

Strengthening Leadership and Human Resources Capacity in the Nonprofit Sector: Pro Bono as a Powerful Solution **National Research Findings**

BY JAMES W. SHEPARD, JR.



Taproot
FOUNDATION

RESEARCH UNDERWRITTEN BY:



ABOUT US

ABOUT THE UNITED WAY OF THE BAY AREA

United Way of the Bay Area (UWBA) is a nonprofit organization dedicated to community impact. United Way is unique in its ability to bring together people active in their communities, business leaders, nonprofit organizations and government agencies to address major Bay Area problems. For more information, visit www.uwba.org.

ABOUT THE TAPROOT FOUNDATION

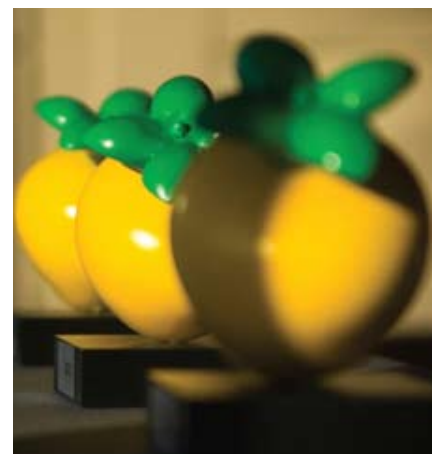
Nonprofits have the greatest potential for addressing our society's most challenging social and environmental problems, but often lack the operational resources to fulfill their potential. The Taproot Foundation exists to close this gap and ensure all nonprofits have the infrastructure they need to thrive. The Taproot Foundation works to engage the business community in pro bono service, building the infrastructure of the nonprofit organizations we rely on to support our communities. The foundation's direct service division leverages the best practices of leading professional services firms to reliably provide high-quality marketing, human resources, strategy management, and technology services at no cost to the nonprofit clients. The corporate division enables corporations such as Wells Fargo, Microsoft, Time Warner, and the Gap to offer pro bono opportunities to their employees. The organization currently serves the San Francisco Bay Area, Seattle, New York City, Boston, Washington DC, and Chicago markets. Since 2002, the Taproot Foundation has awarded over 600 projects, valued at more than \$28 million. For more information, visit www.taprootfoundation.org.

ABOUT THE AUTHORS

James Shepard, Taproot Foundation National Vice President of Programs and Operations, led this research effort. James has led the Taproot Foundation's program efforts for four years. Formerly, James helped lead several, now public, for-profit educational companies including The Princeton Review and Academic Systems. He provided strategic planning counsel to Fortune 500 companies as a consultant with A.T. Kearney, and has his MBA from the Kellogg Graduate School of Management. Key Taproot Foundation contributors to this paper include Lindsay Firestone, Hollie Wegman, Melissa Wang, and Alethea Hannemann.

Designed by Robert Hold

The full version of this research study can be found online at: www.taprootfoundation.org/research



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EXECUTIVE SUMMARY



“The number-one resource for a great social sector organization is having enough of the right people willing to commit themselves to the mission.”

JIM COLLINS • Author, *Good to Great* and the companion book for nonprofits, *Good to Great and the Social Sectors* ¹

Jim Collins, bestselling author of *Good to Great* and the companion book for nonprofits, *Good to Great and the Social Sectors*, knows what it takes to make organizations thrive. Human resources, he says, is crucial: “The number-one resource for a great social sector organization is having enough of the right people willing to commit themselves to the mission.”² Unfortunately, nonprofits face growing challenges recruiting, developing and retaining the talent they need, particularly at the leadership level, and the current resources available to address this challenge are not sufficient.

Our research suggests one promising solution: to reach outside the organization, even outside the sector, to leverage existing human resources skills with pro bono support. In an effort cosponsored by the Taproot Foundation and United Way of the Bay Area, we examined the human resources challenges facing the nonprofit sector and the efforts currently being made to address them. We surveyed nonprofits about their human resource challenges and needs, investigated how for-profit professionals could fill this need, and explored social sector interest in using pro bono human resources services.

Pro bono services offered by corporate human resources professionals, we conclude, is a large and potentially powerful solution to the sector’s human resources difficulties. A fully realized pro bono solution could add more than \$2 billion in human resources services to the nonprofit sector each decade.



KEY FINDING

The nonprofit sector faces significant human resources challenges

Most nonprofit organizations today face a vast array of human resources challenges. Such widespread problems raise concerns about the sector as a whole: how can nonprofits find and keep the people they need to achieve social-purpose goals? A looming nonprofit leadership gap and well-documented difficulties with employee recruitment and retention are among the most visible signs that the sector’s human resources capacity should be a paramount concern.

However, while many in the sector acknowledge the importance of effective human resources to the success of organizations and social movements, nonprofits generally lack the capacity to strengthen human resources policies and practices in a holistic manner. Nonprofit employees with responsibility for human resources often have little experience in the field and may spend the bulk of their time fulfilling other responsibilities. And few executive directors have time to give these issues the full attention they deserve; instead, their priorities are, of necessity, the more immediate issues of fundraising and organizational survival.

KEY FINDING

The labor pool contains a wealth of human resources talent

Data from the Bureau of Labor Statistics show that approximately 1 million human resources professionals currently work for U.S. businesses as training and development specialists; human resources managers; employment, recruitment and placement specialists; and compensation, benefits and job analysis specialists.

Interviews with experts in the field suggest that, in a conservative estimate, around one-third of these workers have the crossover

“Most sophisticated human resources strategies are actually within the reach of most nonprofits, and could improve their prospects for achieving real social impact.”

CHRISTINE LETTS • *Executive Director
Hausner Center for Nonprofit Organizations,
Harvard University*³



skills necessary to add value to a typical nonprofit organization. This segment is approximately 400,000 people—a plentiful supply of potential pro bono talent.

Moreover, our research and experience suggests that these for-profit professionals want to use their skills to make a positive contribution. Organizations that support pro bono work by business professionals—including the Taproot Foundation and alumni programs of Harvard and Stanford business schools—have recruited thousands of volunteers from the business world to work on pro bono projects. And many human resources professionals already provide pro bono support: in a 2006 survey of more than 1,000 nonprofit staff members, 24 percent reported using volunteers to help with human resources work, including recruitment and training.⁴

KEY FINDING

Nonprofit organizations would welcome pro bono human resources support

In 2007, we surveyed more than 250 nonprofits nationwide to gain insight into the demand for human resources professional services offered pro bono.

“Non-profits take on our community’s toughest issues. Success in their missions often hinges on attracting, retaining and developing the right leaders. Pro bono service can be a powerful solution.”

ANNE WILSON • Chief Executive Officer,
United Way of the Bay Area



“There are many HR professionals who want to offer their service, but do not know how to do so.”

TOM EDDINGTON • Former Management Consultant, Hewitt Associates⁵

Our headline finding:

86 percent of nonprofits indicated there was at least one human resources challenge for which they would “definitely” or “probably” seek human resources pro bono support, were it available.

