Centre for
Social Impact
and Philanthropy
ASHOKA UNIVERSITY

ISDM
INDIAN SCHOOL OF
DEVELOPMENT MANAGEMENT

Decoding Talent:
TALENT MANAGEMENT IN THE INDIAN SOCIAL SECTOR

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Acronyms and abbreviations

BRLF	Bharat Rural Livelihoods Foundation
CAPART	Council of Advancement of People's Action and Rural Technology
CSIP	Centre for Social Impact and Philanthropy - Ashoka University
ESOs	Ecosystem Support Organisations
FCTC	Fixed Cost to Company
FGD	Focus Group Discussion
FOs	Funding Organisations
HR	Human Resource
KF	Korn Ferry
KFHRL	Korn Ferry Hay Reference Level
ISDM	Indian School of Development Management
NGOs/SEs	Non-Governmental Organisations/Social Enterprises
PoSH	Prevention of Sexual Harassment
SPO	Social Purpose Organisation
TCTC	Total Cost to Company
TM	Talent Management

Foreword

It is no secret that scarcity of relevant talent is among the foremost challenges faced by social sector organisations. This is exacerbated by the lack of accessible, representative, timely data on talent management practices. Recruitment decisions, determining appropriate compensation packages, justifying those investments to funders, and designing human resource management policies are all handicapped by the lack of comprehensive, reliable data.

As the sector grows in scale, complexity and sophistication, its talent needs are changing dramatically. Both young people and more senior people in other sectors seeking a greater sense of purpose in their lives are drawn to careers in the sector but often dissuaded by both, the perceptions and reality of the career trajectories and remuneration on offer. Funders are seeking better ways of evaluating "return on investment" and there are encouraging trends toward investments in building capacity and institutional strength among social sector organisations.

All of these make this study, conducted jointly by the CSIP and the ISDM, both relevant and timely. We hope it enables more informed decision-making and sparks debate around prevalent norms.

Completing it through the challenging circumstances of the pandemic has taken a colossal effort by teams at Korn Ferry India, Sattva and at ISDM and CSIP. Each of the 100 organisations who participated also made time during this period of great stress to contribute their data and learning to the study. We are all extremely grateful to them for their generosity and for the steadfast commitment of the donors who supported this study through the process of navigating these challenges.

Ingrid Srinath
Director

Centre for Social Impact and Philanthropy
Ashoka University

Note from ISDM: Towards talent and beyond

The impact of the pandemic has made itself acutely felt among the working population, with phrases such as "the great resignation," "the great engagement," "quiet quitting" becoming common parlance, while not yet understood in their entirety. The learnings on Talent Management in the Indian Social Sector could therefore not have come at a more opportune moment!

The teams at ISDM and CSIP conducted in-depth interviews and quantitative surveys with more than 100 social purpose organisations (SPOs) across the length and breadth of the country, to understand how roles are defined across and within SPOs, how talent is compensated across SPOs roles, and how compensation in the social sector compares with the for-profit sector.

The methodology of the study dug deep into how SPOs define "talent," how they attract, identify, recruit, nurture, and integrate talent, the impact of motivations, goals, aspirations, and individual contexts on talent, talent challenges and their solutions, among other variables of talent. What we know is that the ability of the sector to work towards building a more humane, just and equitable society, rests squarely on the shoulders of our people. What we learnt is that the management of people and the practices around it are complex and dynamic and deeply linked to the outcomes this sector is able to achieve.

We invite you to use this report, together with the other reports, case studies and papers developed as part of the study to answer questions you have, answer questions you have not asked yet, and ask new questions. This is not the end of the investigation into talent management in the Indian social sector, but the beginning of a longer journey to unearth deeper insights and takeaways. At ISDM, we are committed to explore and decode more facets of talent for the Indian social sector. We invite you to partner with us in this continued effort.

Ravi Sreedharan
President

Indian School of Development Management

Explanatory notes

Social Purpose Organisation (SPO):

Any organisation whose primary objective is to create social impact. This covers all forms of organisations irrespective of their legal status. All the organisations in this study are SPOs. The SPOs are categorised broadly into three groups viz., non-governmental organisations and social enterprises (NGOs/SEs), ecosystem support organisations (ESOs) and funding organisations (FOs).

To enable a structured approach to analysing organisational talent management practice, the study divides SPOs in the following three broad categories.

Non-Governmental Organisations and Social Enterprises (NGOs/SEs):

Organisations that directly work with grassroots communities or implement projects with communities. The category includes NGOs and SEs which typically operate independent of government or quasi government, to serve a defined set of social purpose through a variety of approaches. These approaches could primarily range from acting as a service provider, capacity builder, incubator, institution builder, and/or that define the norms and standards of working with social issues in specific domains.

Ecosystem Support Organisations (ESOs):

ESOs include all organisations that offer support services/solutions that help NGOs, SEs and FOs do better in their respective dominant scope of work. These support solutions or services may include functional/technical services, legal, advisory/incubation, organisation capacity enhancement, knowledge consulting, research and education, policy engagement at ecosystem level, accounting and finance, outreach, and funding support.

Funding Organisations (FOs):

These are organisations that fund the social sector. The category includes organisations that fund SPOs through grants or through impact investment models. The category does not include pure government bodies like state departments of ministries that on-board NGOs and SEs for active support in fulfilment of their mandates. The category however shall include quasi government funding organisations which are managed professionally. For example - Bharat Rural Livelihoods Foundation (BRLF), Council of Advancement of People's Action and Rural Technology (CAPART), etc.

SPO Archetypes:

Based on a number of variables each category of SPO is further sub-categorised into seven archetypes represented in Table 1.

Table 1. Types of SPO archetypes

S. No.	Archetype	Criteria
1	**NGO Simple Adhoc**	**Simple if**, no. of employees < 50; localised operations (urban or rural) AND Adhoc if, (1) founder is in key operations role, or, (2) the org has Informalised/loosely defines governance structures, or, (3) lack of defined human resources (HR) structures, and 4) inactive/inert board
2	**NGO Complex Adhoc**	Complex if, either of the three other combinations in the archetype definition sheet with paid personnel numbers equal to or greater than 50 or dispersed operations in both urban and rural areas. Presence of anyone makes it complex AND Adhoc if, (1) founder is in key operations role, or, (2) the org has Informalised/loosely defines governance structures, or, (3) lack of defined HR structures, and (4) inactive/inert board
3	**NGO Simple Professionally Managed**	Simple if, no. of employees < 50; localised operations (urban or rural) AND Professionally managed if, (1) led by professionals recruited from the market/ ecosystem, and (2) active board, and (3) defined governance and decision-making processes, and (4) formal structures for HRM present
4	**NGO Complex Professionally Managed**	Complex if, either of the three other combinations in the archetype definition sheet with paid personnel numbers equal to or greater than 50 or dispersed operations in both urban and rural areas. Presence of anyone makes it complex and Professionally managed if, (1) led by professionals recruited from the market/ ecosystem, and (2) active board, and (3) defined governance and decision-making processes, and (4) formal structures for HRM present.
5	**ESO Simple**	Number of personnel in the organisation who are drawing any financial payments in lieu of their services. Any organisation with personnel numbers less than 50 qualifies for simple. Scope of operations of the organisation in terms of geographical categories they service. Choice of any one category, rural or urban qualifies an organisation for simple.
6	**ESO Complex**	Number of personnel in the organisation who are drawing any financial payments in lieu of their services. Any organisation with personnel numbers over or equal to 50 qualifies for complex. Scope of operations of the organisation in terms of geographical categories they service. Choice of more than 1 or both urban and rural qualifies an organisation for complex.
7	**Funding Organisations**	Defined above.

Source: Concept Note on Typology of Organisations (2022)

Executive summary

Talent management (TM) has a direct association with organisational performance. In SPOs, this association is of greater strategic importance as the human hand cannot be replaced by technology or greater financial resources. Thus, for any SPO, achieving its mission heavily relies on its personnel's talent, which is "the total of all the experience, knowledge, skills, and behaviours that a person has and brings to work." However, the exploration of TM in SPOs is largely uncharted territory.

To overcome this gap in the Indian social sector, the ISDM and CSIP - Ashoka University jointly conducted the study "Talent Management in the Indian Social Sector" in 2021-22. The study led to the development of six reports (including the current one), 18 case-lets and three literature review summaries. The study had two parts:

Module 1 of the study, "Compensation and Role Benchmarking in Indian Social Sector," used quantitative methods to benchmark compensation and benefits offered by SPOs, and identified the perception of SPO personnel towards compensation, benefits and other aspects of TM. This module resulted in the following reports and papers:

1. Compensation Benchmarking in the Indian Social Sector
2. Benchmarking of Employee Benefits in the Indian Social Sector
3. Personnel Perception of Talent Management in the Indian Social Sector
4. Job Roles in the Social Sector: A Systematic Literature Review

Module 2 on "Drivers of Talent in Social Sector" focused on gaining qualitative insights into TM practices in the social sector, and also included a quantitative survey to understand employee motivation in the sector. This module yielded the following reports and papers:

1. Regional Consultations on Talent Management in the Indian Social Sector
2. Talent Management Practices in the Indian Social Sector
3. Talent Management in the Social Sector: A Review of Compensation and Motivation
4. A concept paper on a typology of organisations in the Indian social sector

In addition to the insights from these research artefacts, 75 organisations that participated in the study received individual organisational reports on "internal equity and external competitiveness," and 16 organisations received a report on the motivation status of their employees.

Methodology

This report triangulates the major findings documented in the reports and papers from Module 1 and Module 2 of the study in order to comprehensively understand TM practices in the Indian social sector. Triangulation is used to gain a deeper understanding of insights from multiple research outputs.

Organisational context and understanding "talent"

The organisational context, which comprises the organisation's mission, functions, culture, and values, lays the foundation for TM strategies in SPOs. The definition of talent is contextual, constructed by organisational capacity and effectiveness, and aligned with achieving the organisational mission. Talent is what an individual brings to the organisation in terms of competencies, behaviour, and alignment with the purpose and goals.

All the SPOs define their talent competencies broadly into observable and unobservable competencies. The observable competencies are sub-categorised into leadership and management skills and

role-specific competencies. Cognitive skills, personal attributes, and social sensitivity are encapsulated into unobservable traits. Personal attributes and social sensitivity take precedence over the rest of the skills set in SPOs, especially over those skills which are domain specific/technical.

Talent boundaries can be bifurcated into external and internal stakeholders. The talent boundary of SPOs is not limited to the persons employed by these organisations, but extends beyond the formal boundaries of the organisation. For example: some organisations consider government employees as internal stakeholders.

The typology of roles constitutes the management level and "other" job roles across SPOs. The levels of management are categorised broadly into four categories: leadership, senior management, middle management, and support staff. Other key roles include consultants, interns, volunteers, and fellows. The job roles are classified based on the functional description. Module 1 of the study identified 17 different functions across SPOs in India, which are further divided into one or more sub-functions.

Attributes like knowledge sharing and exchange; collaboration; placing the cause above oneself; humility; care for others; and respect for diversity are some of the key talent behaviours that SPOs expect from their talent. These expectations are grounded in the value and culture of the organisation.

The TM systems deal with a formal, codified set of procedures that determine the decision-making processes on TM. On TM policies, HR policy is the primary instrument used to manage talent across SPOs.

Compensation and benefits

Compensation is defined as "the level of pay/salaries of the employees in an organisation." Competent compensation positively affects talent attraction, retention and motivation of personnel in SPOs. Despite the positive effect of proper compensation on talent motivation, very little attention is paid to studying the prevalent compensation practices in the social sector. A gap exists between the organisations' needs and the candidates' expectations in terms of compensation and benefits. These gaps originate from many factors, including the inability of the organisation to match compensation demands, alignment of roles vis-à-vis the available talent pool, skill sets and experience, as well as inspiring realistic expectations at both ends.

Compensation benchmarking is largely an informal process in SPOs. In general, SPOs set the compensation of personnel by comparing their salaries with other SPOs working in a similar domain and location. Most SPOs across categories face resource constraints to benchmark compensation practices through a proper benchmarking exercise.

The study revealed that compensation in SPOs constitutes monetary & non-monetary components as well as benefits. However, considerable diversity exists in how different categories of SPOs define compensation. While some define compensation purely in monetary terms, such as salary/cash transactions, others also include intangible benefits like investments in learning opportunities as part of the compensation.

The present study benchmarked the Indian social sector's compensation against general industry (GI) compensation. Pay in the social sector has four components: basic salary, allowances, benefits, and short-term incentives. Basic salary constitutes 33%-64% of the total cost to company (TCTC), allowances constitute 25%-49% of the TCTC, and benefits constitute 7%-12% of the TCTC, while the variable pay is paid only by FOs for which range is not available. The study revealed that personnel in social sector organisations are being paid lower than the general industry across all Korn Ferry Hay Reference Levels (KFHRLs). The study reported that compensation in the overall social sector needs improvement.

The analysis of the effect of functional differentials on compensation showed that the average salaries paid in "Education" and "Project Management" functions are lower than the average salaries paid in the overall social sector, while "Program & Content Development" and "Fundraising" are the highest paid functions.

Social sector personnel voice a lack of fair compensation, benefits, and recognition. Seventy-three per cent of social sector personnel prefer a fine balance between compensation and benefits offered, while 54% expect average fixed compensation but a better work-life balance. About 49% prefer higher fixed compensation and fewer benefits; only 23% prefer higher fixed compensation and fewer social security benefits; a higher proportion of incentives is not preferred by personnel across different organisations. These expectations and preferences further vary based on age, work experience, gender and types of SPO.

Factors affecting compensation in SPOs can be classified into organisational and executive-employee level factors. The organisational level factors include the organisation's size, governance quality and presence of volunteers. The executive and employee-level elements encompass intrinsic motivation, human capital, and managerial performance. Availability of funds is the most critical factor that influences compensation practices across SPOs, followed by the pay practices of peer organisations.

SPOs offer various benefits to their full-time and contractual employees. The most prevalent benefits in the social sector are insurance, flexibility in working arrangements, leaves, and training for development. The least prevalent benefits are joining bonuses, late retirement, child day-care, wellness, and car allowance.

TM lifecycle

The TM lifecycle in SPOs typically has five stages:

- **Talent attraction and recruitment**
- **Talent induction and integration**
- **Learning and development (L&D)**
- **Performance appraisal**
- **Talent transition and succession planning**

Talent attraction and recruitment is the first step in identifying, screening, and selecting talent for a particular job role in the SPOs. Organisations adopt multiple strategies to attract and mobilise talent pools, including referrals/word of mouth, recruitment from academic institutions, and targeted advertisements using multiple online (e.g., social media) and offline platforms (e.g., newspaper advertising). The most critical requirement in the recruitment processes is not merely the competency or skills of the individual, but their purpose/reason/motivation to work in the sector. Ethical tenets like diversity, equity and inclusion (DEI) are also at the core of SPO recruitment.

Recruitment is followed by talent onboarding and induction, which typically lasts 30-90 days. The induction process in SPOs can be summarised as a way to ensure that the new hire has clarity over organisational culture and mission, builds connections with relevant stakeholders and feels cared for. Induction also serves as a platform to assess the L&D needs of the talent and build their capacity so that the talent is geared to drive the organisational vision forward.

SPOs invest in L&D activities to enhance their employees' knowledge and skills. These initiatives aim to build the capacity of organisational talent to meet the organisational/project objectives and increase the internal competence of the organisation. Training and grooming also help prepare the next line of leadership in SPOs. L&D emerged as a strong practice meant to keep personnel motivated. Both formal and informal learning channels are adopted to nurture a learning culture. However, most organisations focus

their L&D opportunities on middle and senior management employees.

Talent performance management practices in SPOs include using criteria and metrics to assess performances. The values espoused by the SPOs are at the centre of performance appraisal in SPOs. Chances for promotion in SPOs vary with the employer. While acknowledging achievements and improving employees' motivation are the foremost objectives of appraisal in SPOs, employees' skills development and preparation for the next line of leadership is also a core objective. Appraisal happens both vertically and horizontally. Employees are promoted to a higher position in the vertical appraisal, and their roles are expanded in horizontal appraisal.

Most organisations expressed challenges in ensuring effective talent transition and succession, while all acknowledged the potential of investing in retention and talent transitions. This problem is amplified in small organisations with limited growth potential for personnel, given the context of a short hierarchy in the positional ladder. Most organisational leaders also struggle with finding the right people to hand over the leadership baton.

Several strategies are adopted across SPOs to retain appropriate talent and reduce turnover. These include creating L&D opportunities; job enrichment; job rotation; clear and open communication; establishing a career growth trajectory; and ensuring mutual respect and compensation negotiations.

Drivers of talent motivation

The study has found a number of pull and push factors that drive the motivation of talent to work in the Indian social sector. Pull factors are the factors that attract personnel to work in the social sector. These include: intrinsic motivation; personal experiences; shared vision, purpose and meaningfulness of the work; organisational leadership styles; L&D opportunities; individual needs for acknowledgment and appreciation; organisation culture and work environment; diversity of work opportunities; autonomy and the ability to voice concerns; feedback mechanisms; well-being initiatives of the SPO; organisational structures and processes; organisation's values; opportunities to work with diverse stakeholders; challenging and exciting nature of work; alignment of expected and actual skill sets; and association with the organisation. Push factors are the constraints that forces people to work in the social sector. These include poor educational background, lack of work opportunities and desperation to earn a living, which force individuals to join the social sector.

Talent challenges faced by SPOs

The study also captured several talent challenges faced by SPOs and strategies adopted to solve them. These challenges are divided into challenges due to external factors and internal factors. TM challenges that exist due to external factors include: the challenge of projectisation; talent attraction and acquisition; compensation expectations; lack of interest in a social cause, hiring for middle and senior management positions; finding the talent with the right skills set; competition for talent with other sectors; working with talent crossing over from corporate and beneficiaries' expectations. TM challenges that exist due to internal factors include paucity of funds; low brand value of the organisation; delays in decision making; mismatched competencies; performance-based promotions; poor incentives; talent's misalignment with organisational mission and approach; poor team management; unclear career trajectory; traditional performance management; administrative work; the monotony of work; attrition; and succession planning.

Conclusion

This study fills the gap in the literature on TM in Indian SPOs by utilising mixed methods to analyse responses from 18 FGDs; 98 in-depth interviews (with 104 participants); a compensation survey with 75

organisations; benefits survey with 59 organisations; perception survey with 92 personnel; and a motivation survey with 477 employees from three categories of SPOs. The study has provided insights into the broader themes and dynamics of TM practices in Indian SPOs based on participants' and respondents' observations and concerns. Additionally, it builds on the existing literature on TM practices in SPOs.

The study draws attention to TM practices across a typology of SPOs and roles therein. SPOs can utilise the findings of this study to formulate people-centric TM practices that could enable them to attract and retain talent, thereby driving organisational effectiveness and performance. However, the study is not statistically representative of a gigantic Indian social sector. The insights on TM have mainly come from the top leadership and vertical leads of the SPOs. A further sense of the perspective of employees working at different levels will give a more nuanced understanding of TM practices. Generalisations of the results demand further exploration of the TM practices across a few other organisations, particularly ensuring geographical and organisation size representation. Furthermore, a natural extension of the study is to analyse the effect of socio-economic and cultural aspects/backgrounds of employees on the motivation of talent to work in the Indian social sector. Understanding talent motivation in the social sector associated with demographics, as well as specific and active features of the region would add granularity to the understanding of talent motivation.

1. Chapter 1 – Context, purpose and methodology

1.1 - Context

TM is defined as "the attraction, selection, and retention of employees, which involves a combination of HR processes across the employee life cycle. It encompasses workforce planning, employee engagement, learning and development, performance management, recruiting, onboarding, succession and retention." (Gartner, n.d.)

TM has a direct association with organisational performance. In SPOs, this association is of greater strategic importance as any SPO's core capacity is in its people's potential. In SPOs, the human hand cannot be replaced by technology or greater financial resources (Akingbola, 2015). Thus, for any SPO, achieving its mission heavily relies on its personnel's talent, which is "the total of all the experience, knowledge, skills, and behaviours that a person has and brings to work" (Gallardo-Gallardo et al., 2013). However, the exploration of TM in SPOs is largely uncharted territory (Brunt, 2016).

To overcome this gap in the Indian social sector, the ISDM and CSIP - Ashoka University jointly conducted the study "Talent Management in the Indian Social Sector" in 2021-22. The objective of the study was to map the existing TM practices in the Indian social sector. Guidestar India supported the onboarding of the SPOs that entered the study, and the SPOs entered through self-selection. The study was executed in two modules.

Module-1 - Compensation and Role Benchmarking in the Indian Social Sector

Module-1 of the study, "Compensation and Role Benchmarking in Indian Social Sector" used quantitative methods to benchmark compensation and benefits offered by SPOs, and identify the perception of SPO personnel towards compensation, benefits and other aspects of TM.

Since job roles in the sector are diverse, the compensation benchmarking was done in conjunction with role benchmarking to make the compensation comparable. This was done by placing the role to a standard reference level developed by Korn Kerry (KF). For mapping the perception of employees of the SPOs, data was collected through an e-survey from the personnel directly. The execution partner for this module was KF. They undertook data collection, analysis and report writing. This module resulted in the following reports and paper:

1. Compensation Benchmarking in the Indian Social Sector
2. Benchmarking of Employee Benefits in the Indian Social Sector
3. Personnel Perception of Talent Management in the Indian Social Sector
4. Job Roles in the Social Sector: A Systematic Literature Review (SLR): This SLR attempted to understand how roles are defined across and within different SPOs. Furthermore, what is the relationship between these job roles and their compensations?

Module-2 - Drivers of Talent in Social Sector

Module-2 on "Drivers of Talent in Social Sector" focused on gaining qualitative insights into TM practices in the social sector and also included a quantitative survey to understand employee motivation in the sector. The data for this module was collected through a staggered research design that included focus group discussions (FGDs) across six different regions in India, in-depth interviews with the SPO leaders, HR and vertical leads and HR consultants of 24 organisations, and an online survey among the employees of this organisation. The survey was conducted to assess the SPO personnel's motivation (hence, called motivation survey) to work in the social sector and

in their respective SPO. Sattva Consulting was this module's execution partner and they worked on data collection for in-depth interviews and motivation surveys, transcription, and coding. This module resulted in the following reports:

1. **Regional Consultations on Talent Management in the Indian Social Sector (from the FGDs), and**
2. **Talent Management Practices in the Indian Social Sector (from the interviews and the motivation survey)**

"Module-2 also included two distinct research outputs:"

1. Talent Management in the Social Sector:

A Review of Compensation and Motivation: This SLR is divided into two sections: compensation and motivation. The review of the compensation literature provides a holistic understanding of the factors (classified into organisation-level and employee-level) influencing compensation in the social sector. The review on motivation describes the theories on employee motivation in the social sector, giving insight into the factors influencing motivation.

2. A concept paper on a typology of organisations in the Indian social sector:

This paper attempted to develop a working typology of organisations in the sector. The proposed classification model was validated through the study.

These findings are standalone outputs on different aspects of TM practices in the Indian social sector. This report collates and triangulates these different insights to understand TM practices in the Indian social sector comprehensively.

1.2 - Purpose

This report has the following objectives.

I.   To facilitate a deeper understanding of TM practices in the Indian social sector by combining various data points and producing a holistic picture of the TM practices in the Indian SPOs.

II. To use the strength of one method (Table 2) to overcome the deficiencies of the others to achieve a higher degree of validity and reliability of findings.

1.3 - Methodology

The method employed to validate the findings that emerged from different components of the study on "Talent Management in the Indian Social Sector" was triangulation. Triangulation means "using multiple datasets, methods, theories and/or investigators to address a research question" (Bhandari, 2022). It allows an inquiry into whether all/most stakeholders agree upon the findings and looks for consistency or discrepancies (Barnum, 2011; Guion, 2002; Honorene, 2017). The process of triangulation is depicted in Figure 1.

1.3.1 Sources of data

As depicted in Figure 1 and Table 2, this triangulation relies on the findings from the primary (both qualitative and quantitative) and secondary research conducted for the study "Talent Management in the Indian Social Sector."

The quantitative data for this report is extracted from Module-1 and the "motivation survey" of Module-2. The qualitative data is derived from Module-2.

Figure 1. Schematic of triangulation methodology

Secondary data (qualitative)

Roles in Social Sector: A Systematic Literature Review (SLR)

Talent Management in the Social Sector: A Review of Compensation and Motivation

A concept paper on a typology of organisations in the Indian social sector

Primary data (quantitative)

Compensation Benchmarking in the Indian Social Sector

Benchmarking of Employee Benefits in the Indian Social Sector

Personnel Perception of Talent Management in the Indian Social Sector

Motivation survey analysis from report "Talent Management and Drivers of Talent Motivation in the Indian Social Sector"

FINDINGS

Primary data (qualitative)

"Regional Consultation on Talent Management in the Indian Social Sector" reportReport on "Talent Management Practices in the Indian Social Sector"

Source: Adapted from Barnum (2011)

1.3.2 Sample size

A total of 100 organisations participated in the study. Figure 2 shows the distribution of these SPOs in different categories and archetypes. Annex 1 lists the names of participating organisations with their SPO category and archetype.

Table 2. Sources of data and sample size

Study component	Description	Method	Tool	Sample size		Output
				Total no. of organisations	Total no. of participants	
Module-1: Compensation and Role Benchmarking in Indian Social Sector	Compensation benchmarking in SPOs	online survey and job mapping	Structured questionnaire (quantitative) for compensation and job mapping framework	75	NA	Report on compensation practices in SPOs
	Benefits benchmarking in SPOs	online survey	Structured questionnaire (quantitative)	59	NA	Report on benefits being offered in SPOs

Study component	Description	Method	Tool	Sample size		Output
				Total no. of organisations	Total no. of participants	
Module-1: Compensation and Role Benchmarking in Indian Social Sector	Understanding perception of SPO personnel on compensation and benefits offered by SPOs.	Online survey	Structured questionnaire (quantitative)	12	92	Report on perception of social sector professionals on compensation and benefits offered by SPOs
	Exploring existing roles in the social sector (Typology of roles)	Systematic literature review (SLR)	Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA)checklist as a guiding document (qualitative)	NA	NA	Job Roles in the Social Sector: A Systematic Literature Review
Module-2: Drivers of Talent in Social Impact Sector	Consultation with SPO leaders on TM practices across different regions	Online synchronous focus group discussions	FGD guideline (qualitative) and structured questionnaire (quantitative)	48	57	Decoding talent: report on TM practices in SPOs
	Individual discussion with SPO personnel on TM practices	In-depth online interviews	Semi-structured interview schedule (qualitative)	24	104	Report on talent management in the Indian social sector
	Drivers of talent motivation in social sector	Online survey	Structured questionnaire (quantitative)	22	477	
	Exploring compensation and motivation in TM in SPOs	SLR	PRISMA checklist for SLR (qualitative)	NA	NA	Talent Management in the Social Sector: A Review of Compensation and Motivation
	Exploring a typology of organisations in the social sector	Exploratory search and consultation with subject matter experts	NA	NA	NA	Concept Paper-Typology of Organisations

Total number of organisations participated in the study = 100
number of FGDs = 18
NA stands for not applicable
Source: Compiled by ISDM & CSIP

Figure 2. Sample size across SPO categories and archetypes

	Archetype	Count
NGOs/SEs (n=79)	NGO Simple Adhoc	14
	NGO Simple Professionally Managed	7
	NGO Complex Adhoc	36
	NGO Complex Professionally Managed	22
ESOs(n=14)	ESO Simple	2
	ECO Complex	10
FOs	Funding Organisation	7

Total number of organisations = 100
Source: Compiled by ISDM & CSIP

Chapter 2: Understanding "talent"

2. Organisational context and understanding "talent"

Organisational context comprises the organisation's mission, functions, culture, and values (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). Organisational context lays the foundation of TM strategies in SPOs. This section explains how these factors affect the definition of talent and talent management practices in SPOs.

2.1. Organisational mission and functions

An organisation's mission is determined by its goals and its approach to achieving them. Functional areas of an organisation constitute various departments such as monitoring and evaluation (M&E), fundraising, among others. Organisational mission and the functional areas affect the skills and competencies sought by the SPOs and therefore are critical factors that define talent for a particular organisation (Talent Management Practices in the Indian Social Sector, 2022; Regional Consultations on Talent Management in the Indian Social Sector, 2022). These are further discussed in Section 2.4.

2.2. Organisational culture

Culture in SPOs is built by:
- Mental models: espoused values; such as diversity, equity, and inclusion
- Visible factors: such as structure and practices
- Semi-visible artefacts: such as work environment and power dynamics

Organisation culture is crucial in defining, influencing, inspiring and nurturing talent in the sector. A strong and shared culture is the glue that keeps empowered SPOs from disintegration (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

Mental models are one of the important constituents of organisation culture. An employee supports the vision and mission of the organisation not only intellectually but also emotionally when the organisation and the employee share mental models. However, to ensure that the mental models are shared between the employee and the organisations, they must be understood and adopted similarly (Talent Management Practices in the Indian Social Sector, 2022).

