

Nonprofit Workforce Shortage Survey

In Alaska

August 2023

In April 2023, more than 1,600 charitable nonprofit organizations throughout the United States completed the nonprofit workforce shortages survey designed to gauge whether job vacancies continue to be a problem for the missions of those organizations, how the vacancies impact communities, and what actions have been taken and are proposed for alleviating the challenges. More than fifty Alaska nonprofits shared insights that provide the substance of this report.

Key Findings

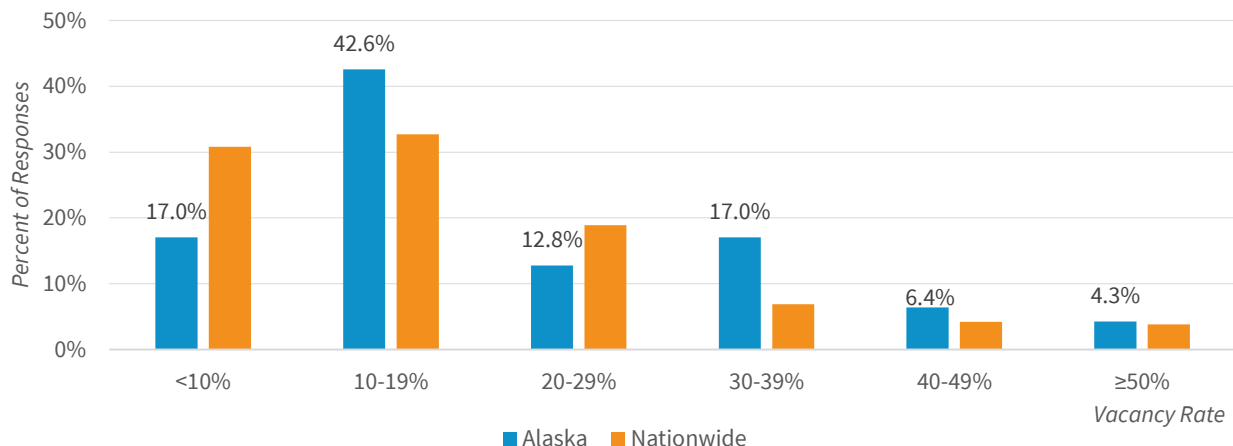
- Nearly nine out of ten (88.7%) Alaska nonprofits completing the survey reported experiencing job vacancies.
- Nearly three out of four (73.6%) nonprofits in the state responded that they have more vacancies compared to before the COVID-19 pandemic, and nearly four out of ten (39.6%) have longer waiting lists for services.
- 74.5% of respondents with vacancies identified program and service delivery as a category with vacancies.
- 67.9% of responding organizations said salary competition affects their ability to recruit and retain employees, followed by stress/burnout (66%)
- 84.9% of respondents anticipate the amount of donations will decline or remain flat for 2023. The same percentage (84.9%) of nonprofits expect the number of donors to decline or remain the same this year.

The Scope of The Problem

One of the key questions in the survey was, “What is your nonprofit’s current job vacancy rate?” Nearly a fifth of Alaska nonprofits (17.0%) with vacancies shared rates of fewer than 9%, while more than two out of five (42.6%) nonprofits responded that their vacancy rates ranged between 10% and 19%. Disturbingly, a similar percentage of nonprofits (40.5%) reported job vacancy rates greater than 20% of their workforce.

