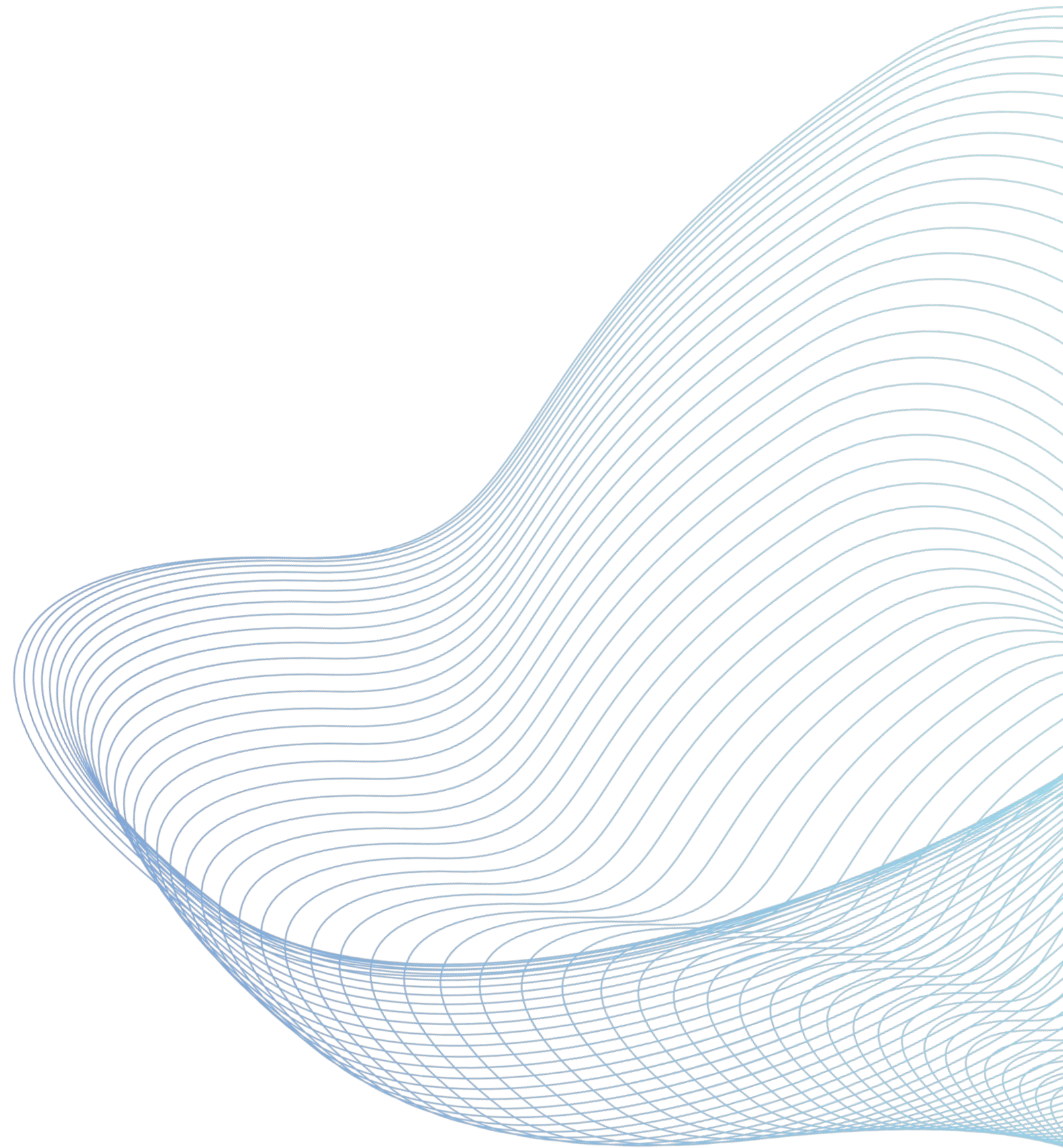


CHANGING OUR STORY

**Shifting the paradigm
on nonprofit
compensation**





AGENDA

- Defining a Living Wage & Why It

Matters

- The Living Wage Collaborative Story

- A Fundraiser's Perspective

- Let's Talk About It

Our Goal: Inspire You to Embrace Your Own Living Wage Initiative

- What's Next?

