

Charity Finance Salary and Benefits Survey Report 2018



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Foreword



A very warm welcome to our charity finance salary survey review, and a huge thank you to all the finance professionals in the Charity sector that took the time to complete the questionnaire which has enabled us to provide this comprehensive industry specific salary insight. The response to the survey exceeded our expectations and serves to reinforce the value of the results as a benchmarking resource for you and your organisation.

Here at Robertson Bell our finance recruitment team continues to go from strength to strength in a very exciting and busy year. The team have delivered a record number of placements so far, with over 71% of these coming from our existing customer base. This is undoubtedly testament to the hard work, unwavering dedication and knowledge of our specialist teams, and the strength of the relationships they form with the organisations they partner with.

As we all know, every organisation is different, as are your needs and expectations, and the varied sizes of organisations in the charity and the wider not for profit sector has a huge impact on the levels of salaries. Suffice to say, a Finance Director for a small charity could be on £50,000 whereas the FD of a large Charity could be on over £100,000. Similarly, location has a marked impact; the majority of our respondents are in London and the South East as this is where the majority of charitable organisations tend to be. At Robertson Bell we recruit throughout the UK, so if you would like to discuss the level of salary tailored to your own organisation please do get in touch with one of our specialist consultants who will be happy to advise you.

Attracting the best talent continues to be competitive and there's a continuing upward trend of candidates being strongly counter-offered. We've noticed a significant increase in salary levels and organisations are having to be more flexible and inventive when negotiating packages.

Our sector specialists are here to help and advise and make your recruitment process run as smoothly and professionally as is practicably possible.

A handwritten signature in black ink, appearing to read 'Stuart Bell'. The signature is fluid and cursive, with a small flourish at the end.

CEO & Founder

Key Insights

From July 2017 to July 2018

SALARIES

6.6%

Salaries are up by an average of 6.6%.

GENDER PAY GAP

9%

Difference between Men and Women's pay is at 9%.

RETENTION PROBLEMS AHEAD

80%

80% of respondents considering a career move in the next 6 months'.



Money & promotion
the top two motivators
for moving

Gender Pay Gap

The Gender Pay Gap (GPG) has been a major topic of debate this year and from our report we can see there has been little movement between 2017–2018, despite the governments introduction of the gender pay reporting in April, which requires organisations with more than 250 staff to publish a series of pay statistics. In some charities the GPG reaches 20.6% and

the lowest reported gap was found at Royal National Lifeboat Institute (GPG between -0.7% mean and 1.7%+ median*).

Our data shows the GPG within finance teams in the sector to be 9.7% which is very slightly above that of the charity sector as a whole (8%***) and significantly lower than the GPG in the commercial sector.***

"I frequently get questions around the GPG from both male and female candidates. One thing that has been raised a few times is how the GPG perpetuates itself, where previous salaries are being used to determine an offer salary for a new role which has a detrimental long term effect. We are seeing most clients trying to address this, by making offers without even asking for this information in an attempt to tackle this part of the problem. This doesn't solve the wider issues of gender pay disparity, but is just one example of a proactive step to fixing the problem." Kate Marriott, Business Manager.



The female to male ratio within finance teams in the sector is edging towards equilibrium with the number of male respondents outnumbering women across the sector by 14%. Our data shows the balance is not completely equal across the different levels in the sector; women outnumbered men by almost 3:2 in the smaller charities (below £10m turnover), yet women still hold fewer Director level positions than men.

Interim Market: Our data shows the interim market to be male dominated which resonates across the other sectors that we recently surveyed (public sector, social housing and education). However, this is in contrast to Robertson Bell's own charity sector contractors, (65% of whom are women).

"We have seen a steady increase in the number of our own women contractors this year, which are up by 11% on last year, and we are expecting this trend to continue in future years as more women enter the contracting market. Hopefully we will see a more equal ratio of men/women in the interim market across the whole of the charity sector soon and I look forward to seeing evidence of this in future surveys." Matt Millar, Charity Manager.



