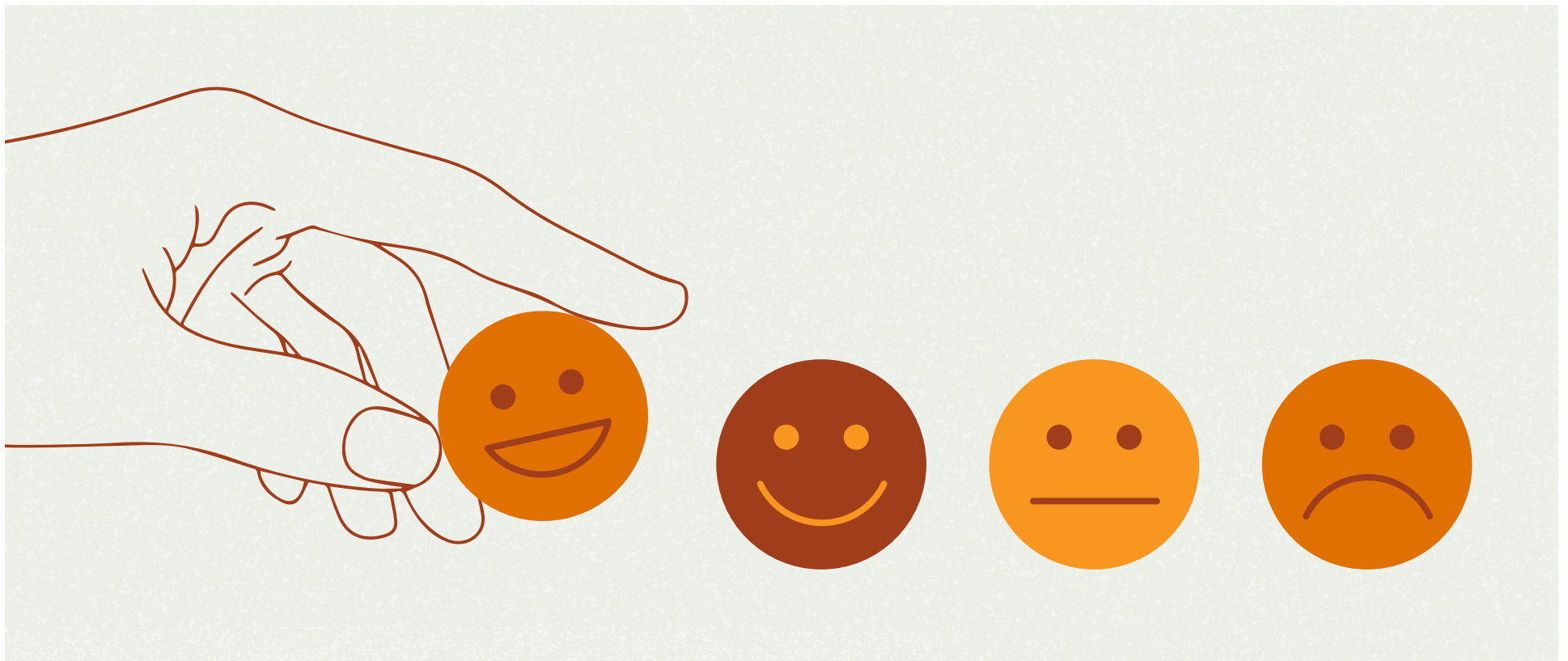# Assessing employee satisfaction in the nonprofit sector

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Introduction

Employee satisfaction is crucial to creating a healthy, productive workplace and retaining talent—but it's notoriously difficult to measure.

It is not enough for employers to know if their employees are (or aren't) satisfied. They also need to understand why. However, finding the right questions to ask, ensuring that employees provide honest feedback, and implementing changes based on results can be challenging.

As a search firm working with mission-driven organizations, On-Ramps has established a robust network of veteran social-sector and nonprofit leaders who grapple with these questions. We sent these leaders a survey designed to find out what questions their organizations are asking, how they're gathering information, and what changes they've made based on the results.

To analyze the survey responses, we drew on our experience. We often begin a search by speaking with team members at all levels of an organization, which gives us some insight into the client's culture, how their team feels that culture could evolve or improve, and what employees want from their coworkers and supervisors. That practice informed our thinking as we analyzed the responses we received.

