Shining a light on the nonprofit labour force: The story of the HR Council
The HR Council takes action on nonprofit labour force issues.

As a catalyst, the HR Council sparks awareness and action on labour force issues. As a convenor, we bring together people, information and ideas in the spirit of collaborative action. As a research instigator we are building knowledge and improving our understanding of the nonprofit labour force.

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ISBN: 978-1-926754-53-6

Aussi disponible en français

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The HR Council is funded by the Government of Canada’s Sector Council Program. The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.
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When small nonprofits began to approach Darrell Lang for advice on HR management in the 1990s, he knew there was a problem. “I was happy to help,” says Lang, VP Human Resources at Bethany Care Society, a large continuing care and assisted living provider in Alberta, “but I think we all knew that there had to be a better way. A small nonprofit organization shouldn’t have to come to my organization—in some sense ‘the competition’—for help dealing with staffing issues.”

Lang, who would later become an HR Council for the Nonprofit Sector (HR Council) board member, was not alone in detecting a problem in smaller nonprofit organizations’ lack of HR management capacity. But the fact that those small organizations reached out to another nonprofit for help was the seed of a solution for the whole nonprofit sector. Before nonprofits could effectively tackle their increasingly pressing labour force challenges, they needed to begin to understand themselves as a sector with many overlapping needs and concerns.

In 2004, Lynne Toupin, founding Executive Director of the HR Council, and Bonnie Shiell, a current HR Council staff member, visited 37 communities across Canada to explore the feasibility of creating an HR council for the nonprofit sector. For the most part, they found themselves convening groups of organizations that tended to see themselves in isolation. The nonprofit sector in Canada was composed primarily of small organizations, and these organizations operated in every part of the country, in communities large and small. Their missions were as broadly dispersed as their offices: from arts and culture and human services to religion and the environment.

Together, these conditions—the small size of many organizations, their distribution across the country, and the diversity of their missions—had had an isolating effect on many nonprofits. (Québec was a notable exception, having launched the Comité sectoriel de main-d’œuvre de l’économie sociale et de l’action communautaire (CSMO-ÉSAC) in 1998. CSMO-ÉSAC was created by the Québec government to connect organizations working in Quebec’s social economy and community organizations, and to give them a collective voice to articulate and address their labour market information and HR management needs.) Some other regional and subsectoral networks existed, but it was rare for Canadians, including policymakers and funders, to think of nonprofits as collectively
constituting a sector of the country’s economy. It was equally rare for the paid employees of nonprofits to be seen as an important segment of the Canadian labour force.

What Toupin and Shiell found in their consultations, however, was that despite rarely being seen as a collective, nonprofits across the country confronted strikingly similar labour force and HR management concerns. Organizations from Victoria to Lethbridge to Truro described the difficulty of attracting and keeping the right people, their limited HR management capacity, and the belief that their staffing problems were deeply linked to funding concerns endemic to the sector. The similarity of the labour force issues facing nonprofit organizations was clear, and convinced Toupin and Shiell—and ultimately the leaders of the Sector Council Program run by Human Resources and Skills Development Canada (HRSDC)—that a sector council focused on nonprofits could play a valuable role.

By all accounts, nonprofits were not an obvious fit in the Sector Council Program, and some believed that they could not be understood in the same terms as industrial sectors such as forestry, construction, or tourism. Eric Perreault, then a senior analyst at HRSDC responsible for oversight of the new sector council, acknowledges that there were pockets of skepticism at HRSDC. “There was a fear in some quarters that concerns about funding would pervade every conversation,” he says.

“The funding issue is real, but solving every funding problem was not the purpose of the Sector Council Program. Fortunately, because of excellent leadership, the HR Council was able to see exactly how the Sector Council Program could help. Funding will always be a part of the conversation, but it didn’t take over.”

What the Sector Council Program made possible through the HR Council was a range of initiatives from practical HR management tools (for which there was immediate demand, as Darrell Lang’s experience had illustrated) to research and strategic work that would lay the foundation for a stronger sectoral labour force in the future.

Critically, for a sector unaccustomed to coming together around labour force issues, the HR Council ended up doing a great deal of hosting, connecting, and convening. Convening was important for a number of reasons: it enabled the HR Council to test the relevance and timeliness of its projects, it helped to spread learnings and best practices from regions and subsectors that had already begun to address nonprofit labour force issues, and it generally created a space where the sector could look up from its day-to-day work and think about the people and skills that would be necessary to drive that work in ten years, twenty years, and beyond.

