, but the urgency of the task outweighs the relationship in many cases.

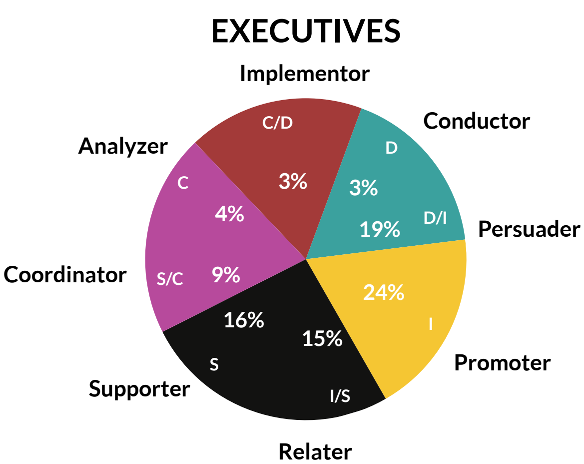
Nonprofits are looking for someone to lead them. *Many organizations approach agencies and consultants because they're desperate for someone to provide new direction. This data explains this phenomenon because some leaders don't have the long-term strategic experience, training or the sense of urgency to push the organization forward.*

Influence (28% of people) – This dimension influences others to a point of view with a distinct extroverted people orientation. The outlook is sunny, the edges are soft and causal, but the pace remains faster. They often get lost in trying to build relationships, while less gets accomplished task-wise.

Steadiness (40% of people) – This dimension has consistency and it responds to the pace of the environment with a distinct introverted people orientation. They dislike change and thrive on predictability due to a need for security. They too can get lost with the team's cares, concerns, and needs.

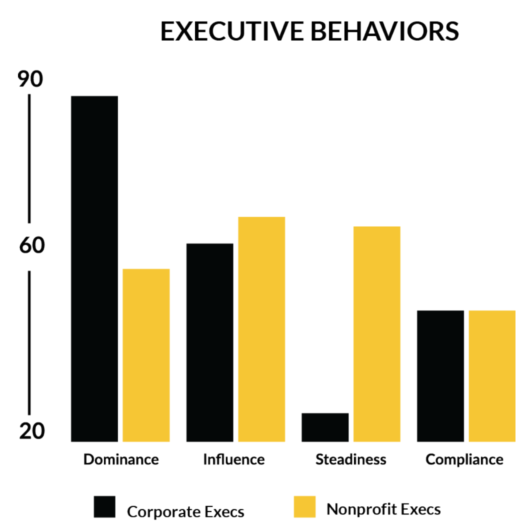
Compliance (14% of people) – This dimension is defined by constraints and how it responds to rules and procedures set by others with a distinct introverted task orientation. They tend to be more rigid and inflexible than others and may appear cool or aloof, but it is purposeful – self-preservation. They tend to worry, and that is why they want to make sure that things are done properly.

We are going to look at these behavioral types across three types of nonprofit employees: *executives*, *mid-level managers*, and *practitioners*. We will define how the behaviors impact how nonprofit employees approach each role, and then compare to see if the roles in corporate environments are similar or compare to the national norms. Common sense tells us that certain behavioral traits fit particular roles better than others, and therefore provide higher levels of productivity and performance. In a nonprofit organization, behaviors influence every day work-life and the organization's ability to get things done.

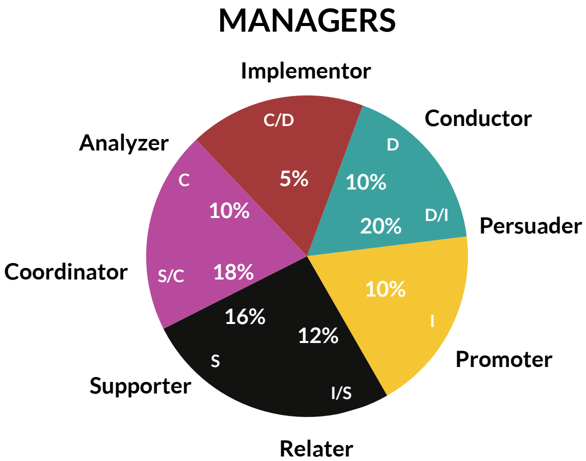


Behavioral Types of Nonprofit Executives

Nonprofit executives are less strategically focused, and more communication and people-oriented. 35% percent of nonprofit executives are task-oriented, while 65% are people-oriented. This indicates that the nonprofit executive is behaviorally more like the national norm and less results oriented. This is in strong contrast to the typical corporate executive who is normally more task oriented (60 – 65%) than people oriented. While the Dominant behavioral style only comprises 18% of the population, they manage almost 70% of America's corporations.



This lower task-orientation and higher people-orientation illustrates the optimism behind the "cause." However, it also indicates that the nonprofit executive will tend to be **much less strategic, but carry a higher degree of emotional attachment than their for-profit counterparts**. Most often they do not have the dominant forward-thinking behavior that drives them to think ahead or to push forward new ideas. Their people-orientation gives them slightly more influence, but they can be stuck in their ways of doing things and less willing to change. As a result, nonprofits want to *do the same things year in and year out*, when in reality, they need to refocus on current market trends and what is changing around them.



Behavioral Types of Nonprofit Mid-Level Managers

Nonprofit middle management is less strategically oriented and more team and detail-oriented. According to our data, 45% of mid-level managers are task-oriented and 55% are people-oriented. The mid-level managers are more task-oriented than the executives. This is cause for concern because mid-level managers are trying to get things done and the executives may not be providing them with clarity and direction.

In our experience working with nonprofits, we find many people in nonprofit executive positions had a previous career in the for-profit space. While they may be working in the nonprofit space because they're passionate about the cause, they may not be a "natural fit" for the executive role. Since they are passionate about the cause, compelling in their presentations, and focused on the greater good, it's often assumed that they must be good fit. However, it's the people in the trenches, the mid-level managers and below, that often are the ones who seem to have a better "fit" for the roles of executive leadership. They are frustrated because their executives can paint a beautiful picture of the cause, but they have no clue how to direct the efforts and ensure the right things get done.

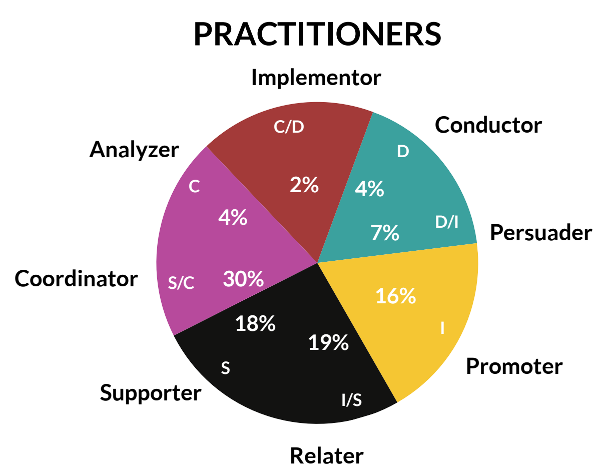
This is similar to why so many entrepreneurs fail. They get stuck in the vision and have no capacity to direct the tasks. Here we see that there is a huge difference in the ability of mid-level managers to direct their teams. Even though the assertiveness of nonprofit mid-level management is above the national average, it still is 15 to 20 points below the national norms of corporations. This means they are lacking the ability they need to drive the tasks to completion with a high degree of efficacy.

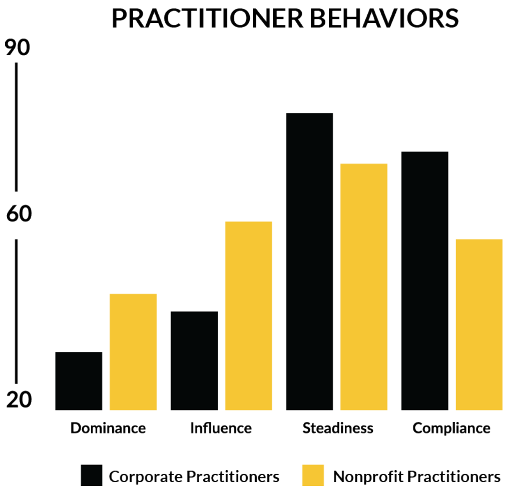
When a manager doesn't have the ability to influence the practitioners on their team, there are problems in communication, employee engagement, and organizational wellness. This leads to employees prioritizing a predictable environment rather than getting the job done. *Managers are often just trying to make sure everyone comes to work and has a nice task to do each day.*

Additionally, their compliance level is above the national norms. So not only do they want a predictable environment, but they want it in the specific way they decide. There's no flexibility to consider doing things differently. The mid-level manager is trying to build that predictability without direction or focus, but make it what they think it needs to be. This leaves too much leeway for people who desire structure.

