Putting compensation data to work: How a network of community-based organizations created consistent and competitive compensation

“Let’s skip Toronto.” That is a choice an increasing number of immigrants to Canada have been making over the past several years. The economies of the western provinces have been booming, and employment outcomes for immigrants have been lagging in the city-regions to which most newcomers have gravitated in recent decades: Toronto and Vancouver.

Recently, therefore, a larger proportion of the roughly quarter-million newcomers who arrive in Canada each year have been settling in Alberta. This trend has placed increased demands on the agencies delivering settlement services in the province, supporting newcomers as they seek employment, housing, and ways of connecting with their new communities.

Considering this heightened demand for settlement services, it was particularly worrying when the province’s immigrant-serving agencies began to see signs that they were having trouble recruiting and retaining the staff they needed. The same thriving economy that was drawing newcomers to the province was also expanding opportunities for existing Alberta residents, including those employed by newcomer-serving agencies.

A number of agencies were becoming concerned that the salaries they were able to offer were not keeping pace with their staff’s expectations and opportunities. “We were losing talent, and we suspected that it was because our compensation was not competitive,” says Dale Taylor, Executive Director of Calgary’s Centre for Newcomers and then-chair of a settlement services umbrella group, the Alberta Association of Immigrant-Serving Agencies (AAISA).

Situating settlement services in the human services landscape

Although Canada has had very high levels of immigration at various points throughout the past century and a half, newcomer services as they exist today are a relatively new category in the human services (or social services) landscape. For this reason, the work of situating newcomer services relative to other social services is ongoing, and establishing appropriate compensation benchmarks for positions in the field is a challenge.

As part of an effort to situate settlement services jobs relative to other positions, Taylor and her colleagues at AAISA engaged Peter T. Boland [www.ptbaconsulting.com], a management consulting firm, to execute a Job Evaluation process. Through this project, Boland and Associates, assessed the responsibilities of settlement services positions compared to human services jobs in other fields, such as family services, children’s services, and disability services.

It was important to understand how jobs in the AAISA network measured up against both public sector and nonprofit positions, because a number of AAISA organizations reported that when they lost staff, it tended to be to the public sector. “In terms of our settlement workers, employment counselors, and educators,” Taylor explains, “we know that the real point of
comparison is the public sector, not the nonprofit sector. For our management jobs, on the other hand, the nonprofit sector is a valid comparator.”

Seeking the right data

In order to ensure the validity of any comparison of compensation levels between immigrant-serving agencies and other organizations (including those in the public sector), AAISA needed to be sure it was comparing jobs that required similar competencies. To that end, AAISA asked Boland and Associates to develop a job evaluation process based on the government’s job evaluation methodology. The first component of Boland’s research was to identify other human services positions outside of settlement services that matched the Settlement Practitioner position with respect to job competencies, knowledge, and responsibilities.

Fortunately, government job evaluation standards and processes are publically available. As a result, Boland was able to use the job evaluation methodology of the Government of Alberta to conduct an evaluation of the Settlement Practitioner position, and thus to ensure that AAISA was making meaningful, apples-to-apples comparisons. “You can get a bunch of data and crunch all the numbers,” observes Taylor, “but if you’re not carefully comparing your own positions with their real counterparts elsewhere in the market, then what’s the point?” Boland supported AAISA in ensuring that their comparisons were valid and meaningful.

After determining that the settlement sector in Alberta needed to look at compensation data for jobs in the public sector as well as for jobs in the nonprofit sector, Boland set about finding the information that AAISA needed. When it came to nonprofit data, an annual survey of the nonprofit sector conducted by Boland’s firm provided the necessary comparators. For public sector positions, Boland turned to publicly available collective agreements for positions in a number of human services fields. AAISA, itself gathered data on salaries at immigrant-serving agencies in the province.

Taylor notes that when it comes to compensation data, nonprofits must be careful to seek information from their actual competitor employers, not just from other non-profits. “Sometimes as nonprofits we’re comparing ourselves with each other, and we end up reinforcing each other’s practices instead of saying, ‘Where are we actually losing talent?’ In our case, when we lose staff it tends to be to the public sector, not to other nonprofits, so there’s only so much insight we can gain from looking at compensation data from other nonprofits. They’re not really our competition for many of our positions.”

What they learned

Dale Taylor sums up the findings of the compensation review in four simple words: “Worse than we thought.” Once AAISA agencies were able to compare positions based on actual job competencies, they found that settlement services positions at agencies across the AAISA network were being compensated even less competitively than Taylor and her colleagues had suspected. That was the bad news.

The good news was that agencies in the AAISA network now had a solid foundation of evidence with which to approach their boards and funders and argue for investments in higher compensation.

Although the specifics of new funding are still under discussion, AAISA’s funders have agreed in principle that the evidence on compensation based on job comparison suggests a need for change in the settlement services field. The insights from the compensation data are in ongoing use as agencies and funders work together to consider what investment will be necessary to ensure that settlement organizations have the talent they need to support newcomers to the province.
Since funders want to ensure they get the same value out of all organizations providing newcomer services, wherever they operate, AAISA is working to establish a standards system with more uniform job descriptions, titles, and competencies. As AAISA works to develop standards for its members, it will be able to rely on the provincial Settlement Practitioner certification process: Alberta currently has the only accreditation system in Canada for settlement services. With the competencies framework developed by AAISA for staff training and certification, the Job Evaluation methodology borrowed from the provincial government, and the rigorous comparison of jobs in government and in community agencies offering services on behalf of government, agencies and funders are continuing to work together to ensure that investments in the compensation of positions in the settlement field achieve the intended impact.