Figure 1: Nonprofits' Job Vacancy Rate in April 2023

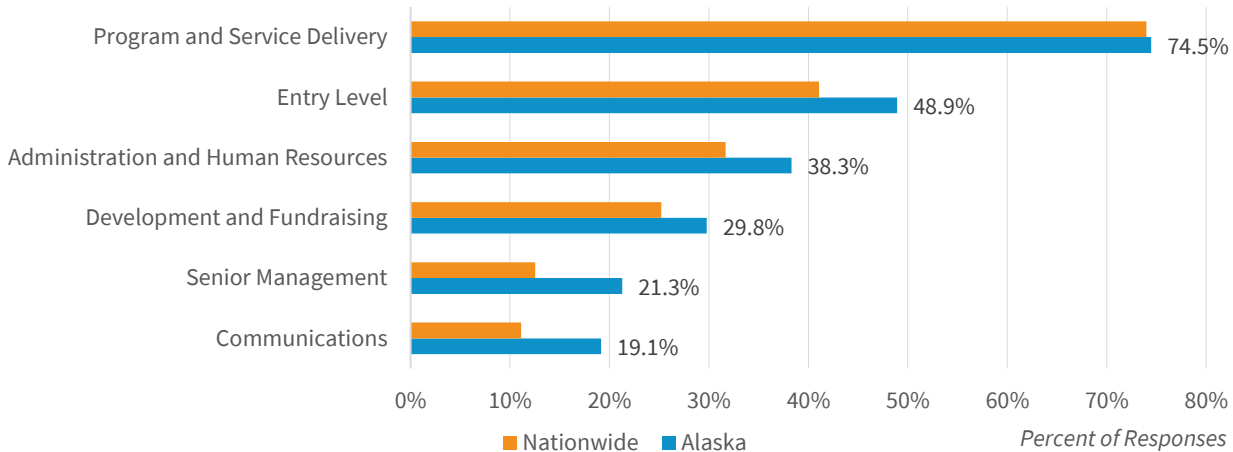
Number of Nonprofits that Provided a Vacancy Rate: 47



The job category with the most vacancies is program and service delivery, which affects 74.5% of nonprofits that reported vacancies. Nearly half (48.9%) of nonprofits also reported vacancies in entry level positions, while 38.3% of nonprofits pointed to vacancies in administration and human resources. Vacancies in development and fundraising impact 29.8% of organizations. Other job categories with vacancies included licensed healthcare workers, nurses, behavioral health, and early education.

Figure 2: Nonprofit Job Categories with Vacancies in April 2023

Number of Nonprofits that Identified Job Categories: 47

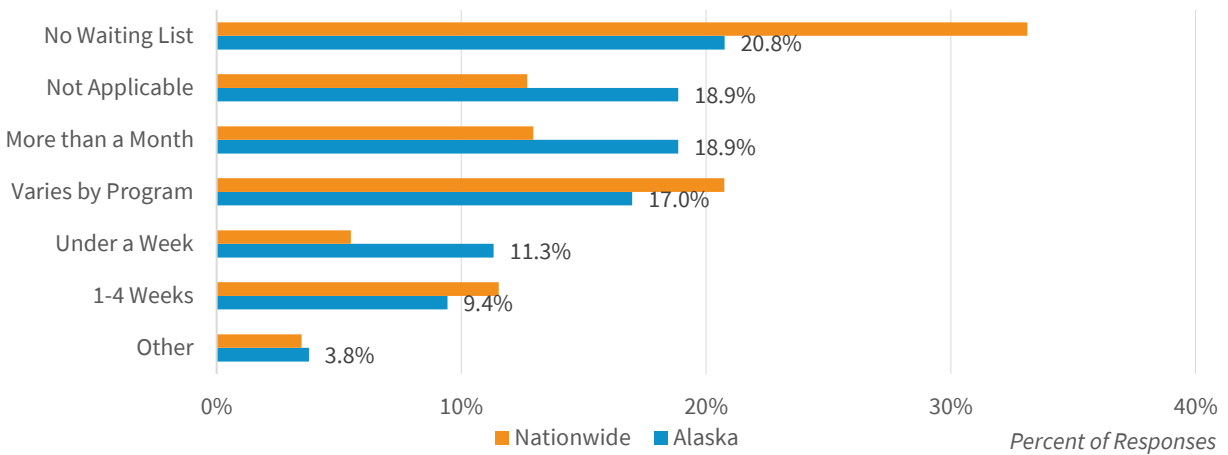


Growing waitlists for services is a significant concern to nonprofits responding to the survey. An Alaska child care provider said, “Thirteen program locations remain closed and family waitlists can range from 1 month to over a year.” Another provider with a waitlist for services stressed that “the need has always exceeded our funding and capacity to meet the need. Currently because we have staff shortages, we are serving even fewer children and families”.

Why It Matters: The Consequences to People, Communities, and Missions

The survey asked participants to share the extent they had been forced to resort to waiting lists or otherwise alter service delivery because of workforce shortages. Only a fifth (20.8%) of nonprofit respondents to the survey indicated that they had no waiting lists for their services. Of those who reported a time frame, 18.9% said that their waiting lists are more than a month long and another 9.4% estimated waiting times of between one and four weeks. Another 18.9% of respondents said that the question is not applicable to their operations.

