



Talent-Investing:

***Driving the Future of
Nonprofits & Philanthropy***



Justice. Performance. Impact. Sustainability.

March 2019

Fund the People

**Fund the People
is the national campaign to
maximize investment in the nonprofit workforce.**

Fund the People

We seek to increase
Performance, Impact, and Sustainability among
Nonprofit Professionals, Organizations, and Networks.

Fund the People

To achieve this, we:
Make the Case, Equip for Action, and Organize
to maximize Talent-Investing and Talent Justice
among Funders, Nonprofits and Intermediaries.

Fund the People



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Agenda

1. Bottleneck
2. Investment Deficit
3. Equity
4. Talent-Investing
5. ROI
6. Resources

1. Bottleneck

Bottleneck



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Bottleneck

Millennials *Stuck at Onramps*



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Bottleneck

Millennials
Stuck at Onramps
Generation Xers
Caught in Traffic

Bottleneck

Millennials
Stuck at Onramps

Generation Xers
Caught in Traffic

Baby Boomers
Stuck at Off Ramps

2. Investment Deficit

Funders Under-Invest

1% of foundation grant dollars go to grantee staff development



1%

Nonprofits Under-Invest

Nonprofits spend 1%
of budgets on staff
development

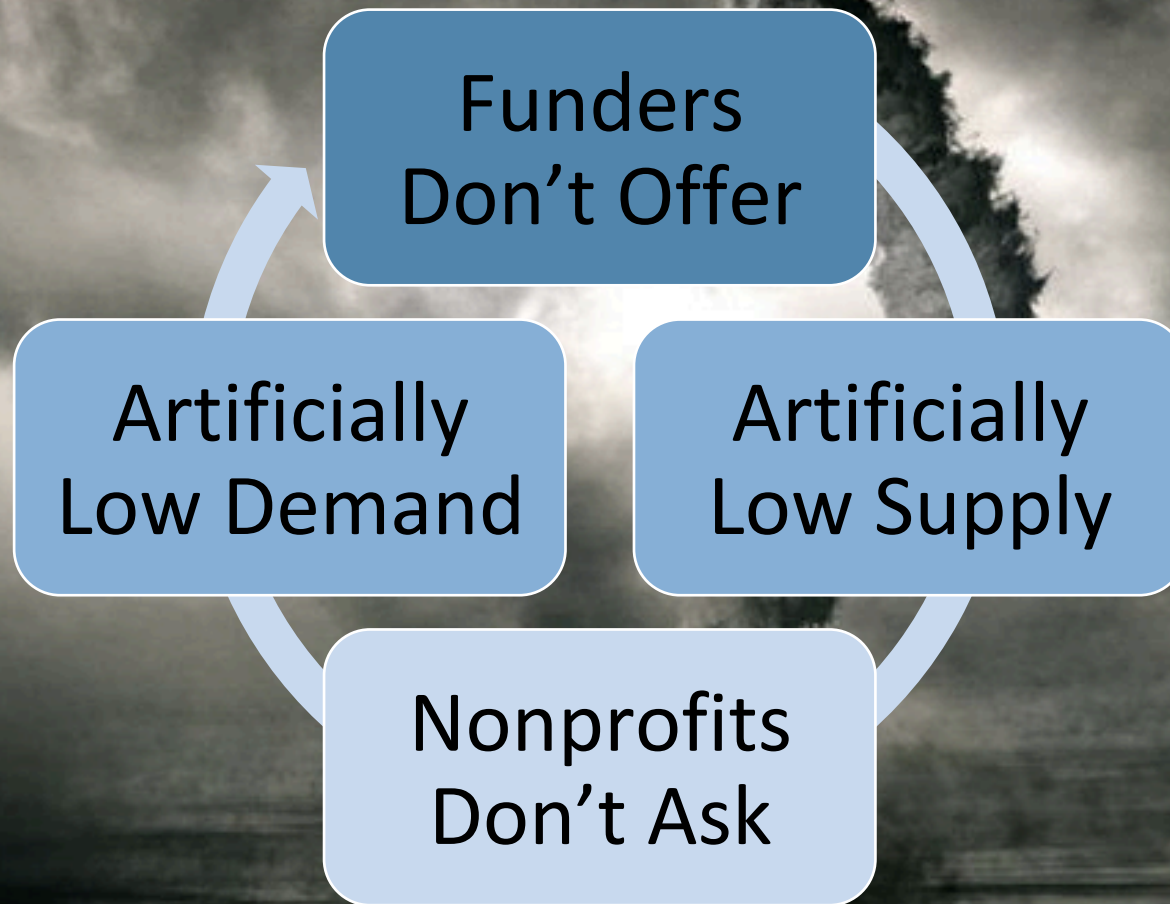
A woman with dark hair, wearing a light-colored sweater, is shown from the chest up. Her hands are clasped together over her face, with her eyes closed, suggesting a state of stress, frustration, or despair. The background is a solid blue color.

