

Volunteer and employee satisfaction are two key factors that determine the effectiveness and sustainability of non-profit organizations. As Lee & Brudney (2012) point out, volunteers provide great social and economic value to non-profit organizations, accounting for more than ten percent of total working hours. A study conducted by Sterling, et al (2011) applied the concept of the psychological contract to the relationship between nonprofit management practices and volunteers, pointing out that with both employees and volunteers, trust and respect are two crucial components. When applied to volunteers specifically, the psychological contract is the perception of the volunteers on the mutual trust, respect, and agreement they hold with the organization and the benefits they will receive from unpaid work (Sterling et al, 2011). For most volunteers, two primary benefits are doing something they believe is worthwhile and an environment that allows them to feel connected to the organization (Sterling, et al, 2011).

To maintain an inclusive environment, monthly meetings will be held with the leadership team and volunteers to address any concerns or questions, to seek feedback and suggestions, and to share about upcoming projects. A volunteer suggestion box will also be utilized at the main office. Additionally, volunteers will be invited to participate alongside employees in monthly project meetings. Qualitative data from a 2016 study (Sensus-Ozyurt & Villivana-Reyna) showed that the self-esteem of volunteers improved when they felt their supervisors appreciated their work, and that volunteers felt included when they were rewarded and recognized by organization leaders. To demonstrate recognition of the invaluable contributions of volunteers; *Friends Helping Friends* will create a volunteer “thank you” post on the official FHF website and social media page highlighting an individual volunteer each week.

In addition to volunteer retention, *Friends Helping Friends* recognizes the value in retaining committed, hard-working employees. As Beudean (2009) points out, organizational

commitment is a critical factor in the volunteer and employee retention process. Regarding employees specifically, Beuden (2009) clarifies that “both the employees and the employers should be committed to the relationships; they should feel connected and motivated to keep the connection established between them.”

This notion is further elaborated on through O’Malley’s (2000) five-dimensional framework for maintaining motivated, dedicated employees. In the first dimension, “fit and belonging”, O’Malley (2000) asserts that the organization should utilize open, clear communication of the organization’s mission, values, and policies with potential employees during the hiring process. Aligning with this concept, *Friends Helping Friends* will hold a 3-hour orientation for new employees to ensure they are familiar with each aspect of the organization. In the second dimension, O’Malley (2000) expands on the value of creating an organizational group that employees feel proud of and ensuring each individual receives a status within this group that reflects both the organization’s mission and the individual goals of the employee. *Friends Helping Friends* will reflect this through carefully selecting the department a new employee is placed in, taking into consideration their strengths, interests, and personal goals.

The leadership of *Friends Helping Friends* will incorporate the third dimension, “trust and reciprocity” (O’Malley, 2000), through consistently considering the collective interests and needs of employees before making decisions regarding them or the organization. Before a decision is considered or reached, FHF leadership will first consult with employees to gain their individual insight, perspectives, and ideas through the development of a staff council. In addition to this, lower level employees will be invited to participate in leadership meetings to expose them to discussions involving the future of the organization. In the fourth dimension of “emotional reward”, O’Malley (2000) maintains that an organization prioritizes “job satisfaction,

happiness, and work-life satisfaction”. FHF will ensure this through incorporating interactive, off-site-team building activities quarterly. FHF recognizes the reciprocal value in strengthening the skill set of employees and will offer additional training sessions, webinars, and conferences for employees to attend throughout the year.

O’Malley’s (2000) last dimension of “economic interdependence” maintains that the organization provide a fair price for the work done by employees and to refrain from discrimination or subjectivism when compensating and rewarding employees. Rhode & Packel (2009) point out “salaries that are modest by business standards can cause outrage in the non-profit sector, particularly when societal needs are not being met”. To foster integrity among organization employees, FHF will ensure the financial portfolio of the organization is consistent with the values and mission of the organization, reflecting Rhode & Packel’s (2009) implication through providing inclusive and transparent fiscal performance measures. The salaries of FHF employees will fall in line with salary surveys of similar non-profits, factoring in the cost of living in the area, the size of the budget, and the services provided by the organization. Additionally, a recognition program will be implemented to recognize the employee and volunteer anniversaries. The recognition package will be presented to employees and volunteers either on or close to the anniversary to show appreciation to the employee or volunteer for their dedication, contributions, and continued loyalty to *Friends Helping Friends*.

References

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