*<https://www.thirdsector.co.uk/average-gender-pay-gap-among-charities-8-per-cent-research-finds/careers/article/1461674>

** <https://www.civilsociety.co.uk/voices/david-kane-an-analysis-of-the-gender-pay-gap-in-charities.html>

*** <https://www.managementtoday.co.uk/sector-worst-gender-pay-gap/women-in-business/article/1461200>

Number of Men/Women in charity finance teams

0 - £10m turnover

	Male 	Female 
SENIOR MANAGEMENT	51%	49%
MANAGEMENT	34%	66%
NON-MANAGEMENT	41%	59%
OVERALL	42%	58%

£10m - £50m turnover

	Male 	Female 
DIRECTOR	47%	53%
SENIOR QUALIFIED	46%	54%
QUALIFIED	50%	50%
OTHER	68%	32%
OVERALL	53%	47%

£50m - £100m turnover

	Male 	Female 
DIRECTOR	66%	34%
SENIOR	73%	27%
MANAGER	69%	31%
QUALIFIED	71%	29%
OTHER	69%	31%
OVERALL	70%	30%

There is a marked increase in the number of male finance professionals holding senior positions in the bigger charities and only 34% of Finance Director positions are held by women.

Salary Changes

Our data shows that salaries have increased by an average of 6.6% since 2017, with the biggest increase being at the most senior levels. This is an increase of 3.5% above the annual increase in pay, which according to the Office for National Statistics stands at 3.1%, its highest rate since January 2009. Interestingly 31% of respondents are on the same salary as they were in 2017.

(Figures are based on those respondents that have stayed in the same role between 2017 and 2018).

% Salary change based on data from across the UK

0 - £10m turnover	Lower rate	Higher rate	% Salary increase from 2017
SENIOR MANAGEMENT	£45000	£60000	10%
MANAGEMENT	£32000	£48000	11%
NON-MANAGEMENT	£22000	£35000	5%

£10m - £50m turnover	Lower rate	Higher rate	% Salary increase from 2017
DIRECTOR	£65000	£82000	7%
SENIOR QUALIFIED	£45000	£58000	6%
QUALIFIED	£38000	£45000	5%
OTHER	£24000	£38000	5%

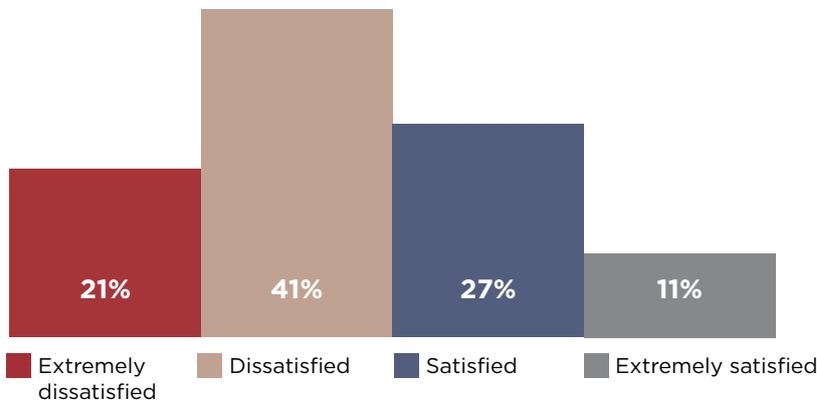
£50m+ turnover	Lower rate	Higher rate	% Salary increase from 2017
DIRECTOR	£80000	£110000	9%
SENIOR	£65000	£80000	5%
MANAGER	£48000	£57000	6%
QUALIFIED	£40000	£47000	5%
OTHER	£23000	£37000	5%

Typically, London salaries can add between 10% and 18% to a salary figure, with larger increases on higher level roles.

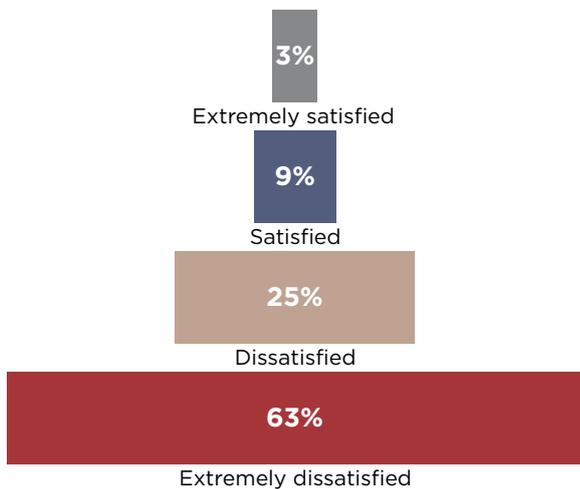
Salary Satisfaction

Our data revealed that 62% of respondents are not happy with their salary and it continues to be a big issue in the sector. We have noticed an increase in competitive offers and this is reflected in the data which shows an average increase of 6.6% this year – well above other income measures such as the minimum wage (4.4%) increase and the Consumer Price Index increase of 2.4%. Perhaps unsurprisingly it is the Senior and Director roles in the larger charities that are experiencing the greatest increases and there is a general push to be more competitive on salary, both within the charity sector, and with the commercial sector.

