

# Nonprofit Workforce Shortage Survey

## In Connecticut

August 2023

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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 forty Connecticut nonprofits shared insights that provide the substance of this report.

### Key Findings

- More than nine out of ten (93.2%) Connecticut nonprofits completing the survey reported experiencing job vacancies.
- More than seven out of ten (72.7%) nonprofits in the state responded that they have more vacancies compared to before the COVID-19 pandemic, and 56.8% have longer waiting lists for services than in March 2020.
- 87.8% of respondents with vacancies identified program and service delivery as a category with vacancies.
- Nearly nine out of ten (88.6%) of responding organizations said salary competition affects their ability to recruit and retain employees, followed by budget constraints/insufficient funds (84.1%) and stress/burnout (77.3%).
- 86.3% of respondents anticipate the amount of donations will decline or remain flat for 2023. More than two-thirds (70.5%) of nonprofits expect the number of donors to decline or remain the same this year.

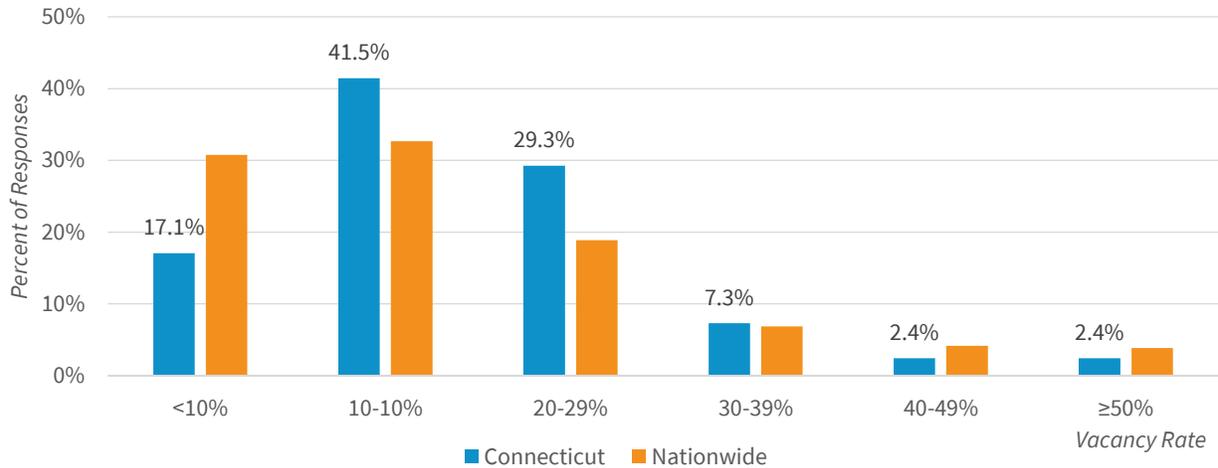
### The Scope of The Problem

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One of the key questions in the survey was, “What is your nonprofit’s current job vacancy rate?” Nearly a fifth of Connecticut nonprofits (17.1%) with vacancies shared rates of fewer than 9%, while more than two out of five (41.5%) nonprofits responded that their vacancy rates ranged between

