HR Influence in Nonprofit Sector Increasing, Workloads Growing, Says New XpertHR Benchmarking Survey

Survey also shows few HR departments measure what they do.

New Providence, NJ (July 22, 2014) – Nearly half (49.2 percent) of HR professionals in the nonprofit sector said that their HR function’s influence had increased over the past year, reports the new XpertHR HR Staffing, Costs and Structures in the Nonprofit Sector Survey. XpertHR surveyed senior HR professionals in 260 nonprofit organizations, which together have 991 HR practitioners and 84,886 employees.

As HR’s influence rises, so does its workload. With 21 percent of organizations seeing an increase in staff over the past year, the most common reason for a change in HR staff numbers was growing workloads (57 percent). In fact, although listed as an option, not one organization mentioned a decrease in HR workload.

Among organizations experiencing a decrease in HR staff numbers, the most common reason given – efficiency improvements – suggests that far from demands on HR falling, fewer people were being expected to do more work. Perhaps reflecting the ever-increasing workload on HR, about one-third of respondents said their HR budgets are increasing – and our respondents expect budgets to continue to increase in the year ahead.

“Our findings are broadly positive and present a picture of a vibrant, confident and effective HR function in the nonprofit sector. HR teams are managing ever-greater demands in partnership with supervisors across the organization and with the growing trust of senior management. All of this is reflected in the expanding resources being made available to do the job,” says Lisa Brown Morton, President and CEO of Nonprofit HR and advisor to the XpertHR survey.

Only a little over one in three respondents (36.5 percent) say that their organization has a documented HR strategy. Where such a strategy exists, nearly three in four (73 percent) say it was developed as an integral part of the overall organizational strategy, while just 18 percent say it was developed as a follow-up exercise once the overall organizational strategy was adopted. Just under one in ten (8.4 percent) said that their HR strategy was developed independently of the overall organizational strategy, suggesting a potential disconnect from, or lack of integration with, the organization.

“It was not common practice for HR departments to have a documented HR strategy, or to formally measure the effectiveness of what they do,” says Peggy Carter-Ward, Head of Content, XpertHR.

Overall, around one in five organizations (19.6 percent) has formal measures of HR effectiveness in place, while an additional two in five (39.2 percent) do so through informal measures. However, as the size of organization increases, it is increasingly likely to measure the effectiveness of its HR department and to use formal measures to do so. It is noteworthy that a substantial minority -- even of the largest employers in the survey -- make no attempt to measure the effectiveness of what they do.
“Despite very significant differences in size, funding and service focus, nonprofits have a common interest in workable, practical and effective human resources solutions and are working to overcome a lack of measurement of the HR function,” says Carter-Ward. “We expect HR’s influence in the nonprofit sector to continue to grow and that senior management will become more cognizant of HR’s importance.”


About XpertHR
XpertHR’s online service provides HR professionals with practical compliance tools and comprehensive guidance on federal, state and municipal law, helping employers stay current with evolving and complex employment law issues. XpertHR content is published in association with sister company LexisNexis. XpertHR.com is a unique, easy-to-use solution organized around the day-to-day responsibilities of HR professionals. In addition to smart search features, you can browse through content by task, by topic, or by tool type to help you find just what you need in seconds. Our key features include the popular Employment Law Manual and Liveflo employment workflows.

About Nonprofit HR
Nonprofit HR is the only human resources firm in the country that works exclusively with non-profit organizations. The firm is focused on helping nonprofits put effective human resources practices in place so its leaders can get back to focusing on their mission. The company has offices in Washington D.C. and Chicago, and serves nonprofits nationwide.

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Editor’s Note:


Media Contact:
Beth Brody, fisher VISTA (For XpertHR)
beth@hrmarketer.com
609-397-3737