To reach this conclusion, we first worked with human resources experts to build a list of 9 potential human resources service offerings. Each offering was designed to leverage best practices, fill likely nonprofit needs, and make the most effective use of pro bono human resources professionals. We then asked the nonprofits whether they would apply for help in the listed service areas, which included such staples as hiring, compensation and benefits, employee review and performance management, and human resources capacity assessments.⁶

Demand was generally consistent across many variables, including budget, the size of the organization, whether or not the organization was a previous Taproot Foundation grantee, and the role of the respondent (such as board member, executive director, or staff). While some fear that the nonprofit sector would reject solutions built on for-profit capabilities, we found the opposite: organizations were generally eager to use corporate expertise and to explore crossover solutions.

KEY FINDING

The pro bono services opportunity is substantial

Pro bono human resources, we estimate, could provide nearly \$250 million of services to the sector each year. We estimated the number of professionals with applicable skills, the percentage willing to become involved were the opportunity made available, and the value of services they would each provide on average. Using a team model proven in other pro bono engagements, this pool could provide human resources support to over a quarter of qualified organizations each decade. In 10 years, pro bono work could add more than \$2 billion in services to address human resources challenges.



RECOMMENDATIONS

To realize this powerful opportunity to significantly strengthen the nonprofit sector, we recommend the following actions:

PROFESSIONAL SERVICES FIRMS

Professional services firms are already structured to deliver human resources projects on a consultative basis. These firms can lead the pro bono services movement by setting company-wide expectations and standards around pro bono work, reporting this information each year, and generally making pro bono service as integral to human resources services firms as it is to law firms.

CORPORATIONS

Corporations are the largest single source of human resources talent. Companies can leverage this vast pool by creating and implementing pro bono services programs that enable employees to offer their professional skills to nonprofits. Companies can publicize their efforts and the pro bono work opportunity by reporting on the actual dollar value of services provided pro bono, in addition to traditional volunteer metrics such as hours served and percentage of employees involved in service.

FOUNDATIONS

Grantmaking foundations in the United States can play a crucial role by supporting the infrastructure necessary to successful delivery of pro bono human resources services, such as intermediary organizations and research on best practices. Moreover, foundations can underscore the importance of strong human resources and leadership functions by making review of these capacities just as crucial to grant decisions as reviews of a nonprofit's finances and program results.

TRADE, MEDIA, AND ACADEMIC INSTITUTIONS

Other leaders in the human resources sector can help fuel a pro bono services movement by promoting service at the profession's core: graduate schools, trade associations, and publications.

Pro bono human resources is a \$2 billion per decade opportunity.

INTRODUCTION



Human Resources and Nonprofit Success

Without the right people, nonprofits often struggle, to the detriment of those they serve and society in general. From a human services agency providing care and shelter for families with special needs, to an environmental group striving to protect a local river from pollution, nonprofits rely on people power to do the work of social change. The quality of the work that nonprofits do (and their capacity to achieve common goals for our communities and our world) depends on their ability to attract, retain, and develop qualified and committed people to serve on their staffs and boards. According to Jim Collins, bestselling author of *Good to Great* and the companion book for nonprofits, *Good to Great and the Social Sectors*, “The number-one resource for a great social sector organization is having enough of the right people willing to commit themselves to the mission.”⁷

Nonprofits have always had human capital challenges; they generally lack the resources available to their corporate counterparts for setting up and maintaining salary standards, employee benefits, training, recruiting, and other strategic human resources staples. Today, however, the challenges are more

daunting. And, while many nonprofits and foundations are working to deploy targeted solutions, additional efforts are needed.

In 2007, the Taproot Foundation, with support from the United Way of the Bay Area, sought to answer the following question:

“Can we use pro bono consulting services to bring high-quality human resources support to nonprofits at a scale sufficient to significantly impact the social sector’s overall impact and performance?”

In our research, we sought to determine:

- *The nature of the human resources challenges facing the social services sector*
- *The viability of a pro bono human resources consulting model to address these challenges*
- *The availability of corporate human resources professionals with the skills needed to support nonprofits*
- *The demand by nonprofits for pro bono human resources services, were they to be made available*

RESEARCH METHODOLOGY

In 2007 we undertook a three-part research effort. We engaged in an extensive literature review to investigate the human resources challenges facing the nonprofit sector, as well as best practice in human resources within both the nonprofit and for-profit sectors. We conducted in-depth interviews with more than 25 human resources experts, including leaders of consulting organizations in the for-profit and nonprofit sectors and directors of corporate human resources functions (see Appendix for a complete interview list). Finally, we conducted an online survey of more than 250 nonprofit organizations nationwide.

Our research was also informed by earlier efforts. In 2004 we conducted a series of focus groups with 46 nonprofit leaders in New York City, Chicago, and San Francisco to discuss the key human resources challenges they faced. Since then, we have piloted selected pro bono human resources services with a limited number of nonprofit organizations.

Can pro bono consulting services bring high-quality HR to nonprofits?

Key Human Resources Challenges Facing the Nonprofit Sector

The social sector is well aware that people are key drivers of nonprofit success. Even so, most organizations face a multitude of challenges that threaten their ability to find and keep the right people to achieve their missions (see box “Human Resources Problems for Nonprofits”). Three key challenges rise to the top of the list: leadership, recruiting and retaining talent, and managing and developing people.

The Looming Leadership Deficit

The nonprofit sector faces the confluence of four trends:

- 1 *Mass retirements by current nonprofit leaders, particularly baby boomers;*
- 2 *Rapid growth in the number of nonprofit organizations;*
- 3 *Increasing size and complexity of nonprofit organizations;*
- 4 *Historically weak investment into leadership development.*

Thomas Tierney, chairman and cofounder of the Bridgespan Group, estimates the nonprofit sector will have to fill 640,000 leadership and senior management positions in the next ten years—twice the number of positions that currently exist.⁸ To put that into context, that number represents two-thirds of the total number of MBAs that will graduate from U.S. universities during that time period.⁹

Various studies highlight other aspects of the challenge. A 2006 study conducted by CompassPoint Nonprofit Services and The Meyer Foundation

revealed that of 2,000 nonprofit executive directors, “three-quarters do not plan on being in their current job five years from now, and nine percent are currently in the process of leaving.”¹⁰

High turnover and extended vacancies at the executive level can spell big trouble for nonprofits. These organizations tend to rely heavily on hands-on executive directors to manage all aspects of their operations. The loss of an executive director can also mean the loss of a wealth of institutional knowledge coupled with an often unrivaled passion for the mission of the organization. Despite this threat, most nonprofits forgo detailed succession and transition plans, and often lack sufficient training for second-tier leaders who could step into the leadership void.