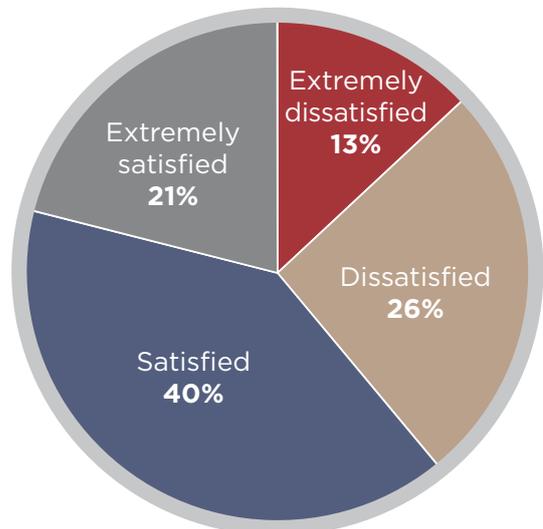
Remuneration satisfaction



Bonus satisfaction

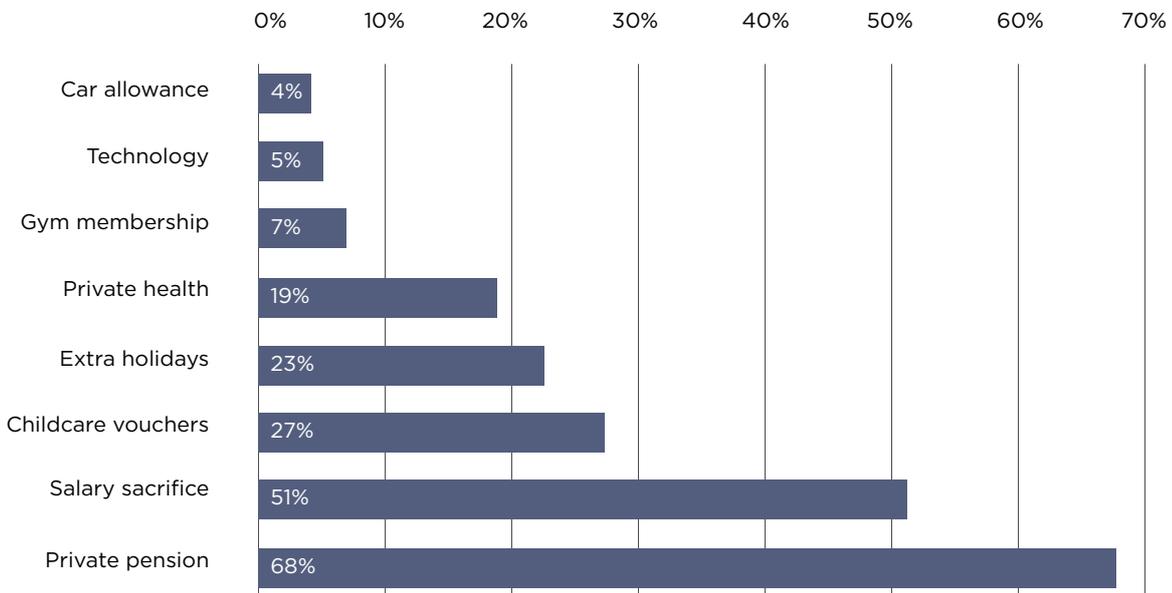


Office environment satisfaction



Benefits

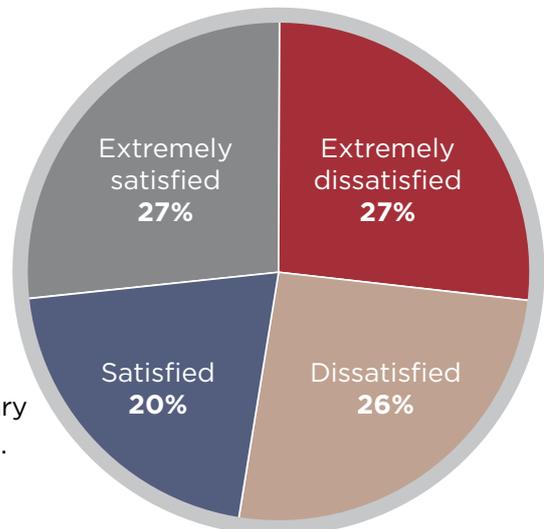
Most common benefits



Benefit satisfaction

From our data pool only 47% of people are satisfied, or very satisfied with their benefits package and interestingly this is the third biggest motivator for moving jobs (page 11). In our experience benefits are increasingly forming a key part of organisations' people strategy, used to improve employee engagement and staff retention.

As expected the most regular benefit received by respondents following auto-enrolment is a private pension (not received by contractors), followed by salary sacrifice, with car allowance being the least common.



Flexible working

In line with future trends*, 73% of respondents receive flexible working which according to our data, is most likely to be an option for those working in larger charities. Advances in technology have made flexible working a viable and

attractive solution for many and by offering flexibility, in whatever form, hiring managers are dramatically expanding their potential pool of candidates.

