

Hiring & Compensation Trends for Association Executives and their Organizations

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November 2024

THE
PORTAGE
GROUP



Introduction

Anyone in association leadership knows that reliable, capable, and engaged staff can distinguish between success and failure. Attracting and retaining top talent has become a critical focus—and a significant challenge—for many associations as they navigate the complexities of today's hiring and compensation landscape.

To better understand the shifting dynamics of hiring, retention and compensation, The Portage Group (TPG) interviewed executives from leading Canadian organizations in Fall 2024. Participating organizations included a mix of professional and industry associations at both the provincial and national levels, with staff sizes ranging from 7 to 28 full-time employees (FTEs).

The conversations explored leading associations' most significant challenges in hiring, retention, and compensation, along with their successes and key advice for peers facing similar issues.

This whitepaper distills the most important trends and strategies, offering valuable insights for association leaders managing the complexities of talent management into 2025 and beyond.

Thank you to our whitepaper participants!

- ▶ Andrew Hurd, Association of Consulting Engineering Companies-Ontario
- ▶ Bob Masterson, Chemical Industry Association of Canada
- ▶ Damian Stathonikos, Building Owners & Manager Association-BC
- ▶ Doug Ball, Ontario Motor Vehicle Industry Council
- ▶ JF Champagne, Automotive Industries Association Canada
- ▶ Lana Legostaeva, Forest Products Association of Canada
- ▶ Patrick McManus, Ontario Sewer & Watermain Association and GTSWCA
- ▶ Sandy MacLeod, Heating, Refrigeration, and Air Conditioning Institute of Canada

About The Portage Group

The Portage Group is a team of thought leaders in innovative and research-driven association planning and development. We offer deep and diverse experience to help organizations succeed across areas that include Strategy, Research, Executive Search, Organizational Design, Governance and more. For more information, please visit www.portagegroup.com.

Ten Talent Trends Transforming Associations in 2025

What matters most to association executives when it comes to attracting and retaining top talent? Here are ten key challenges and trends that are top of mind heading into 2025.

1 RISING WAGE PRESSURES

Not surprisingly, compensation tops the list for interviewees as the most pressing challenge when it comes to hiring and retaining the best talent.

If you've recently hired staff, you may have noticed that candidates' compensation expectations have risen significantly. Our interviewees reported that this trend spans all levels, from executives to entry-level positions.

Several factors have contributed to the increasing wages within the association industry and other industries across Canada, including the rising cost of living, inflation, and heightened demand for talent and labour in various markets, among other key influences.

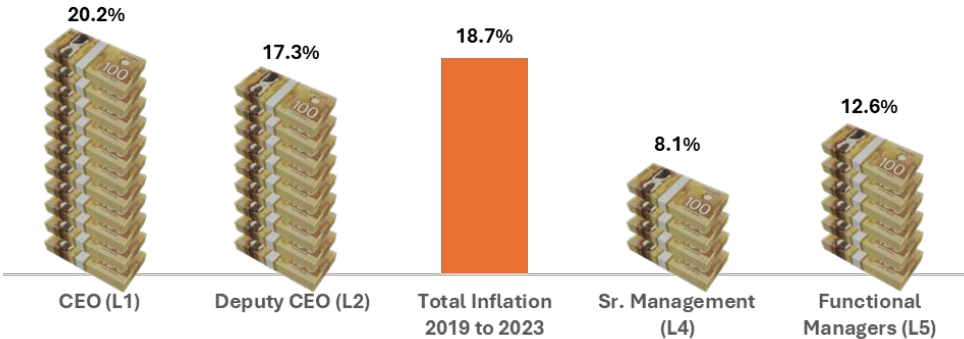
Over the past five years, inflation has been a driving force for increased wages. According to the Bank of Canada's historical Consumer Price Index (CPI), total inflation over the 10 years from 2008 to 2018 was approximately 18%. This is slightly less than the 18.7% total inflation over the next five years (2019 to 2023).

Not surprisingly, compensation in the association sector has been playing catch up. At the two most senior levels, the change in average compensation is roughly on par with inflation. Conversely, the change in average compensation for level 4 and 5 management is well below total inflation. It will be interesting to see if the 2024 survey shows a smaller gap at these levels.

