

## EXECUTIVE SUMMARY

# 2018 Compensation & Benefits for Philanthropy-Serving Organizations

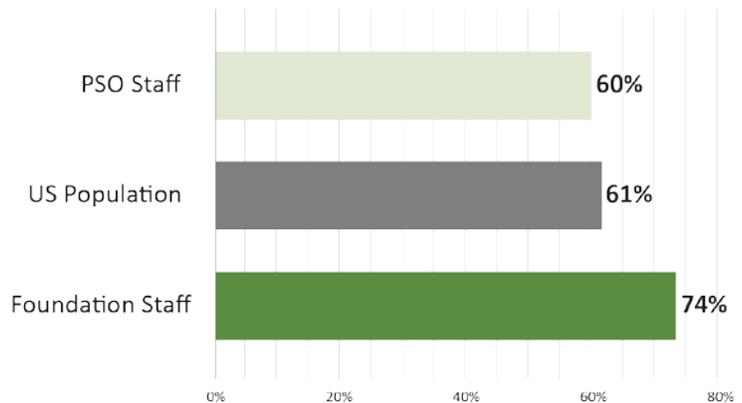
United Philanthropy Forum’s *2018 Compensation & Benefits for Philanthropy-Serving Organizations* report provides comprehensive benchmarking data and analyses on regional and national<sup>1</sup> PSOs’ employment practices, based on the responses of 55 PSOs. The report is part of the Forum’s ongoing efforts to advance, inform, and support the vital work of PSOs in the philanthropy field. The report provides PSOs with data, information, and knowledge to learn from their peers and benchmark themselves against similar organizations, and provides funders with key data and trends about a critical component of the philanthropy field. The report is an important contribution to the Forum’s ongoing and growing work to lead change and increase impact in philanthropy. Key findings include:

### PSO Staff Diversity

- PSOs are as diverse as the country and more diverse than foundations.** Three-fifths (60 percent) of PSO staff are white of non-Hispanic/Latinx origin, consistent with the 61 percent share of the U.S. population overall.<sup>2</sup> By comparison, 74 percent of foundation staff are white, making PSOs more diverse than the field they serve. Among CEOs, 76 percent of CEOs at regional PSOs and 70 percent of CEOs at national PSOs are white—well below the 90 percent shares reported for the CEOs of both U.S. foundations and U.S. nonprofits.<sup>3</sup> Nonetheless, there is a need for greater diversity at the CEO level.
- PSOs are predominately female.** Among all regional and national PSOs, nearly four out of five PSO staff positions (79 percent) are held by women. This share slightly surpassed the 77 percent of U.S. foundation staff positions held by women.<sup>4</sup> These shares were basically identical for regional and national PSOs. Among the CEOs of regional PSOs, women accounted for a similar share of these positions (80 percent). Among national PSOs, women also represented a majority of the CEO positions reported (60 percent), although their share was notably smaller.

### PSO STAFF DIVERSITY

Percentage of staff that are white of non-Hispanic/Latinx origin



### PSO Staff Retention & Recruitment

- PSOs are continuing to grow.** In the past 12 months, 31 PSOs reported creating a total of 77 new staff positions. Moreover, two-fifths of PSOs (42 percent) plan to add at least one staff position in their next fiscal

<sup>1</sup> National PSOs focus on a funding issue, population group, philanthropic practice, or type of funder.

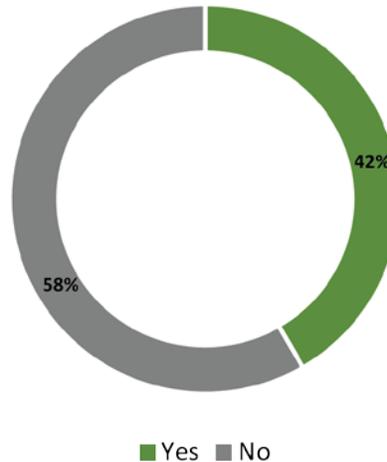
<sup>2</sup> See U.S. Census Bureau statistics for 2017 at <https://www.census.gov/quickfacts/fact/table/US/PST045217>.

<sup>3</sup> See Council on Foundation’s *2017 Grantmaker Salary and Benefits Report* and BoardSource’s *Leading with Intent: A National Index of Nonprofit Board Practices* (2017 edition).