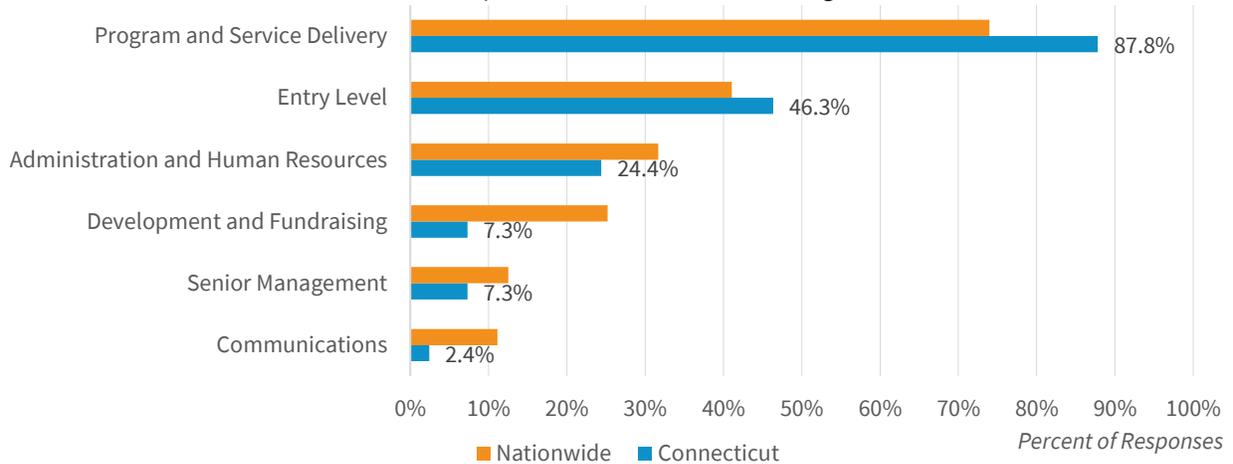
10% and 19%, a significantly higher rate than the nationwide percentage. Disturbingly, a similar percentage of nonprofits (41.4%) reported job vacancy rates greater than 20% of their workforce.

**Figure 1: Nonprofits' Job Vacancy Rate in April 2023**  
 Number of Nonprofits that Provided a Vacancy Rate: 41



The job category with the most vacancies is program and service delivery, which affects 87.8% of nonprofits that reported vacancies. Nearly half (46.3%) of nonprofits also reported vacancies in entry level positions, while 24.4% of nonprofits pointed to vacancies in administration and human resources. Vacancies in development and fundraising, as well as senior management, impact 7.3% of organizations. Other categories reported are for seasonal and part-time positions.

**Figure 2: Nonprofit Job Categories with Vacancies in April 2023**  
 Number of Nonprofits that Identified Job Categories: 41



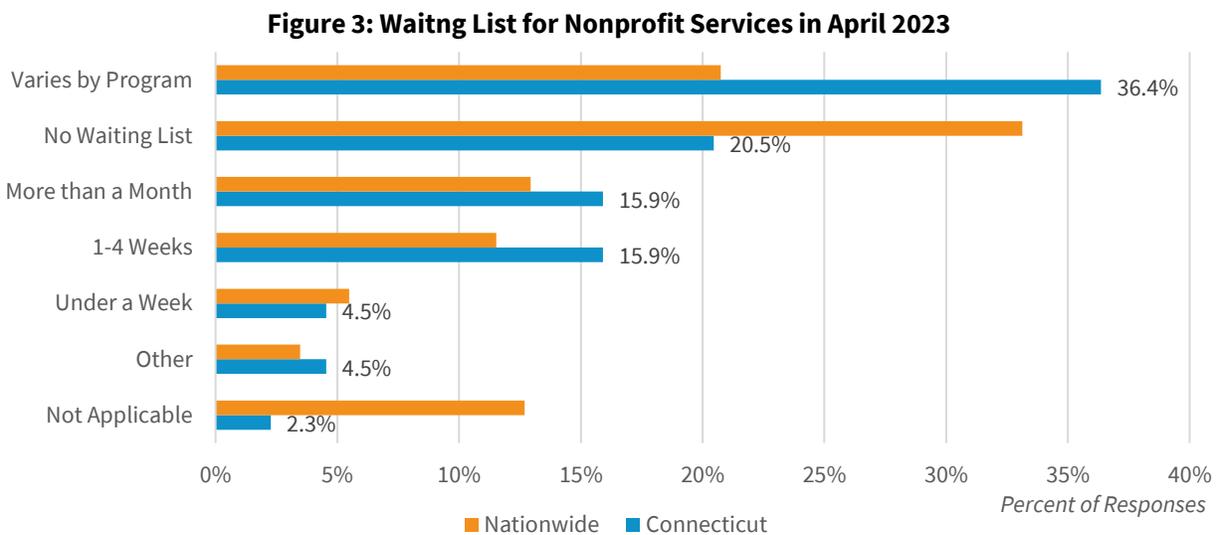
The impact of increased job vacancies is visible in Connecticut’s communities, as demonstrated in comments provided by survey participants. One nonprofit has seen an increase in the number of children in need of trauma counseling who have to wait for services. Another nonprofit elaborated that the other care providers are struggling to keep up and manage support for children in need, which is creating a ripple effect that “disrupts the whole system of care.” For a human services provider, the 0-3 age window is a “critical developmental period for children to receive services,” yet

severe delays in accessing services can have a long-term “negative impact on a child’s developmental potential,” adding that this time “cannot be made up.”