Figure 3: Waiting List for Nonprofit Services in April 2023



The survey also asked nonprofits to compare their current challenges to prior experiences. More than seven out of ten (73.6%) of nonprofits in the state responded that they have more vacancies compared to before the COVID-19 pandemic, and 39.6% have longer waiting lists for services than in March 2020.

Table 1: Vacancies and Waiting Lists in April 2023 Compared to March 2020

	Changes Observed April 2023 vs. March 2020	Percent of Responses in 2023
Vacancies	More vacancies	73.6%
	Fewer vacancies	3.8%
	No change to vacancies	3.8%
Waiting List	Longer waiting list for services	39.6%
	Shorter waiting list for services	1.9%
	No change to waiting list	13.2%
Other	Other	3.8%
	Did not select an option	11.3%

Longer waiting lists and decreases in services that Alaska nonprofits can provide have a visible effect in communities. One human services provider stated that they must reduce the “number of clients we can take on so that training new personnel can be effectively completed.” As a result, they wrote,

“it is increasingly difficult for people in remote communities to find services from other Medicaid providers as the number of those other providers has declined.” Another survey participant summed up the challenge this way: “people are going without services or just getting by with the minimum or less than ideal staff support.” The negative impact is also distributed unevenly, as one nonprofit shared: “It has really impacted the equitable service delivery for those communities off the road system.” They explained, “The staffing resources, and increased travel costs it takes to get to these families means they do not receive the same services as children on the road system.”

Factors Affecting a Nonprofit’s Ability to Recruit and Retain Staff

The three leading factors affecting recruitment and retention for Alaska charitable organizations are salary competition, stress/burnout, and budget constraints/insufficient funds. Respondents also stated that there are shortages of affordable housing, especially in remote areas, which leads to recruitment and retention challenges. As one human services provider said, affordable housing is “non-existent. It affects the people we serve, but it has progressed to affect our ability to find employees.” They continued, “Our entry-level wages, despite a 25% increase, do not allow an individual to find housing. It is affecting not just entry level, but other levels of employment as housing costs continue to rise.” According to survey responses, nonprofits are experiencing “delays (in hiring) caused by state requirements such as background checks,” causing applicants to move on. For some nonprofits, providing remote work options is also a challenge, especially for positions that require in-person services.

Table 2: Factors Affecting Nonprofit Recruitment and Retention

Factor Affecting Recruitment and Retention	Number of Responses	Percent of Responses
Salary competition	36	67.9%
Stress/burnout	35	66.0%
Budget constraints/insufficient funds	29	54.7%
Lack of child care	19	35.8%
Other	16	30.2%
Challenges caused by government grants/contracts	11	20.8%
Not Sure	7	13.2%
COVID-19 and vaccinations	5	9.4%

Government grantmaking and contracting practices are also imposing strains on nonprofits. A survey respondent wrote: “We received a very large government grant and have hired multiple staff for this program. This increase in staff put an extra burden on our administrative staff who were already overburdened after the departure of one FTE that we did not replace. The admin staffer has since quit, and we have not been able to replace him.”

A child care provider summed up a common response that the workforce shortage crisis has been years in the making due to “low wages, inadequate benefits and challenging work conditions, especially during and after the pandemic.”

