

NOT-FOR-PROFIT



U.S. WORKPLACE SURVEY 2016

Gensler

- » **The Not-for-Profit sector leads in meaning and purpose ratings across all 11 industries surveyed.**
- » **Even though meaning and purpose are key statistical drivers of innovation, innovation scores are low for Not-for-Profit organizations, suggesting a motivational disconnect.**
- » **Not-for-Profits also underperform in other key areas linked to innovation including balancing focus and collaboration (30% vs. 68% for top performing organizations), providing choice (22% vs. 38%), and overall workplace performance (a WPI of 66 out of 100).**

When you're taking on society's great challenges, innovation isn't a nicety, it's a necessity. To deliver on their promise, Not-for-Profits need all hands on deck—employees at all levels who are enthusiastic and inspired, who think differently and think better. As they fight the good fight, Not-for-profits can't afford to leave any employee half-engaged nor any resource half-leveraged.

Which is why the U.S. Workplace Survey 2016 is so important. Not only does it reveal that Not-for-Profit workplaces are falling far short in matching the level of meaning and purpose its workforce brings to the table, it shows us where disconnects are happening, and points us to a path forward. No other sector has greater potential to leverage the workplace to help motivate workers, and no sector has more to gain from doing so. When Not-for-Profits thrive, peoples lives get better, exponentially.

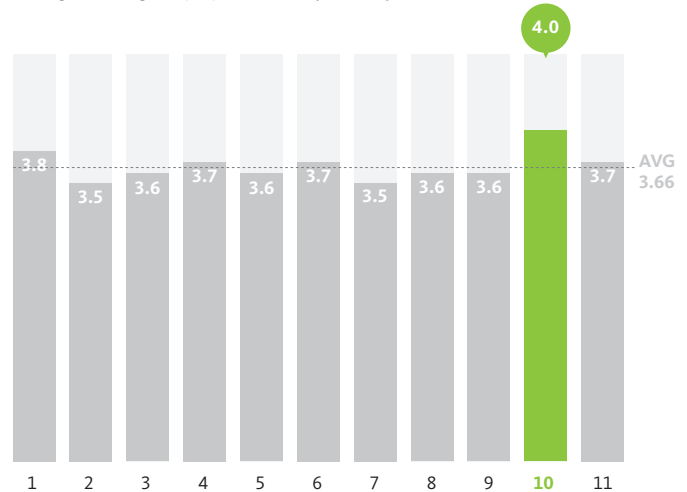
MEANING

That Not-for-Profit workers report more meaning and purpose in their work is not surprising; by definition, organizations within the sector are for the public good, with outcomes focused on making a positive difference. That distinction is critical to its workforce: a 2015 UST survey of Not-for-Profit employees found that of 16 factors that contribute to job satisfaction and engagement, respondents cited “strong affinity for the organization’s mission or purpose” as the number one driver (notably, compensation came in towards the very bottom of the list).¹

With a workforce that comes pre-wired for emotional connection to their work, the sector has a running head start toward achieving better organizational outcomes. But meaning is not immutable. Even an employee highly committed to mission and purpose can have that commitment eroded—by a poor work environment, by lack of support from their manager, by not seeing the results of their efforts. That organizations in the sector are struggling with high turnover² is a troubling symptom; the Not-For Profit workforce’s purpose motivation is being undermined by other organizational factors.

MEANING BY INDUSTRY

Average meaning and purpose scores by industry



Meaning and purpose are key drivers of organizational innovation. But to realize the full potential of their positive impact on employees and organizations, they must be supported by better workplace environments and reinforced by stronger relationships.

