

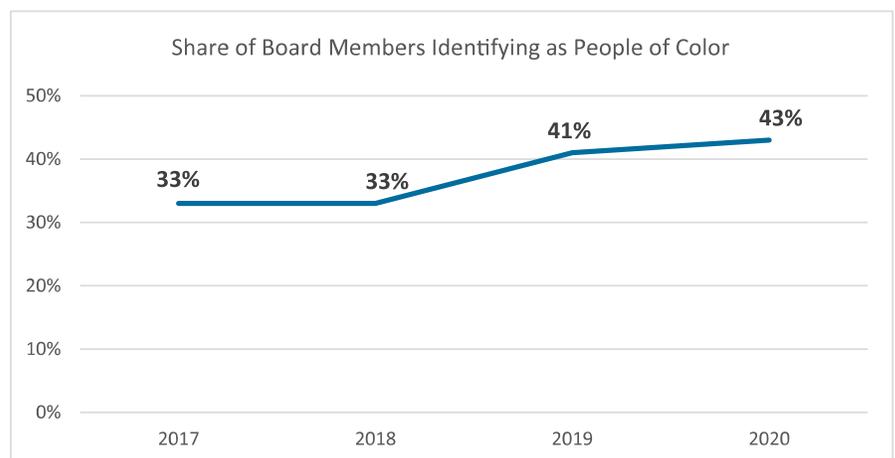
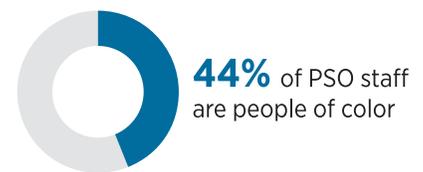
EXECUTIVE SUMMARY

2020 Compensation & Benefits for Philanthropy-Serving Organizations

United Philanthropy Forum’s 2020 *Compensation & Benefits for Philanthropy-Serving Organizations* report provides comprehensive benchmarking data and analyses on regional and national PSOs’ employment practices, based on the responses of 55 PSOs. It also includes updated key metrics on 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. Key findings include:

PSO Staff & Board Diversity

- PSOs Are More Diverse Than the Field They Serve.** Forty-four percent of PSO staff are people of color, surpassing the 27 percent of foundation staff who identify as people of color.¹ Moreover, for the first time people of color represent a majority of staff members among national PSOs responding to the survey. For the chief executives of PSOs, 39 percent are people of color—well above the 10 percent share reported for the CEOs of U.S. foundations² and 13 percent for CEOs of U.S. nonprofits overall.³ PSOs have shown leadership in diversifying their organizations and should continue to diversify their staffing at all levels, particularly at the senior leadership level.
- PSOs Are Predominately Female.** Among all regional and national PSOs, just over three out of four PSO staff positions (76 percent) are held by women. This share nearly matched the 77 percent of U.S. foundation staff positions held by women.⁴ Among the CEOs of regional PSOs, women accounted for 73 percent of positions. For national PSOs, women also represented a majority of the CEO positions reported (56 percent), although their share was markedly smaller.
- PSO Boards Are Growing More Diverse.** Forty-three percent of PSO board members identify as people of color—up from 41 percent reported for the 2019 survey and 33 percent for both the 2018 and 2017 surveys. This figure is nearly double the 22 percent of nonprofit board members across the country who identify as people of color.⁵



¹ See Council on Foundation’s 2019 Grantmaker Salary and Benefits Report.

² Ibid.