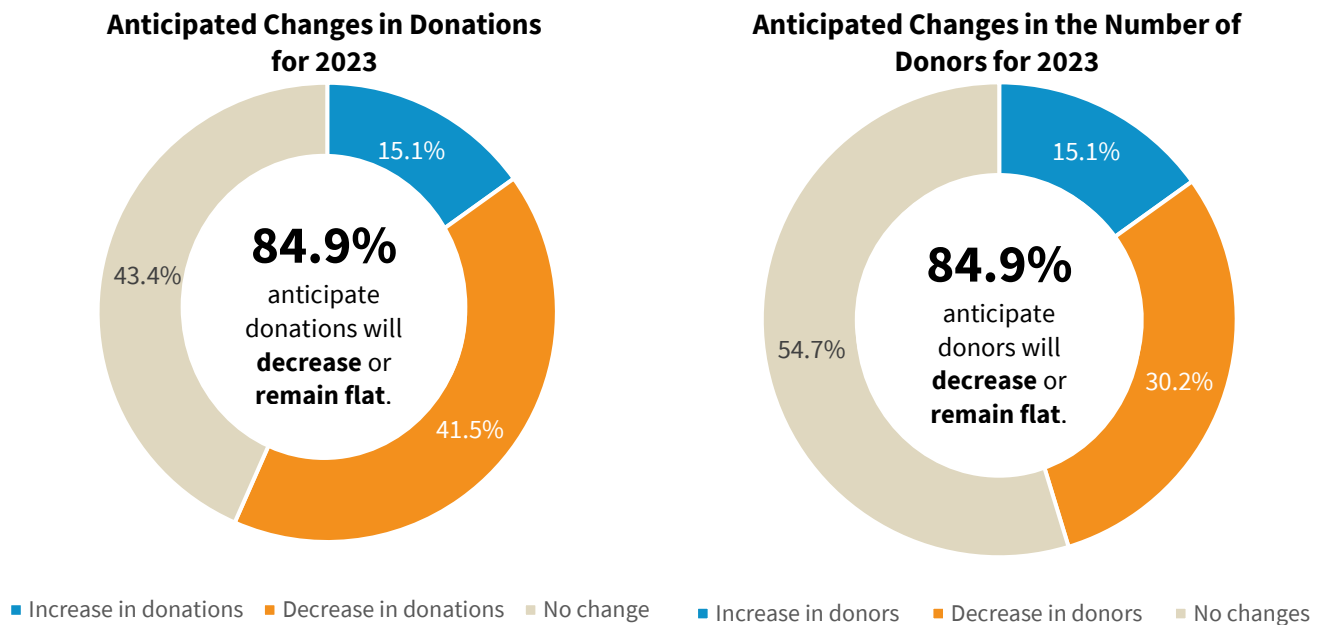
External Factors Impacting Nonprofits

Going beyond the scope of the earlier survey, the 2023 nonprofit survey sought to quantify how much three external factors have impacted nonprofit employment challenges: 1) charitable giving; 2) natural disasters; and 3) the end of enhanced benefits provided during the declared public health emergency. The results vary widely depending on, among other things, the respondent’s subsector, geographic location, and demographics of people served.

Charitable Giving

More than four out of five (84.9%) respondents anticipate the amount of donations will decline or remain flat for 2023. The same percentage (84.9%) of nonprofits expect the number of donors to decline or remain the same this year compared to 2022.

Figure 4: Nonprofits’ Anticipated Changes in Donation and Donors for 2023



The anticipation by most Alaska nonprofits that total giving and the number of donors will be either flat or declining in 2023 is troubling. Charitable giving declined by 10.5 percent in 2022 compared to 2021, according to [Giving USA’s Annual Report](#). This comes at a time when [inflation](#) has caused higher costs for services and demand for those services continues to rise. According to the [Nonprofit Finance Fund](#), between FY2019 and FY2021, demand for services significantly increased for 52% of

nonprofits. As a result, nonprofits expect giving to effectively decline while the needs of residents remain high and are going up.

Impact of Natural Disasters on Nonprofits

As communities suffering from natural disasters turn to charitable nonprofits, they are discovering that the nonprofits where they seek relief are themselves struggling to recover from the significantly added workloads they endured throughout the pandemic. Natural disasters impact nonprofits in many ways, and in Alaska they mainly lead to increased costs of providing services and increased demand for services.

Table 3: Impact of Natural Disasters on Nonprofits

Impact of Natural Disasters	Number of Responses	Percent of Responses
Building/office damage	3	5.7%
Increased costs of providing services/unbudgeted costs	10	18.9%
Increased demand for services	11	20.8%
Staff impacted by natural disasters	5	9.4%
Unable to provide services	5	9.4%
Not applicable	31	58.5%
Other	3	5.7%

The End of the Public Health Emergency

With the expiration of many federal and state relief programs created under the COVID-19 public health emergency, some nonprofits expect this to impact their operations. One survey participant shared that the expiration of “flexibilities under Medicaid waivers will require either more successful recruitment for care coordinators who will return to in-person face-to-face visits monthly, or reducing the number of clients we currently serve.” They reported that the “potential exists for closing one of our four offices.” Another provider expressed concern that families will “lose their Medicaid coverage which is the primary insurance for almost 90% of our clients. We also will have changes to our billing that will now support only one Targeted Case Management per month instead of two that we could bill during the emergency.”

Solutions and Recommendations

Recognizing that the people leading, working in, and volunteering for charitable nonprofits are, by nature, problem solvers, the 2023 survey invited participants to share the solutions they had already

implemented or identified for addressing the nonprofit workforce shortages crisis. They provided practical solutions and proposed public policy solutions.

