

DIVERSITY IN CANADA'S NOT-FOR-PROFIT SECTOR



November 2022

TABLE OF CONTENTS

<u>INTRODUCTION</u>	1
<u>STUDY METHODOLOGY</u>	2
<u>DIVERSITY IN CANADIAN NFP ORGANIZATIONS</u>	3
<u>WHAT ARE CANADIAN NFPs DOING TO FOSTER DEI?</u>	6
<u>BEGINNING STEPS TOWARD TRUTH, RECONCILIATION AND INCLUSION OF INDIGENOUS COMMUNITIES ACROSS NFP COMMUNITY</u>	8
<u>DEI HIRING PRACTICES ACROSS NFP COMMUNITY</u>	9
<u>WHAT ARE JOB SEEKERS LOOKING FOR IN NFP SECTOR EMPLOYMENT GENERALLY & RELATED TO DEI?</u>	10
<u>CONCLUSION</u>	13
<u>ABOUT CHARITYVILLAGE</u>	15
<u>ABOUT THE PORTAGE GROUP</u>	15



INTRODUCTION

Diversity, Equity, and Inclusion (DEI) is a central issue and growing priority that touches all industries across Canada. A rise in galvanizing movements that in recent years have included #metoo, #blacklivesmatter, #everychildmatters and others have underscored how and to what extent inequality, racism and bias continue to prevail across many areas of society.

The charitable and not-for-profit (NFP) sector has not been immune to challenges related to diversity, equity and inclusion (DEI), leaving many organizations seeking to understand how they must evolve their culture, policy and practices to foster meaningful change.

With market research support from The Portage Group, CharityVillage® sought to examine the current state of DEI practices in the sector generally, and more specifically as it relates to job search and the hiring process. This initiative revealed that while Canadian charities and NFPs have certainly made inroads toward creating a sector that is intentional in fostering a culture that is truly diverse, equitable, and inclusive, some are further along this path than others.

The following report highlights the key findings from this study and includes some preliminary insights and considerations for charities and NFPs related to organizational and hiring practices that promote diversity, equity and inclusion.



STUDY METHODOLOGY

The study was carried out in April and May 2022 and included both qualitative and quantitative research of job seekers and employers within the CharityVillage® network.

Following a series of in-depth telephone interviews with a cross section of job seekers and employers from CharityVillage's community, quantitative surveys of Canadian NFP employers (1,925 responses) and job seekers (1,207 responses) were carried out by The Portage Group.

DISCLAIMER

The survey was conducted using CharityVillage's® contact base and social network and is not a random sample. Accordingly, the results reflect only the opinion of those who chose to participate in the study and may or may not accurately represent the broader not-for-profit sector in Canada.

PROFILE OF PARTICIPATING NFPs

For the participating NFPs in the study, the majority are registered charities (64%) and not-for-profit organizations (23%), with lower representation from other organizations that include associations (6%), foundations (5%) and international NGOs (1%). Some additional highlights about respondent organizations include the following:

- Participating organizations come from all parts of Canada, except the northern territories.
- The largest concentration of respondents are headquartered in Ontario (59%), including over a third of respondents located in the Greater Toronto Area (36%). This is followed by BC (19%) and Alberta (10%).
- Participants include local/municipal level organizations (40%), provincial or territorial organizations (19%), regional organizations (16%) and national organizations (18%).

FOR THE PURPOSE OF THE SURVEY, JOB SEEKERS WERE DEFINED AS THOSE ACTIVELY OR CASUALLY SEEKING NEW EMPLOYMENT OPPORTUNITIES OR WHO HAVE DONE SO IN THE PAST 18 MONTHS.

The job seeker study participants include a range of individuals, with fairly even distribution (12-17 percent) across age groups (five-year increments) between the ages of 30 and 54. In all, 73% of respondents were between 30 and 54.

A strong majority of participants identify as being female (77%). Additional interesting characteristics of the job seeker study group include the following:

- A majority are employed full time (59%), with an additional 15% employed part time. Just one-quarter (26%) are currently unemployed.
- Almost three-quarters (73%) of employed job seekers already work in the NFP sector.
- Just over half (52%) of all respondents reported they volunteer in the NFP sector.

The study also reveals a great deal of diversity within the job seeker survey population with a slight majority (59%) indicating that they belong to one or more under-represented groups. The most common groups listed by participants include the following:

- BIPOC (34%)
- LGBTQ2S+ (27%)
- Persons with a disability (25%)
- Ethnic, racial or visible minority (21%)

DIVERSITY IN CANADIAN NFP ORGANIZATIONS

Compared to other sectors, study participants believe that the Canadian NFP sector is evolving slightly ahead of other sectors when it comes to diversity, equity, and inclusion. But does perception measure up to reality? Certainly, the study indicates that some diversity exists across the staff and boards of participating organizations. Without data to quantifiably understand what a truly diverse NFP would look like, further study would be required to determine where participating organizations truly stand in terms of being representative in comparison to the general population. The study did however uncover some interesting insights.

