How (and Why) Nonprofits Are Supporting the Mental Health of Their Employees

By: Jessica Mendieta and Amy Silver O'Leary

Two years into a pandemic that has changed everything, nonprofits continue to search for ways to adjust almost every aspect of their operations.

Finding the correct calibrations of adjustments, however, has proven to be elusive. Three external forces – all amplified by the pandemic – continue to strain nonprofits: increased demands for services, higher costs (aggravated by inflation), and reduced or flat revenues that fail to keep up with heightened demands and costs. Last year a fourth force joined the others – retaining and recruiting staff in an extremely competitive labor market.

What's behind the retention and recruitment challenges? Nonprofit employees from around the country and from all subsectors identified "stress" and "burnout" as key factors when responding to a survey by the National Council of Nonprofits examining the scope and impact of nonprofit workforce shortages.

Nonprofits aren't the only ones feeling stress and burnout. In fact, it's a national mental health crisis that's impacting all communities. The American Psychological

Association's [2022 Stress in America](#) poll found that nearly two in three adults reported the COVID-19 pandemic has changed their lives forever. Financial stress was at the highest level since 2015, with adults ages 18 to 43 and Latinx and Black adults most likely to report money as a source of stress. The poll also found that "younger generations, Latino adults, and parents have consistently reported more stress than others," and could have used more emotional support.

But while nonprofits aren't the only employers short of workers, employers in other sectors have more buttons to push and levers to pull to address their workforce shortages. For instance, businesses can raise prices or secure new sources of revenue to cover increased salaries or offer signing bonuses; most nonprofits can't. For nonprofit employees, the feelings of stress and burnout can get compounded when a vacancy occurs – those who remain take on the work others have done until the point when services must be cut, which further fuels the downward spiral associated with feelings of stress and burnout.

In short, nonprofit employees and employers are exhausted and looking for solutions by examining steps that can be taken to reduce turnover and vacancy rates.

Nonprofit Initiatives to Address Burnout and Protect Mental Health

In addition to being the right thing to do, supporting employee well-being as part of a nonprofit's culture can enhance sustainability and improve its team's ability to respond to crises over the long-term. Nonprofits around the county are leading campaigns to encourage their staff to rest and address burnout.

Striving for mental health excellence in the workplace

At the national level, five large organizations from the business, government, and nonprofit sectors have [launched a campaign](#) to improve mental health in the workplace. Calling for a "culture shift to address mental health stigma and support employee well-being," the initiative's website shares six [programs and policies](#) with research, approaches, and case studies for each:

- Train managers to promote health and well-being,
- Increase employees' options for where, when, and how they work,
- Reexamine health insurance policies with a focus on employee mental health,
- Listen to what employees need and act on it,
- Take a critical look at equity, diversity, and inclusion policies, and
- Develop programs and policies that support employee mental health.

We encourage your organization to join the growing number of businesses, governments, and nonprofits throughout the country – including the National Council of Nonprofits – that have signed on to support their employees' mental health. Doing so will give you ready access to useful information and help influence a positive change in culture to normalize support for mental health in the workplace and elsewhere.

Actions by employers can have a positive ripple effect beyond the immediate workforce. The U.S. Surgeon General issued a formal Advisory six months ago calling attention to the "devastating" and "unprecedented" mental health crisis surrounding our country's children, adolescents, and young adults. The Advisory identifies specific actions employers can take for their employees, because "[r]esearch shows that parental mental health challenges not only impact their productivity in the workplace, but can also affect the mental health of their children."

Nonprofit Day(s) of Rest in Tennessee

In Tennessee, Momentum Nonprofit Partners and nearly 50 other organizations are participating in an annual "Nonprofit Day(s) of Rest," now in its third year. The rest pledge encourages employers to give their staff time to "unwind, disconnect, and restore." Some of the ways organizations are observing Nonprofit Day(s) of Rest include:

- Offering a full week off
- Taking half days
- Rotating days so that employees can have some time off while continuing services

The Four Day Work Week

While allowing employees more rest and flexibility might evoke worry about decreased productivity, the research suggests this fear is unfounded. For example, an eight-week trial of a four-day work week conducted in New Zealand (pre-pandemic) found that job performance and productivity were maintained by employees working four days instead of five, while stress was lowered, work-life balance improved significantly, and staff engagement levels increased. The nonprofit 4 Day Week Global was founded in response to the successful initial program. It's now piloting a 6-month trial of the four-day work week in five countries.