Interviewee Comments

"Wages have gone up, especially for people with less experience. I think this is because association work is niche, expectations on people are high, and we are working with a pool that is small. More experienced people have dropped out of the job market or gone to other industries. With remote work, we are also competing over a larger geographic area for our talent."

Change in Average Compensation 2019 to 2023



Source: CSAE Benefits & Compensation Report (2019 and 2024) and the Bank of Canada Consumer Price Index (<https://www.bankofcanada.ca/rates/price-indexes/cpi/>).

2 ASSOCIATIONS FACING STEEP COMPETITION FOR TALENT

For associations, the demand for higher wages is compounded by increased competition for talent across a wider range of organizations.

Associations today are not only competing with private and public sector employers; in some cases, staff are being 'poached' by the association's own member companies, as well as government agencies and industry partners. Additionally, associations often find themselves competing with peer organizations for the same talent pool.

For associations with limited resources, matching the compensation and benefits packages offered by other employers can be a challenge, if not an impossibility.

Interviewee Comments

"We offer a matching RRSP but it's not as good as the public sector by any stretch."

3 GREATER TIME & RESOURCES NEEDED FOR HIRING

Many associations do not have dedicated HR staff. Even for those who do, the time investment required to go through the hiring process can be burdensome.

Interviewee Comments

"With all the job posting portals out there, it takes a lot of time to screen the volume of applications from job postings...It is so easy to apply today. AI can write your cover letter for you!"

With so many places now available online to post and promote job opportunities and tools like AI that make it easier than ever to apply to positions, many association job advertisements are yielding exponentially higher volumes of applications.

4 BENEFITS AND WORK-LIFE BALANCE SHIFT FROM OPTIONAL TO ESSENTIAL

Many perks that were once considered 'nice to have' are now viewed as essential components of the compensation package for associations. Hybrid and remote work options, flexible schedules, and comprehensive benefits have shifted to becoming standard expectations among many employees.

Additionally, being an organization that prioritizes employee work-life balance is increasingly becoming 'table stakes' criteria for prospective staff. This includes respecting employees' right to disconnect and ensuring they are not expected to work after hours or on weekends. Compensation for extra time worked through lieu days, accommodating personal needs for appointments or childcare, and offering generous vacation time are also being offered by interviewees as ways to foster a supportive – and attractive - work environment. In major markets, such as the greater Toronto area, commute times from home to office have become so onerous that candidates are turning down lucrative job offers and preferring work close to home (if not home-based).

Interviewee Comments

"It's hard for me to entice people. Previously we would have success with things like offering extra time off, work flexibility, and an environment that is not super intense and stressful...Now it feels like what used to be perks are table stakes."



5 BUILDING MORE FLEXIBILITY INTO THE BENEFITS PACKAGE

Interviewees are engaging in more frequent reviews and updates of the benefits package and are evolving benefits packages to better ‘fit’ the individual needs of each employee.

In line with increased flexibility is a recent shift by a few participating organizations in providing a Health Care Spending Account to provide more options to employees to use the health services they need the most.

Interviewee Comments

“We have people from aged 75 to someone who just graduated. We are really operating our HR policies, benefits and training from a diversity and flexibility lens.”

6 LIMITED OPPORTUNITIES FOR ADVANCEMENT IS A DETRACTOR TO ASSOCIATION SECTOR JOBS

Also top-of-mind for interviewees is how to keep those top employees once you get them.

Even the largest Canadian associations tend to be smaller in staff size and structure compared to many medium and large private and public sector organizations. This can limit advancement opportunities for candidates looking to further their careers. As a result, retaining key talent can be a significant challenge for associations once they successfully attract them to their ranks.

Interviewee Comments

“For people in associations, the ladders are fairly flat and if someone is in the role you want, often you need to move to another organization to get that role.”



7 ASSOCIATION EMPLOYERS SEEKING CANDIDATES THAT ARE TEACHABLE, ADAPTABLE AND CURIOUS

When it comes to the top skills and abilities association leaders are looking for in their next great hire, the list includes some old standbys and reflects some emerging needs.

Some of the timeless skills and abilities that endure for interviewees include:

- A strong customer/member service orientation.
- Initiative, flexibility, and being a team player.
- Excellent communication and interpersonal skills.

Interviewee Comments

“The number one thing is curiosity. Things change every day and issues move really fast. You need to understand different member needs, and you have to be an instant expert.”

“A mentality of member service. The only reason we exist is because people choose to pay money every year [to belong]....People want to feel they are getting good service and value.”

