



Wishes Granted

How integrated cloud-based software helps nonprofits modernize operations to meet their mission in the Digital Age

 **primepay**

Every day, millions of people around the world look to not-for-profit (NPOs) and non-government organizations (NGOs) for essential services and guidance. Whether it's the pursuit of social justice or providing much-needed health and wellness support for the underprivileged, there's no shortage of missions to support or people to help.

Giving back is vital to a functioning society and nonprofit leaders are eagerly seeking new ways to provide more help to more people, more effectively. Increasingly, they're turning to technology to transform their people-based operations and adopting integrated tools that streamlines recruiting, simplifies workforce management, and enables organizations to create cultures of growth, transparency, and service to others.

Nonprofit is non-standard

In the corporate world, things just seem so simple and straightforward. For-profit companies often benefit from enterprise-grade technologies that simplify everything from candidate screening and post-hiring onboarding to benefits administration, continuing education, and enterprise resource planning. Even when they're not fully integrated, they're powerful and flexible enough to provide most of the features and functionality a business needs to remain competitive.

Nonprofits don't have any of those luxuries.

Unlike their deeper-pocketed for-profit counterparts, nonprofits have traditionally relied on a multitude of low-cost or free, disconnected business management tools that required time-consuming manual tasks and data entry.

Every tool — from spreadsheets and paper time cards to any of the hundreds of accounting, donor management, and content management systems — require more time, effort, and resources than most nonprofits can spare. Worse, collectively those tools still don't fully address the unique recruiting, budgeting, and auditing demands of a nonprofit organization.

Nonprofits today:

>48M

More than **48 million** Americans experience some form of mental illness¹

12.3M

Nonprofits account for **12.3 million jobs**, 10.2 percent of private sector employment²

70%

of nonprofits **cite recruitment and retention** as their top challenge³

[1] "Mental Health Facts in America." National Alliance on Mental Illness. NAMI.org. Accessed July 9, 2018. [2] "Nonprofits account for 12.3 million jobs, 10.2 percent of private sector employment." Bureau of Labor Statistics. BLS.gov. August 31, 2018. [3] Cyr, Sandra. "Identifying and Overcoming Common Nonprofit Challenges." *Philanthropy Journal*. Pj.news.chass.ncsu.edu. August 13, 2018.

Recruiting a rare breed of worker

Nonprofit recruiting is more nuanced and targets a different type of employee – including volunteer staff — than for-profit industries. Full-time nonprofit workers tend to be more altruistic than traditional job seekers and are more interested in serving the greater good or a specific cause than they are about climbing the corporate ladder.

Millennial employees and volunteers will make up

75% of nonprofit workforces by 2025⁴

Volunteers are similarly more selective about where and how they spend their free time outside of their day jobs. They need to feel connected to an organization's mission if they're going to invest their time and energy without the benefit of pay.

Nearly 75% of younger job candidates would be willing to take a lower salary to pursue a position with a purpose beyond the corporate bottom line⁵

[4] Pelosi, Peggi. "Millennials Want Workplaces With Social Purpose. How Does Your Company Measure Up?" Chieflearningofficer.com. February 20, 2018. [5] Pelosi, Peggi. "Millennials Want Workplaces With Social Purpose. How Does Your Company Measure Up?" Chieflearningofficer.com. February 20, 2018. [6] Kappel, Mike. "For Hard-To-Fill Positions, Try Finding Passive Candidates." Forbes.com. October 4, 2018.

They're also more likely to passively search for new opportunities, as nearly

70% of the total global workforce is⁶

But without the systems and tools in place to understand current staffing needs and project future ones, recruiting external candidates or identifying internal personnel with the right motivation and temperament, relevant skills, and necessary certifications or licenses is next to impossible.

Amid historically low unemployment levels and when an organization can't compete on salary alone, nonprofits must find ways to keep existing workers engaged and part of the organization to reduce churn while also providing growth opportunities that would attract new employees and volunteers as needs arise.



BUDGET LIMITATIONS

It's no secret that nonprofits operate with lower budgets than other types of organizations or that fiscal responsibility is essential to carrying out the organization's mission. More than 70% of the average nonprofit's budget comes from individual donors⁷, with grants, sponsorships, and membership dues comprising most of the balance.

Nearly half of all U.S.-based nonprofits face critical budget shortages and 8% are technically insolvent⁸

Nonprofit operating budgets aren't guaranteed. Donations ebb and flow. Grants come with myriad stipulations and are more competitive than ever. And sponsorship agreements continue only at the discretion of the sponsor and its own financial health.