The first step toward developing relevant supports and conversations was to gather a board of directors that represented the diversity of the sector. Because of the sector’s size and the wide range of work it contained, assembling a balanced board was a major challenge. “The board was very carefully composed,” recalls Neil Cohen, chair of the HR Council’s inaugural board of directors and Executive Director of Winnipeg’s Community Unemployed Help Centre. Not only were regions, subsectors, and organized labour well represented, but early on, the board developed an ambitious identity.

“Boards play a specific and important role in the nonprofit sector,” says Cohen, “and we thought a lot about the kind of board we wanted to be. We had a very positive and engaged culture from the beginning.”

By many accounts, the very fact that the nonprofit sector was incorporated into the Sector Council Program was an important symbolic shift. Achieving representation alongside other sectors was an important affirmation of the nonprofit sector’s value and its significance in the Canadian economy. “I think it mattered when we started to sit at that table with mining and aeronautics and construction and say, ‘We do different work, but we’re part of the Canadian labour force,’” recalls Lynne Toupin.
During Shiell and Toupin’s consultations across the country, the top concerns nonprofit leaders discussed (after funding) were difficulties recruiting and retaining skilled workers for their organizations. Although there was general agreement that difficulty competing on salaries and benefits was part of the explanation for nonprofits’ talent troubles, some saw recruitment and retention challenges as simply the most obvious symptoms of larger underlying issues.

Because of the history of not acknowledging the paid staff of nonprofits as an actual labour force, the sector did not have a strong record of addressing labour force issues as other sectors did: building HR management capacity; creating accreditation and professional development opportunities; offering workers career paths into and across the sector; forecasting and planning for labour market trends; and generally doing the strategic work required to compete for talent.

According to Barbara Grantham, Senior Vice President, Strategic Initiatives and Philanthropy with the Vancouver General Hospital and the UBC Hospital Foundation, part of the shift in thinking the HR Council helped to produce was to disentangle volunteers—an important but separate category—from people who make their careers in nonprofits. “There are over a million paid staff in this sector and they do a lot of heavy lifting,” says Grantham.

“Without the nonprofit sector there would be no immigrant settlement services in this country, no formal supports for people with disabilities—on and on. You need a skilled, paid labour force to do work on this scale, and the HR Council helped to get that taken seriously by funders, by government, and by the sector itself.”

Taking the sector’s paid labour force seriously required a number of initiatives, from increasing HR management capacity to commissioning research to understand the characteristics of the sector’s employers and employees. Since valuable work was already happening in some parts of the country—and individual organizations and umbrella groups had a lot of insight to offer about the work that would be most helpful—the HR Council worked hard from its earliest days to tap into existing knowledge and ideas by cultivating the networks that connected the sector. “That in itself made a big difference,” notes Tracey Mann, Executive Director of Saskatchewan’s Community Initiatives Fund. “We started having a conversation across Canada.”
More than one HR professional involved with the nonprofit sector has observed a strange contradiction in the sector’s record on managing paid staff: why does a sector that dedicates itself so energetically to helping people have a history of undervaluing its own people? Why do HR management practices in some parts of the sector range from passable to dismal? Explanations range from scarce resources and limited capacity to an unstated but stubborn tendency to think of nonprofit jobs as vocations, not real jobs subject to the usual rules and standards. Whatever the causes, when the HR Council was founded, few doubted that there was a pattern of poor HR management in nonprofits. There was broad agreement that practical tools to help organizations improve this aspect of their operations would make a difference.

To Marlene Deboisbriand, Vice-President, Member Services at the Boys and Girls Clubs of Canada and past chair of the HR Council’s board, the usefulness of the HR Toolkit and other online supports was immediately obvious.

“If you are an ED in a small or medium-sized organization, you wear so many hats, from fundraising to programming to facilities management. HR management is just one part of a very demanding job. So to go on the website and find templates for HR policies, for job descriptions, and so on—it’s a huge help.”

According to the first-ever comprehensive study of the nonprofit sector’s labour force, commissioned by the HR Council, the scenarios Deboisbriand describes are not unusual; indeed, they are the norm. In 60 percent of nonprofits, responsibility for HR is one part of one person’s job—and often a person with no specialized training in the field.
Even for organizations with dedicated HR staff, the HR Council’s online offerings proved capable of delivering substantial value. Bruce MacDonald, President & CEO of Big Brothers Big Sisters of Canada, describes the beginning of an effort to improve HR management practices across the 150 local chapters of his organization. “We had struck a committee in our national office to develop protocols for all our local organizations, many of which don’t have their own HR staff,” MacDonald recalls.

“Just as we were getting the initiative rolling, we found the HR Council site: the Toolkit and all the other information. It was incredibly helpful. Our in-house committee ended up disbanding: everything we had been thinking of creating from scratch was there and freely accessible. It saved us a ton of time and work.”