“We find that the high performing individuals adapt more easily to new tools and processes. You don't necessarily need to come with a software background but with an ability to adapt, and experience in project management.”

In addition to the above, newer skills that have increased in importance in the current environment include:

- Curiosity and a strategic mindset to be able to tackle issues in new and creative ways.
- Openness and adaptability to using new tools and technologies in a responsible and productive way.
- A willingness to learn is especially critical in the association sector, where much of the knowledge comes through hands-on experience. Several interviewees emphasized hiring for soft skills and personality over specific experience.
- Relationship-building abilities, often referred to as the 'human' factor.

8 AI AND HR TECHNOLOGY DRIVING MORE ASPECTS OF HIRING

AI has arrived and is actively being used by employers and employees throughout the application and hiring process. Whether association leaders like it or not, it seems to be here to stay.

On the employee side, AI is being used to find job opportunities and write resumes and cover letters. For association sector employers, this can make it more challenging to evaluate a candidate accurately, especially during the screening and earlier stages of the hiring process.

From the employer perspective, AI is being used to lessen the administrative burden associated with the hiring process. Those we consulted save time by using various tools and platforms, including AI, to develop job postings, advertise roles, as well as to gather and screen candidate information.



Many association employers are playing catch-up when it comes to establishing policies and guidelines for using AI, including its role in the job application and hiring process. As association leaders navigate the integration of AI, setting clear boundaries and finding a balanced approach have become top priorities.

Further to the use of AI to support hiring practices, interviewees shared that there is increasing demand and expectation by staff to provide and allow the use of AI and other new and emerging technologies to support the work they do. The costs of these solutions add up, making resourcing some of these technologies and platforms challenging for smaller organizations.

Interviewee Comments

“Right now, we are paying an HR person to screen resumes. I am sure in the short term there will be an AI tool to do this. I know bigger organizations are already doing this.”

“We have used AI for job postings, advertisements, and for getting basic candidate profile information. What I don't like is organizations that are choosing AI as a screening tool. It is important to have those conversations with candidates one on one...We are hiring in this sector for those with the ability to build connections and AI should not determine this.”

9 DECISIONS ON REMOTE, VIRTUAL AND HYBRID WORK OPTIONS AT INFLECTION POINT

Navigating questions related to remote, in-office or hybrid work environments continues to be top-of-mind for employers everywhere, including those in the association sector. For the associations interviewed for this study, the issue of virtual versus hybrid or in-person work has hit an inflection point. Of note, only one-third of employers (US data) are back to a full week (5 days) in office practice, and many are in front-line sectors (e.g., health care delivery) where in-person attendance at work is imperative.

While some associations transitioned to hybrid or remote work environments prior to 2020, the global pandemic accelerated this shift, forcing the hand of many associations to fully remote work. Although pandemic restrictions have long since been lifted, many employers have been slow to bring employees back to the office full-time.

However, the issue has regained the spotlight in recent months as a growing number of Canadian employers (including the federal government) have mandated some or all employees back to the office.¹

Interviewees are mixed about their feelings and future plans regarding remote, in-person and hybrid work options. While some plan to continue as entirely virtual organizations, others are working to bring more staff back to an in-person work environment.

Interviewees highlighted several key benefits of remote work for hiring and retention, including:

- Reduced overhead costs for office space.
- Access to a broader pool of candidates, as geography becomes less of a constraint.

- Remote or hybrid work is viewed as a valuable benefit that can help offset high wage expectations.
- Some interviewees noted improved retention rates and higher staff satisfaction in remote work settings.

Interviewee Comments

"It is hard to know what the right thing is to do, and I know my peers are in the same boat. If I was to impose a return to office, I'd have trouble with some employees, yet some of my new hires would have become better acclimatized if they were working with their peers in the office."

"The fact is people are productive from home with the right environment, tools, and ways to connect."

"Something we aren't accommodating is people asking to take a long-term leave overseas and work for part of it... We feel it is not productive to have people working in different time zones. There are additional concerns with data security."

"There is still a covid hangover. There is still a group of people that feel strongly they want to work from home. However, remote work has been challenging in our environment and we are bringing people back to the office four days a week. It took 18 months to settle out and we will lose some staff, but we anticipate positive impacts on collaboration."