COLLABORATIVE'S

GOAL

To change the narrative and the conditions that allow for greater investment in the people and infrastructure of nonprofits in Dane County.

- Nonprofits
- Donors and Funders
- Communities



DEFINITIONS

Fair Wage - a wage that is reasonable for the type of work done compared to similar jobs in the area

Living Wage – a wage that ensures an employee is paid enough to have a decent standard of living in the area

Equitable Wage - a wage that ensures all employees are paid equally to perform similar jobs



CURRENT LIVING WAGE

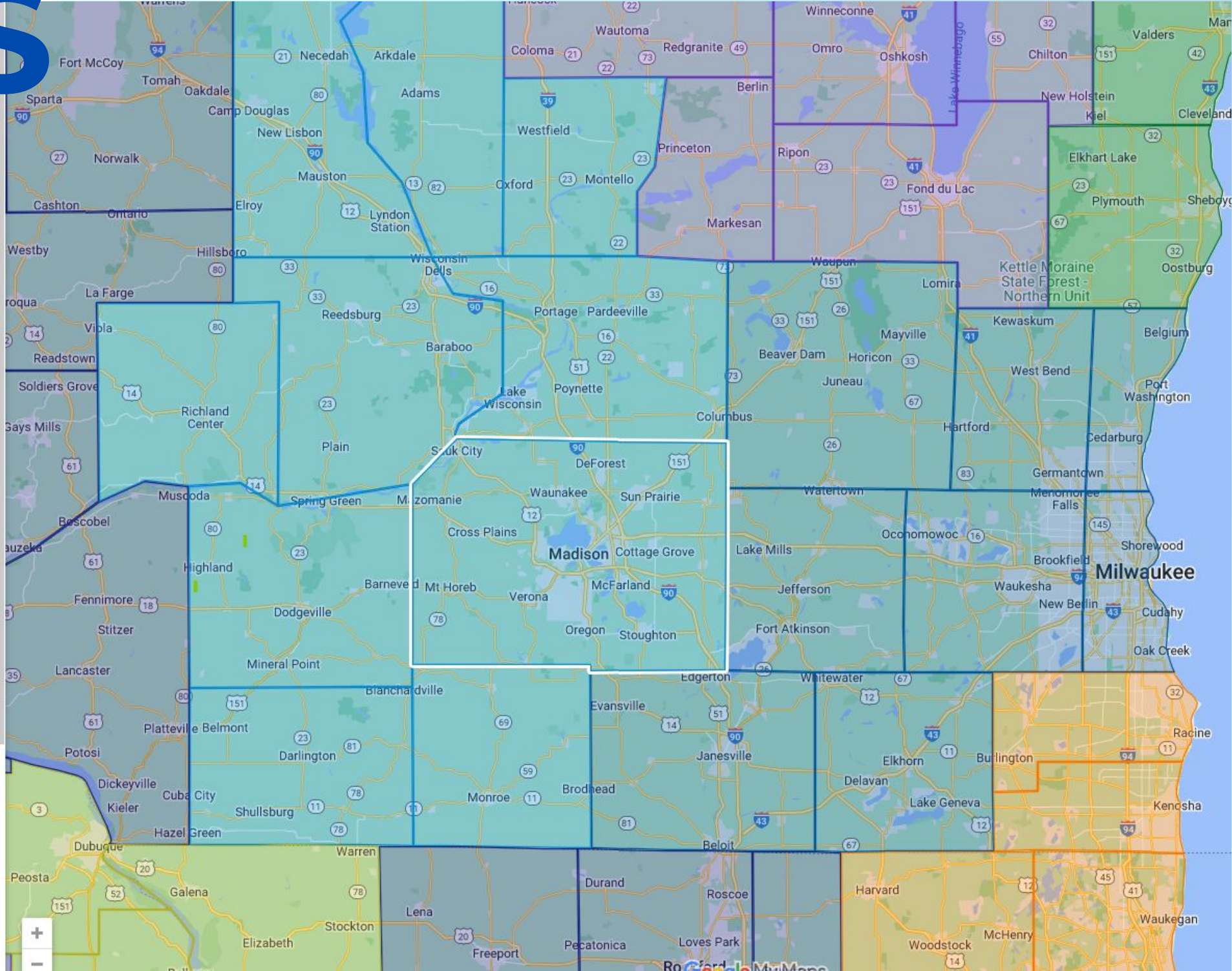
	1 ADULT			
	0 Children	1 Child	2 Children	3 Children
Living Wage	\$21.38	\$40.42	\$54.50	\$72.09
Poverty Wage	\$7.24	\$9.83	\$12.41	\$15.00
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25