As the sector steadily improves its record of managing paid staff, the tension between serving communities well while paying relatively little attention to the needs and experiences of staff is becoming a less common feature of nonprofit organizations. According to Owen Charters, Chief Development Officer of the MS Society of Canada and current chair of the HR Council’s board, that’s a very positive development. “We know that the better organizations can manage and treat their people, the more effective they will be in delivering on their missions,” says Charters.

“So this idea that, ‘We don’t have time or resources to deal with HR issues because we’re so focused on our mission’ is a false choice. Your staff make your mission happen.”
In addition to better managing and supporting its existing paid staff, the sector needed to become more strategic in its approach to the Canadian labour market. Like organizations in other sectors, nonprofit organizations needed to adapt to big-picture changes: the baby boomers’ transition to retirement; the growing importance of foreign-born professionals to the labour force; and the emergence of new generations of young workers. To inform the sector’s conversations about these larger strategic questions—and to help the sector understand its own current composition—the HR Council worked to gather and disseminate Labour Market Information (LMI).

LMI can help a wide range of sectoral players make better decisions and plan for the future. Employers and employees can use LMI to inform their understanding of the competitive landscape for particular skills and positions, while governments can use LMI to create policies and educational institutions can use it to shape curricula.

It bears noting that the sector itself was not clamoring for LMI in the way it was for HR management support. This part of the HR Council’s work required major investment and methodical work, and Bonnie Shiell, the HR Council’s Research Manager, was not anticipating a ticker-tape parade. “Because the sector had never really had proper LMI, a lot of people didn’t know how helpful it could be,” she acknowledges.

“Our approach at the HR Council was to go stepwise: gather some information, show what you can do with it, gather some more, show its usefulness, and so on. Over time, I think people have come to really see the value of data.”
Many employers in the sector appreciated having a central hub that not only made LMI available, but helped sectoral organizations to make sense of it. For Hilary Amit, Executive Director at Highland Community Residential Services and a past board member, it was reassuring to have the HR Council’s expertise to complement the HR Council’s data. “If as an employer I had a question that wasn’t urgent or pressing today, but the sort of thing that is on the horizon—say, a demographic shift that might be significant in the next five or ten years—it was really good to have someone to call and say, ‘How should we be thinking about this and preparing?’”

LMI can not only help individual organizations make better decisions, it can give backing to organizations seeking to make the case for increased support. “Governments want to make evidence-based decisions,” says Marilyn More, Nova Scotia’s Minister of the Voluntary Sector.

“You have to be methodical and make your case using solid data, show what the investment will mean.”

In addition to helping the sector refine its approach to policymakers and funders, the HR Council’s research initiatives have caused the sector to look at its own characteristics and culture through new lenses. One of the HR Council’s first major research investments was a 2008 survey of the existing nonprofit labour force, the first ever comprehensive snapshot of the organizations at work across the sector and the paid staff who drive their operations. The study revealed many important characteristics of the nonprofit sector, including a heavily female labour force; widespread recruitment problems; surprisingly little ethnic diversity; and high levels of job satisfaction combined with relatively low levels of satisfaction with compensation and opportunities for career advancement.

As the sector has gathered more workforce data at both the national and provincial levels, making more tracking and comparison possible, the usefulness of the information has become increasingly clear. Peter Elson, Acting Director of the Institute for Nonprofit Studies at Mount Royal University and a participant in several HR Council advisory committees, observes that the end of the Sector Council Program, as well as various changes at Statistics Canada, are making robust national LMI harder to come by: “It’s unfortunate that just as people really started to understand the value of workforce data, the credible and sustainable sources of this data are disappearing. Hopefully provincial governments and nonprofit networks will work together to keep the ball rolling.”
The fact that there are provincial bodies and national networks (both formal and informal) in place is itself a part of the HR Council story. By many accounts, a major part of the HR Council’s contribution took the form of the networks it cultivated within the nonprofit sector locally, provincially, and nationally.

At the time the HR Council launched, Quebec had had a body devoted to its sector’s labour force for about 8 years, and some sector council-like bodies in other provinces were nascent. Still, most people working on labour force issues in the sector remained disconnected. “The HR Council was not the only group working on these matters,” notes Martin Itzkow, Co-Chair of the Manitoba Federation of Non-Profit Organizations, “but they were uniquely positioned to amplify and accelerate good ideas and good work. They helped us make a quantum leap in Manitoba.” Operating nationally but connecting provincially and regionally, the HR Council helped to spread information and ideas.

