pnp Staffing Group®

PROFESSIONALS FOR NONPROFITS

2019

NONPROFIT SALARIES and STAFFING TRENDS

For Greater New York City Area NonProfits

www.pnpstaffinggroup.com

NEW YORK	NEWARK	PHILADELPHIA	BALTIMORE	WASHINGTON DC
212.546.9091	973.799.8555	267.534.2329	443.759.3209	202.719.9600

NONPROFIT SALARIES AND STAFFING TRENDS 2019

Summary & Key Findings for Greater New York City Area

OVERVIEW

PNP's annual survey of salaries and staffing trends in New York City area nonprofits, conducted in October - November 2018, shows a heightened tension between supply and demand for talent in an increasingly competitive marketplace.

PNP's findings demonstrate that NYC nonprofits are growing and hiring – that they are showing and reporting confidence in the future, and are making plans accordingly.

At the same time, NYC nonprofits report that increased competition for talented staff is pushing up salaries and requiring new strategies for recruitment and retention to cope with retirements, turnover, and attrition.

Despite political and economic turbulence throughout 2018, the nonprofit sector experienced a strong and steady demand for the services offered by various organizations in the arts, education, healthcare, human and social services, and organizations with cultural and environmental missions.

At the time of the survey, the U.S. unemployment rate was at a 25-year low, as reported by the Bureau of Labor Statistics. Demand for skilled staff exceeded supply, particularly in the service sector. Coupled with an on-going generational shift at the management level (from Baby Boomers to Millennials), reported last year and clearly accelerating this year, the competition for experienced talent appears to be at an all-time high.

These conditions have substantial and significant consequences for nonprofits, in terms of salaries, benefits, expectations for new hires, expectations for leadership, and in meeting the challenges of finding, hiring, retaining, compensating, engaging and managing talented and productive staff.

PNP's Salaries & Trends Report is intended to help nonprofit managers and decision-makers meet those challenges with immediate, fresh, and relevant information, especially in regard to staff salaries and staffing trends -- information that you can use in strategically planning for growth and success in 2019.
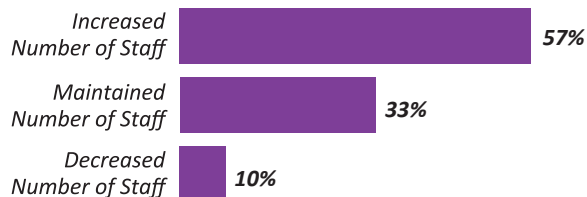
KEY FINDINGS IN NYC AREA NONPROFITS

- 44% of organizations plan to hire new staff and expand in 2019, but for 40% hiring will be for replacements due to retirements and vacancies only.

- 49% plan to give performance-based salary increases in 2019 – up from 42% last year -- and another 35% are now "considering" such a policy and practice.

- 70% note that they give promotions to staff with a corresponding salary increase.

- 50% foresee program expansion in 2019; and 33% of NYC area nonprofits anticipate overall organizational growth in the year ahead.

- 69% of nonprofits surveyed see Development/ fundraising as their greatest staff need.

- 53% report encountering a "skills gap" when recruiting new staff.

- In a competitive market for top talent, a remarkable 74% of respondents note they would "stretch" and pay more than budgeted in order to get a highly experienced person, a "potential star;" while 24% say they would go for a less experienced person who was well within budget.

- 50% report difficulty replacing senior executives with capable people; 28% find filling middle management positions most challenging; and 22% report having the most difficulty filling early career positions with well-qualified candidates.