While one housing nonprofit has been able to keep their programs operational, this has led to staff burnout and other departures, and it is unclear how long this can be sustained. A human services provider responding to the survey reported that it cannot add any more participants; thus, their waiting list keeps growing, leaving more individuals without services.

## 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 (20.5%) of nonprofit respondents to the survey indicated that they had no waiting lists for their services. At a significantly higher rate than the nation, more than a third (36.4%) explained that they could not give a time frame for waiting lists because the duration for wait times varied by program. Of those who reported a time frame, 15.9% said that their waiting lists are more than a month long and another 15.9% estimated waiting times of between one and four weeks. Only 2.3% said that the question is not applicable to their operations. A few nonprofits clarified that they do not have a waiting list because they had to refer individuals elsewhere.



The survey also asked nonprofits to compare their current challenges to prior experiences. Nearly three-quarters (72.7%) of nonprofits in the state responded that they have more vacancies compared to before the COVID-19 pandemic, and 56.8% 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
<b>Vacancies</b>	More vacancies	72.7%
	Fewer vacancies	6.8%
	No change to vacancies	6.8%
<b>Waiting List</b>	Longer waiting list for services	56.8%
	Shorter waiting list for services	2.3%
	No change to waiting list	11.4%
<b>Other</b>	Other	2.3%
	Did not select an option	6.8%

Nonprofits in Connecticut with waiting lists elaborated on how they are impacted by increased job vacancies or turnover. A human services provider with a waiting list clarified that they could see more clients but must keep them on a waiting list for fear that they will “lose a clinician and the patient will have a disruption on care.” They added that the constant turnover is impacting health outcomes because “continuity of care is critical to progress in behavioral health.” Another provider shared that the programs that support children’s mental health cannot continue due to staff shortages, creating a waiting list, and their specialized programs are at capacity. A nonprofit professional observed that their organization’s clients waiting for legal services are at risk, especially those who need housing support.

## Barriers to Nonprofits Retaining and Recruiting Employees

The three leading factors affecting recruitment and retention for Connecticut charitable organizations are salary competition, budget constraints/insufficient funds, and stress/burnout. Respondents also pointed to a housing shortage that was magnified in some areas because of the number of people that moved during the pandemic, impacting applicant pools.

**Table 2: Factors Affecting Nonprofit Recruitment and Retention**

Factor Affecting Recruitment and Retention	Number of Responses	Percent of Responses
Salary competition	39	88.6%
Budget constraints/insufficient funds	37	84.1%
Stress/burnout	34	77.3%
Challenges caused by government grants/contracts	18	40.9%
Lack of child care	8	18.2%
Other	7	15.9%
COVID-19 and vaccinations	4	9.1%
Not Sure	3	6.8%

On the challenge of salary competition, a nonprofit that provides crisis services elaborated that their staff frequently resigned to take jobs with the State that offer “higher wages, better benefits, including premium health insurance and retirement plans, more paid time off and more holidays.” A human services provider also faces this challenge, and pointed out that the State of Connecticut, which provides a significant amount of funding, pays higher rates when they hire for similar positions. The government’s ramped-up hiring, they report, has made it almost impossible for nonprofits to compete with the State.

A mental health provider finds that the structure of government payment and policies has resulted in less accountability for private practices while nonprofits have more oversight and limitations yet are more likely to treat patients that those private practices reject. A nonprofit professional shared that their organization is primarily funded by grants and believes that leaders need to understand the need for fair compensation, because the staff can earn more at McDonald’s than at their organization.