1%

Major Funder Blindspot

- 73% of nonprofit E.D.s say that don't have the resources they need to develop their leadership – and their funders don't know.¹
- 37% of E.D.s say *staffing* is 2nd most important area to strengthen in their nonprofits. *Staffing* does not even appear in funders' top 6 areas of need for strengthening in their grantees.²

Vicious Cycle



3. Equity

An Unjust Roadway



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An Unjust Roadway

Inequitable Access



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An Unjust Roadway

Inequitable Access

Inequitable Advancement



**Fund the
People**

An Unjust Roadway

Inequitable Access

Inequitable Advancement

Inequitable Ascension

Talent Justice Findings

- Funders and Nonprofits are Making Insufficient Investments in Practices that Support Workforce Equity
- Funders and Nonprofits Differ on How to Promote Workforce Equity
- People of Color and Whites Differ on How to Promote Workforce Equity

4. Talent-Investing

The Logic



**Fund the
People**

The Logic

**Talent-
Investing**

The Logic

**Talent-
Investing**



Performance

The Logic

**Talent-
Investing**



Performance



Impact

Funders Refocus



Funders Refocus

A hand holds a camera lens in the foreground, with the lens's glass element reflecting the background. The background is a blurred landscape featuring a blue lake, green mountains, and a blue sky with white clouds. The text "Nonprofit Leadership" is overlaid on the lens reflection.