Introduction *(continued)*

Ultimately, we compiled the survey results and our analysis into this report, highlighting the best practices and innovative techniques that social sector organizations are using to gather insight into and improve employee satisfaction. By sharing our findings, we hope to help create diverse, equitable, and inclusive workplaces for our clients and across the social sector.

KEY FINDINGS

Although exact methods and questions varied, we found similarities across participating talent leaders' answers that we see as best practices for conducting and following up on employee satisfaction surveys:

- **Prioritize transparency throughout every step of the process**—from gathering information to sharing results.

- **Be open-minded when putting survey results into action.** Your survey is only impactful if you're willing to make tangible changes. Flexibility around hybrid and remote work, changes and increased transparency around compensation and benefits policies, and increased opportunities for professional development are some of the most common adjustments made by the organizations who shared their approaches with us.

- **Frequency is key.** Asking employees for feedback demonstrates that the organization cares about them. And, in a constantly shifting job market, it's more important than ever to show that you're invested in your employees and stay abreast of their priorities.
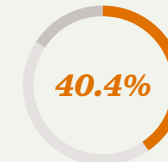

METHODOLOGY

In June 2023, On-Ramps sent a survey to 151 organizations in our social sector and nonprofit network.
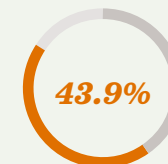
Response rate: 37.7%

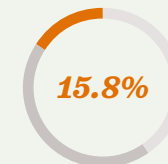Size of participating talent leaders' organizations:

<50 employees

40.4%

50 – 300 employees

43.9%

300 – 2,000 employees

15.8%

Gathering information

Most organizations who responded to our survey (82.4%) check in with employees at least once a year using either a written survey (86%), a structured interview (36.8%), or both (33.3%).

According to the talent leaders who responded to our questions, written surveys usually consist of a combination of multiple choice questions or questions that ask participants to rate their agreement with a statement on a scale. While multiple choice questions may be easier to tabulate, several talent leaders noted the value of open-ended questions:

"*Space for open text allows people to provide context and insight. This makes sure that our action planning is focused on the right areas, and drives continuous improvement and further engagement.*"

Further illustrating the popularity of open-ended questions, 36.8% of respondents to our survey reported using structured interviews to gather employee feedback—an approach that often allows employees to provide context and insight, as with open-ended survey questions.

Structured interviews, however, make it impossible for employees to answer questions anonymously. Surveys, on the other hand, can allow for anonymity—a feature that respondents tend to value. For most talent leaders who responded to our questions (74%), surveys are always taken anonymously, while for 23.6% of those talent leaders, employees can choose whether or not to share their name when taking the survey.

How often do you formally assess employee satisfaction?

47.4%
More than once a year

36.8%
Annually

12.3%
Less than once a year

3.5%
Other
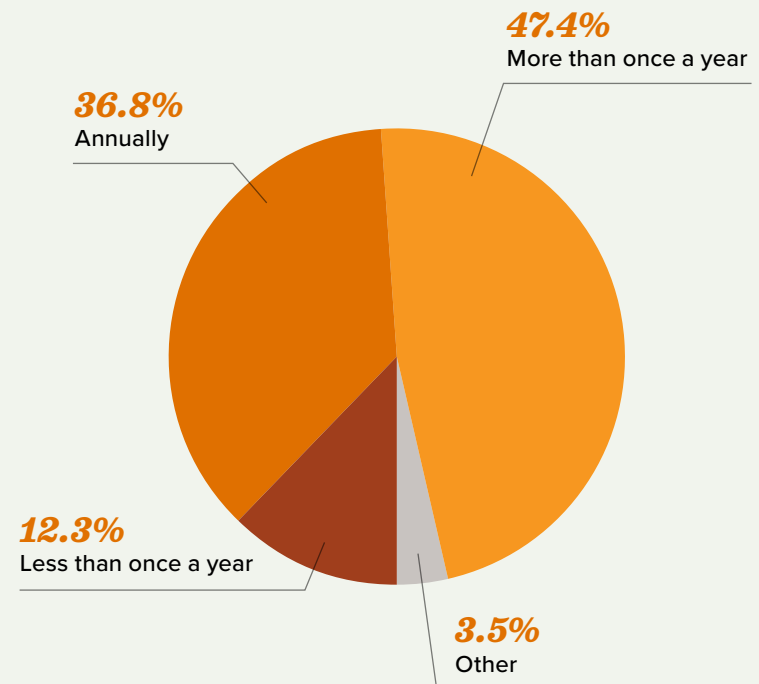
Gathering information (continued)

Providing the option for anonymity allows employees to answer questions honestly without fear or retribution. Even at organizations with strong, collaborative company cultures, there is an inherent power imbalance between employees at different levels of the organization. In addition, a past experience, even at a different organization, where feedback was not welcomed can make an employee nervous about sharing their honest opinions in the future. As a result, it can be hard for more junior or entry-level employees to feel comfortable sharing critiques of leadership or organizational priorities without the added security of anonymity.