REPRESENTATION OF MARGINALIZED AND EQUITY SEEKING GROUPS IS A STRONG FOCUS AMONG PARTICIPATING ORGANIZATIONS

Of the NFPs that responded to the survey, forty percent shared that they represent one or more marginalized groups as part of their mandate and organizational focus. Although there is a great deal of diversity related to the specific groups represented, the most common include:

- Persons with a disability (31%)
- BIPOC (16%)
- Women and/or females (15%)
- LGBTQ2S+ (14%)

Perhaps because they are already working to support marginalized communities and groups, it is not altogether surprising that these organizations appear more likely to be ahead of the game compared to other NFP organizations when it comes to evolving their strategy, policy and hiring practices to become more diverse, equitable and inclusive.

NFPs Serving Marginalized Groups and Communities More Likely to 'Walk the Talk' on DEI

NFPs serving marginalized groups and communities rated their overall DEI performance higher than average compared to other types of NFPs. They were also more than twice as likely to indicate that their organization is evolving much faster than other sectors compared to NFPs that do not.

Those with mandates to serve under-represented groups are also more likely to have taken comprehensive and concrete action towards fostering DEI through the implementation of policy changes, strategies and other initiatives.

"The most important thing our organization can do to foster DEI is to place qualified diverse people in other management or senior management roles to reflect inclusion and equity."

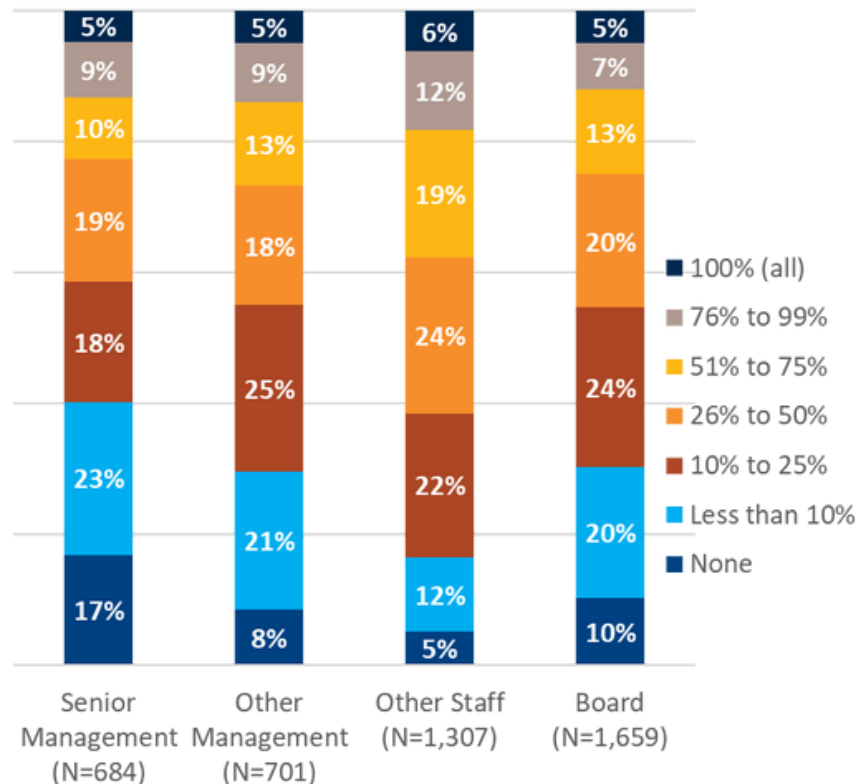
Although more than half of participating organizations claim to have at least 25% representation from underrepresented groups among staff in non-management roles, the number is less than half that for staff in management and senior management roles.

OVERALL DIVERSITY IS LOWER ACROSS SENIOR AND LEADERSHIP ROLES

How diverse are charity and NFP staff and boards?

For the study population, diversity exists to some extent at all levels but is considerably less prevalent in senior and leadership roles and boards than in other types of positions.

Portion of Staff and Board Belonging to an Underrepresented Group



OVERALL DIVERSITY IS LOWER ACROSS SENIOR AND LEADERSHIP ROLES

Likewise, the stated level of diversity for boards of directors sits at less than 25% for most of the NFPs in the study.

One key takeaway for NFP sector employers is to uncover ways to foster greater DEI in staff and volunteer recruitment, especially hiring of and promotions to higher management levels.

