

PEARL INITIATIVE

Governance in Philanthropy Programme



Reshaping the Narrative

CAREERS WITHIN THE PHILANTHROPIC ECOSYSTEM

Best Practices for Employee Retention & Reduced Attrition

Executive Summary

The nonprofit sector in the Middle East is entering a period of accelerated transformation. From addressing urgent climate goals to deep-rooted social equity challenges, the demands placed on mission-driven organizations have never been greater. Yet, while the mandates have grown, internal workforce systems have not kept pace. Talent retention remains a critical obstacle to building lasting, impactful institutions. Regional data reveals that nonprofit professionals face numerous challenges - unclear career progression, inadequate compensation, and limited professional development - all of which compound over time, leading to high attrition and stagnation.

This resource outlines a strategic framework to address these pain points through sustainable, systems-oriented approaches. From equitable compensation structures to robust growth pathways and culture-building tools, the solutions presented here aim to support long-term organizational resilience across the region's philanthropic landscape.

THE PROBLEM | Why Talent is Leaving

Systemic Gaps Are Driving Talent Out of the Philanthropic Sector

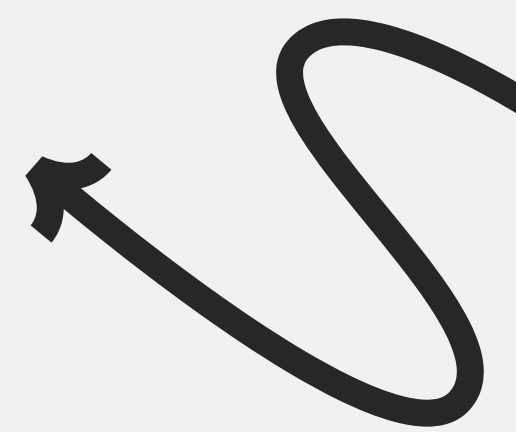
Despite the passion and commitment that define the nonprofit workforce, systemic barriers continue to undermine retention. According to a 2023 global survey conducted by the Personio Foundation and Impact46, which reviewed data from over 1,100 not-for-profit organizations across 115 countries:

- **52%** of nonprofits reported difficulty attracting skilled talent.
- **15–25%** was the average reported annual turnover rate.
- **72%** cited lack of competitive compensation as a primary retention challenge.
- Official burnout rates were pegged at **15%**, but qualitative research suggests the real figure may exceed **30%**, particularly in frontline programmatic roles.

In the GCC region, these challenges are exacerbated by a range of structural and cultural constraints:

- **Visibility and Access Gaps:** Philanthropy in the Gulf is deeply influenced by traditions of discretion and anonymity. While culturally rooted, this has resulted in a lack of public narratives that could otherwise inspire and attract next-generation professionals. Without visible entry points or sector-wide awareness campaigns, the ecosystem struggles to draw in emerging talent.
- **Lack of Standardization and Role Clarity:** Many organizations in the space operate without shared HR frameworks or defined internal structures. This creates confusion around roles, limited vertical mobility, and increases susceptibility to burnout due to duplicated or ill-defined responsibilities.
- **Underinvestment in Talent Development:** One of the most persistent gaps lies in how funding is allocated. Internal talent development is often viewed as an administrative cost rather than a strategic investment. This mindset contributes directly to stagnant compensation, absence of growth opportunities, and eventual outmigration of skilled professionals to other sectors.
- **Regulatory Fragmentation and Governance Gaps:** The absence of a unified policy or regulatory framework governing the sector in the GCC leads to disjointed practices. This not only creates uncertainty for professionals but also weakens accountability structures and impacts the long-term credibility of philanthropic institutions.
- **Perception Gaps:** Nonprofit careers are still widely seen as temporary or secondary, particularly among graduates of competitive universities. This perception persists despite the increasing complexity and strategic nature of philanthropic work today.
- **Competition with Purpose-Driven Corporates:** Over the last decade, private sector entities have embedded impact into their core strategies - through ESG, CSR, and inclusive business models. As a result, they now offer compelling alternatives: purpose-driven missions, structured career tracks, and higher pay scales.