In the context of SPOs, the mental models can be categorised into three broad categories: people-centricity, entrepreneurial attitude, and universalism. People-centricity makes SPOs contemplate factors that inspire and motivate talent to display their best work. It reflects in the voice, encouragement, and appreciation given to personnel. An entrepreneurial mindset encompasses the SPOs' agility to learn, solve problems and take risks constantly. Mental models that are aligned to principles of human rights and have universal applicability such as DEI constitute universalism (Talent Management Practices in the Indian Social Sector, 2022).

Other components of organisational culture include workplace environment, power dynamics, structure and practices. These factors significantly affect employees' well-being and morale. For example, an open and people-centric culture where individuals feel free to express their opinion helps build healthy team relationships and boost employee morale and spirit. It attracts employees to the office workspace (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

Power dynamics, which constitute the leadership style, significantly influence talent motivation. An engaging and democratic leadership style enables the organisation to demonstrate principles of equity, transparency and fairness in key structures and processes. Leadership practice within an organisation emerged as a critical factor that influences the retention of talent in organisations (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

2.3. Management values

Management values are the qualities and standards to which the management in the organisation attaches a certain weight when making a decision (Thomsen, 2004; van der Wal & Huberts, 2008). Management values give purpose and guidance to the TM strategies in SPOs and shape their interaction with internal and external stakeholders.

Values are regarded as non-negotiable as these are considered indispensable to self-definition, decision making and stakeholder engagement of the organisation (Talent Management Practices in the Indian Social Sector, 2022). "Regional Consultations on Talent Management in the Indian Social Sector (2022)" added that the frontline personnel, when trusted to make the right decisions, are often guided by shared values rather than by a book of rules and policies. Values shape talent behaviour, guiding them to adopt the "right approach" to accomplish their tasks (Talent Management Practices in the Indian Social Sector, 2022). Therefore, management values are essential for SPOs to align work ethics, integrity, and decision-making with their employees and avoid moral transgression.

Organisations keep values at the core of TM decision-making, from hiring the talent to performance appraisal till employee exit. In the majority of SPOs, values are considered non-negotiable. The management values are also the foundation stone for the core competencies SPOs seek in the talent. "Talent Management Practices in the Indian Social Sector (2022)" observed that the personal traits and social sensitivities expected by SPOs in their talent align with the management values.

2.4. Defining "talent" in SPOs

The definition of talent is contextual, constructed by organisational capacity and effectiveness, and aligned with achieving the organisational mission. Organisational context like key functional areas, organisational culture, and mission highly influence how SPOs define their talent. Furthermore, talent and its boundaries are also influenced by the mindset/consciousness of the leader.

As depicted in Figure 3, competencies, talent boundaries, talent segments, and talent behaviour define talent in SPOs. Thus, talent is what an individual brings to the organisation, in terms of competencies, behaviour, and alignment with the purpose and goals (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

2.4.1. Competencies

In addition to the educational qualifications, people also bring several soft skills essential to working with communities facing various problems. A literature review on the typology of roles conducted in this study identified four categories of factors that are important to drive the performance and innovation of SPO personnel. These include experience, virtues and vices; interpersonal skills; and management skills (Job Roles in the Social Sector: A Systematic Literature Review, 2022).

The study has identified an array of observable and unobservable competencies expected by SPOs in their talent. All the SPOs define their talent broadly into observable and unobservable competencies, which are reported here. Based on this gamut of competencies, a competency

framework for the SPOs has been presented in Figure 3 (Talent Management Practices in the Indian Social Sector, 2022).

2.4.1.1. Observable competencies

The observable competencies are sub-categorised into leadership and management skills and role-specific competencies. The leadership and management skills are further sub-categorised into five groups. These include communication skills (ability to communicate effectively with a wide range of stakeholders), entrepreneurial traits (implies growth and risk-taking mindset), leadership attributes (implies organisation building), project management skills (ability to manage the entire project) and stakeholder management (relationship building and management). All the SPO archetypes prefer communication and leadership skills.

Role-specific competencies are primarily domain specific, where the skills and experience match the job responsibilities (generally requiring a high degree of technical skills/expertise). Work experience in the social sector is also a desired attribute (Talent Management Practices in the Indian Social Sector, 2022). The experience of managers is connected positively to their performance (Job Roles in the Social Sector: A Systematic Literature Review, 2022).

SPOs shared a mixed response towards the combination of interpersonal and technical skills, typical of employees who have previously worked with for-profits. This finding is supported by literature that found that employees' experience in the for-profit sector is considered ambiguous, with both positive and negative implications for working in the non-profit sector (Job Roles in the Social Sector: A Systematic Literature Review, 2022).

2.4.1.2. Unobservable competencies

Cognitive skills, personal attributes, and social sensitivity are encapsulated into unobservable traits. These attributes are largely hidden but highly desired by SPOs in their talent. For example, the right attitude and commitment to the cause. The unobservable competencies in the "iceberg" analogy are hidden at the bottom and are difficult to measure; their assessment requires sophisticated tools, considerable time, and resources (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

Personal attributes and social sensitivities are categorised further into five groups: openness to change, universalism, self-enhancement, mission orientation, and approachability. Openness to change implies flexibility and adaptability; values which have universal applicability are covered under universalism; self-enhancement shows persistence to improve oneself; mission orientation suggests alignment with organisational mission and vision; and approachability implies that a person is welcoming. Among personal attributes and social sensitivity, empathy, mission orientation, and passion for making a change are some key qualities desired by all types of organisations (Talent Management Practices in the Indian Social Sector, 2022). "Job Roles in the Social Sector: A Systematic Literature Review (2022)" added that the personal characteristics of SPO managers and employees are relevant to their performance and innovativeness.

Figure 3. Components of "talent" definition in SPOs

Source: Developed by the ISDM & CSIP

As can be seen, organisational values play a role in defining the talent as a number of unobservable competencies like empathy, integrity are in sync with management values. These factors restate that organisational mission, functional areas and organisational values play a key role in defining talent in SPOs (Talent Management Practices in the Indian Social Sector, 2022).

2.4.1.3. Unobservable competencies are preferred over observable competencies

While SPOs have revealed a spectrum of observable and unobservable traits as key competencies, the unobservable skills are given far more priority over observable competencies. Personal attributes and social sensitivity are given more weightage over the rest of the skills set in SPOs, especially those that are domain specific/technical (Talent Management Practices in the Indian Social Sector, 2022).

The organisations noted that the observable competencies especially of the technical nature can be learned. However, factors like empathy, attitude, intent, alignment with organisational mission, and passion for making a change are primarily internal to personnel and difficult to inculcate. These internal factors significantly affect the overall performance of the individual and the organisation (Talent Management Practices in the Indian Social Sector, 2022).

2.4.1.4. Defining "right talent"

The organisations define "right talent" as one with a combination of observable and unobservable competencies that complement each other to achieve a particular task effectively. These competencies are considered essential to accomplish the desired goal, drive performance, and contribute to organisational effectiveness and mission (Talent Management Practices in the Indian Social Sector, 2022).

2.4.2. Talent boundaries

The talent boundary can be bifurcated into external and internal stakeholders. The talent boundary of SPOs is not limited to the persons employed by these organisations but extends beyond the formal boundaries of the organisation (Talent Management Practices in the Indian Social Sector, 2022). As "Regional Consultations on Talent Management in the Indian Social Sector (2022)" noted, "the organisation cultivates multiple spaces to encourage siblings and other family members of participating children to contribute to the organisation's goals and mission in formal capacities."

2.4.2.1. External stakeholders

This group of people/stakeholders lies outside the organisation's formal boundaries. There are several external stakeholders identified by the SPOs, which are part of their talent boundary. These are not employees of the organisation but engaged with the organisation in different capacities. Like partner organisations, academicians, consultants, and researchers. They generally bring subject matter expertise to the SPOs (Talent Management Practices in the Indian Social Sector, 2022).

So, partner organisations fall under the talent boundary as external stakeholders of the SPOs. In a few SPOs, the organisation also considers government institutions like the police as key external stakeholders. The nature of work plays a crucial role in shaping the talent boundaries for an SPO (Talent Management Practices in the Indian Social Sector, 2022).

2.4.2.2. Internal stakeholders

Generally, internal stakeholders are individuals who fall within the organisation's formal boundaries. Individuals on the payroll of the organisations and those who are part of the projects on which an organisation works constitute internal stakeholders (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). Other internal

stakeholders include team members and partnering organisations or specific networks established by the organisations (Talent Management Practices in the Indian Social Sector, 2022).

In the case of SPOs, especially NGOs/SEs, there's a thin line between internal and external stakeholders: sometimes, it is difficult for the organisation to separate the two. For example: an organisation considers the government employees working with them as internal stakeholders. These professionals are paid for by the government but managed by the organisation. Therefore, the organisation defines them as internal stakeholders. Some organisations also include community members as internal stakeholders (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

In light of the above, making a clear distinction between internal and external stakeholders is challenging. Thus, the definition of external and internal stakeholders may vary significantly from one organisation to another (Talent Management Practices in the Indian Social Sector, 2022).

2.4.3. Typology of roles

"Job Roles in the Social Sector: A Systematic Literature Review (2022)" reported a lack of a highly structured and formalised system of job roles in the social sector. Moreover, the existing literature on job roles does not indicate a clear typology of roles. The available information provides incremental insights from scattered observations into specific role functions. However, most of the available research is centred on the top job roles in the social sector hierarchy. This section attempts to provide a deeper understanding of the typology of roles in the Indian social sector through the lens of the level of management hierarchy and function.

"Talent Management Practices in the Indian Social Sector (2022)" identified 74 different job titles in SPOs. However, defining a clear management hierarchy is difficult for the recognised job titles except for the top management. This is because the job titles in all types of SPOs are found to be independent of the level of education or years of work experience of the personnel. Moreover, often the thematic area influences the nomenclature of job roles in SPOs. The functions/responsibilities of these job roles are further influenced by organisational size and maturity. Therefore, a job title cannot be placed uniformly, either in senior or middle levels, based on these criteria, especially the latter. This phenomenon is observed for job titles across all categories of SPOs. "Compensation Benchmarking in Indian SPOs (2022)" addressed this issue.

2.4.3.1. Levels of management

2.4.3.1.1. Leadership

"Compensation Benchmarking in Indian SPOs (2022)" classified leadership roles into Korn Ferry Kay Reference Level (KFHRL) 21-25 and 20. Typical designations at KFHRL 21-25 are Head Legal, Head–Strategy, while the typical designations at KFHRL 20 are Chief Financial Officer. "Talent Management Practices in the Indian Social Sector (2022)" categorised the leadership job titles into top management. These are the C-suite job roles with titles like Chief Executive Officer (CEO)/Executive Director (ED)/Co-Founder/Chief Operating Officer (COO)/Chief Program Officer (CPO)/Chief Technology Officer (CTO). It was observed that job titles COO, CTO, and CPO are prevalent in ESO and FOs while CEO or ED is more common In NGOs/SEs. Furthermore, the job title "ED" was found only in the case of NGOs/SEs. All of them are either full-time employees on payroll and/or are founders of the SPOs.

The leadership's primary responsibility is to draw policy and strategy for the organisation and keep the entire organisation focused on the mission and vision of the SPO: they are involved in and accountable for all operations of the organisation. These positions are leadership roles involved in benchmarking compensation and talent management decisions like HR policy formulation. In organisations with a smaller

workforce, the chief executives are directly involved in overseeing the implementation of projects in the field (Talent Management Practices in the Indian Social Sector, 2022).

According to "Compensation Benchmarking in Indian SPOs (2022)," professionals in KFHRL 21-25 roles perform practices requiring in-depth specialisation in a professional field or a broad understanding of relationships between different fields. Both are gained through deep and wide experience built on concepts and principles. These jobs require the ability to select, develop and assess the suitability of techniques, not just apply those techniques. These job roles control a major function in a large organisation or all functions in a small organisation. At the KFHRL 20 level, the job typically manages broadly similar functions and coordinates relationships with other parts of the organisation over a one-year horizon, significantly impacting tactical results. The job title "Regional Director" is classified as KFHRL 20 while the qualitative module classified this title as Senior Management. However, since "Compensation Benchmarking in Indian SPOs (2022)" considered more variables in this categorisation, we are including this title under Leadership.

2.4.3.1.2. Senior management

"Compensation Benchmarking in Indian SPOs (2022)" categorised senior management roles into KFHRL 19 and 18. According to "Talent Management Practices in the Indian Social Sector (2022)," the job titles for employees in senior management positions include Director, Associate Director, Regional Director, and Vertical leads as well as National Partnership Officer (government and corporate partnerships). Except for the job title "Regional Director" reported by "Talent Management Practices in the Indian Social Sector (2022)," all other designations coincide with the senior management job titles identified by "Compensation Benchmarking in Indian SPOs (2022)."

A senior management job ensures the management of a function in a mid-sized organisation and the development of operational policies for the whole organisation (Compensation Benchmarking in Indian SPOs, 2022). Professionals in these positions are responsible for driving an entire vertical. Generally, their designations are followed by the vertical name. These are at the second level of the management hierarchy within the organisation (Talent Management Practices in the Indian Social Sector, 2022). Professionals in senior management also take care of a few people's functions, including hiring professionals for their verticals, capacity-building of team members, and providing feedback for improvement and performance appraisal (Talent Management Practices in the Indian Social Sector, 2022).

2.4.3.1.3. Middle management

"Compensation Benchmarking in Indian SPOs (2022)" categorised middle management roles into KFHRL 17, 16 and 15. At the KFHRL 17, typical designations include deputy general manager–finance, Head of operations, etc. The jobs at KFHRL 17 level ensure the operational management of small functions/programs. The job implements the functional policy through developing and realising the established operating plans

At the KFHRL 16, typical designations include fundraising manager, associate program lead, associate project manager etc. People at KFHRL 16 level are first-level managers/leaders in a large complex organisation. The positions at this level can assess the long-term consequences of decisions and find new ways to resolve a problem.

At the KFHRL 15, typical designations include assistant manager–corporate partnerships, program lead, etc. At KFHRL 15, the role could be a supervisory or specialised individual contributor. Extensive knowledge is expected at this level. The job is fully responsible for personnel or personnel team's work in a defined area.

2.4.3.1.4. Support staff

"Compensation Benchmarking in Indian SPOs (2022)" analysed job titles under this category at a granular level and categorised them into KFHRL 14, 13, 12, 11, 10, 9, and 8.

Support staff have the widest spectrum of job titles compared to others. At KFHRL 14, typical designations include project assistant, conservation consultant, among others. The job holder works independently within the standard procedures and should be able to find a solution for a new task.

At KFHRL 13, typical designations include assistant project coordinator, program coordinator, Coordinator–M&E, among others. The jobholder works independently within the standard procedures and should understand the theoretical principles of their own work, and have some work experience in the field.

At the KFHRL 12, typical designations include account assistant, assistant teacher, project executive, research associate, among others. This can be an entry-level professional (complete higher education in the field with minimum work experience) or a jobholder without the higher education, but with extensive work experience.

At the KFHRL 11, typical designations include care giver, community mobiliser, field coordinator, and so on. This level demands deep practical knowledge of work methods and techniques. This knowledge is typically acquired through specialised training and practical work experience. Furthermore, field staff is regarded highly valuable among all types of SPOs as the implementation of programs depends on their talent and capacity. They directly connect the organisation with the community/beneficiaries.

At KFHRL 10, typical designations include data administrator, data entry operator, clerk, technical assistant, and so on. At this level, knowledge is required for applying practical methods, techniques and work processes and proficiency in the specialised use of tools, materials, and equipment.

At the KFHRL 9, typical designations include housekeeping, helpdesk operator, among others. This level demands an understanding of the whole process and practical knowledge of standard work operations, processes, and skills in using special tools and materials. Specialised training may be required.

At the KFHRL 8, typical designations include driver, office assistant, field coordinator, etc. Basic knowledge of standardised, often repetitive, work routines and general facts acquired through training on the job.

Besides the job roles described above, "Job Roles in the Social Sector: A Systematic Literature Review (2022)" also reported roles "administration, consisting of human resources directors; country director; direct services providers; fundraising and grant writing; researchers; policy analysts; political activists; accounting and business office personnel, social workers, and junior project officers."

HR roles

In addition, "Talent Management Practices in the Indian Social Sector (2022)" reported that HR job titles belong to different KFHR Levels up to leadership. The study discusses talent management practices, job titles related to people management are described separately here. The HR-related job titles found in SPOs include Director HR Administration Strategy & Partnership, Key People Catalyst, Chief of Staff & Product Strategy, Head HR, and HR Executive. Personnel in these job roles are responsible for all people management functions. The talent-related decisions in organisations are generally arrived at by one C-suite executive and two vertical leads, one of which is from the team for which the talent is being hired. HR is responsible for recruitment, payroll, culture building, and compliance.

In some cases, the HR executives do not necessarily have a formal HR education, background and/or experience. In a few SPOs, employees trusted by the organisational leader undertake the task of people management.

2.4.3.1.5. Other talent segments in SPOs

"Talent Management Practices in the Indian Social Sector (2022)" reported other key talent segments like consultants, interns, volunteers, and fellows. Consultants are the experts who bring subject matter expertise to the organisation or the project. They work full-time or on a retainer contract. On the other hand, the title consultant is also used as a common designation in a few organisations where the consultants are regular full-time employees. "Consultant" is the only job title which has appeared across all the archetypes (Talent Management Practices in the Indian Social Sector, 2022).

The majority of interns in SPOs are graduate students. They could be paid or unpaid and are found across all categories of SPOs. However, not all the sample SPOs had room for interns in their organisation.

Volunteers work with or without remuneration with the SPOs. All the sample SPOs which work with volunteers have a volunteer management policy. "Job roles in the social sector: a systematic literature review (2022)" underscored the importance of volunteers despite the increased professionalisation of non-profit TM with jobs becoming full-time and paid. The study highlighted that volunteerism contributed to the development of non-profit leadership. Volunteer opportunities helped many non-profit leaders reach their current position. Volunteer experience made them feel that they had a calling to the sector. The study also captured a transformation journey from volunteer to a non-profit ED. The professional who volunteered with an informal community group became its full-time paid director.

Furthermore, SPOs offer fellowship programs to train next-line leaders to continue their mission of fighting for the rights of people with disabilities. Thus, the fellows working with the SPOs are trained in a strategic area of that SPO. These fellows also receive a stipend under the fellowship programs. Other skilled professionals from specialised professions like engineering also work with the SPOs. These professionals generally work with NGOs/SEs and ESOs as full-time employees and on contract.

Further details about all these job roles are given in Level description of employee category.

2.4.3.2. Functional descriptions

"Compensation Benchmarking in Indian SPOs (2022)" provided functional descriptions of different job roles found in SPOs. The function is a broader department encompassing multiple roles and subfunctions. A sub-function is defined as a sub-department assigned to roles within a function.

For example: project management is a function that relates to implementing the project activities as per the agreed terms with the donors. It refers to an array of activities related to project implementation, managing the external risks, communication, resources and budget. Therefore, under the project management function, there are multiple sub-functions and roles for different aspects of the operation. These functions and their definitions are described in Figure 4. Details of each sub-function are given in Annex 3.

2.4.4. Talent behaviours

SPOs expect their talent to have certain behavioural attributes like knowledge sharing and exchange, collaboration, placing the cause above oneself, humility, care for others, and respect for diversity. These expectations are grounded in the value and culture of the organisation. Four specific talent behaviours were identified as of greater importance, namely, collaboration, humility, respect for diversity and managerial behaviour.

Collaboration between individuals and teams ensures free information flow and knowledge exchange. Humility allows employees to understand the ground realities and work well. Respect for people from diverse backgrounds and cultures is considered essential to working with a diverse range of stakeholders,

especially community stakeholders. One of the managerial behaviours that have surfaced includes the ability to work under pressure. A manager is expected to deal with the team in a composed manner in these circumstances. Second is leading by example by doing the right things. For instance, make conscious decisions and be available to employees when they seek help. These managerial behaviours keep employees' morale high (Talent Management Practices in the Indian Social Sector, 2022).

2.5. TM policy instruments

The TM systems deal with a formal, codified set of procedures that determine the decision-making processes on TM. It covers the strategies, processes and practices adopted by the SPOs throughout the talent management life cycle, from attracting the talent to in/voluntary exit of employees (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

"Regional Consultations on Talent Management in the Indian Social Sector (2022)" reported that 72% of the FGD participants noted that their organisation has a clearly articulated people management plan or strategy.

Figure 4. Functional descriptions of job roles

Program Content Development	Content development is the process of researching, writing, gathering, organizing and editing information for publication or providing knowledgeable fillings to the users for specific program related.
Content Design Project / Program Plan Design	
Social Service / Helpline	A telephone line operated by a charitable organisation / government. for people in distress, worried or unhappy. It works with the mission to provide telephonic advice, information and guidance to empower and support them.
Social Counsellor Coordinator	
Logistics / Supply Chain	A processes of acquiring, storing and transporting of goods / resources along the chain.
Warehousing Delivery/Transportation Purchasing/Procurement	
Project Management	Project management relates to implementing the project activities as per the agreed terms with the donors. Project management refers to an array of activities related to project implementation, managing the external risks, communication, resources and budget.
Project Governance Capacity Building Monitoring & Evaluation Community Mobiliser Field Work Project Coordinator	
Fundraising	Fundraising is the process of seeking and gathering voluntary financial contributions by engaging individuals, corporations, charitable foundations, donors or governmental agencies.
Proposal Writing Managing Events Donor Management Resource Mobilisation	
Research	The creation of new knowledge and / or the use of existing knowledge in a new and creative way so as to generate new concepts, methodologies and understandings.
Data Entry Analysis Primary & Secondary Research Advocacy	
Marketing & Communication	Marketing & Communication refers to activities and strategies that spread the message of the organisation, as well as solicit donations and call for volunteers. It also involves the creation of logos, slogans, and the development of a media campaign to expose the organisation to an outside audience. Helps in sharing information, tell stories, protect the brand's reputation, and engage in conversations both internal and external that inspire others to join their organisation in fulfilling its mission.
Report Writing Internal Communication External Communication Social Media Management	

General Management	Management is responsible for all aspects of an organisation as well as ensuring that activities are being properly funded. Nonprofit managers are also obligated to deliver the best results possible and have the support staff necessary to ensure success.
Leadership 2 Leadership 1 Governance Financial Budgeting Strategy Planning	
Education	Imparting and acquiring of knowledge through teaching and learning. It refers to the development of learning and thinking process. It goes beyond the four walls of the classroom and is all about gaining experience.
Principal Teacher Doctor Therapist Counselor	
Administration/Support/Service	These are ancillary or non-core activities that an organisation carries out in order to facilitate its main programs and functions.
Kitchen Clerical Services Secretarial Support Service Documentation/Knowledge Management	
Finance and Accounting	Field of accounting concerned with the summary, analysis and reporting of financial transactions related to an organisation. This involves the preparation of financial statements available for internal or public use.
Accounting Audit Taxation Financial Planning and Analysis	
Human Resources	HR is a department that involves in employing personnel, training them, compensating them, developing policies related to them and strategies to retain them.
HR Generalists Learning and Development Recruitment and Talent Acquisition	
Engineering	Use of scientific principles to design and build machines, structures, and other items, including bridges, tunnels, roads, vehicles, and buildings
Interdisciplinary Engineering	
Health and Environment	Refers to aspects of human health (including quality of life) that are determined by physical, chemical, biological and social factors
Health and Safety	
Information Technology/Digital	Information technology is the use of computers to create, process, store, retrieve, and exchange all kinds of data and information.
Software Development and Implementation	
Legal	A department or a person nominated in the organisation to provide legal support to the members of the group.
Legal Counsel	
Quality Assurance	It is about improving services, systems and processes, to making sure that the whole organisation is fit and effective.
Quality Assurance	

Source: Adopted from Compensation Benchmarking in Indian SPOs (2022)

"Talent Management Practices in the Indian Social Sector (2022)" reported that all 24 SPOs which participated in the interviews shared that they have formal policies and processes to manage talent. However, only 17 SPOs had formal policies and processes for volunteers/interns/trainees. Some of the policy instruments identified in the study are discussed below.

HR policy is the primary instrument used to manage talent across SPOs. One of the primary purposes of HR policy is to ensure that employees feel cared for. The HR policy instruments detail the processes and practices to be embraced throughout the talent life cycle, from attracting talent to their exit. Some critical aspects of HR policy instruments include job descriptions, leave policy, compensation and benefits information, performance appraisal, and L&D practices. In many cases, organisations refer to the HR policy as a well-being policy. Most participants mentioned that the HR policy in their organisation is fluid and periodically modified to meet the emerging needs of the talent. The HR handbook or other similar policy instrument is shared with the employees to bring transparency to the entire talent management cycle.

Other TM policy instruments include a leadership transition manual to ensure smooth leadership transition, Prevention of Sexual Harassment (PoSH) to counter sexual harassment in the workplace, and transfer policies generally adopted by large-size organisations which work across different geographical areas. Policies and processes on compensation benchmarking and benefits are discussed in detail in the next chapter.

Chapter 3: Compensation and benefits

3. Compensation and benefits

3.1. Compensation in SPOs

Compensation is defined as "the level of pay/salaries of the employees in an organisation" (Talent Management in the Social Sector: A Review of Compensation and Motivation: A Literature Summary, 2022). Competent compensation positively affects talent attraction, retention (Brown et al., 2004) and motivation in SPOs (Compensation Benchmarking in Indian SPOs, 2022; Talent Management in the Social Sector: A Review of Compensation and Motivation: A Literature Summary, 2022; Talent Management Practices in the Indian Social Sector, 2022). "Talent Management Practices in the Indian Social Sector (2022)" noted that compensation is among the top five criteria determining social sector professionals' choice of joining a job in Indian SPOs. The study found that SPOs try to offer a competitive salary to retain their valuable employees. This compensation is reported to boost the commitment of executives & employees, driving the SPO's financial and non-financial performance (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022).

3.1.1. Components of compensation

Compensation in SPOs constitutes monetary & non-monetary components as well as benefits (Compensation Benchmarking in Indian SPOs, 2022; Talent Management in the Social Sector: A Review of Compensation and Motivation: A Literature Summary, 2022; Talent Management Practices in the Indian Social Sector, 2022). Monetary sources include those items which are paid in financial form (e.g., salary, reimbursements); or can be monetised by comparing similar things in the market (e.g., health insurance); or through a proxy (e.g., monetising unused leave). Non-monetary components are those for which a monetary approximation is complex—for example: job enrichment by providing diverse work opportunities to personnel. However, considerable diversity exists in how different categories of SPOs define compensation. While some define compensation purely in monetary terms, such as salary/cash transactions, others also include intangible benefits like investments in learning opportunities as part of compensation (Talent Management in the Social Sector: A Review of Compensation and Motivation: A Literature Summary, 2022; Regional Consultation on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

In addition, reimbursement of out-of-pocket expenditure during performance of formal work, benefits in the form of insurance, as well as flexible work hours and good work opportunities are some of the key elements of compensation in SPOs (Regional Consultation on Talent Management in the Indian Social Sector, 2022). "Talent Management Practices in the Indian Social Sector (2022)" reported that SPOs consider interest in driving social change as one of the non-monetary incentives for talent. FOs particularly emphasised that if a person cannot identify and recognise driving social change as an incentive, they would get demotivated looking at the social sector compensation. This implies that the SPOs consider non-monetary incentives as a part of their compensation.

The regional consultations on TM revealed that organisational investments in culture and leadership development are also part of compensation in a few organisations. For instance, empathy towards personnel in the design of compensation structures and processes is seen as an integral part of the compensation practice. SPOs also shared numerous examples of empathetic compensation during the COVID-19 pandemic. Furthermore, the regional data shows that the southern region also considers flexible work hours and good work opportunities as an important part of the overall compensation package for their personnel. However, a few SPO leaders do not consider intangible benefits like leave, organisational culture and learning opportunities as part of compensation

structures. Funding organisations particularly expressed the importance of the cash component in determining personnel compensation. They commented that other benefits shouldn't be included in compensation structures and should instead be considered an expression of organisational culture and norms.

A typical compensation structure in Indian SPOs is depicted in Figure 5.

Figure 5. Components of compensation

3.1.2. Compensation benchmarking of SPO personnel

Despite the positive effect of proper compensation on talent motivation, very little attention is paid to studying the prevalent compensation practices in the social sector (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022). A gap exists between the organisations' needs and the candidates' expectations in terms of compensation and benefits. These gaps originate from many factors, including the inability of the organisation to match compensation demands, alignment of roles vis-à-vis the available talent pool, skill sets and experience and inspiring realistic expectations at both ends (Regional Consultation on Talent Management in the Indian Social Sector, 2022).