- One significant change and development PNP has documented over the past several years is growth in the number of women in senior executive management positions in nonprofits. In NY, 76% of organizations now report that more than half of their executive positions are filled by women, and an additional 19% note that almost half of their executive positions (that is, 45% - 49%) are filled by women.
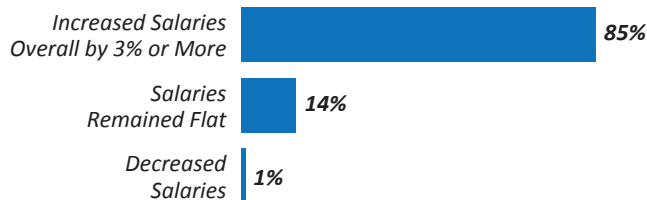
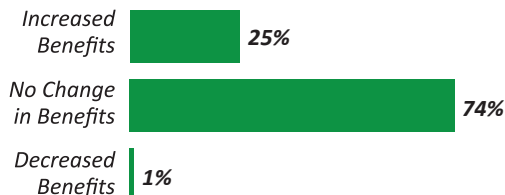# NYC NONPROFIT STAFF CHANGES AND PROJECTIONS
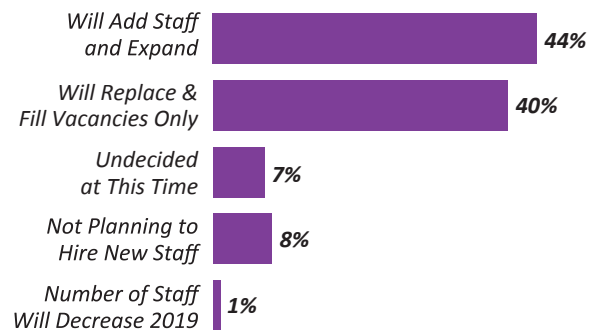
Staff Changes in 2018

Staff Size

Increased Number of Staff	57%
Maintained Number of Staff	33%
Decreased Number of Staff	10%

Staff Salaries

Increased Salaries Overall by 3% or More	85%
Salaries Remained Flat	14%
Decreased Salaries	1%

Staff Benefits

Increased Benefits	25%
No Change in Benefits	74%
Decreased Benefits	1%

Projected Staff Changes in 2019

Staff Size

Will Add Staff and Expand	44%
Will Replace & Fill Vacancies Only	40%
Undecided at This Time	7%
Not Planning to Hire New Staff	8%
Number of Staff Will Decrease 2019	1%

Staff Salaries

Will Give Salary Increases Up To 3%	66%
Will Give Salary Increases of Up To 6%	13%
Will Give Select/ Merit-based Increases Only	8%
Will Increase Salaries for Executive-Level Staff Only	4%
No Salary Increases Planned	2%
Undecided	7%

Plan to Use Performance-based Measures for Salary Increases

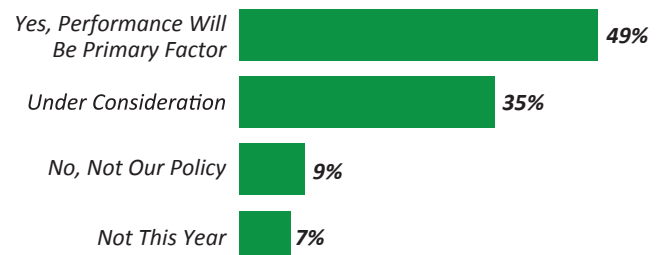|	
Yes, Performance Will Be Primary Factor	49%
Under Consideration	35%
No, Not Our Policy	9%
Not This Year	7%

Talent Management Outlook for 2019

Despite a competitive marketplace, nonprofit managers report a positive and confident hiring outlook for year 2019. Our survey shows overall agreement that the ability to offer competitive compensation is key when demand for top talent exceeds supply, and comes first when seeking to attract talent. After compensation, opportunities for professional growth, the appeal of the organization's mission, and the attractiveness of the organization's workplace environment and culture are seen as the most important factors in helping to attract talent to your organization.
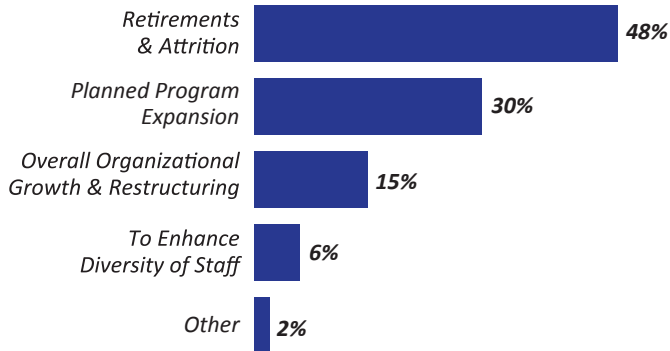
In addition, effective recruitment and retention strategies and practices as well as efficient and clear hiring processes are also key to attracting staff. Good talent management is a top priority.