Given the uncertainty about when and where budget resources will come from, nonprofits need to exercise extreme fiscal responsibility, which means:

- **Improving position management and workforce planning**
- **Maximizing effort reporting and operational insights**
- **Asserting greater control over timekeeping and personnel operations**
- **Reducing turnover by building a culture of professional growth and learning**

THE COMPLIANCE AND SECURITY NIGHTMARE

Beyond people and budget management, nonprofits also face compliance requirements that other organizations don't. The federal Office of Management and Budget (OMB) requires any nonprofit that spends \$500,000 or more in federal funds in a year — directly or by passing the money on to other nonprofits — to obtain an independent audit, while individual states can set their own standards⁹.

Paper records and locally-stored spreadsheets lack a clear, connected, or concise trail of the nonprofit's activities that allow nonprofit managers to quickly respond to audit demands. Since organization leaders and select staff unfortunately can't be in two places at once, the rest of the team operates short-handed while leadership scrambles to get all their files and records in order ahead of the audit knowing that they're at extreme risk of falling out of compliance with grant and regulatory requirements and potentially losing future funding.

Add in all the inherent challenges of running the other aspects of an organization in addition to keeping meticulous records, it's no wonder that nonprofit leaders hoping to transition from a tactical, reactive leadership role to a strategic and proactive one can feel stymied and helpless.

[7] Ibresavic, Ilma. "Top Funding Sources for Nonprofits and Charities." Donorbox.org. January 31, 2018.

[8] "The Financial Health of the United States Nonprofit Sector: Facts and Observations." Oliver Wyman, SeaChange Capital Partners, and GuideStar. Guidestar.org. January, 2018. [9] "Fishman, Stephen. "When Is a Nonprofit Required to Have an Independent Audit?" Nolo.com. Accessed January 9, 2020.



Modernizing an old-school industry

The rise of cloud-based tools has created new opportunities for nonprofits to simplify and accelerate business operations like their for-profit brethren have done for a generation. Tools such as accounting and payroll, candidate tracking, and learning management systems enable nonprofits to reliably execute core functions with a fraction of the manpower and budget as conventional activities.

They replace obsolete, time-consuming, and error prone manual processes with automated ones powered by technologies that require little or no maintenance from a nonprofit's overburdened team. More importantly, they offer more control over information, better insight, and make it easier to comply with grant and regulatory requirements for their operations.

There are more than 80 digital time and attendance tracking solutions on the market, each requiring configuration to integrate with other core systems.

Source: BusinessNewsDaily.com. December 30, 2019.

But these business management tools aren't all created equal. The average small nonprofit spends as much as 13% of its annual budget on IT-related expenses¹⁰, ranging from CRMs and ERP systems to payroll, accounting, and support services.

For most nonprofit managers these paid tools — even without paper-based and manual data management processes dragging them down — still create expansive visibility gaps into the organization's operations and bottlenecks that prevent them from quickly addressing inefficiencies or areas of need. There are simply too many disconnected systems and too much disparate data to manage with limited staff and resources.



Organizations using paper or spreadsheet documentation are used to frantically scrambling to collect all the information an auditor may request such as the amount of time spent on particular activities or projects funded by a grant, attendance, and even the number of volunteers involved in a given program.

[10] Goldstein, Phil. "Most Nonprofits Are Investing More in Software than Hardware, Study Shows." BizTechMagazine.com. June, 2017.

For example, key systems like digital timekeeping help track time across projects, locations, or specific grants. But they cannot provide any deeper insight about how employee hours are spent, such the particular activities or tasks an employee worked on and for how long.

Likewise, tools for accounting and payroll often operate independently from time and attendance trackers, creating extra work for managers to access vital knowledge needed for effort reporting and to ensure that precious budget resources are properly allocated according to need and to plan.

Instead, nonprofit teams should seek out more integrated technologies that allow authorized users to securely access all the information and tools they need to effectively plan, manage, and report on their organization's activities within a single environment.

Optimizing the business of nonprofits

PrimePay is helping nonprofit leaders break free from the limitations of their traditional business operations with a suite of integrated tools that simplify and streamline essential operations to better support their organizations' missions.

The revolutionary cloud-based Human Capital Management (HCM) platform is scalable and modular. It empowers nonprofit directors and managers to choose and configure the tools that fit their organizational needs and generate new opportunities for revamping operations to be leaner, more efficient, and more judicious with limited financial resources

In addition to solutions for candidate screening, payroll, and performance management, PrimePay excels at helping nonprofits assert stronger control and gain greater visibility into how their grant funding and human resources are allocated.

