

Nonprofit Workforce Shortage Survey

In New York

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 one hundred New York nonprofits shared insights that provide the substance of this report.

Key Findings

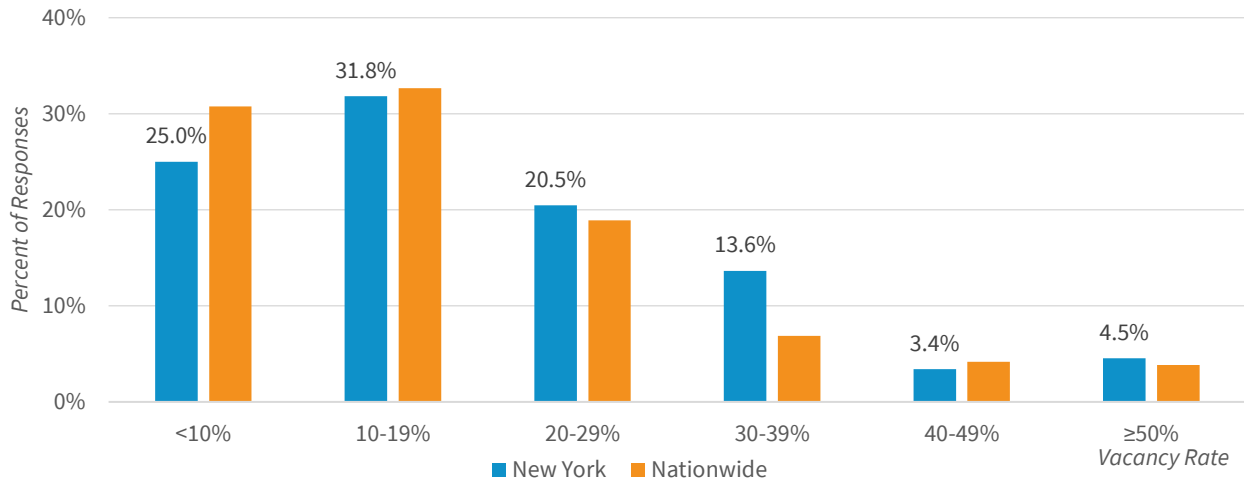
- Four out of five (82.2%) New York nonprofits completing the survey reported experiencing job vacancies.
- Well more than half (57.0%) of nonprofits in the state responded that they have more vacancies compared to before the COVID-19 pandemic, and 32.7% have longer waiting lists for services.
- 69.3% of respondents with vacancies identified program and service delivery as a category with vacancies.
- 82.2% of responding organizations said salary competition affects their ability to recruit and retain employees, followed by budget constraints/insufficient funds (73.8%).
- Nearly three-fourths (72.9%) of respondents anticipate the amount of donations will decline or remain flat for 2023. The same percentage (72.9%) expects 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?” One out of four New York nonprofits (25.0%) with vacancies shared rates fewer than 9%, while another 31.8% responded that their vacancy rates ranged between 10% and 19%. Disturbingly, more than two out of five (42.0%) nonprofits reported a job vacancy rate greater than 20%.

