

Idealist.org: *A Caring Workplaces, Committed Employees* **Case Study**

Report No. 5

Idealist.org (Idealist) creates a trusting workplace environment to help its employees succeed on the job. Exploring the ways in which Idealist has made changes to care for its employees, this case study offers other nonprofits insights on how to enhance staff performance and satisfaction while also supporting work-life balance.

In just over 10 years, Idealist evolved from a small start-up to a mature nonprofit relying on more than 60 employees in offices across the globe. As part of this growth process, Idealist has focused on providing employees with a caring workplace that is a matter of pride to all and that encourages staff to stay with Idealist for many years.

This case study is one of a series developed by the Family Strengthening Policy Center as part of its *Caring Workplaces, Committed Employees* initiative. This initiative aims to enhance employee and volunteer commitment to nonprofit human services organizations by providing employers with practices that help them to create supportive workplaces. *Caring Workplaces* is about valuing all staff by being supportive of their responsibilities—at work, at home, and in the community. When staff members are healthy, supported, and have the flexibility they need, remarkable improvements can occur in service quality, work effectiveness, and organizational climate.

About Idealist.org

A nonprofit founded in New York City in 1995, Idealist connects people, organizations, and resources to help build a world where all people can live free and dignified lives. Its work is guided by the common desire of members and supporters to find practical solutions to social and environmental problems, in a spirit of generosity and mutual respect. In 1996, they launched Idealist.org, an interactive Web site where people and organizations can exchange resources and ideas, locate opportunities and supporters, and take steps toward improving their communities. Today, Idealist has offices in the United States (in New York, NY; Portland, OR; and Washington, D.C.) and Argentina (in Buenos Aires). They also have staff based in Seattle, WA, San Francisco, CA, Appleton, WI, and two consultants based in Berlin, Germany, and Geneva, Switzerland. This case study focuses primarily on its U.S. operations.

Impetus

In recent years, Idealist has experienced considerable growth within the organization, including its international presence. This growth and the process of integrating new staff prompted a review and upgrade of Idealist's benefits and work-life assistance. In this process, Idealist sought to minimize growing pains associated with expansion yet retain the strengths they share with other micro employers: entrepreneurial spirit, flexibility, and relationships based on trust. Specific goals were to:

- Provide benefits and work-life solutions so that all employees can envision a long-term future with Idealist because the organization meets their needs and invests in their success.
- Advance Idealist as a workplace in which employees are proud of their work, the organization's achievements, and its responsive, transparent culture.
- Improve their competitiveness as an employer of choice.

Strategy

After reviewing current benefits, policies, and procedures with input from staff and a benchmarking analysis, Idealist carried out a major transformation. The core elements of their strategy were fourfold.

- Focus on providing great customer service to staff through responsiveness, flexibility, collaborative problem-solving, and investment in their wellbeing and development.
- Restructure benefits and policies, to the extent possible, as an honor system that believes employees will act responsibly. Idealist trusts staff to follow policy guidelines, which are kept to a

minimum so employees have considerable discretion in how and when they:

- Use paid leave.
 - Manage their responsibilities while telecommuting.
 - Request reimbursements for wellness and education expenses.
- Enhance fringe benefits, especially those that would help retain staff over many years, without adding perks that Idealist could not sustain over time. (See *Caring Workplace* Components section for these enhancements.)
 - Promote employee wellness and success at work and beyond.

The second element—basing some benefits and policies on an honor system—represents an uncommon approach to human resource management. Adopting this

Idealist: At-a-Glance

Employees	<ul style="list-style-type: none">• 23 full-time, 2 part-time staff in the United States• 28 full-time staff and 23 interns in Argentina• 2 consultants in Switzerland and Germany
Volunteers	50 volunteers in Argentina helping with Latin America outreach
Affiliate/Members	None
Snapshot	Enabling people to work in a supportive, trusting, and friendly environment and pursue a long-term future with Idealist
URL	http://www.idealist.org

approach and the other three elements required Idealist to extensively rewrite its employee handbook.

Caring Workplace Components

Demonstrating caring workplace practices, Idealist provides many fringe benefits, work-life assistance, and generous support for learning, wellness, and professional development to help retain talented, experienced employees.

Fringe Benefits

Insurance Coverage: Idealist offers preferred provider organization (PPO, a non-gated plan) coverage for all staff working at least 24 hours per week. Staff members pay five percent of the premium, or about \$20 per month. Idealist covers 100 percent of the premium for children, and pays 50 percent of the premium for same sex/opposite sex partners (regardless of marital status). Idealist pays the entire premium for dental and vision care insurance, including coverage for children (the same 50 percent share of premium for partners applies). At no cost to them, employees also receive short-term and long-term disability insurance, life insurance, and accidental death and dismemberment coverage through the organization.

401(k) Plan: Idealist began offering a retirement plan with generous matching based on an employee's years of service. It matches employee contributions up to three percent of the salary from the first three months of employment up to a year of service. After the first year anniversary, Idealist matches up to five percent of the salary. Between three and seven years of service, the match is seven percent, and then rises to 10 percent after seven years.