Inability to Effectively Recruit and Retain Employees

Nonprofits today are facing significant challenges around the basic human resources issues of recruiting and retention. For example, The Child Welfare League has asserted that the issue of staff turnover is “perhaps the most important problem” facing front-line service delivery in child welfare.¹¹ CompassPoint Nonprofit Services, based in San Francisco, refers to the difficulty of hiring and retaining the right people as a “consistent concern” among its client nonprofit organizations. A CompassPoint study found that close to 10 percent of paid staff positions at Bay Area nonprofits are vacant at a given time; at the time of the study,

WHAT WE MEAN BY “HUMAN RESOURCES”

For many in the nonprofit sector, and some in the for-profit sector, the term “human resources” is used solely in reference to tactical, administrative functions such as pay and legal compliance. That is not our intent. We believe that human resources encompasses all the functions necessary to make effective use of an organization’s human capacity to meet strategic objectives. Thus we use the term to include such strategic functions as organizational design, leadership development, and board development.

“The next generation of leaders and employees have a very different set of expectations for how they want to work, and organizations are rarely prepared to be responsive to generational shifts and the interests of the next generation.”

DONNA STARK • Director of Leadership Development at the Annie E. Casey Foundation¹²

30 percent of these positions had been open for 4 months or more.¹³

At the heart of the recruitment and retention problems facing the sector lie the usual suspects: low pay, high stress, and a feeling of powerlessness in the face of seemingly intractable social problems. But these are not the only concerns. An interview with Donna Stark, director of leadership development with the Annie E. Casey Foundation, highlighted another potential factor: the different expectations of a new generation of workers. While baby boomers saw nothing wrong with working 80 hours a week at the same job for decades, members of the new generation place more emphasis on work-life balance and are more inclined to keep changing jobs to find it.

Weak Management and Professional Development Practices

Nonprofits often fail to provide their employees with the support they need to succeed.

For example, a 2002 survey of more than 1,000 nonprofit workers revealed widespread dissatisfaction with the basic management and development practices of their employers:¹⁴

- *Roughly a third of those surveyed said their organizations “only sometimes” or “rarely” provide the training they need to do their jobs well.*
- *Barely half said their organizations do a “very” or “somewhat good” job of disciplining poorly performing employees.*
- *7 out of 10 “strongly” or “somewhat” agreed that they always have too much work to do and that it is easy to burn out in their jobs.*

HUMAN RESOURCES PROBLEMS FOR NONPROFITS

Results from our 2007 survey of more than 250 nonprofits indicate that they face an array of familiar human resources problems

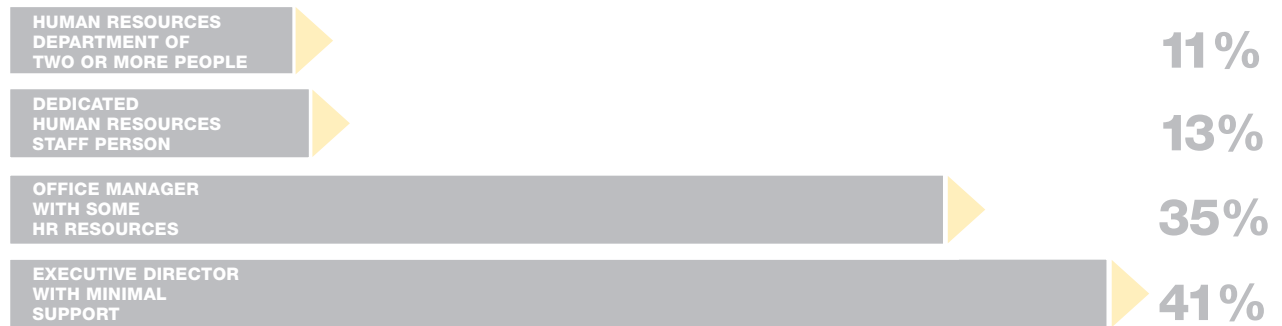
PROBLEM	Percentage indicating that the problem was at least “very important”
Learning how to recruit highly impactful board members	77%
Creating useful 2- to 3 - year plan to address our most pressing HR challenges	65%
Creating a better compensation and benefits system	64%
Strengthening our ability to hire the right people reliably and in a timely way	63%
Enabling managers to set better goals for their direct reports and provide ongoing support and feedback	61%
Creating a clearer organization structure with clear roles, responsibilities, decision-making processes and appropriate authority for each person	55%
Making HR administration more efficient; clarifying HR policies so there are fewer conflicts and questions	49%
Finding and implementing a better approach to our employee training needs	49%
Ensuring that we can effect basic HR transactions (such as hiring, paying, reviewing and firing employees) legally and appropriately	48%

SOURCE: TAPROOT FOUNDATION 2007 SURVEY OF MORE THAN 250 NONPROFIT ORGANIZATIONS NATIONWIDE

“Nonprofit employees are highly motivated, hard working, and deeply committed, but often serve in organizations that do not provide the resources to succeed.”

PAUL LIGHT
Brookings Institution¹⁵

WHO HAS HUMAN RESOURCES RESPONSIBILITIES IN NONPROFITS



TAPROOT FOUNDATION 2007 SURVEY OF 275 NONPROFITS LEADERS. FOR MORE INFORMATION, SEE WWW.TAPROOTFOUNDATION.ORG/RESEARCH

Key Drivers of the Human Resources Challenges

Of the many sources of human resources challenges, four are worthy of our attention here. Insufficient leadership attention, the lack of dedicated human resources staff, the relegation of human resources to a merely clerical function, and the inability of nonprofits to compete with the for-profit sector in compensation exemplify some of the challenges that can keep a nonprofit from achieving its mission.

Insufficient Leadership Attention

Even as nonprofits confront these considerable human resources challenges, the attention of their leaders typically is focused on the more urgent concerns of making payroll and ensuring an organization survives the year. Not surprisingly, in a 2006 Accenture study, less than 4 in 10 nonprofit leaders said that attracting and retaining skilled staff was one of the top 5 priorities for nonprofits today. They said, in other words, “It may be a problem, but it’s not as urgent as other problems I face.”

Even fewer leaders identified improving workforce performance, providing ongoing training and skill-building, and focusing performance-improvement efforts on employees as top priorities.¹⁶

The study found that rather than human resources issues, “an overwhelming percentage of nonprofits in the United States are most focused on issues concerning donors and fundraising.”¹⁷

A Lack of Dedicated Human Resources Staff Members

Most nonprofits do not employ fulltime, dedicated human resources professionals. A CompassPoint study of more than 400 nonprofits found that fewer than 15 percent had a management position dedicated to human resources.¹⁸ Taproot Foundation’s 2007 survey of more than 250 nonprofits found that fewer than 25 percent had even one dedicated human resources employee.

In the absence of fulltime human resources support, organizations rely on people to play cross-functional roles. Consequently, the person with responsibility for human resources often has little experience in the field and typically has fulltime responsibility for another important organizational function as well.

Human Resources Relegated to a Clerical Function

Within most nonprofits, the term “human resources” almost always refers only to the clerical and administrative aspects of the job.

“Many successful business CEOs spend well over half their time on people-related issues. In contrast, the executive directors of nonprofits tend to devote the lion’s share of their time to fundraising.”

*The Bridgespan Group,
“The Nonprofit Sector’s
Leadership Deficit”¹⁹*

HUMAN RESOURCES CHALLENGES FACING THE NONPROFIT SECTOR

Follow-up interviews from our 2007 survey suggest that even when nonprofits can name one or more staff members working on human resources, they are often referring to a role that is more transactional than strategic. The strategic human resources functions—those that ensure the effective recruitment, retention, development and organization of employees—are often overlooked and under-resourced.