Behavioral Types of Nonprofit Practitioners

Nonprofit practitioners are somewhat less task and detail-oriented, but they're better communicators. The practitioner is 17% task-oriented and 83% people-oriented. When you give a task to the practitioners, they're going to think about it. They're going to talk about it. They're going to interact with each other. They're going to collaborate, collaborate, and collaborate some





more. Things will take a very long time to arrive at completion because there is little task-orientation.

They can talk about progress, but don't have a strategic plan. They don't need a predictable environment; they need a changeable environment that is actively seeking new ideas to meet the changes of their donors. The general understanding internally is this: "We're working in an environment where someone has donated money to fund the roles. I have a job and that's all that really matters."

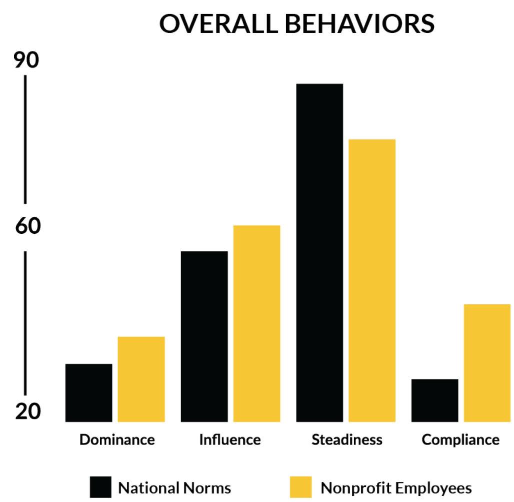
Compared to national norms, nonprofit practitioners may have a bit more personal assertiveness, but they do not have the task orientation pushing them to perform. They talk more, but the predictability of the job isn't there, nor is the attention to detail of how the job is performed. What happens is that conversations continue, but because there is a lack of task-orientation from above, the practitioners are not required to complete tasks in a timely manner. Management oversight would help them execute their job descriptions and complete detailed tasks with predictable results.

How do Nonprofits Behave Overall?

First, nonprofit employees don't have the same sense of urgency as employees in for-profit organizations. This is one reason why tasks aren't getting done as quickly and efficiently. This starts at the very top of the chain. If there's no sense of urgency, are people going to do anything? Are they going to be pushed to complete the task?

Secondly, they're not as competitive as the national norm. Because there's less urgency and less competitiveness, there's less pressure to problem and task resolution.

In comparison to national norms, there's a slight difference in organized workplace analysis, consistency, persistence, and being customer-oriented. Even though these differences are minor, it shows that nonprofits have a soft edge. There's less sense of urgency, so as long as we are meeting our funding needs, everything will be okay.



How do Nonprofits and Agencies Compare?

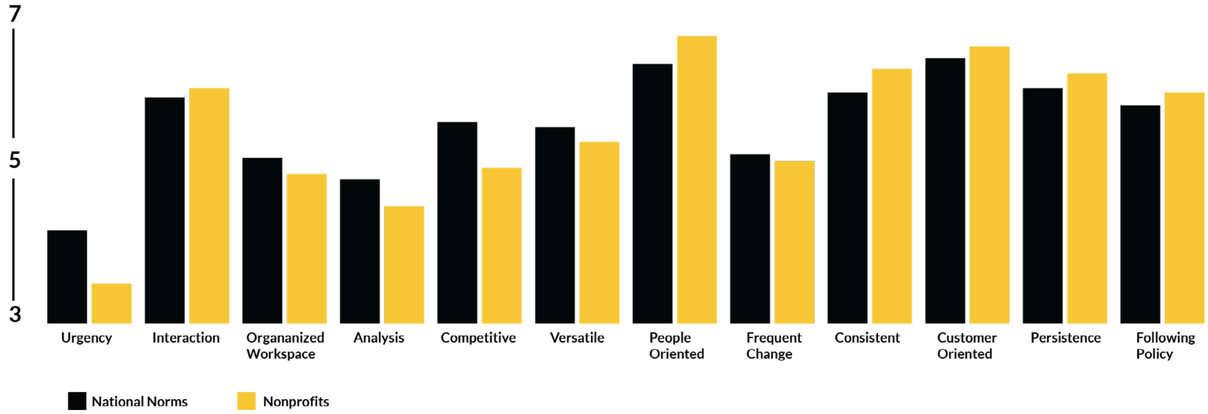
Nonprofits

As we've seen, there are significant differences in the people that fill particular jobs at nonprofits and the people that fill similar roles in the corporate community. Nonprofits aren't analyzing the people metrics which comprise the competencies and skill sets to do the job, the way for-profit companies are. They appear to be hiring randomly.

The differences in approach to defining job roles (the job descriptions and their process) eventually impact the productivity, performance, employee engagement, organization wellness, and turnover issues. Remember, 40% of organizations from this survey said there were turnover issues. This is due to a lack of engagement, lack of direction, and lack of organization wellness. These contribute to a 70% practitioner turnover in under five years.

On top of this, nonprofit employees appear to be less strategic, determined and competitive. They have less of a sense of urgency to perform, even though they are more people-oriented, collaborative, and interactive with others – especially their team members.

NONPROFIT BEHAVIORAL TRAITS



Agencies

Now let's take a look at Agencies. Like nonprofits, the agency community also looks somewhat similar to a cross-section of the American population, but it is more optimistic, prefers a less predictable environment, and is more open to change. They also tend to be more strategic than nonprofits.

People that work in and around nonprofits are normally more optimistic. They're open to change, but may not always know how to make it happen. They're also often idealistic, so there may not be a lot of execution. **Agency employees, on the other hand, know how to get things done at a higher level.**

There are multiple aspects that stand out in agency people. First, their **sense of urgency is much higher** than the national norms. They know what a deadline means. Second, they're much more competitive than the national norms. This means they know they must compete for their work, and they want to make sure it gets done. They also tend to be more creative, but are a bit less analytical and organized.

Agencies also are much **more adept at dealing with the frequency of change**, and they have a propensity to be less consistent. This is good because they're willing to try new ideas from a different perspective. They're willing to take risk even though it breaks the mold. Lastly, they have **less of a desire to follow policies**. While nonprofits have lots of policies—and they should—the agency isn't bound by them. This is important because their whole focus is results.

How do Nonprofits and Agencies Work Together?

Seeing the deficiencies in nonprofit segments, it makes sense why they seek out the counsel and partnership of an agency. Agencies get tasks done, and they're all about results. Agencies also tend to have higher dominant traits and competitiveness – both of which help them get more done.

When we compare national behavioral norms to nonprofits and agencies, we see similarities with three main exceptions: both nonprofits and agencies are *more open to change*, have a *less predictable environment*, and they *pay attention more to the details.*

Nonprofits and agencies are **both much more compliant than the average person**, and as a result, their donor appeals are based in more details and fact orientation to prove a point. This type of messaging produces a particular type of donor. Through other analyses and studies, we have found that type C donors—more compliant and analytical type donors—are more often the highest level of contributors. This is a direct result of messaging that is detail and fact oriented.

If behavioral traits of employees are influential enough to change the behavioral profile of a nonprofit's donor base, nonprofits have to pay more attention to behavioral traits as they seek to fill specific jobs. **If organizations want to develop more capacity and increase their effectiveness, they have to hire individuals with behavioral traits that are more in line with specific job requirements.**

Motivators:

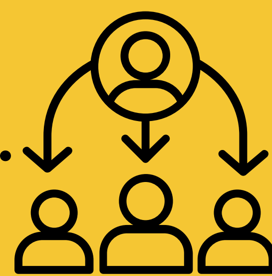
Cultural Trends Impacting Work Priorities

Each individual, consciously or unconsciously, develops priorities about how their life challenges and work should be approached. Those priorities have a foundation in what they learned to value through life experience from the time they were a child, through adolescence, schooling, and practical application. One's parents, teachers, friends, and the environments we choose to live in help formulate what's important and what the mental priorities should be. Those motivators will be the "roadmap" for approaching and justifying why tasks are approached in the manner deemed best by the individual.