That may be, in part, why structured interviews are often used to supplement written surveys, but rarely used as a stand-alone method of assessment. The vast majority (90.5%) of respondents to our questions who use structured interviews do so in conjunction with a written survey. Further, 3.5% of all talent leaders who responded to our questions use structured interviews as their sole form of assessment, while 40.4% of those who use written surveys use it as their sole assessment.

Over a third of respondents use a written survey *and* a conversation-based approach, such as a structured interview, focus group, or listening session, to assess employee satisfaction.

Supplementing written surveys with a conversation-based method was popular amongst talent leaders responding to our survey. In fact, 38.8% of those respondents who use written surveys also use structured interviews, and nearly half of those who use a written survey (49%) also use either a structured interview, focus groups, or other type of conversation-based assessment.

Written surveys and conversation-based assessments do not have to be conducted at the same time. In fact, conversation-based assessments can be a useful tool for following up on the trends found in the survey data. Further, written survey results can help managers and an organization's leadership know what questions to ask, making one-on-one or small group interviews more efficient and impactful.

These conversations also allow employees to feel like they are a part of finding solutions to the problems exposed in the satisfaction survey, increasing their sense of organizational collaboration and community by ensuring that employees feel heard—the importance of which team members often bring up to us.

Survey topics and questions

Employee satisfaction is a multifaceted issue and the topics covered by participating talent leaders in their assessments reflect that. Although satisfaction with the organization is the most commonly measured criteria by those talent leaders, other areas, ranging from an employee's satisfaction with their specific role to employee perception of equity, diversity, and justice-centered initiatives, are central as well.

Going beyond general topics to specific questions, we asked participating talent leaders what questions they find most helpful in assessing employee satisfaction. From their answers, we deduced several key themes.
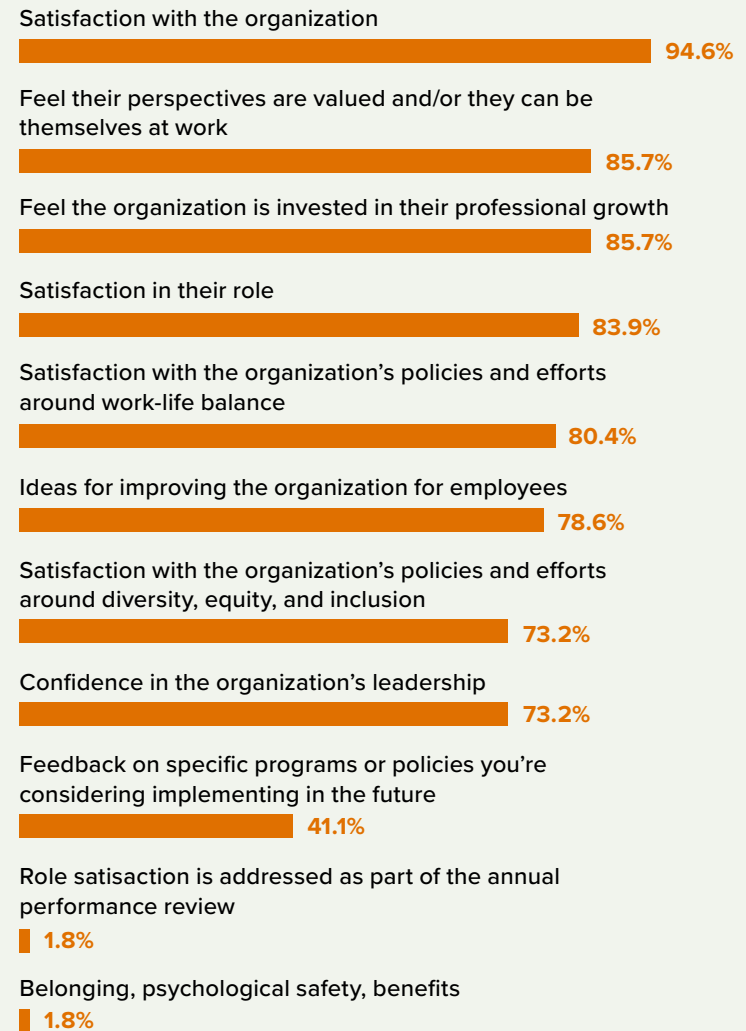
Measuring overall leadership vs. direct management