NYC AREA NONPROFIT SALARIES AND STAFFING TRENDS

Primary Reasons for Hiring in 2019

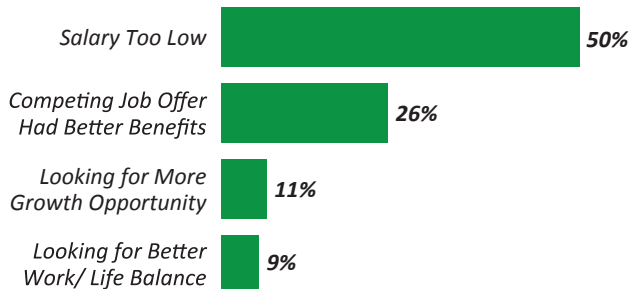| Reason	Percentage
Retirements & Attrition	48%
Planned Program Expansion	30%
Overall Organizational Growth & Restructuring	15%
To Enhance Diversity of Staff	6%
Other	2%

Talent Management

34% of nonprofit managers report that they lost a talented candidate in 2018 over a small difference in salary offered and salary requested.

30% of the time, when a desired candidate turns down a job offer, it is because the organization has actually reduced the offered salary for the position during the hiring process.
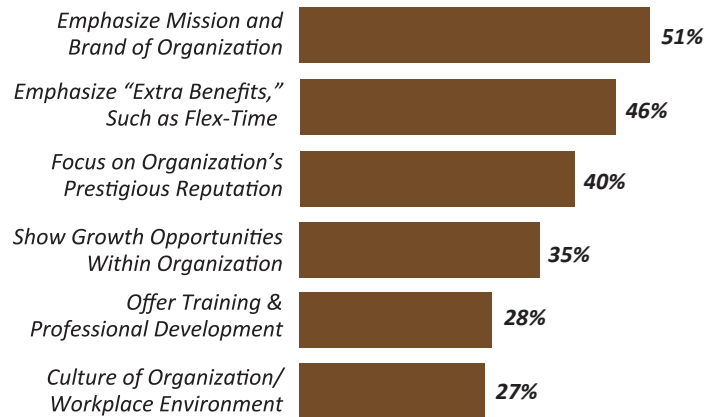
36% of the incidents of an organization "losing" a candidate of choice it was because they waited too long (more than 45 days after the interview) to make the offer.

Top Reasons Given by Candidates for Turning Down a Job Offer

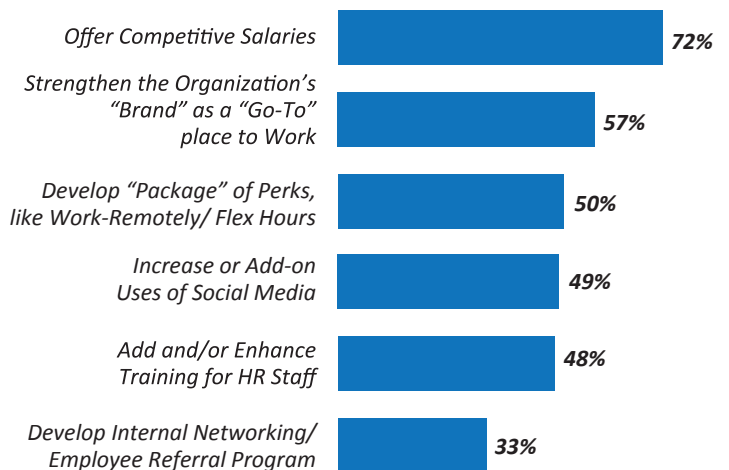| Reason	Percentage
Salary Too Low	50%
Competing Job Offer Had Better Benefits	26%
Looking for More Growth Opportunity	11%
Looking for Better Work/ Life Balance	9%

For a strong candidate who was seeking a salary above what the nonprofit could offer, innovative nonprofit managers reported several approaches that proved to work in persuading the candidate to come on board anyway. When employers presented the following, they reported successes in recruiting the people they wanted. Such techniques will be needed more than ever in 2019:

Incentives In Recruiting Good Candidates

Incentive	Percentage
Emphasize Mission and Brand of Organization	51%
Emphasize "Extra Benefits," Such as Flex-Time	46%
Focus on Organization's Prestigious Reputation	40%
Show Growth Opportunities Within Organization	35%
Offer Training & Professional Development	28%
Culture of Organization/ Workplace Environment	27%

However, it should be noted that 24% of respondents said they do not make offers to any candidates whose expectations exceed their budgeted salary range.