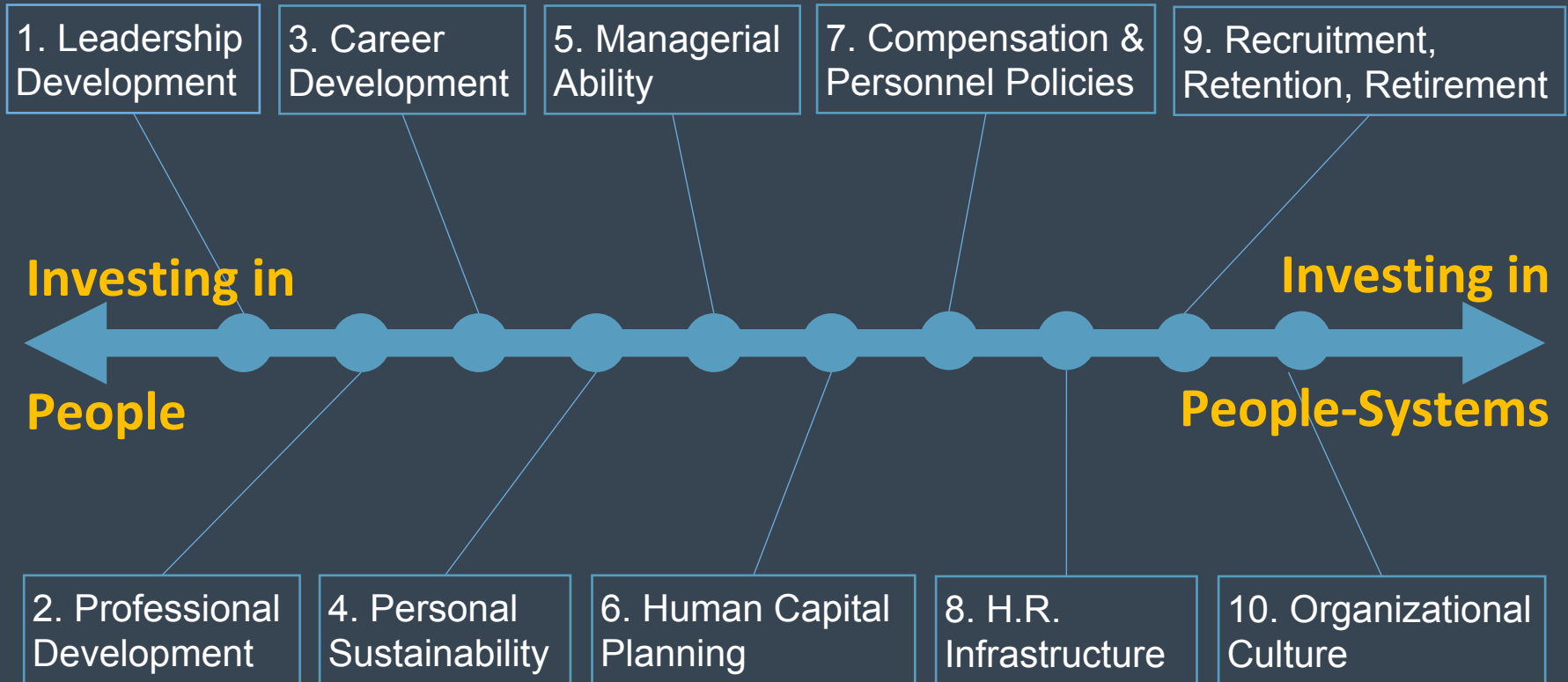
**Nonprofit
Leadership**

Funders Refocus

Nonprofit Workforce

Nonprofit
Leadership

Investment Menu



Bake It In



Funding
Budgets
Plans



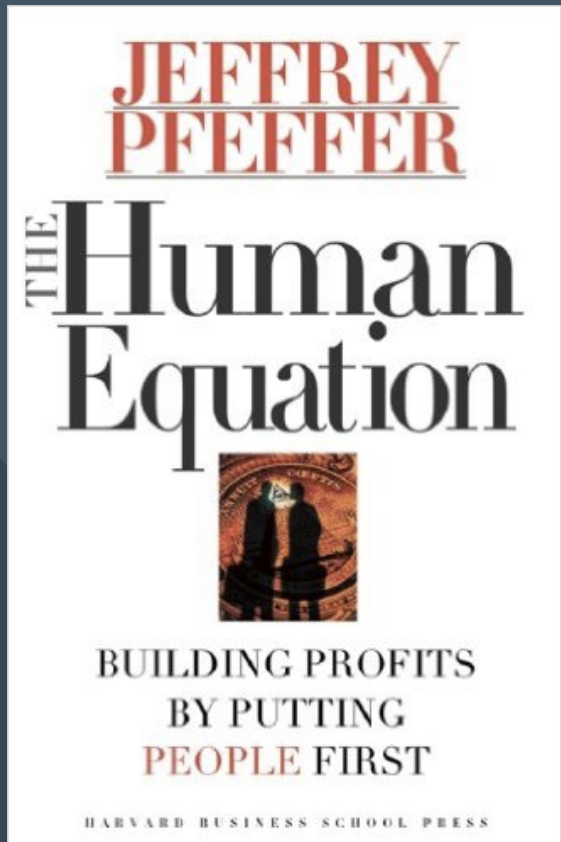
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Virtuous Cycle