Source: [Living Wage Calculation for Madison, WI \(mit.edu\)](https://livingwage.mit.edu) as of June 2024

ANKER AND LIVING WAGE FOR US



name	Dane
(informational purposes only) Actual Hourly Living Wage for this County	\$37.39
Hourly Living Wage (lowest cost County in commuting zone for tier II certification)	\$24.23
Monthly Living Wage (lowest cost County in commuting zone for tier II certification)	\$4,199.01
Entry Wage for Tier I Certification	\$18.00
Commuting Zone	610
Housing	\$826.00
Food	\$914.73
Transportation	\$1,720.20
Health Insurance Premiums	\$481.00
Healthcare (out of pocket)	\$282.36
Retirement Savings	\$65.96



WHY A LIVING WAGE MATTERS

1. Paying equitable wages benefits the long-term health of the organization
2. Employees = most valuable resource
3. Competitive job market, rising inflation, & roller coaster economy
4. Retaining qualified staff = quality programs & services
5. Representation matters
6. It's the right thing to do

NOT TO MENTION...

- High staff turnover is expensive for organizations:
 - Costs and time associated with a new employee's onboarding
 - Individual(s) facilitating the hiring process
 - Coworkers experience heightened stress and workload in the interim period
 - External partners and donors must rebuild new staff relationships?
- The actual cost of high staff turnover averages approximately 117%, when viewed as a percentage of salary.
- The negative impacts of high staff turnover multiplies as short tenures become pervasive across the organization.

THE LIVING WAGE COLLABORATIVE

Who We Are:

- A coalition of local nonprofit leaders and board members, philanthropic foundation representatives, corporate partners, and community member who have come together to advocate for a sustainable living wage for all staff members across Dane County's nonprofit sector.

Our Approach:

- Changing the Narrative on Nonprofit Wages
- Research Living Wage Trends in Nonprofit Industry
- Building a Platform for Community Engagement

GOODMAN'S LIVING WAGE INITIATIVE

Summer 2021

Conducted Compensation
Study of all Goodman staff
and made pay adjustments
for a handful of employees
who were out of line with
Dane County Market rate

Winter 2022

Started conversations with
our key partners about
equitable wage initiative

Spring 2022

Raised all staff up to \$15
minimum wage
Met with Benefits Specialist
from American Family to
learn about their equitable
wage efforts
Accessed and revised staffing
structure

GOODMAN'S LIVING WAGE INITIATIVE

Summer 2022

Engaged HR Consultant to project
cost of:

- Raising minimum wage to \$17 - \$20
per hour
- Making equitable wage
adjustments for affected work
groups

Created three-year budget forecast
for board of directors

Spring 2023

Funding to launch the first
three years of the initiative
is secured

Summer 2023

Goodman implements
Living Wage of \$20 per
hour!