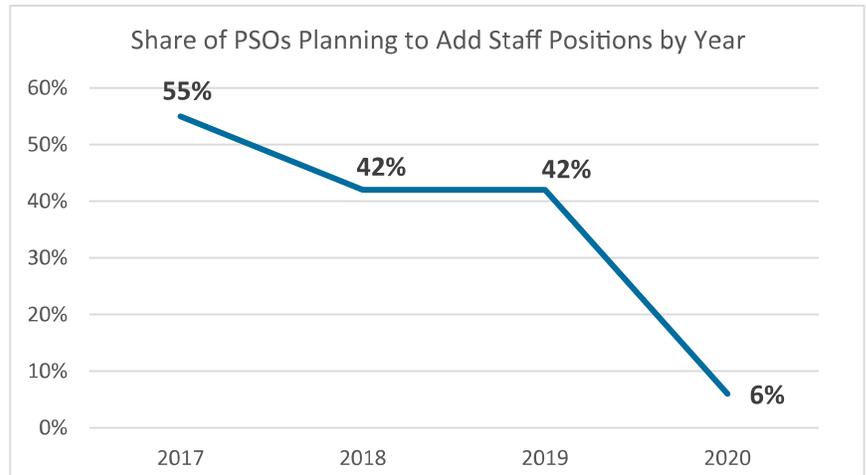
³ BoardSource’s 2020 Leading with Intent: Index of Nonprofit Board Practices Report (not yet released).

⁴ See 2019 Grantmaker Salary and Benefits Report.

⁵ See Leading with Intent.

PSO Staff Retention & Recruitment

- PSOs Are Unlikely to Grow Much in 2021.** In the past 12 months, 35 PSOs reported creating a total of 85 new staff positions—or more than one-fifth of all staff positions reported. Reflecting the economic impact of the COVID-19 pandemic, only 6 percent of all PSOs plan to add at least one staff position in their next fiscal year. By comparison, 42 percent of PSOs responding to the 2019 and 2018 surveys anticipated adding staff.
- Many PSO Staff Are Relatively New to Their Roles.** Of the permanent PSO staff positions reported in the 2020 survey, nearly half (48 percent) of these staff members have been in their positions for two years or less.
- Fewer PSOs View Staff Turnover as Accelerating.** The rate of PSO staff turnover appears to have slowed somewhat according to survey respondents. Less than one-fifth of PSOs (18 percent) perceive the turnover rate as being higher than two years ago, down from 27 percent of PSOs in the 2019 survey. Nonetheless, PSOs reporting staff turnover in the 2020 survey indicated a median of two staff transitions, consistent with the 2019 survey but up from 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” (33 percent) or “generally positive” (41 percent). For those filling junior-level roles, the share reporting an “extremely positive” experience was lower (19 percent), although more than two out of five PSOs (42 percent) characterized the experience as being “generally positive.” However, the shares of PSO reporting a “positive” hiring experience recruiting junior-level staff decreased in both 2019 and 2018.



Nearly half of PSO staff have been in their positions less than 2 years

PSO Staff Working Location

- More PSO Staff Are Working Remotely.** The impact of the COVID-19 pandemic on where PSO staff are working was evident in the latest survey data. In the 2020 survey, just under two-fifths (39 percent) of PSO staff were identified as working on site exclusively, down markedly from about three-fifths (59 percent) in the 2019 survey. It will not be clear until after the COVID-19 pandemic ends whether the crisis has had a lasting impact on where PSO staff work.

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, 83 percent of PSOs offer a vision plan to their employees, compared to an average of 49 percent for the nonprofit sector overall, and 77 percent offer long-term disability insurance, compared to a sector average of 46 percent.⁶



PSOs SURPASS NONPROFIT SECTOR in offering key employee benefits

	PSOs	Nonprofit Sector
Health Plan	92%	85%
Dental Plan	87%	74%
Life Insurance	85%	58%
Vision Plan	83%	49%
Long-Term Disability	77%	46%
Short-Term Disability	72%	42%

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 lead change and increase impact in philanthropy. We are a membership organization of nearly 90 regional and national philanthropy-serving organizations (PSOs) who work to make philanthropy better, representing more than 7,000 foundations and other funders across the country. The Forum envisions a courageous philanthropic sector that catalyzes a just and equitable society where all can participate and prosper.

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⁶ 2019 Nonprofit Organizations Benefits Report, The Nonprofit Times and Bluewater Nonprofit Solutions.