Source: Personio Foundat



→ CHALLENGES FACING THE WORKFORCE

The nonprofit sector experiences between **19-21%** annual turnover - the highest across all major industries. Beyond the structural challenges explored in the previous section, several recurring pain points have emerged across the nonprofit workforce that compound attrition and disengagement:

- **Burnout and Workload:** Nonprofit work often requires high emotional labor, long hours, and blurred work-life boundaries, particularly in program delivery or crisis-response contexts.
- **Limited Growth Opportunities:** Many nonprofit staff report stagnation due to the absence of structured pathways, performance reviews, or clear advancement criteria.
- **Compensation and Benefits:** The sector consistently lags behind the private sector in both base salary and formal benefits - including health insurance, leave policies, and pension contributions.
- **Leadership and Management Gaps:** Inconsistent or underdeveloped leadership leads to unclear priorities, micromanagement, or a lack of developmental feedback - driving disengagement at all levels.
- **Lack of Professional Development:** Training budgets are often considered a luxury or are grant-dependent, limiting access to upskilling or external certifications.
- **Mission Drift and Disillusionment:** When staff feel disconnected from the actual impact or are excluded from strategic conversations, enthusiasm fades.
- **Workplace Culture and Recognition:** Inadequate feedback mechanisms, absence of peer recognition, and unhealthy team dynamics often push employees toward exit points.

