

Nonprofit Workforce Shortage Survey

In Pennsylvania

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. Fifty-three Pennsylvania nonprofits provided insights that provide the substance of this report.

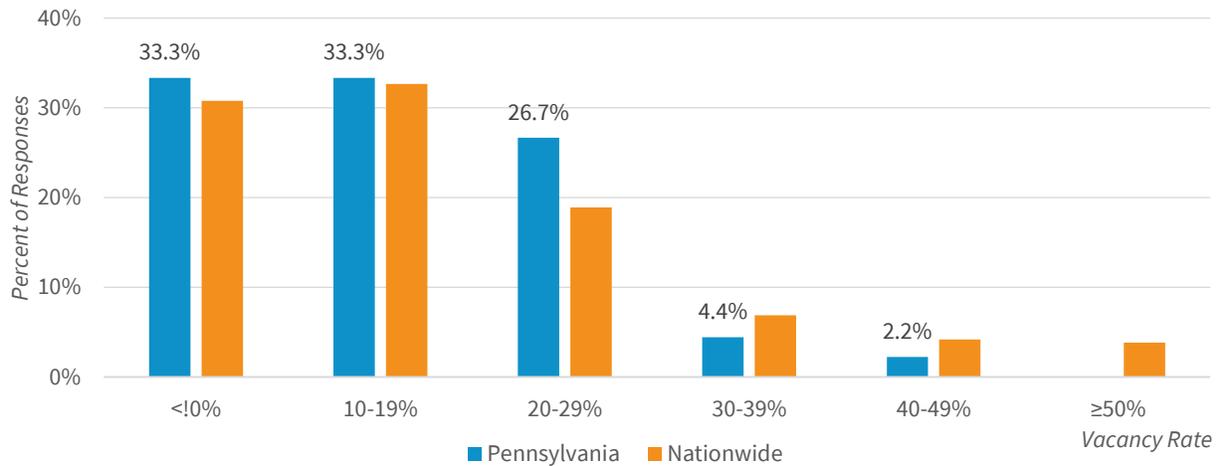
Key Findings

- Nearly seven out of eight (84.9%) Pennsylvania nonprofits completing the survey reported experiencing job vacancies.
- Well more than half (58.5%) of nonprofits shared that they have more vacancies compared to before the COVID-19 pandemic, and 43.4% have longer waiting lists for services.
- 86.7% of respondents with vacancies identified program and service delivery as a category with vacancies.
- 86.8% of responding organizations said salary competition affects their ability to recruit and retain employees, followed by budget constraints/insufficient funds (69.8%) and stress and burnout (41.5%).
- Four out of five (81.1%) respondents anticipate that both the amount of donations and the number of donors will decline or remain flat in 2023.

