

The Real Cost of Turnover in Nonprofits

What Leaders Can Do About It — Without Breaking the Budget

Presented by: **Rachel Schaefer**, Director of Employee Development



Your Speaker

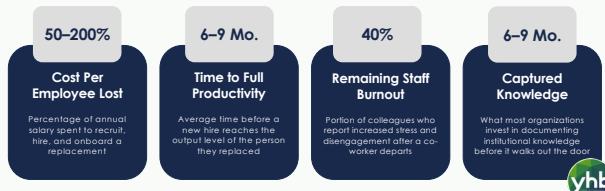


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Turnover Is Costing You More Than You Think

Most nonprofit leaders accept staff departures as an unavoidable side effect of limited budgets and mission-driven work. But the real cost is far greater than a single line on a budget sheet. Turnover quietly erodes your organization's capacity to deliver impact.



The Hidden Ripple Effects of Losing Staff

Beyond direct recruitment costs, turnover generates cascading disruptions that undermine programs, donor relationships, and organizational culture.

→ Lost Institutional Knowledge

Years of relationship-building, program nuance, and community trust leave when a staff member does — and it rarely gets written down first.

→ Disrupted Donor Relationships

Major donors often give to people, not organizations. A departing development officer can jeopardize gifts that took years to cultivate.

→ Staff Strain and Burnout

Remaining employees absorb extra duties, eroding morale, productivity, and — eventually — their own commitment to stay.



10 Ways to Retain Great People

The N-O-N-P-R-O-F-I-T Retention Framework

Each letter of the word NONPROFIT anchors one practical, memorable strategy leaders can begin applying immediately — most at little to no cost.

- 1 **N — Nurture from Day One:** Onboarding sets the tone for the entire employment relationship.
- 2 **O — Open the Lines:** Stay interviews surface concerns before they become resignations.
- 3 **N — Notice and Recognize:** Appreciation in the right language retains more than raises alone.
- 4 **P — Play to Strengths:** DISC profiles help teams communicate, collaborate, and trust.
- 5 **R — Recruit for Retention:** Behavioral interviewing predicts fit before the first day.
- 6 **O — Orchestrate Goals Together:** Cascading goals connect individual work to organizational mission.
- 7 **F — Fund the Future Frugally:** Strategic planning can build a path toward competitive pay.
- 8 **I — It's Not All on the Leader:** Culture, board, donors, and peers all share responsibility.
- 9 **T — Trust as a Foundation:** Lencioni's trust-building practices create teams that stay.

Bonus 10th tip — Necessary Endings: Knowing when and how to let go of the wrong fit protects your culture and your best people.



N — Nurture from Day One: Onboarding That Sticks

A structured, warm onboarding experience dramatically increases the likelihood that a new hire will still be with you at their one-year anniversary. Research shows that employees who experience a strong onboarding process are **69% more likely** to remain for at least three years.

Week 1 Essentials

- Personal welcome from the Executive Director
- Mission immersion — visit a program site or meet a client
- Introduction to team norms and communication styles
- DISC assessment completed and debrief scheduled
- 30-60-90 day plan co-created with supervisor

First 90 Days

- Weekly 1:1 check-ins with direct supervisor
- Lunch or coffee with each team member
- Introduction to key donors and board contacts
- Review of cascading goals and performance expectations
- Access to tools: ChatGPT, DonorPerfect or Salesforce/Neon CRM



Use AI to build a beautiful, interactive onboarding guide your new hire can revisit anytime — far more engaging than a PDF binder.



O — Open the Lines: Stay Interviews

Exit interviews tell you why people left. **Stay interviews** tell you why they're staying — and what might cause them to go. Conducted quarterly or semi-annually, stay interviews are one of the highest-return, lowest-cost retention tools available to nonprofit managers.

"What do you look forward to most when you come to work?"

Reveals intrinsic motivators you can protect and amplify for this employee.

"What would make you consider leaving?"

Creates a safe space to surface concerns before they become a two-week notice.

"What's one thing I could do differently as your manager?"

Models vulnerability and builds the trust needed for honest ongoing dialogue.

"Where do you want to grow in the next year?"

Signals that growth matters here — and gives you a chance to invest in it before a competitor does.



N — Notice and Recognize: The 5 Languages of Appreciation

Dr. Gary Chapman and Dr. Paul White's research shows that employees feel appreciated in different ways. When recognition misses the mark, it doesn't just fail — it can actually feel hollow or even insulting. The key is **speaking the right language** for each person on your team.

Words of Affirmation

Verbal praise, written notes, or public acknowledgment. Works especially well for staff who light up when their work is named and celebrated.

Quality Time

One-on-one attention, lunch together, or being fully present in a meeting. Powerful for employees who value personal connection over public recognition.

Acts of Service

Jumping in to help during a crunch, removing obstacles, or covering a task. Speaks volumes to staff who feel seen when someone rolls up their sleeves.

Tangible Gifts

Low-cost, thoughtful tokens: a gift card, a book they'd love, or a treat tied to a personal interest. The thoughtfulness matters more than the dollar amount.