FUNDRAISING GOAL: \$2.8 million



THE IMPACT: 12 MONTHS LATER

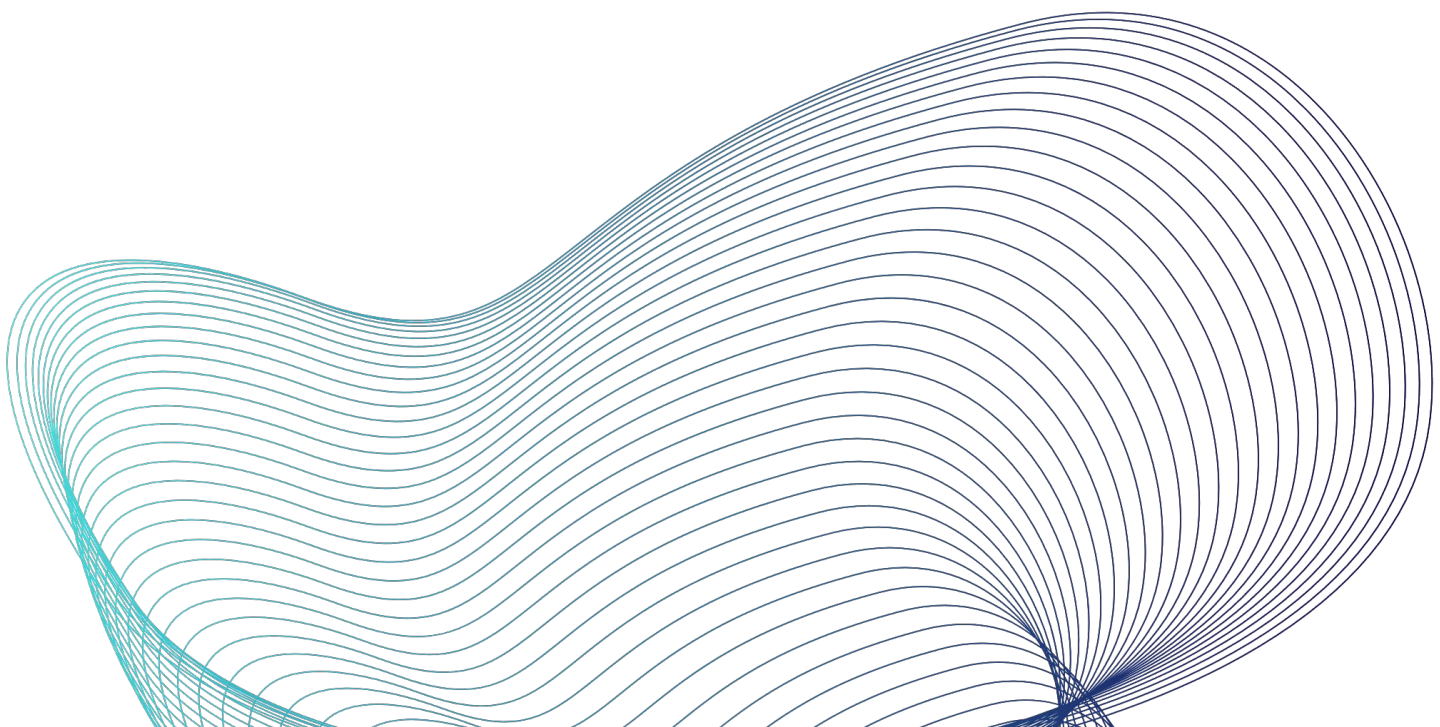
	Avg Headcount	Turnover %
FY22		
All Staff	95	67%
Childcare Staff	19	100%
FY23		
All Staff	88	46.5%
Childcare Staff	14.4	41.6%
FY24, YTD		
All Staff	100.9	23.8%
Childcare Staff	19	29.7%