The Scope of The Problem

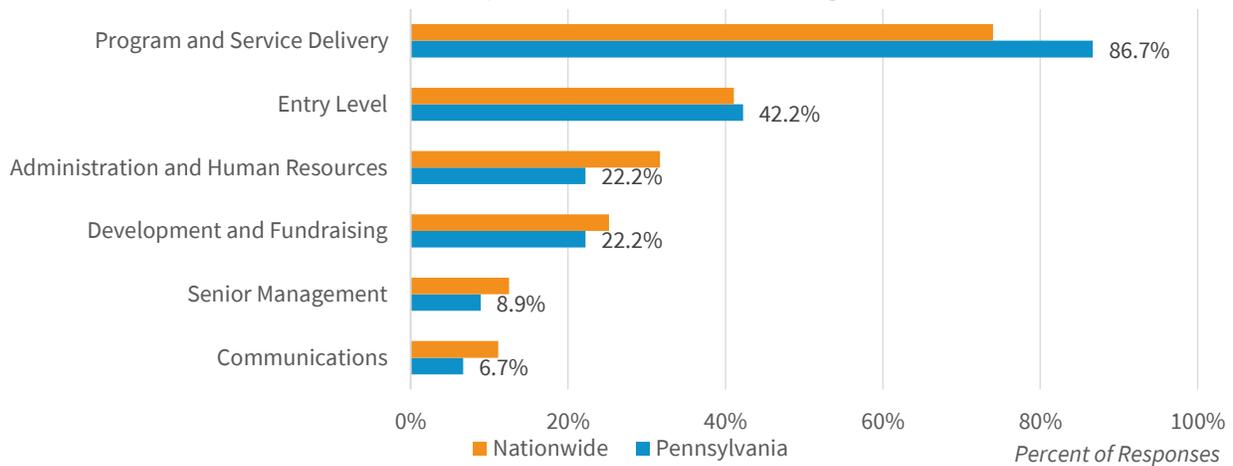
One of the key questions in the survey was, “What is your nonprofit’s current job vacancy rate?” One-third (33.3%) of Pennsylvania nonprofits with vacancies shared rates fewer than 9%, while another third (33.3%) responded that their vacancy rates ranged between 10% and 19%. More than one out of four (26.7%) nonprofits reported a job vacancy rate of between 20 and 29%. Another 6.6% of nonprofits in Pennsylvania have vacancy rates greater than 30 percent.

Figure 1: Nonprofits' Job Vacancy Rate in 2023
 Number of Nonprofits that Provided a Vacancy Rate: 45



The job category with the most vacancies is program and service delivery, which affects 86.7% of nonprofits that reported vacancies. More than two out of five (42.2%) nonprofits also reported vacancies in entry level positions. Vacancies in development and fundraising, as well as administration and human resources, impact more than one out of five (22.2%) organizations. Nearly a tenth (8.9%) of nonprofits in the Commonwealth that reported vacancies cannot fill senior management positions, and 6.7% have vacancies in communications positions. Other categories reported are in community engagement, child care, middle management, and part-time positions.

Figure 2: Nonprofit Job Categories with Vacancies in April 2023
 Number of Nonprofits that Identified Job Categories: 45

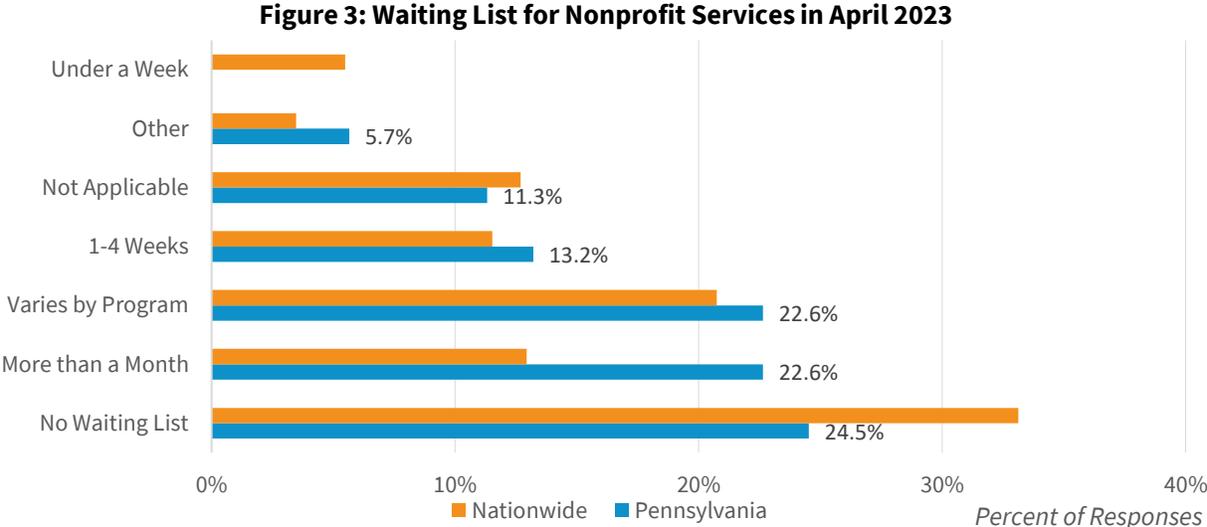


The impact of increased job vacancies is visible in Pennsylvania’s communities, as demonstrated in comments provided by survey participants. One human services provider has lost some clients due to the delays in services. For another human services provider, vacancies mean that they cannot reach as many people, and their staff “miss out on training and networking opportunities,” which impacts their long-term career goals. A charitable organization that relies on volunteerism reported having volunteers “ready to train and serve, but not enough staff to supervise.” With staffing