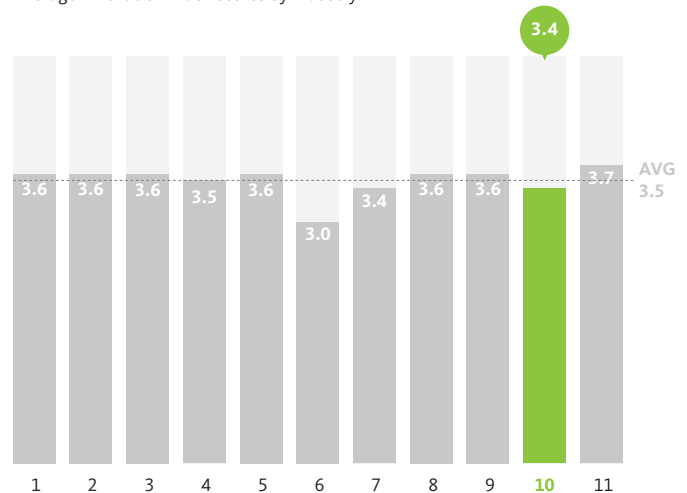
INNOVATION

While its meaning and purpose rankings bode well for the sector, other, more troubling findings emerged from the U.S. Workplace Survey 2016. Not-for-Profits fared poorly in the Innovation Index, near the bottom of the 11 major industries surveyed. This presents a paradox, because meaning and purpose measures—for which the sector leads all others—are strongly correlated to innovation. What’s the missing link? An underperforming workplace environment, the other key driver of innovation.

Solving this paradox is critical, because nowhere is innovation more important than Not-for-Profits—the challenges they face necessitate cultures of constant change, always striving to uncover new and better strategies. While effective workplaces aren’t the sole solution, they present a profound opportunity for positive impact. Places have meaning, and when designed to align with mission, the Not-for-Profit workplace can help people emotionally connect to the importance of their work, the shared purpose with their coworkers, and the difference they’re making together.

INNOVATION BY INDUSTRY

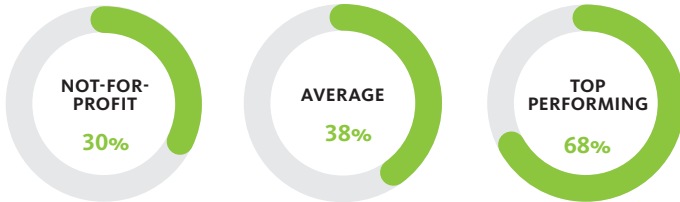
Average innovation index scores by industry.



- | | |
|--------------------------------------|--------------------------|
| 1 BIOTECH/PHARMA | 6 GOVERNMENT |
| 2 CONSULTING/ACCOUNTING | 7 LEGAL |
| 3 CONSUMER GOODS/RETAILS/HOSPITALITY | 8 MANUFACTURING |
| 4 ENERGY | 9 MEDIA/ENTERTAINMENT |
| 5 FINANCIAL SERVICES FIRMS | 10 NOT-FOR-PROFIT |
| | 11 TECHNOLOGY |

THE DESIGN OPPORTUNITY

PRIORITIZING BOTH FOCUS AND COLLABORATION

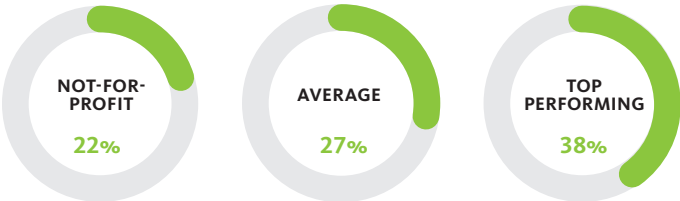


BALANCE

Focus and collaboration continue to be the core activities of workers' days, each comprising nearly half of an average workweek. A workplace design that recognizes the importance of each, and effectively supports both focus and individual learning on one side and collaboration on the other drives better performance across myriad business measures, not the least of which being innovation.

Currently less than a third of Not-for-Profit workplaces (30%) are effectively prioritizing both focus and collaboration, compared to 68% of most innovative companies. Righting the course and creating environments where people can work effectively alone and together is a critical step towards ensuring that the potential of the Not-for-Profit workplace is being fully leveraged.

CHOICE IN WHEN AND WHERE TO WORK



CHOICE

With innovation the end goal for today's workers, one of the best strategies to achieve it is working in a variety of settings throughout the day. One's desk may work well for focus work, or it may work well for collaborating with those around you, but it rarely works well for both. Instead of trying to make one space do all things, innovators work in different spaces and places throughout the day. Not only is this a better formula for new thinking, it allows people to match the task at hand to the conditions most conducive to it.