MOTIVATORS

61% of nonprofit executives' motivations are intellectual, resourceful, and altruistic.

They want to lead, they care about others, and they want to share what they've learned.



AND...

63% of nonprofit management's motivations are objective, intellectual, and selfless.

Mid-level managers have a servant's heart and are driven to get things done.

BUT...

63% of nonprofit practitioners' motivations are collaborative and altruistic, lacking efficiency and effectiveness.

This is scary because people who are performing a practitioner level job need to be resourceful.

NONPROFITS NEED MORE PRACTITIONERS THAT ARE RESOURCEFUL

There are six key factors that are important to people. Let's take a quick look at each one:

Theoretical – The higher the *Theoretical* mindset, the greater role logic has to play with less emotion expressed. This motivator involves a passion for learning, information, and knowledge for knowledge's sake, so it can be applied in the proper circumstances.

Utilitarian – The higher the *Utilitarian* mindset, the greater focus on efficiency with less regards to "feelings." The priority is based on a return on investment of their time, energy and the resources applied. Wasting resources can be offensive if the scores are very high.

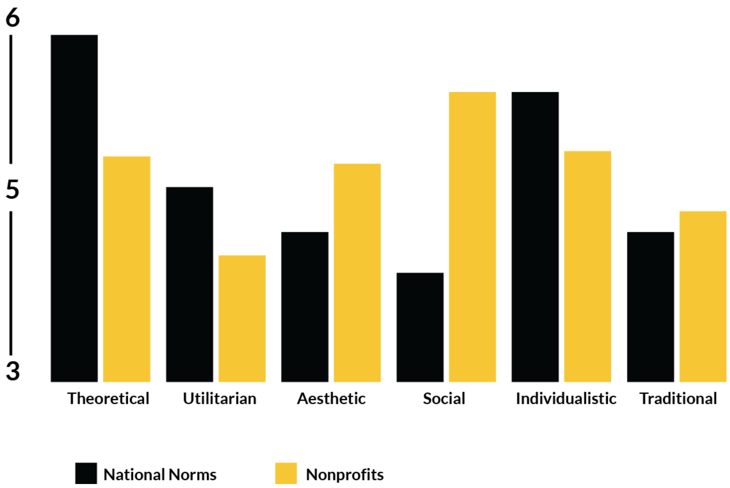
Aesthetic – The high *Aesthetic* mindset is much more subjective when it comes to the harmony, beauty, and imagery of their environment. It impacts how they feel and view things, and it evokes an emotional response often. Creativity and/or idealism is often found when the score is high.

Social – The *Social* motivator is often the driving force behind the nonprofits mission, vision and values, because of their focus on people and their causes. The higher the score in the social area, the stronger the desire is to help more and serve a wider group of people with less emphasis on self.

Individualistic – The high *Individualistic* mindset places a high priority on the individual's role and the expectations they place on themselves and others from a leadership or management perspective. A high individualist feels they know and understand what's important, and therefore have the capacity to make strategic partnerships or lead. The lower the individualistic score, the less value they place on the role of leadership.

Traditional – The high *Traditional* motivator indicates the desire for a particular type of structure in life, especially when it pertains to their world and/or moral view. The more structure desired, the higher the traditional score and the need for those beliefs to be shared.

OVERALL VALUES



How do Nonprofits Compare to National Norms?

Overall, when we compare the national norms and nonprofits, we see that **nonprofits are not as focused on the objective, task-oriented, theoretical and utilitarian mindsets**. By not being as concerned with the theoretical mindset – loving knowledge for knowledge's sake – they're *less inclined to use all of the available data* and information about their donor base and the people to whom they're appealing. Additionally, they are less inclined to use structure and task orientation in their approach to policies and procedures, as well as the hiring and development of its employees.

By not being as concerned with the utilitarian mindset, valuing rewards in return for our efforts, there's *less of a sense of urgency*. Since a nonprofit receives donations, the expectation is that there's no need to worry about the effectiveness of their resources. They're less motivated by money. One implication of this is that nonprofit employees generally get paid much less than for-profit employees, and they're okay with that. They care more about the cause than the payback.

When we look at the subjective aspects of a person's mindset, the aesthetic and the social motivators, we see that nonprofits are influenced much more by the environment and people around them than the national norm. The average person is less concerned about these motivators. But the nonprofit employee is overtly concerned about the circumstances, people, and environment around them.

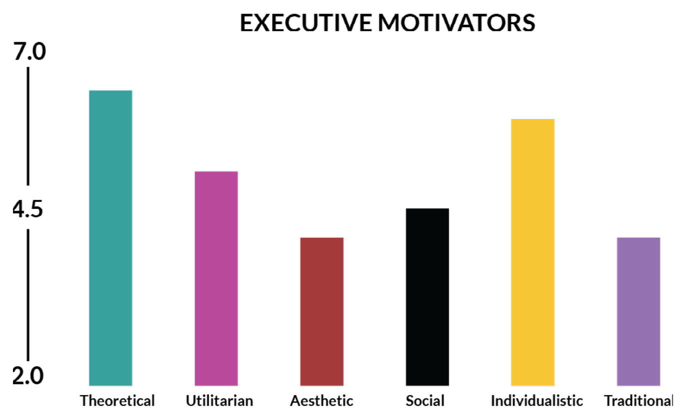
This means that people in the nonprofit space are going to be more moved by emotion than data and statistics. Therefore, they will try to push their cause by creating an emotional response – even if an honest, logical, and straightforward effort would have a higher pay off.

The last two categories, individualistic and traditional, represent an individual's belief systems. The national norm indicates that the average person has a strong belief in themselves, but **the people that work at nonprofits do not have a strong belief in themselves**. We understand this to mean that nonprofit employees put their belief in the cause above themselves. When there is less belief in themselves, there is often a *decreased sense of urgency to push their beliefs about what needs to be done.*

The traditional is similar to the national norm, but nonprofits are just slightly above the average. Nonprofits want to add structure. They want predictability in their job, even though they don't see predictability as a point of urgency.

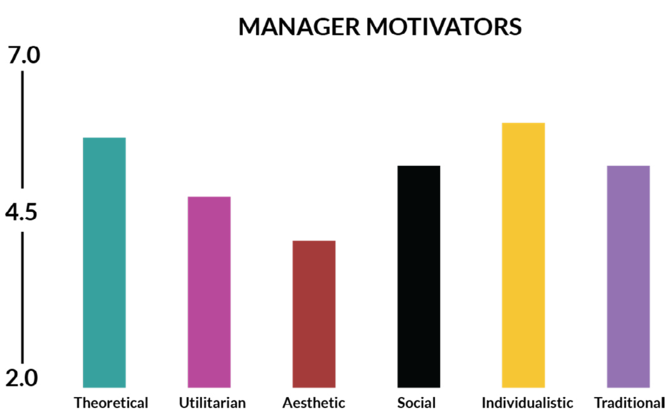
Motivations & Cultural Traits of Nonprofits Executives

Comparatively, executives' motivations appear similar to the national averages. Their belief system adds clarity to why they fit in and lead their organizations. Even though they do not have a strong task orientation, they do have a little more objectivity – at least they're trying to state their case in a logical manner. They have the desire to take information and make it known to other people, even though they may not push that process to completion.



61% of executives' motivations stem from a desire to be commanding, intellectual, resourceful, selfless, and altruistic. There's a unique mix with executives; they want to lead. This probably is why they either founded the nonprofit or sought after an executive position in the first place. They're using the information they have, and they're being resourceful about it because they care about other people and want to share what they've learned.