Figure 1: Nonprofits' Job Vacancy Rate in April 2023

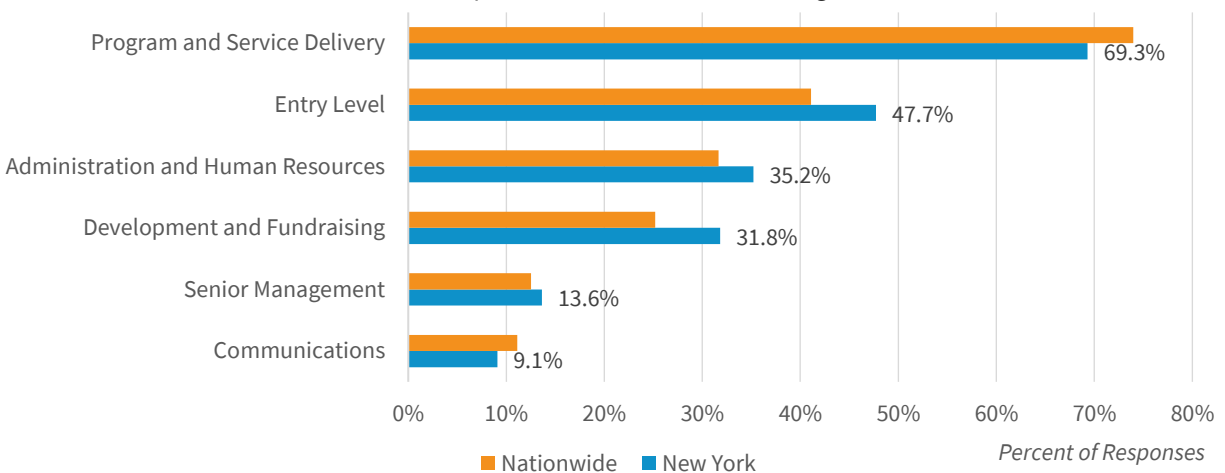
Number of Nonprofits that Provided a Vacancy Rate: 88



The job category with the most vacancies is program and service delivery, which affects 69.3% of nonprofits that reported vacancies. Nearly half (47.7%) of nonprofits also reported vacancies in entry level positions. Vacancies in administration and human resources impact 35.5% of nonprofits in New York. An estimated one out of ten (9.1%) nonprofits that reported vacancies cannot fill communications positions, and 13.6% have vacancies in senior management roles. Other categories reported are in nursing, grants support, and teaching positions.

Figure 2: Nonprofit Job Categories with Vacancies in April 2023

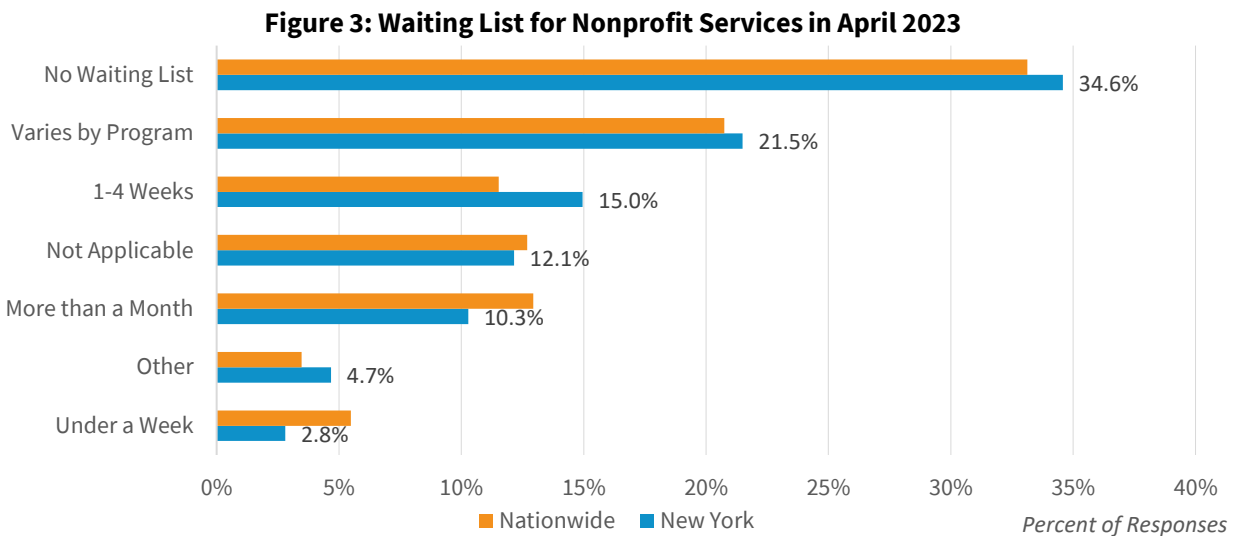
Number of Nonprofits that Identified Job Categories: 88