THE IMPACT: OUR STAFF

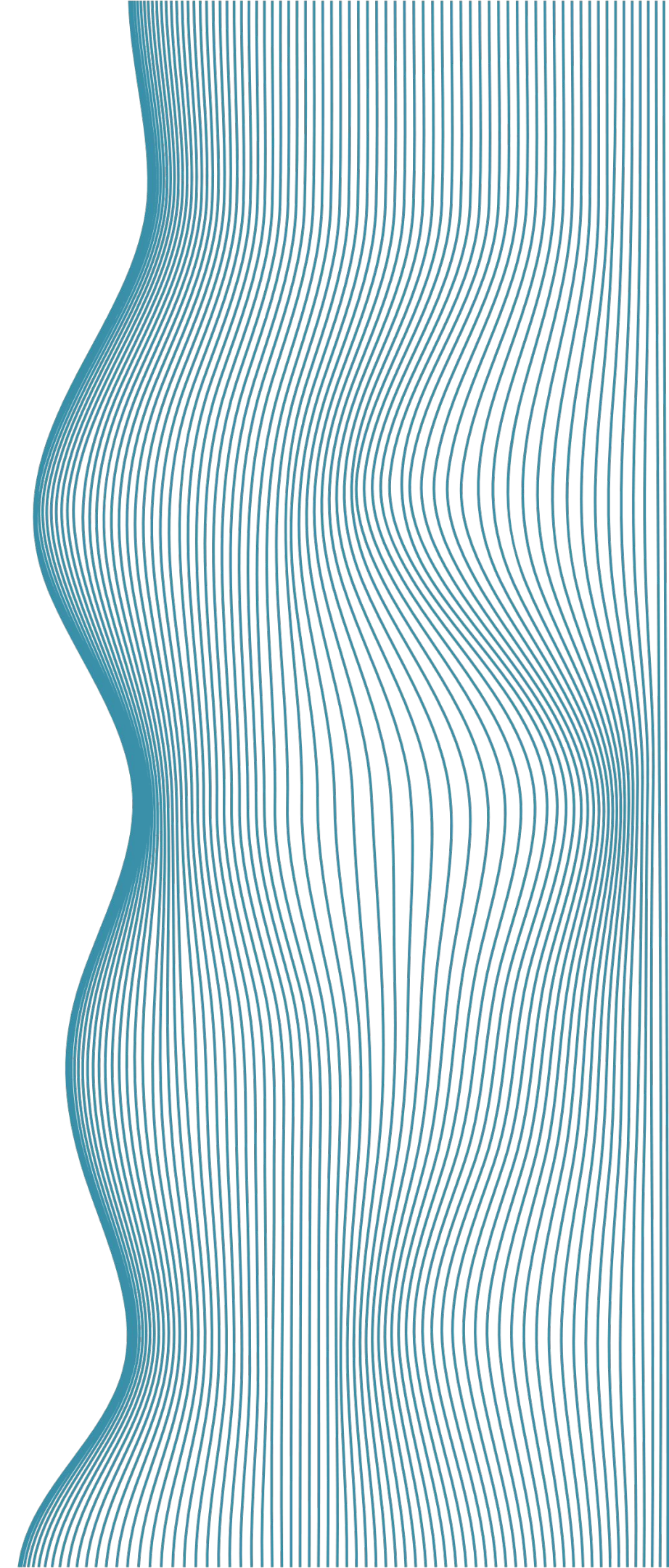
“This wage adjustment means that I will be able to meet my basic needs and have money left to do some extra things, like buy new tires for my car, pay off some outstanding bills and possibly take a few fun days!”

“I am extremely grateful for this wage increase. It has eased my stress due to the cost of living that was causing a burden on me. I was even thinking of looking for another part-time job to meet my expenses. I want to thank you so, so much that I no longer need another job.”


“Goodman’s Living Wage Initiative has made a huge difference in recruiting and operations for the Program Kitchen. We can find strong candidates much more quickly, and the people we have working in the kitchen seem happier and less stressed. I strongly believe that the higher wages have led to a higher quality of food being provided to our community members from our kitchen.”



THE FUNDRAISER'S PERSPECTIVE



MY THOUGHTS...

- This may be the least 'sexy' gift opportunity ever
 - Make no mistake, I was terrified.
 - Wait, what? We need to raise how much more?
 - How is this do-able, let alone sustainable?
 - How are we going to talk to donors about this?
 - We're going to get laughed out of the room...
- 
- A decorative graphic consisting of numerous thin, light blue wavy lines that curve and flow from the bottom right corner towards the center of the slide, creating a sense of movement and depth.

FUNDRAISING: LESSONS LEARNED

- Our mission isn't sustainable if we fail to pay a living wage.
- Programs succeed with people.
- If we approach the work with an abundance mindset, we will raise more money to extend our mission.
- Be brave. Engage in an honest conversation with donors to help them understand. What's the worst that could happen?
- We don't know how donors will respond until we engage them in the conversation.
- The cost of everything has gone up. It's not a secret, so let's tell people.
- Nonprofits as a sector must work together and sing the same tune.

