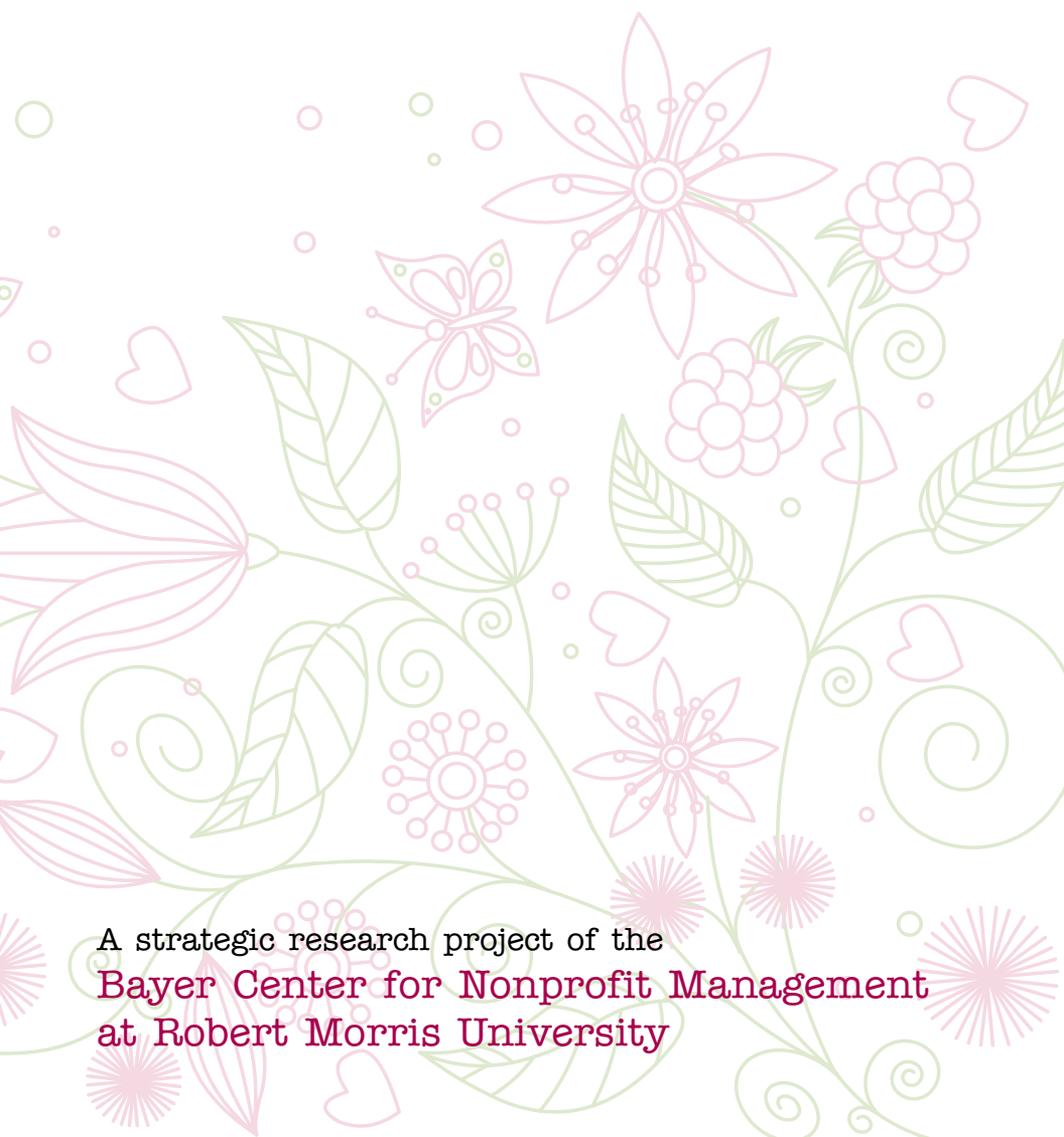


74%+ seventy-four percent

EXPLORING THE LIVES OF WOMEN LEADERS IN NONPROFIT ORGANIZATIONS | 5/2012



A strategic research project of the
Bayer Center for Nonprofit Management
at Robert Morris University



Counting the 74%

The 74% Project is about workforce issues—and it's urgent.