Compensation

Compensation is a major issue for nonprofits, particularly as they try to attract increasingly senior and sophisticated leaders. As Paul Light of the Brookings Institution notes, “Gone are the days when the nonprofit sector could count on a steady stream of new recruits willing to accept the stress, burnout, and the persistent lack of resources that come with a nonprofit job.”²⁰ Some would argue that all the human resources problems facing nonprofits stem from compensation—that until the sector can offer more competitive salaries and benefits, nonprofits will continue to have problems no matter what they do to strengthen other human resources practices.

Our research, however, suggests that while appropriate compensation plays a role, particularly in the leadership ranks, compensation is not the driving problem. For example, a CompassPoint study of nonprofit leaders found that while low compensation was a factor in executive director stress, it was in fact the *least challenging* aspect of the job for the vast majority of leaders.²¹ And Thomas Tierney of the Bridgespan Group, while arguing for

Voices from the field:

“There just never seems to be enough time to properly hire, train, evaluate and develop people, which of course in the long run would result in better programs.”

“The importance of human resources to an organization cannot be overstated, but for agencies our size (35 FTE) having a fulltime HR person is a luxury we can’t afford. Consequently, HR tasks that are not critical, ‘right now’ issues get postponed indefinitely. We feel the impact of this when we see staff morale decrease or find ourselves unable to hire the best candidates for lack of a finely tuned HR system.”

“I believe that having efficient, compliant and effective HR systems in place is crucial. Yet, as the executive director, I lack the time and resources to evaluate and assess our systems and to compare our compensation packages to like organizations to make sure what we offer is competitive and comprehensive.”

SOURCE: TAPROOT FOUNDATION 2007 HUMAN RESOURCES SURVEY RESPONDENTS.

increased compensation for nonprofit executives, agrees that “more attractive rewards for managers will not, by themselves, solve the leadership crisis.”²² Low compensation levels are one cause of the human resources challenges facing the sector, but they are not the only problem.

Impact of Human Resources Challenges

Throughout the social sector, human resources challenges, combined with the performance challenges created by high levels of turnover and job vacancies, mean trouble. Simply put, nonprofits cannot continue to serve the common good without effective human resources policies and practices. Providing organizations with the capacity and tools to do their work, and do it well, should be a priority for nonprofit leaders, funders, government, and society as a whole.

“One of the challenges facing emerging nonprofit organizations is that they don’t have a dedicated human resources person until their staff reaches around 50 people.”

RUSS FINKELSTEIN • Associate
Director, *Idealist.org*

Existing Responses to the Sector's Leadership and Human Resources Challenge



To underscore the severity of the human resources challenge, it is useful to note the many leaders who have raised the alarm and the number of ways in which the sector is trying to respond.

Leadership Development Initiatives

A number of current initiatives address the overwhelming leadership shortage. For example, a Bridgespan study notes an increase in the number of graduate programs designed to prepare students for careers in nonprofit management, as well as increasing demand for nonprofit courses at many top MBA programs, including Harvard and Stanford.²³ Consulting firms such as CompassPoint, based in San Francisco, have developed courses and services to build executive leadership and respond to transitions. Foundations, too, are becoming engaged. For example, the Annie E. Casey Foundation has explored the issue of executive director succession, and the Forbes Fund maintains a fund to support nonprofit leadership, primarily in the Pittsburgh area.

Recruiting

A number of organizations have been created to respond to the challenge of nonprofit recruiting.

Commongood Careers, a recent addition to the contract recruiting field, has found such demand for its services that after only two years, it employs more than a dozen people on two coasts. In 2003, the Bridgespan Group, the nonprofit arm of Bain & Company, launched Bridgestar to focus on recruiting business professionals to the nonprofit sector; the group has met with significant success.

Other Initiatives

Other organizations are taking action to address nonprofits' broader human resources challenges. In 2003, Action Without Borders created the first-ever national conference on nonprofit human resources, and in 2006 it added a new resource section to its website, idealist.org, specifically devoted to supporting the human resources needs of nonprofits.²⁴ A pilot project in Edmonton and Calgary, funded by the Muttart Foundation, examined the benefits of sharing HR resources between needy small to mid-sized nonprofits.²⁵

These individual efforts, while helpful in specific instances, underscore the sector's historic inability to create solutions sufficient to solve the problem. Nonprofits need new strategies, new tools, and new ideas to manage human resources more effectively.

“A growing number of grantmakers are recognizing that leadership development is a key driver of organizational effectiveness and are beginning to invest in new and more robust models to help.”

SYLVIA YEE • Vice President of programs with the *Evelyn and Walter Haas, Jr. Fund*²⁶



Pro Bono as a Powerful Potential Solution

“The key to taking advantage of corporate expertise is for nonprofit groups, corporations, and the volunteers themselves to redefine philanthropy and volunteering, and focus on the intersection between the business challenges facing nonprofit groups and the deep expertise that lies within corporate America.”

EVAN HOCHBERG • National Director
of Community Involvement,
Deloitte Services 27

Unlike the nonprofit sector, the corporate sector teems with human resources talent. Recognizing the strong connection between people practices and business success, the private sector has made substantial investments to bolster its human resources capacity. Every day, human resources professionals are working to solve the business world’s human resources challenges and help companies improve their return on people.

The idea of pro bono professional services is not new. Attorneys have provided pro bono legal services for decades, regularly contributing their time and expertise to needy individuals, communities and organizations, without fees. And while the term “pro bono” has been historically associated with lawyers, other professionals are increasingly active in providing free or nominal-cost services. Leading strategy consulting firms, advertising agencies, business school alumni groups and others, including the Taproot Foundation, now provide hundreds of nonprofits each year with pro bono professional services in areas such as marketing, information technology, human resources, and strategic management.

Based on the Taproot Foundation’s experience providing pro bono

professional services to more than 600 nonprofits to date, the key to pro bono services is the combination of:

- *Unfulfilled needs among nonprofits*
- *Similar challenges among for-profit and nonprofit organizations, which lead to crossover skills among appropriate corporate professionals*
- *A sufficiently large and readily available pool of qualified, motivated professionals*
- *Nonprofit demand for the particular pro bono services*

This paper has already demonstrated the unfilled need for human resources support among nonprofits. The following sections address the remaining three criteria of success.

Corporate Human Resources Professionals Have Applicable Skills to Help Nonprofits

The simplest way to demonstrate that corporate human resources professionals have skills that can cross over to the nonprofit sector is to note that many human resources professionals already leverage their professional capabilities to help nonprofits. For example, in a large 2006 survey of nonprofits, 24 percent reported

using professionals to help with human resources work, including recruitment and training.²⁸

Many for-profit professionals find themselves well prepared to support nonprofits because social sector organizations face the same human resources problems as corporations.