"Regional Consultations on Talent Management in the Indian Social Sector (2022)" reported that 85% SPOs have a structured process to determine the compensation of different people working in the organisation. While a systematic approach for deciding compensation for key roles exists within most SPOs, others are still in the process of identifying and standardising their compensation policies.

However, the systematic process does not imply a scientific compensation benchmarking exercise to map the salary (Talent Management Practices in the Indian Social Sector, 2022). Only a few organisations reported that they are engaged with consulting groups to perform the benchmarking survey for specific positions/roles in their organisation (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" noted that compensation benchmarking is largely an informal process in SPOs. In general, SPOs set the compensation of personnel by comparing their salaries with other SPOs working in a similar domain and location. The organisational head and/or HR lead compare salary slabs of their SPO with similar organisations and decide on compensation. However, it is unclear how the information on pays and benefits of similar organisations is obtained and compared to arrive at a competitive salary and benefits for each specific role. Due to a lack of data and funding constraints, compensation decisions often primarily depend on the judgement of the leadership of the SPO. This phenomenon is more common in regional and founder-led organisations (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

Most SPOs across categories face resource constraints to benchmark compensation practices through a proper benchmarking exercise. SPO leaders underscored the need to benchmark compensation across organisational categories and roles (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022).

3.1.3. Compensation benchmarking in the Indian social sector

To address the need for compensation benchmarking in the Indian social sector as part of the study on TM, CSIP and ISDM, with their execution partner KF, initiated an exercise to benchmark compensation in the social sector against GI compensation. GI is defined as the general India market covering the local corporates, Multi National Corporations and other organisations across various industries such as high tech, life sciences, Not-for-Profit organisations, chemicals, and services. KF used a sample of 786 GI organisations for various comparisons with SPOs. This KF GI market database was for the year 2021 (Compensation Benchmarking in Indian SPOs, 2022).

"Compensation Benchmarking in Indian SPOs (2022)" employed a scientific approach to map compensation in 75 SPOs according to the complexity of job roles. Before benchmarking the compensation in SPOs, role diversity and complexity of the leadership (KFHRL 20-25) were studied. The key questions explored in this exercise were:

- **Does the role need to know how to identify and handle the problems ?(know-how)**
- **What is the contribution of the role to the results of the organisation ?(accountability)**
- **What issues the role needs to solve ?(problem-solving)**

Based on these criteria, each job role across SPOs was categorised into different Korn Ferry Hay Reference Levels (KFHRL), through a job mapping exercise. Description of all KF HRLs is given in Annex 2: Level description.

3.1.3.1. Components of pay in SPOs

The study highlighted that, like the general industry, pay in the social sector has four components: basic salary, allowances, benefits, and short-term incentives. Variable pay is absent across all management job roles in the social sector except at the KFHRL 23. Variable pay to the personnel is prevalent in FOs across all KFHRL except at KFHRL 13. The proportion of these different components of compensation is presented in Table 3.

Table 3. Proportion of different components of compensation in SPOs

Component	Proportion of total cost to company (TCTC)
Basic salary	34% - 64%
Allowances	25% - 49%
Benefits	5% - 12%
Variable pay	Only paid by FOs. Range not reported

Source: Compensation Benchmarking in Indian SPOs (2022)

The pay mix of NGOs/SEs is broadly similar to the overall social sector at all levels, except at KFHRL 10, which is dominated by basic salary (96%) and benefits (4%). In the case of FOs, variable pay (short-term incentive) exists across all KFHRLs except at KFHRL 13. The pay mix is heavy on allowances, while the benefits and basic pay are slightly low compared to the overall social sector. ESOs have a similar remuneration mix across all levels except at KFHRL 12. It is observed that the percentage of allowances increases when one moves up the KFHRL. Archetype-wise information on pay mix is given in Annex 4.

3.1.3.2. Positioning of social sector against the GI

"Compensation Benchmarking in Indian SPOs (2022)" also delves deep into how the social sector is positioned against the general industry vis-á-vis compensation. The study revealed that personnel in social sector organisations are paid lower than the GI across all KFHRLs. Social sector organisations have a compa-ratio of 43% at FCTC and 42% at TCTC with the general industry market.

It compares the compensation of a personnel to the midpoint tof the compensation range for their position or similar positions at other organisations. Compa-ratio reveals how far a personnel's pay is from the market midpoint.

For example, the annual compensation of a personnel is INR 20,000 for his/her role, while the median compensation for a similar role in the market is INR 30,000. Here, the compa-ratio will be calculated as (20,000/30,000)*100 = 67%. This implies that the personnel are getting 33% lesser compensation than the median compensation in the market for his/her role.

FCTC (Fixed Cost to Company) is the sum of Basic Salary, Allowances, Benefits and Retirals.
TCTC is the sum of Basic Salary, Allowances, Benefits, Retirals & Variable Payments.

The category of NGOs/SEs' compensation pattern is similar to the overall social sector organisations. The average compa-ratio in NGOs/SEs is 95% at FCTC and 94% at TCTC. Overall compensation for FOs is leading the social sector by a significant margin but is still lower than the GI market. Average compa-ratio in FOs is 175% at FCTC and 185% at TCTC when compared to the social sector. Overall compensation for ESOs is slightly better than the overall social sector, with compensation at a few levels lagging behind the overall social sector market. The average compa-ratio in ESOs is 114% at FCTC and 112% at TCTC.

At FCTC, the median compensation for leadership positions (KFHRL 20 – 23) ranges from INR 29,52,443 – 98,07,000 in SPOs while the median compensation across these levels in GI range from INR 81,44,786 – 1,46,56,174. For senior management which are mapped under KFHRL 18 & 19, the median salary ranges from INR 19,09,950 – 25,18,614 in SPOs and INR 41,20,826 – 57,90,584 in GI.

In middle management mapped across KFHRL 15 – 17, the median compensation ranges from INR 8,00,052 – 14,79,643 in SPOs and INR 14,77,077 – 29,48,300 in GI. The median compensation for the support staff categorised into KFHRL 8 – 14 ranges from INR 63,005 – 4,96,273 for SPOs and INR 2,66,797 – 11,24,655 for GI.

At TCTC, the median compensation for leadership positions (KFHRL 20 – 23) ranges from INR 29,52,443 – 1,17,29,666 in SPOs while the median compensation across these levels in GI range from INR 89,19,400 – 1,61,20,733. For senior management which are mapped under KFHRL 18 & 19, the median salary ranges from INR 20,47,030 – 25,51,817 in SPOs and INR 44,87,499 – 63,57,464 in GI. In middle management mapped across KFHRL 15 – 17, the median compensation ranges from INR 8,05,649 – 15,33,476 in SPOs and INR 15,78,934 – 31,64,647 in GI. The median compensation for the support staff categorised into KFHRL 8 – 14 ranges from INR 63,005 – 5,03,376 for SPOs and INR 2,75,971 – 11,91,016 for GI.

When compared with the overall social sector, personnel in NGOs/SEs are being paid lower than the median compensation in the overall social sector across most KFHRLs. At FCTC, compensation in NGOs/SEs is 5% less compared to the overall social sector. At TCTC, it is 6% less compared to the overall social sector. The median compensation being paid in the social sector and NGOs/SEs at KFHRL 8-10 is the same. However, NGOs/SEs pay higher compensation than overall social sector personnel at KFHRL 22 and 23 levels.

In the case of FOs, compensation is 76% higher at FCTC and 85% at TCTC compared to social sector organisations. Personnel in FOs are paid the highest across all categories of social sector organisations.

ESOs fall in the middle of NGOs/SEs and FOs. Compensation in ESOs is 14% and 12% higher than the overall social sector at FCTC and TCTC, respectively. Under ESOs, personnel at KFHRL 12-15 are paid well above the social sector market median. For KFHRL 16-19, ESOs pay lower compensation to personnel than overall social sector organisations. Archetype-wise positioning of the SPOs is given in Annex 4.

3.1.3.3. Compensation across different functions

As featured in Figure 4, 17 broad functions were identified in SPOs in the study. Functional differential represents how much higher or lower each function in the social sector is paid compared to the overall social sector. The average salaries paid in the social sector in education and project management function are lower than those paid in the overall social sector. For all other functions, the average salaries are higher than what is being paid in the social sector, with program & content development and fundraising displaying the highest pay differential. The compa-ratio for Program & Content Development, and Fundraising with respect to other roles in the social sector is 174% and 138%, respectively.

The average salaries of personnel in the Project Management function (86%) in FOs are 14% lower than the average salaries of personnel in FOs. The average salaries paid in the Education function (pay differential

78% at FCTC) in NGOs & SEs are 22% lower compared to the average salaries paid in NGOs & SEs.

For ESOs, the average salaries of the personnel in the General Management function are 8% higher than the average salaries of personnel in ESOs. In comparison, the average salaries in Finance & Accounting are 6% lower than what is being paid in ESOs. The effect of functional areas on compensation across SPO archetypes is given in Annex 4.

3.1.3.4. Compensation in different regions

All social sector organisations in all regions except West and Central have higher compa-ratio when compared to overall social sector organisations. South and Central region organisations have the same average compa-ratio for both compensation aggregates, 103% at FCTC and 104% at TCTC. In the West region, personnel at KFHRL 8, 11, 12 and 20 are being paid higher compensation, while all the others have a lower compensation as compared to overall social sector organisations. In the North region, personnel at KFHRL 9 to 13 are being paid lower compensation, while personnel at KFHRL 14 to 20 are being paid higher compensation than overall personnel in social sector organisations. In the East region, personnel at levels 9 and 10 are being paid lower compensation while all the others have higher compensation compared to overall social sector organisations.

3.1.3.5. Compensation based on funding size of SPOs

Personnel in organisations with funding sizes (≥INR 75 lakhs to <INR 150 lakhs) and above INR 7500 lakhs are paid lesser compensation than the overall social sector. The average compa-ratio for organisations with funding size above INR 7500 lakhs is 89% at FCTC and 90% at TCTC. This implies that the average salaries paid at FCTC in such organisations are 11% lower than the overall social sector. Organisations with funding size (≥INR 2000 lakhs to <INR 3500 lakhs) are paying the highest compensation amongst all other categories of funding size as compared to the overall social sector. The average compa-ratio for such organisations at FCTC and TCTC is 126%.

3.1.3.6. Compensation based on headcount size

Organisations with different headcount sizes have a different positioning than the overall social sector. Organisations with ≥50 to <75 and above 500 headcount size have a lower average compa-ratio than overall social sector organisations. Organisations with ≥150 to <250 headcount size have the highest average compa-ratio as compared to overall social sector organisations. Except for organisations with ≥50 to <75 and above 500 headcount size, all other headcount-sized organisations have higher pay when compared with overall social sector organisations.

3.1.3.7. Scope of role and compensation

All regions, urban, rural, and combined, are competitive when compared with overall social sector organisations. Personnel with an urban scope of role have an average compa-ratio of 109% at both FCTC and TCTC. This implies that the compensation of personnel with an urban scope of the role is 9% higher at both compensation aggregates. Within this, personnel in NGO Complex Professionally Managed organisations have the highest compa-ratio, 132% at FCTC and 129% at TCTC. Personnel with both rural and urban scope of role have an average compa-ratio of 117% at FCTC and 119% at TCTC. Personnel with a rural scope of role have an average compa-ratio of 102% at FCTC and 101% at TCTC. Their compensation is marginally higher than the overall social sector organisations. Among the archetypes, NGO Complex Adhoc organisations have the highest compensation.

3.1.3.8. Thematic areas and compensation

When comparing the median salaries of organisations across different thematic areas with the overall social sector, organisations with thematic area governance and accountability pay the lowest and organisations with thematic areas concerning welfare, rights and empowerment of people with disabilities pay the highest. Personnel in organisations with thematic areas of Governance & Accountability, Education, Youth Development, Child Rights & Welfare, Gender, and Healthcare are paid less than the overall social sector. The average compa ratio for organisations with thematic area Governance & Accountability is 86% at FCTC and 85% at TCTC. This implies that the average salaries paid at FCTC are 14% lower than what is being paid in the overall social sector. Organisations with the thematic area of Welfare, Rights and Empowerment pay the highest compensation amongst all other categories of thematic areas as compared to the overall social sector, with the average compa ratio at FCTC is 124% and 123% at TCTC.

3.1.3.9. Personnel expectation from compensation package

Seventy-three percent of social sector personnel prefer a fine balance between compensation and benefits offered, while 54% expect average fixed compensation but a better work-life balance. Forty-nine percent prefer higher fixed compensation and fewer benefits; only 23% prefer higher fixed compensation and less social security benefits; a higher proportion of incentives is not preferred by personnel across different types of organisations (Compensation Benchmarking in Indian SPOs, 2022).

Personnel with different tenures have different preferences in terms of compensation. Personnel with 2-5 years tenure prefer high social sector benefits over higher fixed compensation. More than 10 years of tenured personnel prefer a fine balance of compensation and benefits. Consistent preference across age groups in terms of compensation expectations. Personnel over 55 years of age prefer high benefits while the new generation prefers higher fixed compensation. Male personnel prefer/expect higher social security benefits and better work-life balance, while female personnel prefer a higher proportion of fixed compensation.

3.1.3.10. Perception of employees towards compensation

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 79% of the respondents felt that they had a good understanding of compensation policies and practices that affect them; 66% shared that the organisation provides the benefits that meet their needs, and 57% noted that they are satisfied with the benefits being offered in their SPO. Moreover, 51% respondents believed that they are paid fairly for the work they do; 46% reported satisfaction with the pay/total compensation; 38% mentioned that their pay is fair considering the pay of people doing similar work in other organisations, and 25% reported that they get incentive/bonus as per their performance.

Figure 6 shows the perception of SPO personnel towards the compensation in their organisations. Compensation in the overall social sector needs improvement. FOs and ESOs display discontent in this aspect. NGOs/SEs indicate a fairer perception as compared to FOs and ESOs.

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 79% of the respondents noted that they have good understanding of compensation policies and practices that affect them; 66% reported that the organisation provide the benefits that meet their needs; 57% noted that they are satisfied with the benefits being offered in their SPO; 51% believe that they are paid fairly for the work they do; 46% reported satisfaction with the pay/total compensation; 38% mentioned that their pay is fair considering the pay of people doing similar work in other organisations; 25% reported that they get incentive/bonus as per their performance.

Figure 6. Perception of employees towards compensation
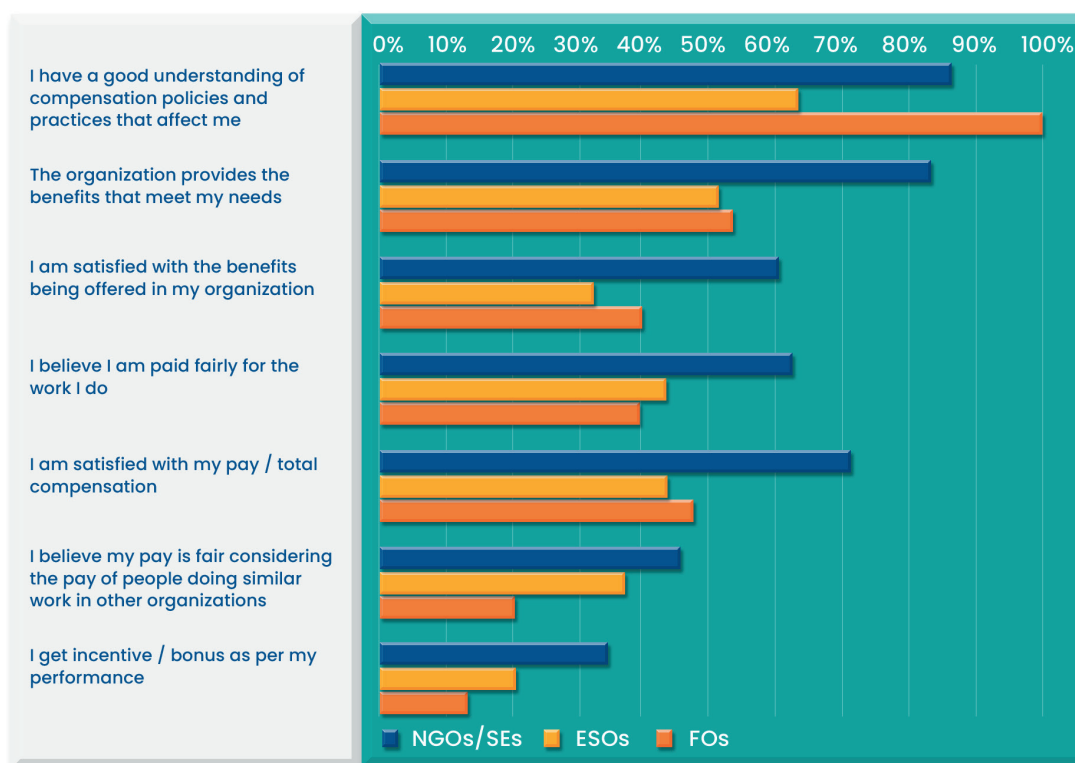
Source: Personnel Perception of Talent Management in the Indian Social Sector (2022)

Figure 7 shows the perception of SPO personnel about the factors affecting compensation increment in their organisation (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

Figure 7. Factors affecting compensation increment in SPOs
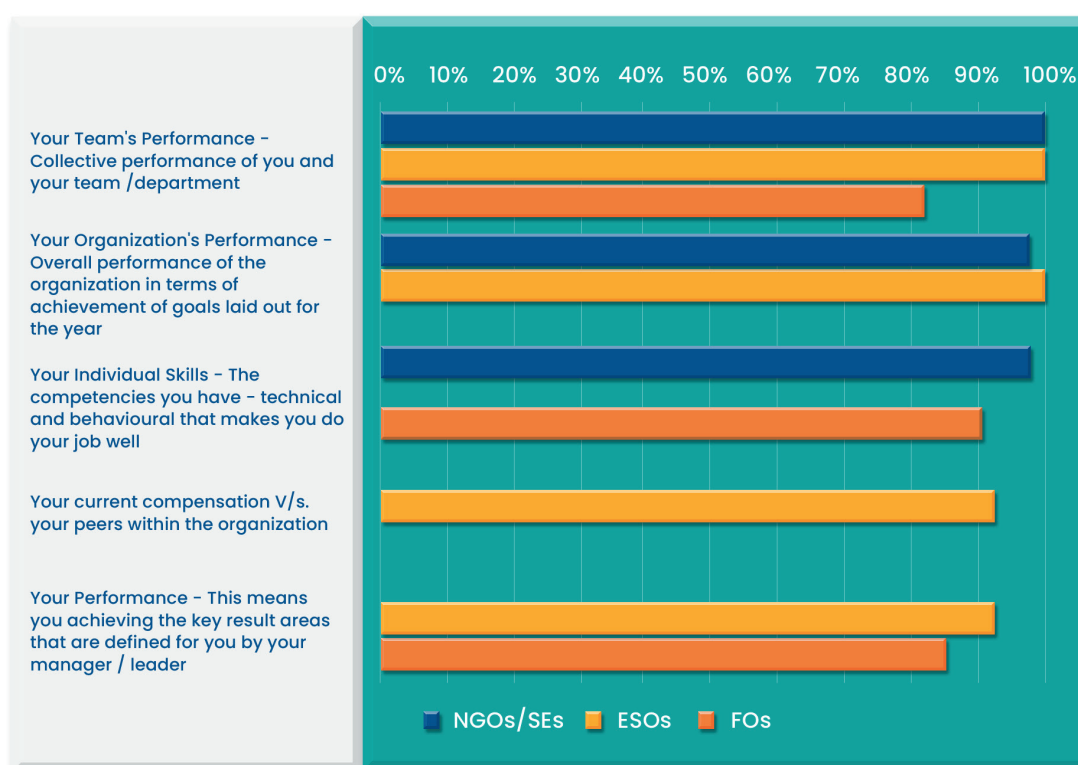
Source: Personnel Perception of Talent Management in the Indian Social Sector (2022)

Team's performance, individual skills and organisational performance are the top three factors influencing compensation increment in the overall social sector. Team's performance is a factor influencing compensation increment across all types of SPOs. Competition with peers is emerging as one of the top factors only in FOs.

In NGOs/SEs and FOs, team performance, organisation performance and individual skills are the top three factors, while in the case of ESOs, individual performance, skills, and team performance are the three most crucial factors. In FOs, organisational performance, team performance and current compensation compared to peer SPOs are three critical elements for compensation increment.

According to the survey, social sector personnel voice a lack of fair compensation, benefits, and recognition when going beyond the regular job, receiving proper feedback from managers and scope of improvement for work, structure & resources in all organisations except South India. Individual skill is a top factor influencing compensation increment in all regions except East India. Team's performance is a top factor in all except South India. Personnel in North India ranks competition with peers also as one of the top factors influencing increment.

Individual skills are a top factor in all locations except Kolkata, and team's performance is a top factor for all locations except "others." Competition with peers is considered one of the top factors in the North India region (Delhi/NCR location).

Individual skills influence compensation increments highly for all tenure groups except for 5 to 10 years. Individual skills are the most important factor influencing compensation increment across age groups. New entrants also consider peer compensation as one of the top factors.

Individual performance, however, is a factor for all age groups except for 25 to 35 years. For males, individual skills and for females, organisation's performance emerges as important factors influencing compensation increment (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

Despite being paid relatively high compensation to NGOs/SEs, personnel in both FOs and ESOs displayed strong discontent towards compensation. Only 40% of employees in FOs and 43% of ESO personnel feel that fair compensation is provided to them, while 53% of employees in FOs and 51% in ESOs feel that the benefits offered meet their needs. Personnel in FOs also feel their bonus/incentives are not aligned with the efforts they put into their work. In ESOs, employees also feel there is poor implementation of organisations' policies and practices. Personnel in these organisations display a lack of intent to stay as they feel disconnected and demotivated (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

In NGOs/SEs and FOs, team performance, organisation performance and individual skills are the top three factors while in case of ESOs individual performance, skills and team's performance are three most crucial factors. In FOs, organisational performance, team performance and current compensation in comparison to peer SPOs are three key elements for compensation increment (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

3.1.3.11. Factors influencing compensation practices in SPOs

"Talent Management in the Social Sector: A Review of Compensation and Motivation (2022)" classified the factors affecting compensation in SPOs into organisational and executive-employee level factors. The organisational level factors include the size of the organisation, governance quality and presence of volunteers. The executive and employee-level elements encompass intrinsic motivation, human capital, and managerial performance.

At the organisational level, compensation levels are positively related to the organisation's performance. Organisation size (measured in terms of income/organisational revenues; the number of employees; total payroll; number of clients; program expenses; and tangible assets) tends to have a strong positive

relationship with monetary and non-monetary compensation (Regional Consultations on Talent Management in the Indian Social Sector, 2022). Compensation varies between small, medium, and large organisations, with the levels and definitions of compensation also differing between organisations. There are also different kinds of compensation levels and benefits across personnel category types in the sector; for instance, different benefits for permanent and temporary personnel recruited in the same organisation. The findings from the regional consultation indicate that while some organisations still find it challenging to define compensation, young people joining the sector often compare their compensation packages and benefits with peers in the corporate sector.

Low quality of governance may result in higher executive pay but lower employee pays (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022). If the organisation's board members are paid well, it motivates them to be more transparent and accountable to the organisation. On the other hand, if the executives or the organisation's CEO are paid in excess, it might lead to inefficient use of power, influence, and reduction in their efforts to uplift the organisation leading to a decline in the organisation's performance.

The presence of volunteers may negatively influence the compensation levels set for the organisation's employees (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022). In the presence of volunteers, SPOs pay relatively lesser salaries to their employees. Volunteers act as buffers if the paid employees leave the organisation, reducing the cost of turnovers. Also, volunteers lessen the need for an organisation to pay their employees efficiency wages, i.e.: the wage level at which no shirking happens. These wages are higher than competitive wages and affect the motivation and productivity of employees. Lastly, volunteers' presence reduces employees' bargaining power as the volunteers act as substitutes, influencing the organisation's wage-setting process.

Compensation positively correlates with the employees' organisational commitment at the executive-employee level. "Talent Management in the Social Sector: A Review of Compensation and Motivation (2022)" found that executive-employee level factors like intrinsic motivation have a negative relation to the compensation levels of an organisation's staff. Intrinsic motivation implies that an individual is focused on the task or its outcomes and not so much on the financial incentives and other rewards. The willingness to provide services for lower wages than what exists in the sector negatively affects the compensation level as intrinsically motivated individuals might accept lower wages for their efforts.

Also, the literature suggests a positive relationship between education, experience (tenure in office), and the salary of the executive staff. Hence this is an essential factor in determining compensation levels. Managerial performance has a positive relation with compensation. The two measures of managerial performance used by organisations are fundraising and cost-effectiveness, especially when deciding the CEO's compensation level. Indirect factors, such as organisational commitment, positively affect compensation as it displays organisations' concern towards the employees' well-being.

Furthermore, government regulations significantly affect the benefits extended by SPOs to their employees. Regulations affect both the nature of employee engagement (like a contractual employee or a full-time employee) and the benefits they receive from the organisation (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

Besides funding constraints, variability in compensation practices across SPOs is influenced by the organisational definition of key personnel and the organisation's size. Organisational definition of key personnel constitutes uniqueness in expertise, availability of the talent segment in the ecosystem, market competition and size of the organisation.

Availability of funds is the most critical factor that influences compensation practices across SPOs, followed by the pay practices of peer organisations. A similar trend is seen across ESOs and NGOs/SEs. In FOs, compensation levels within peer organisations influence compensation practices as a key factor. "Regional Consultations on Talent Management in the Indian Social Sector (2022)" reported that, except for the northern region of India, the availability of funds is the major factor influencing compensation practices in SPOs across all regions.

Comparative earnings for the same professional profile in different sectors also affect compensation. For example: organisations in the public health domain often engage doctors and therapists as part of their organisational talent pool. Compensation practices for the same profession in the private sector pose a challenge for such non-profits, and organisations are often pushed to revisit their compensation practice. (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

The organisation's existing compensation framework and the expectations of recruits, especially if they belong to talent segments critical to the organisation's success, also lead to organisations reconsidering their compensation. For example: tech-heavy SPOs, generally ESOs, who compete for tech talent with the for-profit industry have to revisit their compensation (Talent Management Practices in the Indian Social Sector, 2022).

Value propositions that the personnel bring to the organisation. Organisations shared specific instances wherein they have had to revisit/go beyond their standard practice on compensation. Most often, such anomalies have led to a reflective exercise involving restructuring the overall compensation practice of the organisation to maintain parity and equity, but lower employee pays (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022).

3.2. Benefits in SPOs

SPOs offer various benefits to their full-time and contractual employees (Benchmarking of Employee Benefits in the Indian Social Sector, 2022). The most prevalent benefits in the social sector are insurance, flexibility in working arrangements, leaves, and training for development. The bottom five benefits are joining bonus, late retirement, child day care, wellness, and car allowance.

Insurance, paid leaves, flexible work timings, and the work-from-home option is prevalent across different types of SPOs. Training for development is one of the most prevalent benefits everywhere except ESOs. Hospitalisation leave is one of the most prevalent benefits in ESOs only.

NGOs/SEs give high preference to hospitalisation leave, insurance, emergency and paid leaves and prefer a fine balance between compensation and benefits and high incentives over fixed compensation. Personnel in FOs prefer high social security benefits like insurance, retirals, and high fixed compensation and lesser benefits. In ESOs, personnel give high preference to high fixed compensation. They place social security benefits, high incentives, or better work-life balance lower than high fixed compensation (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

Insurance trends in the sector

Of all the different types of insurance benefits, health insurance is more prevalent in the overall social sector and category of SPOs, while disability benefits are less common. Of the 59 SPO who participated in the benefits survey, 81% of organisations provide health insurance. Personal accident insurance, life insurance, long-term disability and short-term disability benefits are provided by 59%, 19%, 14%, and 12% of the SPOs, respectively.

Eighty one percent of NGOs/SEs provide health insurance to their employees. Personal accident insurance is provided by 63%, life insurance by 17%, long-term disability benefits by 15% and short-term disability benefits by 25% of the NGOs/SEs. The latter is considerably high when compared to the overall social sector which is at 12%.

Eighty six percent of the ESOs provide health insurance to their employees. Personal accident insurance is provided by 43%, and life insurance by 29% of the organisations in the ESO category. No organisation in the sample reported providing long-term or short-term disability benefits in the ESO category.

Seventy five percent of the FOs provide health insurance to their employees. Personal accident insurance is provided by 50%, life insurance by 25%, long-term disability benefits by 25% and short-term disability benefits by 13% of the FOs.