Idealist's contributions are made quarterly instead of annually; therefore, every three months, a match goes into an employee's 401(k) account. Upon joining the

401(k) plan, employees have immediate vesting in the employer contributions.

Paid Leave: In the past, Idealist had a policy where employees could take off a set number of vacations days and a set number of personal days. Now, the new program combines the two categories, allowing people to use the days as they see fit. Under one year of service, employees take 20 days off per year; one to six years of service, 25 days per year; and over six years, 30 days per year. Staff members also get 10 paid holidays and one paid optional holiday per year. In accordance with the trusting culture, staff can take paid leave without being asked for an explanation.

Sick Leave: Sick leave policy is separate from paid leave. Idealist has no pre-set number of sick leave days but prefers to take the approach that if a staff person is sick, the best place they can be is at home getting better and/or obtaining health services instead of worrying about a limited number of sick days. If an employee has a long-term illness, Idealist will continue salary (topping off short-term disability insurance payments) and benefits for the first 12 weeks. During weeks 13 through 26, employees receive 60 percent of their salary through short-term disability payments. They also have a long term disability plan that provides 60 percent pay for longer term illnesses up to age 65. Idealist tries to avoid imposing rigid restrictions that would affect the entire staff, preferring to deal with specific situations concerning sick leave use if necessary.

Unpaid Leave: As a small employer, Idealist is exempt from Family and Medical Leave Act requirements, but it does offer unpaid leave of absence. The organization provides up to a month per year of unpaid leave of absence, but the policy is fairly flexible. If an employee's situation worsens, managers will try to accommodate the need for additional unpaid leave.

Work-Life Assistance and Wellness

Child Care: Idealist has several ways it supports working parent/caregivers with child care.

- All staff members have access to the employee assistance program (EAP), which can help them locate quality child care services.
- Idealist strives to be as accommodating as possible by working with employees who are parents/caregivers to create a flexible schedule that may include telecommuting or even part-time status.
- A unique parental leave program covers employees' full salary during their absence. New mothers receive 12 weeks of paid parental leave, new fathers have up to four weeks of paid leave, and adoptive parents can take up to four weeks.

Idealist is currently exploring emergency child care benefits and other options that would extend support for employees with dependent children.

Elder Care: Additional assistance is provided for employees caring for a dependent adult. Once again, leaves of absence and flexible schedules would be considered in order to provide elder care. Staff can also use the employee assistance program to identify resources in the community.

Employee Assistance Program (EAP): Idealist views EAP services as a low-cost, high-impact benefit that helps staff resolve personal difficulties or obtain reliable referrals to community services.

Flexible Scheduling: Idealist offers different schedules on an as-needed basis. The organization is very open and flexible on this point and does its best to accommodate requests.

Sabbatical Policy: Idealist created this policy toward the end of last year to recognize the commitment of long-

time employees to the organization and help them recharge. Employees have the opportunity, after each set of seven years of employment, to take eight weeks of continuous paid leave in addition to the six weeks of usual paid leave they already have. Employees can use the sabbatical however they choose, and Idealist checks in with them as the sabbatical comes to a close.

Wellness Benefit: Idealist provides up to \$500 per year for staff to use toward wellness. Staff members use this benefit to buy exercise equipment or bicycles, pay fitness center fees, and enroll in many other services that contribute to overall health and wellbeing. Holistic and comprehensive, this benefit is one of the most used.

Employee Volunteering: Unpaid leaves of absence would be considered for people who would like to go abroad and do volunteer work. Over the next couple of months, Idealist is studying a formal employer-volunteer model to provide some sort of financial support to staff members who volunteer abroad. They hope to partner with other organizations.

Workforce Development and Other Benefits

Part-Time Staff: Idealist has two part-time staff in the United States. These individuals access full benefits as long as they work 24 hours per week. If the hours fall under 24, they would have access to a few benefits, including prorated paid leave, holidays, compassionate leave, unpaid leave of absence, and the employee assistance program.

Professional Development: This benefit promotes continuous learning and innovation in a variety of ways. Idealist encourages staff to sit on other nonprofit organizations' boards, attend conferences, participate in training programs, and contribute time to various community partnerships.

They also offer a \$500 per year, per person "learning reimbursement." Staff can use this benefit to develop

new skills in any area that supports their curiosity, including, for example, cooking, photography, and art. Because Idealist is a multi-lingual organization, when necessary, it also pays for language training classes. To further encourage professional growth and development, Idealist incorporates career planning as a part of the annual employee performance review process. The review identifies ways the organization can support the staff member in developing skills and experience to make his or her next career move. When higher level positions are open, Idealist often promotes from within.