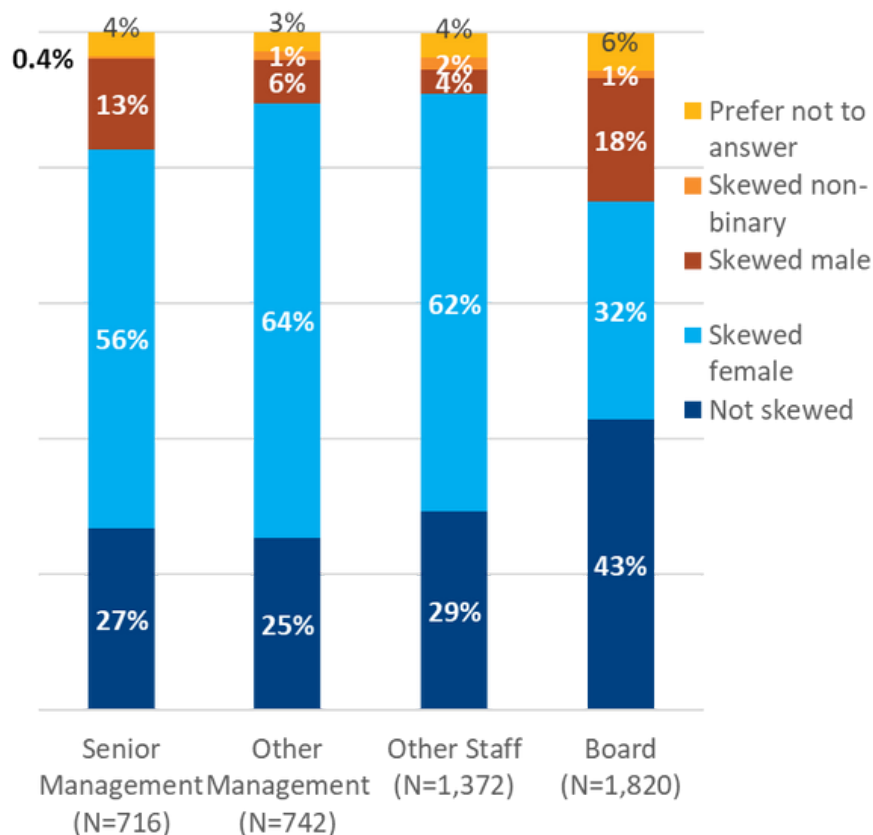


Participant Organization Staff and Volunteers are More Likely to be Skewed Female

Looking specifically at gender also tells an interesting story: There tend to be more females than males and non-binary at all employment levels across the NFPs in the study.

This is consistent with staffing profiles outlined in CharityVillage’s compensation and benefits studies going back to the inaugural study in 2011. Boards of directors are also more likely to be skewed toward female representation. However, at the senior management and board level the percentage of males increases sizably relative to their overall representation among other staff and management.

Type of Gender Skewing



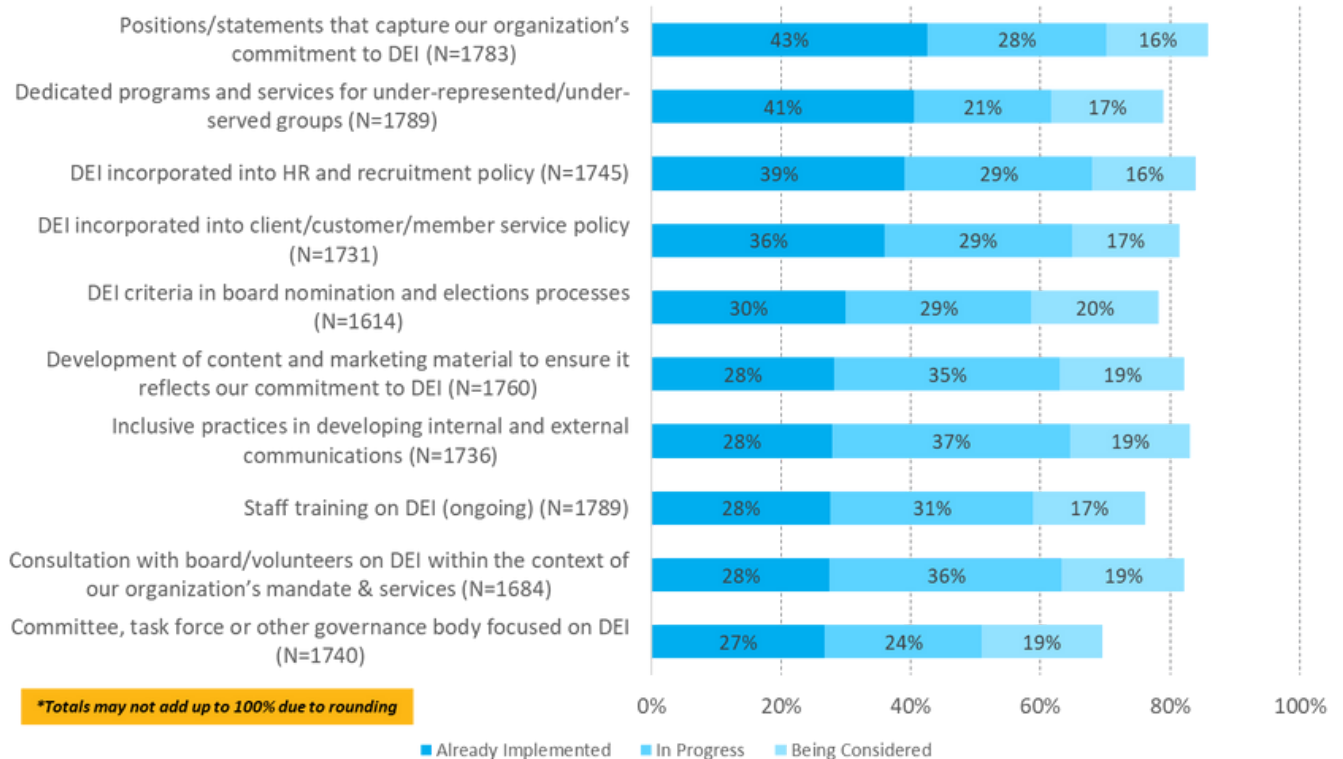


WHAT ARE CANADIAN NFPS DOING TO FOSTER DEI?