Many questions focused on employees' experiences at the organization—and the people who impact those experiences. These questions can be divided into two categories: 1) questions about the organization's leadership and 2) questions about direct managers.

Questions about the organization's leadership, cited by 15% of participating talent leaders as being "most helpful," tended to focus on big-picture feelings about the organization. Specifically, a majority of the questions (66.7%) about leadership ask employees whether they have either "trust" or "confidence" in their organization's leadership.

Which of the following topics do you include in your employee satisfaction assessments? (Check all that apply.)

Satisfaction with the organization
94.6%

Feel their perspectives are valued and/or they can be themselves at work
85.7%

Feel the organization is invested in their professional growth
85.7%

Satisfaction in their role
83.9%

Satisfaction with the organization's policies and efforts around work-life balance
80.4%

Ideas for improving the organization for employees
78.6%

Satisfaction with the organization's policies and efforts around diversity, equity, and inclusion
73.2%

Confidence in the organization's leadership
73.2%

Feedback on specific programs or policies you're considering implementing in the future
41.1%

Role satisaction is addressed as part of the annual performance review
**1.8%**

Belonging, psychological safety, benefits
1.8%

Survey topics and questions (continued)

In contrast, questions about an employee's relationship with their direct manager (cited as being "most helpful" by only 22.5% of participating talent leaders) focus more on the employee's day-to-day experience at the organization. These questions tend to ask about the quality of relationship one has with their supervisor or whether they feel supported by that supervisor.

The dominance of big-picture questions about overall leadership over more everyday questions about employees' relationships with their supervisors may suggest an emphasis on assessing an employee's satisfaction with the organization as a whole rather than on the impact a single individual has on their experience at the organization.

However, it's important to remember that an employee's relationship with their direct manager is crucial to their engagement and success at the organization. As a result, we found it surprising that so few respondents to our survey cited questions about direct management as being most helpful.
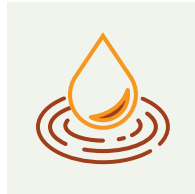
Evaluating sense of impact

In the nonprofit sector it's very important that employees feel that their workplace is making a positive impact and that they are contributing to that impact. This is especially true for employees focused on more administrative tasks who may not see the direct link between their work and organization's mission and outcomes in their day-to-day duties.

But, even employees working in client-facing roles that clearly contribute to the organization's mission may become disheartened by the emotionally taxing nature of the work and come to doubt whether their efforts are really making an impact. Finding out whether employees think their organization is making progress towards its mission—and whether they see themselves as vital to that progress—is crucial to ensuring that employees are motivated and want to stay with the organization.

Popular questions specifically asked about employees' alignment with the organization's mission, how they feel they were able to contribute at work, and how well leadership communicates. For example:

- **Are the organization's core values reflected in both strategy and operations?**
- **Do you understand how your role connects to the organization's mission?**
- **To what extent do you feel you are contributing to the organization's accomplishment of its mission and strategy?**

Assessing culture and belonging

Since the Covid-19 pandemic and anti-racist uprisings of the summer of 2020, workplace culture and values have become increasingly important to employees—especially those working in the nonprofit and social sectors. Many talent leaders who responded to our survey (42.5%), in turn, cited questions relating to culture, sense of belonging, or alignment between an organization's everyday operations and the organization's core values as most helpful.

Survey topics and questions *(continued)*

A popular method of assessment: Asking if employees would recommend their workplace

One specific way some participating talent leaders (17.5%) assess this is by asking employees if they'd recommend their workplace. This question stems from the Employee Net Promoter Score system (although only 15% of total respondents directly referenced using this system).

Linking this question to your DEI goals

One respondent specifically asks: Would you recommend the organization as a great place to work to a friend from a marginalized group? Queer, BIPOC, disabled, and people from other marginalized groups often have different experiences in the workplace than their counterparts from dominant groups. This question digs into those differences.