¹Rachelle Younglai and Clare O'Hara. Canadian Employers Take an Increasingly Harder Line on Returning to the Office. September 16, 2024. Globe and Mail. [Canadian employers take an increasingly harder line on returning to the office - The Globe and Mail.](#)

Interviewees also articulated several challenges arising from the remote and hybrid work environment:

1. Success in a remote environment depends on staff who are self-motivated, accountable, and capable of working without close supervision. Managers, too, need skills suited to managing remote teams. Remote work does not always align with the competencies of the people and/or the organization's culture.
2. A common issue in remote work is the increased tendency for staff to become isolated and siloed due to the lack of regular in-person interaction. Interviewees note that onboarding and training new employees can be more challenging when conducted remotely and cited concerns over increased mental health challenges among staff.
3. While remote work enables associations to tap into a larger talent pool without geographic constraints, it presents challenges for those looking to transition back to a physical office model, especially in associations with staff located across the country.
4. Additional difficulties have arisen when staff wish to work from international locations or take time to work overseas. Interviewees reported challenges with productivity across different time zones and concerns over data security.

Whether interviewees intend to continue to operate virtually, bring staff back to the office, or something in between, several made clear that flexibility and patience are keys to success where this issue is concerned. Working within the parameters and requirements of each role alongside each employee's preferences is the strategy being taken for several interviewees as they navigate this complex issue.

10 JUSTICE, EQUITY, DIVERSITY AND INCLUSION

Diversity, Equity and Inclusion (DEI) is becoming part of the fabric of the association sector, with more organizations incorporating policies and/or implementing DEI practices related to governance, member programs and services, and staffing.

Interviewees are split between those who have formal DEI policies and those who incorporate DEI principles more organically.

Several of the interviewed association leaders feel that their current staff complement currently fosters DEI, some emphasizing that building a staff team that includes diversity by age, gender, sexual orientation, race and culture results in a more effective team overall.

For smaller staff associations, maintaining a diverse staff can be more of a challenge, but it is a priority for those we consulted. Some of the ways interviewees are incorporating DEI into the hiring process include:

- Incorporating a DEI policy in the hiring process.
- Being conscious and open to individuals whose education, experience and credentials come from countries outside of Canada.
- Publishing salary information as part of the job advertisement process.

Interviewee Comments

"We are very conscious about diversity, especially with our 'new to Canada' workforce. Not everyone will have graduated from a Canadian university, and we acknowledge the background and experience people can bring...As our team was looking at applicants for a recent hire, we wanted to ensure we had those people in the interviews, not to give people jobs just to check a box but giving people an equal opportunity to shine."

"I encourage you to go see people in our staff on our website. We are the United Nations. It came about organically. Create an environment that is truly respectful and open to diversity, and it will happen itself. We don't have EDI policies and strategies, we live them!"

Hiring and Compensation: The Cornerstones of Organizational Success

What strategies should associations adopt to effectively recruit and retain talent in today's challenging environment? Insights from interviewees revealed five key takeaways.

1 HIGHLIGHT IMPACT

Your association is a great place to work – Make sure that current and prospective employees know it!

Although associations 'compete' with private and public sector employers, interviewees point out that the association sector has some key differences which give association work an edge in the eyes of many prospective employees.

An advantage of working in the association sector, in many cases, is that the work you do has a direct and positive impact on society. People who work in associations are more likely to have jobs that have a direct and tangible impact - and this matters to a lot of people.

Furthermore, the associations consulted for this project stress that they are different from private and public sector employers – though not universally the case, associations can offer less pressure and more work-life balance than other types of employers.

Does your association's work positively impact people, the environment, or society? Are you recognized as a top employer? Highlight these strengths—let people know what sets your association apart!



Interviewee Comments

"We advertise that we are a certified great place to work, and that we pay in the top quartile. Put yourself out there if you think you are good. Walk the talk."

"Trade associations are not all that sexy and can be seen as boring and hard to explain. We repositioned ourselves to showcase our impact on the climate crisis. We've been using it in hiring and it's amazing the people we have attracted because of this."

"We always say if you're looking for high compensation, the private sector is a great option, but it comes with more pressure and more hours. We offer an environment for more work-life balance."

2 BE GENEROUS

Those who can, are paying more in cash compensation for qualified staff at all levels. Keep on par or above average compared to peer associations and other competitors if you can.