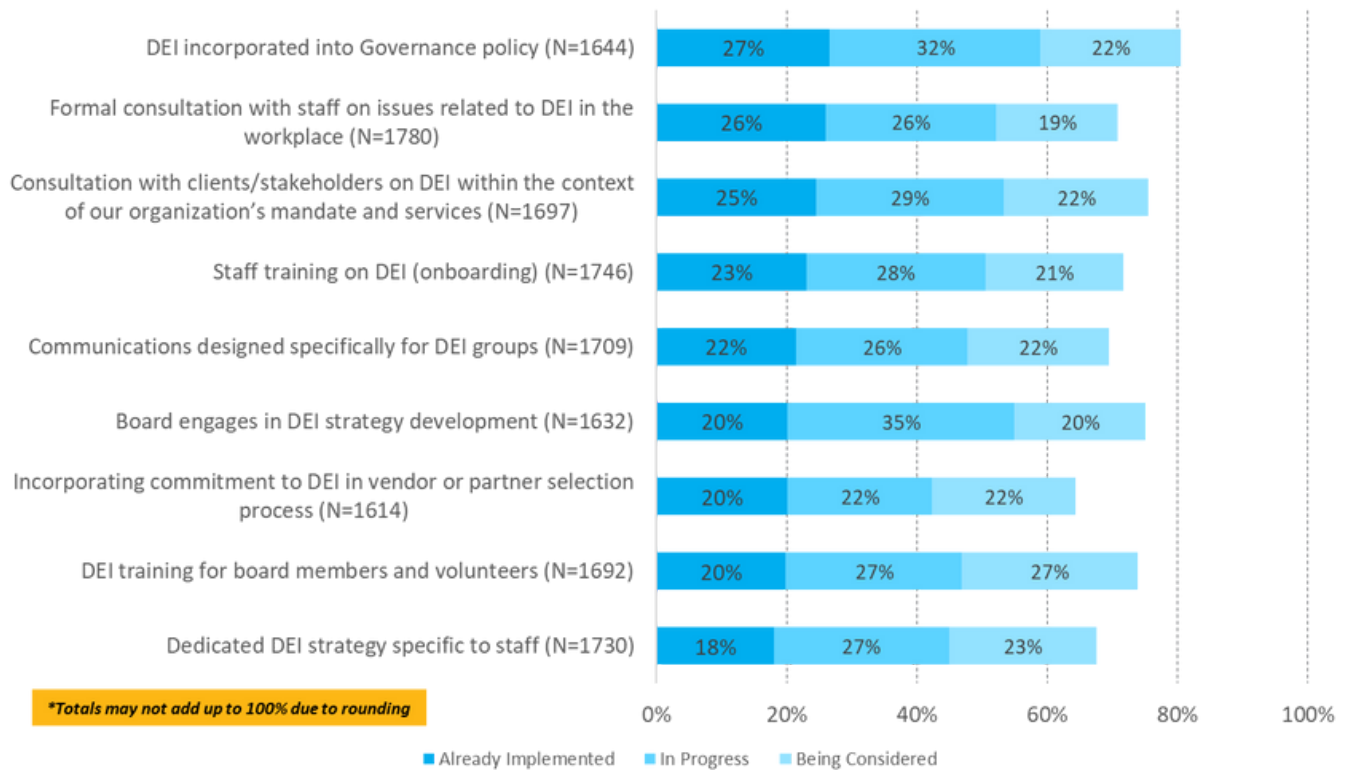
Both the quantitative survey results and themes from the open-ended comments provided by participants underscore that DEI has shifted for many organizations from just being a topic of discussion to becoming a central and cross-organizational issue that has started to result in tangible action and change.

"The last two years have been transformative. DEI issues were already on the agenda prior to the pandemic, but they became central for the sector because of the magnifying of inequities during the pandemic that were already there. This and Black Lives Matter, made a perfect storm for the sector. Before we recognized it but the urgency was not there. Now it is."

Status of DEI Initiatives



Status of DEI Initiatives (cont'd)



CURRENT DEI INITIATIVES FOCUS ON POLICY AND BYLAWS

From a list of 19 potential DEI initiatives that were presented in the survey, most were listed as being either already implemented or in progress by over half of the survey respondents.

The types of initiatives that are most likely to have been implemented or are in progress relate to the development of DEI policies and bylaws. Among the most common policy and bylaw changes are statements related to the organizations' commitment to DEI. Putting in place an HR and recruitment policy, and/or a stakeholder service policy are also common initiatives across the study group.

Most of the organizations surveyed also have (or are in the process of incorporating) inclusive practices in developing internal and external stakeholder communications.

WALKING THE TALK ON DEI: SHIFTING FROM INTENT TO ACTION

Several of the organizations surveyed have yet to shift gears from policy development to more tangible initiatives as it relates to DEI. Actions that include the development and implementation of DEI strategies specific to staffing, DEI training for board members and volunteers and incorporating the organization's commitment to DEI in vendor or partner selection are among the least likely initiatives to have been implemented.

Some respondents noted in the survey comments that in order for their organization to become truly diverse, equitable and inclusive systemic and cultural change will be required – and that this may take time.