The majority of the SPOs provide insurance benefits across all employee groups. Personnel in a leadership position and junior support staff level are covered under insurance benefits by all the NGOs/SEs. However, 86% of the NGOs/SEs provide insurance benefits to their middle and senior management employees.

All the ESOs provide insurance benefits to their staff in the middle management; 98% ESOs offer insurance benefits to senior management and junior support staff, while 90% give these benefits to the leadership.

Fifty five percent of the SPOs cover contractual employees under the insurance benefit plan; 59% of the NGOs/SEs cover contractual employees, whereas 43% of the ESOs cover contractual employees under insurance benefits.

Archetype wise provision of insurance benefits is depicted in Figure 8.

3.2.1. Life insurance

The maximum value of coverage amount provided under life insurance benefits varies by employee group and ranges from INR 30,00,000 to INR 10,000,000. The premium amounts observed under life insurance benefits are subjected to employee headcount in the organisation.

Under life insurance policy, overall, 88% of the organisations cover only personnel across all employee groups in the social sector. For middle management employees, 14% of the organisations cover personnel and spouses. Around 15% of the organisations cover personnel, spouse, children and parents for senior management and leadership employees, respectively.

Figure 8. Insurance benefits provided by SPO archetypes
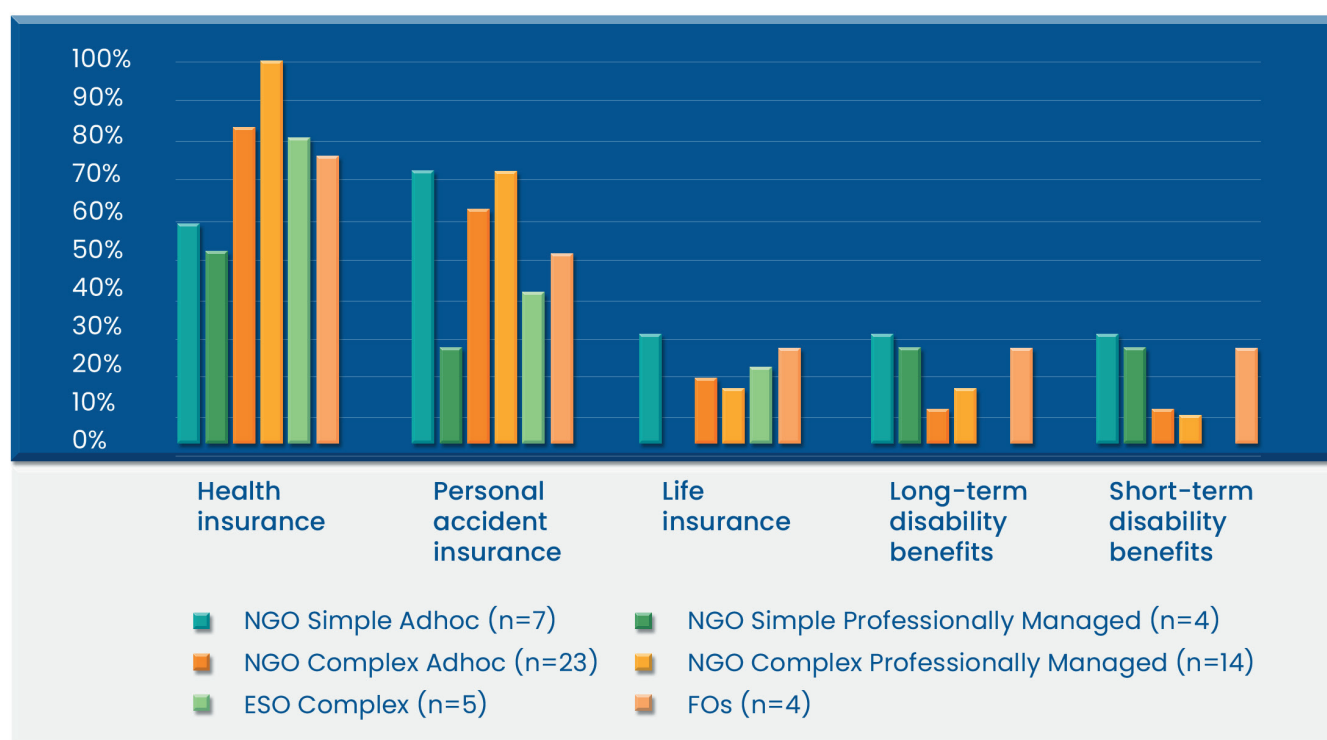
Source: Benchmarking of Employee Benefits in the Indian Social Sector (2022

3.2.2. Personal accident insurance benefits

The median coverage amount provided under personal accident insurance benefit varies slightly by employee group and ranges from INR 4,50,000 to INR 5,00,000 in the social sector. The premium amount values observed under personal accident Insurance benefits are subject to employee headcount in the organisation due to Group Insurance Policy.

Overall, 59% of organisations offer personal accident insurance to their employees, wherein 63% of NGOs, 50% of FOs and 43% of ESO reported providing this benefit to their employees.

Under the life insurance policy, overall, 88% of the organisations only cover personnel across all social sector employee groups. For middle management employees, 14% of the organisations cover personnel and spouses. Around 15% of the organisations cover personnel, spouse, children and parents for senior management and leadership employees, respectively.

In the social sector, under personal accident insurance policy, 88% of the organisations cover only personnel across all employee groups. For middle management employees, while 8% of the organisations cover personnel, spouse, children and parents, 4% of the organisations cover only personnel and spouses. Around 14% of the organisations include personnel, spouse, children and parents for senior management and leadership, respectively.

3.2.3. Health insurance benefits

The median coverage amount provided under health insurance benefits is INR 300,000 across all employee groups in the social sector. The premium amount values observed under health insurance benefits are subjected to employee headcount in the organisation.

In the overall social sector, 39% of the organisations cover only personnel across all employee groups; 32% of the organisations cover personnel, spouse and children across all employee groups; 24% of the organisations cover personnel, spouse, children and parents, while 5% of the organisations cover only personnel and spouse under Health Insurance policy. SPOs do not differentiate personnel or dependents covered in the insurance policy based on the employee groups.

Around 37% of NGOs/SEs cover only personnel; followed by 1/3rd of organisations covering personnel, spouse and children; 24% of the organisations covering personnel, spouse, children and parents; and only 6% of the organisations covering personnel and spouse. Around 50% of NGO Complex Ad hoc SPOs cover only personnel under health insurance policy across all employee groups. Forty-six percent of NGO Complex Professionally Managed SPOs cover personnel, spouses and children, followed by 31% of the SPOs covering only personnel under the health insurance policy. Under ESOs, 50% of the organisations cover only personnel, 25% of the organisations cover personnel, spouse and children and the remaining 25% cover personnel, spouse, children and parents.

In addition, four SPOs are found to provide an insurance benefit for long-term and short-term disability to only personnel. Forty-three SPOs are found to provide fully sponsored insurance benefits. SPOs include maternity hospitalisation cover in the health insurance plan. However, most SPOs do not have a cashing out option for personnel (personnel take the amount as part of compensation).

3.2.4. Healthcare benefits

Healthcare benefits cover medical check-ups/health screening, Employee Assistance Programs (EAP), and other wellness initiatives or programs focused on improving employees' health, also known as well-being and health management programs.

Thirty-seven per cent of the SPOs provide healthcare benefits to full-time personnel in the social sector. At a category level, 40% NGOs/SEs, 14% ESOs and 50% FOs provide the same benefits. Half of the organisations

cover contractual/part-time personnel under healthcare benefits in the social sector. At an archetype level, 63% of NGO Complex organisations and 50% of NGO Complex Professionally Managed SPOs cover contractual/part-time personnel under healthcare benefits.

Healthcare benefits are provided by a majority of the SPOs across all employee groups in the social sector. However, a few organisations do not offer these benefits at the support staff/junior level. At an archetype level, All NGO Complex Ad hoc SPOs provide healthcare benefits at all levels; 17% of the NGO Complex Professionally Managed SPOs do not provide healthcare benefits at the support staff/junior level.

Healthcare benefits in the social sector can vary based on the age criteria for only 20% of the organisations. About 25% of NGO Complex Ad hoc SPOs and 17% of NGO Complex Professionally Managed SPOs maintain variation in healthcare benefits based on age criteria.

In addition, 65% of organisations organise wellness initiatives. Some organisations have telemedicine centres which support employees and beneficiaries on wellness camps and other initiatives taken from time to time. Few offer trainings to staff on wellness and mental health. During the COVID-19 pandemic, some SPOs offered staff one-to-one sessions with a private coach.

3.2.5. Retirement benefits

Only 25% of the SPOs offer retirement benefits (over and above mandated by the government). Provident fund (PF) is provided to the full-time personnel by 87% of the SPOs; 93% of the SPOs provide gratuity, and only 20% of the organisations offer superannuation.

Retirement benefits are provided by 23% of the NGOs/SEs, 29% of the ESOs and 50% of the FOs. NGO Simple Ad hoc and NGO Simple Professionally Managed organisations have the lowest proportion of organisations offering retirement benefits (beyond what is mandated by the government).

All organisations in the social sector provide retirement benefits to full-time personnel. Only 27% of the SPOs offer retirement benefits to contractual personnel, and only 13% of organisations provide it to part-time personnel. Across the social sector, retirement benefits are provided to full–time personnel, with only a few organisations offering it to part-time and contractual personnel.

Eighteen per cent of SPOs have an upper limit on compensation for contribution to the provident fund. one out of eight (12%) NGOs & SEs have an upper limit on compensation for contribution to the PF.

To maintain an upper limit on compensation, organisations keep the basic amount constant and adjust the increment in allowances. Hence the contribution of the provident fund remains the same.

In the case of gratuity, 91% SPOs have an upper limit for the amount of gratuity benefit as per the payment of the Gratuity Act. Furthermore, 73% SPOs have an internal provision for gratuity, while 70% of NGOs/SEs have an internal provision for gratuity.

Moreover, 80% of organisations provide pensions as a retirement benefit. Thirteen SPOs consider 60 years as the median retirement age in their organisation. Also, 37.5% of the organisations plan to retain superannuation in their existing salary structure.

Superannuation is a kind of fund received by an employee at the time of retirement as pension benefit from the employer. The employer contributes a fixed amount of fund based on the salary, age and other factors. After retirement, this amount can be withdrawn by the employee and he or she can reap the benefits of it as a monthly pension. It is a voluntary contribution as a retirement benefit.

3.2.6. Leave policy - full-time personnel

Nearly all (98%) SPOs have a formal leave policy. Of the 59 SPOs, all NGO/SEs; 6 out of 7 ESOs and all FOs have a formal leave policy. Furthermore, 4 out of 5 ESO Complex organisations have a formal leave policy.

3.2.7.1. Types of leave

Organisations reported various categories of leaves like annual paid leave, maternity leave, paternity leave, casual leave, hospitalisation leave, sick leave, emergency leave, miscarriage leave, adoption, bereavement, public holidays, COVID-19 leave, and festive leave. For all types of leaves, the social sector is either at par or ahead of the trends in general industry.

3.2.7.1.1. Paid leave

Typical paid leave includes maternity leave, annual paid leave, paternity leave, casual leave, hospitalisation leave, sick leave, and emergency leave. The three most prevalent types of leaves in the social sector are maternity leave (100%), paternity leave (72%) and annual paid leaves (70%). The same pattern exists across NGO Complex Ad hoc, NGO Complex Professionally Managed, NGO Simple Ad hoc and NGO Simple Professionally Managed archetypes. The least prevalent leave across the social sector is hospitalisation leave (19%). The same pattern exists across the NGOs/SEs archetypes.

Nine percent of the organisations have variation in the number of leaves provided based on the years of experience in the organisation or internal grades. For example: based on the working days by personnel, the leaves are prorated, and the number of casual leaves during the probation period is lesser as compared to the confirmed employees.

There is also a provision for carrying forward leaves in 4% of the SPOs. Of these, 17% are ESOs, and 42% are NGOs/SEs. Moreover, 12 days is the median value for annual paid leaves that can be carried forward. While most organisations allow carrying forward only annual paid leaves to the subsequent year, five organisations also allow carrying forward sick and casual leaves.

Also, 40% SPOs have a provision for encashment of annual leaves. Sixty-seven percent ESOs and 73% of NGOs/SEs have the same provision. The median value for leaves that can be encashed in SPOs is 30 days. Furthermore, 56% of the SPOs provide encashment at the end of service, while 23% provide it at the end of the year. For both NGO Complex Ad hoc and NGO Complex Professionally Managed SPOs, the most prevalent time of encashment of leaves was at the end of service, followed by the at the end of the year and after a fixed duration. NGO Complex Ad hoc organisations do not provide leave encashment based on employee discretion. Nearly half of SPOs provide encashment on basic salary, while 12% of the organisations offer it on fixed annual cash. The most prevalent component of pay on which encashment is based is basic salary, with 21% NGO Complex Ad hoc organisations providing encashment on fixed annual cash.

3.2.7.1.2. Unpaid leaves

The three most prevalent types of unpaid leaves are emergency leave (53%), sick leave (50%) and hospitalisation leave (47%). The maximum duration (in days) for the unpaid leaves is maternity leave (30 days) and emergency leave (15 days).

3.2.7. Leave policy - contractual personnel

Regarding the contractual/part-time workforce, 46% of SPOs have a formal leave policy. At a category level, 48% of NGOs/SEs, 29% of ESOs and half of the FOs have a formal leave policy for the contractual/part-time workforce. Moreover, 43% of the NGO Complex Ad hoc SPOs have a formal leave policy for the part-time/contractual workforce.

For contractual employees, the three most prevalent paid leaves are sick leave (63%), maternity leave (59%), and annual paid leave (56%). Similar prevalence has been observed across archetypes as well. The least prevalent leave is hospitalisation leave. The maximum number of paid leaves is given under maternity leave, followed by annual paid leaves and casual leaves. The three most prevalent types of unpaid leaves are sick leave, casual leave, and hospitalisation leave.

Like full-time personnel, the social sector is well positioned for contractual personnel as well. Annual leaves are at par with the general industry, while sick, casual, maternity, and paternity leave are above the general industry.

3.2.8. Maternity benefit

The median value for leaves provided in case of miscarriage is 30 days. Of a total of 182 days of leave for maternity, 41 days is the median value for leaves provided pre-delivery, and 141 days is the median value for leaves provided post-delivery.

Some organisations do not have a day-care facility in-house but offer reimbursement (up to a certain sum) for an external day-care as and when required. Overall, 60% of the organisations have a provision for compensatory/compassionate leave. At a category level, 60% of NGOs/SEs, 82% of ESOs and 25% of FOs have a provision for compensatory/compassionate leave.

Maternity benefits are capped to a limited number of childbirths in 45% of the SPOs. At a category level, 51% of NGOs/SEs, 17% of ESOs, and 25% of FOs provide maternity benefits for a limited number of childbirths.

There is a competitive alignment of the leave policy with the general industry. Annual, sick and maternity leaves are at par with the general industry, whereas casual, paternity, and bereavement leave are above the general industry.

3.2.9. Night shift allowance

When a person is scheduled to work during the night (e.g., from 10 p.m. to 8 a.m.), it is considered the night shift. The social sector follows the same trend as the GI for night shift allowance. Three of the four SPOs that provide a night shift allowance are NGOs/SEs.

3.2.10. Remote working

It is an arrangement with the employer that allows the employee to work remotely from a location other than a traditional office environment. Of the 59 SPOs, 49 allow remote working/work from home (WFH). All organisations from Simple Professionally managed NGOs allow remote working/WFH for their employees. Across categories, 81% of NGOs/SEs, 100% of ESOs and 75% of FOs provide WFH.

Of the 49 SPOs that allow remote working, only 39 organisations provide additional benefits to facilitate WFH. All ESOs provide benefits to facilitate work from home. Only a few SPOs do not provide any additional benefits to facilitate remote working. Laptops and Internet/broadband are among the most prevalent benefits provided by SPOs to facilitate remote working. None of the NGO Simple Ad hoc or NGO Complex Ad hoc SPOs provides office/ desk set-up for remote working.

3.2.11. Hardship allowance

This is the extra amount paid to employees for working in challenging conditions and circumstances. Of the 59 SPOs, only six provide hardship allowance to their employees. All these six SPOs are NGOs/SEs. All six organisations provide hardship allowance to their support staff/junior management employees and belong to the NGOs and SEs category.

Organisations identified remoteness of the location (67%) and nature of the job (50%) as the most common criteria for issuing hardship allowances. One-third of organisations provide schooling and housing allowance to the personnel working in difficult locations.

3.2.12. Children education allowance/Children day-care centre

Only seven SPOs are found to have provision for children/day-care allowance, where six are NGOs/SEs. Furthermore, 67% of the organisations have kept a cap of INR 100/month per child as an allowance. The

number of children covered under the plan is 2. A one-third SPOs have hostel fees included in the plan.

Moreover, 43% of the organisations provide playing area facilities and 29% provide caretaker facilities for children. Of the seven organisations that have responded, six are NGOs or SEs.

3.2.13. Transport assistance

This is a term used to describe the support organisations provide to assist employees in travelling for work-related activities. More than half of NGOs/SEs (54%) provide transportation allowance to their employees. A significantly higher prevalence of transport assistance is seen for NGO Complex Ad hoc and NGO Simple Ad hoc.

Transport assistance includes reimbursements for office/client visits, monthly travel expense reimbursement policy, and rental cab/taxis. Overall, 70% SPOs provide reimbursement for public transport. All NGO Simple Ad hoc SPOs provide reimbursement for public transportation. Nearly 50% of the NGO Complex Ad hoc organisations provide reimbursement for public transport.

There is an equal split between organisations, with one plan for employees at all levels and organisations with multiple plans for different levels. Of the 26 organisations that have responded, 22 are from the NGOs & SEs category. There is an equal split between NGO Complex Ad hoc organisations, with only one plan for employees at all levels and organisations with multiple plans for different levels. Sixty per cent of the NGO Simple Ad hoc organisations have one plan designed for employees at all levels.

Ten SPOs provide transportation reimbursement based on every kilometre travelled by their employees. The median value of INR 10 per kilometre travelled is reimbursed for employees travelling for business purposes. There is an equal split between NGO Complex Ad hoc organisations that provide reimbursement based on distance from work and per km travelled. Only 20% of the NGO Simple Ad hoc organisations provide reimbursement based on distance from work.

3.2.14. Canteen/Meal subsidy

This includes providing a canteen facility on the office premises or meals to the employees at subsidised rates. Only 11 organisations provide a canteen/meal subsidy to their employees. ESOs have the highest proportion of organisations that offer a canteen/meal subsidy benefit to the personnel. No FOs provide a canteen/meal subsidy. NGO Simple Ad hoc and NGO Simple Professionally Managed organisations do not offer canteen/meal subsidies.

3.2.15. Mobile allowance

This includes a monthly fixed amount or reimbursement against phone calls made for official purposes. Nearly two-thirds SPOs provide their employees with a mobile allowance. The majority of the SPOs providing a mobile allowance are NGOs/SEs. All NGO Simple Ad hoc SPOs provide mobile allowance to their personnel. The median for reimbursement of bills on a monthly basis is INR 650.

Reimbursement for telephone assistance is provided by 71% SPOs. The majority of organisations across all archetypes provide telecommunication assistance as reimbursement.

Of the six SPOs that provide the cashing out option in case of mobile allowance, five are NGOs/SEs: wherein three are from the NGO Simple Ad hoc archetype. Nearly half of the social sector organisations provide a telecommunication assistance facility as reimbursement, a standard amount across all employee groups. Most NGO Simple Ad hoc organisations choose a standard reimbursement model for providing telecommunication assistance. In contrast, half of the NGO Complex Ad hoc organisation provides telecommunication assistance based on the grade of personnel.

The mobile service provided to the person by the organisation includes STD and local and international

dialling. STD & local services are part of the mobile allowance plan offered by 62% of the SPOs.

3.2.16. Personnel expectations on benefits

Social sector personnel give high importance to insurance, leaves and training for development. In contrast, benefits like joining bonus, marriage leave, meals, child day care and hardship allowance are given low importance. Car allowance, education assistance, bereavement leave, financial counselling and late retirement are medium important. Low-importance benefits include joining bonuses, marriage leave, meals at work, and child day-care, when comparing the median salaries of organisations across different thematic areas with the overall social sector, and hardship allowance.

Personnel of different age groups have recorded inconsistent experiences: the new generation experiences the workplace differently and has high expectations.

Personnel across different regions prefer different benefits. Insurance is one of the top benefits, preferred in all regions, except for West India, which also categorises transportation as one of the top benefits. South and East India prefer similar benefits.

Personnel across different locations have a difference in preferences of benefits offered to them. All locations give bereavement leaves and meals at work high importance, except for Kolkata. Education assistance is important for all locations except in Bengaluru and Kolkata. Bengaluru values sabbatical and marriage leave more, which is not of high importance in other locations.

Delhi NCR personnel do not give much preference to work-life balance: they instead prefer higher fixed compensation. Personnel in Maharashtra and other locations prefer work-life balance and can let go of social security benefits in exchange for a higher fixed compensation.

Personnel with more than five years of experience in their organisation prefer training for development, and personnel with over two years of experience give preference to benefits like paternity leave and child day care.

Training for development is a preferred benefit across all age groups, except those that were between 45-54-year age group. Insurance is an important benefit for all age groups except for those less than 25 years of age. They instead give more importance to flexible work timing, commuting support, among others. Emergency leave was a preferred benefit across all age groups.

Emergency leaves, insurance and paid leaves of all types are significant benefits for both gender groups. Females prioritised training for development and hospitalisation leaves, while males prioritised hardship allowance and flexible work timings.

3.2.17. Factors affecting bonus increment

Team, individual and organisation performances are the top three factors influencing bonus payment in the social sector. Bonus is a component of compensation which does not have a high prevalence in the social sector. Bonus is not a prevalent component of pay/compensation in the social sector. Individual skills and team performance are the top three factors influencing bonus payments.

While ranking the top five factors influencing bonus, 70% of NGOs/SEs ranked individual skills at the top, while 50% ranked individual and organisation performance as leading factors. Sixty percent of ESOs ranked individual skills and performance at the top. The other three factors were organisational performance, employee's current compensation versus peers in similar organisations, and team performance.

South India and East India personnel identified common top factors influencing bonuses. Personnel getting a bonus are fewer in social sector organisations. Maximum personnel across regions prefer a fine balance between fixed compensation and benefits. Any region does not prefer high incentives, but it is slightly higher for West India compared to different regions and the overall social sector.

In the case of tenure, 2 to 10 years of tenured personnel rank individual, team and organisation performance as top factors influencing bonus payments. Individual and team performance emerges as the top common factors influencing bonuses among personnel aged between 25 to 45 years of age. Organisation's performance is one of the top factors across genders that influence bonus payments.

Chapter 4: Talent management lifecycle

4. TM lifecycle

The TM lifecycle in SPOs typically has five stages: talent attraction and recruitment; talent induction and integrating; L&D; performance appraisal; and talent transition and succession planning (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). This section elaborates on these five major elements of the TM lifecycle.

4.1. Talent attraction and recruitment

Talent attraction and recruitment is the first step in identifying, screening, and selecting talent for a particular job role in the SPOs (Brunt, 2016; Talent Management Practices in the Indian Social Sector, 2022). Organisational performance is affected by talent recruitment and attraction (Brunt, 2016). "Talent Management Practices in the Indian Social Sector (2022)" reported that when SPOs do not find the right candidate, they prefer not to hire, worrying that a wrong hire might negatively affect the organisation.

Effective recruitment strategies bring the right candidate on board so that the effectiveness and performance of the SPO are enhanced (Lepak & Snell, 1999). As seen in the earlier sections, SPOs look out for a gamut of factors in their talent with respect to their competencies and skills. Personality traits and social sensitivities are considered top priorities rather than technical skills. However, mapping these unobservable skills is difficult (Talent Management Practices in the Indian Social Sector, 2022).

4.1.1. Talent attraction

Organisations adopt multiple strategies to attract and mobilise talent pools, including referrals/word of mouth, recruitment from academic institutions, and targeted advertisements using multiple online (e.g., social media) and offline platforms (e.g., newspaper advertising). Other avenues include HR consultants, mobilisation of volunteer pools through exposure and engagement with the cause (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022; Job Roles in the Social Sector: A Systematic Literature Review, 2022).

ESOs and FOs use referrals to attract new talent. Word of mouth and referrals are the most common ways to recruit talent for middle and senior management roles. Referrals are sought from leaders in a network of organisations or directly from the employees working in these organisations. A significant challenge in talent recruitment for most SPOs is immediately hiring a replacement, especially at the middle and senior management levels. Generally, for quick replacements, CEOs rely on their professional network to attract and hire candidates with specific experience, competencies and skills that can quickly adapt to their new role. Social media use for attracting talent is also quite prevalent in all SPOs. Online job portals like Naukri.com are also frequently used to lure the organisation's talent (Talent Management Practices in the Indian Social Sector, 2022). FOs mentioned that they have received applications and been able to recruit suitable candidates by leveraging their network and using personal social media by senior management (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

Many SPOs seek help from HR consultants for recruitment and framing HR structures and processes (Talent Management Practices in the Indian Social Sector, 2022). However, SPOs have mixed experience in recruiting talent with the help of HR consultants. "Regional Consultation on Talent Management in the Indian Social Sector (2022)" reported that recruitment agencies aren't always effective for SPOs. The study added that these agencies successfully meet recruitment requirements for junior positions. However, senior positions are mostly filled through recommendations and individual connections of other senior leaders in the organisations. Besides, most agencies require an exclusive recruitment contract from the SPOs. The most critical requirement in the recruitment processes is not merely the competency or skills of the individual but

their purpose/reason/motivation to work in the sector. Often, such contextual information is missing in the profiles of potential candidates shared by recruitment agencies (Regional Consultation on Talent Management in the Indian Social Sector, 2022). Organisations mentioned that most recruitment agencies generally serve the corporates well but may not be aligned with the expectations of SPOs. Recruitment agencies prioritise technical aspects over traits like mission orientation or engagement with universal human values, which are of high value to SPOs (Talent Management Practices in the Indian Social Sector, 2022).

A few organisations also mentioned that engagement through exposure and volunteering remains one of the most successful strategies for recruitment, allowing organisations and potential candidates to experience integration as a part of the recruitment process. Such recruitment strategies substantially positively impacted retention and talent transition experiences for organisations (Regional Consultations on Talent Management in the Indian Social Sector, 2022). Furthermore, an encouraging and appreciative style of leadership and opportunities to learn continue to appeal to social sector professionals who have worked earlier with the organisation (Talent Management Practices in the Indian Social Sector, 2022).

4.1.2. Talent recruitment

Recruitment planning happens with the annual plan, especially in an organisation with large, dispersed teams. The talent gaps are identified, and jobs are advertised internally to recruit within the organisation. External recruitment happens when SPOs cannot find talent within the organisation for the available position or receive new funding to hire new/more talent.

To ensure that people with the "right skills" are identified and recruited, SPOs start with preparing and advertising an appropriate job description (JD) for a particular job role. A few SPOs have ready-made JDs for standardised job roles in their HR handbook.

The candidates are selected for an interview from a pool of applicants/referrals. Once shortlisted after the interview, a final interview is scheduled with the organisational head.

Talent attraction and recruitment practices vary from one organisation to another. Each has its own core set of values and talent requirements which, coupled with the geographical spread and size of the organisation, influence the recruitment process (Talent Management Practices in the Indian Social Sector, 2022). For example, one of the NGOs/SEs reported following a rare practice, "Know Each Other", to hire a potential candidate.

A newly recruited individual is also kept on probation. A typical probation period is three months in SPOs, during which the recruit is inducted into the organisation, and their performance is assessed before confirming the position.

"Know Each Other"

A pioneering NGO/SE developed the process called "Know Each Other" where a potential recruit is invited to the office after an interview and be a part of the organisation's work. The candidates work like a regular employee and do their assignments, interview and meet other employees. The candidate can see the organisation's work and culture. While doing this, they understand the organisation and explore if they want to work with them. At the same time, the organisation also ensures that the candidate attends team meetings. At the end, while the person has gained a good idea about the organisation, they also get a good sense of the recruit.

