

Equitable Compensation and Benefits Practices:

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Today's conversation

1. Welcome
2. Living organizational values
3. Equitable pay practices
4. Equitable benefits
5. Application
6. Close

Community agreements



Participate fully



Listen for understanding



Limit distractions;
offer grace



It's ok to speak in first draft

Stories stay

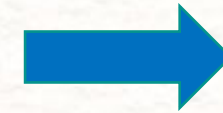


Focus on ourselves



Take care

Values alignment



Credibility

Effectiveness

Breakout discussion

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Using Worksheet #1: Living our values, reflect on ways you bring your personal and organizational values to life.

Compensation structures

Typically serve three purposes

1. Reflect organizational values
2. Attend to INTERNAL equity (how positions and people are paid in Relationship to one another)
3. Address EXTERNAL equity (market parity)



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Question: What are the three components to “compensation?”

Answer:

1. Salary or pay
2. Health and welfare benefits
3. “Soft benefits”

Salary

Livable wage

Provides for necessities only



Thriving wage

- Enables workers to weather emergencies
- Supports long-term goals
- Enables saving

Make the shift

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Why a thriving wage?

"It seems to me to be equally plain that no business which depends for existence on paying less than living wages to its workers has any right to continue in this country...By living wages, I mean more than a bare subsistence level - I mean the wages of a decent living"

-President Franklin Roosevelt

1938 minimum wage = \$.25/hour

2025 equivalent = \$5.22/hour or \$10,857/year



Cost of living data: Necessities

[MIT Living Wage Calculator](#)

Developed to help individuals, communities, employers, and others estimate the LOCAL wage a full-time worker needs to cover the costs of their families' basic needs where they live.

Thriving wage

50% for necessities



30% for discretionary spending



20% for savings



Challenges paying a thriving wage



Making the case

1. Is the right thing to do

- Where we invest our financial resources is a key indicator of what we value
- This is how we live our values



Making the case

2. Contributes to organizational stability

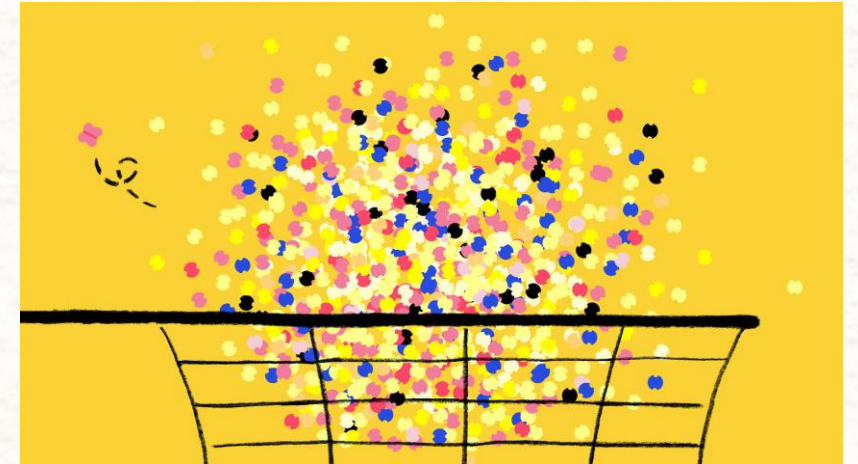


- 66.3% of Executive Directors report that budget constraints or insufficient funds contribute to workforce shortages. -Council on Nonprofits
- Numerous studies show that nonprofit staff leave their jobs, and often the field, to find better pay and more opportunities for growth

Making the case

3. Overcomes charitable work mentality

- Increases our ability to hire
- Enables us to cast a wider net
- Contributes to bringing diverse perspectives to the table



Making the case

4. Bring conviction and confidence to the conversation



Make the case! With:

- Board members
- Donors
- Funders



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Make the case

In pairs, discuss the questions on **worksheet #1** and develop a plan to “make the case” for paying a thriving wage.

If it would be helpful to stay in touch around implementing this plan, exchange contact information and set another time to connect.


Take a break



DARIUS FOROUX

Getting there one step at a time

1. Consider the data, determine
Your “north star” or “blue
sky” wage for each role



Remember – using cost
of living data instead of
market salary data is a
values-based decision

Getting there one step at a time

2. Prioritize lowest paying positions, hard to fill or retain roles



Getting there one step at a time



3. Develop multi-year plan
4. Increase transparency

One organization's journey



[Read about Center for Progressive Reform here](#)

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Other equitable pay practices

- Increase transparency
 - Include salaries in job postings
 - Be clear about how and when raises and promotions are awarded