THREE HIGH IMPACT DEI INITIATIVES TO CONSIDER FOR YOUR NFP

- Incorporating DEI into HR and recruitment policy.
- A dedicated focus on providing ongoing staff training on DEI.
- Providing dedicated programs and services for under-represented and underserved NFP stakeholder groups.



Beginning Steps Toward Truth, Reconciliation and Inclusion of Indigenous Communities Across the NFP Community

Although not as common as most other DEI initiatives tested, the survey indicates some progress as it relates to actions and initiatives that foster truth, reconciliation and inclusion of Indigenous communities and people across the NFP community.

Just over one-third of surveyed employers indicate their organization has put in place policies, practices or strategies to foster inclusion specific to Indigenous communities.

"We have a DEI committee that has representation Board & Staff, we have had 2 training sessions already on DEI in 2022, and as an organization we have made a conscious effort to continue to revisit our organization polices and processes, have open conversations with our team at our weekly meetings. It is ongoing work that cannot be put on a back burner anymore."

"Our mandate and by-laws were specifically written to include and focus on diversity groups, with Deaf and Disability, LGBTQ+, and other vulnerable communities as our main members. Within the last 5 years we have actively included policies and procedures to address Indigenous groups specifically. We reorganized and improved our membership applications to allow for a better understanding of the groups applying, and to be able to actively ensure we have a diverse membership. We have changed contracts and policies to be gender neutral, we implemented a DEI, and Accessibility working group to help us manage any issues or concerns we encounter and continue to actively improve policies as they arise."

We are cautious about tokenism. We are trying very hard not to check boxes. We are not just putting in policy but are teaching and breeding understanding across our staff and stakeholders

DEI Hiring Practices Across the NFP Community

Related specifically to hiring practices, the vast majority of surveyed organizations engage in one or more activities related to diversity, equity and inclusion.

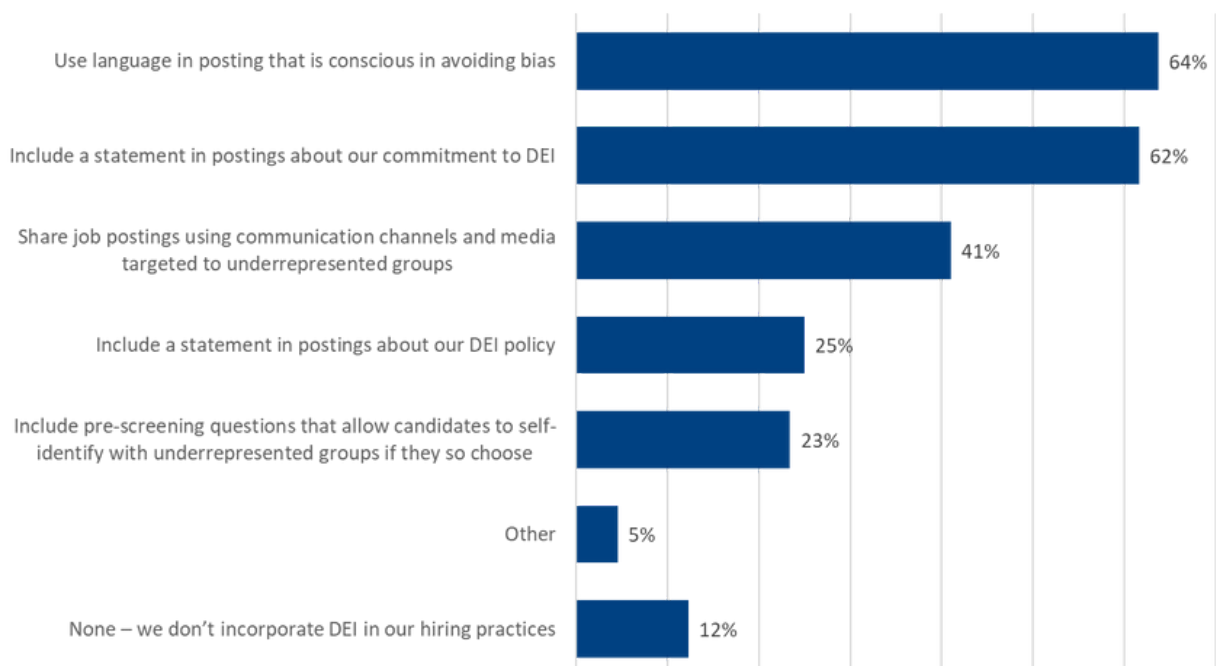
Using language in job postings that reflects a conscious avoidance of bias is the most common hiring practice, followed closely by including a statement of the organization's commitment to DEI.

"We have been actively reaching out and engaging with organizations serving Indigenous communities. We recognize the impact of intergenerational trauma and genocide in daily lives and the lifelong impact. We also celebrate the resilience and triumphs and support a fulsome approach to TRC and respecting treaty agreements and rights."

In addition to incorporating land acknowledgements at meetings, events and in communications materials, initiatives vary from organization to organization and may include:

- Engagement in partnership and dialogue with Indigenous communities to inform organizational work, focus, culture and priorities.
- Reviewing organizational strategy and focus in response to the National Truth & Reconciliation Report's Calls to Action.
- Developing dedicated strategies that foster greater inclusion of Indigenous people across NFP staff and boards.

