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Hiring a Nonprofit's First Staff Member

When to consider hiring a staff member

When an organisation feels it cannot deliver on its mission with its current structure, it may be time for the Board to consider bringing on a staff member.

Managing the change

The first step in the process is for the Board to agree, in principle, that taking on a staff member is the way forward. Evaluating the practicality of funding the role will be the next step. If it seems that the organisation can afford to take on a staff member, even part-time, it is time to start involving the wider organisation in the conversation. Including existing volunteers in the process and listening to their hopes and concerns around the new role will enable a smoother transition, managing expectations.

Calculating the cost

There are several ways to decide which benefits to provide for a role. Some organisations link benefits to civil service or HSE pay grades. The 2022 National Pay and Benefits Survey for Community, Voluntary and Charitable Organisations also lays out the highest, lowest and average pay and benefits available for a variety of roles in the nonprofit sector. Pay and benefits are also broken down by size of organisation, income, and area. Bear in mind that figures from this report may need to be adjusted for inflation since its publication and that budgeting for the role into the future should include appropriate pay increases in line with inflation.

The budget you have available for paying staff may limit the number of hours you can take on a staff member for, or the skills or experience you can require in the role specification. It is often part of the first paid staff member's role to seek additional or continuing funding opportunities to ensure their role is sustainable into the future. Generally, a clause in the employment contract will clarify that the role is subject to available funding. While a fixed term contract is common, it should be noted a person employed for four years or more, can be eligible to claim a permanent placement.

The Board needs to consider how payroll will be managed. It is poor practise for a person to arrange payment of their own wages and a voluntary board member may not have the skills or time to manage payroll. In this case, many organisations outsource their payroll to an external provider at an additional cost.

Beyond the cost of the base wages, the organisation needs to anticipate its obligation to pay PRSI and pension contributions. Payment for annual leave days, sick days and other types of statutory leave such as Domestic violence leave, Force Majeure leave, Jury duty are generally paid at the same rate as normal wages however, there is an additional cost if the employee is absent long enough that an additional staff member needs to brought in on a short-term basis to cover. Expenses such as a computer, phone, office space, travel and training may also be relevant, depending on the role.

Writing the Role Specification

The role specification is one of the most important tools to ensure you get the right person for the job. Bear in mind the budget, benefits, and hours you can afford, and try to make sure the role spec is proportionate. It can be tempting to try to transfer all the responsibilities that had previously been given to several volunteers onto one paid role, but it may not be possible for one person to take over everything.

Given the relatively minimal support and supervision that will be available to someone working as the only staff member, the entire recruitment process should consider the importance of the new staff member being able to work independently and off their own initiative.

Be clear, as a Board, about what success would look like in one year's time and set clear targets for the role in this regard.

Decide on the priority areas and be clear in the role spec on whether there will be any other roles (whether paid or voluntary) supporting this role. Make sure that the wider organisation understands the expectations of this new role. You can find a template role specification here.

Defining responsibilities

It is important that everyone in the organisation is clear on their responsibilities. By providing the new staff member with a line manager, it allows for clear communication, appraisal and objective setting. This line manager will have to be a member of the Board, often the Chairperson. It is important that the person line managing the staff member has the appropriate skills and experience to manage. It is also important that other Board members understand that the line manager is the main point of contact, and other Board members should largely refrain from contacting the staff member or trying to manage their workload, outside of Board meetings.

Alongside the role specification you have created for the paid role, there should be clear role specifications for Board members and volunteers. It is important to have a Schedule of Matters Reserved for the Board. This is a list of decisions which only the Board can make. It is good practise to have a Schedule of Matters Delegated to the CEO. This will clearly lay out which decisions the CEO is entitled to make without consulting the Board. These documents should exist alongside a full set of operational policies and procedures. By making sure these documents exist before you take on your first staff member, you can help to minimise the number of teething issues you run into as they settle in.

Complying with the law

When taking on a staff member, you will also need to ensure you are complying with all relevant laws such as the laws concerning the minimum wage, entitlements to annual leave and sick leave, health and safety, Garda Vetting (if relevant) and ensuring you are paying tax appropriately by registering with Revenue as an employer and reporting your payroll. You will need to issue a contract to the person you hire within five days of them commencing their role, although it is best practise to issue the contract before they commence the role. You may wish to seek specific legal or HR advice to ensure compliance.