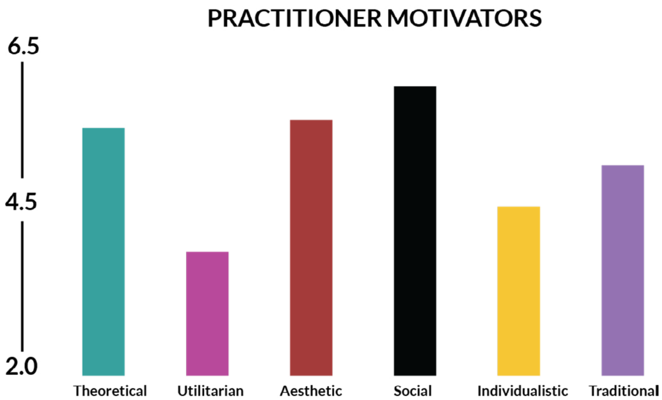
Motivations & Cultural Traits of Nonprofits Mid-Level Managers



Mid-level managers are very different than the average person. They are driven to get things done. They're a bit more objective, having higher theoretical and utilitarian mindsets, while the social mindset is very high. This indicates a care for those who work under them, while still holding their feet to the fire. A high social, individualist, and traditional mindset creates what we call the **servant's heart**. They want to serve within the organization. We learned from their behaviors that mid-level managers are the people at nonprofits that are driving to get tasks done. We see the reason for that here. They're trying to serve, and they're trying to push the agenda of the organization.

63% of their motivations come from a desire to be objective, receptive, intellectual, structured, and selfless. Compared to executives, **the mid-level manager doesn't feel the need to be in charge**. They may not need to be commanding, but they are going to be very objective about the information they have. They want to use their information in a way that stimulates people's intellect, and they want to structure it in a way so that other people will be selfless in giving to others at the organization.

The people in mid-level manager roles **tend to have a better grasp on what is needed to make the organization work** than the executives themselves.



Motivations & Cultural Traits of Nonprofit Practitioners

Practitioners have very low levels of objectivity. Even though they want to do all the right things within their job, **they're conceptually driven with less of a mindset for efficiency and effectiveness**. Therefore, they don't get as much done because they're busy talking about the ideal, rather than practicing the ideal. They're not as driven because they have lower self-opinions than the norms. They have a desire for structure, but it often seems overridden by the emotion of the moment.

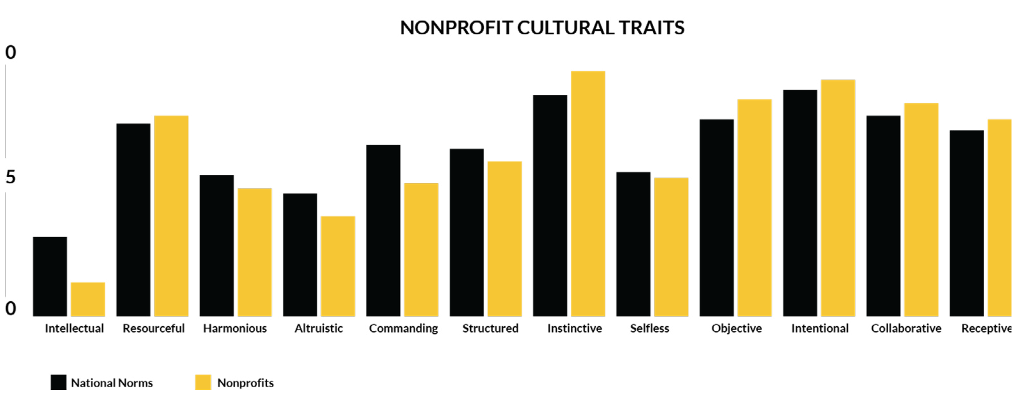
63% percent of their motivations come from a desire to be collaborative, intentional, altruistic, structured, and selfless. These point to what we've heard all along from practitioners: "I need my paycheck. I need direction about what I'm supposed to do because there is value in the work that I do and the organization I serve." They would much rather be directed than required to be resourceful and inventive.

This is scary because **people who are performing a job and fulfilling a role need to be resourceful**. Specifically, the practitioners should be the people bringing ideas to mid-level managers, who present them to the executives. Our data tells us that none of this is happening.

> ***If there is any space that should be full of resourcefulness (and creativity), it should be the nonprofit space.*** *From the beginning, there aren't many resources available within nonprofits. We need to hire people that have MacGyver-like instincts; they need to be able to look at the tools around them and be able to create and build with that they have.*

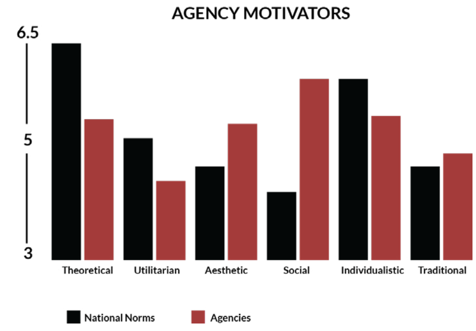
Overall Cultural Traits for Nonprofits

The data indicates that there are massive differences between nonprofits and the national norms in the reasoning behind the way they approach their work and the way they execute their roles. Nonprofits have unique priorities and differences culturally. They are unusually altruistic, collaborative, selfless, and desiring of a more structured and predictable environment. They also are less commanding, intentional, resourceful, and receptive to new ideas. They rely less on intellectual materials and more on instinctive gut feelings.

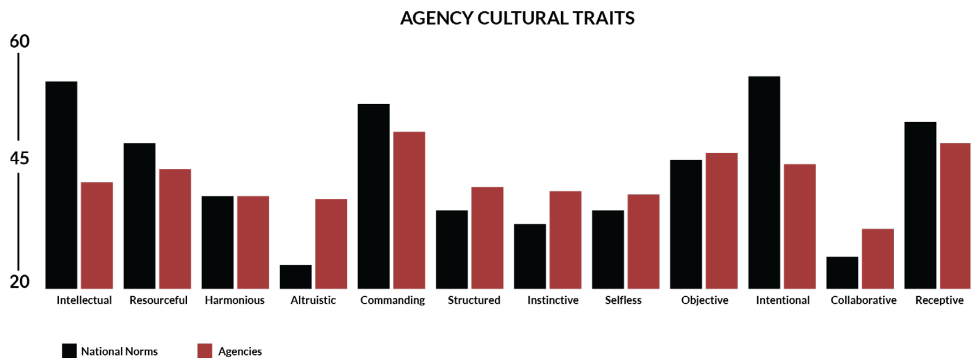


This data reinforces notions we talked about earlier. To oversimplify it, a lot of employees in the nonprofit space have a really big heart, but are not as driven to be effective as their corporate counterparts. They tend to rely less on intellectual resources, tend to be less resourceful, and are not driven by creativity because of the narrow focus of their environment. They're not looking around at their own environment to identify challenges that exist, and unfortunately are not as receptive to adopting proven tactics that are working in similar nonprofits. They are collaborative because they love people. They love helping and they want to do good, but they have a tendency to avoid taking a commanding presence. When the executives are leading the ship, they are less strategic and objective, leaving their team to be self-managed. This creates a false sense of security that what is being done is fine. This doesn't help practitioners get the job done.

Are Agencies Any Different?



The agency community's priorities are not the same as the national norms. They are more driven for results, but they are also a bit more subjective and open to change. While this can cause distractibility, it can also produce creativity. The good thing is that they have confidence in their capabilities. With their knowledge and intellect, agencies are more apt to be theoretically focused than nonprofits. Even though they weren't up to the national norms in applying their knowledge, they **exceeded the national norms through their desire for results and rewards for their efforts**. They were higher in the aesthetic and social motivators, indicating a more **balanced set of values** across the board than the national norms. Therefore, they're able to see what the average person cannot due to a strong objectivity and a high desire for harmony, balance, and people.



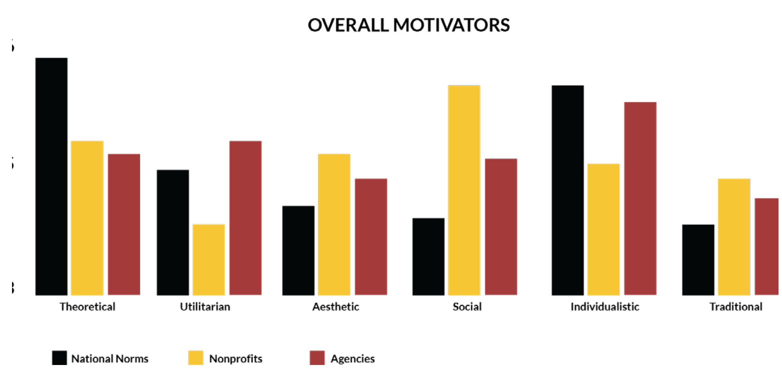
Agencies had a much stronger belief in self, and their traditional was at the national average. They are *subjective enough* to see things emotionally, and they are *objective enough* to take that information and apply it in a much more focused way to get a return on their investment.