“Flexible working is something that we are increasingly seeing as a pivotal factor for candidates thinking about a move and can be a great way to increase employee satisfaction.

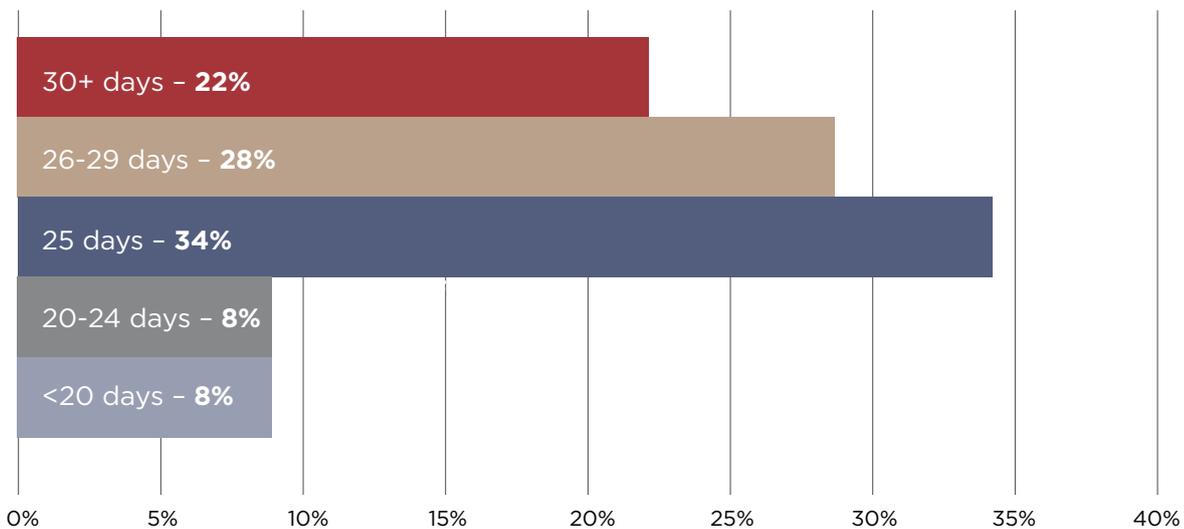
We have seen first-hand the benefits, where opportunities have opened up to candidates based outside their typical commute, or unable to make the commute 5 days a week (3 hours each way is our record commute!) Flexible working lets people fit their work around their lives, rather than the other way around.

A few clients have seen significant financial benefits too, some charities encouraging employees to work one or two days from home and downsizing or renting spare office space, using this as a great way to generate unrestricted income or cut down overheads. One of our clients, a leading children’s charity have remote working down to an art form; one of the candidates I placed there works from home almost permanently.

With the current technology in the market, it’s increasingly realistic and cheaper to offer flexible working and as I have a few candidates who want to be based three weeks of the month in Spain, I’m excited to see how far this will go in the sector!”

Matt Millar, Charity Manager.