Practices Implemented by Nonprofits

Alaska’s nonprofits have responded to the workforce shortages crisis by providing salary increases, remote work options, and one-time bonuses. Other actions many have taken are increasing employee benefits, providing career advancement opportunities, and having more wellness programs.

Table 4: Practical Solutions Implemented by Nonprofits

Implemented Practices	Number of Responses	Percent of Responses
Salary increases	38	71.7%
Remote work options (hybrid, full-time, etc.)	29	54.7%
One-time bonuses	26	49.1%
Benefits increased (health insurance, transportation, etc.)	22	41.5%
Career advancement opportunities (training, mentorship, etc.)	18	34.0%
Wellness programs (4-day workweek, additional time off, retreats, sabbaticals, etc.)	18	34.0%
Mental health (expanded benefits, counseling, etc.)	16	30.2%
Signing bonus	16	30.2%
Diversity, Equity, and Inclusion trainings and strategies	12	22.6%
Notified employees about their eligibility for Public Service Loan Forgiveness	6	11.3%
Not applicable	5	9.4%
Other	2	3.8%

Solutions Proposed by Nonprofits

Alaska nonprofits on the frontlines shared solutions lawmakers and others can consider. For instance, one nonprofit believes there is a need for a “wider discussion of needs, habits, and what the post-COVID world will look like for service organizations, for low wage earners, and for society.” Child care also needs to be seen as “critical infrastructure rather than a social service,” making access to affordable child care a priority for nonprofits.

Profiles of Nonprofits Completing the Survey

Although workforce shortages impact nonprofits from all sectors and budgets, smaller nonprofits feel the impact more. Nonprofits with annual operating budgets below \$1 million make up 26.4% of Alaska respondents to the survey. Nearly one-third (32.1%) have budgets of between \$1 million and \$3 million, and 11.3% of nonprofits have budgets of between \$3 million and \$5 million. Another 30.2% of nonprofits participating in the survey have budgets greater than \$5 million.

Figure 5: Nonprofits' Annual Operating Budget

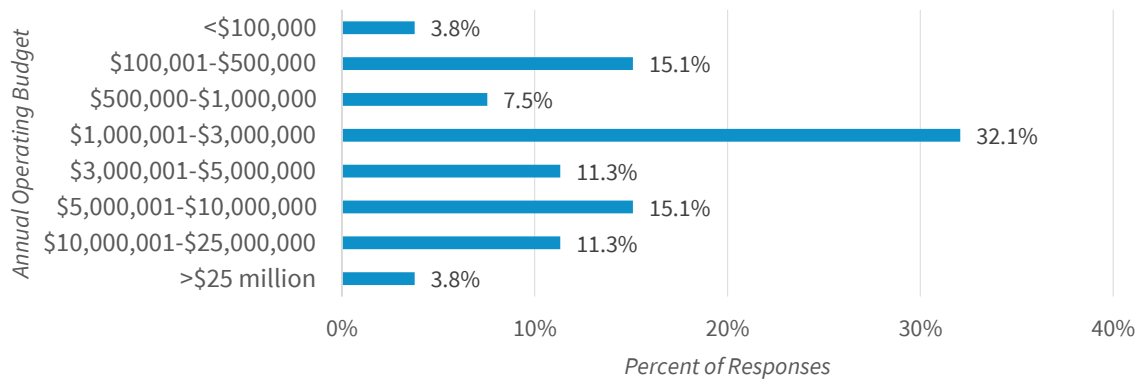


Table 5: Communities Served by Nonprofits

Communities Served	Number of Responses	Percent of Responses
American Indian or Alaskan Native, Asian, Black, Native Hawaiian or Pacific Islander, Middle Eastern/North African, Hispanic/Latino/Latina/Latinx, or multi-racial/multi-ethnic	21	39.6%
People with disabilities	12	22.6%
People who identify as LGBTQ+	3	5.7%
People living in rural communities	14	26.4%
None of the above	17	32.1%

Table 6: Responses to the Nonprofit Workforce Shortages Survey by Subsector

Subsector	Number of Responses	Percent of Responses
Human Services	13	24.5%
Healthcare	8	15.1%
Education	7	13.2%
Other	7	13.2%
Public/Societal Benefit	3	5.7%
Arts, Culture, and Humanities	3	5.7%
Child Care	3	5.7%
Environment and Animals	3	5.7%
Housing	2	3.8%
Multiple Subsectors	2	3.8%
Mental Health	1	1.9%
Research	1	1.9%