5. ROI

ROI for Business



Significant, sustained investments in employees can yield increases of up to 40% in:

- Profitability
- Stock price
- Value to shareholders
- Firm survival rates

ROI for Our Sector



Value for Haas Jr. Fund

Flexible Leadership Awards

evelyn & walter
HAAS JR. fund

5-YEAR EVALUATION OF THE
FLEXIBLE LEADERSHIP AWARDS

HAAS LEADERSHIP INITIATIVE

JANUARY 2013
PREPARED BY: WILLIAM P. RYAN

ROI for Staff Members:

- Leadership goals: 8 unmet, 19 met, **15 surpassed**

ROI for Organizations:

- Program goals: 1 unmet, 19 met, **21 surpassed**
- 13 of the 14 grantees saw their budgets increase, on average by **64%**
- Grantees that saw highest gains in leadership development also saw highest gains in mission advancement

Value for Haas Jr. Fund



“I can’t say enough about how important leadership development is. (I)t’s like adding protein powder to your other grants. If you want your other grants to be successful, if you want your grantees to do the best job in meeting their deliverables and moving the ball forward in their movements, you have to invest in leadership development.”

— Rea Carey, Executive Director, National LGBTQ Task Force Foundation

Value for Durfee et al

Sabbatical Funding



ROI for Staff Members:

- Sabbaticals can be dry run for a future transition: can clarify ED's responsibilities—important information when looking for a successor; interims can decide if the ED's job is really what they want.

ROI for Organizations:

- Staff learn new skills and take on new responsibilities. On return, EDs often delegate more decision-making.

ROI for Funders:

- Deepened relationships with grantee leaders; gained deeper perspective of community needs; received feedback on foundation impact on community.

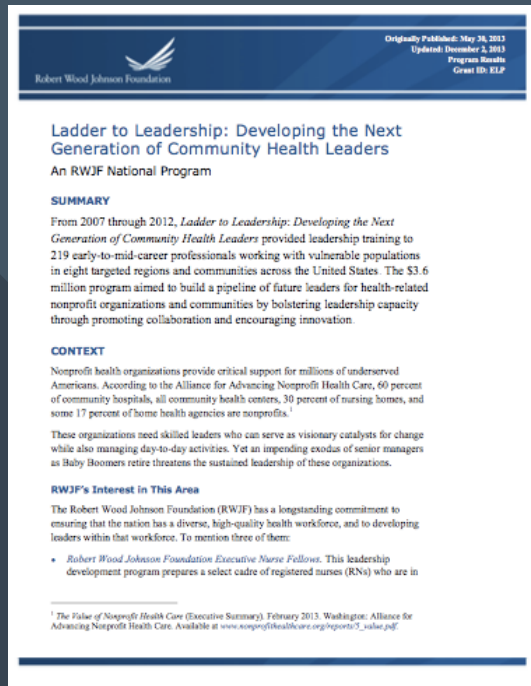
Evaluators:

Deborah S. Linell, Third Sector New England

Tim Wolfred, Psy.D., CompassPoint Nonprofit Services

Value for RWJF

Ladder to Leadership



ROI for Staff Members:

- 90% of participants' supervisors, direct-reports and peers reported an increase or a significant increase in fellows' leadership effectiveness

ROI for Organizations:

- 86% of both fellows and their co-workers reported an increase or a significant increase in their organization's ability to deal with complex challenges

ROI for Communities:

- 71% continued to leverage cross-org networks they built through the to program to address community challenges

Evaluators:

Heather Champion, PhD, Center for Creative Leadership

Kimberly Fredericks, PhD, MPA, Dean, Sage Colleges School of Management

6. Resources

Fund the People Toolkit



fundthepeople.org/toolkit

Talent Justice Initiative



**Talent
Justice
Initiative**



**Fund the
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Call to Action

**Fund the
People**

fundthepeople.org

*Driving the Future of
Nonprofits & Philanthropy*