Summary of Best Practices for a Competitive Employer

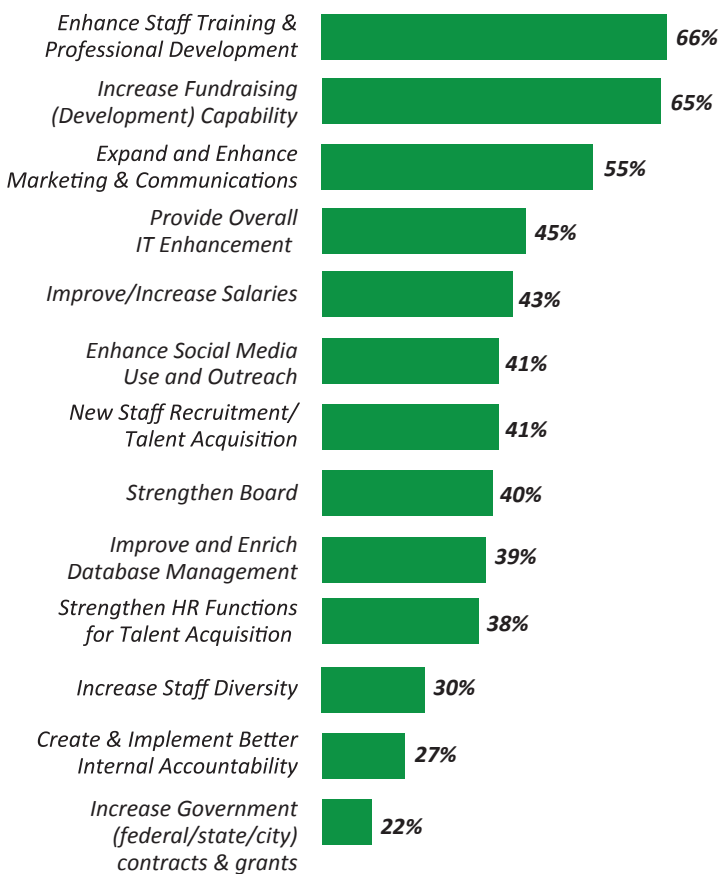| Best Practice	Percentage
Offer Competitive Salaries	72%
Strengthen the Organization's "Brand" as a "Go-To" place to Work	57%
Develop "Package" of Perks, like Work-Remotely/ Flex Hours	50%
Increase or Add-on Uses of Social Media	49%
Add and/or Enhance Training for HR Staff	48%
Develop Internal Networking/ Employee Referral Program	33%

STAFFING TRENDS: WHERE NYC NONPROFITS ARE GOING

For every nonprofit, staffing priorities are determined by the needs of the organization to carry out its mission and its strategic plans to meet those needs efficiently and effectively.

As always, hiring priorities for nonprofits are weighted toward fundraising and program development.   However, this year, staff training and professional development moved into first place as a reported priority.

Nonprofits are clearly concerned with external issues in the present, but the successful and effective ones are also keeping an eye on leadership and productivity issues and challenges in the future.
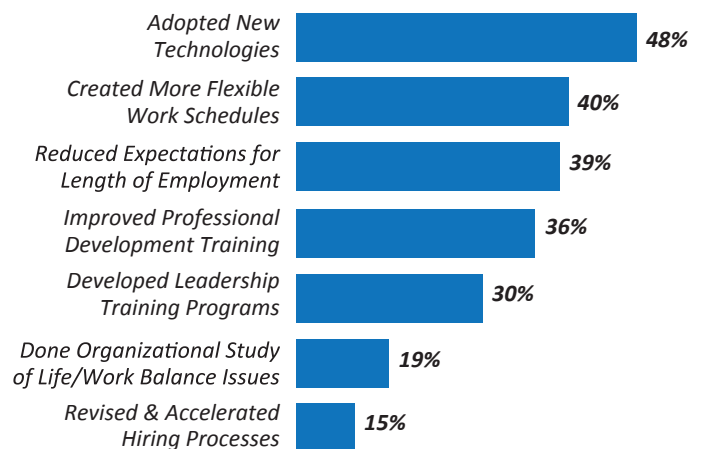
Priorities for NYC Nonprofit Organizations for 2019