Since 2008, the Bayer Center for Nonprofit Management has strategically considered the 225,000 women working in nonprofit organizations in Allegheny and surrounding counties. As we get to know these women better, we are at once inspired and shocked by what we learn. A clear picture of a nonprofit workforce crisis has emerged.

- > Women in the Baby Boomer generation—ages 55 to 64—are expected to leave the nonprofit workforce over the next 5 to 10 years for retirement or other work options. By 2020, many of the seasoned professionals leading nonprofits will not be guiding their future any longer.
- > While seasoned female nonprofit professionals have lengthened their tenures, they have blocked career paths for younger women. Women in their 20s and 30s lack opportunity and are not being sufficiently groomed for management roles.
- > Boards and management of our region's nonprofits are unprepared to address the staffing and accountability concerns raised by the expected migration of many professionals.
- > If critical human resources and professional development programs are not created and monitored, Southwestern Pennsylvania could face a shortage of qualified and prepared nonprofit professionals to lead the next generation of nonprofit success.
- > Over half—55 percent—of executive directors do not receive performance evaluations, thus impeding organization growth and transparency.

Attention must be paid. A region so rich in nonprofit contributions to our communities is in danger of losing the power of the 74%. Critical wage inequity and career development issues must be addressed. Boards must take this situation seriously and provide ways to support the career growth and tenure of their employees. For the 74% and the organizations they serve, the clock is ticking.

Leading the 74% movement is The Kitchen Cabinet, comprised of 161 women and men who care about the 74% and the future of Western Pennsylvania. This movement relies on the participation of regional leaders, including those in the corporate and foundation community.

Research is not for the shelf but for the hands of those in the field. The Bayer Center is committed to its role as a resource to raise consciousness through our information gathering and analysis. We are fueling the nonprofit community and our Kitchen Cabinet leaders with the facts. We hope that boards and those who care about nonprofits will arm themselves with the data we provide to set the stage for an even more vibrant and fair nonprofit community in Southwestern Pennsylvania. During the past four years, we have met with and interviewed many women and men in lively conversations, focus groups and open meetings. We have conducted surveys. Peggy Morrison Outon has spoken personally with many women who range from early to late career levels. Common concerns include career path options while age-related issues seem to follow women through their careers.

Take and share the 74% Survey at <http://seventyfourpercent.wordpress.com>.

When leadership expert Sally Hegelson visited, she affirmed this truth: that trusting only numbers can wreak severe havoc if women's perspectives are not represented. While we have learned much about wage, age, race and gender discrimination, we also heard about both career triumphs and frustrating truths.

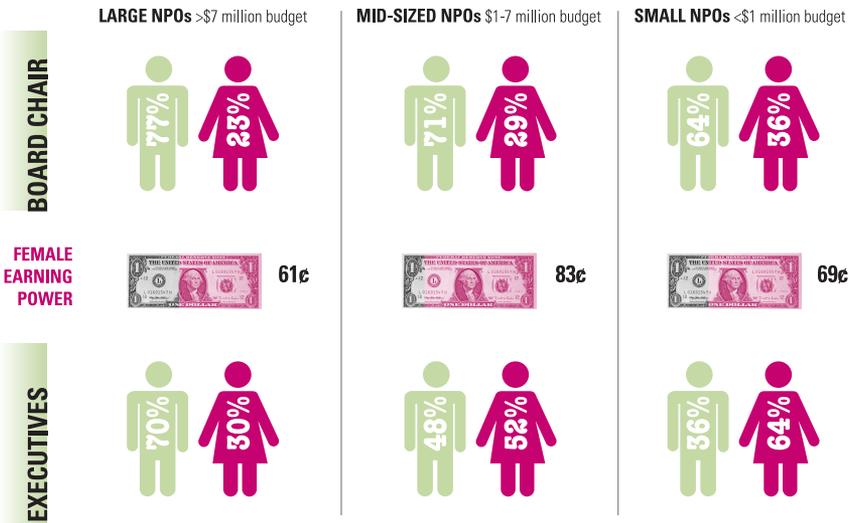
We will share more opinion pieces (like the one featured in this report), white papers, advocacy, and a national symposium in 2014. Follow stories from the 74% and our collective data—including the biennial Wage and Benefit Survey (conducted by Bayer and RMU since 2000). Look for this survey again in fall 2012. Depend on the 74% web site to link to detailed data, analysis and talking points. And use and share these tools to inform others.

We invite you to share your story.