## **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.

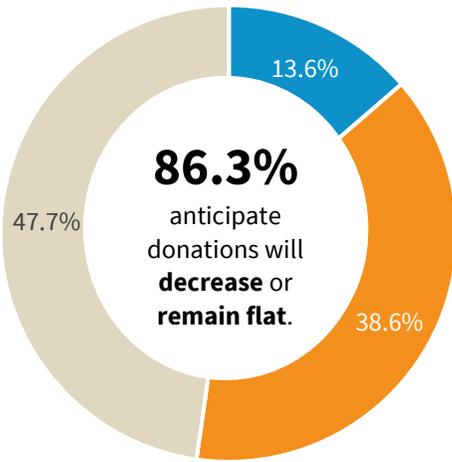
### **Charitable Giving**

Nearly nine out of ten (86.3%) respondents anticipate the amount of donations will decline or remain flat for 2023. Seven out of ten (70.5%) nonprofits expect the number of donors to decline or remain the same this year compared to 2022.

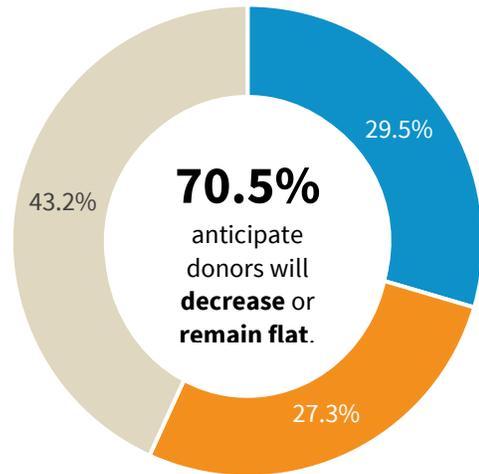
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**Figure 4: Nonprofits' Anticipated Changes in Donations and Donors for 2023**

**Anticipated Changes in Donations for 2023**



**Anticipated Changes in the Number of Donors for 2023**



■ Increase in donations ■ Decrease in donations ■ No change ■ Increase in donors ■ Decrease in donors ■ No changes

The anticipation by most Connecticut 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 Connecticut they mainly lead to increased demand for services and increased costs of providing services.

**Table 3: Impact of Natural Disasters on Nonprofits**

Impact of Natural Disasters	Number of Responses	Percent of Responses
Not applicable	34	77.3%
Increased demand for services	9	20.5%
Increased costs of providing services/unbudgeted costs	5	11.4%
Building/office damage	2	4.5%

Impact of Natural Disasters	Number of Responses	Percent of Responses
Staff impacted by natural disasters	1	2.3%
Unable to provide services	0	0
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. For instance, a mental health provider anticipates a ripple effect since low-income families will be hit the hardest, and that will create an influx in mental health needs. A nonprofit professional echoed this concern and thinks that with more people needing support, the nonprofits that provide services will be strained. Another provider shared that the rules applied to their Medicaid contracts will limit the flexibility of care, meaning their staff will no longer operate from their home offices, which can be difficult during times of “poor weather, family illness exposure and transportation limitations.”

## 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

Connecticut nonprofits have responded to the workforce shortages crisis by increasing salaries, distributing one-time bonuses, providing remote work options, and implementing diversity, equity, and inclusion trainings and strategies. Some have provided career advancement opportunities and increased benefits, among other options.

**Table 4: Practical Solutions Implemented by Nonprofits**

Implemented Practices	Number of Responses	Percent of Responses
Salary increases	35	79.5%
One-time bonuses	31	70.5%
Remote work options (hybrid, full-time, etc.)	28	63.6%
Diversity, Equity, and Inclusion trainings and strategies	27	61.4%

Implemented Practices	Number of Responses	Percent of Responses
Career advancement opportunities (training, mentorship, etc.)	24	54.5%
Benefits increased (health insurance, transportation, etc.)	23	52.3%
Mental health (expanded benefits, counseling, etc.)	23	52.3%
Signing bonus	21	47.7%
Notified employees about their eligibility for Public Service Loan Forgiveness	18	40.9%
Wellness programs (4-day workweek, additional time off, retreats, sabbaticals, etc.)	11	25.0%
Other	2	4.5%
Not applicable	0	0