Beyond salaries, leading associations are offering additional perks and incentives, such as:

- Extra time off, such as office closures between Christmas and New Year's, summer half-day Fridays, long-weekend Fridays, and birthdays off.
- Waiving the waiting or probation period for benefits.
- Professional development and education allowances.

Some interviewees also highlighted the use of performance incentives or bonuses as a key strategy. Additionally, maintaining competitive salaries that keep pace with inflation and rising living costs remains a challenging but essential investment.



Interviewee Comments

"Its only fair to be in line with inflation, otherwise people fall behind. Its not a big deal to keep up with 2 percent but 7 percent is tough."

"We offer bonuses that are based on SMART objectives, and we pay out about 80 percent of those. We are giving people the opportunity to be successful over and above base pay."

3 BE FLEXIBLE

Empowering staff to manage their time while being accountable for doing their jobs is another key to success for the interviewees consulted.

While maintaining accountability to responsibilities, timelines and deliverables is a must, this can be achieved while being flexible to staff needs for things like personal appointments, childcare, and other life commitments.

Asking employees what they want and trying to give it to them, if you can, is another tactic being employed by our interviewees. While in some cases it might be opportunities for work travel, others may be interested in upgrading their skills. Customizing the approach to each employee's needs is key.

Interviewee Comments

"We are flexible for appointments or things they have to do. You don't have to take a day off. For us it is about being flexible to peoples' personal lives almost to an extreme because it is very important to employee satisfaction."

4 BE TRANSPARENT AND DATA-DRIVEN

Interviewees stressed the importance of being transparent with current and potential employees about the basis for compensation and clear about the association's policy and approach in this important area.

Case in point, being transparent about salary and benefits being offered for positions you are hiring for is becoming increasingly common, expected by applicants, and is now required by law in several Canadian provinces.

More generally, using industry data (like the annual [CSAE Compensation Study](#)) to inform and update salary and benefits for different positions is also an important key to success for many interviewees in negotiating compensation packages.

Interviewee Comments

"Our compensation philosophy is it's transparent. We share it with everyone, review it annually, and make adjustments when we need to...Once people understand the basis of how they are compensated they are much more receptive."

"One of the nice things about being in BC is the pay transparency act. I can look at other organizations in the public and private sector hiring for similar roles. This gives me a good benchmark."

"We look at the CSAE compensation guide when I'm adjusting compensation and tying it to performance. I'm also looking at cost of living."



5 GET HELP

Associations do not always have unlimited staff time and resources to dedicate to the hiring process.

Several interviewees use external executive search resources to take on all – or part – of the hiring process.

In addition to the above, the use of technology and AI is also increasingly common to improve the efficiency and effectiveness of the search process. This includes leveraging technology-based external screening/analytics tools and incorporating behavioural analysis tools into the search process (such as DISC and others).

Interviewee Comments

"We're working with an HR firm that helps us with screening resumes. We determine the qualities for the role, and they take all the resumes and distill them down to 10 or 12."

"We tried unsuccessfully to do it ourselves. The second go around we hired The Portage Group to help reach out to their network and those who had recently applied to other postings. This helped tremendously with that first level of screening. It was worth every penny and saved us a lot of time."

Conclusion

Navigating the trends shaping hiring and compensation for associations today is no easy task!

As associations navigate pressures to pay competitive wages and broaden the package of perks and benefits, they must simultaneously navigate trends like artificial intelligence, decisions around remote work, and the integration of DEI into hiring practices and workplace culture.

Insights from the association executives consulted for this whitepaper suggest that success in this evolving environment will require a commitment to offering competitive salaries, benefits, and work-life balance, along with flexibility to address individual staff needs. Equally crucial is the ability to communicate the positive impact that potential employees can make within the organization. Lastly, being transparent, data-driven in compensation strategies, and seeking external expertise when necessary will help associations remain competitive in attracting and retaining talent.



TPG periodically develops topical publications and research focused on the Canadian association/non-profit sector. If you would like to receive future publications – or participate in future research initiatives – please subscribe to our website or email us directly at contact@portagegroup.com

Interviewee Comments

“There are no silver bullets. I think CEOs and leaders need to constantly be aware of trends in the marketplace, more often than not with people it comes back to basics. I love the book ‘Good to Great’. Focus on getting the right people in the right seats on the bus. Have the metrics to know if you are achieving.

Don't overcomplicate it.”



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