A list of common nonprofit human resources problems might include:

- ›› Recruiting
- ›› Turnover
- ›› Retention
- ›› Designing benefits and compensation
- ›› Organizational design
- ›› Performance management
- ›› Training and development
- ›› Employee relations
- ›› Succession planning
- ›› Leadership development

This list of challenges is very similar to the list of concerns facing corporate human resources professionals every day.

Some in the social sector view corporate approaches as too sophisticated and hard to implement for under-resourced nonprofits; many experts, however, assert that human resources strategies and skills are highly transferable across the sectors. In *High Performance Nonprofit Organizations: Managing Upstream for Greater Impact*, the authors argue, “Few may realize that the most sophisticated human resources strategies are actually within the reach of most nonprofits, and could improve their prospects for achieving real social impact.” They continue, “What has been missing, but is within the reach of most nonprofits, is an understanding of human resources as an organizational process that nonprofits can study and develop.”

The ultimate goal of human resources in every sector is the same: to select the right people, then to



ensure that those people have the knowledge, skills and tools to give their best to their organization and find satisfaction in their work. And if the goals are the same across sectors, then so are many strategies and tactics that organizations can use to reach them. Corporate human resources professionals can help nonprofit organizations craft successful approaches to the human resources challenges they face; they simply need to be given the chance to do so.

Corporate Human Resources Professionals Represent a Large Pool of Potential Support

A scalable pro bono solution requires a large pool of corporate human resources professionals with appropriate skills. Data from the Bureau of Labor Statistics show that approximately 1 million human resources professionals currently work for U.S. businesses as training and development specialists; human resources managers; employment, recruitment and placement specialists; and compensation, benefits and job analysis specialists.²⁹

Only a portion of these human resources professionals, however, have the skills to address strategic

“Few may realize that the most sophisticated human resources strategies are actually within the reach of most nonprofits, and could improve their prospects for achieving real social impact.”

CHRISTINE LETTS • Executive Director, Hausner Center for Nonprofit Organizations, Harvard University³⁰

human resources challenges. Kerry Bessey, Senior Vice President, Human Resources at Time Inc., voiced a typical viewpoint when she said, “Only perhaps a quarter to a third of our human resources staff have the highly strategic skills required to spearhead an effort to address these kinds of human resources challenges. There is a big difference between having the skills to implement and manage an existing human resources function and having the capacity to diagnose a human resources problem and craft appropriate solutions.”³¹

Human resources professionals serving in jobs that are administrative or transactional in nature might not have the expertise to add value to nonprofits’ human resources work. Toni La Belle, Managing Director in Human Resources at Lehman Brothers, noted, “there is certainly a significant subset of human resources professionals with these kinds of highly strategic skills; here, in fact, this group is growing.”³²; these employees are the individuals whose skills will be particularly valuable.

Even considering these limitations, a conservative estimate is that one-third of the total number of human resources professionals—around 350,000 people—would be useful in pro bono strategic human resources work. If we include other professionals with applicable human resources skills, such as lawyers and management consultants, the potential pool likely grows to more than 400,000, a plentiful supply of potential pro bono talent.

Will these people engage in pro bono work? Do they want to contribute? While it is hard to predict exactly how human resources professionals in particular will respond to a call for pro bono volunteers, data suggest they would welcome the opportunity. To date, the Taproot Foundation has recruited

U.S. HUMAN RESOURCES PROFESSIONALS

Roles	Number
COMPENSATION AND BENEFITS MANAGERS	46,640
TRAINING AND DEVELOPMENT MANAGERS	27,450
HUMAN RESOURCES MANAGERS, ALL OTHERS	55,280
EMPLOYMENT, RECRUITMENT, AND PLACEMENT SPECIALISTS	186,620
COMPENSATION, BENEFITS, AND JOB ANALYSIS SPECIALISTS	103,870
TRAINING AND DEVELOPMENT SPECIALISTS	197,050
HUMAN RESOURCES, TRAINING, AND LABOR RELATIONS SPECIALISTS, ALL OTHER	204,290
HUMAN RESOURCES ASSISTANTS, EXCEPT PAYROLL AND TIMEKEEPING	159,750
TOTAL	980,950

SOURCE: DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, NATIONAL OCCUPATIONAL EMPLOYMENT AND WAGE ESTIMATE, MAY 2006.

thousands of volunteers from the business world to work in pro bono projects. The work of other organizations to engage business professionals in pro bono engagements shows a similar interest (see sidebar: Pro Bono in Practice). Thus all evidence suggests that these 400,000 human resources professionals will answer the call to pro bono service, providing a considerable pool of talent.

Strong Nonprofit Demand for Pro Bono Human Resources Support

Nonprofits welcome pro bono support as an effective solution to many of the management challenges they face, beyond human resources. Organizations devoted to providing pro bono support have found significant demand for services (See sidebar: Pro Bono in Practice). For example, the Taproot Foundation has provided pro bono consulting support to more than 600 nonprofit organizations to date, with very high satisfaction rates.

“Having better, more efficient, and clearer organizational systems, structures, and policies, would give us greater capacity for service to our clients.”

Surveyed Nonprofit ³³

PRO BONO WORK AND PRIVATE SECTOR SKILLS IN PRACTICE

MCKINSEY & COMPANY. McKinsey, a leading international strategy consulting firm, has established a Nonprofit Practice that typically serves more than 100 organizations each year. While McKinsey charges fees to some nonprofit clients, it does much of this work on a pro bono basis, particularly when serving smaller, local organizations. Few McKinsey professionals work exclusively in the Nonprofit Practice; rather, professionals throughout the firm rotate through the practice as a supplement to their core work. According to the firm, “Approximately half of our consultants will work on one or more nonprofit studies over the course of their career at McKinsey.” For more information:

www.mckinsey.com/client-service/nonprofit.

THE BRIDGESPAN GROUP. Bain & Company is another leading consulting firm whose recent work shows how strategy professionals from the corporate sector can help in the nonprofit sector. Bain has created a separate 501(c)(3) organization, the Bridgespan Group, to bring “leading-edge strategies and tools to the challenges and opportunities facing nonprofit organizations and foundations.” Approximately 15 percent of Bridgespan’s staff rotates from Bain for engagements of between six and 12 months, providing a fount of fresh ideas and insights. Bridgespan primarily serves larger nonprofits and foundations, charging rates that are lower than Bain’s but still high for the majority of social-sector organizations. For more information:

www.bridgespangroup.org/abo_about.html.

DELOITTE. Deloitte, a leading professional services organization, defines pro bono work as a donation of professional services to generate social good. The “client” is typically a not-for-profit entity, with no fees charged to them. Pro bono work is the essence of their community involvement strategy at work. In 2006 alone, Deloitte spearheaded nearly 100 pro bono projects for national and local nonprofits, ranging from the development of market entry and financial plans to technology implementations, and more. Deloitte is investing considerable effort into leveraging its investment for even greater impact by streamlining the review process and supporting practitioners who engage in pro bono with leading practices and methodologies. For more information: http://www.deloitte.com/dtt/section_node/0,1042,sid%253D2255,00.html.