## Solutions Proposed by Nonprofits

Nonprofits on the frontlines shared solutions they think lawmakers, philanthropy, and other nonprofit professionals should consider. A mental health provider recommended an increase in Medicaid reimbursement rates so that the added revenue can enable nonprofits to compete with “salary, benefits, and to focus on clinician well-being to prevent burnout.” Another nonprofit agreed on the need for increased funding, specifically for cost-of-living adjustments (COLAs). A nonprofit professional suggested an increase in state contracts that keep pace with inflation.

A mental health provider elaborated on the need for government grants and contracting reforms:

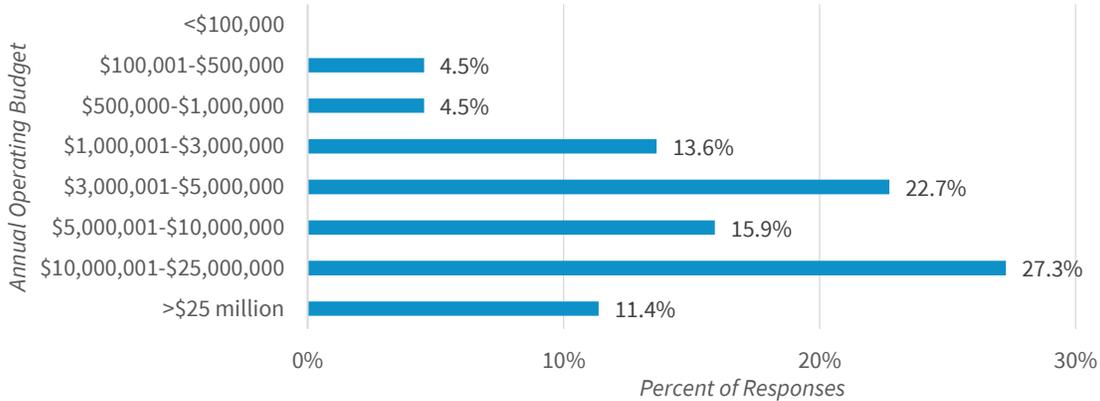
“Streamlining data to key indicators and reduce the data that is not being used or interpreted. Don't gather data just to gather data. Pay increased rates of service to those who have oversight rules and accreditation expectations. Pay rates that allow us to reduce caseloads to provide better care. Lastly, federal and state contracts for services should be of market value. Many bids for services are undervalued. Coming at a cost to the nonprofit. Contracts for services should be valued as they would for other contracted services ex. construction, technology, etc.”

Regarding the workforce pipeline to nonprofits, a respondent shared that there needs to be more alignment with the state’s higher education programs to engage future employees throughout their education. This, they believe will make students “more prepared to enter the field,” noting that there also needs to be more consideration for “lived and life experience.” Another nonprofit professional recommended more training for staff so they can grow in their field.

# Profiles of Nonprofits Completing the Survey

Although workforce shortages impact nonprofits from all sectors and budgets, some nonprofits with certain budgets felt the impact more. Nonprofits with annual operating budgets below \$1 million made up 9.0% of respondents to the workforce shortages survey. Those with budgets of between \$1 million and \$3 million comprise 13.6% of respondents, and 22.7% of respondents had annual operating budgets that range from \$3 million to \$5 million. More than half (54.6%) of nonprofits had 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
People with disabilities	22	50.0%
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	12	27.3%
None of the above	11	25.0%
People living in rural communities	5	11.4%
People who identify as LGBTQ+	2	4.5%

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

<b>Subsector</b>	<b>Number of Responses</b>	<b>Percent of Responses</b>
Human Services	18	40.9%
Mental Health	11	25.0%
Housing	3	6.8%
Multiple Subsectors	3	6.8%
Healthcare	2	4.5%
Education	2	4.5%
Public/Societal Benefit	2	4.5%
Other	1	2.3%
Arts, Culture, and Humanities	1	2.3%
Community/Civic Engagement	1	2.3%