shortages, a separate nonprofit wrote, “program spending is impacted,” and over time this can impact future grant requests if they cannot meet requirements.

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. Most nonprofits indicated that they either had no waiting lists for their services (24.5%) or that they varied by program (22.6%). Of the nonprofits that reported a specific time frame, nearly a quarter (22.6%) said that their waiting lists are more than a month long. Another 11.3% said that the question is not applicable to their operations.



Growing waiting lists for services because of job vacancies is a significant concern to nonprofits responding to the survey. Well more than half (58.5%) of nonprofits in Pennsylvania responded that they have more vacancies compared to before the COVID-19 pandemic, and 43.4% have longer waiting lists for services.

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	58.5%
	Fewer vacancies	5.7%
	No change to vacancies	9.4%
Waiting List	Longer waiting list for services	43.4%
	Shorter waiting list for services	5.7%
	No change to waiting list	11.3%
Other	Other	3.8%
	Did not select an option	15.1%

In individual comments, survey participants identified several emerging or unique problems that affect workforce shortages and their organizations’ abilities to cope. One child care provider shared that they cannot run programs and had to shut their facility down due to “understaffing” and “illness.” Prior to the pandemic, a human services provider explained that they were able to admit a client for services within a month, but now face two challenges: a delay in approval from the Commonwealth of 8-10 weeks, and competition with private sector wages that has caused them to lose several employees. While vacancies haven’t impacted a nonprofit’s waiting list, it has left staff with an increased workload.

Barriers to Nonprofits Retaining and Recruiting Employees

The three leading factors affecting recruitment and retention for Pennsylvania charitable organizations are salary competition, budget constraints/insufficient funds, and stress/burnout. Respondents also stated that they had difficulties finding credentialed or qualified candidates in their community, along with challenges providing full-time remote employment.

Table 2: Factors Affecting Nonprofit Recruitment and Retention

Factor Affecting Recruitment and Retention	Number of Responses	Percent of Responses
Salary competition	46	86.8%
Budget constraints/insufficient funds	37	69.8%
Stress/burnout	22	41.5%
Challenges caused by government grants/contracts	16	30.2%
Lack of child care	8	15.1%
Other	8	15.1%
Not Sure	7	13.2%
COVID-19 and vaccinations	7	13.2%

One survey respondent shared that many of their employees are retiring or burning out, leaving them without a pipeline into their organization or sector. A human services provider also pointed out that current reimbursement rates are “unrealistic to provide quality services.” Another respondent clarified that their organization is not experiencing shortages, but their members are struggling to “fill staff vacancies, recruiting and retaining staff.” They are also seeing a significant number of child care facilities close, leaving communities without access to affordable child care.