HARVARD COMMUNITY PARTNERS. The Community Partners program was established in 1986 by the Harvard Business School Association of Northern California. Since 1986, more than 500 alumni, working in teams of two to four volunteer consultants, have provided pro bono assistance in the areas of strategic planning, financial management, organizational development, and

marketing to more than 200 nonprofit organizations throughout the Bay Area. These consulting services are valued at approximately \$1 million each year. Community Partners has served as a model for similar HBS alumni programs across the country. For more information:

www.hbsanc.org/community/community_partners.asp

STANFORD ALUMNI CONSULTING TEAM. Since 1987, the Stanford Alumni Consulting Team (ACT) has provided San Francisco Bay-area nonprofits with pro bono management consulting services. Since the program’s inception, 1,020 Stanford Graduate School of Business alumni have given their time to 375 Bay Area nonprofits on projects aimed at supporting organizational development and strategic planning. For more information:

<https://alumni.gsb.stanford.edu/act/>

TAPROOT FOUNDATION. The Taproot Foundation connects skilled professionals with expertise in marketing, information technology and human resources to resource-deprived nonprofits across the nation. The foundation screens business professionals who apply directly or via their employers to engage in pro bono services work. Engagements are highly structured, with customer satisfaction ratings that rival those of leading consulting firms. To date, the Taproot Foundation has awarded more than 700 pro bono projects that have delivered more than 380,000 hours of work for a total value of \$30 million in professional services. The Taproot Foundation has shown that the pro bono model can work for professions besides law; the foundation is currently leading a campaign to instill the pro bono ethic in all business professions by the year 2020. For more information: www.taprootfoundation.org.

TIME WARNER. Pro Bono Consulting (PBC), Time Warner’s pro bono program, works in conjunction with Time Warner’s corporate grantmaking efforts to increase the impact of the company’s community engagement through significant non-financial contributions. Modeled after the best practices of law and advertising firms, PBC was launched in 2005 in partnership with the Taproot Foundation. Employees are engaged each year on volunteer project teams to deliver marketing and communications services to local nonprofit organizations. PBC also directly connects community service with employee learning and development objectives. PBC is seen as a particularly strong opportunity for developing middle management in a low-risk environment that benefits the community. To date, over 175 employees from a dozen Time Warner divisions have been recruited to work with more than 25 nonprofit organizations. For more information: www.taprootfoundation.org/events/probono/Time_Warner.shtml

2006 post-project data collected from nonprofit service recipients reported that 93 percent of nonprofits were satisfied with the final deliverable, and 95 percent were satisfied with their team of pro bono professionals. Though our experience alone would suggest strong demand for human resources pro bono support, as part of our research, we sought additional insight in three areas:

- In 2004, in partnership with a pro bono team from Hewitt Associates, the Taproot Foundation conducted focus groups with 46 nonprofit leaders in New York City, Chicago, and San Francisco regarding the leadership and human resources challenges they were facing.
- Since then, building on the findings of the focus groups, the Taproot Foundation has tested a limited offering of pro bono human resources services. Case studies from our test engagements suggest that organizations who take advantage of pro bono human resources services can find levels of satisfaction similar to that resulting from other pro bono services (See Case Studies).
- In 2007, the Taproot Foundation surveyed more than 250 nonprofits nationwide in order to help us quantify the potential demand for pro bono human resources services. To prepare for that survey we also conducted in depth interviews with 25 human resources experts.

Our headline finding:

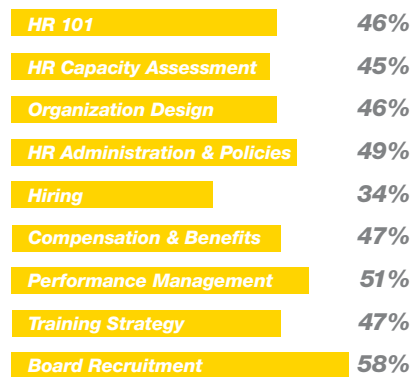
Eighty-six percent of nonprofits indicated there was at least one human resource problem for which they would “definitely” or “probably” seek pro bono support.

To reach this conclusion and assess the nonprofits’ interest in pro bono services, the Taproot Foundation built a list of potential offerings based on best practices in human resources consulting and on our understanding of the pro bono talent pool available. We also considered which types of consulting projects could be done by small consulting teams, a model of engagement that experience has demonstrated works highly effectively in pro bono engagements.

The survey presented 9 potential project offerings for nonprofits to consider.³⁴

- 1 *Human resources 101 – basic but comprehensive tools for the smallest nonprofit*
- 2 *Human Resources Capacity Assessment*
- 3 *Organization Design*
- 4 *Stronger Human Resources Administration and Policies*
- 5 *Hiring*
- 6 *Compensation and Benefits*
- 7 *Employee Review and Performance Management*
- 8 *Training Strategy*
- 9 *Board Recruitment*

Demand was generally strong across all 9 potential pro bono human resources services. 8 of the 9 projects received a response of “would probably” or “would definitely” intend to seek the service from at least 45 percent of respondents.³⁵



“We know what we need in HR, we simply don’t have the technological, financial, or staff resources to design and implement the system we want. [Pro bono] assistance would be invaluable.”

Surveyed Nonprofit³⁶

Demand both in aggregate and for each particular service was generally consistent across many variables, including budget, size of the organization, whether or not the organization was a previous Taproot Foundation grantee, and the role of the respondent (such as board member, executive director, or staff).³⁷

We wondered if nonprofit staff members would actually feel comfortable having corporate human resources professionals working these sorts of projects; nonprofit organizations often have a decidedly different culture from large corporations, which could lead to a lack of trust. However, more than 95 percent of those nonprofit leaders we surveyed expressed few if any concerns about using corporate human resources professionals. Of the few responses expressing concern, this quote was typical: “Given the diversity of our staff and communities we serve I would be concerned about [the pro bono human resources professionals’] cultural and linguistic competence.”³⁸ Those few reservations aside, our research suggests strongly that, even when we highlighted this concern, nonprofit leaders did not consider it a significant problem.

Pro Bono Human Resources Services—Size of the Opportunity

Pro bono service is a significant opportunity that has the potential to make a real impact. We estimate that a fully-realized pro bono solution could use corporate human resources professionals to provide significant consulting support to a quarter of targeted U.S. nonprofits and provide more than \$2 billion in pro bono services each decade.

To reach these estimates, we started with the nonprofits. There are approximately 190,000 U.S. nonprofits with revenues of more than \$250,000.³⁹ (Nonprofits smaller



than these often have fulltime staff of perhaps just one or two people, eliminating most potential human resources challenges.)

On the supply side, we estimated that 6 percent of the 400,000 identified possible human resources professionals, would, if offered the opportunity, provide pro bono professional services.⁴⁰ To estimate the size and value of their contribution, we used the benchmarks set by the Taproot Foundation and similar pro bono service intermediaries: each professional provides 3-5 hours of service per week for approximately 25 weeks per year, for an estimated 100 hours of contribution. Following standard pro bono teaming models, we estimated that all service was provided using teams of 5 people, with an average billing rate of \$100/hour, a conservative value from a corporate consulting standpoint but perhaps more in line with nonprofit consulting rates. The result was 4,800 consulting teams per year or 48,000 engagements per decade.