Core PrimePay Modules



Payroll



LMS



HRIS



Performance



Recruit



Employee
Engagement Surveys



Timekeeping



Succession



Timekeeping



Career Paths



Leave



Advanced Analytics



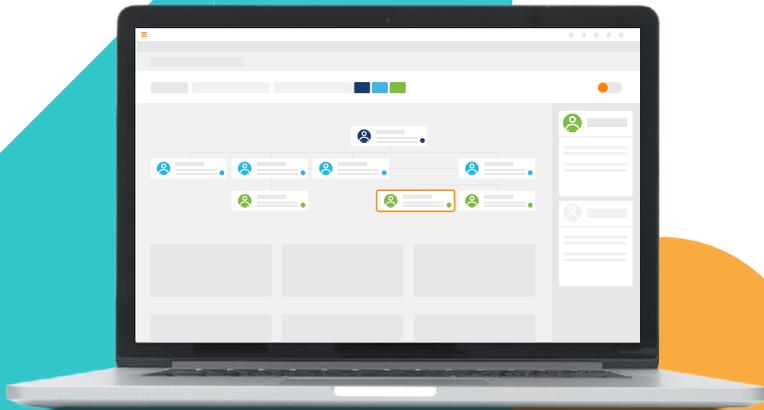
UNIFIED RESOURCING AND SCHEDULING

Unlike other HCM platforms, PrimePay is built with a position-based architecture that manages both position- and employee-specific data separately, and simultaneously. This approach enables nonprofit managers to effortlessly access updated and accurate data for greater immediate insight into turnover rates, vacant positions, and other critical staffing metrics in real time.

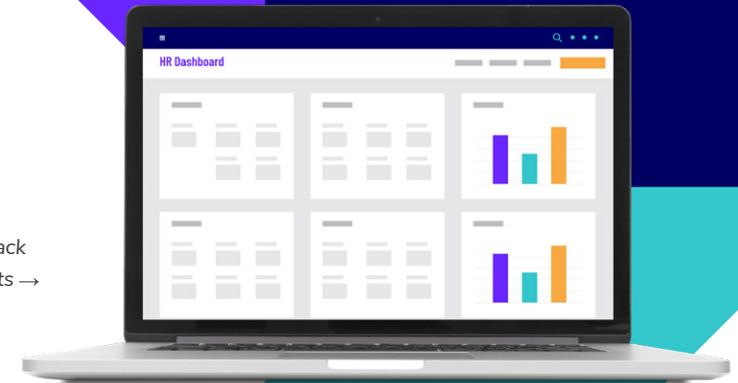
It also enables deep-dive comparisons among their budgeted headcount, planned compensation, and volunteer staffing levels that help to what they'd planned at the beginning of the year or after a shift in the business from events like new donations or grant approval all from a single platform.

At the same time, nonprofit directors can drill down to see vacant paid and volunteer roles, complete with required qualifications and credentials. They can cross-reference those openings with rich data about individual employees and volunteers to find the right resources for the right job at the right time and coordinate shifts with team members using the built-in scheduling tools accessible from any connected device.

↓ Access updated and accurate data for greater immediate insight into turnover rates, vacant positions, and other critical staffing metrics in real time.



Configure custom dashboards that track hours against grants →



EFFORT REPORTING FOR GRANT TRACKING

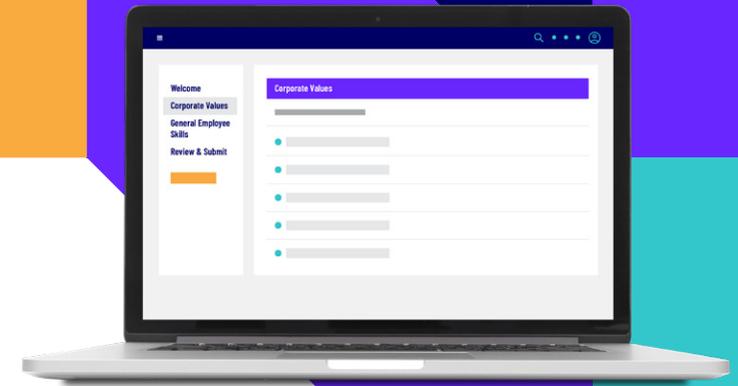
Effectively tracking grant allocations is vital to using limited budget resources efficiently and maximizing future grant award opportunities.