The HR Council’s ability to give an overview of what was happening across the country—what was working and what wasn’t—was helpful to Nova Scotia’s nonprofit sector as it worked to construct a provincial sector council that fit local needs and constituencies. Anne Perigo, Director of Volunteerism and the Nonprofit Sector Division in Nova Scotia’s Department of Labour and Advanced Education, notes that the HR Council’s accessibility was an important ingredient of their effectiveness:

“It may sound like a small thing, but they’d pick up the phone. The HR Council would answer our call and be willing to help. They were consistently approachable and that made it easy to work with them.”

Some contend that by helping fledgling provincial efforts gain momentum, the HR Council made it more likely that those efforts will be able to sustain themselves in the future, even in the absence of support from a national body. In Saskatchewan, for instance, although there is not yet a formal sector council, the HR Council’s support may have helped the sector to reach a tipping point. “Although it’s disappointing that the HR Council is not continuing in its current form,” says Tracey Mann, “I think with the support they have offered, they have helped get us to a point in Saskatchewan where the conversation will keep going—it won’t just dissipate.”
An emphasis on connecting and convening was one way in which the HR Council manifested a conviction that people working in the nonprofit sector—including employers, employees, union representatives, and people involved with umbrella organizations—already held a lot of the insights and experience necessary to address their collective labour force challenges. Improving HR management and ensuring the sector’s current and future talent requirements were met was not a matter of a central organization telling the sector how to operate. “We had a lot of advisory committees, we received a lot of pro bono support from HR professionals, we engaged a lot of expertise that was already out there in the sector—and people were remarkably happy to help,” says Lynne Toupin.

Veronica Utton, an HR Council board member, HR consultant, and part-time professor with the Centre for Human Resources at Seneca College of Applied Arts & Technology agrees that there was something special about the widespread willingness across the sector to come together around HR management and labour force issues. “You have organizations that are essentially competing for the same dollars from governments and from donors,” Utton says, “and they are nevertheless very willing to work as one for the greater good. You don’t see that in every sector.”

Building relationships and convening conversations were large and very intentional parts of the HR Council’s work. Because the fruits of this work are intangible and difficult to quantify, they may be less often mentioned than some of the organization’s more concrete work, such as LMI and online tools. But many people interviewed for this story said that the HR Council sparked relationships and conversations that have strengthened the sector and will continue to increase its effectiveness in the years to come.
People in the sector tend to emphasize three broad priorities: leadership, renewal, and building on the gains of the last decade.

It is clear that the conversation in the nonprofit sector has evolved over the past several years, becoming increasingly well informed and defined. Those who have worked on labour force issues at both the national and provincial levels affirm that conversations that were necessary a decade ago—defining terms, making the case for LMI, making the case for a deliberate and systematic approach to the labour force—are now more often taken as given. With this foundation of awareness and commitment solidifying, the sector continues to discuss priorities and next steps, including the question of which organizations are best positioned to advance work on nonprofit labour force issues.

When asked to consider the nonprofit landscape and articulate the challenges ahead, people working in the sector tend to emphasize three broad priorities: leadership, renewal, and building on the gains of the last decade (such as continuing to improve LMI and expand its scope, keeping the HR management supports current and accessible, and sustaining the conversations within the sector and between the sector and governments).

The leadership requirements of the sector are evolving. The sector’s leaders are likely to require a range of new skills relating to social entrepreneurship, partnerships with private-sector organizations, and new expectations around the measurement of performance. For instance, Dick Stewart, a member of the HR Council’s inaugural board, argues that, “There’s a sea change around how organizations are being funded and evaluated. Nonprofits need to cultivate new forms of financial literacy in order to access the funds that are now available.”
Attracting workers to the sector, such as young people, career-shifters, and foreign-born professionals, is another priority whose importance will only grow in the years ahead. Currently, the sector is doing relatively little to show students clear paths into careers in the sector. Although the HR Council laid part of the foundation for progress in this area during its years of operation, reaching a point where young people aspired to specific careers in the sector and understood exactly how to pursue them would have required several more years. For now, the forging of relationships with colleges and universities remains a project for the sector at large. “Right now, the sector does very little to connect with students. We need to get better at on-campus career days, better at getting case studies about our work into the curriculum, and so on. We need to show students that nonprofits are not just organizations to volunteer for or donate to, but places where you can have a career,” says Veronica Utton.