LIMITED PRO BONO ACTIVITIES AMONG HUMAN RESOURCES CONSULTING FIRMS

While many strategic consulting firms have at least some pro bono activities, the major consulting firms focused on human resources do not appear to embrace the practice. Firms such as the Hay Group, Mercer, and Hewitt Associates report little pro bono work on behalf of nonprofit clients. Interviews with leaders at these firms confirmed this conclusion, though several interviewees suggested that some individual employees likely initiate pro bono work on an ad hoc basis.

Pro Bono Human Resources A Performance Management Engagement CASE STUDY



BOSS

BOSS's mission is to help poor, homeless, and disabled people achieve health and self-sufficiency, and to fight against the root causes of poverty and homelessness. They do this work using four strategies - Housing, Health, Economic Development, and Social Justice.

BOSS operates 30 programs spread across Berkeley, Oakland, and Hayward, California, including emergency shelters, transitional housing, urban gardens, adult education and literacy services, family/child activities, and more. BOSS's roots date back to the early 1970's and they have around 85 employees, approximately 80 percent of whom are unionized.

THE CHALLENGE

BOSS has incredibly committed employees, and many have been with the organization for decades. Consistent with their mission, many BOSS employees are also former clients. As a result, they have a highly diverse staff—particularly in terms of socioeconomic background and education level.

An audit had highlighted the need for BOSS to become a more “professional” organization. They knew that policies and programs were not consistently applied across their locations and as a result, human resources staff spent much of their time dealing with minor problems instead of helping with more strategic initiatives. The existing review process was just a formality and was often used only for disciplinary actions. Employees and managers were not familiar with the process or its intent.

THE WORK

The Taproot Foundation assembled a project team with experts in human resources and performance management. The team collaborated with BOSS to assess and enhance their existing performance management process—and then train managers and employees on the new process. By understanding the culture and dynamics of BOSS, the Taproot Foundation team was able to suggest a solution that addressed several issues within the organization and fit with the employee population and skill level. BOSS was involved throughout the process, helping to educate the volunteer team, providing detailed feedback and approving recommendations.

THE RESULT

BOSS's new performance management process has helped them apply their human resources policies consistently and move toward a consistent definition of professionalism within the organization. Employees and managers were trained by the volunteer team on the new process and its benefits. The solution had two processes: one that set clear expectations and monitored job requirements, and another that aligned employees' individual goals with the organization's. This has helped managers support employees—by maximizing an individual's skills and identifying training and development needs. In addition, because managers now play a larger role in employee performance and development, the HR director has more time to work on strategic projects, such as finance and policy.

“We have fewer messes, we’re hiring better people, people understand their jobs better—and they are getting more constructive feedback and support. I have recommended this to every Executive Director I know.”

BOONA CHEEMA • *Executive Director,*
BOSS

PRO BONO TEAM MEMBERS

Partner
Professional Services Firm

Senior Project Manager
Professional Services Firm

Communications Practice Leader
Professional Services Firm

Communications Consultant
Professional Services Firm

Training Specialist
Fortune 100 Company

First Place Fund for Youth

The First Place Fund for Youth is an Oakland, California-based nonprofit organization founded in 1998 to provide services to 17- to 21-year-olds making the difficult transition from foster care to independent living. The organization supports these youth by providing access to safe, affordable housing and training and development programs to prepare youth to live independently.

THE CHALLENGE

First Place was embarking on an ambitious expansion plan to more than double the number of youth they served. First Place's employees were deeply committed to the youth, but moving from an entrepreneurial start-up environment to a more professional management structure was causing challenges. As the organization grew, employees were less involved with setting the organization's strategy, and did not always see how their job's requirements fit into the bigger picture. First Place's existing review process was no longer meeting its needs.

THE WORK

The Taproot Foundation formed a Performance Management project team with experts in human resources and performance management. The team worked with First Place to analyze their performance management process, improve it, and train managers and employees to ensure that the system was implemented effectively.

To start, the pro bono consultants spent several weeks interviewing employees and examining current processes to understand the organization and its culture, goals, and strategy. Taking employees' concerns into account, the Taproot Foundation team suggested a solution that was tailored to the organization's unique needs and met management's expectations.

THE RESULT

First Place's new performance management process took their basic reviews to the next level. The new process moved all employees to a "focal" review cycle; everyone in the organization was reviewed and set goals at the same time, following First Place's annual planning process. This enabled individual goals to be aligned with organizational goals. To encourage the right behaviors, compensation was also refined to support the performance management process: a standard cost-of-living adjustment was replaced with a more generous and flexible performance-based bonus and raise approach.

“We’re already seeing the benefits of more closely integrating staff members’ performance and goals with the strategic goals of the organization.”

AMY LEMLEY • Executive Director,
First Place fund for Youth.

PRO BONO TEAM MEMBERS

Senior Consultant
Professional Services Firm

Senior Consultant
Professional Services Firm

Performance Management Specialist
Professional Services Firm

Communications Consultant
Professional Services Firm

Training Specialist
Independent Consultant

CONCLUSION



Pro bono human resources represents an enormous opportunity that, if fully realized, could significantly enhance the operating effectiveness of thousands of nonprofits each year.

Our data supports our belief that:

- » There are significant human resources challenges facing the nonprofit sector that hamper the sector's ability to realize its mission
- » A significant percentage of corporate human resources professionals have the skills needed to address the kinds of human resources problems facing many nonprofit organizations
- » There are hundreds of thousands of corporate professionals with the needed human resources skills
- » There is strong demand among nonprofits for pro bono human resources support, and little concern about potential cross-cultural misunderstandings

RECOMMENDATIONS AND A CALL TO ACTION

Engaging even a small portion of business professionals to provide pro bono HR services to nonprofit organizations is going to require significant effort. Companies, foundations, nonprofits, and the broader human resources profession all have a part to play in making pro bono a cornerstone of the nonprofit sector's efforts to maximize the return on its people.

The Taproot Foundation offers the following recommendations for the key players:

PROFESSIONAL FIRMS

Professional service firms, already structured to deliver human resources projects on a consultative basis, can make a tremendous contribution by setting company-wide expectations and standards around the amount of work that will be done pro bono each year.