With PrimePay, nonprofit managers can configure custom dashboards that track hours against grants. They can capture specific breakdowns of how human and financial resources are allocated by project, location, and grant — and do it all in real time. More importantly, the system helps managers clearly delineate among part-time, full-time, and volunteer workers to ensure proper reimbursement in cases where salaried employees shift hours around or work overtime.

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When employees who earn a fixed salary work overtime, most HCM solutions will penalize the employee and the organization by not accounting for the additional hours because it's difficult to track. That is, if the employee works 48 hours during a week — eight hours of overtime — but also took some paid time off, other systems dock eight hours of paid time off instead of allocating the full amount to the grant.

PrimePay's sophisticated time tracking factors in both overtime and paid leave into its calculations for more accurate reporting and reimbursement. It even offers blended pay rates to account for the various activities or projects an employee or volunteer may work on, ensuring compliance with FLSA standards and creating a detailed digital paper trail that takes the nervousness out of going through an audit.

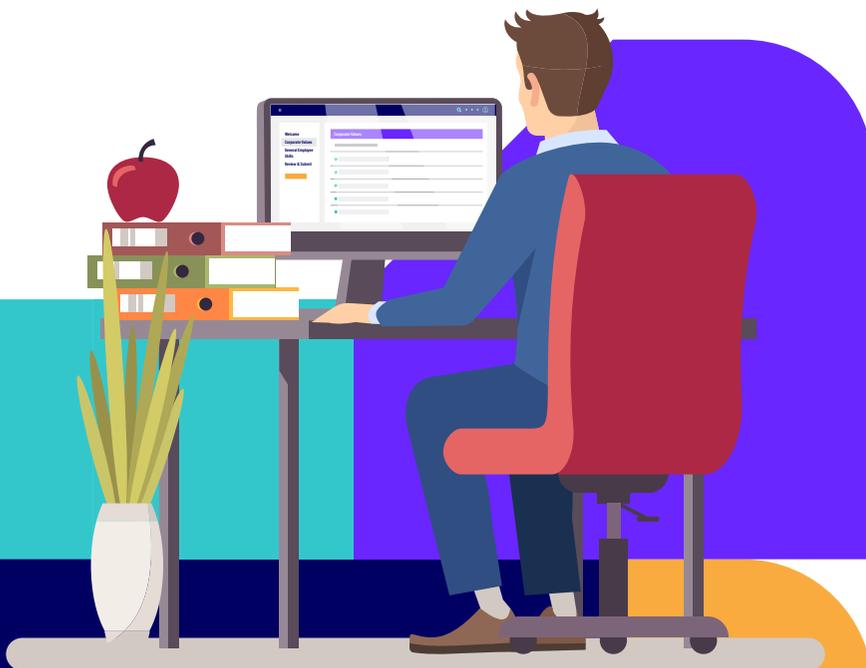


TRAINING AND LEARNING

In addition to resource and time tracking, PrimePay offers a unique approach to employee retention and development. Nonprofits know that the cost of recruiting new workers is exponentially higher than retaining and training existing workers.

PrimePay's engagement surveys and one-on-one coaching tools offer an inventive approach to performance management, replacing conventional once-a-year performance reviews with ongoing interactions between workers and managers.

With PrimePay, managers can schedule recurring check-ins with team members, setting up agenda items and taking notes that carry from one meeting to the next for a continuous interaction and feedback loop. It's an opportunity to not just review past performance, but for managers to engage personally with their team to understand individual career and volunteer goals and create a development path that helps workers meet their personal objectives while also satisfying the needs of the organization.



Helping those who help others

Philanthropy and charitable work are ingrained in humans. Helping others is essential to a thriving civil society. But doing good isn't always easy and nonprofits face both unprecedented need for their services and unrivaled challenges in delivering them.

As more nonprofits embrace technology to modernize their organizations, they're recognizing the importance and value of using integrated HCM technologies to streamline core operations like recruiting, workforce management, and budget management. Alleviating the crush of time-wasting manual business processes frees valuable resources to take on important tasks now and helps organization leaders position their nonprofits to help more people, more effectively now and into the future.



PrimePay is with you every step of the way.

PrimePay delivers highly configurable cloud-based software and services enabling clients to hire and retain great talent, manage and pay their workforce, and optimize their business in an ever-changing compliance landscape. Learn more at primepay.com or reach out at (833) 968-6288 to connect with one of our experts today.

UNDER 149 EMPLOYEES?

Learn how we are uniquely positioned to serve organizations with an employee size under 149.

150-500+ EMPLOYEES?

Learn how we are uniquely positioned to serve organizations with a large employee count.