Please contribute by taking the important 74% Survey and share it with others who work in this region's nonprofit organizations.

Distilling knowledge into action is our goal. Fueled by the power of 74%, this project does just that.

United States Programmatic Nonprofit Organizations (NPOs)



74%: Exploring the Lives of Women Leaders in Nonprofit Organizations is made possible by the generous support of the Eden Hall Foundation and Bayer USA Foundation.

A special thank you to Horovitz, Rudoy & Roteman, LLC for their continuing support.

What the 74% Reality Means

More than twice as many women (5.52 million) than men (2.3 million) work in occupations with median earnings for full-time work below the federal poverty threshold for a family of four.

Source: Current Population Survey

The Pittsburgh region is characterized by the strength of its community networks and organizations. Nearly 300,000 people work every day to see that our region is just, decent and fair. These nonprofit employees not only feed the hungry and assure compassionate relief after a disaster but also teach your children, visit your elderly parent, clean up the stream that runs by your house and bring the arts alive all over town. 225,000 of those employees are women.

Since 2000, the Bayer Center for Nonprofit Management at Robert Morris University (BCNM) has conducted a biennial wage and benefit survey with the United Way of Allegheny County. Over the past twelve years, the findings have revealed a persistent and troubling truth. Women, who make up 74 percent of the local nonprofit workforce, are consistently underpaid, and far less likely to lead large organizations.

“The lack of pay equity in nonprofits is direct discrimination.”

The pay equity gap pervades the nonprofit community, regardless of the size, services provided, or staff qualifications of the organization. Women earn approximately 74 cents on the dollar earned by their male counterparts. This has been further confirmed by close examination of several years of data drawn from the IRS Form 990s, the annual tax

information form required of all nonprofit organizations. Interviews with more than thirty five women working for nonprofit organizations reveal a nonprofit sector that routinely rewards the performance of male employees disproportionately. Sometimes, the issue is that women don't ask. Sometimes, women lack an active champion in their organizational leadership or at the board level. More often, it is that human resources management is the last place nonprofits and their boards invest time or money to develop better practices.

The 74% reality identified in this research hurts our region in many ways. Fairness is a first principle of healthy societies. Attracting and retaining talent is a key principle of successful organizations. An important national study, “Daring to Lead,” which surveys some 3,000 nonprofit leaders has shown for the last 10 years that younger employees are not eager to ascend to the executive director jobs soon to be vacated by the retirement of Baby Boomers. The jobs are not attractive for many reasons, including inadequate compensation. This is a direct call for the need for a more equitable future for nonprofit leadership.

For more information on the 74%: Exploring the Lives of Women



At every level of academic achievement, women's median earnings, on average, are less than men's median earnings. In some cases, the gender pay gap is larger at higher levels of education.

Source: Current Population Survey, U.S. Bureau of Labor Statistics

Boards and their responsibility to productively employ people are at the core of this dilemma. More and more boards now have the task of deciding who to hire as their next executive and how to fairly compensate them. If boards continue to allocate significantly inadequate compensation for staff salaries, how will they replace the expertise and commitment required to achieve their mission? Women are underrepresented as board members and officers, despite the disproportionate number of female employees in nonprofits. Inclusion of women has been documented to have a direct impact on fair CEO hiring and pay equity practices.

According to BCNM research, the gender of the board chair plays a pivotal role in the staggering disparity between compensation for male and female executives. If the board chair is female, the average female executive can earn as much as 63 percent less than a male executive with a male board chair, depending on the size of the organization.

The impact of this inequality isn't confined to women working in nonprofits. Families across this region suffer when mothers and daughters bring home inadequate and unjust paychecks. The lack of pay equity in nonprofits is direct discrimination and we need to focus on protecting rights of all nonprofit employees as they seek to serve the citizens of our region during these harsh economic times. One way to respond is to involve more informed women at decision-making levels of nonprofit governance. We hope and expect that equitable leadership will fuel the reform needed to attract and retain the most effective female leaders in the nonprofit community.

We look forward to a time when we as a region can celebrate the annual Pay Equity Day, April 16, by demonstrating the values of justice and fairness to those who get up every morning to see that our community thrives for us all.

“We need to focus on protecting rights of all nonprofit employees as they seek to serve the citizens of our region during these harsh economic times.”