External Factors Impacting Nonprofits

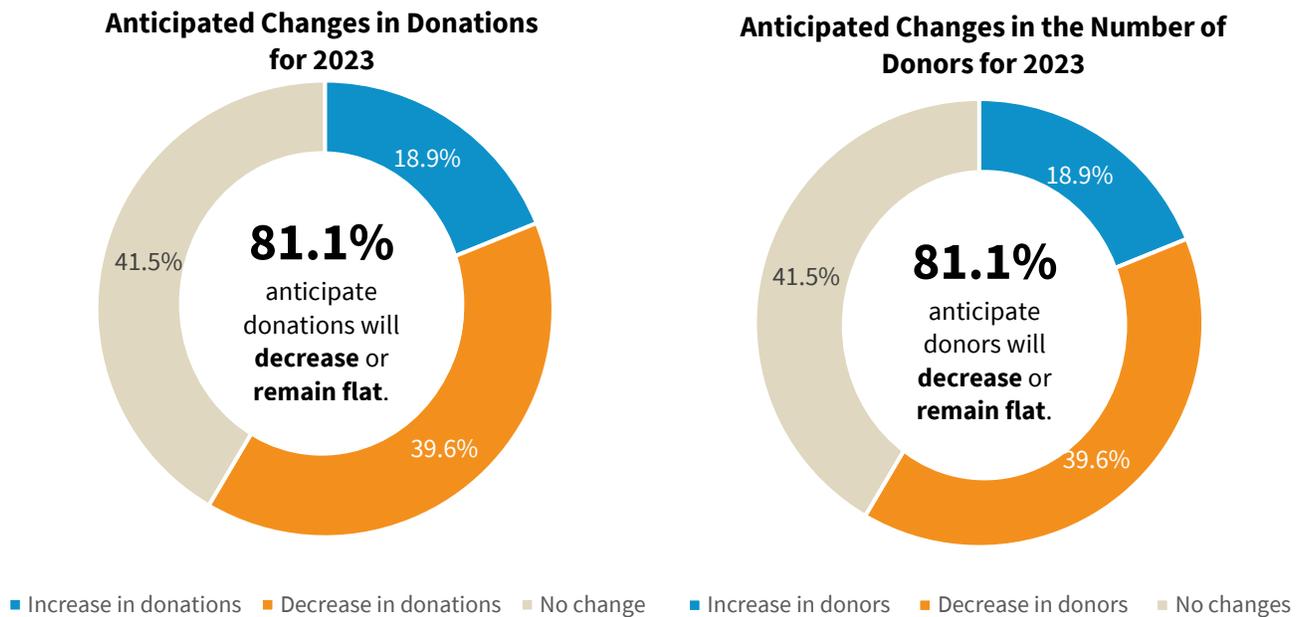
Going beyond the scope of the earlier survey, the 2023 nonprofit survey sought to quantify how much three external factors have impacted nonprofit employment challenges: 1) charitable giving; 2) natural disasters; and 3) the end of enhanced benefits provided during the declared public health

emergency. The results vary widely depending on, among other things, the respondent's subsector, geographic location, and demographics of people served.

Charitable Giving

The survey asked participants to look ahead to fundraising in 2023 and share what they expect. More than four out of five (81.1%) respondents anticipate that both the amount of donations and the number of donors will decline or remain flat in 2023.

Figure 4: Nonprofits' Anticipated Changes in Donations and Donors for 2023



The anticipation by most Pennsylvania 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 Pennsylvania they mainly lead to increased costs of providing services, increased demand for services, and building/office damage.

Table 3: Impact of Natural Disasters on Nonprofits

Impact of Natural Disasters	Number of Responses	Percent of Responses
Not applicable	39	73.6%
Increased costs of providing services/unbudgeted costs	8	15.1%
Increased demand for services	8	15.1%
Building/office damage	5	9.4%
Unable to provide services	3	5.7%
Staff impacted by natural disasters	3	5.7%
Other	0	0

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. Some nonprofits anticipate an increased need for their services. For a human services provider, the loss of expanded SNAP benefits means that food pantries will have “increased visits without an increase in donations/funding.” One Pennsylvania nonprofit expressed concern that some people might feel “less safe” in their facilities since they serve a partially immunocompromised population.

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

While there are legislative solutions in the works or not yet implemented, Pennsylvania nonprofits have responded to the workforce shortages crisis by increasing salaries, implementing remote work options, and providing one-time bonuses. Other solutions include increasing benefits where possible, and providing career and/or diversity, equity, and inclusion training to assist employees. A nonprofit shared that they have increased employee engagement and recognition, which has improved their retention rate. Even with these policies, they are struggling to hire and retain staff, which makes it essential to continue to advocate for solutions at the federal, state, and local levels.