Agencies demonstrated eight unique cultural traits. Intellectually, they're a bit low compared to national norms, but they were also extremely altruistic. They were stronger in their commanding abilities than the nonprofits, but still not all the way up to the national norms. They approach their work with more structure and instinct than the national average. Although they're not as intentional, they are more collaborative and receptive than the nonprofits to new ideas. This allows them to achieve more.

Overall, they're more intentionally focused on the task in front of them than the average person. They prefer following their gut instincts on what they know about the customers and the circumstances at hand. They're not normally tied to what everyone else is doing, necessarily. They will not do something for the sake of following a particular trend. They tend to be more selfless and generous than the average person.

How do Nonprofits and Agencies Work Together?

The nonprofit and agency community's work priorities are different than the general American population. They are the dreamers! They care less about how things have been done in the past, but are focused more on how things could be, as well as their impact on people and their causes. Nonprofits are less concerned about work rewards or making the most of their time and energy, and agencies have a much more balanced approach overall.



People who work in agencies still have a high passion for serving people and the cause while not allowing themselves to be forced to choose between doing good and making money. Knowing this, it makes sense why the aesthetic and social are higher than the national norms. **Many people tend to hit a glass ceiling working at a nonprofit, so they choose to start working for a nonprofit agency where they can help many nonprofit organizations**. They can do good while getting paid.

Dimensions:

How Participants View Their Roles and Themselves

The next area we will bring into focus is called dimensions – both the external world around us and the internal within ourselves. Most people "raise their game level" when they are around others. We exert effort to put our best foot forward and be seen as capable and competent. When we are alone, we relax and, in most cases, do not exert as much effort at proving to ourselves our value through performance. The national norms are therefore higher in the external than the internal, reflecting this concept. However, it is not always true as no one is truly "normal." Each person possesses their uniqueness.

DIMENSIONS

Nonprofits have a high degree of understanding for others.

This is what enables nonprofits to get down in the dirt and understand the people that they serve.

AND...

Nonprofit employees have a high degree of optimism about the direction they are headed.

This optimism may be an emotional response to their work saying "I'm doing the right thing. I'm going in the right direction."

YET...

Nonprofit employees tend to have a lower sense of self.

This lower sense of self likely stems from their focus on other people's needs while ignoring personal issues and problems.

THERE IS AN INTRAPERSONAL CONFLICT AMONG NONPROFIT EMPLOYEES THAT MAY BE KILLING EFFECTIVENESS.

To identify these dimensions, the Hartman profile allows us to measure six different areas which help us understand how individuals view both their external roles as well as themselves:

Understanding of Others
This is the ability to meet someone and gain a general understanding of where that person is coming from and what makes them unique. This is external, and is very much like empathy.

Practical Thinking
This measures the ability to figure out how something works, then subsequently identify and implement ways to address the challenge and meet the needs of that challenge.

System's Judgement
This involves a person's understanding of their role in the context of their environment: "Do I fit? Am I willing to go along with the ideas and concepts of the organization that I'm working with, or am I a very independent thinker that doesn't go along with anyone or anything?"

Sense of Self
This focuses on how a person views themselves. This is internal: "How well do I see and envision myself, and am I comparing myself to other people?"

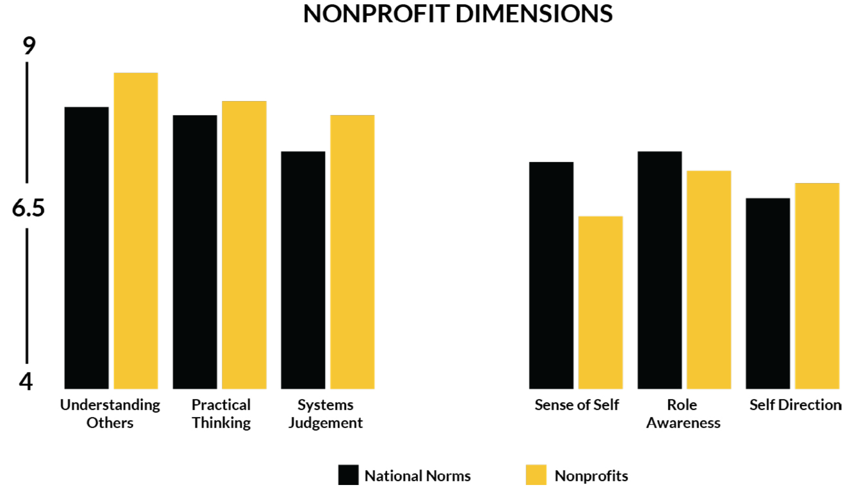
Role Awareness
This measures how well a person's job is aligning with their personal life: "Am I doing something that keeps my whole life in harmony? And if my whole life is not in harmony, either one or both parts are out of sync."

Self-Direction
This asks: "Do I see a future for myself? Am I optimistic about the future? And do I see myself going in the right direction?"

Dimensional Traits of Nonprofit Employees

The data indicates that the dimension of **understanding others is higher among nonprofits** than the national average. Nonprofits are willing to get down into the dirt and understand the people they are called to serve. They also tend to think a bit more practically (possibly because they're working with less funding), and they have a desire to be associated with their particular group or an organization.

NONPROFIT DIMENSIONS



Although nonprofits have been very similar to the national norms in most every area, **the biggest area of difference is in the sense of self**. Their sense of self indicates that nonprofit employees don't value themselves at the same level as the average person. Quite often, when the sense of self is low, it can impact a person's role awareness. This causes an individual to doubt their capabilities either personally or professionally. If you don't value yourself, then you're not going to value the role that you're playing in society.

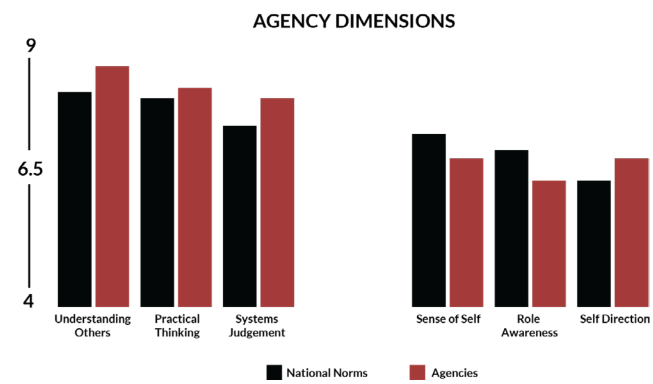
However, nonprofits feel positively about the direction they're headed. This is the optimistic and emotional response saying, "I'm doing the right thing. I'm going in the right direction, even though I don't value myself." There is an intrapersonal conflict occurring when we consider the "average" nonprofit employees.

This conflict can be attributed to a tendency to focus on other people and their needs rather than dealing with one's own issues and problems. This preoccupation ignores the concept that a strong, healthy individual can be more effective with more people than someone who is dealing with multiple challenges and stress factors.