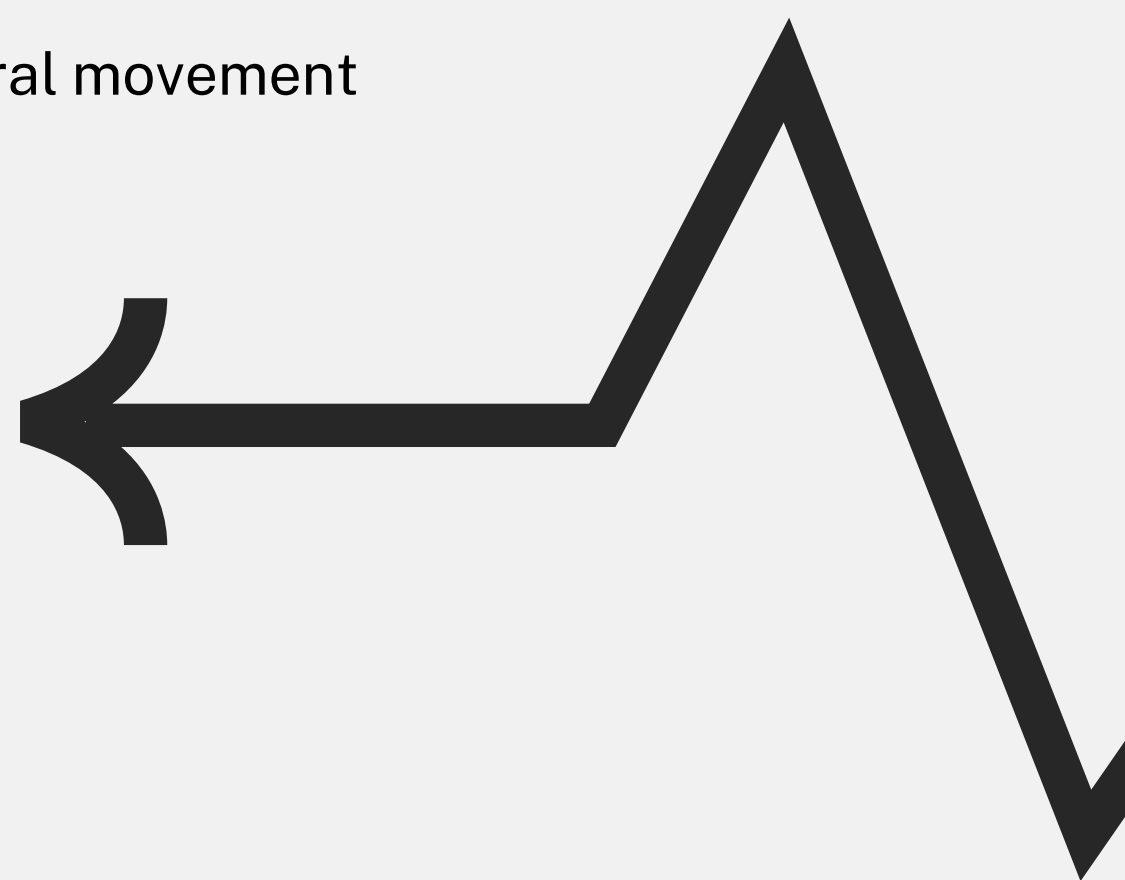


The 'Wearing Too Many Hats' Dilemma

In interviews with staff from across the region, a common theme emerged: professionals are frequently managing overlapping portfolios. Entry- and mid-level team members often juggle roles in communications, fundraising, administration, and program management - all without adequate support or recognition.

This reality leads to:

- Diluted job focus and output quality
- Decreased employee morale and increased disengagement
- Limited time and space for strategic or creative thinking
- Reduced opportunities for specialization, promotion, or lateral movement



Key Risks if We Don't Act

Unchecked attrition and employee disengagement carry long-term consequences, including:

- Erosion of institutional knowledge and memory
- Inconsistent program delivery and donor engagement
- Lack of sustained impact
- Perception of instability among external stakeholders
- Difficulty building or sustaining a strong internal culture
- Reputational risk in claiming progressive values externally while neglecting internal equity



SOLUTIONS FRAMEWORK

Building a Sector People Want to Grow In

Comparative View: Corporate vs. Nonprofit Compensation Models

The table below offers a simplified view of the disparities in workplace value propositions:

Factor	Corporate Sector	Nonprofit Sector
Base Salary	Competitive, industry benchmarks	Lower, budget constraints
Bonus & Incentives	Annual bonuses, stock options	Limited or none
Benefits & Perks	Health insurance, gym memberships, travel allowances	Basic benefits, often fewer perks
Career Progression	Structured promotions, clear pathways	Flat hierarchy, limited promotions
Professional Development	Funded training, certifications, networking events	Limited training budgets
Work-Life Balance	Flexible schedules, hybrid work	Often demanding, high emotional toll



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Skills Map: Key Capabilities Across Career Stages

ENTRY LEVEL/FRESHER	MID-LEVEL	CORPORATE - TO - NPO TRANSITIONER	C-SUITE/SENIOR LEADER
Core Competencies: <ul style="list-style-type: none">• Communication• Time management• Teamwork & adabtability	Core Competencies: <ul style="list-style-type: none">• Project management• Stakeholder engagement• Strategic thinking	Core Competencies: <ul style="list-style-type: none">• Cross-sector strategy• Collaboration• Change management	Core Competencies <ul style="list-style-type: none">• Vision and organisational strategy• Executive leadership• Public speaking
Technical Skills: <ul style="list-style-type: none">• Proposal writing• Social media outreach• Event coordination	Technical Skills: <ul style="list-style-type: none">• Budgeting• CRM & Measurement tools• Program Design	Technical Skills: <ul style="list-style-type: none">• CSR & governance• Fundraising strategy• Compliance and regulatory navigation	Technical Skills: <ul style="list-style-type: none">• Policy influence• Financial oversight• Board engagement
Mindset & Values: <ul style="list-style-type: none">• Empathy• Curiosity• Passion for impact	Mindset & Values: <ul style="list-style-type: none">• Growth mindset• Accountability• Mentorship orientation	Mindset & Values: <ul style="list-style-type: none">• Purpose driven• Humility• Systems thinking	Mindset & Values: <ul style="list-style-type: none">• Ethical stewardship• Inclusive leadership• Long-Term vision