Appropriate Affirmation

Empowering someone with greater responsibility, autonomy, or a leadership opportunity. Deeply motivating for staff driven by growth and ownership.

Take the [Motivating by Appreciation inventory](http://mbrinventory.com) of mbrinventory.com to discover your team's appreciation languages.



P — Play to Strengths: DISC in Your Nonprofit

The DISC model identifies four primary communication and behavioral styles — **Dominance, Influence, Steadiness, and Conscientiousness**. Understanding how each person on your team is wired reduces conflict, improves collaboration, and helps managers lead each individual more effectively.

DOMINANCE

**DIRECT,
RESULTS-DRIVEN.**

STEADINESS

**PATIENT,
RELIABLE.**

INFLUENCE

**ENTHUSIASTIC,
COLLABORATIVE.**

CONSCIENTIOUSNESS

**ANALYTICAL,
ACCURATE.**

→ **Why It Matters for Retention**

When managers communicate in the wrong style — giving a C-style employee vague direction, or micromanaging a D-style leader — frustration builds silently. DISC gives your team a shared vocabulary for self-awareness and compassion.

→ **Free DISC Assessment**

Offer your team a free DISC assessment at 123test.com/disc-personality-test or through Tony Robbins' free DISC tool. Pair results with a group debrief to build shared understanding — not labels.



R — Recruit for Retention: Behavioral Interviewing

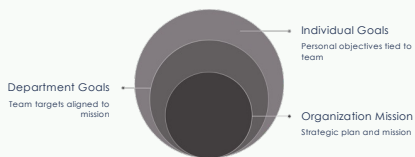
Hiring the right person is the most powerful retention move you can make. **Behavioral interviewing** — asking candidates to describe how they've handled real situations in the past — predicts future performance far better than hypothetical questions. Pair it with mission-fit screening and you dramatically reduce early departures.

<p>1</p> <p>Define the Role Honestly</p> <p>Include realistic workload, culture expectations, and growth limitations in the job post — not just aspirational language.</p>	<p>2</p> <p>Ask Behavioral Questions</p> <p>Tell me about a time you had to navigate a difficult donor relationship. Look for specificity, accountability, and alignment with your values.</p>
<p>3</p> <p>Assess Mission Alignment</p> <p>"Why this mission — and why now?" Passion for the cause is not sufficient alone, but its absence is a warning sign.</p>	<p>4</p> <p>Use AI Tools to Streamline</p> <p>Boomerang helps manage candidate communications; ChatGPT can draft job descriptions, interview rubrics, and onboarding materials in minutes.</p>



O — Orchestrate Goals Together: Cascading Goals

Employees who understand how their daily work connects to the organization's mission are significantly more engaged and less likely to leave. **Cascading goals** create that line of sight — from the board's strategic priorities all the way down to each staff member's weekly priorities.



Use your CRM — **Salesforce Nonprofit Success Pack**, **Neon CRM**, or **DonorPerfect** — to align development goals with program outcomes, ensuring every team sees how their work drives the numbers that matter to donors and board alike.



F — Fund the Future Frugally

Building a Path to Competitive Compensation

Frugal is not a limitation — it's a discipline. Frugality means spending intentionally, eliminating waste, and redirecting resources toward what matters most: your people. The goal is to build a strategic roadmap toward sustainable, competitive compensation.

Put Compensation in the Strategic Plan

- Benchmark salaries annually using Guidestar or Nonprofit HR's surveys
- Set a 3-year goal to reach 80–100% of market rate for key roles
- Create a dedicated "talent sustainability" line in your budget narrative
- Share the plan with your board and major donors — make retention a funding priority

Low-Cost Benefits That Move the Needle

- Flexible schedules and remote work options
- Extra PTO for mission-driven milestones
- Professional development stipends (\$500/yr goes far)
- Student loan repayment assistance
- "Let My People Go Surfing" — Patagonia's model of flexible time for personal passions



I — It's Not All on the Leader

Retention is a **shared organizational responsibility** — not a burden carried by the Executive Director alone. When leaders treat it as a solo task, they burn out. When the whole ecosystem engages, retention becomes a culture.

The Board

Approve a compensation philosophy. Fund a talent sustainability line. Celebrate staff publicly at meetings. Ask about retention metrics at every board meeting.

The Peers

Peer recognition programs, buddy systems for new hires, and cross-team mentorship create belonging that no manager can manufacture alone.

The Donors

Encourage major donors to fund operating costs including salaries. Share the real cost of turnover during cultivation conversations. Invite donors to meet the staff their gifts sustain.

The Individual

Self-awareness, initiative, and communicating needs honestly — employees who own their growth are partners in their own retention.