DEI Hiring Practices



DEI HIRING PRACTICES

Although not as commonly practiced across the survey group, additional DEI hiring practices to consider may include:

- Using communication channels and media targeted to underrepresented groups and communities.
- Inclusion of a statement in job postings about the organization's DEI policy.
- Pre-screening questions that allow candidates to self identify with an under-represented group, if they choose.

As with other types of initiatives, organizations with a mandate to serve under-represented and/or marginalized groups are more likely to engage in DEI hiring practices than their counterparts, particularly when it comes to sharing job postings using communication channels and media targeted to underrepresented groups and to include pre-screening questions that allow candidates to self identify with underrepresented groups, if they so choose.

What are Job Seekers Looking for in NFP Sector Employment Generally & Related to DEI?

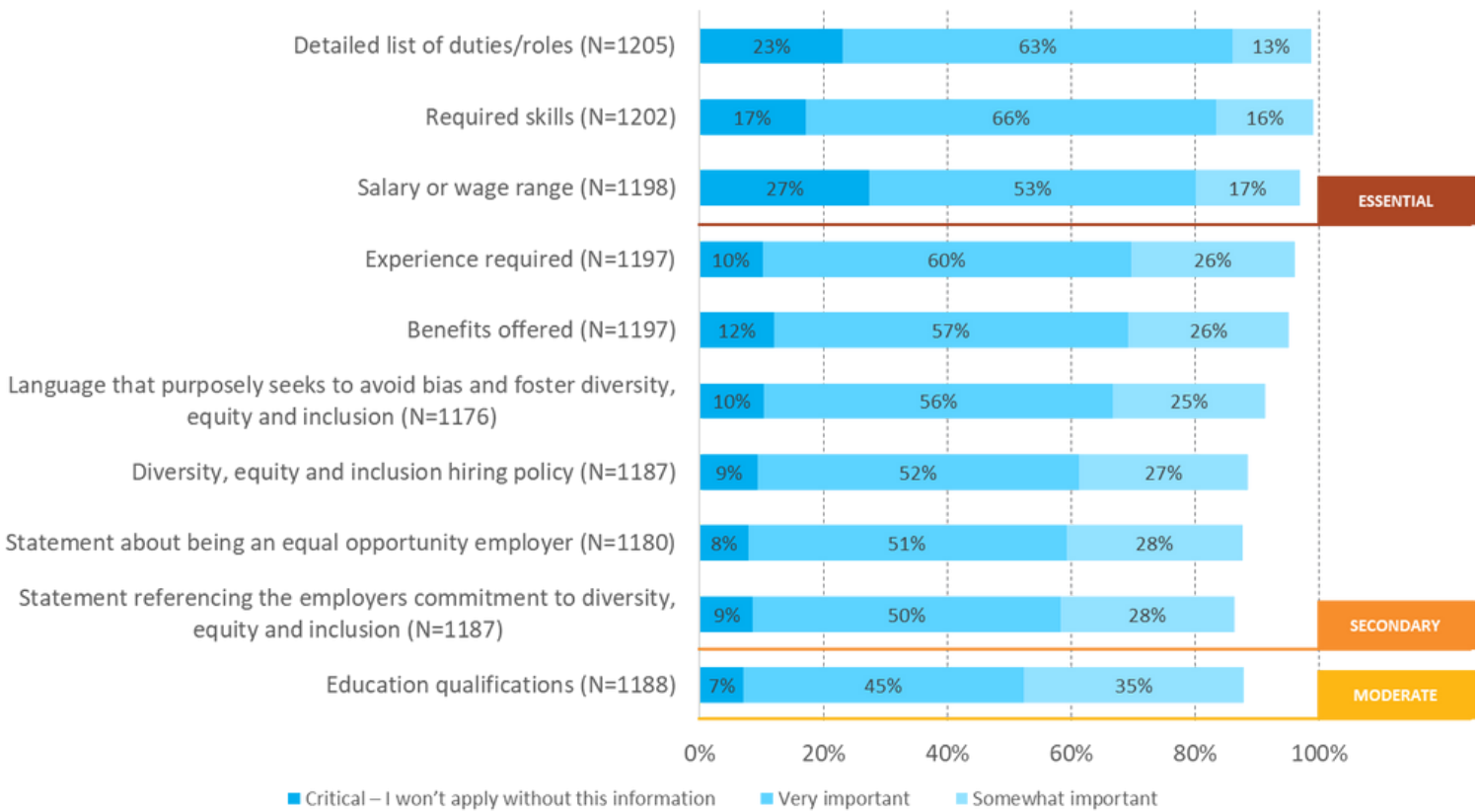
Almost two-thirds (63%) of respondents indicated that they are currently looking for a new job, while 37% have looked for work in the last 18 months. Although nearly all are interested in NFP sector positions, most are keeping their options open to other industries and sectors.

Nearly seven in ten (68%) are looking for work both within and outside of the NFP sector. There is a wide variety in the types of work job seekers are looking for, with Senior Management, Other Management and Non-Management positions the most commonly sought-after jobs. In contrast, job seekers looking for administration positions, ED or CEO roles and 'other' positions are less common and, subsequently, may be more challenging for employers to fill.