Talent Management and Drivers of Talent Motivation in the Indian Social Sector (2022)

4.1.3. Factors affecting talent attraction and recruitment

The key factors considered in the recruitment of talent for SPOs are elaborated on as follows:

- Experience is preferred over qualification:

"Job Roles in the Social Sector: A Systematic Literature Review (2022)" noted that the type and length of experience affects social sector workers' decision-making, motivations, expectations, and actions. The study added that some organisations consider the number of years of employees' experience as a reflection of substantial specialisation in a particular area, while others relate the experience to talent motivation and actions. Moreover, experience in the sector is essential to reaching CEO positions in SPOs. Experience in the social sector is deemed significant as NGO managers consider the long experience in the field necessary for developing core competencies in the field. The individual experience of managers is connected positively to their performance. Experience in practical implementation, financial management, personnel and consultant management are deemed necessary for the team lead position. Of the 735 SPO personnel who responded to the motivation survey, 82% had at least three or more years of experience in the social sector (Talent Management Practices in the Indian Social Sector, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" reported that NGOs/SEs give weightage to field experience over formal social sector education while recruiting for field-level positions. Moreover, working with communities enables people in SPOs to empathise and appreciate the challenges that the sector is committed to addressing (Regional Consultations on Talent Management in the Indian Social Sector, 2022). Particularly for the field staff, organisations prefer talent with education until 12th standard, but having relevant experience. This strategy allows the organisation to retain employees for longer. "Job Roles in the Social Sector: A Systematic Literature Review (2022)" also reported that direct services staff has relatively lower education.

Education is given more consideration, mainly for managerial roles (Talent Management Practices in the Indian Social Sector, 2022). "Job Roles in the Social Sector: A Systematic Literature Review (2022)" noted that the majority of ED (91%) and chairpersons (90%) had degrees in higher education. The study added that "non-profit workers are much more highly educated than workers in any of the other sectors." Of the 735 SPO personnel who responded to the motivation survey, 78% either had an undergraduate degree or more. "Regional Consultations on Talent Management in the Indian Social Sector (2022)" noted that talent with a deeper understanding and knowledge of the cultural contexts of key stakeholders is best suited for external engagement, be it with communities, partners, funders, or collaborators. In the context of NGOs and SEs that work directly with communities, knowledge of the region and the language are considered additional

advantages for recruiting regional, community and local teams.

• DEI in recruitment:

One NGO/SE has connected ethical tenets to its recruitment process like DEI, where everyone is given equal opportunity for a role. They were asked not to mention their surname and alma mater in the application to avoid elements of bias such as caste, which could influence decisions. Conflict of interest in recruitment is avoided by getting a full disclosure by the candidates on their acquaintances in the organisation. Also, gender inclusion is given due consideration while bringing talent on board. Though SPOs are concerned about DEI, they do not compromise on the quality of talent and follow a stringent screening mechanism to get the best fit for the job (Talent Management Practices in the Indian Social Sector, 2022).

• Suitability for the position and role in terms of core skills and competencies:

Organisations want the right people, for the right role, at the right time. A carefully considered employer brand and personnel value proposition are essential to attracting quality talent. In some cases, potential talent pools are incentivised with unique opportunities for further learning and specialisation at the time of recruitment: enabling a long term, systemic perspective on nurturing and finding the appropriate talent in the sector (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

• Cultural fitment and purpose alignment:

Cultural fitment and purpose alignment are primary recruitment requirements. Organisations elaborated on the need to invest in extended recruitment processes to ensure cultural fitment and purpose alignment with incoming talent (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

• Brand value:

The brand value of an organisation affects talent motivation to work for an organisation. Therefore, not having a good brand value poses challenges in talent attraction and recruitment (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

• Expectation alignment on compensation:

Organisations pointed towards differences in compensation levels and practice. Though the altruistic narrative often dominates the compensation expectations and engagement levels of many individuals working in SPOs, all organisations agreed that compensation plays a critical role in recruiting appropriate talent (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). Moreover, a lack of competent compensation may lead to employee dissatisfaction (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022).

4.2. Induction

Recruitment is followed by talent onboarding and induction to introduce the person to organisational functions, approaches, systems, and processes and make them comfortable in the new environment. SPOs expressed that induction as a process unfolded on a spectrum of intensity depending upon the nature of the organisation and the process design shaped by the leaders.

The objective of orientation is to get the newly recruited employee on board and apprise them about the organisational culture and practices as well as administrative, financial and HR-related aspects. Furthermore, training is provided to new hires to ensure good performance. Other induction practices in SPOs include field visits; spending time with the team members, organisational advisors and the board;

engaging with project data, and so on. (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

Induction in most SPOs is a process of deeper integration where the purposeful conversation occurs between the existing employees and new hires, and clear roles and expectations in terms of results are explained. The cultural aspect helps the hires become acquainted with the organisation's past, present and anticipated future (Talent Management Practices in the Indian Social Sector, 2022).

Talent integration is referred to as a key element in inspiring motivation to commit to the shared vision and purpose of the organisation. This stage usually involves the creation of formal and informal processes and structures fostering interaction, exchange and relationship-building across different stakeholders of the organisation, both internal and external. Most organisations pointed to the need for sustained engagement with varying categories of personnel within the organisation (old and new) to re-enforce certain cultures of learning and collaborative performance continuously. They identified methods like shadowing, coaching, mentoring and creating open spaces for strengthened communications across and within teams as critical for nurturing engagement and integration of organisational talent in the long-term vision of transformation.

This stage enables organisations and personnel to set goals and nurture the capability of individuals and teams to perform. A non-threatening and enabling system of giving and receiving feedback across the organisation with transparency and honesty was identified as a critical component of the organisation's success. Participants spoke of such practices enabling the creation of dynamic leadership and a talent-development pipeline within the organisation. Such a system also helps the organisational talent build relationships and build a practice of acknowledgement and learning, which are critical to the long-term well-being of all individuals. Such processes are best developed in open and interactive spaces that reduce the hierarchy and power barriers amongst the personnel and the leadership. Mentoring programs, promotions and career growth planning are crucial processes developed for middle and junior management and front-line staff. SPOs also believe that managers should be equipped to provide personnel with critical feedback in a subtle way, effectively maintaining team cohesion (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

4.2.1. Process of induction

"Talent Management Practices in the Indian Social Sector (2022)" reported that while some organisations have a pre-structured induction plan, others plan the induction in consultation with the most suitable employee for the new hire. However, none of the methods has any superiority over the other. In ESOs, regular meetings are held with the new employee where day-to-day activities are discussed. The induction generally runs from 30-90 days. This elaborate induction aims to ensure that the person is ready to discuss and deliver after 90 days.

- Use of archives:

A key aspect of the induction process with most of the SPOs is the archive of relevant documents shared with the employees to acquaint them with the organisation and its work. A few organisations take specific modules to inform a particular talent segment, considering the relevance and sensitivity of the organisation's area of work.

- Inducting volunteers and interns:

Some SPOs have a detailed module for volunteers and interns, that is specifically curated from their thematic areas. This is to apprise them to understand the work, dos and don'ts of the organisation.

- Buddy system:

SPOs also mentioned having a buddy system where a freshly recruited professional is introduced to an

existing employee who helps the person settle down in the new environment. The person can reach out to this buddy for any support.

Overall, the induction process in SPOs can be summarised as a way to ensure that the new hire has clarity over organisational culture and mission, builds connections with relevant stakeholders and feels cared for. Induction also serves as a platform to assess the L&D needs of the talent and build their capacity so that the talent is geared to drive the organisational vision forward (Talent Management Practices in the Indian Social Sector, 2022).

4.3. Learning and development

SPOs invest in L&D activities to enhance their employees' knowledge and skills. These initiatives aim to build the capacity of organisational talent to meet the organisational/project objectives and increase the internal competence of the organisation. Training and grooming also help prepare the next line of leadership in SPOs (Talent Management Practices in the Indian Social Sector, 2022; Regional Consultations on Talent Management in the Indian Social Sector, 2022). A strengthened L&D system ensures the ability of the organisation to nurture and plan for its talent requirements and helps build the long-term resilience of the organisation (Regional Consultations on Talent Management in the Indian Social Sector, 2022). An enhanced L&D program enables the organisation to respond favourably to emerging challenges. It permits the leadership to keep the organisation relevant in an evolving context

L&D emerged as a strong practice to keep the personnel motivated. Both formal and informal learning channels are adopted to nurture a learning culture. The findings from the motivation survey show that a considerably high number of SPO employees are motivated by opportunities to learn and develop.

4.3.1. Formal L&D systems

SPOs have adopted structured learning through on-the-job training, e-learning programs, work-related tutorials, educational courses and internships to enhance employees' competencies, skills and knowledge (Talent Management Practices in the Indian Social Sector, 2022; Regional Consultations on Talent Management in the Indian Social Sector, 2022).

The SPOs have adopted several ways to achieve the skills-building objectives, from recruiting external professionals to developing mentorship programs. One of the most popular skills training programs among the NGOs/SEs is the improvement of communications skills in English. Better communications skills build the confidence of personnel to interact with dignitaries like top government officials. FOs have a preference for behavioural competencies, while the L&D at ESOs is more technology focussed. Even NGOs support many basic technical skills programs like Excel (Talent Management Practices in the Indian Social Sector, 2022).

"Benchmarking of Employee Benefits in the Indian Social Sector (2022)" reported that education and professional development programs ensure dynamic growth of human capital. SPOs typically support employees for professional certifications, advanced degrees, and so on. Of the 59 SPOs that participated in "Benchmarking of Employee Benefits in the Indian Social Sector (2022)," only 39 provided L&D opportunities to their employees. All NGO Simple Ad hoc organisations and ESOs provide L&D opportunities to their employees.

Most SPOs provide on-the-job learning (80%) and short-term workshops (80%) as L&D opportunities to the personnel. The percentage of organisations providing these programs is nearly equal for NGOs/SEs and ESOs except for critical skills and fellowship programs, where ESO organisations take the lead. Under NGO Simple Ad hoc and NGO Complex Ad hoc, most organisations provide on-the-job training and short-term workshops. NGO Complex Professionally Managed organisations provide short-term workshops (Benchmarking of Employee Benefits in the Indian Social Sector, 2022).

Most organisations focus their L&D opportunities on middle and senior management employees. All ESOs and NGO Simple Ad hoc provide L&D opportunities across all employee groups except few organisations not providing the same at the leadership level. All NGOs Complex Professionally Managed organisations provide learning opportunities at middle and senior management levels.

Since technology is penetrating the social sector swiftly, the need to train employees is also growing rapidly. SPOs take L&D seriously as it is directly related to organisational performance. Moreover, training and skills development programs are considered to improve employees' psychosocial behaviour. SPOs routinely assess their staff's training and capacity building, and a few even have a separate fund to encourage the skill building of employees (Talent Management Practices in the Indian Social Sector, 2022)

"Benchmarking of Employee Benefits in the Indian Social Sector (2022)" noted that specialised programs catering to critical skills for personnel exist in 54% SPOs. Half of the SPOs have outsourced all the training programs. A cashing out option against these programs is offered by 12% SPOs.

The most prevalent trainings in the social sector are functional programs/seminars and capacity-building programs, followed by management development programs. Nearly 40% SPOs selected skill enhancement as the criteria across all employee groups, and around 60% of the organisations have chosen job/function requirements as the criteria for training programs (Benchmarking of Employee Benefits in the Indian Social Sector, 2022).

Furthermore, "Regional Consultations on Talent Management in the Indian Social Sector (2022)" noted that training permitted organisations to respond to the emerging demands during the COVID-19 pandemic. Almost all organisations in the NGOs/SEs category are engaged in training their personnel in technological skills. During COVID, the organisations also enabled their personnel to engage with emerging models of working with communities within their existing programs. Such training had to be facilitated for both the organisation's new and current personnel while maintaining the organisation's overall vision and mission.

4.3.2. Informal L&D systems

These forums allow the free flow of information and learning opportunities for SPO employees. One or the other kind of such informal processes of L&D exist in NGOs/SEs, ESOs and FOs alike.

Another way of informal learning is while working on projects with high-profile stakeholders. A similar experience of informal learning while working on the project is shared by researchers at a research-focused ESO. "Regional Consultations on Talent Management in the Indian Social Sector (2022)" reported that exposure visits to similar organisations, allocating challenging responsibilities to ambitious individuals while mapping their capabilities through a structured process, learning requirements and facilitated appropriate mentorship opportunities, and peer learning models emerged as a key strategy adopted by organisations for fostering a learning environment. Such practices gained prominence in many organisations during the COVID-19 pandemic.

4.3.3. L&D investments

Of the 24 SPOs that participated in the in-depth interviews, eight reported having a dedicated budget for the L&D of their employees. However, several organisations do not directly invest in L&D but assist their employees in skill development by linking them to the free resources available on the Internet. Even when the investment is made, it is highly strategic to directly contribute to organisational operations (Talent Management Practices in the Indian Social Sector, 2022).

"Benchmarking of Employee Benefits in the Indian Social Sector (2022)" noted that SPOs most often prefer a reimbursement model at the senior management and leadership level. At the support staff/junior and middle management level, part-fee reimbursement is the most preferred reimbursement model.

Some SPOs also sponsor higher education for their employees. Organisations have ties-up with different educational institutions for employees' higher education across different grades within the organisation. Financial assistance is also provided if the employee pursues a job-related professional course. The amount is usually a fixed amount per employee (Benchmarking of Employee Benefits in the Indian Social Sector, 2022).

Organisations also provide on-site opportunities to employees to enhance existing skills, creating a more talented and educated workforce. SPOs also assist employees in repaying student loan debt. Organisations encourage employees to learn to maintain professional credentials through off-site events, training, and professional organisation memberships. There are also coaching/mentoring programs to help employees learn from each other (Benchmarking of Employee Benefits in the Indian Social Sector, 2022).

As discussed earlier, L&D activities are also linked to career trajectory within a few SPOs and intend to develop the next line of leadership. L&D is a stepping stone toward building the personnel skills and improving their performance which is periodically assessed across all types of SPOs (Talent Management Practices in the Indian Social Sector, 2022).

4.4. Performance appraisal

Talent performance management practices at SPOs include using criteria and metrics to assess performances. The values espoused by the SPOs are at the centre of performance appraisal in SPOs. "Job Roles in the Social Sector: A Systematic Literature Review (2022)" noted that chances for promotion in SPOs varied with the employer. In some organisations, none of the current workers held another position before. In contrast, some organisations had seen a third to more than half of their employees move up the hierarchical levels.

While acknowledging achievements and improving employees' motivation are the foremost objectives of appraisal in SPOs, employees' skills development and preparation for the next line of leadership is also a core objective.

Appraisal happens both vertically and horizontally. Employees are promoted to a higher position in the vertical appraisal, and their roles are expanded in horizontal appraisal. The latter is more common in lean organisations where the team is small, and the possibility of vertical appraisal is limited. Therefore, organisations increase the job responsibilities of the personnel. Appraisal is also seen in the form of increased employee participation in decision-making and years of working in the organisation. Performance appraisals are difficult in organisations where attrition rate is high.

Process of appraisal:

The process of appraisal is primarily similar across all SPOs. Most organisations also have structured metrics like the objectives and key results (OKRs), key performance indicators (KPIs), key result areas (KRAs), roles and responsibilities (R&R), among others. Organisations that do not have such metrics (adapted from corporates) assess individual performance against project targets. These targets are set in consultation with the individual and team leads. It allows the employee to have a clear vision of the outcomes and how their performance will be evaluated.

It takes two to three months in ESOs to finalise the OKRs. Once the OKRs are set, the candidate is encouraged to build skills to achieve the OKRs. Performance indicators are identified based on the OKRs and are sent to the organisational head for approval. Organisations evaluate employees not only on performance metrics but also on alignment with core organisational values.

Appraisals are done quarterly, bi-annually, and annually by the vertical head. The vertical head reviews the individual's performance against the targets. Use of specific metrics helps to ensure that individual biases

do not influence the appraisals. The vertical head then sends the ratings to the organisational head for appraisal. HR heads are also involved in the appraisal process at certain SPOs. Their input is related to information on accounts, administration, and from a finance standpoint. Very few SPOs hire consultants for performance management. Performance appraisal at a few SPOs also incorporates inflation and other factors.

Metrics to measure talent performance:

Performance metrics like KPIs are developed based on the job role. Except for NGO Simple Ad hoc and NGO Simple Professionally managed SPOs, all others have one or the other form of performance metric in place to measure talent performance. Nine of the 24 sample SPOs have adopted one of these (KPI/OKR/R&R/KRA) talent performance metrics. One NGO/SE adopted both KRA and R&R sheets to measure talent performance. Besides performance metrics, an ESO mentioned assessing the performance of their employees on softer aspects like upholding organisational values and culture.

Good versus poor performance:

Achievement of target outcomes vis-à-vis the values and culture of an organisation is termed good performance in SPOs. The definition of poor performance is distinctive across SPO categories. However, it was highlighted that compromising organisational values to achieve outcomes is particularly considered as poor performance. This statement reiterates the importance that SPOs attach to value for evaluating employees' performance.

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 94% of the respondents understand the results expected from them in their job; 76% receive recognition when they do a good job; 71% receive clear and regular feedback on how well they do their work. Category wise, 72% of respondents in NGOs/SEs; 87% in FOs; and 63% in ESOs mentioned that they receive clear and regular feedback on how well they do their work.

Ninety three percent respondents in NGOs/SEs; all in FOs; and 91% in ESOs noted that they understand the results expected from them in their job. Moreover, 79% respondents from NGOs/SEs; 73% from FOs; and 74% from ESOs reported that they receive recognition when they do a good job. Furthermore, 72% respondents from NGOs/SEs; 87% from FOs; and 63% from ESOs mentioned that they receive clear and regular feedback on how well they do their work (Personnel Perception of Talent Management in the Indian Social Sector, 2022). Furthermore, "Talent Management Practices in the Indian Social Sector (2022)" added that 59% of the survey participants in the motivation survey noted that their job is set up in a way that the employee gets almost constant "feedback" about how well s/he is doing. Thirty-seven percent reported that the job sometimes does not provide "feedback" to them. Four percent said they never find out how well they doing.

4.5. Talent transition and succession planning

"Regional Consultations on Talent Management in the Indian Social Sector (2022)" underscored that building an organisation with a culture of planned transitions for roles across different categories is critical to nurturing its capacity and resilience. Talent transitions and planned exit models for personnel speak of a highly mature model of talent management with the foresight and capability to nurture potential and foster long-term relationships with individuals who commit to the shared vision and goals of the organisation. Such practices require conscious and dedicated efforts by the leadership to continuously shape a culture of commitment and ownership across different segments of talent.

4.5.1. Talent transition and succession

Most organisations expressed challenges in effectively implementing this stage/component of the talent management cycle. All organisations acknowledged the potential of investing in retention and talent transitions (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

This problem is amplified in small organisations with limited growth potential for personnel, given the context of a short hierarchy in the positional ladder. Most organisational leaders also struggle with finding the right people to hand over the leadership baton.

Furthermore, SPOs believe a proactive stance is required to plan for succession. Planning for succession becomes essential as a period of leadership transition is expected, with "baby boomers" reaching retirement age and non-profits growing in number and size. Almost half of the charitable non-profits believe their current CEO had qualities that could not be replaced. However, concern and interest for executive succession are not followed through by proactively addressing them (Job Roles in the Social Sector: A Systematic Literature Review, 2022).

Leadership transition in SPOs: "Talent Management Practices in the Indian Social Sector (2022)" reported that both external and internal type of leadership transition happens in SPOs. External transition is recruiting a new leader from outside the organisation. In internal transition, the leadership is either transferred to a new project or location or promoted to a higher position. For example, during the study, one FO was undergoing a leadership transition. According to them their recruitment practices are fair and transparent. Therefore, the position is open to both external and internal talent. The process becomes highly competitive as the talent pool considerably increases with the inclusion of external talent. This ensures that the best talent is selected for the leadership position.

Internal leadership transition in the form of transfer to newer locations applies to organisations whose operations are spread across different geographies. These transfers are generally influenced by the employee's personal choice, who either wants to relocate to a place near their home or take up a challenging assignment and learn more about different places. Internal transitions also occur when the SPOs start a new project which requires a dedicated leader to run. Another form of internal leadership transition is the promotion of an employee. SPOs make deliberate efforts to identify and train the next line of leadership to remain resilient to any kind of talent shock.

Role change and promotion processes:

Change in the job role is a matter of choice in which talent opt to break the monotony of work, gain expertise in other areas of their interest, build relevant skills and gain promotion. Change of job role is noticed mainly in the case of NGOs/SEs.

4.5.2. Talent attrition

Roles centred around direct service and support saw a higher turnover than professional roles. To retain staff, organisations offer more responsibility, diverse training, greater salaries and freedom to define the job. Growth within the organisation is considered essential to stay in an organisation.

Moreover, amelioration of organisational conditions could help reduce volunteer turnover. Besides pre-service and in-service training, volunteers could be engaged with more challenging and meaningful work, so they don't leave transiently. Task expectations and related satisfaction are related to improved retention among volunteers (Job Roles in the Social Sector: A Systematic Literature Review, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" reported that an ESO had removed a dedicated HR department from the organisation, considering it insignificant. Contrarily, the literature suggests that the organisation lacked a formal HR department and thus lacked clear HR policies, resulting in a high turnover for the team leader position for the projects in the pipeline (Job Roles in the Social Sector: A Systematic Literature Review, 2022). The literature review highlighted that an organisation could address the problem by forming a new HR department, setting clear policies, and drafting a formal job description and job specification for the team leader role. According to the study, an appropriate job selection method was adopted that included a job analysis done by senior management with company goals and project

requirements in mind. Project directors, program officers and other team leaders were interviewed to learn about the position's job responsibilities. This comprehensive analysis helped them prepare the right expected qualifications and compensation plans for the position (Job Roles in the Social Sector: A Systematic Literature Review, 2022).

Voluntary attrition includes unimpressive pay perks, misalignment with organisational mission, burnout at work, talent aspirations, better work opportunity and conflicting relations with the manager within the organisation. The causes of involuntary exit of talent include termination or project completion.

Employees in the initial stages of their career leave for several reasons, such as more exciting or longer tenure projects in other organisations, pursuing higher education opportunities abroad and higher compensation.

In addition, organisations operating in areas requiring specialised talent also find talent retention challenging due to increased market competition. Professionals like therapists and clinical psychologists, who typically have short tenures with organisations and are in high demand in the ecosystem, are some examples of this type of talent.

Exit interviews:

One-third of organisations explicitly mentioned that an exit interview is conducted with employees leaving the organisation. Also, organisations analyse exit data and people surveys to hear talent voices. Moreover, patterns in grievance redressal mechanisms are looked at to understand the kind of grievances being reported to understand talent needs. During planned exits, the organisations also offer a competitive salary if an employee is valuable. Organisations attempt to take feedback from the employees to know the talent's aspirations to work for them.

4.5.3. Strategies to tackle attrition and improve retention

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 68% of the respondents intend to continue working with the organisation for at least three years, while 32% intend to work less than or equal to two years. Personnel in NGOs/SEs display high intent to stay. The percentage of survey participants who intend to remain with NGOs/SEs, FOs and ESOs for more than five years is 71%, 39% and 20%, respectively.

Several strategies are adopted across SPOs to retain appropriate talent and reduce turnover. These are also demand-side drivers of talent motivation:

1. L&D:

Conscious investments in learning and development for effective talent transitions and nurturing a distributed leadership model are two key strategies (Regional Consultations on Talent Management in the Indian Social Sector, 2022). To enhance personnel retention, organisations invest in people management processes like capacity-building. Organisation leaders help in talent management by providing training to new and existing personnel. The premise here is that when an organisation takes care of their personnel, it leads to its growth and increases personnel satisfaction and retention.

2. Job enrichment:

Job enrichment and enlargement are effective strategies often employed by smaller organisations to keep personnel motivated and enable talent transitions towards building resilience in difficult times. Such strategies create opportunities for people to take up additional responsibilities and more complex roles in the organisation.

3. Opportunities for job rotation:

 leading or working on collaborative projects (within and outside agencies) keep personnel motivated and

ensure retention. Often such capabilities were nurtured in organisations through conscious investments towards enabling a structured peer-learning environment by leaders. While a few organisations shared instances of focused investment creating appropriate opportunities for career progression, leadership and role transitions for their talent pool, most organisations identify talent retention and leadership transitions as a critical challenge that affects organisations in the sector.

4. Clear and open communication:

enables and improves the quality of interaction amongst peers and collaborators, providing space for discussing future career paths and growing within the organisation. Motivation derived from a strong alignment with the cause or purpose of the organisation, conducive organisational cultures, and the joy of working together were identified as key factors that inspired organisational talent to retain their engagement in one form or the other.

5. Career growth trajectory:

is regarded as crucial to talent retention as every individual is thought to foresee a personal growth path in the organisation. Considering this need, most SPOs have well-established career trajectories while others are weaving policies for career trajectory, growth path and succession plans. The focus is on personalised growth paths, especially for talent in senior leadership roles. The organisations are also keeping stock of individual contributor growth paths, personnel who want to grow but don't want to manage others.

Career trajectory exists in different forms in SPOs. In lean organisations, the career growth trajectory is not usually vertical but horizontal through job enlargement. The employees in these organisations are given diverse job roles as they progress. Diversity in work is also a key motivator for talent to work in the SPOs. Sometimes, when the employees are promoted vertically, their job title changes from a lower rank to a higher one, but not through a formal process like sending a promotion letter. The promoted person is given more responsibility and assigned more projects.

Furthermore, despite consistent progress within the organisations, working for long in the same vertical might bring monotony to work and drain work enthusiasm. Career mapping helps employees explore other verticals, grow horizontally and break the monotony. Moreover, personnel become aware that there are clear job titles which are vertical in the hierarchy. In a few SPOs, the employees are encouraged to talk about their professional goals and potential growth paths within the organisation. However, ambiguity persists in career growth due to a lack of transparency on career trajectory within the organisation. A key benefit of career mapping is preparing for the next line of leadership. Thus, career mapping contributes directly to succession planning, especially when finding talent for senior and middle management roles from the labour market is a tough challenge that all SPOs face. Career mapping may help internal talent prepare for future roles across more than one vertical.

6. Mutual respect and leadership style:

Mutual respect between the employee and the organisational leadership help SPOs retain talent. Even when the employee exits, the organisation stays in touch with them and is sometimes persistent in bringing them back, even providing flexibility in work considering the special circumstances of the individual.

7. Compensation negotiations:

To retain their valuable employees, organisations negotiate by offering competitive salaries. However, this strategy may not always work and largely depends on the candidate's personal motivation and compensation being offered at other organisations.

Organisations try to negotiate salaries when the organisation values the talent, and the sole reason for leaving is compensation. However, this strategy often fails due to better opportunities with the talent and lack of funds within the organisation to match those opportunities. The other strategy that organisations

deploy is to convince the candidate about their work's significance and contribution to the organisation and broader society. The third is open communication with the employee to resolve conflict with the manager.

The ideation and success of these strategies are highly influenced by funding constraints within the organisations, the severity of internal conflicts between the manager and the employee, and the absence of alignment with the organisational mission and vision. Compared to smaller-scale organisations, large organisations do not face as many personnel retention problems due to greater availability of funds, as the former is highly dependent on project-based funding.

1. Displaying task significance:

Organisations also try to convince the talent leaving the organisation about the great purpose and meaning for which they are working.

2. Offering diverse work opportunities:

SPOs offer multiple roles and work opportunities to keep them motivated. This is more prevalent in lean organisations with a limited vertical career trajectory. Here a horizontal path of growth with diverse responsibilities is offered to the individual.

3. Opportunities to learn:

This is one of the most common strategies across SPOs and is also highly aligned with the expectations of SPO personnel. Employees are provided with learning and development opportunities. Acquiring new skills and knowledge has a positive effect on employee motivation and retention.

4. Performance-linked benefits:

Performance-linked benefits are discussed only in the case of ESOs, especially those which have a revenue model. Employees are motivated to their best by linking promotions and benefits with the outcomes.

5. Promotions:

Promotion is also a common practice adopted by an organisation to keep the employees' motivation high. However, as discussed earlier, the promotion may be vertical or horizontal depending upon the career trajectory based on the organisation's size.

6. Appreciation and acknowledgement:

Appreciation and acknowledgement of employees' work during the meetings is also one way to keep individuals motivated.

7. Recruitment on organisational payroll:

A few NGOs/SEs hire the talent on the organisational payroll, even if recruiting specifically for a project. According to HR personnel of these SPOs, this ensures that the affiliation of an employee doesn't come to an end with the project. Even when the project is over, the organisation does not remove the employee; rather, deliberation takes place for assigning them new tasks to ensure talent retention. This way, the organisations are able to utilise the skills and experience that the talent gets while working on the project. Furthermore, it helps the organisation to avoid the time and cost of recruiting new talent.

Chapter 5: Drivers of talent motivation

McFarland (1974) defines motivation as "the way in which urges, drives, desires, aspirations, strivings, or needs direct, control or explain the behaviours of human beings." The study has found a number of pull and push factors that drive the motivation of talent to work in the Indian social sector.

5.1. Pull factors

Pull factors are the factors that attract personnel to work in the social sector.