Annual leave

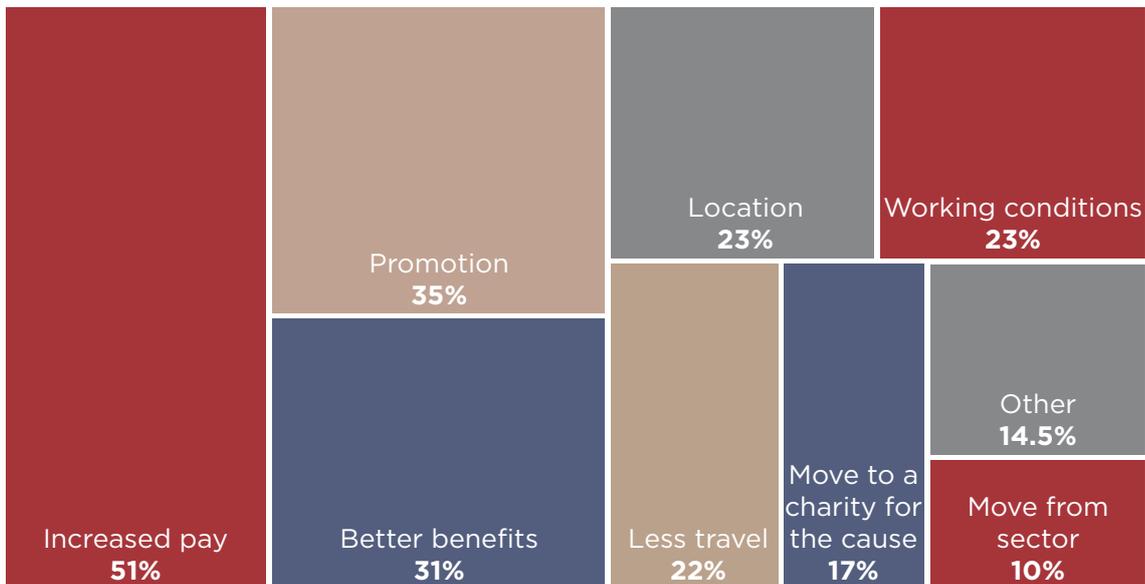


*www.personneltoday.com/hr/companies-set-for-flexible-working-revolution/

It's a buoyant candidate market

Our data revealed that over 75% of respondents are open to new opportunities and willing to move for the right reasons; more money, promotion and better benefits being the top 3 motivators. Whilst in the commercial world, we might expect money to be a bigger driver, our report confirms that in the charity sector this is not always the case, 49% of respondents saying money is not a key motivator. We frequently have conversations with commercial candidates looking to move away from highly pressured environments, into the charity sector where they can progress and drive change whilst feeling a closer connection to the organisation. It is not uncommon for candidates to accept a significantly reduced salary, when they are driven by the cause, longer term progression and the chance to use their commercial attitude and acumen to make a positive social impact.

The main motivators for moving jobs



Summary

The overall picture for the sector is extremely positive; salary increases have exceeded those of other sectors and work life balance is strong with almost 75% of organisations already offering flexible working as an option which has made the sector more attractive to candidates looking for a change from the corporate world. Despite the changes in salaries as a whole, it doesn't seem that the GPG has been addressed as this remains at the same rate as in 2017.

Whilst we recognise that respondents are more likely to be considering a career move, by virtue of their being engaged with a recruitment firm, it is useful for charities to be aware of the thinking of this pool of talent and their motivations. Charities will need to keep abreast of salary increases whilst offering good career progression opportunities and flexibility around staff benefits in order to retain the best talent as the market remains extremely buoyant.

This Survey has been compiled using data from a survey presented to over 1000 participants, analysis of our database and the knowledge of our in-house experts. Of course, the figures presented here are generic. We are also able to offer a free bespoke salary bench-mark service (without obligation). This will take into consideration the specifics of a vacancy, the size of the organisation and team, the local economy, and a competitor analysis. This is undertaken independently by our specialist consultants and will help you better benchmark an existing, or new role.

The Robertson Bell charity finance recruitment team is lead by Matt Millar and has gone from strength to strength over the last few years. We recruit across all levels, from junior up to and including Director Level. Contact **Matt** or **Kate** on **0203 824 7100**, or via email at **mattmillar@robertsonbell.co.uk** if you would like to discuss the survey, request a bespoke benchmark, or if we can help you with any of your recruitment needs.

Robertson  **Bell**
recruiting excellence

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