So, what do job seekers look for in an NFP employer? It is not all about dollars and cents! It is interesting to note that engaging in meaningful work and finding a workplace culture that is a fit are the most important criteria across the group. Compensation, while important, ranks behind these top two job and employer attributes.



Importance of Job Ad Attributes



DEI FROM THE JOB SEEKER POINT OF VIEW

How does diversity, equity and inclusion play into the search process for job seekers? Although it is only part of the equation, the job seekers that participated in this study place some level of importance on indicators that showcase an employer’s commitment to diversity, equity and inclusion.

Transparency in the job posting such as having a detailed list of position duties, a summary of the required skills and an indication of the salary or wage range top the list as ‘very’ and ‘critically’ important attributes job seekers would like to see included in job ads.

Although secondary to the above, over half of the job seekers surveyed feel that the following DEI-specific information is at least ‘very’ important for employers to include in job postings and should be a consideration for NFP employers today.

THE AVAILABILITY OF SALARY INFORMATION INFLUENCES WHETHER JOB SEEKERS APPLY – OR NOT

The study indicates that the inclusion of salary or wage information is very important to job seekers. In fact, over one quarter of respondents indicated that they would not apply if this information were not provided.

Looking more closely at some of the study sub-groups, the data reveals that the importance of wage transparency is higher for females and non-binary respondents than for males, suggesting that, for the study group at least, there is some concern over gender-based wage bias.

There is no material difference, however, in the importance of wage transparency between those who do or do not identify with other marginalized or under-represented groups. Importance of wage transparency also decreases with the age of study participants.

The rationale for job seekers for wanting employers to share this information boils down to two main things. First, the study group agreed strongly that sharing compensation information in job postings is just 'good practice'. Second to the above, many job seekers also agree that not sharing compensation information in job postings promotes discrimination and inequity. The employer study group data also revealed a strong level of agreement with the above statements, albeit to a slightly lesser extent than job seekers.

DEI AND JOB POSTINGS: GREEN FLAGS FOR JOB SEEKERS

- Language that purposely seeks to avoid bias and fosters diversity, equity and inclusion.
- Diversity, equity and inclusion hiring policy.
- Statement about being an equal opportunity employer.
- Statement referencing the employer's commitment to diversity, equity and inclusion.

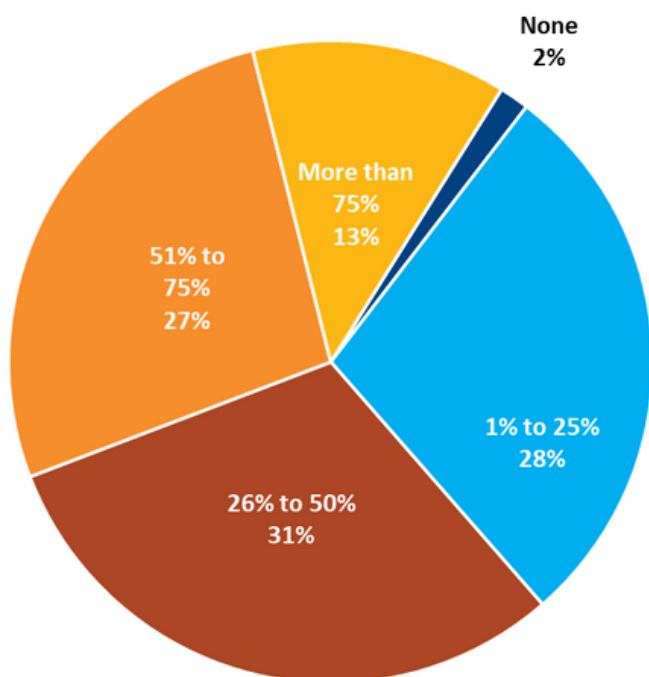


PORTION OF JOB ADS THAT INCLUDE SALARY INFORMATION

We know that salary information is important to job seekers in the study group but does their job search experience live up to expectations?

While salary information in job postings is not uncommon, it is far from being universally included in job ads, according to the study group. The majority (59%) report that under half of the jobs ads they have seen in the past 18 months include salary/wage information.

Portion of Job Ads That Include Salary/Wage Information (N=1,165)



HOW DEI FACTORS INTO A JOB SEEKER'S EVALUATION OF A NEW JOB

Once the job seeker is moving through the job application, interview, offer and acceptance process, what do they look for in a potential role and employer that will cause them to either accept - or not to accept - a new job? Although secondary to the top attributes already mentioned (finding meaningful work, a good fit with the workplace culture, and compensation), several DEI attributes were ranked as being important on some level (5 out of 7 or higher) to at least 85% of the job seeker survey participants:

- Diversity in the organization's senior management team.
- Diversity of other staff across the organization and the board of directors.

WHAT DOES YOUR WEBSITE TELL JOB SEEKERS ABOUT YOUR NFP'S DEI CULTURE?

Some food for thought ... 2/3 surveyed job seekers always look at a potential employer's website for names and pictures of staff and board members, while a further quarter 'sometimes' do this. In addition to wanting to learn more about an organization due to simple curiosity, 4 in 5 of those who check the website do this to determine how diverse the current staff and board are. This is an important consideration for any employer looking to showcase their commitment to DEI and attract diverse talent!