Other equitable pay practices

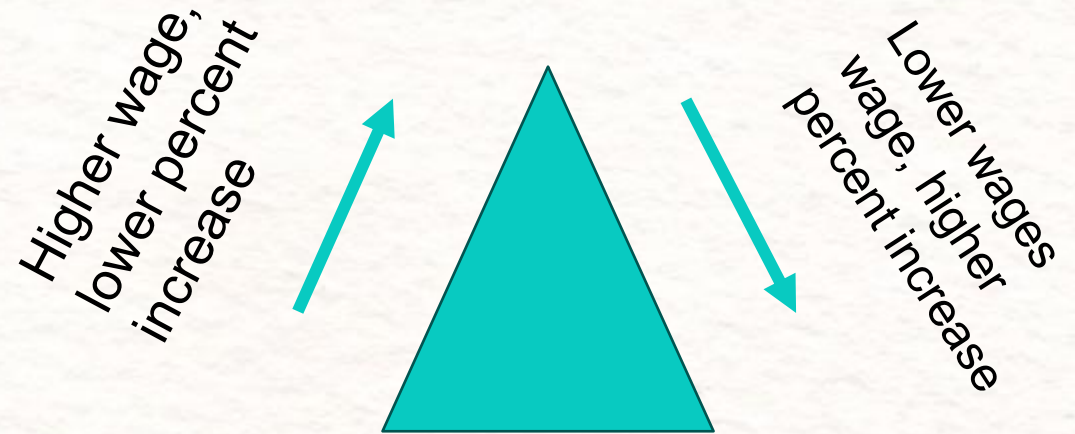
- Never ask for salary history
- Consider a no-negotiation practice



Other equitable pay practices

- Conduct regular audits
- Increase salaries in an equitable manner

% → \$\$



Benefits

Health insurance

- Find out what staff need and want
- Eliminate waiting periods
- Consider how to cover all employees and their families
- Invest in plans that minimize unexpected expenses for staff and their families
- Be creative around employer : employee premium costs (HRA's are one way of doing that)

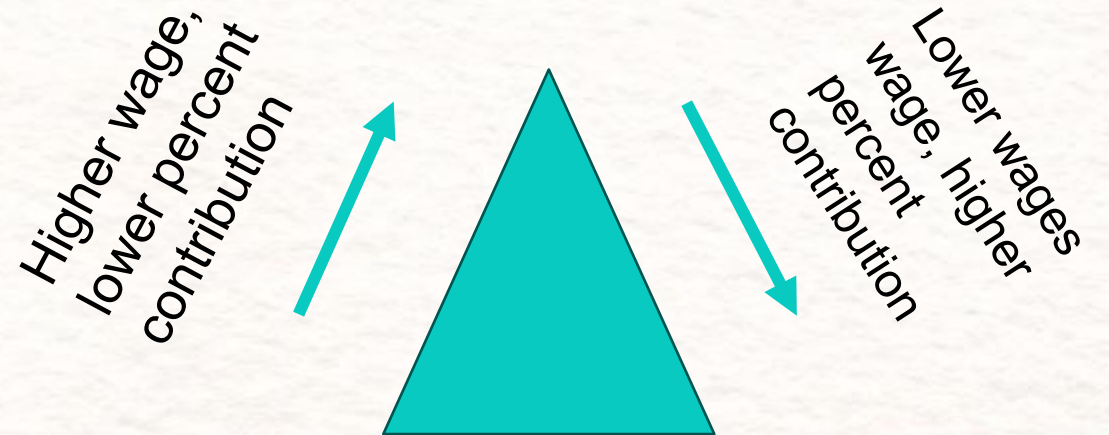


Retirement

- Eliminate mandatory cost sharing
- Make equitable contributions



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Paid leave time

- Be generous
- Eliminate waiting periods
- Be creative, consider low hanging fruit
- Ask and regularly assess
- Align practices with values

Other benefits

- Professional development
- Transportation
- Flexibility
- Remote work
- Discounted gym and other memberships
- Again: ask and regularly assess
- What else?



Breakout discussion

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Ensuring benefits are equitable

Using Worksheet #3: Choose one benefit and answer the questions on the worksheet. If you and your partner have time, go through the process again considering a different benefit.

Summary: Key actions to consider

- Aim to pay a thriving rather than living wage; advocate for this framing and tie to organizational values
- When hiring: Never ask for salary history, include salaries in job postings, consider no negotiation policy
- Conduct regular equity review
- Give raises, retirement contributions in \$\$ amounts rather than %; don't require employee matches
- Find out what benefits are important to staff, be creative
- Talk with an insurance broker about options for your organization, provide benefits for all staff and consider cost sharing based on salary

Resources

- Vega Mala Consulting Compensation Equity Resources: https://docs.google.com/document/d/1LGP-rQgqwYL9JShjhiPA_DsgoDe57ZKgiLXiGYJ0Ucl/edit?tab=t.0
- The Alliance Compensation + Benefits Report: <https://ctnonprofitalliance.org/connecticut-nonprofit-compensation-survey/>
- TSNE Valuing Our Nonprofit Workforce Report <https://tsne.org/valuing-our-nonprofit-workforce-report/>
- NonProfit AF: <https://nonprofitaf.com/>
- Resources for Setting a Thriving Base Wage *handout (Compensation Equity Toolkit is based on an approach created by [Mala Nagarajan](#) of [Vega Mala Consulting](#) (VMC), and refined by VMC's collaborators, clients, and communities of practice. The Toolkit was funded with the generous support of the [Borealis Philanthropy REACH grant](#). This particular tool "Resources for Setting a Thriving Base Wage" was created by/in partnership with [Blue Swallow Consulting](#). Through Creative Commons licensing we invite you to continue building on this approach with us and ask that you attribute all materials to the [Transforming the Workplace](#): Compensation Equity Toolkit.)*

Questions?



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