However, it is still important to be aware of the limitations of this question and questions concerning culture, well-being, and belonging overall when evaluating employee satisfaction in relation to your DEI goals for a few key reasons:

1. **The identities of the respondents will likely influence the results.** For instance, if the employees answering the question are predominantly white, their insight into how the organization treats people of color will solely be based on observation or knowledge of the organization's official policies, while a person of color will be able to draw on their own lived experiences.

2. **A respondent who is not a member of a particular marginalized group may be unaware of the policies and initiatives meant to support that group (or the lack thereof).** For instance, if the employees answering the question are predominantly white, their insight into how the organization treats people of color will solely be based on observation or knowledge of the organization's official policies, while a person of color will be able to draw on their own lived experiences.

3. **An organization may be a great place to work for members of one marginalized group, but challenging for members of another.** Because of the intersectional nature of oppressive systems, a workplace may offer fantastic benefits and an incredibly inclusive culture for some members of a community, while others employees may still face unconscious bias or other forms of discrimination.

Ask challenging questions because candidates certainly are.

Despite the potential pitfalls, it's still crucial that organizations ask these challenging questions because candidates certainly are. Whether it's on social media, Glassdoor, or simply by word of mouth to friends, employees and job-seekers are likely discussing the pros and cons of working at your organization. As a result, knowing whether or not your employees would recommend your workplace to others is not only crucial to improving employee satisfaction, but to ensuring that you're prepared for the types of questions candidates might ask as well.

Putting findings into action

Collecting data is only meaningful if you do something with it. Many of the talent leaders who responded to our survey made tangible, positive changes to their organization based on feedback from employees and emphasized the importance of being transparent about those changes.
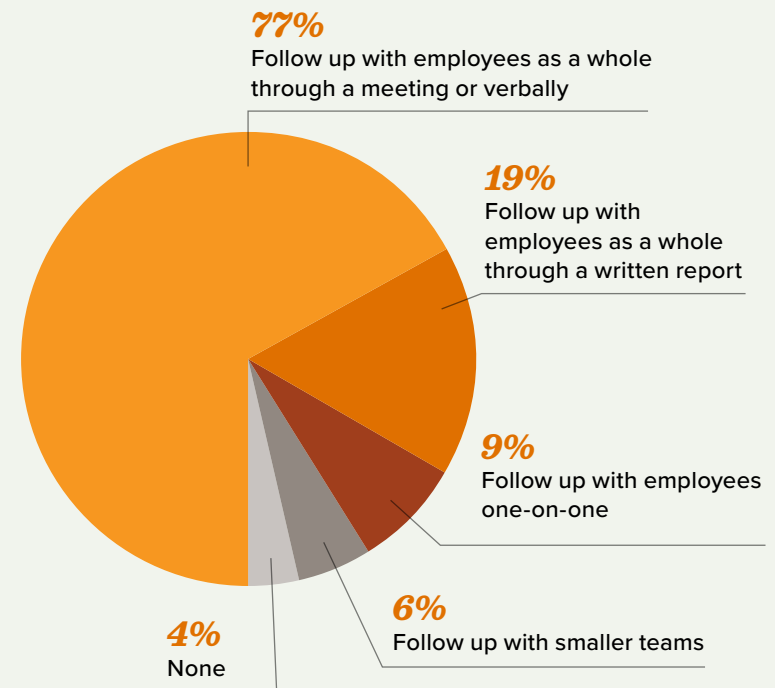
The most popular way to share survey data with members of an organization is through an all-team meeting (77%), with the second most popular being a written report (19%).

Beyond structured follow-up, 75% of participating talent leaders whose organizations conduct surveys make the results available to all employees, which offers employees the opportunity to really look through and see the results themselves—and see how their own experience compares to those of others.

Although some organizations do follow up with employees individually (9%), that method isn't feasible for all organizations based on their size and capacity. Several employers noted that, because surveys are anonymous, it's difficult to conduct one-on-one follow up, while another employer reported that they use one-on-one meetings instead of surveys to begin with.

Overall, 96% of participating talent leaders use at least one method to follow up with employees, emphasizing the important role that transparency plays in ensuring that employee surveys are meaningful.

What does follow up look like?

77%
Follow up with employees as a whole through a meeting or verbally

19%
Follow up with employees as a whole through a written report

9%
Follow up with employees one-on-one

6%
Follow up with smaller teams

4%
None

Putting findings into action (continued)

Making changes

We asked participating talent leaders to share examples of how their organizations have made changes based on their employee satisfaction assessments. The majority of responses fell into one of three categories.