- Enhance Staff Training & Professional Development — **66%**
- Increase Fundraising (Development) Capability — **65%**
- Expand and Enhance Marketing & Communications — **55%**
- Provide Overall IT Enhancement — **45%**
- Improve/Increase Salaries — **43%**
- Enhance Social Media Use and Outreach — **41%**
- New Staff Recruitment/ Talent Acquisition — **41%**
- Strengthen Board — **40%**
- Improve and Enrich Database Management — **39%**
- Strengthen HR Functions for Talent Acquisition — **38%**
- Increase Staff Diversity — **30%**
- Create & Implement Better Internal Accountability — **27%**
- Increase Government (federal/state/city) contracts & grants — **22%**

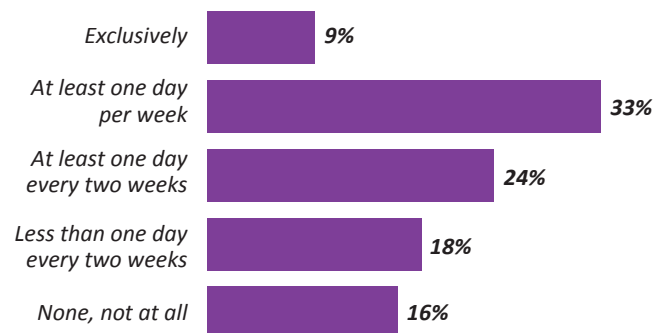## Demographics and Organizational Changes

Millennials are now the dominant generation in the U.S. workforce and are having a meaningful impact on the nonprofit community. We asked NYC area nonprofits what changes they have made in their organizations in 2018 because of the growing presence and influence of Millennials. The responses are also indicative of what we can expect to see more of in 2019.

Because of Millennials NYC Nonprofits Have

- Adopted New Technologies — **48%**
- Created More Flexible Work Schedules — **40%**
- Reduced Expectations for Length of Employment — **39%**
- Improved Professional Development Training — **36%**
- Developed Leadership Training Programs — **30%**
- Done Organizational Study of Life/Work Balance Issues — **19%**
- Revised & Accelerated Hiring Processes — **15%**

An interesting development in nonprofit practice influenced by Millennials is a significantly growing willingness to allow employees, not just contract workers, to work remotely, "from home." We asked NYC nonprofits what percentage of their full-time employees worked remotely in 2018.

Nonprofit Employees Working Remotely

- Exclusively — **9%**
- At least one day per week — **33%**
- At least one day every two weeks — **24%**
- Less than one day every two weeks — **18%**
- None, not at all — **16%**

POSITIONS	BUDGET SIZES AND 2018 SALARIES				
Management	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
CEO/President	150 -180K	190 -230K	230 -280K	290 -350K	360 -420K
Executive Vice President	120 -130	140 -180K	170 -200K	200 -250K	250 -280K
Executive Director	140 -160K	160 -190K	190 -230K	240 -280K	280 -320K
Chief Operating Officer	100 -120K	130 -160K	160 -190K	190 -230K	230 -270K
Finance	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
CFO/VP Finance	120 -130K	130 -170K	160 -200K	200 -230K	240 -280K
Director of Finance	90 -100K	110 -130K	120 -140K	140 -180K	180 -210K
Controller	80 -90K	80 -100K	90 -110K	110 -130K	140 -160K
Staff Accountant	60 -70K	70 -80K	70 -80K	80 -90K	80 -100K
Bookkeeper	45 -55K	45 -55K	50 -70K	60 -70K	60 -80K
Fundraising	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
VP/Chief Development Officer	110 -130K	140 -170K	160 -200K	200 -230K	230 -280K
Director of Development	90 -100K	110 -120K	120 -150K	150 -190K	190 -220K
Director of Major Gifts	NA	90 -100K	100 -120K	110 -140K	130 -160K
Director of Foundation / Corporate Relations	70 -80K	80 -90K	90 -100K	100 -120K	120 -150K
Director of Special Events	60 -70K	70 -80K	75 -90K	80 -90K	90 -100K
Grants Writer	50 -60K	60 -70K	60 -70K	70 -80K	80 -90K
Development Associate	50 -60K	60 -70K	60 -70K	60 -75K	70 -80K
Development Assistant	40 -50K	40 -50K	40 -50K	40 -55K	50 -60K
Marketing & Communications	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
VP of Marketing/Communications	100 -110K	110 -130K	120 -150K	150 -180K	190 -230K
Director of Marketing/Communications	80 -90K	80 -90K	100 -110K	110 -130K	120 -140K
Marketing/Communications Associate	45 -55K	50 -60K	60 -70K	60 -75K	70 -80K
Social Media Professional	50 -60K	50 -60K	50 -60K	60 -70K	70 -80K
Director of Advocacy/Gov Relations	NA	100 -120K	110 -120K	110 -130K	120 -150K
Programs & Education	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
VP of Programs/Education	110 -120K	120 -150K	140 -170K	170 -200K	200 -240K
Director of Programs/Education	80 -90K	80 -95K	100 -120K	120 -140K	150 -170K
Programs/Education Associate	50 -60K	50 -60K	60 -70K	70 -80K	75 -90K
Programs/Education Assistant	40 -50K	40 -50K	40 -50K	40 -50K	45 -60K
Human Resources	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
VP/Director HR	80 -100K	100 -120K	110 -140K	130 -160K	160 -190K
HR Manager	60 -70K	70 -80K	70 -90K	80 -100K	90 -110K
Benefits Manager	60 -70K	60 -70K	60 -75K	70 -80K	80 -100K
HR Associate	40 -50K	40 -50K	45 -55K	50 -60K	50 -65K
Technology	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
VP/Director of IT	90 -110K	100 -125K	120 -150K	140 -175K	170 -210K
Network Administrator	60 -70K	60 -70K	70 -80K	80 -100K	90 -120K
Database Manager	60 -70K	60 -75K	60 -75K	70 -85K	85 -110K
Website Manager	40 -50K	55 -70K	60 -75K	70 -85K	80 -100K
Administration	**under $5M**	**$5.1M - 10M**	**$10.1M - 20M**	**$20.1M - 50M**	**over $50M**
Executive Assistant	50 -60K	50 -60K	60 -70K	70 -80K	75 -90K
Administrative Assistant	35 -45K	40 -50K	40 -55K	50 -60K	55 -75K
Office Manager	40 -50K	50 -60K	50 -60K	60 -70K	60 -75K
Receptionist	35-40K	40 -50K	40 -50K	40 -50K	45 -55K