Nonprofit employees are slightly better at understanding and empathizing with other people under most circumstances. However, they focus on professional relationships more than personal relationships. In doing so, they're creating a silo. They're finding their identity in their work. They're making work more important than themselves, and so they place their identity in their job, role or cause. Therefore, **their self-esteem suffers rather than them seeing the good they are accomplishing across the broad spectrum of life.**

Dimensional Traits of Agency Employees

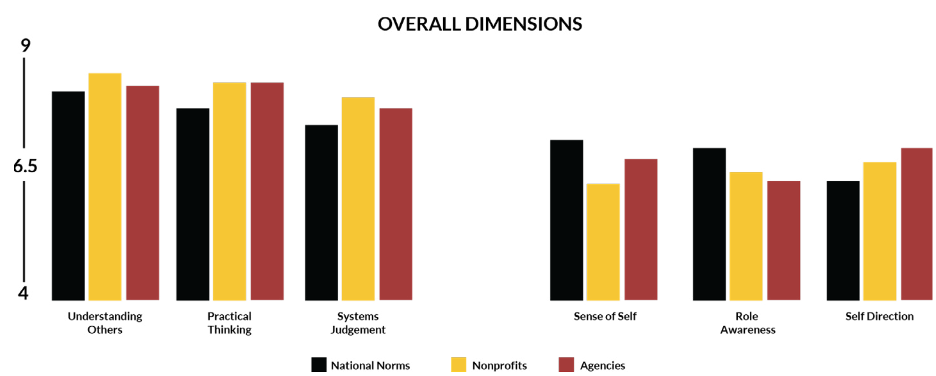
Agency employees, while similar to the national norms, are slightly stronger in their ability to understand others, think practically, and be part of the organization (system's judgement). Even though they have a higher sense of self, it's not much different than the national norms. However, their role awareness is a little low, probably due to the constant change in direction and requirement to be constantly creative. However daunting that might be, their self-direction and optimism for the future is high.



None of these are significant differences; they are in tune with the national norms. Externally, they have slightly higher scores in understanding others and practical thinking, though not that much above the average person. Internally, the sense of self, role awareness, and direction are slightly low, though not significantly different than the average person.

How do Nonprofits and Agencies Work Together?

The nonprofit and agency community look somewhat like a cross-section of the American population externally. However, they have a slightly higher desire to perform publicly and when they are in team environments. In private, however, both have similarities to the national norms, with one exception: **their sense of self is lower, especially nonprofit employees**.



Nonprofits are more caring about people and causes, but are less concerned about rewards and return on their investment of time and resources. Agencies are more strongly focused on execution, results and rewards personally and professionally.

Both groups approach and prioritize their work differently than the typical cross-section of the American population. They are more caring, collaborative, and altruistic. But nonprofits are also less intentional, commanding, and resourceful. When comparing employees in the nonprofit sector, we find that their scores are lower in their sense of self than the national norms. Agencies, while slightly low, are closer to the national norms.

Four Steps to Improving Nonprofits and Agencies

1. How can we analyze our people needs better?

First, each organization can **conduct an engagement survey based on mission, vision, and values** and other areas the organization deems important. Engagement surveys can be very inexpensive and done in the span of a few days. This will give the nonprofit an understanding of the employees' level of engagement. More specifically, it will provide direction and identify where leadership should focus on the organization's development.

Second, we need to **formalize the process of understanding what types of roles are needed and the behavioral and cultural needs of those roles**. When nonprofits see problems, like not raising enough money or not meeting deadlines for their contributors, they may be able to patchwork the issues. They'll position people to meet whatever is the most demanding issues at the time, even though it doesn't address the core issues that will make a long-term difference for the organization and its employees.

As we stated earlier, nonprofits are more subjective than objective, so their response is going to be an emotional response rather than a logical response. This is critical to understand; when they respond emotionally, they're not thinking objectively. They're not analyzing what types of needs and roles are most critical to the organization.

When nonprofit leaders respond reactively, rather than proactively, they force employees to bandage the issue rather than deal with the illness and solve it once and for all. What do you do with people that were hired into roles that should have been contracted out? Are those roles redundant, or will they be needed at a later point? If we can analyze the needs of the organization overall, we can identify roles that will best benefit the organization.

Third, **use your subject matter experts to benchmark each role and its processes, not just the tasks**. These three elements are critical to move forward in a productive way and to improve the performance of the people you're working with.

2. How can we hire better?

Benchmarking
Identify the behavioral style, mental priorities, and perceptions essential for success in the role you're hiring. What are the mental parameters the candidate will need to perform the job with minimal stress? Formalize your processes for identifying what kind of people are necessary for very specific roles.

Screening
Identify which candidates possess the desired hard and soft skills as well as the greatest growth potential. Will the candidate fit the corporate culture? Utilize multiple assessments to screen for four areas: competence, character, chemistry, and capacity.

1. ***Competency*** – We need to test a candidate's competency using a hard skills assessment to know what they can do versus what they say they can do. With 40% of resumes being fabrications or lies, we need to be sure of who we're hiring. Only 31% of nonprofits that we surveyed are testing for those hard skills.

2. ***Character*** – We need to assess their character, or their soft skills. Do they have commitment? Will they do what they say they will? A soft skills assessment will identify if they have the personality for the job and if they fit the culture.

3. ***Chemistry*** – The chemistry assessment looks at how a person would fit in with the culture of the organization. Once the

ACQUISITION

1. Benchmarking: Identifying the presentation style, priorities, and perceptions essential for success. What are the mental parameters the candidate will need to perform the job with minimal stress?

2. Screening: Identifying which candidates posess the desired hard and soft skills as well as the greatest growth potential. Will the candidate fit the corporate culture?

3. Hiring: Ensuring the written and mental resumes are congruent and exemplify what is necessary for the job success through a questionaire for interviewers.

mission, vision, and values of the organization are established, we can identify people that have the mental cultural fit there. One element that differentiated people in the nonprofit and in the agency community was their value system; their priorities were different. This is where a cultural fit, a chemistry assessment, is critical.

4. ***Capacity*** – Lastly, we need to test for capacity or growth potential. If they don't have the growth potential, consider if *you* are satisfied with the candidate being a programmer from now until retirement. Will *that person* be satisfied being a programmer for the rest of their career?

Hiring
Ensure the written and mental resumes are congruent, and exemplify what is necessary for job success through a customized questionnaire for interviewers. When we get to the hiring process, we need to eliminate the typical biases during interviewing. These biases are as common as only remembering the first person and the last person you're interviewing.

A structured set of questions, asking the same of everyone, helps us evaluate people evenly. It also allows us to make sure we're not selling the company. We need to use the hiring process to screen people out, eliminating candidates who are not a good fit for the job even if they love the organization and the cause. Structure those questions with measurable scoring.

3. How can we develop people better?

Onboarding
Provide an introduction encompassing the nonprofit's history, culture, and mission that allows new employees to understand how their role contributes to organizational success. Too often, nonprofits don't take the time to introduce new employees to the history, mentality and purpose behind the organization's establishment. When this happens, they are doing a job, not reflecting a cause. As a result, organizations are filled with employees who, down the road, don't believe their role impacts the mission, vision, or values.

In truth, from administrators to executives, every single position is important to the cause. Each team member is necessary for the organization to function. Each employee needs to understand where their value exists and how it contributes to the performance of the organization.

DEVELOPMENT

1. Onboarding: Introduction encompassing the corporate history, culture, and mission which allows new employees an understanding of how their role will contribute to the corporate success.

2. Data Driven Training: Each individual is introduced to the foundational principles necessary to improve their emotional and technical intelligence.

3. Skill Set Development: A structured learning program for both technical and soft skills training with an emphasis on the diferences in leadership and management development aspects of their job.

Data Driven Training
Each individual is introduced to the foundational principles necessary to improve their emotional and technical intelligence. Self-awareness and self-regulation are critical. If a person does not understand themselves in the context of the people they're working with, they cannot regulate their behavior. Without that regulation, conflict exists which leads to high adrenaline, low cognitive thinking, and reactivity rather than proactivity. The key is to ensure everyone wants to improve. However, not everyone understands what the motivational points are in their life that can make them improve, give them empathy, or give them the social skills to create self-improvement.

Skill Set Development
Organizations, no matter the size, need a structured learning program for both technical and soft skills training, with an emphasis on the difference in leadership and management development aspects of their job. You do not need an Organizational Development Department to do this – there are myriads of online resources to help your employees.

It's essential that we develop the hard and soft skills that are necessary for the next level. If you don't understand the person on your team, then you don't know what skills to develop. Assessments are critical for this.

Additionally, people don't understand the difference between leadership and management. Leaders inspire people. Managers manage tasks. One is not more important than the other; there is a time and place for both. Everyone leads, and everyone manages at times, but we have to know when and how.

4. How can we retain our employees better?

Performance Review
Progress and performance reviews are two elements that many nonprofits are avoiding because **51% of performance reviews are considered negative** by the employees receiving them. The main reason for this is that nonprofits most often use a graphic rating scale that employees will always feel is subjective and unfair.