Table 4: Practical Solutions Implemented by Nonprofits

Implemented Practice	Number of Responses	Percent of Responses
Salary increases	43	81.1%
Remote work options (hybrid, full-time, etc.)	28	52.8%
One-time bonuses	26	49.1%
Benefits increased (health insurance, transportation, etc.)	20	37.7%
Career advancement opportunities (training, mentorship, etc.)	18	34.0%
Diversity, Equity, and Inclusion trainings and strategies	17	32.1%
Mental health (expanded benefits, counseling, etc.)	11	20.8%
Wellness programs (4-day workweek, additional time off, retreats, sabbaticals, etc.)	10	18.9%
Notified employees about their eligibility for Public Service Loan Forgiveness	10	18.9%
Signing bonus	10	18.9%
Other	3	5.7%
Not applicable	2	3.7%

Solutions Proposed by Nonprofits

Nonprofits on the frontlines shared solutions they think lawmakers and others should consider. One respondent suggesting that more funds should be allocated towards administrative costs to support the current staff. Another nonprofit thinks there should be more grace with funding timelines, and that funding should cover staff to provide programming.

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 made up 18.9% of Pennsylvania survey participants. Those with budgets of between \$1 million to \$3 million made up 45.3% of survey responses. Another 7.6% of nonprofits have budgets greater than \$10 million.

Figure 5: Nonprofits' Annual Operating Budget

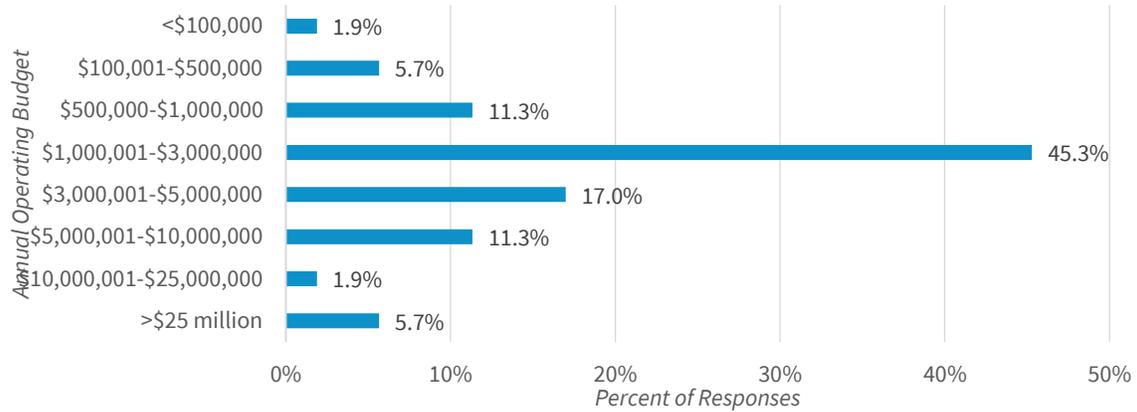


Table 5: Communities Served by Nonprofits

Communities Served	Number of Responses	Percent of Responses
None of the above	18	34.0%
People living in rural communities	17	32.1%
People with disabilities	12	22.6%
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	7	13.2%
People who identify as LGBTQ+	1	1.9%

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

Subsector	Number of Responses	Percent of Responses
Human Services	27	50.9%
Other	5	9.4%
Multiple Subsectors	4	7.5%
Public/Societal Benefit	3	5.7%
Healthcare	3	5.7%
Arts, Culture, and Humanities	2	3.8%
Community/Civic Engagement	2	3.8%
Education	2	3.8%
Housing	2	3.8%
Mental Health	1	1.9%
Environment and Animal Welfare	1	1.9%
Child Care	1	1.9%
Religion	0	0
Higher Education	0	0