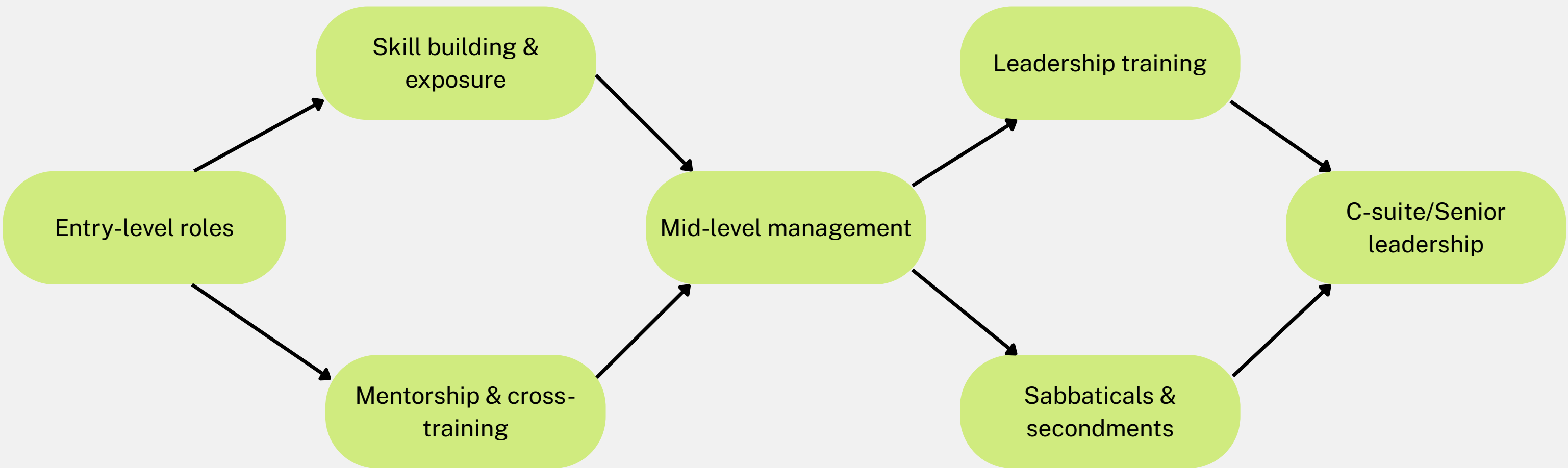
→ Designing Structured Growth Pathways

Growth in the nonprofit sector is often ad-hoc or reliant on tenure, rather than being intentionally designed through tiered career tracks and professional development plans.

To truly invest in retaining talent, organizations must articulate how individuals can grow within, and across their teams. Clear growth pathways not only support staff motivation but also build leadership continuity and strategic foresight within institutions. Career advancement cannot remain an informal process in a sector that wants to retain talent.

Structured internal pathways signal commitment and provide clarity. These may include:

- Tiered roles (Coordinator → Officer → Manager → Director)
- Time-bound progression benchmarks
- Peer mentorship and buddy systems
- Exposure to cross-functional projects
- Internal secondment and sabbatical opportunities



Non-Monetary Compensation That Works

While nonprofits may face budget constraints in matching corporate salaries, a thoughtfully designed non-monetary compensation strategy can greatly enhance retention and morale. These approaches recognize that talent is not motivated by salary alone; but also by autonomy, recognition, purpose, and a healthy work environment. Especially for younger professionals, flexibility and wellness offerings are increasingly seen as must-haves rather than perks.

In settings where budget limitations exist, organizations can strengthen retention through creative, meaningful non-financial offerings:

- Mental health and wellbeing programs
- Flexible work arrangements (e.g., 4-day weeks, hybrid structures)
- Recognition and rewards programs (peer-led or manager nominated)
- Structured leave policies, including wellness and learning leave
- Inclusive strategic planning sessions to engage all staff



Building a Culture of Mission Connection

When employees feel connected to the purpose of the organization; not just its programs - they are more likely to stay, grow, and lead. Yet many nonprofit professionals report a disconnect between their day-to-day responsibilities and the organization's mission. Creating a culture of mission alignment means embedding impact narratives into internal culture, team interactions, and evaluation frameworks.