Organisational policies

An employee handbook should include organisational policies relevant to the role. These should include:

- **Equal Opportunities and Dignity at Work** outlines the policies regarding Equal Opportunities and Dignity at Work, in accordance with relevant legislation. It details the procedures mandated for conducting investigations. It is ***legally required*** to have these policies present in your organisation.
- **Employee Leave** outlines statutory leave entitlements and the corresponding procedures. Details on any top ups a company may offer as a benefit will also be specified. It is ***legally required*** to have these policies in your organisation.
- **Discipline and Grievance Procedures** lists the disciplinary and grievance procedures, aligning with legislation and established codes of practice. It is ***legally required*** to have these policies in your organisation. If a summary of these procedures are not included in your contract of employment, then the policies must be issued to employees within 28 days of commencing employment.
- **People Policies** contains people policies that adhere to ***best practices*** in HR and are recommended for inclusion. However, policies within this section may be left out at the organisation's discretion. There are 2 policies in this section legally required, The Right to Disconnect and Remote working policies.
- Other policies which an organisation may consider including are Information Technology, Internet, and E-Mail, and Health and Safety.

Advertising the role

Roles in the nonprofit sector can be advertised in all the usual places like Indeed, LinkedIn and Jobs.ie and on your organisation's website and social media. ActiveLink is also a very popular platform for advertising vacancies in the nonprofit sector and The Wheel has a vacancies section.

Managing the interview process

Decide who will be involved in the recruitment process. You might have a panel of three people dedicated to this process. It is a good idea to decide in advance when interviews will be (usually within 2 weeks of the closing date for applications) so that your interview panel keeps this time free. You can decide in advance how you will score candidates' applications by identifying 3-5 priority areas and allocating marks based on the level of skill, experience, or qualification. Carmichael has a separate resource with guidelines on managing the interview process.

The Recruitment Process:

Organisations must demonstrate a fair and transparent recruitment process. Appropriate records, policies and procedures relating to recruitment help to protect the employer. In particular, recruitment and selection procedures must be free from discrimination on the following nine grounds: age, disability, gender, sexual orientation, family status, civil (marital) status, race, religion, member of the travelling community.

Records and notes of interviews will be accessible to successful and unsuccessful applicants and this should be borne in mind. Detailed, appropriate notes of the interview should be taken in order to support the decision made about each candidate.

Induction

When you have selected your preferred candidate, formally offered the role and they have accepted it, you will need to begin the process of inducting them. This involves everything from signing and filing the contract, to setting up their payroll, to familiarising them with the organisation and how it works. Carmichael has produced a check-list for new staff members which you may find useful. It is important to let the new staff member settle into their role and take on their full set of responsibilities gradually, rather than expecting them to take on all their responsibilities at the very start.

Support and Performance Management

Again, the role of the line manager will be vital in the induction period. Generally, the line manager should be touching base once per week to help support the new staff member with their workload and to help them gradually expand their responsibilities to take over the full role specification as advertised. Be clear, as a Board, about what success would look like in 3 months, 6 months and one year's time and set clear targets for the role in this regard. Progress towards these targets should be monitored regularly.

It can be easy for the only staff member to feel isolated in their role. That's why events such as the Leadership Academy Breakfast Club run by the Wheel, and programmes such as Carmichael's Free Mentoring Programme can provide vital supports and peer networking opportunities for staff.

It is also important to conduct a performance review for your staff, at intervals as set out in the job contract. Carmichael has a brief article on why performance reviews are useful.

Webinar: Hiring Your First Staff Member

This resource is based on a webinar held by Carmichael on the 23rd of May 2024. This webinar was chaired by Róisín McGuigan (Services Manager at Carmichael). The panellists were Donna McGaharan (HR Services Manager with Adare Trusted People Partners), Ciarán Davis (Director of Crohn's & Colitis Ireland) and Derek O'Reilly (Training Manager at Carmichael). This resource was written with additional support from Elton Spelman, Administrative Assistant at Carmichael.

The recording of the webinar can be accessed here with the password: d58VjR3^