

EXECUTIVE SUMMARY

2019 Compensation & Benefits for Philanthropy-Serving Organizations

United Philanthropy Forum’s 2019 *Compensation & Benefits for Philanthropy-Serving Organizations* report provides comprehensive benchmarking data and analyses on regional and national¹ PSOs’ employment practices, based on the responses of 58 PSOs. It also includes updated key metrics on PSOs’ board demographics and revenue and expenses. 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. Key findings include:

PSO Staff Diversity

- PSOs Have Grown More Diverse in the Past Two Years.** Forty-five percent of PSO staff are people of color, up from 40 percent in 2018 and 34 percent in 2017.² PSO staffs are more diverse than the field they serve (26 percent of foundation staffs are people of color) and the country overall (40 percent of the U.S. population is people of color). Among CEOs, 31 percent are people of color—well above the 10 percent shares reported for the CEOs of both U.S. foundations and U.S. nonprofits.³ Nonetheless, there is a need for greater diversity at the CEO level.
- PSOs Are Predominately Female.** Among all regional and national PSOs, more than three out of four PSO staff positions (77 percent) are held by women. This share matched the 77 percent of U.S. foundation staff positions held by women.⁴ Among the CEOs of regional PSOs, women accounted for 78 percent of positions. For national PSOs, women also represented a majority of the CEO positions reported (55 percent), although their share was markedly smaller.



PSO STAFF ARE MORE RACIALLY & ETHNICALLY DIVERSE
than foundation staff

45% of PSO Staff Are People of Color
26% of Foundation Staff Are People of Color*

*Council on Foundations’ 2018 Grantmaker Salary and Benefits Report

PSO Staff Retention & Recruitment

- PSOs Are Continuing to Grow.** In the past 12 months, 31 PSOs reported creating a total of 105 new staff positions—or one-quarter of all staff positions reported. Moreover, two-fifths of PSOs (42 percent) plan to add at least one staff position in their next fiscal year, which matches the share reported in the 2018 survey. PSOs reported a median of six permanent full-time staff members in 2019, which is up from a median of four full-time PSO staff in 2017 and five PSO staff in 2018.



PSO STAFF SIZES ARE GROWING

6 Median Full-Time PSO Staff in 2019
5 Full-Time PSO Staff in 2018
4 Full-Time PSO Staff in 2017

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

² See U.S. Census Bureau statistics for 2018 at <https://www.census.gov/quickfacts/fact/table/US/PST045217>.

³ See Council on Foundation’s 2018 *Grantmaker Salary and Benefits Report* and BoardSource’s *Leading with Intent: A National Index of Nonprofit Board Practices* (2017 edition).

⁴ See 2018 *Grantmaker Salary and Benefits Report*.

- Many PSO Staff Are Relatively New to Their Roles.** Of the permanent PSO staff positions reported in the 2019 survey, over half (54 percent) of these staff members have been in their positions for two years or less. More than one-quarter (28 percent) of PSO staff have been in their roles for less than one year. Staff functions with the longest median tenure included finance (5-6 years) and executive activities (5-6 years). However, the length of these tenures was down from the 6-10-year medians reported for these staff functions in the 2018 survey.
- More PSOs View Staff Turnover As Accelerating.** Compared to two years ago, a majority of respondents (53 percent) consider their rate of turnover to be at about the same level. Nonetheless, more than one-quarter of PSOs (27 percent) perceive the turnover rate as being higher. In contrast, just 4 percent of PSOs responding to the 2018 survey perceived the turnover rate as being higher. Moreover, PSOs reporting staff turnover in the 2019 survey indicated a median of two staff transitions, compared to a median of one staff transition reported for the 2018 survey.
- Most PSOs Appear to be Able to 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” (29 percent) or “generally positive” (46 percent). For those filling junior-level roles, the share reporting an “extremely positive” experience was lower (20 percent), although more than two out of five PSOs (43 percent) characterized the experience as being “generally positive.” Nonetheless, the shares of PSO reporting “extremely positive” hiring experiences were down from 2018, and down significantly for senior-level positions.

PSO Staff Benefits

- PSOs’ Staff Benefits Surpass the Nonprofit Sector Average.** A greater share of PSOs offer a wide range of key employee benefits compared to the average for the nonprofit sector. For example, 82 percent of PSOs offer a vision plan to their employees, compared to an average of 49 percent for the nonprofit sector overall, and 81 percent offer long-term disability insurance, compared to a sector average of 46 percent.⁵



PSOs SURPASS NONPROFIT SECTOR in offering key employee benefits

	Share of Organizations	
	PSOs	Nonprofit Sector*
Health Plan	93%	85%
Dental Plan	87%	74%
Life Insurance	84%	58%
Vision Plan	82%	49%
Long-Term Disability	81%	46%
Short-Term Disability	72%	42%

*2019 Nonprofit Organizations Benefits Report, The Nonprofit Times and Bluewater Nonprofit Solutions

PSO Board Diversity

- PSO Boards Are Growing More Diverse.** Forty-one percent of PSO board members identify as people of color—up from the 33 percent share reported for both the 2018 and 2017 surveys. PSO boards are much more racially and ethnically diverse than nonprofit boards overall. According to the most recent BoardSource survey, just 16 percent of nonprofit board members across the country identify as people of color.

⁵ 2019 Nonprofit Organizations Benefits Report, The Nonprofit Times and Bluewater Nonprofit Solutions.

About the Forum

As the largest and most diverse network in American philanthropy, United Philanthropy Forum holds a unique position in the social sector to help increase philanthropy's impact in communities across the country. We are a membership organization of nearly 80 regional and national philanthropy-serving organizations (PSOs), representing 7,000 foundations and other funders, who work to make philanthropy better. The Forum envisions a courageous philanthropic sector that catalyzes a just and equitable society where all can participate and prosper. The Forum has created 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 in our field.

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