5.1.1. Intrinsic motivation

Non-profits usually attract people with a certain degree of intrinsic motivation. Intrinsic motivation implies "doing something because of an inherent interest or satisfaction involved with the activity" (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022). The intrinsic motivators include altruism, philanthropic motivation, prosocial motivation, and hygiene factors such as pay and job security. Theoretically, the element of intrinsic motivation leads to a higher probability of individuals with high intrinsic motivation choosing the non-profit sector for work. The study noted that high intrinsic motivation leads to greater job satisfaction, a higher degree of creativity, greater willingness to exchange knowledge, higher determination and organisational commitment and satisfaction with different levels of individual needs.

"Regional Consultations on Talent Management in the Indian Social Sector (2022)" reported that individuals joining the social sector come with a strong intrinsic motivation that ranges from the inherent need to be able to contribute to society, to a sense of personal accomplishment and satisfaction that one draws from walking the path of universal human values that underline the work of SPOs. "Talent Management Practices in the Indian Social Sector (2022)" added that a natural bent of mind, compassion, and empathy motivate SPO personnel to work in the social sector.

5.1.2. Personal experiences

Personal experience or exposure to difficult circumstances and complex issues play a critical role in attracting and motivating talent to join SPOs (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

5.1.3 Shared vision

Shared visions of change create opportunities and inspiration for talent to engage with and contribute meaningfully to the social impact sector. The role of individual alignment with collective visions of change is a critical factor in motivating and retaining talent. Compatibility or alignment between personal and organisational ways of being, thinking and doing emerged as a critical factor that enabled ownership and commitment for incoming and existing talent in SPOs (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" noted that alignment with the visions and mission of the SPO enables employees to assess their contribution to the organisation and is a key pull factor for a few employees working with SPO. Seventy-eight percent of respondents in the motivation survey reported that the organisation's vision and mission strongly inspire SPO personnel to work with the SPO, while 18% reported it to have a moderate effect on their motivation to work with the organisation. Twenty-nine percent of participants said that organisational vision influences their continuous engagement and retention with the organisation. A respondent to the motivation survey highlights, "The alignment with the vision of the organisation helps me to be

motivated and driven. To be able to work for the academic growth of children and their holistic development inspires me. To be able to work with volunteers and leaders who are working for the growth and development of the children inspires me. I am able to work for change, to bring development and to see growth. This inspires me every day."

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 96% of respondents believe in the vision and mission of their SPO; 79% feel motivated to go beyond their formal job responsibilities; and 73% reported that the SPO motivated them to contribute more than is required.

All the respondents from NGOs/SEs and FOs reported that they believe in the vision and mission of the organisation, while 89% of participants from ESOs said the same. 86% of respondents from NGOs/SEs, 93% from FOs, and 65% from ESOs feel motivated to go beyond their formal job responsibilities. Furthermore, 79% of respondents from NGOs/SEs, 93% from FOs, and 57% from ESOs reported that the organisation motivates them to contribute more than is required.

5.1.4. Purpose and meaningfulness of the work

Alignment of purpose with organisation pulls talent to work with the organisation. One of the key drivers of talent motivation to work in SPOs is seeing that the work is positively affecting the lives of others. It is interesting to note that personnel responsible for generalised roles like accounts and finance also well align the significance of their work with the organisation's mission. The inability to directly observe the organisation's impact has a demotivating effect on the morale of these employees. To boost motivation among them, SPOs take initiatives like occasional field visits to partners' project implementation sites.

"Talent Management Practices in the Indian Social Sector (2022)" reported that 72% of the motivation survey participants noted that opportunity to contribute to a larger cause is a key criterion that determined their choice to join a job in Indian SPOs; 71% noted that opportunities to contribute meaningfully influence their continuous engagement and retention in the SPO; while 66% marked satisfaction from meaningful contribution to a cause. 50% noted that opportunities to influence and impact results on the ground, and 47% reported that feeling valued personally due to work in the social sector motivates them to continue to work in the Indian social sector.

A deep dive into employees' perceptions about the significance of their work shows that 70% of the respondents find their task highly significant. It implies that the majority of the respondents believe that the outcome of their work can affect other people in significant ways. Twenty-seven percent reported their task to be moderately significant, having only limited effect on other people. At the same time, 3% of the survey participants find their task not very significant and that the outcome of their work is not likely to affect other people.

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 92% feel that they understand the relationship between the job and the organisation's strategy and goals; 86% of the respondents feel a sense of purpose with the SPO; and 79% feel that everyone in the organisation is committed to their overall purpose of making difference to the society.

ESO personnel feel relatively less connected to the purpose of making a difference in society; NGOs/SEs and FOs have a higher sense of purpose when compared with ESOs. "Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 90% of respondents in NGOs/SEs, 97% in FOs, and 76% in ESOs feel a sense of purpose with the organisation. Moreover, 86% of respondents from NGOs/SEs, 93% from FOs, and 66% from ESOs feel that everyone in the organisation is committed to their overall purpose of making a difference to society. Furthermore, 95% of respondents from NGOs/SEs, everyone from FOs, and 86% from ESOs feel that they understand the relationship between the job and the organisation's strategy and goals.

Less than one year and two to five years of tenured personnel require greater handholding on a sense of purpose to work in social sector organisations (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

5.1.5. Leadership style

Leadership practice within an organisation emerged as a critical factor that influences the retention of talent in organisations. A more engaging and democratic leadership enables the organisation to demonstrate principles of equity, transparency and fairness in key structures and processes, such as those of decision-making, compensation, design and maintenance of creative task, expressions across talent segments, among others (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" reported that the attitude and behaviour of the leaders matter a lot to professionals working in the social sector. Leadership style considerably affects the motivation of talent and positively affects retention. A participative (listening to people and teams, allow disagreement, takes collective decisions), trusting (believing in the capability of talent), accessible, appreciative, and supportive (allowing employees to take initiatives) style of leadership lures and retains talent to the organisations, while a micromanagement-focused style of leadership is associated with high rates of attrition. Twenty-four per cent of respondents to the motivation survey reported that the leadership style influences their continuous engagement and retention with the SPOs.

The organisation's ability to listen to its personnel and for the personnel to feel heard by the organisation is essential to keep the personnel motivated and meaningfully engaged with the organisation. The role of the leadership is critical in nurturing this culture of listening and engagement. Almost all organisations in the regional consultation highlighted the value of the participative or democratic leadership style in boosting the motivation levels of personnel working within the organisations.

An approachable and enabling leadership style makes personnel feel worthy and competent across all organisational categories. At the initial and sometimes mid-career levels, personnel especially look out for mentors who facilitate their growth as professionals and help them chalk out a career path for themselves. It inspires the personnel and grooms them for future roles (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

Charismatic leadership motivates and supports personnel at every level in the organisation and inspires their team members to achieve their common goal. Charismatic leaders create a clear vision for people and can drive them towards this goal. Such leadership was most spoken of amongst ESOs and FOs.

Empathy towards personnel (looking after personnel when they face personal problems) was considered an important practice that communicates a message of care and solidarity to personnel within an organisation (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 91% of respondents mentioned that the organisation and management demonstrate care and concern for its personnel, and 91% noted that they are treated with respect as individuals. Ninety percent of respondents in NGOs/SEs, 93% in FOs, and 91% in ESOs noted that the organisation and management demonstrate care and concern for its personnel.

5.1.6. Learning and development

"Talent Management Practices in the Indian Social Sector (2022)" reported that L&D and personal growth motivate individuals to continue with the organisation for longer. Eighty-six percent survey participants reported that access to learning opportunities and personal growth is a key criterion that determined their choice to join a job in Indian SPOs; 71% noted that opportunities to learn and grow influence their continuous

engagement and retention in the SPO; 66% marked opportunities for learning and development motivate them to continue to work in the Indian social sector.

"Talent Management Practices in the Indian Social Sector (2022)" added that talent investment across SPOs is mostly into L&D activities. L&D opportunities even overcome the low compensation barrier to some extent. Moreover, organisations which have a clear growth trajectory can manage talent aspirations to retain them.

5.1.7. Individual needs - acknowledgement and appreciation

"Talent Management in the Social Sector: A Review of Compensation and Motivation (2022)" noted that individuals strive to fulfil five individual needs. These needs are physiological, safety, love and belongingness, esteem, and self-actualisation. Fulfilment of individual needs leads to higher productivity; higher levels of board engagement; willingness to explore to fulfil self-actualisation needs once the lower-level needs have been satisfied; and change at the societal level due to higher levels of volunteering by the population in general.

Moreover, a factor that drives talent motivation is "social exchange." Social exchange implies "actions contingent on rewarding reactions from others." For example: altruistic behaviour in respect of other people is treated as seeking personal benefit and superiority. Like money, exchange of social goods is a form of transaction between individuals. While providing these goods to others, a person receives certain social rewards, approval, prestige, respect, self-esteem, social acceptability, and similar help in the future, to reduce felt guilt or bad health. Thus, the underlying motivation factor is the reciprocity of actions without formal obligations. Therefore, the individual need or expectation of getting something in return, such as acknowledgement of contribution, gratitude, or social approval, leads to involvement in the social sector.

"Talent Management Practices in the Indian Social Sector (2022)" highlighted that acknowledgement and appreciation of their work is a significant factor that drives and keeps talent to work in the social sector. It could also come in the form of even small achievements such as employees talking to the frontline community benefited from the project. It reinforces employees' belief that their efforts matter to the community and the SPO.

Furthermore, exposure to representing the organisation on different platforms or opportunities to acquire expertise through sponsorships for learning initiatives/courses has been identified to influence talent retention and nurture employee motivation positively. (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" mentioned that the ability to work independently reflects individuals' need for achievement. Seventy-eight percent of respondents to the motivation survey have an above average to high need for achievement, implying that they want to accomplish reasonably challenging goals through their effort. They prefer to work alone rather than in teams and have a preference for assignments which are neither too easy nor impossible to finish. They desire specific feedback on performance and recognition for their success. They also take responsibility for both success and failure. Money is not a strong motivator for them unless it provides feedback and recognition. In fact, hygiene factors, including job security, working conditions, salary, and interpersonal relations, are termed "dissatisfiers" (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022). These factors usually do not lead to higher motivation levels, though the absence of adequate pay or job security can lead to dissatisfaction.

"Talent Management in the Social Sector: A Review of Compensation and Motivation (2022)" further added that individuals volunteer to satisfy underlying psychological and social needs and goals. These needs and goals include career aspirations, esteem (enhancing and enriching personal development), social needs (conforming to and establishing norms for significant others), protective needs (escaping from negative feelings), learning new skills and practising underutilised abilities (understanding), and expressing values

related to altruistic beliefs (value).

A large number of professionals join and work with the SPOs to gain first-hand experience to enhance their resumes. These professionals are generally fresh graduates who aspire to pursue higher education abroad. Two ESOs consider this aspiration to create an environment that allows talent to achieve their aspiration and drive organisational performance (Talent Management Practices in the Indian Social Sector, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" added that positive change in one's capability to do and achieve more as a professional, which they had hardly imagined before joining the SPO, is also a key motivator for talent to stick to the organisation.

Moreover, people volunteer for different reasons at different stages of their life. While young people volunteer to improve their career prospects, people in later stages of their life/career volunteer for altruistic motives or as social responsibility. The implications of volunteering include effects on activity and possibility of retention, maintenance of volunteer participation, increase in skills and experiences, improvement in volunteer experience, self-reported enjoyment, and satisfaction (Talent Management in the Social Sector: A Review of Compensation and Motivation, 2022).

"Regional Consultations on Talent Management in the Indian Social Sector (2022)" highlighted that recognition and acknowledgement of one's efforts is a human need, more so when working in a professional space. Employees and volunteers felt encouraged when their contributions and efforts were acknowledged by their reporting officers and organisational leaders. Twenty-one per cent of respondents to the motivation survey gave due importance to performance recognition and acknowledgement (Talent Management Practices in the Indian Social Sector, 2022). Recognition and acknowledgement practices were more formalised through structured processes in professionally managed NGOs, often linked to promotions and expansion in roles/responsibilities and, at times, compensation to keep the personnel motivated (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

The study added that acknowledging personnel contributions under challenging circumstances through need-based shifts in the organisation's overall compensation practice inspires ownership and commitment amongst organisational talent. Such shifts may range from well-articulated promotion policies, formal recognition, and celebrations to pension plans, and insurance packages, among others.

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 61% of respondents mentioned that promotions and assignments are done fairly in SPOs. The survey further said that 64% of respondents in NGOs/SEs, 67% in FOs, and 54% in ESOs mentioned that promotions and assignments are done fairly in SPOs.

5.1.8. Organisation culture and work environment

Organisation culture and work environment have an immense effect on talent motivation. A warm, welcoming, and close-knit team culture where employees are allowed to express their areas of interest and opinions without any repercussions is reported to motivate talent to continue their work with the organisation (Talent Management Practices in the Indian Social Sector, 2022).

"Regional Consultations on Talent Management in the Indian Social Sector (2022)" noted that a work environment that encourages open and honest dialogue amongst personnel and leadership segments of the organisation nurtures transparent work cultures. The motivation survey response revealed that work environment and organisational culture influenced the continuous engagement and retention of 60% of survey participants with the SPOs (Talent Management Practices in the Indian Social Sector, 2022).

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 82% of respondents noted that everyone is treated fairly regardless of personal background or characteristics; 89% said that their immediate manager encourages teamwork and collaboration; 81% mentioned that the

organisation applies policies and rules fairly and consistently; 65% reported good communication between departments in the organisation; and 88% highlighted that good cooperation and teamwork exist within their work group.

Moreover, 74% of respondents confirmed the availability of enough people to guide work; 67% mentioned that the work is well distributed within the team; and 63% noted that the work is well organised and structured (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 79% of respondents from NGOs/SEs, 87% from Fos, and 63% from ESOs noted the availability of enough people to guide work. Furthermore, 69% of respondents from NGOs/SEs, 67% from FOs, and 66% from ESOs mentioned that the work was well distributed within the team. In addition, 67% of respondents from NGOs/SEs, 73% from FOs, and 53% from ESOs noted that the work is well organised and structured.

5.1.9. Autonomy and voice

Regular involvement of personnel in the decision-making process and the opportunity to develop and implement their ideas enables organisations to nurture ownership and accountability in talent segments (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

"Talent Management Practices in the Indian Social Sector (2022)" discussed the importance of autonomy and voice to talent motivation. The study highlighted that the ability to shape one's work and raise concerns invokes leadership traits and is a key motivating factor for talent. Autonomy gives the feeling of leading, driving change, and being accountable and trusted. As per motivation survey responses, autonomy and work flexibility are crucial factors that influence the continuous engagement and retention for 37% of respondents working with the SPOs.

"Talent Management Practices in the Indian Social Sector (2022)" reported that SPOs give their employees a significant degree of autonomy, with 65% of respondents to the motivation survey reporting substantial freedom, independence, and discretion in determining how to conduct their work. The job gives the employees almost complete responsibility for deciding how and when the work is done. 31% of respondents noted that many things in the job are standardised and not under their control, but they can make a few decisions about the work. Only 4% noted that they have no say in determining their work.

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported that 89% of respondents noted that the organisation believes in them, and they are encouraged to come up with new or better ways of doing things; 88% mentioned that cooperation and sharing of ideas and resources across the organisation is encouraged; 84% reported that they have opportunities to have their ideas adopted and put into use.

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" noted that 90% of respondents in NGOs/SEs; everyone in FOs; and 83% in ESOs stated that the organisation believes in them, and they are encouraged to come up with the new or better ways of doing things. 83% of respondents from NGOs/SEs, 87% from FOs, and 94% from ESOs mentioned that cooperation and sharing of ideas and resources across the organisation is encouraged. Furthermore, 83% of respondents from NGOs/SEs, 87% from FOs, and 82% from ESOs reported that they have opportunities to have their ideas adopted and put into use.

5.1.10. Diverse work opportunities

Assigning additional roles and responsibilities by giving personnel a position of power and authority-for example: posting personnel as team/project lead—inspires the respective talent segments to perform, engage and challenge themselves to go beyond their comfort zone. Supplementing these measures with the right amount of training to allow the individual to perform their best is emphasised (Regional

Consultations on Talent Management in the Indian Social Sector, 2022).

It was reported that the opportunity to work on diverse projects keeps SPO personnel motivated to work with the organisation. Various work opportunities exist in the form of working with different types of NGOs and contributing to a range of projects, such as different research projects (Talent Management Practices in the Indian Social Sector, 2022).

5.1.11. Feedback

In "Regional Consultations on Talent Management in the Indian Social Sector (2022)", it was observed that enabling formative feedback loops for talent through continuous performance appraisals helps personnel develop higher agility towards learning. In addition, the inclusion of all personnel (employees, consultants and volunteers) in performance appraisals-so they may have the opportunity to outline areas of improvement or growth points for themselves-supports the creation of a homogenous culture in the organisation. As discussed in Section 4.4, "Performance appraisal," most respondents reported receiving clear feedback on their work.

5.1.12. Well-being initiatives

When the organisation focuses on an individual's growth, safety and wellbeing through an empathetic approach, the personnel also develop a sense of belonging to the organisation. The empathetic approach also inspires reverse empathy and commitment from the personnel regarding organisational needs, vision and goals. (Regional Consultations on Talent Management in the Indian Social Sector, 2022). The study noted that creating flexible work environments is essential to maintaining employee motivation. Participants from diverse organisations stated that leaders were sensitive and recognised the need for flexible working hours, flexibility in taking leaves and choosing work locations as essential aspects of maintaining employee motivation. Flexibility in choosing work locations based on personal preferences was particularly important in larger, professionally managed organisations/NGOs and FOs with multiple work locations.

Further, "Talent Management Practices in the Indian Social Sector (2022)" noted that wellbeing initiatives like work-life balance and leave provisions, hygiene factors like compensation and pay hikes, performance-linked benefits, appreciation and acknowledgement of work, and promotions are a few key talent motivators. Twenty percent of respondents to the motivation survey gave due importance to family-friendly policies while 13% to compensation.

5.1.13. Organisational structure and processes

The organisation's horizontal structure allows employees to communicate seamlessly with their colleagues and provide safe spaces to voice concerns. Induction processes like the buddy system are also reported to motivate talent to work with an SPO. However, one organisation shared a negative effect on the latter due to COVID-19, due to which the buddy system was discontinued (Talent Management Practices in the Indian Social Sector, 2022).

Moreover, 79% of respondents reported having the resources to do their job effectively (Personnel Perception of Talent Management in the Indian Social Sector, 2022). Category wise, 83% of respondents in NGOs/SEs, 73% in FOs, and 77% in ESOs mentioned that they have the resources to do their job effectively.

5.1.14. Organisational values

Organisational values not only anchor the SPOs but also keep employees motivated and aligned (Talent Management Practices in the Indian Social Sector, 2022). The study reported that 21% of survey participants mentioned that organisational value influences their continuous engagement and retention with the SPO. However, it is unclear whether the talent and the organisations have a similar understanding of organisational values.

5.1.15. Opportunity to work with diverse stakeholders

The opportunity to work with peers and other stakeholders with diverse backgrounds motivates talent. A majority of SPOs are found to have diversity and inclusion as key organisational values that drive the entire TM strategy (Talent Management Practices in the Indian Social Sector, 2022).

5.1.16. Challenging and exciting work

The opportunity to address complex social issues and support other organisations to scale the impact and prospects of doing expansive work excites talent to join the social sector (Talent Management Practices in the Indian Social Sector, 2022).

5.1.17. Skills match

SPO leaders noted that the match between their skill set and organisational functional area enables them to effectively contribute their knowledge to the organisation (Talent Management Practices in the Indian Social Sector, 2022).

5.1.18. Association with the organisation

"Personnel Perception of Talent Management in the Indian Social Sector (2022)" reported a healthy optimism across most aspects of work except compensation, and work structure & resources at the overall social sector level. Personnel in ESOs perceive sense of purpose, association with the SPO, performance management, trust and collaboration, work structure & resources, and compensation differently: they scored relatively poorly on these dimensions, when compared with NGOs/SEs and FOs (Personnel Perception of Talent Management in the Indian Social Sector, 2022).

Personnel feel a strong sense of purpose and experience good work, structure & resources across most regions barring North India. Personnel in East India experience affiliation differently across areas of compensation, performance management and trust & collaboration compared to other regions. A closer look is required on encouragement, sharing of ideas in East India and communication, cooperation, motivation, promotions, and commitment to making a difference in the society among personnel in North India.

Delhi NCR personnel display the highest levels of discontent among SPOs, followed by those in Kolkata. Bengaluru and other locations along with Maharashtra indicate strong affiliation on aspects of work, structure & resources, performance management, and compensation, among others. Kolkata and Delhi NCR voice a lack of trust, sharing of ideas, organisation policies, communication and motivation. Personnel in Maharashtra display high scores for trust & collaboration, a sense of purpose and association with the organisation, even above the overall social sector. Kolkata, Maharashtra and Delhi NCR voice a lack of support on compensation, performance management, work, structure and resources. Overall, social sector personnel display unfair compensation and a lack of organised workplace and support.

Personnel with tenure between two to five years display a lack of affiliation compared to personnel in other tenures. New entrants (with less than one-year tenure) voice concerns centred around compensation, a sense of purpose, association with the organisation and performance management. New entrants and mid-tenured personnel display a lack of motivation, connection with organisations in making a difference, diversity, sharing and implementation of ideas from personnel. Compensation is emerging as a problem area for most groups. New entrants and mid-tenured personnel display concerns about compensation, policies and practices, work, structure and resources. Personnel that have settled in the organisation experience the workplace differently.

Respondents with who were ≤35 years of age voiced concern about compensation, a sense of purpose, work structure, and resources. People in the age group ≥25 years but ≤35 years display the highest discontent,

which improves as personnel grows. Personnel more than 35 years of age experience the workplace differently. Personnel with ≤35 years of age reveals discontent on aspects like a sense of purpose and connection with the organisation. Personnel below the age of 25 years and those ≥ 45 years but ≤ 55 years voice concerns around lack of fair compensation; ≥25 years but ≤35 years of age display discontent in areas of performance management and work, structure & resource in their organisations.

Female personnel experience the social sector workplace differently when compared with males across all dimensions. Both genders feel associated with their organisations. Most females reported a lack of communication between departments and unfair promotions and assignments, but despite their discontent, females display greater pride than males. Female personnel displayed discontent on aspects of compensation and organisation, and distribution of work within teams. Other pull factors that motivate talent to work with SPOs include collectivism, team relations, work of partner NGOs, network building, sense of pride one wants to achieve in his/her work, opportunities to develop expertise in area of interest, like minded peers, and opportunity to work on specific development issued (Talent Management Practices in the Indian Social Sector, 2022).

Other pull factors that motivate talent in SPOs include collectivism, team relations, network building, pride in one's work, opportunities to develop expertise in an area of interest, work of partner NGOs, like-minded peers, and opportunity to work on specific development issues (Talent Management Practices in the Indian Social Sector, 2022).

5.2. Push factors

Push factors are those negative factors that motivate individuals to leave other sectors and join the social sector. "Talent Management Practices in the Indian Social Sector (2022)" reported poor educational background, lack of work opportunities and desperation to earn a living as push factors for individuals in the sector. These factors were mentioned only by one respondent and hence haven't been described in detail in this report.

Chapter 6: Talent challenges and solutions

"Regional Consultations on Talent Management in the Indian Social Sector (2022)", and "Talent Management Practices in the Indian Social Sector (2022)" captured several talent challenges faced by SPOs and strategies adopted to solve them. These challenges are divided into challenges due to external factors and internal factors.

6.1. TM challenges due to external factors

6.1.1. Challenge of projectisation

The problem of short-term contracts and a lack of long-term investments have emerged from the "Regional Consultations on Talent Management in the Indian Social Sector (2022)." The challenge highlighted not only the increased job precarity and loss of social and employment security for personnel working under complex and difficult circumstances, but also the inability of the sector and organisations to build a safe and secure environment for the internal stakeholders in an organisation. Most leaders felt that this resource crunch and increased focus on project-based models of working expose organisations to the dangers of a culture of competition for talent and resources between organisations and mission drift-instead of nurturing a synergistic and collaborative approach to social impact and talent management.

6.1.2. Talent attraction and acquisition

Attracting talent is a common challenge across SPOs. A key issue is finding the talent with the right skill set (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). The right skill set implies a combination of different sets of competencies which are complementary and essential for the job role. For example: a combination of technology and interpersonal skills or social sector competencies is required for stakeholder management. Another recruitment challenge is the inability to find the right pool of talent.

SPOs are unable to fill vacant positions as they cannot find talent with the specific skill set needed to execute the job function properly. Specifically, ESOs and FOs struggle to find talent with appropriate technical and soft skills and other core competencies required for critical operations of the SPO. For instance, expertise in communications, IT, and resource generation is difficult to find. Another issue with talent acquisition is a gap in the job applicants' skills and what they portray in their CVs.

To attract and retain talent with the right skills, organisations use an intensive vetting process during the selection phase. It involves competency-based behavioural interviews and structured interviews mapping mindsets around willingness to learn, open-mindedness, ownership, result orientation, focus, and ability to work with others. There are also technical interviews: assignments are given to evaluate these technical competencies.

However, despite adopting the rigorous selection and hiring process, SPOs reported onboarding individuals who lack value alignment, attitude, and behaviour. Thus, attracting and hiring remain unresolved challenges.

6.1.3. Competition for talent

For tech talent like software engineers, the job market is considerably large compared to talent from social sector backgrounds. The perks offered by for-profits are far greater than what such talent generally receives in the social sector. Because the tech talent has relatively higher marketable skills, the competition for attracting and retaining tech talent in SPOs is very high. This challenge is mostly

confined to ESOs whose operations are based on strong technical expertise (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

Compensation expectations of software engineers, even the fresh graduates, and their shortage due to the booming IT industry aggravates the problems in hiring a highly skilled technology workforce. This issue primarily lies with ESOs working at the intersection of technology and social impact. Unimpressive salaries also contribute to the high attrition of technology professionals compared to social sector talent. Despite having a business model, tech start-ups in the social sector do not have enough financial resources and means to meet the salary expectations of tech talent who can obtain high-paying jobs in the corporate world. In the case of entry-level software engineers, the compensation gap is almost double between the corporate and social sectors. The problem is far more significant when hiring experienced technology professionals for middle and senior management positions, who generally expect an annual income of approximately INR 60-70 lacs. The ESO leaders don't see compensation for technology professionals in the social start-ups reaching at par with the corporate sector anytime soon. So, unimpressive compensation is the biggest challenge in hiring and retaining technology professionals.

SPOs generally hire fresh graduates from tier-2 and tier-3 engineering colleges in these cases. It is deemed a win-win situation as the candidates from these institutions are looking for a breakthrough and gain work experience. At the same time, the organisation is able to overcome the high compensation expectation barriers. However, the problem generally crops up after these fresh graduates gain one to two years of relevant experience and take off for a corporate journey. Then, salary negotiations and task significance come into play.

Furthermore, many young people choose to be social entrepreneurs today, and it is becoming a challenge for SPOs to attract these bright sparks. The sector needs to re-envision its talent strategy, which integrates emerging organisational forms and initiatives toward multiplying the effects that such talent has the potential to create (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

6.1.4. Compensation expectations

Compensation expectations of talent are a deal breaker for a few SPOs. The mismatch between the salary being offered and what is expected poses challenges in hiring and retaining talent. Even the HR personnel at SPOs have started thinking about whether the salaries being offered are at par compared to similar organisations in the sector. A few of these organisations are now contemplating benchmarking their compensation (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022).

In certain circumstances, organisations claim losses in terms of time and resources spent on building the employee's capacity when the employees unexpectedly leave the SPO early due to low compensation or other personal reasons.

As professionals working in the social sector are becoming more aware of the compensation practices in the market, there is a growing realisation in the social sector that the compensation being paid is considerably lower and to retain employees, and there is a need to improve the compensation.

Organisations attempt to overcome the compensation issues by defining and setting their talent boundaries. For instance, one organisation focuses on recruiting the local youth as it cannot meet the salary expectations of professionals from top-notch social sciences institutes. The local youth also bring the organisation knowledge of the regional socio-cultural scenarios. Thus, the organisation can surmount the compensation challenges and effectively deal with complex socio-cultural contexts and language barriers.

6.1.5. Lack of interest in the social cause

Organisations also believe that a person who wants to work with an SPO but does not have an interest in creating social change may find the job demotivating in terms of compensation and incentives. According to them, interest in driving social change is a non-monetary incentive for talent who work in the social sector. If a person is unable to identify and recognise this incentive, they will get demotivated looking at the monetary benefits. This implies that the SPOs also consider non-monetary incentives as part of their compensation.

Although organisations have not reported a specific practice to address this issue, talent induction and routine discussions on the task significance and impact of the organisation are a few initiatives that are undertaken to ensure that talent is aligned with the vision and objectives of the organisation.