KEY PRIORITIES

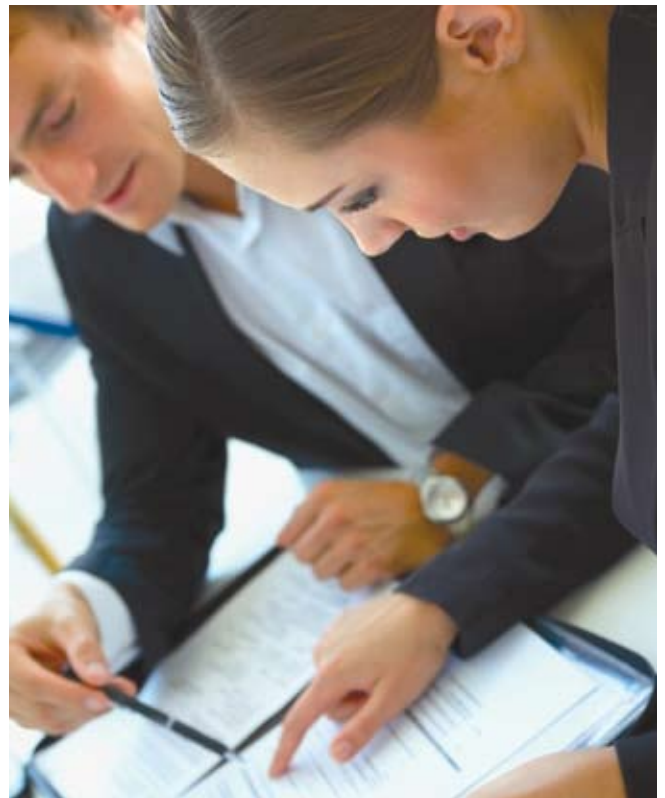
- Report the volume of pro bono human resources services provided on an annual basis, noting what services are provided free vs. at reduced rates.
- Make pro bono services as integral a part of the human resources profession as they are in the legal world.
- Advance the field's understanding of effective human resources consulting for nonprofits—including what works and what doesn't.

CORPORATIONS

As the largest source of human resources talent, corporations play a pivotal role in the success of pro bono service delivery.

KEY PRIORITIES

- Develop and implement pro bono programs to leverage the skills of employees to help nonprofits with key human resources tasks.
- Move beyond generic commitments to volunteerism and actively encourage and enable employees' pro bono work.
- Include pro bono human resources contributions in corporate social responsibility (CSR) reports—citing the actual dollar value of provided services in addition to hours and the percent/number of employees doing pro bono work.



FOUNDATIONS

Grantmaking foundations in the United States can play a crucial role in ensuring that nonprofit organizations have the resources they need to develop effective human resources policies and practices. Foundations also can help to generate and advance learning about effective pro bono work.

KEY PRIORITIES

- ▶▶ Support the infrastructure that is needed for successful delivery of pro bono human resources services—including service delivery providers and intermediaries.
- ▶▶ Support research and information dissemination to improve understanding of pro bono as a potential solution to nonprofits' human resources needs.
- ▶▶ Provide nonprofits with the flexible funding they need, at the appropriate levels, to leverage the potential of a stronger human resources capacity for organizational results.
- ▶▶ Highlight the importance of strong human resources and leadership to the strength of an organization by review human resources policies and capabilities as thoroughly as financial statements and program results.

NONPROFIT ORGANIZATIONS

The nonprofit community has embraced human resources as a priority; now the challenge is to adopt proven human resources practices that improve performance.

KEY PRIORITIES

- ▶▶ Incorporate effective human resources practices into operating plans and budgets—and seek dedicated funding for this work.
- ▶▶ Make human resources management a required skill set among at least one board member and recruit to fill this need.
- ▶▶ Work with corporations and consulting firms to develop pro bono initiatives.

HUMAN RESOURCES PROFESSION

Above all other groups, it is the human resources profession as a whole that can light the fire for a long-term pro bono movement. By ingraining pro bono into the profession at its deepest touchpoints—graduate schools and trade associations/publications—the professional community holds the key to the sustainability and scalability of addressing the nonprofit sector's human resources needs through pro bono work.

KEY PRIORITIES

- ▶▶ Make pro bono a core component of the curriculum in human resources graduate school programs, following the model of the legal profession.
- ▶▶ Reinforce pro bono as an expectation in the human resources profession through trade association initiatives, publications, awards and more.
- ▶▶ Sponsor research into the most effective methods for the delivery of pro bono human resources services, as well as forums for advancing best practices.



APPENDIX

INTERVIEW SUBJECTS

Ayars, Patti. Founder, *Turning Point Consulting*.

Baker, Claudette. Vice President, Library and Nonprofit Services, *Donors Forum of Chicago*.

Benz, Jennifer. Human Resources Consultant, *Benz Consulting*.

Bessey, Kerry. Senior Vice President, Human Resources, *Time Inc.*

Cohen, Debbie. Executive Vice President, Human Resources, *Time Warner Inc.*

Coy, Bill. Senior Associate for Human Resources Consulting, *LaPiana Associates*.

Dandurand, Leonard. Global Talent Planning, *Electronic Arts*.

Eddington, Tom. Partner, *Hewitt Associates*.

Elsdon, Ron. Independent consultant and *Taproot Foundation* volunteer.

Fernandopulle, Anushka. Projects Director and Leader of Managing People Practice Area, *CompassPoint Nonprofit Services*.

Finkelstein, Russ. Associate Director, *Idealist.org*.

Fischel, Shelley. Executive Vice President, *Human Resources, HBO*.

Grech, Rose. Former Human Resources Programs Manager, *Idealist.org*.

Hawkins, Tina. Senior Associate in Human Capital Communications, *Mercer Human Resources Consulting*.

Keefe, Rosemary. Global Leader of Corporate Social Responsibility, *Hewitt Associates*.

La Belle, Toni. Managing Director in Human Resources, *Lehman Brothers Inc.*

Lobell, Jean. Managing Director and established Human Resources Practice Area for Community Resource Exchange (CRE).

Lukas, Carol. President, *Fieldstone Alliance*.

Malik, Humera. Global Talent Planning, *Electronic Arts*.

Mason, Elaine. Vice President of Planning and Education, *MTV Networks*.

Phillips, Nancy Kim. Independent consultant.

Rosenthal, Jeff. Human Resources Executive Searches, *Russell Reynolds Associates*.

Serbin, Baillie. President, *Serbin Associates*.

Silberman, Karen. Director, *SHRM Foundation*.

Steinberg, Beth. Human Resources Advisor, *Facebook.com*.

Wagner, Jennifer. Senior Consultant, *Mercer Human Resources Consulting*.

Wood, Linda. Program Officer, *Evelyn & Walter Haas, Jr. Fund*.

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- 38 Taproot Foundation, 2007 Survey.
- 39 Internal Revenue Service and The Urban Institute, National Center for Charitable Statistics.
- 40 Taproot Foundation's experience is that 10-50% of business professionals sign up as volunteers when the opportunity is available. Within law firms, upwards of 80% of professionals provide pro bono service. We chose a very conservative estimate.

***The full version of this research study can be found
online at: www.taprootfoundation.org/research***



Nonprofits have the greatest potential for addressing our society's most challenging social and

environmental problems, but often lack the operational resources to fulfill their potential. The Taproot Foundation exists to close this gap and ensure all nonprofits have the infrastructure they need to thrive. The Taproot Foundation works to engage the business community in pro bono service, building the infrastructure of the nonprofit organizations we rely on to support our communities. This pro bono model leverages the best practices of leading professional services firms to reliably provide high-quality marketing, human resources, strategy management, and technology services at no cost to the nonprofit clients. Over 700 projects, valued at over \$30 million, have been awarded to nonprofits to date.