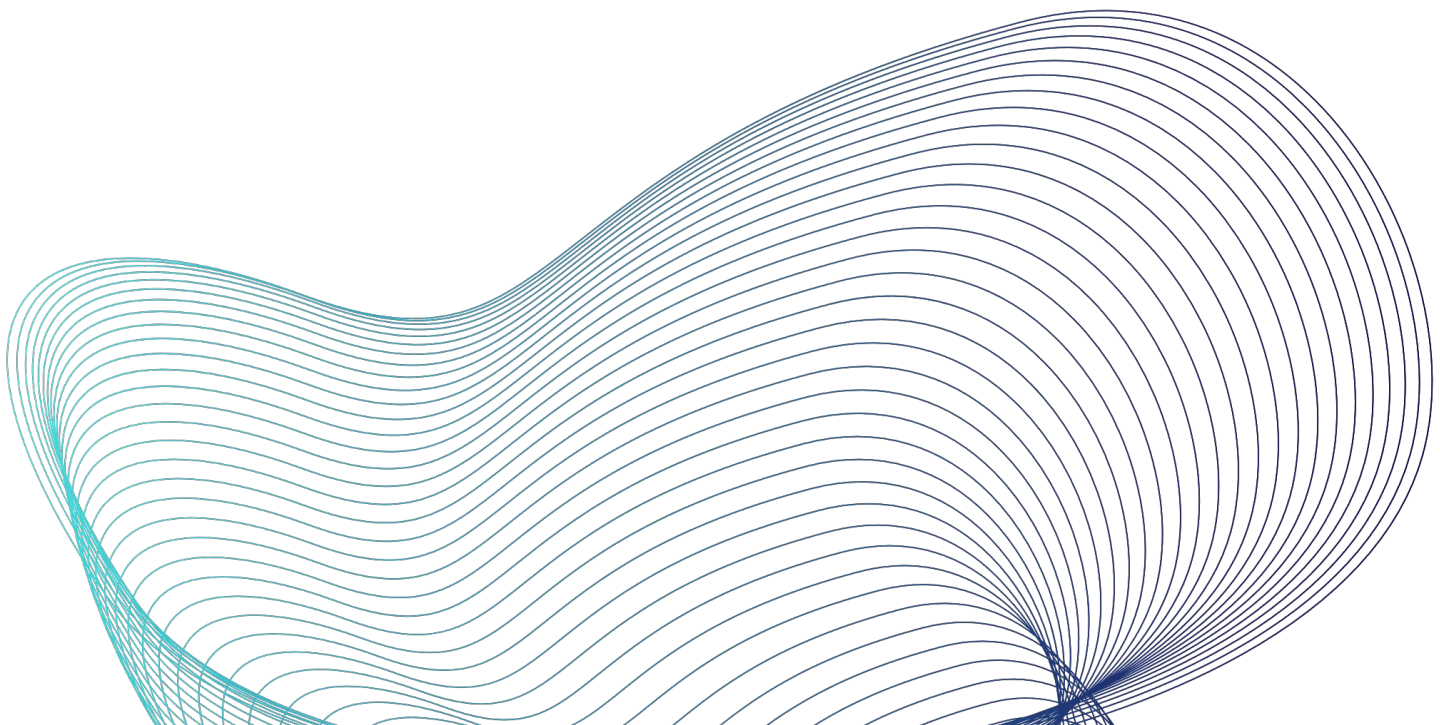


BUT WHAT

IF...?

Living wage campaigns
became as popular to
fund as capital
campaigns?

Nonprofit staff had the safety and
security to stay in their roles while
learning and growing with an
organization?