This opinion piece appeared in the *Pittsburgh Post-Gazette* on April 13, 2012. It was co-written by 74% leadership: Co-Chairs Sylvia Fields (Eden Hall Foundation) and Rebecca Lucore (BayerUSA Foundation) and Peggy Morrison Outon, BCNM executive director.

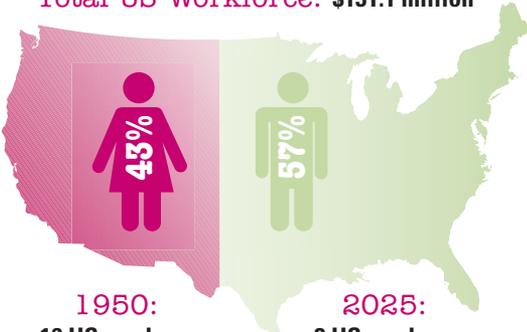
Nonprofit Exodus

Every day from 2011 to 2030, more than
10,000 Baby Boomers
will reach the age of 65.

(Source: Pew Research)



Total US Workforce: **\$131.1 million**

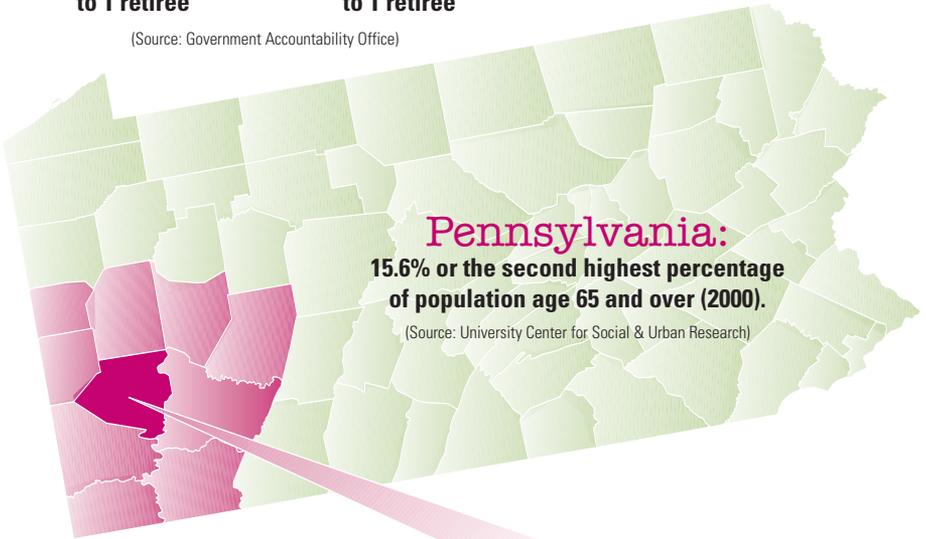


1950:
16 US workers
to 1 retiree

2025:
2 US workers
to 1 retiree

(Source: Government Accountability Office)

NPO Workforce:
\$13.5 million



Pennsylvania:
15.6% or the second highest percentage
of population age 65 and over (2000).

(Source: University Center for Social & Urban Research)

Southwestern PA:
225,000 Women in the NPO Workforce –

the **74%**

Allegheny County:
Between 2010 and 2030, the population
age 65 and over will increase by 73,000
persons (22% of population) by 2030.

(Source: University Center for Social & Urban Research)

Kitchen Cabinet Members

Kitchen Cabinet Members, totaling 161 in May 2012, are applying their community knowledge, professional expertise and stellar leadership to fuel the power of 74%.

Sylvia Fields

Co-Chair
Eden Hall Foundation

Rebecca Lucore

Co-Chair
Bayer USA Foundation

Darlene Motley

Research Director
Robert Morris University

Peggy Morrison Outon

The Bayer Center for
Nonprofit Management

BCNM Staff (9)

Garrett Cooper
Jeff Forster
Shelby Gracey
Scott Leff
Cindy Leonard
Lulu Orr
Carrie Richards
Carrie Tancair
Yvonne Van Haitsma

Corporate (30)

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Tracy Certo
Shirley Chabalie
Richard Citrin
Sandra Danoff
Sara Davis Buss
John Denny
Kate Dewey
Bernadette Eyler Smith
Karen Farmer White
Debbie Foster
Nancy Furbee
Dave Hunter
Marsha Jones
Diana Kamyk
Katie Kartsonas
Dusty Elias Kirk
Elaine Krasik
Tiffany Kuchta
Peter Lucas
Beth Marcello
Barbara McNeese
Debbie Moses
Kit Needham
Jack Owen
Ashley Popojas
Tom Ryan
Phyllis N. Silverman
Darcy Smith
M.J. Tocchi