<sup>4</sup> See *2017 Grantmaker Salary and Benefits Report*.

year. Although this share was lower than the 50 percent of all U.S. nonprofits that expected to create new staff positions in 2017.<sup>5</sup>

Do you plan to add any staff positions in your next fiscal year?



- Many PSO staff are relatively new to their roles.** Of the 384 PSO staff positions reported in the 2018 survey, about half of these staff members have been in their positions two years or less. Over one-quarter of PSO staff have been in their roles for less than one year. Staff functions with the longest median tenure included finance (6-10 years), executive activities (3-5 years), partnerships and collaboration (3-5 years), and technology (3-5 years).
- PSOs expect staff turnover to remain fairly steady.** Compared to two years ago, a majority of respondents (59 percent) consider their rate of turnover to be at about the same level; and well over one-third of respondents (37 percent) perceive the rate to be lower. This is consistent with trends for the nonprofit sector as a whole, where turnover rates have remained fairly steady over the past two years.<sup>6</sup> Nonetheless, two-thirds (67 percent) of PSOs experienced at least one staff transition in the latest year, with one-third of these PSOs reporting more than one transition.
- Most PSOs can find appropriate candidates for open positions.** Among PSOs that have recruited for a senior-level position in the past two years, most rate their experience as “extremely positive” (51 percent) or “generally positive” (29 percent). For those filling junior-level roles, the share reporting an “extremely positive” experience was lower (28 percent), although about half (49 percent) characterized the experience as being “generally positive.” A notably larger share of PSOs reported an “extremely positive” recruiting experience for senior-level positions in 2018 compared to 2017.

<sup>5</sup> See *2017 Nonprofit Employment Practices Survey*, Nonprofit HR, GuideStar and the Improve Group.

<sup>6</sup> *Ibid.*

## PSO Staff Benefits

- **Most PSOs offer health care benefits but don't cover dependent costs.** 94% of PSOs offer some type of medical, dental and/or vision plan/insurance or a healthcare stipend to their employees. Close to two-thirds (63%) of PSOs that offer healthcare plans/insurance cover the full cost of this benefit for their full-time employees, while less than one-in-five (18%) cover the full cost of this benefit for employees' dependents.
- **Almost all PSOs offer retirement benefits, but less than half match employee contributions.** Nearly all PSOs (96%) offer some type of retirement benefit to their full-time employees. Just over three-quarters of PSOs contribute to their employees' retirement plan based on a percentage of their base salary, with the median percentage being 6%. A much smaller share of PSOs (40%) match employees' contributions to their retirement plans.
- **Combined PTO not common among PSOs.** A majority of responding PSOs (80%) offer separate vacation, sick, and personal days, while 20% offer combined personal time off (PTO) days. Most PSOs reported increasing the number of vacation days that staff can accrue over time, with 20 days representing the median value reported for the maximum number of vacation days that employees can accrue in a single year. Among those offering combined PTO, the median value reported for the maximum number of PTO days that could be accrued in a single year was 26 days.

## PSO Staff Working Location

- **A substantial share of PSO staff have flexible working arrangements.** Less than three-fifths (59 percent) of PSO staff worked exclusively on site, according to the 2018 survey. Twenty-two percent of PSO staff worked solely from a remote location, while another 19 percent worked away from the office at least one day per week. National PSOs were far more likely than regional PSOs to report staff working remotely at least part of the time (57 percent versus 32 percent), as were smaller PSOs. Nonetheless, PSOs were less likely to have a telecommuting policy than nonprofits overall.<sup>7</sup>

**To learn more, go to [www.unitedphilform.org/compensationbenefits](http://www.unitedphilform.org/compensationbenefits)**

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<sup>7</sup> See 2016 Nonprofit Employment Practices Survey from Nonprofit HR, GuideStar, and the Improve Group.

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## About the Forum

United Philanthropy Forum leads, strengthens and informs a national network of nearly 75 regional and national philanthropy-serving organizations (PSOs) that advance philanthropy's impact for the common good. We envision a courageous philanthropic sector that catalyzes a just and equitable society where all can participate and prosper. Forum members represent more than 7,000 philanthropic organizations, making us the largest network serving philanthropy in America. The Forum is creating a new kind of philanthropic network that brings together regional PSOs' deep regional roots and connections with national PSOs' deep content knowledge and reach. Given our network's scale and scope, we can lead change and increase impact in philanthropy in a deeper and broader way than any other organization.

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