The organizations that retain talent over time are those that make mission alignment felt - not just spoken.

- Embed purpose in every role description
- Link individual KPIs with impact metrics
- Offer impact storytelling workshops for internal staff
- Hold “mission reflection” sessions quarterly
- Involve staff in developing strategy, not just executing it

→ What does this look like in practice?

- Host quarterly **Mission Check-In sessions** to reflect on individual and team impact
- Offer **storytelling workshops** to help employees communicate their contribution to change
- **Invite all staff** into strategy sessions and team-building initiatives
- Create **visual dashboards** that map internal KPIs to external outcomes
- Start an internal newsletter or Slack channel to discuss **Why We Do What We Do** → remind ourselves of our purpose
- **Celebrate** micro-wins and human impact stories during team meetings



*Employees that are recognized monthly are **36%** more likely to say they are productive and engaged, and **22%** more likely to be highly committed to their roles.*

Source: 2023 State of Recognition Report



Retention Solutions: A Timeline Approach

Retention is not solved with a one-time policy or incentive - it requires an intentional and phased approach. Organizations should build internal roadmaps that address both quick wins and long-term investments. By adopting a staggered retention strategy, organizations can better align interventions with staff expectations, financial planning, and organizational readiness.

The following tiered approach provides a framework for implementation:

Immediate Priorities (0–6 months):

- Conduct internal audits on pay, burnout, and growth perception
- Introduce hybrid work and flexible hours where possible
- Launch employee pulse surveys and stay interviews

Mid-Term Interventions (6–18 months):

- Develop role progression charts for each department
- Partner with training platforms for upskilling access
- Establish peer mentorship and cross-team exposure models

Long-Term Investments (2+ years):

- Formalize a “people and culture” department
- Build or fund regional nonprofit leadership pipelines
- Institutionalize sabbaticals, learning leave, and paid secondments

Projected Outcomes of Talent Retention Interventions



A 5-Step Roadmap for Organizational Resilience

To create an environment that retains and grows talent, nonprofits must look beyond immediate HR challenges and focus on embedding workforce strategy into the core of their organizational mission. This requires building people systems that are as thoughtful and long-term as the programs they deliver. The following five steps offer a roadmap toward building more resilient, inclusive, and future-ready institutions:

- ➔ **Audit Your Current State:** Conduct a comprehensive talent audit using a mix of employee surveys, exit interviews, workload assessments, and pay equity analyses. This helps identify key attrition drivers and gaps in perception between leadership and staff.
- ➔ **Create Growth Pathways:** Develop and document clear job families and progression models across departments. Ensure transparency in promotion criteria and provide lateral mobility options for staff looking to diversify skills or move between functions.
- ➔ **Commit to Upskilling:** Institutionalize professional development by earmarking learning budgets, providing access to courses or certifications, and encouraging internal knowledge-sharing. Consider regional partnerships with universities or think tanks.
- ➔ **Embed Purpose in Culture:** Link each staff member's daily work to the broader mission. Incorporate impact reflection into performance reviews, team meetings, and onboarding processes. Mission alignment should be an everyday practice, not just an annual report feature.
- ➔ **Champion Flexibility:** Adopt flexible policies that center employee wellbeing, such as hybrid work models, mental health leave, phased returns post-burnout, or flexible Fridays. Flexibility signals trust and builds loyalty.

Taken together, these steps form a strategic approach to talent sustainability, ensuring that organizations can **attract, develop, and retain** the people who make impact possible.

Final Note

Talent is not just a cost, it is the vehicle of impact. For the nonprofit sector in the Middle East to thrive, it must build the internal systems that allow passionate people to sustain long, fulfilling careers. This is not only a matter of operational efficiency, it is a question of credibility, continuity, and care.



Prepared by the Pearl Initiative

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