Volunteers (19)

Judy Davenport
Dee Delaney
Polly Dell'Orno
Ray Frankoski
Susan Kaminski
Ann Lewis
Emma Lucas-Darby
Paula Maynes
Bob Moll
Audrey Murrell
Iris Nahemow
Marianne Neel
Stephanie Rooney
Mauri Sankus
Cindy Shapira
Jane Treherne-Thomas
Pat Ulbrich
Bonnie VanKirk
Sally Wade

Academic (22)

Dana Brown
Jay Carson
Daria Crawley
Lynda Davidson
Gregory Dell'Orno
Dave Droppa
Anne Flynn Schlicht
Teresa A. Gregory
Kimberly Hammer
Rebecca Harris
Clare Hopkins
Derya Jacobs
David Jamison
Maria Kalevitch
Kevin Kearns
Barbara Levine
Judith Millesen
Marcel Minutolo
Shari Payne
Elizabeth Stork
Darcy Tannehill
Ellen Wieckowski

**NPOs &
Foundations (70)**

Deb Acklin
Carmen Anderson
Donna Anderson
Heather Arnet
Tammy Aupperle
Terri Baltimore
Deborah Baron
Gregg Behr
Karla Boos
Kenya Boswell
Doreen Boyce
Susan Brownlee
Diana Bucco
Kathy Buechel
Esther Bush
Christine Cawley Knott
Dina Clark
Judy Cohen
Marilyn Coleman
Yvonne Cook
Luci Dabney
Aradhna Dhandu
Linda Dickerson
Lauri Fink
Court Gould
Joan Haley
Cheryl Hall-Russel
Peggy Harris
Lizz Helmsen
Maureen Hogan
Lisa Hoitsma
Jayne Huston
Magdeline Jensen
Allison Jones
Ellen Kight
Bonnie Lewis
Mark Lewis
Cathy Lewis Long
Anne Marie Lubenau
Alexis Macklin

Tony Macklin
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Bob Nelkin
Susan Nitzberg
Grant Oliphant
Janice Parks
Suzi Pegg
Marge Petruska
Renee Piechocki
Cynthia Pulkowski
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Ruth Siegfried
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Janera Solomon
Shauna Spencer
Bill Stein
Anne Swager
Barbara Sieck Taylor
Kristy Trautman
Bobby Vagt
Dara Ware Allen
Bobbi Watt Geer
Jane Werner
Cassandra Williams
Carol Wooten
Laura Zinski

Government (7)

Patrick Dowd
May Ann Eisenreich
Emily Keebler
Mildred Morrison
Bill Peduto
Mary Phan Gruber
Chelsa Wagner

I've always had my heart in the nonprofit sector, so this was the right fit for me, at least as a first job in my career. Now that I'm here, what does that mean?

The **Bayer Center for Nonprofit Management at Robert Morris University** works with nonprofit organizations to provide effective and practical management and governance tools, information, education and research that strengthen nonprofit missions and multiply all investments of time, talent and money in regional nonprofit organizations.

Our intensive and customized Management, Governance, Financial and Technology consulting services are designed to educate leaders and have resulted in:

- Higher functioning governing boards
- Enhanced financial planning and management
- Heightened brand awareness
- Increased partnerships and strategic alliances
- More effective approaches to fundraising
- A strategic approach to decision-making
- Better informed, evidence-based decisions for future directions
- More capable nonprofit leaders and organizations
- Effective management information systems
- Prudent software choices and website design

Lead the
movement
to turn
KNOWLEDGE
into **ACTION.**

TAKE & SHARE THE 74% SURVEY.

Help us to draw a clearer picture
of the nonprofit workforce in
Southwestern Pennsylvania.

Respond today to our important 74% Survey.



<http://seventyfourpercent.wordpress.com>

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*Bayer Center for
Nonprofit Management*



“It’s lonely at the top!”



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**For more information, please contact
our on-staff trained professional coach:**

Scott Leff, Associate Director
Bayer Center for Nonprofit Management
at Robert Morris University

412-397-6006 or leff@rmu.edu