Additional criteria that were ranked as being important to well over half of surveyed job seekers and that should also be considerations for potential employers include:

- Providing evidence and information to show that the employer offers ongoing training focused on anti-discrimination and diversity, equity and inclusion in the workplace.
- Statements, policies and practices that reflect the organization has a meaningful commitment to diversity, equity, and inclusion.
- Available information as to whether the employer has been recognized for its diversity, equity and inclusion initiatives in the workplace.

Conclusion

The Employer and Job Seeker DEI Study provides some indication that diversity, equity and inclusion is shifting from simply being a topic of conversation to tangible action, resulting in real change for many Canadian NFPs.

Some organizations are much further along this path than others. While many participating NFPs have initiated or completed changes related to policy and bylaws, more concrete and visible changes are coming along more slowly.

Importantly, several participants cautioned against tokenism, stressing the importance of systemic and cultural change. For many, this process is underway but will take time, along with sustained focus and attention in order to be truly successful.

For NFP sector employers in particular, this study points to several important considerations and opportunities, whether they are just starting out or are well along on their DEI journey:

- Job seekers looking for work in the Canadian charitable and NFP sector are very diverse. Over half (59%) of the study group indicate that they belong to one or more under-represented groups. This underscores the need and business case for NFP sector employers to 'walk the talk' on DEI by taking meaningful action that provides a workplace culture, policies and practices that align with today's talent and work force needs.
- Canadian NFPs self-report that they are making good headway on many fronts as it relates to DEI and many feel they are ahead of employers in other sectors in fostering a culture that promotes DEI, while also enacting tangible change to encourage DEI.
- While there are many things that organizations can do to foster DEI, the study points to three initiatives that appear to deliver the biggest positive impact. These include Incorporating DEI into HR and recruitment policy, investing in meaningful and ongoing staff DEI training, and enacting broader change with a focus on programs and services that serve marginalized and under-represented groups and communities.

- Taking a closer look at the makeup of staff and board volunteers across participating organizations reveals that while some diversity exists at all levels, diversity is less prevalent in senior staff and volunteer roles (i.e., board positions) than other types of positions. Looking at ways to foster greater DEI in staff and volunteer recruitment, hiring and engagement, with an emphasis on senior and leadership roles, may be a 'next step' for some charities and NFPs to consider. Though it should be noted that this study does not look at the degree to which diversity in the sector aligns with diversity in the general population.
- Initiatives focused on truth, reconciliation and inclusion of Indigenous communities is an area seeing some focus in terms of tangible action and initiatives, but for the study population it appears to be still in the early stages. Some of the initiatives being undertaken that other organizations may consider as they embark or continue on this important journey include: Meaningful engagement in partnership and dialogue with Indigenous communities; aligning organizational strategy and practices with recommendations in the National Truth and Reconciliation Report; and, a dedicated and meaningful focus on greater inclusion of Indigenous people in the programs and services, staff and volunteers, as well as the mission of charity and NFP sector organizations.
- When it comes to what job seekers are looking for in an NFP employer, it is not all about dollars and cents! The opportunity to engage in meaningful work and finding a workplace culture that is a fit are the most important criteria that influence a person's decision to accept a position – or not. Compensation, while important, ranks behind these top two job and employer attributes.
- The study indicates that the inclusion of salary or wage information is very important to job seekers. In fact, over one quarter of respondents indicated that they would not apply for a position where this information was not provided, suggesting that making a practice of including salary information could increase the response and interest in advertised positions.
- Signals that an employer fosters DEI is also a consideration for job seekers, although secondary to the above 'must haves' of NFP employment generally. However, it's clear that most job seekers consider what a potential employer is doing to foster DEI on a number of fronts as they weigh whether to take a job.
- Some of the things job seekers look for when considering whether to apply for a job include language that is purposeful in fostering DEI and that avoids bias, evidence that DEI is part of an employer's hiring policy, and statements that communicate an employer's commitment to DEI.

- When it comes to accepting a position, diversity in the senior management team, staff and board are important DEI criteria for study participants. Most job seekers also look to a potential employer's website as part of their pre-work and research, presenting a great opportunity for employers to showcase how they meet a potential employee's needs across DEI and other areas.

About CharityVillage

For 25 plus years, CharityVillage has been the HR partner for recruitment in the Canadian nonprofit sector. We have helped thousands of organizations and associations find exceptional talent through our specialized job board for Canadian nonprofit professionals.

Through our eLearning courses, webinars, newsletters, articles, tools and resources, we help nonprofit staff and volunteers do their best work every day. For more information about CharityVillage®, please visit charityvillage.com.

[Contact us today to learn more about our service offerings.](#)

About The Portage Group

The Portage Group (TPG) is a team of thought leaders in innovative and research-driven not-for-profit planning and development. They offer deep and diverse experience to help organizations succeed across areas that include Strategy, Research, Organizational Development, Human Resources (including search), Governance and more. Their team of consultants brings professional expertise in each of these areas together by applying a team-based approach to all projects. This enables them to help our clients push past 'predictable' to find truly comprehensive solutions that consider all the angles.

For more information, please contact research@portagegroup.com.
Toronto - Ottawa - Victoria
www.portagegroup.com
1-866-920-3999
Twitter | LinkedIn | Facebook