6.1.6. Hiring middle and senior management employees

Hiring middle and senior management employees is found especially difficult (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). One NGO/SE addresses these issues by hiring their alumni for the middle-management role who very well understand the workings of the organisation. Other strategies that FOs have embraced are referrals from their networks. The referrals are generally invited by the organisational leadership.

6.1.7. Corporate cross-over

Around 50% of the SPO leads in this study have crossed over from corporate settings. However, most organisations reported a mixed experience with talent shifting from the corporate to the social sector (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). One of the notions that the corporate crossover brings with them is that growth (scaling of operations/geographical spread) in the social sector can happen as fast as in a corporate. This issue with SPOs remains unresolved: generally, a mismatch leads to the employee's exit from the organisation.

6.1.8. Participant's expectations

Social sector personnel who work directly with communities sometimes encounter situations that are way beyond their control but considerably affect the progress of their work. This is one of the discouraging factors for employees who, despite working hard and religiously following the protocols, cannot see the change happening as one or more people in the community don't respond well, which affects the whole work. Moreover, employees may get discouraged when the community members or participants are not convinced about the benefits of services despite the strenuous efforts invested by the employees in persuading them.

6.1.9. Effect of COVID-19 on workplace

The COVID-19 pandemic has considerably affected the workplace in every sector, including the social sector. Personnel from participant SPOs have now shifted to a virtual working mode, where they find the human element missing. SPOs find this to be a critical factor that demotivates employees.

6.1.10. Organisations are taking conscious steps

to connect physically with their employees to overcome post-pandemic workplace challenges. A few efforts in this direction include face-to-face meetups at team and program levels and team-building exercises and activities. Team leads in SPOs working in multiple states frequently visit different states to connect with regional teams to understand the challenges of the employees in the two years of the pandemic, whether they can be offered any support, and to know professionals more as human beings.

Furthermore, online platforms like Slack and Zoom are increasingly becoming popular among SPOs

undertaking team-building activities. However, one should not assume that every SPO has some team building and formal structures to boost the motivation of their employees. Some SPOs admitted that they don't have a formal process to encourage their employees, such as team building or relationship-building activities.

6.2. TM challenges due to internal factors

6.2.1. Paucity of funds

The majority of SPOs fail to offer an expected salary to their employees. This is primarily because of funding constraints within the organisations (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). ESOs with a revenue model like a corporate fail to offer impressive salaries because they are still in the start-up stage, and their primary clients are resource constraints NGOs/SEs. Thus, the revenues are not high enough to accommodate salary expectations. These organisations use performance-linked incentives to retain talent. As discussed earlier, NGOs/SEs rely on hiring local youth and developing their capacity.

Furthermore, a few NGOs/SEs attract volunteers, interns, and unemployed people with a social bent of mind to overcome resource barriers and implement their projects. While these organisations cannot give handsome salaries, they have adopted a policy to continue with their existing staff on one project after the other.

Moreover, most organisations in the NGO and SE category expressed their limitations in investing in talent management processes, structures and systems owing to a paucity of funds (Regional Consultations on Talent Management in the Indian Social Sector, 2022).

6.2.2. Brand value

Brand value of the organisation affects talent motivation to work for an organisation. Therefore, not having a sound brand value (that attracts talent to work for the organisation) poses challenges in talent attraction and hiring (Talent Management Practices in the Indian Social Sector, 2022).

6.2.3. Delay in decision making

Delay in deciding whether to hire someone for a job role is one reason organisations fail to attract and hire talent. This issue generally lies with SPOs where talent attraction and hiring are heavily centred around the founder.

6.2.4. Lack of technical capacity

Resource-constrained organisations, particularly NGOs/SEs, mention that they are unable to generate funds as they do not have the capacity to write an effective technical proposal and are weak at documentation. Due to a lack of resources, they cannot build their teams' capacity or hire talent with the required competencies.

However, these SPOs are being assisted by ESOs. For example: one ESO in the study is extending pro-bono support to an NGO/SE in the study sample, improving their website, developing the website's video content, designing the organisational logo, and creating social media pages. Besides, organisations are benefitted from the enthusiasm of volunteers and interns who work online from remote locations.

6.2.5. Competency mismatch

Competency mismatch between technical and personality traits is one of the significant challenges faced by organisations. This is an unresolved challenge despite a few organisations having structured and streamlined attraction and hiring processes. For example: tolerance for working under uncertainty is one of the traits that organisations look out for in their talent. However, the response from the survey participants shows that they have a low preference for work under ambiguity. The motivation survey revealed that 94%

of the respondents have a low tolerance for ambiguity and prefer to work with specific instructions and a clear-cut vision of their work.

None of the archetype respondents has a high score for tolerance of change. The tolerance of change is low for all the respondents from two SPO archetypes. The score is moderate across five archetypes: NGO Simple Ad hoc, ESO Simple, NGO Complex Ad hoc, NGO Complex Professionally Managed, and FOs. Most of the respondents from NGO Simple Ad hoc SPOs relatively have a high degree of preference to work under uncertainty (Talent Management in the Indian Social Sector, 2022).

6.2.6. Performance based promotions

The organisation which follows performance-linked or ability-based promotions may face employee demotivation. Personnel working in SPOs get demotivated when their junior peers are promoted to higher positions, leaving them behind within the organisation.

6.2.7. Poor incentives

While incentives may not be the primary factor that drives talent to work in the SPOs, they do affect the motivation of professionals, especially when the means don't meet the ends. Poor incentives and low salary hikes also discourage employees.

6.2.8. Misalignment with mission and approach

People join the social sector as they find meaning and purpose in their job. Task significance is a key motivating factor. However, mismatch in the mission and approach to achieve goals and delay in visualising the impact of the work affect employee motivation negatively. Demotivated employees leave the organisation as they are unable to connect with the organisation's mission anymore. This remains an unresolved challenge for organisations.

6.2.9. Team management

Everyone brings different sets of personalities to the organisation, and conflict between team members is quite common. Conflicts are generally resolved through dialogue between individuals. However, to manage different personalities, the leaders first recognise their difference and rely on listening to the concerns of their team members and understanding each team member's working style to explore the level of a person's dependency.

6.2.10. Career trajectory

Talent aspires to grow within the organisations. If someone stays for a longer time in a particular position, they might get discouraged owing to lack of personal growth. Even in larger organisations, the absence of opportunities for everyone to grow in the hierarchy is demotivating for individuals. What SPOs, particularly lean organisations where vertical growth is limited, do to address this challenge is to provide horizontal growth to their talent. This happens in the form of assigning more roles and responsibilities.

6.2.11. Balance between talent emotion and tasks

SPOs struggle to balance employees' emotions and the task they have been assigned.

6.2.12. Disadvantages of traditional performance management

One disadvantage of performance management cited is that the organisational talent becomes so engrossed in achieving the targets that they do not spend time upskilling and their own development.

6.2.13. Administrative burden

Too much administrative burden may also discourage talent in SPOs. According to the SPOs, employees engaged in manual work updates like trackers and reports get disengaged with the work.

6.2.14. Burn out

Respondents in NGOs/SEs and ESOs reported burnout due to a highly stressful work environment and work overload. NGOs/SEs working in public health mentioned that it is very distressing when highly traumatised patients pour their hearts out. Another reason for burnout is playing different roles. For example: one SPO professional reported burnout due to different jobs like fundraising, compliance, accounting, and budgeting (Talent Management in the Indian Social Sector, 2022).

One ESO schedules special meetings with their employees to determine whether they require additional support to execute their job roles. In this ESO, whenever an employee reports burnout, the team lead asks them to take a week's break. Organisations have even set up wellness budgets for this purpose. Each employee has a wellness amount set that they can use for their wellness, such as joining a gym or other wellness activity (Talent Management in the Indian Social Sector, 2022).

6.2.15. Monotony of work

Lack of diversity in work and repeatedly doing the same task within the same department of the organisation, addressing the same issues, and working with similar stakeholders is also one of the reasons that demotivate personnel in SPOs. Job rotation and assigning various tasks are used to break the monotony amongst employees.

6.2.16. Talent attrition

One problem for ESOs is that many employees exit the organisation at the same time. The sudden downsizing of the workforce renders the SPO struggle to find replacements within a short period. Organisations are particularly worried about the exit of their valuable employees. One of the solutions organisations devise is negotiating salaries with their valuable employees. However, this solution seldom works due to the compensation expectations of the talent and funding constraints of the organisation. The organisations also find retaining employees who feel saturation in their job roles difficult.

Organisations generally address saturation in the job-by-job rotations and assigning a diverse range of projects to employees. It allows talent to garner new skills and explore newer areas that create a broader career trajectory, thereby keeping their morale high. Besides, this strategy helps organisations in preparing for the next line of leadership.

6.2.17. Succession planning

SPOs, especially NGOs/SEs, are driven by the founder-leader who keeps the momentum going. However, there might be no next-in-line leader who can replicate the energy and enthusiasm of the founders, while keeping the employees motivated and the organisation relevant to its stakeholders (Regional Consultations on Talent Management in the Indian Social Sector, 2022; Talent Management Practices in the Indian Social Sector, 2022). The founder-leaders are at the helm of generating new project ideas, resource mobilisation and taking overall care of the organisation. Employees in these organisations become complacent over time and settle in their comfort zone, only following standardised instructions.

However, succession planning is not entirely absent in SPOs. There is a second line of leadership in a few organisations that are intentionally involved in multiple roles to prepare them for a leadership role in future. Generally, these second-in-line leaders play multiple roles and engage in all organisation operations to understand organisational activities thoroughly.

To ensure succession planning, one NGO/SE accommodates employees' requests for job rotation where the talent within the organisation is involved in other divisions of the organisation. For instance, the HR lead gets involved with program teams. This allows SPOs to break the monotony of work for internal talent and establish a system of preparing a leadership pipeline. Similar findings emerge from FOs where resource generation teams are encouraged to engage with different teams, giving them a complete overview of the

Chapter 7: Limitations and future directions

This research study has a few limitations that can provide cues for further research. These are as follows:

• The sample across both qualitative and quantitative modules is limited. Despite continued efforts, 75 organisations participated in the compensation benchmarking exercise and shared organisational data on compensation and job mapping; 59 shared data on benefits; while personnel from only 12 organisations participated in the perception survey. Moreover, these numbers were dominated by the NGOs/SEs category, and thus findings cannot be generalised to FOs and ESOs. Furthermore, several archetypes remain underrepresented. More data should be gathered on each category and archetype on compensation and benefits to ensure representativeness and improve generalisability of findings across each category and archetype.

• The findings provide deep insights into TM practices of SPOs, which are based on qualitative data from 98 in-depth interviews with 104 participants across 24 SPOs and 18 FGDs conducted with leaders from 48 SPOs. This was further supplemented by a quantitative survey on motivation with 735 participants working in SPOs in the Indian social sector.

• However, the lack of enough representation across all the seven archetypes restricted the comparison of TM practices between organisations falling within the same archetype. Collecting data on missing archetypes and their comparison would bring much deeper insight and might help generalise findings for each archetype. Generalisations of the results demand further exploration of the TM practices across a few other organisations, particularly ensuring geographical representation. As evident from the findings from this report, the latter may have a substantial effect on the TM practices of SPOs in the Indian social sector.

• While the study captures many prominent aspects of TM practices in different types of SPOs, a natural extension of the study is to analyse the effect of socio-economic and cultural aspects on the motivation of talent to work in the Indian social sector. Motivating factors might have wide variations across different settings. Understanding talent motivation in the social sector associated with demography and specific and active features of the region would add granularity to the understanding of talent motivation. Thus, future research should focus on building actionable knowledge on motivational factors of specific settings that might be generalisable to similar context.

• The insights on TM have mainly come from the top leadership and vertical leads of the SPOs. The motivation and perception survey does provide some understanding of the employee side. Still, a further sense of the perspective of employees working at different levels will give a more nuanced understanding of TM practices. For instance, exploring alignment between values espoused by the organisation and their understanding by the talent, since this alignment is highly desired by the SPOs as it shapes organisational culture and affects talent motivation and well-being.

• Another critical area of future research would be to understand the relationship between talent motivation and organisational performance and effectiveness.

Chapter 8: Conclusions and recommendations

This study fills the gap in the literature on TM in Indian SPOs by utilising mixed methods to analyse 18 FGDs, 98 in-depth interviews (with 104 participants); a compensation, benefits and perception survey, and a survey on drivers of talent motivation. It has provided insights into the broader themes and dynamics of TM practices in Indian SPOs based on participants' and respondents' observations and concerns. While this exploratory study is not statistically representative of the gigantic Indian social sector, it draws attention to TM practices (or the lack of them) across SPOs that have been neglected until now. SPOs can utilise the findings of this study to formulate people-centric TM practices that could enable them to attract and retain talent, thereby driving organisational effectiveness and performance. Some of the significant insights and takeaways are synthesised below:

• A robust recruitment process with an explicit and clear articulation of talent needs, along with an extended talent induction and integration process, can be the most effective strategy to address challenges related to retention. A well-planned induction develops an overall alignment to the organisation's goal and mandate. Planned talent transitions (both horizontal and vertical) may permit organisations to create exceptional career strategies and nurture resilience and a dynamic, enduring, and effective work environment that allows individuals and teams to thrive.

• Parity in compensation practice enables the organisation to adopt a more transparent approach to structuring compensation and benefits. Compensation benchmarking can positively affect talent motivation as the TM practices of SPOs would appear fair and just, allowing SPOs to display their commitment to personnel well-being by ensuring fair compensation and benefit practices.

• Since SPOs generally face resource constraints, undertaking an expensive exercise like compensation benchmarking is challenging. Organisations can collaborate by participating in research studies like the current one to address this challenge, compare their compensation structure with similar organisations and overall social sector and general industry, and calibrate their compensation practices accordingly. Furthermore, a public portal featuring a database on compensation and benefits practices across different SPO archetypes will be made available jointly by ISDM and CSIP later this year. SPOs can leverage this platform to get an overview of compensation and benefits offered in the sector and across different SPO archetypes and review their own practices.

• Recognition and acknowledgement of performance, whether monetary or non-monetary, is critical for retention and enhanced engagement of organisational talent. Acknowledgement and celebration of people's contribution not only enables personnel to recognise the value of their work but also encourages them to engage more effectively with their respective responsibilities. Such platforms for sharing and appreciating contributions of self and others enables personnel to nurture empathy between and across teams. It not only enables organisations and personnel to be aware and build appreciation for each other's pain points and successes, but also encourages other organisations and stakeholders in the ecosystem to commit to the cause.

• Investment in L&D has two-fold benefits. Firstly, it well aligns with the talent motivation across different categories of SPOs. Secondly, there might be high return on investment as enhanced talent capacity can boost the organisational effectiveness and performance. On the other hand, the flip side is talent exit post capacity development. Therefore, L&D investments aligned with career trajectory can be a more appropriate strategy.

• An empathetic and encouraging leadership style tends to improve employee motivation and

retention. On the other hand, a micromanaging and authoritarian style of leadership has the contrary effect. Therefore, adopting an empathetic and people-centric style of leadership can help SPOs in attracting and retaining talent.

• Workplace environment also matters a lot to the talent in the Indian social sector. Relationships with peers keeps the talent morale high and ensures team play at work. Regular team building activities can ensure employees stay connected with each other and make productive teams.

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Annexes

Annex 1: List of organisations that participated in the study

Table 4. List of SPOs that participated in the study

Organisation	Category	Archetype
Access Livelihoods	NGOs and SEs	NGO Complex Adhoc
Acumen	ESOs	ESO Complex
Adarsh Mahila Griha Udyog	NGOs and SEs	NGO Complex Adhoc
Agastya International Foundation	NGOs and SEs	NGO Complex Professionally Managed
Akanksha	NGOs and SEs	NGO Simple Professionally Managed
Ambuja Cement Foundation	NGOs and SEs	NGO Complex Adhoc
ANANDI –Area Networking And Development Initiatives	NGOs and SEs	NGO Complex Adhoc
Antarang Foundation	NGOs and SEs	NGO Complex Adhoc
Arghyam	FOs	Funding Organisation
Association for Rural Community Development	NGOs and SEs	NGO Simple Adhoc
Arpan	NGOs and SEs	NGO Complex Adhoc
A.T.E. Chandra Foundation	FOs	Funding Organisation
Atma	ESOs	ESO Simple
Azad Shiksha Kendra	NGOs and SEs	NGO Complex Adhoc
BBC Media Action (India) Ltd	NGOs and SEs	NGO Complex Professionally Managed
Bharti Foundation	NGOs and SEs	NGO Complex Adhoc
Bhumi	NGOs and SEs	NGO Complex Adhoc
Breakthrough	NGOs and SEs	NGO Complex Professionally Managed
Catalyst Management Services Pvt Ltd	NGOs and SEs	NGO Complex Adhoc
Central Square Foundation	NGOs and SEs	NGO Complex Professionally Managed
Centre for Community Initiative	NGOs and SEs	NGO Complex Adhoc
Children's Movement for Civic Awareness	NGOs and SEs	NGO Complex Adhoc
Collective Good Foundation	ESOs	ESO Complex
Community Development Centre	NGOs and SEs	NGO Simple Adhoc
Commutiny the youth collective	ESOs	ESO Complex
CRY - CHILD RIGHTS AND YOU	FOs	Funding Organisation
Centre for the Sustainable Use of Natural and Social Resources	NGOs and SEs	NGO Complex Adhoc
CULP - Centre for Unfolding Learning Potentials	NGOs and SEs	NGO Complex Adhoc
Danamojo Online Solutions Pvt. Ltd	ESOs	ESO Complex
Dasra	NGOs and SEs	NGO Complex Adhoc
Development Consortium (Project STiR Education)	NGOs and SEs	NGO Complex Professionally Managed
Dhwani Rural Information Systems Pvt Ltd	ESOs	ESO Complex
Disability Entrepreneurship And Leadership Foundation	NGOs and SEs	NGO Simple Adhoc
Dr. Reddy's Foundation	NGOs and SEs	NGO Complex Professionally Managed
Dream A Dream	NGOs and SEs	NGO Complex Professionally Managed
Foundation to Educate Girls Globally	NGOs and SEs	NGO Complex Adhoc
Good Business Lab	ESOs	ESO Complex
Gram Vikas	NGOs and SEs	NGO Complex Professionally Managed
GUNVATI Jagan Nath Kapoor Foundation	NGOs and SEs	NGO Simple Professionally Managed
Healing Fields Foundation	NGOs and SEs	NGO Simple Adhoc
Humana People to People India	NGOs and SEs	NGO Complex Professionally Managed

India Community Development Service Society	NGOs and SEs	NGO Simple Professionally Managed
India Foundation for the Arts	FOs	Funding Organisation
Institute of Social Studies Trust	ESOs	ESO Simple
Integrated Action Trust	NGOs and SEs	NGO Complex Professionally Managed
Jai Vakeel Foundation & Research Centre	NGOs and SEs	NGO Complex Professionally Managed
JSW Foundation	NGOs and SEs	NGO Complex Adhoc
Katalyst	NGOs and SEs	NGO Simple Professionally Managed
Katha	NGOs and SEs	NGO Complex Adhoc
Key Education Foundation	NGOs and SEs	NGO Simple Adhoc
Lotus Petal Foundation	NGOs and SEs	NGO Complex Adhoc
Malenadu Education and Rural Development Society	NGOs and SEs	NGO Complex Adhoc
Manavlok Ambajogai	NGOs and SEs	NGO Complex Professionally Managed
Mobile Creches	NGOs and SEs	NGO Complex Professionally Managed
NalandaWay Foundation	NGOs and SEs	NGO Simple Adhoc
NASSCOM Foundation	NGOs and SEs	NGO Complex Professionally Managed
National Centre for Promotion of Employment for Disabled People (NCPEDP)	NGOs and SEs	NGO Simple Professionally Managed
Oak Foundation	FOs	Funding Organisation
Oorjaa Sustainable Solutions LLP	ESOs	ESO Complex
Prakriti Foundation	NGOs and SEs	NGO Complex Adhoc
Pravah	NGOs and SEs	NGO Simple Adhoc
Prithvi Innovations	ESOs	ESO Simple
Quality Education Support Trust	NGOs and SEs	NGO Complex Adhoc
Quest Alliance	NGOs and SEs	NGO Complex Adhoc
Red Dot Foundation	NGOs and SEs	NGO Simple Adhoc
Rural Education and Action Development Trust (READ Trust)	NGOs and SEs	NGO Simple Adhoc
Rural Technology and Management Khadi and Village Industries Samiti	NGOs and SEs	NGO Complex Professionally Managed
Sanatan Unnayan Sangstha	NGOs and SEs	NGO Complex Adhoc
SANKALPA Organisation	ESOs	ESO Simple
Sanskriti Samvardhan Mandal	NGOs and SEs	NGO Complex Adhoc
Save the Children India	NGOs and SEs	NGO Complex Professionally Managed
Sense International India	ESOs	ESO Complex
Shree Jan Jeevan Kalyan Sansthan	NGOs and SEs	NGO Simple Adhoc
Service Initiative for Voluntary Action Trust	NGOs and SEs	NGO Simple Professionally Managed
SNEHA (Society for Nutrition, Education and Health Action)	NGOs and SEs	NGO Complex Adhoc
SCRIA- Social Centre for Rural Initiative and Advancement	NGOs and SEs	NGO Simple Adhoc
Society for Children (SOCH)	NGOs and SEs	NGO Simple Adhoc
Society for Harmonious Renaissance of Ideas through Simple Technological Initiatives (SHRISTI)	NGOs and SEs	NGO Simple Professionally Managed
Society for Participatory Research in Asia (PRIA)	NGOs and SEs	NGO Simple Adhoc
SPARSH	NGOs and SEs	NGO Simple Adhoc
St. Jude India Childcare Centres	NGOs and SEs	NGO Complex Adhoc
St.Thomas Charitable and Educational Trust	NGOs and SEs	NGO Complex Adhoc
Swades Foundation	NGOs and SEs	NGO Complex Adhoc
Swami Dayananda Saraswati Educational Society	NGOs and SEs	NGO Complex Professionally Managed
Swasti	NGOs and SEs	NGO Complex Adhoc
Tata Steel Foundation	NGOs and SEs	NGO Complex Professionally Managed
Tata Trusts	FOs	Funding Organisation

The Nudge Foundation	NGOs and SEs	NGO Complex Adhoc
Toybank - Development through Play	NGOs and SEs	NGO Complex Adhoc
U&I Trust	NGOs and SEs	NGO Complex Adhoc
Udayan Care	NGOs and SEs	NGO Complex Adhoc
Udhyam Learning Foundation	NGOs and SEs	NGO Complex Adhoc
Ummeed Child Development Center	NGOs and SEs	NGO Complex Adhoc
Under The Mango Tree Society	NGOs and SEs	NGO Complex Professionally Managed
Vidhi Centre for Legal Policy	ESOs	ESO Complex
Villgro Innovations Foundation	ESOs	ESO Complex
Vrutti	NGOs and SEs	NGO Complex Professionally Managed
Wildlife Conservation Society-India	NGOs and SEs	NGO Complex Professionally Managed
Wipro Foundation	FOs	Funding Organisation
Youth for Unity and Voluntary Action (YUVA)	NGOs and SEs	NGO Complex Professionally Managed

Source: Compiled by the authors

Annex 2: Level description of employee category

Table 5. Level description

Korn Ferry Hay Reference Level(s)	Employee Category	Level Definition
21-25	Leadership	"Performs practices requiring in depth specialisation in a professional field or a broad understanding of relationships between different fields. Both are gained through deep and broad experience built on concepts and principles. These jobs require the ability to select, develop and assess the suitability of techniques, not just the application of those techniques. Controls a major function in a large organisation or all functions in a small Organisation. Typical designations at this level are of Chief Executive Officer, Head Legal, Head –Strategy etc."
20	Leadership	"At this level, the job typically manages broadly similar functions and coordinates relationships with other parts of the Organisation over a one-year horizon with significant impact on tactical results. Typical designations at this level are of Chief Financial Officer, Regional head etc. Role typically includes: - A need for broad and deep knowledge in the field that requires a command of diverse practices and / or sophisticated concepts and principles. This knowledge is acquired through deep experience and most likely extensive academic / professional qualification - Integration of several functions and their coordination with related areas - Development of a functional strategy based on overall implementation strategy over a yearly or longer time horizon - Operations within the framework of annual goals and can independently define the ways to achieve these goals - May have direct and controlling impact on budget"
19	Senior Management	"At this level, the job ensures management of a function in a mid sized organisation and development of functional policies for the whole organisation. Typical designations at this level are of Director – donor relations, Director –Finance etc. Role typically includes: - A need for broad and deep knowledge in the field that requires a command of diverse practices and / or sophisticated concepts and principles. This knowledge is acquired through very deep experience and extensive academic / professional qualification - Integration of several functions and their coordination with related areas - Operations based on a functional strategy and develops functional policies for the programme - Operations within the framework of annual goals and can independently define the ways to achieve these goals - May have direct impact on budget. "

Korn Ferry Hay Reference Level(s)	Employee Category	Level Definition
18	Senior Management	"The job has visibility of short team goals. Objectives are typically set, reviewed and monitored for a year. The job works within the established strategy. Typical designations at this level are of deputy director- education, regional head etc. Role typically includes: - A need for broad and deep knowledge in the field that requires a command of diverse practices and / or sophisticated concepts and principles. This knowledge is acquired through very deep experience and extensive academic / professional qualification - Integration of several functions and their coordination with related areas - Developing operating procedures for the organisation or its part drawing on organisational policies - Operations within the framework of annual goals with no intermediate control, however there is an approved operating plan for the job to achieve the set goals"
17	Middle Management	"At this level the job ensures the operational management of the small function / programme. The job at this level implements the functional policy through the development and realization of the established operating plans. Typical designations at this level are of deputy general manager – finance, Head – operations etc Role typically includes: - A need for theoretical understanding of the field and extensive practical experience - Knowledge of a technical or specialized area, based on the understanding of the theoretical principles, ideas and their context - Developing operating procedures for the organisation or its part drawing on organisational policies -Objectives are set for a year / specific period but controlled, reviewed and monitored frequently
16	Middle Management	"This could be the first level manager / leader role in a large complex organisation -The jobs at this level can assess the long-term consequences of taken decisions and are able to find new ways to resolve a problem. Typical designations at this level are of fundraising manager, associate program lead, associate project manager etc. Role typically includes: - A need for theoretical understanding of own field and extensive practical experience. Knowledge of a technical, scientific or specialized area, based on the understanding of the theoretical principles, ideas and their context - Optimization of the existing procedures and develop and propose the new ones - Work allocation and review are most common activities at this level
15	Middle Management	"This role could be a supervisory role or a specialized individual contributor role. Extensive knowledge is expected at this level. The job is fully responsible for their or their team's work in a certain area. Typical designations at this level are of assistant manager – corporate partnerships, program lead etc. Role typically includes: - A need for theoretical understanding of own field and extensive practical experience. Knowledge of a technical, scientific or specialized area, based on the understanding of the theoretical principles, ideas and their context - Taking decisions independently based on procedures, choosing the best procedure or their combination for each work situation, cascading the procedures (give recommendations to junior personnels) - After goals are decided the assessment period or time duration of setting objectives for the team could span for 3 months or slightly more"
14	Support Staff	"At this level, the jobholder works independently within the standard procedures and should be able to find a solution for a new task. Typical designations at this level are of project assistant, conservation consultant etc. Role typically includes: - A need for the job's theoretical understanding of the field combined with extensive practical experience - Independence in defining the best course of action - Operations within the framework of standard practices and policies with regular supervisory control (a month to three months) - An opportunity to seek assistance in defining the sequence of actions - Process management and understanding of the related processes. Work requires the consideration of future implications beyond the immediate problem and is not closely supervised. It is governed by standardized work routines that permit the use of initiative and jobs typically have an impact through the provision of specialized advisory, diagnostic or operational services."
13	Support Staff	"At this level, the jobholder works independently within the standard procedures and should understand the theoretical principles of own work area and have some work experience in the field. Typical designations at this level are of Assistant project coordinator, program coordinator, Coordinator –M&E etc. Role typically includes: - A need for the job's theoretical understanding of this field combined with some work experience - Independence in defining the best course of action - Operations within the framework of standard practices and policies with regular supervisory control (a week to a month) - An opportunity to seek assistance in defining the sequence of actions - Process management and understanding of the related processes. Work is not closely supervised and is governed by standardized work routines that permit the use of initiative, and typically has an impact through the provision of activities that require technical proficiency or through the provision of administrative support of a facilitative or interpretive nature."