The impact of increased job vacancies is visible in New York’s communities, as demonstrated in comments provided by survey participants. A mental health provider is seeing increases in “severe behavioral health conditions” in their community that could lead to hospitalizations if not treated sooner. Vacancies in a nonprofit put stress on staff as they were searching for new hires; while they were able to fill the positions, their ability to respond to community needs slowed down in the process. A professional shared that they are the only credentialed staff who speaks Spanish, but because they work part-time, many families are unable to access services when they are not working.

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. More than one-third (34.6%) of nonprofit respondents to the survey indicated that they had no waiting lists for their services. Another fifth (21.5%) 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, 15.0% said that their waiting lists are a few days or weeks and about 10.3% pointed to wait times of longer than one month. Another 12.1% said that the question is not applicable to their operations.



The survey also asked nonprofits to compare their current challenges to prior experiences. Well more than half (57.0%) of nonprofits in the state responded that they have more vacancies compared to before the COVID-19 pandemic, and 32.7% 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	57.0%
	Fewer vacancies	8.4%
	No change to vacancies	14.0%
Waiting List	Longer waiting list for services	32.7%
	Shorter waiting list for services	0.9%
	No change to waiting list	14.0%
Other	Other	3.7%
	Did not select an option	17.8%

Nonprofits in New York are also concerned about inflation as well as the forecast of reduced funding in the next fiscal year from city and state agencies. A housing nonprofit shared they are seeing a lack of available grants to upstate New York, and their grantors are slow to distribute funding. Others are seeing federal funding run out, leaving them to find new funding sources that may not be there anymore.

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

The three leading factors affecting recruitment and retention for New York charitable organizations are salary competition, stress/burnout, and budget constraints/insufficient funds. Respondents also stated that they do not see a pipeline in their area of work, such as legal services.

Table 2: Factors Affecting Nonprofit Recruitment and Retention

Factor Affecting Recruitment and Retention	Number of Responses	Percent of Responses
Salary competition	88	82.2%
Budget constraints/insufficient funds	79	73.8%
Stress/burnout	59	55.1%
Challenges caused by government grants/contracts	34	31.8%
Other	18	16.8%
Lack of child care	13	12.1%
Not Sure	12	11.2%
COVID-19 and vaccinations	8	7.5%

A nonprofit focused on economic development shared that the hiring process, from the job description to the candidate accepting an offer, can take months. Some of the organization’s grants are only for one year, making it less likely for them to meet grant requirements. Another nonprofit found that one-year grants cause them spending more time on hiring and training than on the “impact we are trying to make.” One survey respondent shared that their organization needs to provide professional training and more services, but their challenge is not receiving the funding to support their work. St. Paul’s Center, a housing provider, pointed out that the Department of Housing and Urban Development (HUD) has not increased funding from the original grant contract issued four years ago, and they have not seen reimbursement increases despite inflation.