NEW YORK CITY AREA SALARIES & STAFFING TRENDS 2019 REPORT

HOW TO USE THIS REPORT

This report provides you with most of the key positions critical to the management of a nonprofit organization and with information needed to be able to effectively recruit and retain talented staff in today's competitive marketplace. In addition, it gives you some key markers for planning for 2019.

Salary ranges for 38 positions are given for five different budget sized organizations.

Salary extremes are removed and the median salary is noted for each position. We then extend out from that median to include 20% of salaries above and 20% of salaries below, creating a fairly broad 40 percentile range – to serve as a guideline, rather than a predictor, for decision-makers.

If your Nonprofit is paying below the salary range listed for a position, in your staff-size category, it means that roughly 70% of organizations in your area are paying a higher salary for a position than you are, putting you at the competitive risk of not being able to recruit and retain the staff you want and need. To the extent that you can, it is definitely better and more advantageous to lean toward the high side of the salary range when making an offer to talent you wish to hire.

Through turbulent economic and political times, through dealing with issues of structure and governance, through resources development, program development and board development, nonprofits that build an exceptionally capable staff, by making their place of work productive, supportive, teaching-and-learning environments, will be the leaders in the sector in 2019.

ABOUT US

PNP Staffing Group was founded in 1996, as Professionals for NonProfits, to provide staffing services to the nonprofit, association, and social good sector exclusively.

PNP offers a *single place for all Nonprofit staffing needs*, in all the professional areas you need to fill.

With a candidate database of over 30,000, PNP will recruit for you candidates with nonprofit experience and commitment to the sector.

We are proud of our track record of results for thousands of nonprofit organization partners – large, medium, and small – as we work smartly, efficiently and effectively within our clients' budgets and timing expectations.

We provide local expertise with a national reach.

We have a proven track record of success, with an 80% referral rate from satisfied clients.

PNP is a full-service staffing firm:

- *Executive Search – retained*
- *Direct Hire Search – contingency*
- *Interim Professionals*
- *Hourly & Long Term Temps*
- *Temp-To-Hire*
- *Consultants & Consulting Services*
- *HR Outsourcing*
- *Events Staff*
- *Membership Services Staff*
- *Program Staff*
- *IT personnel*
- *Special Project Managers*
- *Payrolling Services*

Please call us at 212-546-9091 (NYC headquarters office) when you need any staffing services or simply want to discuss your options and staffing strategies.

PNP believes in the power of nonprofits to make a difference in people's lives, and provides the staff to help make that difference.