Korn Ferry Hay Reference Level(s)	Employee Category	Level Definition
12	Support Staff	"At this level, it can be an entry-level professional (complete higher education in the field with minimum work experience) or a jobholder without the higher education, but with extensive work experience. Typical designations at this level are of account assistant, assistant teacher, project executive, research associate etc. Role typically includes: - A need for theoretical understanding of the sphere combined with certain practical work experience or an extensive practical work experience with limited theoretical knowledge of the field but profound practical skill in the field and understanding of the related areas at a practical level - Work is not closely supervised and is governed by standardized work routines that permit the use of initiative. An opportunity to seek assistance in defining the sequence of actions - Process management and understanding of the related processes
11	Support Staff	"This level demands deep practical knowledge of work methods and techniques. This knowledge is typically acquired through specialized training and practical work experience. Typical designations at this level are of care giver, community mobiliser, field coordinator etc. Role typically includes: - A vocational college education and practical experience. It is important to have a wider understanding of the work area and related processes - Work is closely but not stringently supervised and governed by specific instructions that permit some rearrangement of the sequence of work and the use of some initiative - General understanding of the theoretical base in own sphere (may be required) - Process management and understanding of the related processes - Work is closely and regularly monitored"
10	Support Staff	"At this level, knowledge is required for the application of practical methods, techniques and work processes and proficiency in the specialized use of tools, materials and equipment. Typical designations at this level are of data administrator, data entry operator, clerk, technical assistant etc. Role typically includes: - Specialized training to acquire practical work skills - Problem solving based on the detailed standard practices and guidelines - Work is closely but not stringently supervised & had independence in defining the re-arrangement of sequence of tasks, while guided by the clear instructions. "
9	Support Staff	"This level demands an understanding of the whole process and practical knowledge of standard work operations, work processes, skills in using special tools and materials. Specialized training may be required. Typical designations at this level are of house keeping, helpdesk operator etc. Role typically includes: - An opportunity to define independently but very limited sequence of actions, but the work duties are clearly defined in the job description - Ensures process management and understanding of the related processes - Detailed standard practices and guidelines. "
8	Support Staff	" Basic knowledge of standardized, often repetitive, work routines, general facts , acquired through training on the job Typical designations at this level are of driver, office assistant, field coordinator, etc. Role typically includes: - A need to understand the sequence of actions - Work is closely but not stringently supervised and governed by specific instructions that permit scope for limited rearrangement of the sequence of work. - Focus on a task that is clear in its goal and scope. "

Source: Korn Ferry

Annex 3: Function descriptions of the job roles

Table 6. Functional description of the job roles

Function Name	Function Definition	Sub Function Name	Sub Function Definition
Program & Content Development	Content development is the process of researching, writing, gathering, organising and editing information for publication or providing knowledgeable fillings to the users for specific program related	Content Design	Responsible for creating new content, piloting new ideas and creating training material for the programs. Reviewing and updating the program content as the program progresses. Creating content for social media, media, and other platforms to promote the programs, get sponsorship, donations or to simply spread awareness about the program and related activities.
		Project / Program Plan Design	"Designs Project/Program plans basis conversations with different stakeholders. Ensures that appropriate planning processes, techniques and scheduling systems meet the projects needs. Oversees projects work breakdown structure, progress against planned activities and if needed ensures corrective action in collaboration with a Project Manager." "Responsible for the receipt, recording and disbursement of a wide variety of goods in the NGOs like books, stationery, medicines, clothes, food items, etc. Tracks, evaluates and reports inventory levels and accuracy. Works closely with social service representatives to ensure inventory levels are in line with program standards. Staffs, organises, and directs operations within a warehouse to effectively manage the movement of goods to different program locations."
Social Service / Helpline	A telephone line operated by a charitable Organisation / govt. for people in distress, worried or unhappy. It works with the mission to provide telephonic advice, information and guidance to empower and support them	Social Counsellor	Responsible for handling personnel in distress seeking support from social sector Organisation for various services offered like education, child disability, health and sanitation, women rights, LGBTQ right, etc.
		Coordinator	Responsible to ensures query resolution for calls answered, connecting the recipient to the concerned representative and take the request forward to provide support. Also maintaining smooth running of operations, proper turn around time on queries / requirements, training of help desk and team members to serve the public.
Logistics / Supply Chain	A processes of acquiring, storing and transporting of goods / resources along the chain	Warehousing	"Responsible for the receipt, recording and disbursement of a wide variety of goods in the NGOs like books, stationery, medicines, clothes, food items, etc. Tracks, evaluates and reports inventory levels and accuracy. Works closely with social service representatives to ensure inventory levels are in line with program standards. Staffs, organises, and directs operations within a warehouse to effectively manage the movement of goods to different program locations."
		Delivery/Transportation	Delivery management is responsible to ensure goods / items are effectively and efficiently transferred / transported from one location to the other on time.
		Purchasing/Procurement	Responsible for the administration of supplies, involving the development of existing / new suppliers, administration of supply contracts, evaluations of quality of supply and services, aiming at maintaining the flow of materials, equipment and services necessary to the Organisation activities. Conduct commercial visits in order to establish long-term partnerships. Contribute to the planning, analysing and consolidating the stock indicators and other information inherent in the process.

Function Name	Function Definition	Sub Function Name	Sub Function Definition
Project Management	Project Management relates to implementing the project activities as per the agreed terms with the donors. Project Management refers to an array of activities related to project implementation, managing the external risks, communication, resources and budget.	Project Governance	Project governance is an oversight function that is aligned with the Organisation's governance model and encompasses the project life cycle. The system by which projects are directed and controlled. It is concerned with structure and processes for decision making, accountability, control and behavior at the top of a project / entity.
		Capacity Building	A process of developing and strengthening the skills, instincts, abilities, processes and resources that organisations and communities need to survive, adapt, and thrive. The team enables organisations and their leaders to develop competencies and skills that can make them more effective and sustainable, thus increasing the potential for nonprofits to enrich lives and solve society's most intractable problems. The roles also includes partnering with communities with similar cause and facilitating peer to peer learning to involve a larger population to create awareness and help grow the mission.
		Monitoring & Evaluation	"Monitoring is the systematic and routine collection of information from projects and programmes. It is a periodically recurring task already beginning in the planning stage of a project or programme. Monitoring allows results, processes and experiences to be documented and used as a basis to steer decision-making and learning processes. Monitoring is checking progress against plans. The data acquired through monitoring is used for evaluation. Evaluation is assessing, as systematically and objectively as possible, a completed project or programme (or a phase of an ongoing project or programme that has been completed).The evaluation process delves deeper into the relationships between the results of the project/programme, the effects produced by the project/programme and the overall impact of the project/programme."
		Community Mobiliser	Building the capacity of children, functions and community to collectively engage local leaders on identified issues. Conduct community mapping and profiling exercise to identify key stakeholders to partner with. Design and Facilitate the stakeholder engagement activities in line with the findings of the above exercise. Coordination with the relevant authorities to get permissions to organise event / session / workshop for communities to build awareness. Mobilisation of community to ensure minimum expected enrolments in the programs, conduct follow-ups on call or home visits to ensure regular attendance and to proactively address any issues that may prevent the same.
		Field Work	A field worker is someone who works outside of the office and travels to different locations. The role is required to increase the outreach in the assigned geography by increasing penetration, contact and recruitment of volunteers to drive organisations programs and initiatives. Create pipeline and data base ready for the program to achieve the goal smoothly for expected enrolments in the programs. Conduct follow-ups on call or home visits to ensure regular attendance in the program and to proactively address any issues that may prevent the same. Monitoring of activities and handholding change leaders through the implementation of the program. Maintain documentation on the program to be inputs into the monitoring and evaluation system.
		Project Coordinator	Oversee the implementation of the program; day-to-day coordination of program, logistics, and administration functions as directed by the program team. Coordinate and monitor all ongoing projects interventions, ensuring appropriate planning tools are developed and followed in discussion with the program team. Anticipate changing needs and emergencies in the field and Provide Immediate Information and recommendations to the program team for budget realignments as required. Coordinate training increase their responsibilities in order to build capacity and ensure sustainability of project. Maintain frequent communication with the program team, technical team and finance about the activities and objectives are followed. Interface with local administration / government and relevant agencies to ensure compliance with varying government regulations. Take an active part in community mobilisation for the outreach program.
Fundraising	Fundraising is the process of seeking and gathering voluntary financial contributions by engaging individuals, corporations, charitable foundations, donors or governmental agencies.	Proposal Writing	Assist in developing partnership proposals. Creating documents that tell compelling stories about Organisation impact and outcomes in their respective area of work, incorporating partner feedback and meeting client requirements.
		Managing Events	The team coordinates all activity related to event (corporate sponsor activities, presenting sponsor opportunities, etc.). Networks with all relevant groups to maximise efforts and leverage relationship on behalf of Organisation. Serves as on-site coordinator, manages all planning and logistics meetings with presenting event sponsor.
		Donor Management	They are central resource point of Organisation for outreach to Corporates and Individuals and support the Organisation in building fund-raising capacity of Corporate Fundraising Team. Building new relationships and strengthen existing relationships with key donors. Donor servicing and reporting on a regular basis to ensure retention and proper management of corporate and individual donors.

Function Name	Function Definition	Sub Function Name	Sub Function Definition
Fundraising	Fundraising is the process of seeking and gathering voluntary financial contributions by engaging individuals, corporations, charitable foundations, donors or governmental agencies.	Resource Mobilization	Resource mobilisation is actually a process of raising different types of support for your Organisation. As said above, it can include both cash and in-kind support i.e. books, items, clothes, etc. Oversight of overall donor experience which includes scaling and improving operational processes, donor servicing and digitisation. Donor CRM implementation and change management, Managing Payment Gateways and optimising payment options.
Research	The creation of new knowledge and / or the use of existing knowledge in a new and creative way so as to generate new concepts, methodologies and understandings.	Data Entry	Data Entry is an operational activity that is not specific to any particular vertical or function and it involves capturing the data of the required activities in a format that can be further used for analysis.
		Analysis	Analysis involves drawing insights and inferences basis the data captured through research. It is the process of reviewing the development, work environment, personnel, and operation of an Organisation.
		Primary & Secondary Research	Primary research is information gathered through self-conducted research methods like student thesis, market research and first-person accounts of trauma survivors, while secondary research is information gathered from previously conducted studies like newspapers, books, academic journals and magazines.
		Advocacy	An advocacy effort or campaign is a structured and sequenced plan of action with the purpose to start, direct or prevent a specific policy change. The team negotiates and mediate dialogue with influential networks, opinion leaders and ultimately, decision makers take ownership of your ideas, evidence, and proposals and subsequently act upon them. The team involves in extensive research studies to introduce new policies supporting the case and advocating for the same to create awareness.
Marketing & Communication	Marketing & Communication refers to activities and strategies that spread the message of the Organisation, as well as solicit donations and call for volunteers. It also involves the creation of logos, slogans, and the development of a media campaign to expose the Organisation to an outside audience. Helps in sharing information, tell stories, protect the brand's reputation, and engage in conversations both internal and external that inspire others to join their Organisation in fulfilling its mission.	Report Writing	Interact and communicate with donor about the project status / success and other marketing initiatives. Support fundraising teams with progress reports, presentations within defined timelines. Responsible for project monitoring and evaluation reporting.
		Internal Communication	Communicating with internal stakeholders share an internal newsletter to update them with information and success stories that can be used to inspire an external audience, for fundraising or highlight areas where funding may be needed. Briefing the senior management provide regular highlights and updates including the board content sourcing, vetting, verification etc. Responsible for drafting, editing and timely release of Annual Report. Coordinate updating of relevant content such as blogs, newsletters etc. on the website, provide inspiring content for social channels to help attract and engage followers.
		External Communication	Working with external stakeholders for PR, events and partners with internal teams to create the overall brand and Communications strategies for the Organisation. The team is also responsible for creating content, scripting and filming of videos that are made for promotions for all Organisation requirements that include PR, talent recruitment, donor communication and internal meetings, retreats and training programs. Work with other teams in the Organisation to ensure that the Communications team is abreast of the latest updates that could be relevant to Communications strategies and projects.
		Social Media Management	Manage day to day social posting and responsible for planning and creating campaigns. Administer the social media accounts and responsible for creating original text and video content, managing posts and responding to followers. Conceptualising campaigns for projects and initiatives through content on various social media platforms. Managing official handles on platforms like Facebook, Instagram, LinkedIn, Twitter, understanding of trending topics in digital media and education. Devising and implementing social media campaigns to increase impact and reach of the Foundation's Programmes and initiatives.

Function Name	Function Definition	Sub Function Name	Sub Function Definition
General Management	Management is responsible for all aspects of an Organisation as well as ensuring that activities are being properly funded. Nonprofit managers are also obligated to deliver the best results possible and have the support staff necessary to ensure success.	Leadership 2	Responsible for the overall direction in which the Organisation moves, and responsible for managing day-to-day activities of the Organisation. A member of board overseeing Organisation's overall operations. Creating a good transparent image, building trust with its partners and stakeholders, and also part of public relations and fund-raising activities.
		Leadership 1	Chairs the Board of Directors, reviews Organisation strategy and represents the Organisation to the stakeholders and Government. The individual is accountable only to Board of Directors.
		Governance	Responsible for overall Organisation planning, directs, and oversees functional activities. Also defines short, medium and long-term strategies, directives and policies, seeking to increase the Organisation growth. Developing new strategies, new donors / partnerships.
		Financial Budgeting	Senior finance executive manages and coordinates Organisation financial function across sub-functions such as accounting, cost management, budgeting, finance, audit, credit, collections, and tax to meet Organisation operational requirements. This is the top finance position as governed by policies and frameworks established by the Organisation.
		Strategy Planning	As a head responsible for the Organisation's strategy development and execution. Develops and implements a strategy that delivers competitive advantage and progress on the Organisation's strategic objectives. Participates in and supports vision and strategy development and decision making for the whole Organisation.
Education	Education is the imparting and acquiring of knowledge through teaching and learning. It refers to the development of learning and thinking process. It goes beyond the four walls of the classroom and is all about gaining experience.	Principal	A principal is "a chief or head, particularly of a school". In any school, elementary, middle, or high, the highest position in the administration is the school principal.
		Teacher	A teacher (also called a schoolteacher or, in some contexts, an educator) is a person who helps students to acquire knowledge, competence or virtue.
		Doctor	A physician, a person who holds a doctoral degree or someone who is qualified in medicine and treats people who are ill.
		Therapist	A therapist refers to professionals who are trained to provide treatment and rehabilitation. The term is often applied to psychologists, but it can include others who provide a variety of services, including social workers, counsellors, life coaches, and many others.
Administration/Support/Service	Administration & Support service are ancillary or noncore activities that an Organisation carries out in order to facilitate its main programs and functions.	Kitchen	Managing overall kitchen operations, keeping track of food article inventories and providing cooked meals.
		Clerical Services	Perform clerical duties such as document processing, record keeping, and report compilation. Receive, classify, reconcile, consolidate, and/or summarise documents and information. Maintain record of documents processed and control to assure completion. Compile regular and special reports, drawing data from a variety of sources within and outside of the department. Contact customers, suppliers or Organisation personnel outside the immediate work area to exchange information. At more senior levels, supervise and coordinate the work of other clerks.
		Secretarial	Perform a variety of administrative and secretarial tasks aimed to optimise the time and performance of a manager or personnel of a department; higher level roles will work for higher level managers or departments. Tasks may involve acting as a first point of contact, dealing with correspondence and phone calls, managing diaries, organising meetings and appointments, preparing documents or reports, and controlling access to the manager or the department. May involve dealing with confidential information. May assign and oversee work of others.
		Support Service	Secure premises, conduct security patrols, monitor surveillance equipment, inspect buildings, equipment, and access points. Also, may include operating a telephone switchboard, greeting visitors, and determining the nature of visitors' social.
		Documentation/Knowledge Management	Develops, organises and maintains library collections and provides advisory services for users.

Function Name	Function Definition	Sub Function Name	Sub Function Definition
Finance and Accounting	Finance and Accounting is the field of accounting concerned with the summary, analysis and reporting of financial transactions related to an Organisation. This involves the preparation of financial statements available for internal or public use.	Accounting	"Performs professional accounting work involving compilation, consolidation, and analysis of financial data. May include any or all of the following: ledgers and preparation of journal entries, fixed asset or inventory accounting, preparation of trial balance or financial statements, cost accounting, bank account reconciliation. Performs general or cost accounting activities requiring some insight and depth of understanding. May prepare or significantly contribute to preparation of a variety of reasonably standard, periodic ""intermediate"" or ""end products,"" such as cost reports, trial balances, balance sheets, profit-and-loss statements or statements of sourcing and application of funds."
		Audit	Performs complex financial and/or management audits in designated areas of the Organisation to identify, resolve, and/or recommend solutions to management control problems. May serve as the project leader on standard audits, the senior member of large-scale audits or conduct complex audits independently.
		Taxation	Provides general assistance to taxation specialists in tasks with relatively few complex features, for which there are precedents. May assist in supervising a small team responsible for the provision of tax research for management. Typically, a partially qualified or newly qualified tax specialist.
		Financial Planning and Analysis	Assists in preparing economic / financial research and analysis for use in the development of Organisation strategies and tactics. Works under direct supervision on routine but productive assignments. Quantifies the financial impact of the opportunity or issue involved, including likely returns on investments or payback period for proposed capital expenditures, new products or other investments.
Human Resources	Human Resource is a department that involves in employing personnel, training them, compensating them, developing policies related to them and strategies to retain them.	HR Generalists	Provide a variety of services necessary for the recruitment, selection, assignment, motivation, training, and development of qualified personnel for an Organisation. Span more than one area of functional specialisation within the human resources function, such as compensation, benefits, labor relations, etc. Ensure adaptation and implementation of broader policies, regulations, plans, and programs to meet accepted objectives.
		Learning and Development	Provides overall guidance to training and development activities throughout the Organisation. Diagnoses Organisational needs, recommends the appropriate mix and emphasis to improve Organisational effectiveness, and implements the agreed plan. Oversees design and presentation of programs.
		Recruitment and Talent Acquisition	Manage recruiting workflow and serves as advisor to the candidate, build and extend relationships through excellence in recruitment process delivery including sourcing, screening, assessing, and marketing role to candidates. Manage offer process and play consultative role between Hiring Manager. Serve as the subject matter expert around applicant tracking systems, candidate sourcing methodologies and recruitment process effectiveness.
Engineering	Engineering is the use of scientific principles to design and build machines, structures, and other items, including bridges, tunnels, roads, vehicles, and buildings	Interdisciplinary Engineering	Make decisions and recommendations recognised as authoritative and develop the most suitable and economically viable construction, engineering methods, and strategies for all planning activities for projects by working closely with site managers and other engineers to ensure a project runs on schedule and material supplies are sufficient. Demonstrate creativity, foresight, and mature engineering judgment in anticipating and solving unprecedented engineering problems, determining program objectives and requirements performing feasibility studies, organising programs and projects, and developing standards and guides for diverse engineering activities.
Health and Environment	Environmental health refers to aspects of human health (including quality of life) that are determined by physical, chemical, biological and social factors	Health and Safety	Provides emergency medical treatment to personnel and advice on health issues. Overall standards and guidance are provided by a physician. This is the technical mid-level of professional nurse and may be the only healthcare professional who is a regular personnel at the location.

Function Name	Function Definition	Sub Function Name	Sub Function Definition
Information Technology/Digital	Information technology is the use of computers to create, process, store, retrieve, and exchange all kinds of data and information.	Software Development and Implementation	Responsible for designing, creating, and maintaining mobile applications to meet Organisation outcomes and improves efficiency and productivity by leveraging technology. Also producing web pages and associated applications to meet Organisation needs.
Legal	A department or a person nominated in the Organisation to provide legal support to the members of the Group.	Legal Counsel	Prepares, provides and reviews legal documentation in specific areas e.g., conveyancing, contracts etc. Also provides legal advice and assistance to other departments regarding these matters. Analyzes and interprets documents other than legal.
Quality Assurance	QA is about improving services, systems and processes, to making sure that the whole Organisation is fit and effective.	Quality Assurance	Supervises activities related to quality including planning and implementation of the Organisation quality management program. Plans and establishes schedules and reviews performance of team members against objectives. Recommends new quality policies or procedures to ensure high quality products, processes or services.

Source: Korn Ferry

Annex 4: Pay mix and positioning

Table 7. Pay mix across SPO archetypes

Archetype	Pay mix
NGO Simple Adhoc Organisations	• KF HRL 13 and 14 in NGO Simple Adhoc organisations are heavy on allowances that are provided to personnel. For the remaining levels, the Basic salary dominates the total compensation.
NGO Complex Adhoc Organisations	• The prevalence of variable pay can only be seen at KFHRL 18. Additionally, KF HRL 10 is an anomaly that doesn't offer any allowances. • At all other levels, basic salary is observed at around 40-45%, allowance are 45% and benefits are 10% of total compensation.
NGO Complex Professionally Managed Organisations	• The prevalence of variable pay can only be seen at KF HRL 23. Additionally, KF HRL 10 is an anomaly that doesn't offer any allowances. • At all other levels, basic salary is observed at around 40-45%, allowance are 45% and benefits are 10% of total compensation.
ESO Complex Organisations	• There are no allowances provided to personnel at KF HRL 12 and KF HRL15 in ESO Complex Organisations • Additionally, the KF HRL 12 and KF HRL 15 are primarily dominated by basic salary which is 84% and 83% of TCTC for KF HRL 12 and KF HRL 15, respectively.

Source: Compensation Benchmarking in Indian SPOs (2022)

Table 8. Archetype wise positioning of the SPOs

Archetype	Positioning
NGO Simple Adhoc SPOs	• Overall compensation for NGOs Simple Adhoc SPOs is less competitive as compared to the overall NGOs/SEs. The compensation is as low as 21% at FCTC and 22% at TCTC. • The median compensation paid in NGOs Simple Adhoc SPOs as compared to the overall NGOs/SEs is less across most of the levels with a drop in compensation observed at KFHRL16. • Personnel in NGOs Simple Adhoc SPOs are paid less compensation across most of the levels except at KFHRL11 & HRL17. • While comparing the median compensation across all KF HRLs, the lowest compa ratio is observed at KFHRL16 (32% at FCTC and 31% at TCTC)
NGO Simple Professionally Managed	• Compensation paid in NGO Simple Professionally Managed SPOs is 21% & 22% lower than overall NGOs/SEs when compared at FCTC & TCTC, respectively.
NGO Complex Adhoc SPOs	• Overall compensation for NGO Complex Adhoc SPOs is almost at par with the overall NGOs/SEs. The average compa ratio at FCTC is 99% and at TCTC, it is 98%. • Compensation in NGO Complex Adhoc SPOs is lower by 2% than the compensation paid in overall NGOs/SEs. • Compensation paid in NGO Complex Adhoc SPOs is almost in line with the overall NGOs/SEs category across all the levels with an uptick observed at the higher levels • NGO Complex Adhoc SPOs pay higher compensation at KFHRL21 in comparison to all other archetypes and overall NGOs/SEs. • Personnel in NGO Complex Adhoc SPOs are being paid higher compensation as compared to the overall NGOs/SEs at higher levels (HRL15 & above) and are paying slightly lesser compensation at lower levels (KFHRL14 & below). • When comparing the median compensation across all KFHRLs, the highest compa ratio is observed at KFHRL21 (136% at FCTC and 137% at TCTC)
NGO Complex Professionally Managed SPOs	• Overall compensation for NGO Complex Professionally Managed SPOs is competitive as compared to overall NGOs/SEs. The average compa ratio is 119% at both FCTC and TCTC. Compensation of NGO Complex Professionally Managed SPOs is 19% higher than overall NGOs/SEs. • Personnel in NGO Complex Professionally Managed SPOs are either being paid higher compensation or are at par when compared with the overall NGOs/SEs. The median compensation paid at each of the levels in NGO Complex Professionally Managed is higher when compared with the overall NGOs/SEs category.

Archetype	Positioning
NGO Complex Professionally Managed SPOs	• Except for KFHRL 15 &1 6, the compensation paid at all other levels is above from what is being paid in the overall NGOs/SEs category. • While comparing the median compensation across all KFHRLs, the highest compa ratio is observed at level11 (187% at FCTC and 181% at TCTC) • The compensation trend for NGO Complex Professionally Managed coincides with all other comparison parameters at lower levels and follows an upward trend at other higher levels.
ESO Complex SPOs	• While comparing the median compensation of ESO Complex SPOs across each of levels with the overall ESOs, the compa ratio equivalent to 100% is observed at most of the levels. This implies that the compensation trends across each of the levels for ESO Complex SPOs is in line with the overall ESOs. The average compa ratio is 98% at both FCTC and TCTC. The average salaries paid in ESO Complex SPOs are just 2% lower than what is being in overall ESOs. • At FCTC, the compensation trendline for ESO Complex SPOs across each of levels coincides with the overall ESOs. This is primarily because 80% of the personnel in ESOs belong to the ESO Complex SPOs. • As observed in case of FCTC aggregate, similar trends are being observed while comparing the compensation at TCTC. • The compensation findings are dominated by ESO Complex SPOs; hence it appears that the compensation trendline coincides with the overall ESOs.

Source: Compensation Benchmarking in Indian SPOs (2022)

Table 9. Effect of functional areas on compensation across SPO archetypes.

Archetype	Functional area wise positioning
NGO Simple Adhoc SPOs	At FCTC • Finance and Accounting department (135%) in NGO Simple Adhoc SPOs have a higher pay differential when compared with the overall NGO Simple Adhoc SPOs at FCTC. This implies that the average salaries paid to the personnel in the finance & accounting department are 35% higher than the average salaries paid to the personnel in NGO Simple Adhoc SPOs. • Project Management function in NGO Simple Adhoc SPOs has a lower pay differential (93%) when compared with the overall NGO Simple Adhoc SPOs. This implies that the average salaries of the personnel in the project management function are 7% lower than the average salaries paid to the personnel in the overall NGO Simple Adhoc SPOs. At TCTC • Finance and Accounting department (135%) in NGO Simple Adhoc SPOs have a higher pay differential when compared with the overall NGO Simple Adhoc SPOs at TCTC. This implies that the average salaries paid to the personnel in the finance & accounting department are 35% higher than the average salaries paid to the personnel in NGO Simple Adhoc SPOs. • Project Management function in NGO Simple Adhoc SPOs has a lower pay differential (94%) when compared with the overall NGO Simple Adhoc SPOs. This implies that the average salaries of the personnel in project management function are 6% lower than the average salaries paid to the personnel in the overall NGO Simple Adhoc SPOs.
NGO Complex Adhoc SPOs	At FCTC • Except for Education (89%), all other functions in NGO Complex Adhoc SPOs have a higher pay differential when compared with the overall NGO Complex Adhoc SPOs at FCTC. Program and Content Development (182%), Marketing & Communication (159%) and Fundraising (143%) have emerged as the top 3 paid functions in NGO Complex Adhoc SPOs. • Under education function, the pay differential is 89%, which implies that the average salaries paid in the education department are 11% lower than the average salaries paid by the organisations in NGO Complex Adhoc SPOs. At TCTC • Except for Education (88%), all other functions in NGO Complex Adhoc SPOs have a higher pay differential when compared with the overall NGO Complex Adhoc SPOs at TCTC. Program and Content Development (178%), Marketing & Communication (158%) and Fundraising (144%) have emerged as the top 3 paid functions in NGO Complex Adhoc SPOs. • Under the fundraising department, the pay differential is 144%, which implies that the average salaries paid in the fundraising department are 44% higher than the average salaries paid by the organisations in NGO Complex Adhoc SPOs.

Archetype	Functional area wise positioning
NGO Complex Professionally Managed SPOs	**At FCTC** • Except for Project Management (91%), all other functions in NGO Complex Professionally Managed SPOs have a higher pay differential when compared with the overall NGO Complex Professionally Managed SPOs at FCTC. Program and Content Development (171%), Marketing & Communication (155%) and Fundraising (149%) have emerged as the top 3 paid functions in NGO Complex Professionally Managed SPOs. Under the project management department, the pay differential is 91%, which implies that the average salaries paid in the project management department are 9% lower than the average salaries paid by the NGO Complex Professionally Managed SPOs. **At TCTC** • Except for Project Management (91%), all other functions in NGOs Complex Professionally Managed organisations have a higher pay differential when compared with the overall NGO Complex Professionally Managed SPOs at TCTC. Program and Content Development (171%), Marketing & Communication (153%), and Fundraising (148%) have emerged as the top 3 paid functions in NGO Complex Professionally Managed SPOs. • Under marketing and communication department, the pay differential is 153%, which implies that the average salaries paid in the marketing and communication department are 53% higher than the average salaries paid by the organisations in NGO Complex Professionally Managed SPOs.
ESO Complex SPOs	• Project Management function in ESO Complex organisations has a functional differential of 109%, slightly higher (19%) than the overall ESO Complex organisations.

Source: Compensation Benchmarking in Indian SPOs (2022)