To empower choice, the first step is designing a workplace environment with options—numerous space types offering a variety of conditions. But it's not enough to just provide a variety of spaces; workers also need the freedom to use them. Providing choice in how, when, and where to work—in and out of the office—is one of the single most powerful ways organizations can drive employee engagement, balance, and innovation. Currently only 22% of Not-for-Profit employees report choice, meaning the vast majority of the sector's organizations are leaving a significant opportunity to realize better outcomes untapped.

WORKPLACE EFFECTIVENESS

Last but far from least, the purely functional aspects of the Not-for-Profit workplace offer much area for improvement. When measured using Gensler's Workplace Performance Index®, the sector scored only a 66 on a 100-point scale, compared to an average WPI score of 69 across all industries, and of 83 for highly innovative companies. So not only are Not-for-Profits failing to drive innovation, they're not fully delivering on just the basics of providing an effective setting to get work done quickly and efficiently.

The lack of investment in the workplace environment is due in part to the sector's admirable emphasis on responsible use of resources—spending money on the workplace seems like dollars and effort that could be devoted to the cause. But what this viewpoint fails to recognize is the importance that space and place have in supporting job performance. A bare bones workplace may seem like the most efficient use of funds, but if it acts as a hurdle to performance, hinders innovation, or fails to inspire employees (and volunteers, and donors, and the community) it becomes steeply expensive in monetary investment and even more so in lost opportunity.

HOW DO YOU COMPARE?

In today's mission-charged Not-for-Profit environment, having an effective workplace strategy is an imperative to effectively manage costs without sacrificing employee performance, idealism or innovation. Conducting a Gensler Workplace Performance Index® (WPI) survey is an opportunity to understand how your workplace compares to peers in your industry and the top-performers identified in our study. Gensler's WPI database currently includes over 200,000 respondents from top organizations around the world. Contact a Gensler industry expert to learn more about how we help clients drive business performance through workplace design.

FOOTNOTES

1. <http://ww2.chooseust.org/clients/ust/uploads/PDF/2015-UST-Nonprofit-Employee-Engagement-Retention-Report.pdf>

2. <http://www.nonprofitfinancefund.org/state-of-the-sector-surveys>

ABOUT GENSLER

As the leading design firm for business, Gensler has a unique perspective on the ways that people really work. Through projects with thousands of companies and our national workplace surveys, we have seen firsthand the revolution of knowledge work, and how individuals and teams create organizational value and drive performance.

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WORKPLACE PERFORMANCE INDEX

As ranked on a 100-point scale.



NOT-FOR-PROFIT



MOST INNOVATIVE

GLOSSARY

WPI Score: The WPI score is Gensler's proprietary, aggregate measure of workplace effectiveness and functionality, as measured by 30+ targeted question about where employees are working, how well those spaces are supporting their work, and the physical attributes of those spaces. Scores are presented on a 100-point scale.

Innovation Index: We identify employees working at innovative companies via our innovation index score, which represents an average of six validated questions focused on innovation, leadership, and creativity, each asked on a 5-point agreement scale.

Balanced Workplace: Balanced workplaces are those that reflect that their organization prioritizes both individual and group work, a key performance benchmark identified in Gensler's 2013 U.S. Workplace Survey.

LOCATIONS

Abu Dhabi	Denver	Morristown	São Paulo
Atlanta	Detroit	New York	Seattle
Austin	Dubai	Newport Beach	Seoul
Baltimore	Hong Kong	Oakland	Shanghai
Bangalore	Houston	Philadelphia	Singapore
Bangkok	La Crosse	Phoenix	Sydney
Beijing	Las Vegas	Pittsburgh	Tampa
Birmingham	London	Raleigh-Durham	Tokyo
Boston	Los Angeles	San Diego	Toronto
Charlotte	Mexico City	San Francisco	Washington, D.C.
Chicago	Miami	San Jose	
Dallas	Minneapolis	San José	

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