T — Trust as a Foundation: Lencioni's Five Dysfunctions

Patrick Lencioni's landmark framework identifies **the absence of trust** as the root cause of every team dysfunction — from fear of conflict to lack of accountability. In nonprofits, where salaries are often below market, *trust and belonging may be the primary reason people stay.*



Trust Building Practices

- Personal histories exercise: share your background in 5 minutes
- Team effectiveness exercise: identify each person's top strength and one growth area
- Behavioral profiles (DISC) shared openly within the team

Creating a Culture of Healthy Conflict

- Name the elephant — leaders must model naming uncomfortable truths
- Disagree and commit — once a decision is made, align fully
- Meeting norms: designate someone to draw out quiet voices



Necessary Endings: The Gift of Letting Go

Dr. Henry Cloud's Necessary Endings teaches that knowing when to end a relationship that isn't working — a role, a program, or even a staff situation — is not failure. It is wisdom. Holding onto the wrong fit protects no one and quietly poisons the culture for everyone else.

The Pruning Principle

Healthy roses require pruning. Cutting a branch that is merely "good" creates space for what can be "great." The same is true of your team and your programs.

Three Types of People Who May Need Endings

Those who can't change, those who won't change, and those who need a clear deadline to realize change is necessary. Each requires a different conversation.

How Endings Protect Retention

High performers watch how leaders handle poor performance. Tolerating toxic behavior or chronic underperformance signals that standards don't matter — and sends your best people out the door.



Aligning Donors with Talent Retention

Most donors are emotionally invested in the mission — but they rarely see the connection between staff stability and program outcomes. Your job is to make that link explicit, compelling, and actionable in every donor conversation.

→ Reframe the Ask

"Your gift doesn't just fund programs — it keeps the people who run them. Show donors the cost of turnover in plain language: "Every time we lose a case manager, it costs us \$40,000 and six months of program disruption."

→ Use Your CRM to Tell the Story

Tools like **Salesforce Nonprofit Success Pack**, **Neon CRM**, or **DonorPerfect** can segment donors by interest area. Identify funders who care about organizational capacity and give them a retention-focused impact report annually.

→ Introduce Donors to Staff

When donors know the people their gifts sustain, retention becomes personal to them. Host an annual "Meet the Team" event, or include staff spotlights in your donor newsletter built with tools like Boomerang for follow-up sequencing.



Using AI to Support Your Managers

Artificial intelligence is no longer just for large corporations. Today, nonprofit managers can use free and low-cost AI tools to reduce administrative burden, sharpen communication, and support their teams — giving them more time for the human work that actually retains people.

ChatGPT — Your Free AI Assistant

- Draft job descriptions and behavioral interview rubrics in minutes
- Write personalized staff recognition messages
- Generate onboarding checklists and 30-60-90-day plans
- Summarize meeting notes and action items
- Create donor thank-you letters tailored by giving history

Try it free at chat.openai.com — no coding required.

Boomerang — Smarter Email for Nonprofit Teams

- Schedule follow-up reminders so no donor or staff communication falls through the cracks
- Track whether key emails have been opened or responded to
- Use Responsible feature (AI-powered) to improve the effectiveness of outreach emails

CRM Tools to Align Operations

- **Salesforce NPSP** — robust, free for eligible nonprofits via Power of Us program
- **Neon CRM** — purpose-built for nonprofits, strong reporting
- **DonorPerfect** — situative donor and communication management



Board Composition: Building for Strength

Your board is a retention tool. A well-composed board brings resources, relationships, and credibility that relieve pressure on staff and signal organizational stability. Use this grid to assess your current board — and identify where the gaps are.

Board Member	Industry / Expertise	Disc Style	Fundraising Ability (1-5, \$10K)	HR / Talent Experience	Legal / Financial	Community Connectors
Marcus Delgado	Corporate HR	S/C	3	Strong	None	
Linda Oxei	Banking / Finance	C	4	Limited	Strong (Finance)	
James Whitmore	Marketing / PR	I	5	None	None	
Priya Nair	Healthcare Admin	S	2	Moderate	Limited	
Tom Ferreira	Real Estate	D	5	None	Legal (some)	
OPEN SEAT →	Tech / Nonprofit Ops	I or D needed	5 needed	Strong needed	CPA or Attorney	

Use ChatGPT to draft a board recruitment matrix and job description for your ideal new member based on your current gaps.



Inspiration: Let My People Go Surfing

Patagonia founder Yvon Chouinard gave his employees permission to leave work whenever the surf was good — and built one of the most loyal workforces in corporate history. The principle: **trust your people with their time and they'll give you their best work.**

For nonprofits, this might look like flexible Fridays, volunteer hours during the workday, or simply removing the culture of performative busyness. Freedom and mission alignment together are a powerful retention combination.



Your Retention Action Plan

Retention doesn't improve through one initiative — it improves through a constellation of small, consistent actions. Use this framework to prioritize where to start and track your progress over the next 90 days.



The ROI of Staying

When your people stay, your mission compounds. Relationships deepen. Programs improve. Donors renew. Every dollar and hour invested in retention pays dividends in impact — not just in savings. **Your team is your most valuable, most renewable resource.** Treat them accordingly.

“Clients do not come first. Employees come first. If you take care of your employees, they will take care of the clients.”
— Richard Branson

“People don't leave bad jobs. They leave bad cultures, bad managers, and environments where they don't feel seen.”
— Retention Research Consensus



Start today: Schedule one stay interview, share one DISC link, write one thank-you note. Retention begins with a single conversation.



Thank you!