This is common, because it measures how a person does a task on a scale of 1-10. But as we discussed earlier, a job is not about tasks. It's about the processes and procedures that a person is conducting. Therefore, when you manage by objectives or by a personal development plan, there is a collaborative process that can be measured based on the desires of the employee and the manager. This way, along with the addition of a 360° review so that their peers can speak into it too, the whole dynamic of a progress or performance review changes.

RETENTION

1. Performance Reviews: The LifeThrive process stands in contrast to traditional performance reviews which are generally percieved negatively. Using multiple tools, employees receive feedback that makes the process 72% positive and reinforces their value to the company.

2. Capacity Development: Building on the foundation of emotional intelligence, empathy, motivation, and social skills are enhanced along with their technical abilities, according to individual needs.

3. Promotion: Ensuring the employee's career path aligns with their capabilities and perception of success.

This review process stands in contrast to traditional performance reviews which are generally perceived negatively. Using multiple tools, employees receive feedback that makes the process 72% positive and reinforces their value to the company.

Capacity Development
Capacity is built on emotional intelligence. Self-awareness, self-regulation, empathy, motivation, and social skills can be enhanced along with their technical abilities, based on individual needs. We need to build capacity using coaching on short-term projects and mentoring on long-term projects. Special attention should be paid to creating incentives based on what an employee values and what they prioritize.

The one element differentiating people wasn't behaviors or dimensions, it was culture. This means incentives need to be based on everyone's mindsets or cultural values. For example, some people don't want money, but would prefer a new title instead.

Promotion and Retention
Ensuring an employee's career path aligns with their capabilities and perception of success. We can identify if their capacity to perform a role is different than their own if we have data. We must see that a person's priorities—their leadership, management, and inclination—will fit the job, and we need to know if that person is on track.

Analysis, onboarding, development, retention, and promotion are the answers. Each of these areas can and should be addressed. If not, an employee's life cycle will only last as long as they feel their needs are being met.

Summary

Our Pluses and Minuses

In the midst of the critiques and learnings we're gleaning from this research, there are several things that stand out positively about the people in in the nonprofit industry. These facts alone should be very encouraging.

1. Nonprofits are not just passionate; they're **optimistic about making a difference** in our world. Nonprofit employees want to approach and deliver for the causes they represent.

2. Nonprofits are **highly sensitive to those they serve**, and they "feel" the pain and challenges their constituents face – wanting to help others grasp the significance of their cause.

3. The nonprofit employee's heart for people drives their direction and focus. They stand out far and above the national norms with their people orientation. From this data, it would be easy to surmise that *little would get done to meet the massive needs that exists in the world, if it were not for the involvement of nonprofit employees.*

4. Nonprofits are **willing to change, adapt, and "do the right thing" when it comes to meeting people's needs**. While that may not be an actual part of the job description, it is conceptually where a nonprofit employee's mind rests. And, they will do so consistently and with persistence.

5. Nonprofit employees are less focused on their needs than they are on the needs of others. Financial reward is not the driving force. **Many are, indeed, selfless – much more so than the national norms.**

6. While nonprofits prefer structure, they are willing to be **collaborative in the way they approach tasks**, hoping that their sensitivity is visible to those they work with.

With all of this data, nonprofits can dramatically improve employee engagement and organizational effectiveness if they are willing to re-approach the way they're building their organizations. Nonprofits must also reconsider the engagement and corporate wellness process that can occur in a nonprofit. Organizations must think more proactively about the people that make them strong – making their employees a priority along with their causes. Without the people, the cause and objectives will never be obtained.

As an industry, there are also challenges that nonprofits face because of their caring and altruistic nature. These facts must cause us to reflect on how we approach the causes we are trying to help. Are we using the best methodologies and making the best use of our resources to ensure the causes' needs are met in the future?

Here are some of the key challenges:

1. Nonprofits **need to become more resourceful** in the way they approach their work. A more objective approach would help nonprofit management to reason through the challenges and come up with more proactive solutions.

2. Nonprofits need to become **more strategic and focused on establishing a plan**, then following that plan in fundraising, hiring, and development of employees to ensure long-term needs are met.

3. Nonprofits need to be **more intentional about their need**s so they can continue to serve their constituency. This will enable organizations to continue serving others, but also take care of the people and employees responsible for the day-to-day work.

4. Organizations need a ***stronger sense of urgency***, rather than believing things will just "happen." A love of people and strong desire to meet their needs should be the catalyst for this urgency. There must be a focus on the fact that each day, each interaction, and each effort will have an impact – but only if we act now!

5. Nonprofits need to build a **stronger infrastructure, regardless of their size**, to ensure that future performance is more secure. Reasonably priced outside resources can be leveraged to better the organization.

6. There needs to be a **stronger focus on data-driven decision making**. Research, testing, and optimization need to occur in order to develop a greater understanding of donors, and what works to increase their generosity.

Conclusion

As you can see, understanding the human data – the H-Factor – is essential to super-charging your team, growing your organization, and having an even greater impact for your cause. In order to lead your team and your organization to emphasize the H-Factor in your hiring, retention, and development, you have to first understand yourself.

While taking the full TTI Tri-Metrix may be a little costly for many organizations ($400 per assessment), there is a free alternative available from LifeThrive.

The **free behavior assessment** was designed to help you identify surface level behavioral and mindset tendencies. This information can be the basis of increasing your Emotional Intelligence. After you take the assessment, look for the 5 key aspects of emotional intelligence as you read your results:

1. You must be **self-aware** and understand yourself in the context of what others see (how you handle problems, interact with others, preferred pace and responsiveness to rules and procedures).

2. You must have the capacity to **self-regulate** by understanding how you approach people and tasks in multiple dimensions (Goals, Judging others, Influencing others, Value to a company, Your overuses, Stress reaction, and what you fear)

3. You must define how your **motivations** can be broadened and developed to ensure success (Increase your versatility and appeal as well as build on your mental and behavioral strengths).

4. You must know how to deepen your **empathy** to help you make better decisions (are your biases objective, subjective or belief based?)

5. You must be able to use the previous 4 items to demonstrate flexibility in your **social skills** (by understanding your strong and weak behaviors/values and how they impact others).

Once you've taken the assessment, compare your scores to the benchmarks found through this study. It will help you to identify both your natural strengths within your role, as well as potential shortcomings.

Then, feel free share the assessment with your team, employees, and colleagues to start building a greater understanding of your organizational DNA.

You can take the free assessment at lifethrive.com/free-assessments-1.

About the Author

Dr. Charles Coker

For more than 30 years Chuck has focused his career on people development. He has implemented proprietary Personal Formation, Human Capital, Talent Management and incentive-based programs across a broad scope of Fortune Companies, regional organizations, and educational institutions.

He was one of the founding authorities of The Balfour Motivational Research Institute (BMRI). The institute spent over three years identifying and codifying the key human factor contributors to motivation and success. This was accomplished in multinational and large organizations as well as hundreds of medium and small companies.

After BMRI, he worked both in-house and as a consultant with companies who needed help with their executive's development, strategic planning, interactional leadership and management issues, mergers and acquisitions as well as organizational growth and development.

From 2008-2015 Chuck mixed his practice with new research as the Module Leader (Lead Professor) in Personal Formation at Westminster in the UK. His landmark study (released in 2012) capped four years of research about human data management. With that data he illustrated how the vast majority of the capacities companies look for most in successful employees, along with their Emotional Intelligence, can be improved at double-digit percentile rates with his methodology. He continues his research as a working partner and board member with the Motivational Research Institute founded by other psychometricians and staff at the University of Missouri.

All of Dr. Coker's programs are tested and validated, both academically and in the corporate environments.

About NextAfter

NextAfter is a fundraising research lab and consultancy that works with cause-driven businesses and nonprofit organizations to help them better understand their customers and inspire their donors to give generously.

Over 76 million individual touchpoints with organizations such as Stanford University, Compassion International, Focus on the Family, The Heritage Foundation, CaringBridge, Alliance Defending Freedom, Hillsdale College, Dallas Theological Seminary, Jews for Jesus and others.