Transportation Assistance: Idealist recognizes that commuting can be problematic for staff. Due to the locations of their offices in New York City and Portland, Oregon, most staff walk, bike, or take public transit to work. Some employees have used their wellness benefit to purchase bicycles and related equipment. Idealist offers pre-tax payroll deduction to purchase transit fare cards in New York City.

Workplace Culture: In its workplace culture, Idealist has sought to retain its strengths: an entrepreneurial spirit, flexibility, and relationships based on trust. This has required:

- Developing a consistent structure with built-in flexibility for all staff. One example is Idealist's wellness benefit where employees can receive reimbursement for any product or service that promotes health or wellness.
- Treating staff as respected colleagues, who can be trusted to fulfill their responsibilities. This is exemplified in Idealist's sick leave and paid leave policies that are based on the honor system. The effectiveness of flexible scheduling and telecommuting depends on mutual trust and partnerships between staff and Idealist managers.

- Providing support to staff on issues large *and* small because details matter to people. Partially in response to staff input, Idealist added a sizable benefit: the new 401(k) plan. At the same time, the organization continued to focus on regular communication to ensure that smaller issues are dealt with quickly and that staff members understand how much their efforts are appreciated. When possible, Idealist has an annual staff retreat so that employees from around the globe get a chance to be together, collaborate on projects, and have as much fun as possible.
- Nurturing staff members' entrepreneurial spirit, Idealist gives employees latitude to help shape their goals and encourages staff to innovate. It invests significantly in continuous learning so staff members gain new skills and knowledge, whether through helping them pursue outside interests, sending them to conferences and training, or reimbursing staff for courses or training.

Required Resources

To successfully transform its human resource management policies and practices from the prior to the desired state (see Strategy section), Idealist had to make several investments.

First, Idealist created a core team responsible for evaluating benefits, policies, and procedures and then designing significant changes. (Idealist has staff cross-train and share responsibilities as much as possible given its dispersed offices and its diverse workforce). Because Idealist operates in different countries, they must consider labor laws when making changes.

Second, the organization had to find some additional resources to finance new offerings. The team reviewed current costs to identify ways to save a significant amount of money while maintaining the

same level of benefits. Through an innovative approach, the team was able to apply the resulting savings to the new 401(k) plan and also to improve other benefits and work-life assistance. The team looked for low cost ways that would respond to employees, such as pre-tax payroll deductions for transit, which primarily requires administrative time, but not a direct outlay.

Going forward, Idealist plans to do an annual review of benefits and to explore other options to provide a caring, productive workplace for all. The organization will also continue to support telecommuting by investing in technology tools such as online video conferencing. Many staff travel frequently to have face-to-face time with colleagues in other locations.

Results

While Idealist has not formally measured impact, they have taken initiative to travel and meet with staff for feedback. Exit interviews, informal surveys, and an annual evaluation process are other ways the organization is assessing the impact of its investments.

Executive Director Statement

“We are happy to share the practices we have developed to better support our staff. We’ve learned that to fully live our mission, our principles must be reflected within the internal organization first. Creating a workplace that promotes these values is the most important aspect of what we do, and helps us to better support the broader Idealist community.”

– Ami Dar, *Executive Director, Idealist*

Feedback from staff so far has been tremendously positive. Employees are extremely appreciative of Idealist’s efforts to enhance the ways it supports them on the job and in their personal lives.

By developing a trusting workplace, permitting flexible work schedules, and allowing employees to telecommute when necessary, Idealist aims to keep overall staff morale high.

Advice for Other Nonprofit Organizations

Idealist offers these suggestions to other nonprofit organizations.

- Shift benefit administration and workplace policies practices from a mindset of restricting employees to deter misuse to a mindset of trusting staff members to act responsibly.
- Create benefits that can grow long-term within an organization as staff size changes; this means assuring the new benefits will remain affordable for the organization.
- Invest in low-cost, high-impact benefits. It costs Idealist relatively little to sponsor EAP services, offer flexible scheduling, and reimburse wellness expenses in comparison to the useful support they provide to hard-working employees. Idealist gains by keeping turnover low and having a highly engaged workforce.
- Do your best to foster an environment that keeps staff highly engaged and also enables them plenty of time away from work to recharge and pursue other passions.

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This series of policy briefs produced by the Family Strengthening Policy Center (FSPC) seeks to describe a new way of thinking about how to strengthen families raising children in low-income communities and how this approach can and should influence policy. The premise of “family strengthening” in this context, and as championed by the Annie E. Casey Foundation, is that children do well when cared for by supportive families, which, in turn, do better when they live in vital and supportive communities. The series describes ways in which enhancing connections within families and between families and the institutions that affect them result in better outcomes for children and their families.

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The Center benefits from the guidance and involvement of the Family Strengthening Peer Network, which provides opportunities for its members to share knowledge on family strengthening strategies, learn what other organizations are doing, and find synergies and potential areas of collaboration.

This brief reflects the findings and views of the Family Strengthening Policy Center, which is solely responsible for its content. For more information or to access other family strengthening policy briefs, visit www.nassembly.org/fspc.

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