It is not only young people who could benefit from greater clarity about how to enter and advance in the sector. Career development, professionalization, standards, and accreditation remain areas where the nonprofit sector lags behind other parts of the Canadian economy. “We have a tradition of people falling into the sector by accident,” says Marcel Lauzière, President and CEO of Imagine Canada. “That’s not the way to compete with other sectors for the best and brightest. The HR Council has helped enormously to move the dial on the professionalization of the sector—making work in this sector something people can pursue intentionally. There’s still a lot of work to do, but they’ve made a great start.” Part of the problem has been that the jobs that exist in the nonprofit sector are so diverse. Although fundraising has become an identifiable field, with professional organizations and training programs to support it, many other common roles in nonprofit organizations remain under-described. One important stride the HR Council supported in this area was the creation of National Occupational Standards for Managers of Volunteer Resources, a document that lays a foundation for the development of job descriptions, training resources, and other supports.

Several years ago, increasing recruitment and building career development opportunities seemed especially urgent because the sector sensed that it was heading toward a cliff:

“When we started this work, everyone was worrying about this big wave of baby boomers that was going to retire and how the sector was going to replace them,” recalls Lynne Toupin. “A decade on, some people think we have the opposite problem: it turns out the baby boomers may not leave.”

Valuing and using the experience of baby boomers who have made their careers in the sector, while making room for new people, skills, and ideas, is a balance the sector must continue to pursue.
As the HR Council dismantles its operations, dialogue continues about how to sustain and build on the accomplishments of the last decade. Many across the sector have expressed relief at and gratitude for the willingness of the Community Foundations of Canada (CFC) to provide a place for the HR Council’s resources to land, and a venue where next steps can be considered.

“The HR Council has done a lot of great work, and we believe it’s important to safeguard the assets that have been created, and keep reaping the returns on those investments,” says Ian Bird, President and CEO of CFC. “That being said, a lot has changed since the HR Council began. We have an opportunity now to have a new kind of discussion about what the sector needs today.”

It is clear that a great deal of action on labour force issues is shifting to the provincial level. And the sector’s capacity for understanding, managing, and strategizing about its paid staff has clearly increased over the past decade, with the establishment of a number of provincial bodies and generally higher levels of awareness and attention. Nevertheless, some believe there is a role for a body that acts as a convener, connector, and information hub. If work is to continue on a sector-wide level on labour force issues, what form should it take? Who should undertake it? And who will support it?

Those interviewed for this article have identified the maintenance of the HR Toolkit as a major priority. Although the core content of the Toolkit is well established, without monitoring and updates its usefulness will diminish over time. If new legislation, technology, or best practices are not regularly incorporated, for instance, the Toolkit will lose its relevance and credibility. The Toolkit is a notable example of a shared resource that serves a clear purpose and whose replication would be redundant (provided appropriate information is included about variations from one jurisdiction to the next). “You don’t need thirteen HR Toolkits,” notes Marlene Deboisbriand. One task will be to identify any other shared resources that are equally useful across the country and do not benefit substantially from multiple versions tailored to the needs and circumstances of the provinces and territories.

A word that recurs in almost every conversation about the next phase of the work begun by the HR Council is “momentum.”
When it comes to improving LMI, provincial sector councils and leaders of other labour force initiatives look forward to pursuing their own research and developing their own LMI. At the same time, they are committed to finding ways to keep sharing strategies and information. They see particular value in learning from each other in order to avoid reinventing the wheel and to promote the comparability of data across jurisdictions.

In Quebec, the province with the longest-standing formal program for addressing the sector’s labour force needs, the value of sector-wide work is not dismissed. “We have many challenges in common, despite certain nuances. I would like to stay connected with initiatives in other provinces,” says Céline Charpentier, Executive Director of CSMO-ÉSAC. “It would be ideal to have coordinated efforts across Canada to stay informed about three things: LMI, the next generation of workers, and innovative practices that could be circulated and shared.”

A word that recurs in almost every conversation about the next phase of the work begun by the HR Council is “momentum.” There is a strong sense across provinces and organizations that the past decade has seen important movement on labour force issues and that now is a time to consolidate progress and drive forward on the next phase of the work. Some of those interviewed for this story believe the best way to tackle the next phase is to sustain the existing HR Council model to the greatest extent possible, seeking new funding and carrying on with an approach that by many accounts works well. Others suggest that keeping up the momentum on this work does not necessarily mean continuing to do the same kinds of work using the same tools—that the end of the sector council program might be seen as an opportunity to think about the nonprofit sector’s “people issues” in new terms.

One HR Council practice that, by all accounts, will continue in the months ahead is that of inclusive conversation and thoughtful engagement. Although the path may be uncertain, Lynne Toupin is sanguine about the sector’s ability to come together to navigate this territory: “I’m confident the right questions will get asked, and the sector will figure out the right way to move forward. This is an opportunity for renewal.”