

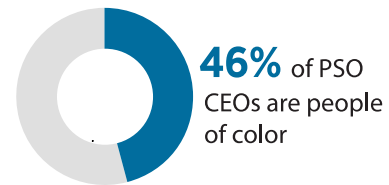
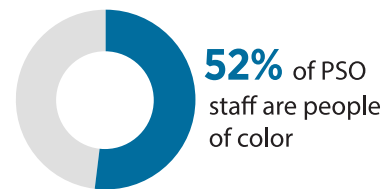
EXECUTIVE SUMMARY

2023 Compensation & Roles for Philanthropy-Serving Organizations

United Philanthropy Forum’s *2023 Compensation & Roles for Philanthropy-Serving Organizations* report provides comprehensive benchmarking data and analyses on the compensation practices of regional and national philanthropy-serving organizations (PSOs) and other employment practice information. Key findings include:

PSO Staff Diversity

- PSOs Are More Diverse than the Field They Serve.** According to the 2023 Forum survey, a majority (52 percent) of permanent PSO staff positions are being held by people of color. This share is up from roughly one-third of PSO staff (34 percent) in 2017. This figure is also higher than the 42 percent of the U.S. population¹ and 31 percent of foundation staff who identify as people of color.² National PSO staff are more likely to identify as people of color—i.e., not exclusively white—compared to regional PSO staff (56 percent versus 46 percent). For the chief executives of PSOs, 46 percent are people of color, far surpassing the 14 percent share reported for the CEOs of U.S. foundations³ and 13 percent for CEOs of U.S. nonprofits overall.⁴ PSOs have shown leadership in diversifying their organizations and should continue to diversify their staffing at all levels, particularly at the senior leadership level. It should also be noted that there is little representation on PSO staffs of Middle Eastern/Arab Americans, Native Americans/Alaska Natives, and Native Hawaiians/Pacific Islanders.
- PSOs Are Predominately Cisgender Women.** Among all regional and national PSOs, more than two-thirds of staff positions (68 percent) are held by cisgender women. This share was smaller than the 77 percent of U.S. foundation staff positions held by women.⁵ The share of staff positions held by cisgender women was modestly higher for regional PSOs (70 percent) compared to national PSOs (66 percent). Among the CEOs of regional PSOs, cisgender women accounted for 79 percent of positions. For national PSOs, cisgender women also represented a majority of the CEO positions reported (54 percent), although their share was markedly smaller.



¹ See U.S. Census Bureau statistics at [2020 U.S. Population More Racially and Ethnically Diverse Than Measured in 2010 \(census.gov\)](https://www.census.gov). In the 2020 census, 57.8 percent of the U.S. population was “white alone non-Hispanic.”

² See Council on Foundation’s *2022 Grantmaker Salary and Benefits Report*.

³ See *2022 Grantmaker Salary and Benefits Report*.

⁴ See *Leading with Intent: BoardSource Index of Nonprofit Board Practices, 2021*.

⁵ See *2022 Grantmaker Salary and Benefits Report*.

PSO Staff Retention & Recruitment

- **A large majority of PSOs Anticipate Staff Growth in 2023.** Seven out of ten PSOs (70 percent) anticipate adding staff positions this year, surpassing the shares reported by PSOs going back to 2017. By comparison, only 6 percent of PSOs responding to the 2020 survey anticipated adding staff. Moreover, no PSOs anticipate eliminating staff positions in the coming year. PSOs were instrumental in supporting funders to deliver timely, coordinated responses to the COVID-19 pandemic and appear to be optimistic about continued strong support from their members and other supporters in the post-pandemic era.



70% of PSOs plan to add staff in the next year.
- **Over Half of PSO Staff Are Relatively New to Their Role.** Of the permanent PSO staff positions reported in the 2023 survey, more than half (53 percent) of these staffmembers have been in their positions for two years or less. One-quarter (25 percent) of PSO staff have been in their roles for less than one year. Staff functions with the longest median tenure include technology (6-10 years), followed by chief executive activities (3-5 years), finance (3-5 years), member services (3-5 years), and membership recruitment and retention (3-5 years). Median tenures have been decreasing across various PSO staff roles in recent years, reflecting both turnover in existing positions and the creation of new staff positions.



53% of all PSO staff have been in their positions for less than two years
- **PSO Staff Turnover Slows Modestly.** Close to two-thirds of PSOs (64 percent) experienced at least one staff transition in their last fiscal year, down from 72 percent in the 2022 survey. Just over half (53 percent) of the 32 PSOs experiencing voluntary or involuntary staff transitions last year reported two or more transitions. As a result, PSOs responding to the 2023 survey reported a median of two staff transitions, unchanged from the 2022 survey. Survey respondents do appear to see a reduction in the rate of PSO staff turnover more broadly. Less than one-fifth (17 percent) of PSOs perceive the turnover rate as being higher than two years ago, down from 20 percent in the 2022 survey and 22 percent in the 2021 survey. Moreover, a majority (59 percent) of 2023 survey respondents consider their rate of turnover to be at about the same level, which is consistent with the shares reported since 2019.
- **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, the majority rate their experience as “extremely positive” (20 percent) or “generally positive” (54 percent). Although, the share reporting an extremely positive experience has decreased steadily since 2018. In filling junior-level roles, more than two-fifths (43 percent) of PSOs reported a “mildly” or “extremely” challenging experience. However, this was down from the record- high 51 percent share reported in 2022.

PSO Staff Working Location

- A Majority of PSO Staff Work Remotely.** Prior to the COVID-19 pandemic, a majority of PSO staff worked onsite exclusively. However, among PSOs that reported a working location for individual staff members, the share working onsite exclusively dropped to under two-fifths (39 percent) in 2020, 10 percent in 2021 and 7 percent in 2022. In the latest survey, the share of PSO staff working exclusively onsite declined further to just 2 percent. Conversely, the share of PSO staff working exclusively from a remote location jumped from 19 percent in 2020 to 39 percent in 2021, 51 percent in 2022, and now 55 percent of PSO staff in 2023. The next largest share of PSO staff (43 percent) work away from the office at least one day per week. By type of PSO, national PSOs were far more likely than regional PSOs to report staff working exclusively from a remote location (78 percent versus 24 percent). As PSOs have established a “new normal” following the COVID-19 pandemic, regional PSOs have largely adopted a hybrid approach, while national PSO staff are primarily working remotely.



More than 9 out of 10
PSO staff work remotely at least one day per week



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 more than 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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