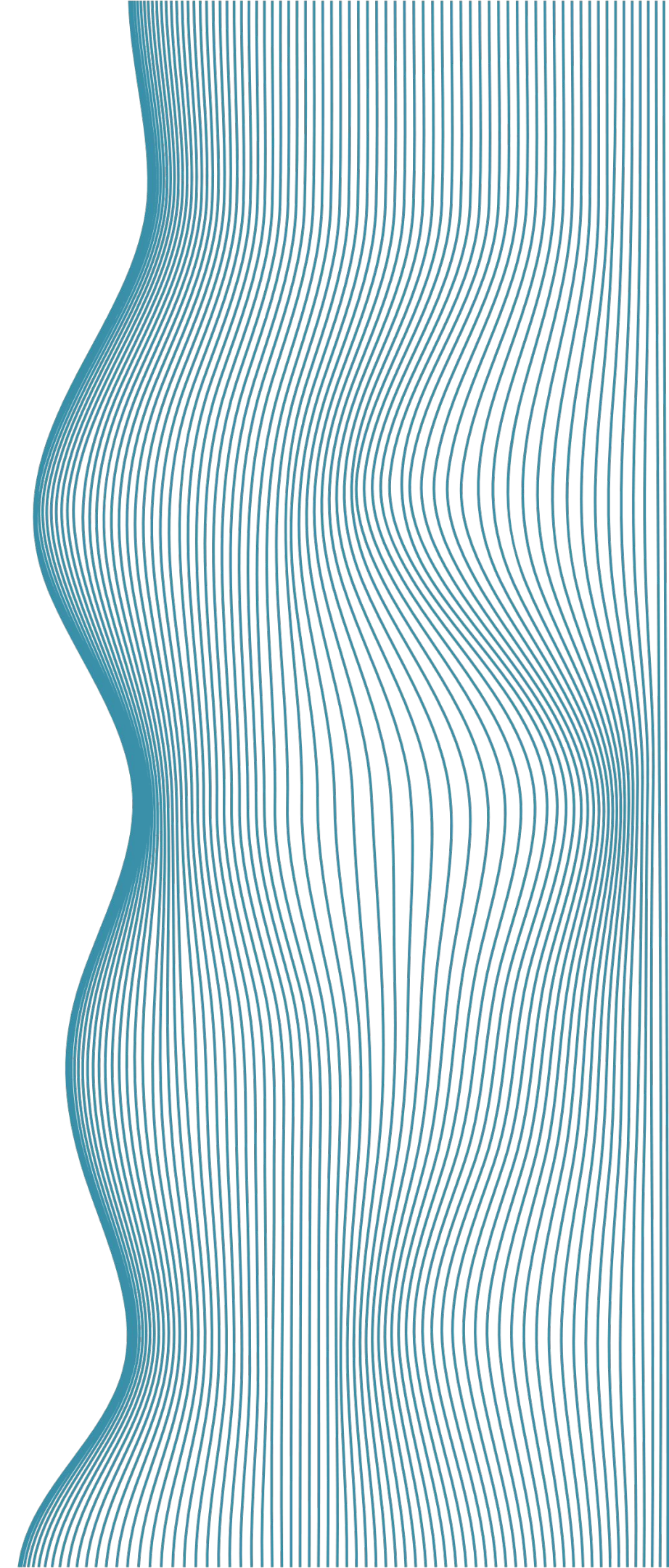


THE OPPORTUNITY...

...is possible with a
commitment by nonprofits
and an investment from
the community...

...which allows those nonprofits to
create, maintain, and improve upon
systems that will enable us to make
real change in the lives of everyone
we serve.

**LET'S TALK
ABOUT IT**



COMPENSATION-LIVE POLL

- Less than \$35,000
- \$35,000-\$55,000
- \$55,000-\$75,000
- More than \$75,000



DO YOU KNOW?

- A nonprofit leader who does not take a salary or takes a reduced salary to “help out” the organization?
- A family member or friend who doesn’t see the value of nonprofits?
- A peer or fellow nonprofit worker that uses the same services their employer offers?
- A donor who doesn’t want their money put towards staff salaries?

HAVE YOU HEARD?

- “Money is not important because you are doing the good work.”
- “You chose this path...”
- “Nonprofits are prevented from paying higher wages by IRS/government/donors.”
- “It’s impossible for nonprofits to pay higher wages.”

QUICK BREAKOUT

- Share your experience
- How did you react or respond?
- How do you wish you reacted or responded?
- What information or tools would have been helpful?



LIVING WAGE LESSONS

- Efforts related to “living wages” have a long history, but are of increased interest now because of rising costs of living and broader discussions of worker dignity and satisfaction
- Benefits of living wages are clear: Greater worker satisfaction, less stress, higher service and quality of work, lower turnover and their associated costs, greater alignment with nonprofits’ missions
- Nonprofits face particular challenges related to fundraising and legacies of low-wage industries and roles
- Tapping into and/or helping build a broader “eco-system” for living wages supports these efforts (e.g., local government policy, employer

WHAT'S COMING

- “How Nonprofits Can Commit to Living Wages” report brief
- Complementary resources: FAQ or info sheet, pathways
- Coming later this summer!

**STAY
CONNECTED!**

