

Turnover Truths and Consequences



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NRMC team members are inclined to describe staff turnover as a reality, not a risk. Why? Because every member of your team will—generally at a time and for reasons beyond your control—resign their position and leave for different, if not greener, pastures. True, some may separate at your behest, and a few will provide a long period of notice to lessen the inconvenience to the organization. However, most will leave of their own volition after providing the minimum notice requested in your personnel policies.

In the Summer 2021 edition of SHRM’s quarterly publication *HR Magazine*, the title article—“The Turnover Tsunami”—caught my eye. Writer Kathryn Tyler describes a perfect storm of circumstances for which most employers are ill-prepared. “About 1 in 4 U.S. employees plan to leave their employer as the COVID-19 pandemic subsides,” according to the results of a November 2020 survey by Ipsos on behalf of Eagle Hill Consulting, a management consultancy in Washington, DC. “You’re not going to walk away from this unscathed,” warns Melissa Jezior, CEO of Eagle Hill. “The Turnover Tsunami” relays bleaker statistics as well, anticipating that 2 in 5 U.S. workers are already actively looking for new jobs.

The February 2021 *Engagement and Retention Report* from Achievers Workforce Institute explains that the tsunami headed your way (if it hasn’t already made landfall) can be attributed to employees seeking:

- Better compensation and benefits (36% of 2,000 survey respondents)
- Improved work/life balance (25%)
- Greater recognition for their work (16%)
- Healthier corporate culture (8%)
- Alignment between corporate and person values (5%)
- Stronger relationships with peers (5%)

The report also explains why some workers will choose to remain with their employers, with 26% of survey respondents staying for work/life balance, 21% for recognition, 19% for adequate compensation and benefits, and 19% for great working relationships with their managers.

Word on the street hints at ample other reasons for the looming tidal wave of turnover:

- Increased pressure to plan for retirement: Of U.S. adults planning to retire, 29% anticipate that they must now delay their retirement plans due to COVID-19, according to a [June 2021 study](#) by Edward Jones and Age Wave.

- Employee discontent with the inflexible policies senior managers hopelessly hang onto.
- The freedom and opportunity to work remotely from anywhere offered by competing employers.

Acknowledge the Hard Truths

Some of the hard truths we've been counseling teams about include:

- *You can't hang on to your top performers indefinitely.* This reality is especially true in small and mid-sized nonprofits where promotional opportunities (but not necessarily professional development opportunities!) are few and far between.
- *The decision to leave a job might be due to circumstances beyond your control.* Sure, you're the head honcho or a member of the Executive Team. Still, the employment-at-will relationship you bank on as a defense to termination decisions is a two-way street: your staff can terminate the employment relationship at any time, for any reason, or no reason at all.
- *The departure of any team member might be sad, but it's a huge opportunity to bring a new perspective into the mix.* We've seen at NRMCC how adding one new team member can change our culture, skillset, and even the energy and buzz around the virtual table.
- *Failing to plan for inevitable departures is an unnecessary risk to your mission.* Each failure to prepare for employee exits consumes time and energy that should be acutely focused on your mission. Yet many leaders put themselves through the frustration and anguish of awkward departures time and time again.

Face the Consequences Head On

To rectify the unreadiness for looming staff departures, take the following steps.

- *Ask each team member to review their position description to identify areas where an update or refresh is needed.* In large nonprofits, the HR team often exercises tight control over these documents, and, sadly, many PDs become outdated within days or weeks after a new team member begins work. Vow to keep these documents up to date and relevant by involving the person who occupies the role and their direct supervisor.
- *Require each team member to 1. identify their Top 10 (or Top 25) critical tasks and responsibilities, and 2. complete a grid showing which team members have been trained to step in to handle the task during an unplanned absence.* Convene your team to share and discuss the draft grids. Here's a sample of what your cross-training grid might look like:
 - Role: Director of Finance

Critical Task	Back-up staff or contractors trained to do this and prepared to step in	Plan to fill any gaps, including deadlines
Review contracts submitted by the program team before execution; focus on key provisions such as indemnification, scope of work, and insurance requirements	1 st : Senior Accountant 2 nd : External Legal Counsel	Deliver a contract review workshop to at least 2 members of the Executive Team by 12/31 Train the entire finance team on the mechanics of preparing the monthly summary memo for Finance Committee review
Review draft monthly financial statements and prepare summary memo for the Treasurer and Finance Committee	1 st : Senior Accountant 2 nd : Deputy Executive Director	Allow each team member to draft one memo during the next six months; provide feedback and suggestions on the drafts

- *Conduct "stay" interviews with your team members at least annually to identify the reasons people choose to stay at your organization.* Stay interview questions can be part of your performance review process or a separate touch-base. Aggregate information from these conversations to identify your team's top 3 reasons why they want to stay and the top 3 things they would immediately change if given the opportunity.
- *Conduct exit interviews for every staff member resigning or leaving their role, regardless of the reason.* Do not ask or expect departing staff to schedule their exit interviews; make it a priority to

schedule those interviews with a neutral member of your team before the employee's last day. If that isn't possible, reach out to schedule a telephone interview.

- *Identify opportunities for each employee to grow and learn on the job.* From professional development opportunities to stepping in to fill a supervisor's role while she is out on a sabbatical, staff surveys reveal that learning on the job is why employees across the generations find satisfaction and fulfillment in their roles. Recently we heard from a client organization that when a seasoned team member acknowledged that he had lost his mojo for a long-held position, he was given an opportunity to try his hand at another role in the organization. The employee was able to explore an unfamiliar facet of the organization, and the nonprofit was able to retain a trusted, long-serving team member.
- *Celebrate departing staff members by following the Golden—and Platinum—Rules.* The Golden Rule reminds us to treat others as we would want to be treated upon resigning: with respect, kindness, and sincere gratitude for our service. The Platinum Rule reminds us to treat others as *they want to be treated*. Instead of assuming, directly ask a staff member who is leaving if it would be okay to schedule a going away lunch or brunch in their honor. Trusted, hardworking staff should never be escorted off the premises upon tendering their resignations. They should be treated as family members whom we appreciate and value.

If your team hasn't experienced any recent turnover, it's time to brace yourself for what's coming. It is highly unlikely—dare we say improbable—that you will exit 2021 without unplanned vacancies to fill or shuffling roles to fill new gaps. Rather than wasting your time as the host of a pity party to mark these inevitable transitions, take steps now to get ready to lead a smooth transition and prepare a warm, red carpet welcome for the new perspectives that will soon join your staff table.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your calls and emails about taming trepidation over the truth of a turnover tsunami or questions about NRMC's educational and consulting offerings at 703.777.3504 or Melanie@nonprofitrisk.org.