The impact of these experiments has produced a cumulative net lift in response of over 51,618.1% for our clients (as of April 18, 2018). The goal of our experimentation and research is to understand what makes people give so that we can unleash the most generous generation in the history of the world. Learn more about NextAfter and our research at www.nextafter.com

More Fundraising Resources

Research Library

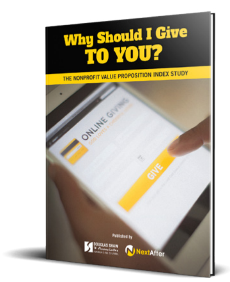
All of NextAfter's online fundraising research is open sourced and made available for free in their research library. You can view every experiment NextAfter has conducted with top nonprofit organizations – helping optimize email appeals, landing pages, donation pages, advertising, and more.

Get new ideas to test in your fundraising by viewing the research library at www.nextafter.com/research.

Resources

Looking for more ideas and strategies to test in your fundraising? All of NextAfter's research driven and data-proven strategies are free for you to read and explore in the NextAfter resource library at www.nextafter.com/resources.

Explore the resources below for new ideas that will help you capture more emails, acquire more donors, and raise more money to fund your worldchanging cause.



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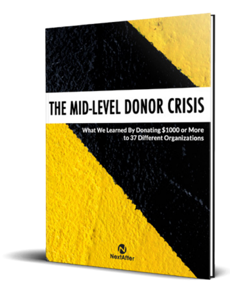

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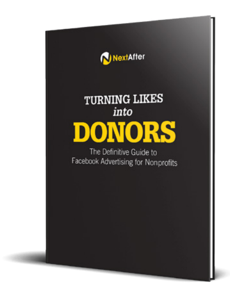

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This step-by-step guide will demonstrate a proven strategy to turn Facebook into one of your most reliable sources of new names and new donors. Learn how you can apply it at your organization and start getting real value from Facebook.

View all NextAfter resources at www.nextafter.com/resources

NONPROFIT

NIO SUMMIT

INNOVATION & OPTIMIZATION

THE ESSENTIAL EVENT *for* DIGITAL FUNDRAISERS *and* NONPROFIT MARKETERS

The Nonprofit Innovation & Optimization Summit is the premier conference for nonprofit marketers and fundraisers looking to grow their **online fundraising**. Rather than have an open call for speakers, we hand-select the **leading experts in marketing and fundraising innovation** from around the world, and bring them all under one roof to teach us how to achieve real and tangible online fundraising growth.

Over the course of two days, you'll learn proven and research-driven strategies from these leading experts, participate in **hands-on training** sessions, and discover all the tools you need to grow your online fundraising and revenue.

Through extensive **networking opportunities**, you'll gather new ideas and learnings from a community of nonprofit marketers and fundraisers like yourself who are seeking the most **innovative solutions and strategies** to grow their revenue.

SPEAKERS

David JP Philips
The Magical Science of Storytelling

Amy Harrison
How to Write Copy that Crushes Objectives and Gets Donations

Andy Crestodina
Next Level Optimization – Search, Conversion, and Content

...and many more.

NETWORKING

Imagine the opportunity to attend a nonprofit conference where meeting new people doesn't feel like work. That's because the NIO Summit has been engineered to provide you with natural opportunities to connect and network with other nonprofit attendees, speakers, and subject matter experts so that you have people you can turn to for inspiration, new ideas, or even your next career move.

THE VENUE

The venue is a Meso-American work of art. If you have ever wondered what it would be like attending a conference at a venue that feels like it's straight out of an Indiana Jones film, this is your chance. The historic Aztec Theatre, right in the vortex of the downtown San Antonio Riverwalk, is an experience you will talk about for years to come with your friends.

LEARN MORE AND GET TICKETS AT:

[WWW.NIOSUMMIT.COM](http://www.niosummit.com)

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VIDEO RESOURCES

What We Learned From a Value Proposition Analysis of 127 Organizations
Tim Kachuriak – NIO Summit 2017

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Designing a Value Proposition to Attract New Donors
Austin McCraw – NIO Summit 2017

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6 Ways to Write and Design Better Email Fundraising Campaigns

[Watch the Webinar »]

21 Proven Elements of an Effective Donation Page

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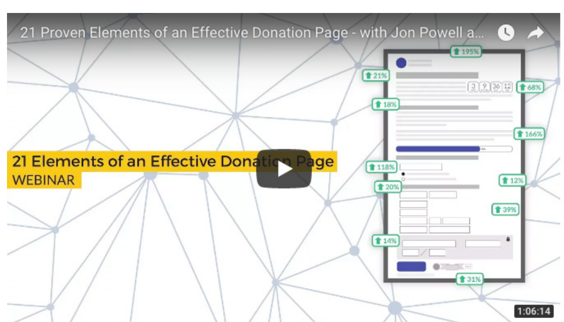


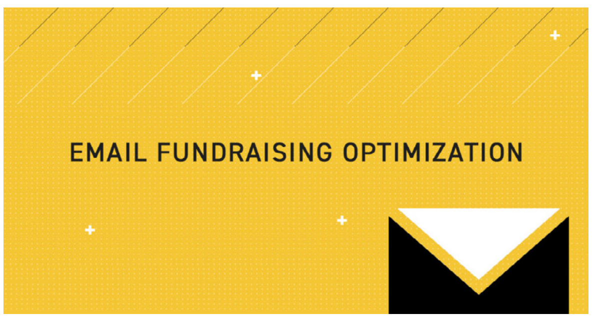
ONLINE COURSES

Activate your free course at
courses.nextafter.com

The ability to effectively utilize Facebook for fundraising has eluded fundraisers for years. In this course, we'll show you a proven 4-step strategy to turn Facebook into one of your most reliable and sustainable sources of new donors and revenue.

In this 11-session course, you'll learn how to:

- Create an enticing content offer
- Develop an effective landing page
- Craft a high-converting donation page
- Measure and optimize the right metrics



Activate your free course at
courses.nextafter.com

The world of email fundraising is riddled with so-called "best practices" that aren't actually helping organizations grow their email revenue. In this course, we'll use real data and experiments to bring clarity to what works to get more opens and clicks, but more importantly, we'll evaluate strategies that will help you increase email donations for your organization.

In this 6-session course, you'll learn how to:

- Develop a value proposition donors can connect with
- Acquire more emails to grow your subscriber list
- Craft subject lines that get more opens (and donations)
- Create a great email that gets clicks (and donations)

Activate your free course at
courses.nextafter.com

Landing pages and donation pages are essential to online fundriasing and nonprofit marketing. But we've found that most fundraisers are simply relying on best practices to show them how to create an effective page.

The truth is, over 1000 fundraising experiments have shown that best practices are rarely the best performing. More often than not, best practices are killing donations.

In this free course, we'll show you research-proven strategies to increase conversion rates on 4 key types of landing pages:

- Email Acquisition Pages
- General Donation Pages
- Campaign Donation Pages
- Instant Donation Pages

More Fundraising Resources

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6 Ways to Grow Your Email File

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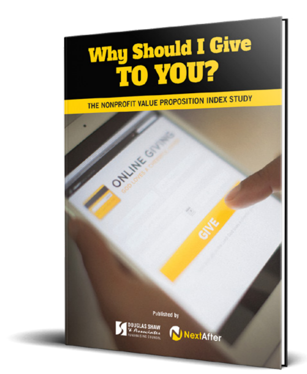

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The Online Fundraising Scorecard

In this study, we analyzed the online communication and fundraising tactics of 151 nonprofit organizations. The bad news is that nonprofits aren't doing very well. The good news is that there is enormous opportunity for growth.

The Mid-Level Donor Crisis

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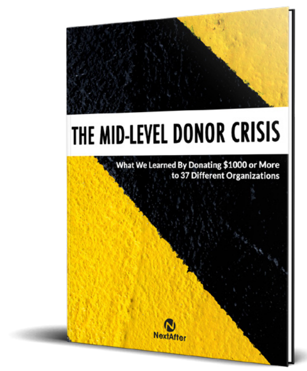

Cut Through the Clutter With Your Year-End Fundraising

We took a closer look at the year-end fundraising tactics of 151 organizations and found that most nonprofits are doing the same things. As a result, we've identified 10 ways that you can optimize your year-end emails and donation pages to cut through the year-end clutter.

www.nextafter.com/resources