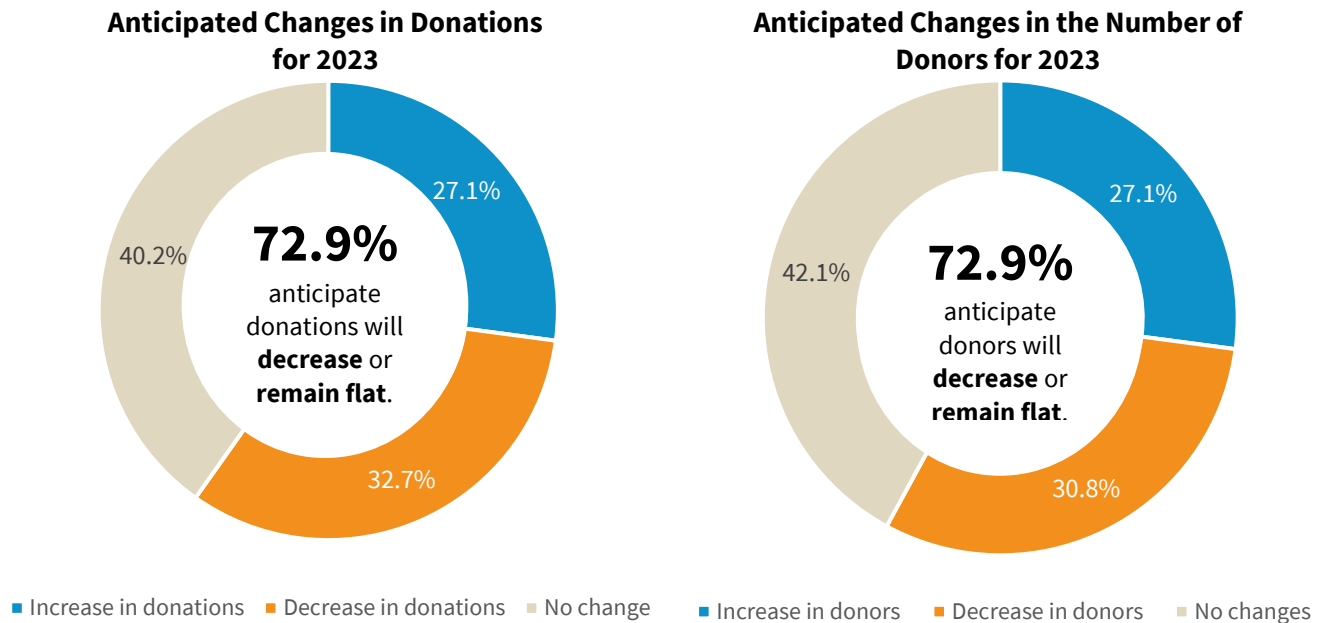
External Factors Impacting Nonprofits

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 three-fourths (72.9%) of respondents anticipate that both the amount of donations and the number of donors will decline or remain flat for 2023.

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



The anticipation by most New York 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 increased workloads they endured throughout the pandemic. Natural disasters impact nonprofits in many ways, and in New York they mainly lead to increased costs of providing services, increased demand for services, and staff impacted by natural disasters.

Table 3: Impact of Natural Disasters on Nonprofits

Impact of Natural Disasters	Number of Responses	Percent of Responses
Not applicable	72	67.3%
Increased costs of providing services/unbudgeted costs	22	20.6%
Increased demand for services	19	17.8%
Staff impacted by natural disasters	12	11.2%
Unable to provide services	7	6.5%
Building/office damage	3	2.8%
Other	2	1.9%

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 New York nonprofits expect this to impact their operations. For instance, an arts nonprofit in the state has seen a “renewed number of COVID-19 cases among our staff,” which has shown the continued need for precaution, specifically testing. Another arts nonprofit was able to install a new ventilation system and safety practices that will help them continue to provide live theater. However, a human services provider shared that “once the funding is gone, we will need to sustain the programs created,” and that will add more strain to an “already struggling infrastructure.” A respondent worries that the reduction in Supplemental Nutrition Assistance Program (SNAP) benefits will mean recipients will need more financial support, so their nonprofit is creating a new fund to help individuals “falling between funding gaps.”