1. Adjustments to accommodate remote and hybrid workers

Fostering a sense of belonging in the workplace has always been challenging. Today, with many employees working remotely at least some of the time, many organizations are working to ensure that employees still feel connected to one another and to the organization.

Several (7%) talent leaders responding to our survey told us that they had introduced a new initiative to promote belonging and community as a direct response to their employee satisfaction assessment.

At the same time, 16.7% of those talent leaders reported that they've made work more flexible for employees by increasing work-from-home and/or hybrid work opportunities and expanding flex-time policies.

"Most of the focus is on increasing engagement and communication given our hybrid work schedule."

These accommodations and policies are consistent with what we've seen over the past few years: highly-qualified executives and candidates for executive roles require flexibility in how and where they work.

2. Compensation and benefits

Although few organizations cited questions around compensation and benefits as the most helpful in their survey, 35.7% reported adjusting compensation and/or benefits in response to the results of either their satisfaction survey or a separate survey focused on benefits and compensation. These changes manifested in several ways:

- **Philosophy and transparency:** 9.5% of participating talent leaders talked about reassessing their philosophy around compensation—specifically by instituting or reevaluating their pay bands—with

another 19% actually adjusting employee compensation based on assessment results. Several others (7.1%) have implemented systems to increase transparency around their current benefits and compensation structures. For example, one organization introduced a "policies and procedures section" on their intranet.

- **Adjustments to benefits:** In addition to the 19% of participating talent leaders who specifically mentioned adjusting pay, an additional 16.7% adjusted and/or expanded employee benefits. These adjustments include providing a retirement plan (or employer contributions to an existing plan), changing health insurance plans, bolstering mental health support, and adding more days to time off and leave policies.

- **Increased time off:** 9.5% of participating talent leaders increased the time off available to employees through more planned office closures, increasing time available for parental and bereavement leave, and increasing the number of vacation days.

Putting findings into action *(continued)*

These adjustments not only improve employees' material conditions, but have the potential to advance the organization's equity-focused goals as well. Instituting pay bands is one of the first steps in achieving equitable pay at an organization. Although we don't know exactly what benefits were added to each organization, expanding insurance coverage and leave availability can be essential to supporting employees with disabilities, LGBTQ+ employees seeking gender-affirming care, and birthing people.

3. Professional development

Offering robust professional development opportunities, like creating a sense of connection with the organization's mission, can be an effective way to attract and retain junior, entry-level, and even mid-career employees. Based on assessment results, 23.8% of talent leaders who responded to our survey have taken steps to improve employees' access to professional development opportunities as a result of their survey. Improvements include:

- Creating opportunities for mentorship from senior and executive staff members

- Starting a management training program

- Revising internal hiring policy and solidifying more formal development pathways

- Increasing funding for professional development

- Adjusting how employee performance is assessed

Investmenting time and resources into professional development opportunities makes employees feel that the organization is invested in them, which can contribute to an overall greater sense of community and higher retention rates. As a bonus, these opportunities cultivate strong talent internally, which can pay off when it's time to hire for a more senior position.

Conclusion

The biggest takeaway from our data is to focus on transparency and open-mindedness. Be transparent with assessment results and how those results are impacting leadership decisions in real time. Whether you're using a structured interview or a written survey, it's crucial that employees feel the feedback they're giving the organization is actually being listened to and acted on.

Open-mindedness and a willingness to listen to employees are crucial to taking the next step and putting assessment results into action. A good assessment may uncover an unexpected sentiment among employees. You may find out that employees feel negatively about something you thought the organization was doing well. To really make an assessment count, an organization needs to be willing to reevaluate everything from culture to compensation. The exact changes that employees are hoping for won't always be possible, but organizations can still find those points of flexibility where positive changes can be made.

Lastly, frequency is key. The majority of participating talent leaders assess employee satisfaction at least once a year—and some even mentioned conducting more casual pulse checks in between. Doing so is essential to understanding whether the interventions you've implemented based on the last assessment are effective. And, as we know from all of the changes that happened during and following the pandemic, the outside world has a big effect on the workplace. As the job market shifts and socio-political events unfold, employee expectations will shift. Regular assessments are how organizations can stay on top of employee expectations and strive for high employee satisfaction.