Montana Nonprofit Association is one of the only U.S. nonprofits joining the four-day work week pilot, which is designed to "prioritize employee wellbeing and work-life balance." Participating employers reduce the work week from 40 to 32 hours for the same pay and benefits and a commitment to the same level of productivity. 4 Day Week Global and partnering researchers provide organizations with mentoring, tools and resources to make sure their pilot is successful. Researchers will measure productivity, employee well-being, and other factors in participating organizations over time.

National LGBTQ Task Force's "organizational pause"

The nonprofit National LGBTQ Task Force, the country's oldest national LGBTQ advocacy group, took an "organizational pause" between March 28 and April 15, stating they would not be "responding to emails, taking calls, nor holding events." The goal of the pause was for staff to have a period to rest and find healing before continuing their advocacy work. The organization's leaders shared that "the amount of work and pressure on our shoulders has become unsustainable, especially when so much complexity, urgency and uncertainty loom large in our lives as a staff of people directly impacted by the pandemic." They also noted that this is a time for leaders to model rest and care, create a new way of leading, and that by dedicating time for their staff to rest, the organization can come back "focused and reaffirmed in our passion and commitment."

Strategies from Other Sectors

State and local government employers are also facing a workforce shortage. In "[5 Ways to Overcome the Hiring and Retention Crisis Without Raising Pay](#)," the authors discuss ways to keep employees and fill vacancies other than changing compensation, which alone – in any sector – is not enough to retain staff.

1. **Focus on leadership**: a South Dakota employee survey's "supervisory effectiveness score" includes elements such as providing work-life balance, keeping employees informed of change, and providing timely and helpful feedback.
2. **Improve the hiring process**: improvements in data collection can decrease the number of days it takes to hire, thus reducing the risk of losing promising candidates.
3. **Emphasize training and building careers**: career development opportunities that build skills are of high importance to job satisfaction.
4. **Strengthen work-life balance**: especially for the generation of workers beginning their careers, benefits like flexible schedules and family-friendly policies can encourage them to stay longer.
5. **Heighten employee engagement**: turnover goes down for highly engaged teams. Eventually, engagement translates into hiring, as engaged employees communicate the positive culture externally.

McKinsey [surveyed more than 600 people who left their jobs in 2021](#) without another job at the ready, and asked follow-up questions of the 47 percent of those surveyed who later returned to the workforce. The researchers concluded that to win employees back to the workforce, employers must offer "more flexibility, community, and an inclusive culture." Intriguingly, "lack of meaningful work" was one of the top five reasons people left their jobs, and "meaningful work" was the *number one reason* people would consider returning to the workforce. Nonprofit employers might find of value the [article's other insights based on this research](#).

Conclusion: We Can and Should Support Each Other's Mental Health

Turnover in the nonprofit sector has even been attributed to a "[culture of tired](#)," with burnout becoming an expected outcome of working in the sector. The nonprofit initiatives we've described show that this does not have to be the case, and that we do not have to wait for legislation to implement more humane policies.

Nonprofits can lead the way on employee wellness and work-life balance because as mission driven organizations, we care – and we understand the needs of our staff and our communities.

As Lisa Pilar Cowan, Vice President of the Robert Sterling Clark Foundation, pointed out in a recent opinion column, there are many perspectives on "how to take care of each other within our organizations while still meeting our external missions," often shaped by our age, race, role in the organization, family responsibilities, and many other factors. Cowan concluded, "I would like working in our organizations and our sector to feel like living in the world that I am working towards: one that offers each of us justice, wholeness, freedom and the chance to thrive."

Having conversations within our organizations that are frank about our need to protect each other's mental health, and our own, and welcome each other's identities, can guide a nonprofit to make a commitment to providing the support their staff needs to continue serving their communities.

Our Series on Creative Approaches to the Nonprofit Workforce Shortage Crisis

This article is part of a series describing creative, practical approaches to the workforce shortage crisis that can elevate equity, address burnout and stress, and discover, nurture, and develop talent in nontraditional ways.

One of our five core values at the National Council of Nonprofits is "Honoring the Nonprofit Workforce," which reflects our deeply held belief that "Nonprofits and their employees should have the respect and the resources needed to get their work done."

That core value shapes our work creating and curating information to assist frontline nonprofits with their operations and capacity-building. It also drives much of our advocacy work promoting public policy solutions at the federal, state, and local levels to get more funds to nonprofits stretched by the combination of growing needs, decreasing revenue, increasing costs, and rising salaries.