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

New York’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 offering diversity, equity, and inclusion trainings, providing career advancement opportunities, and increasing employee benefits. A small nonprofit reported that it has been able to provide more flexible work schedules, and a greater sense of mission for their employees. Because of their budget

and size, they do not know how long they will meet higher salary demands. 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 Practices	Number of Responses	Percent of Responses
Salary increases	71	63.4%
Remote work options (hybrid, full-time, etc.)	65	60.7%
One-time bonuses	52	48.6%
Diversity, Equity, and Inclusion trainings and strategies	50	46.7%
Career advancement opportunities (training, mentorship, etc.)	43	40.2%
Benefits increased (health insurance, transportation, etc.)	42	39.3%
Notified employees about their eligibility for Public Service Loan Forgiveness	26	24.3%
Wellness programs (4-day workweek, additional time off, retreats, sabbaticals, etc.)	20	18.7%
Mental health (expanded benefits, counseling, etc.)	19	17.8%
Signing bonus	18	16.8%
Not applicable	9	8.4%
Other	3	2.8%

Solutions Proposed by Nonprofits

Nonprofits on the frontlines in New York shared solutions they think lawmakers, philanthropy, and others should consider. One respondent suggested that more multi-year grants should be offered: these could help nonprofits provide more benefits and offer competitive salaries. Many nonprofits think there needs to be more operating grant funding that support salary increases. A nonprofit called for more administrative support for volunteer recruitment and retention training. The city and state, one human services provider wrote, must be willing to provide a cost-of-living adjustment on the total contract amount so they can provide living wages.

Given the challenges in the child care sector, an education nonprofit believes there needs to be more funding for early childhood programs to increase staff salaries to be “equitable with other related teaching fields.” A child care provider shared that they would like to see a “renewed” commitment to providing child care grants and subsidies at the same level as over the last three years, and that “those who provide child care should be able to afford child care for their children.”

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 one third (33.6%) of New York respondents to the survey. More than a quarter (28.0%) have budgets of between \$1 million and \$3 million, and one out of ten (10.3%) nonprofits have budgets of between \$3 million and \$5 million. Another 28.0% of nonprofits participating in the survey have budgets greater than \$5 million.

Figure 5: Nonprofits' Annual Operating Budget

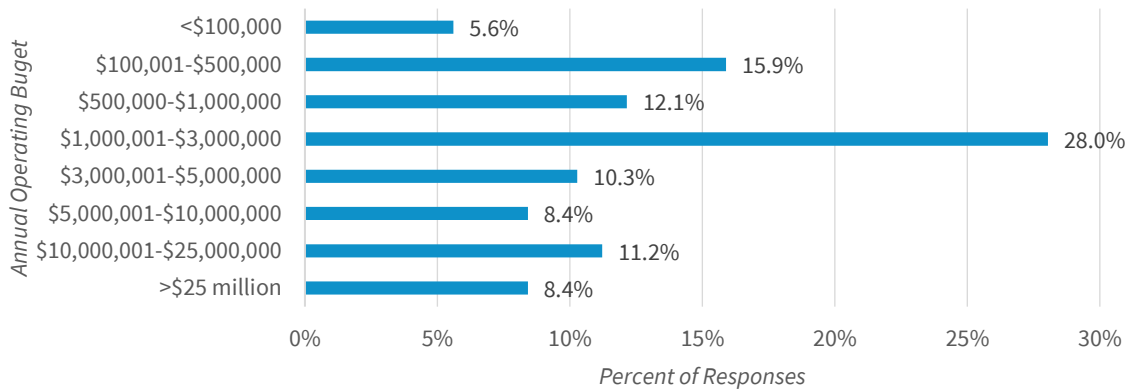


Table 5: Communities Served by Nonprofits

Communities Served	Number of Responses	Percent of Responses
None of the above	42	39.3%
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	40	37.4%
People living in rural communities	20	18.7%
People with disabilities	20	18.7%
People who identify as LGBTQ+	11	12.3%

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

Subsector	Number of Responses	Percent of Responses
Human Services	32	29.9%
Arts, Culture, and Humanities	20	18.7%
Other	10	9.3%
Education	9	8.4%
Community/Civic Engagement	8	7.5%
Child Care	6	5.6%
Healthcare	5	4.7%
Housing	4	3.7%
Multiple Subsectors	4	3.7%
Mental Health	3	2.8%
Public/Societal Benefit	2	1.9%