

## 2023 Compensation and Benefits Survey for MetroWest Nonprofit Organizations

SEPTEMBER 2023



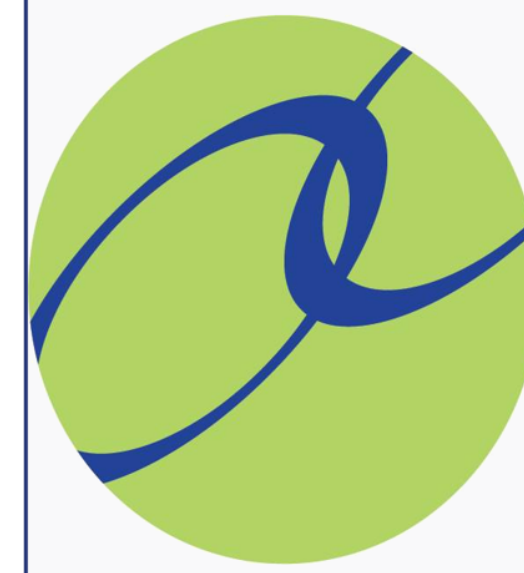
MetroWest Economic Research Center  
FRAMINGHAM STATE UNIVERSITY



Total Survey Respondents:  
131

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In Collaboration With:



**MetroWest**  
Nonprofit Network

With over 6,000 nonprofit organizations in Greater MetroWest in 2022, the nonprofit sector is a major employer in our region\*. This survey, the first of its kind in Greater MetroWest (GMW), provides an in-depth look at the labor market conditions of the nonprofit sector in the region. It was conducted online during March and April 2023.

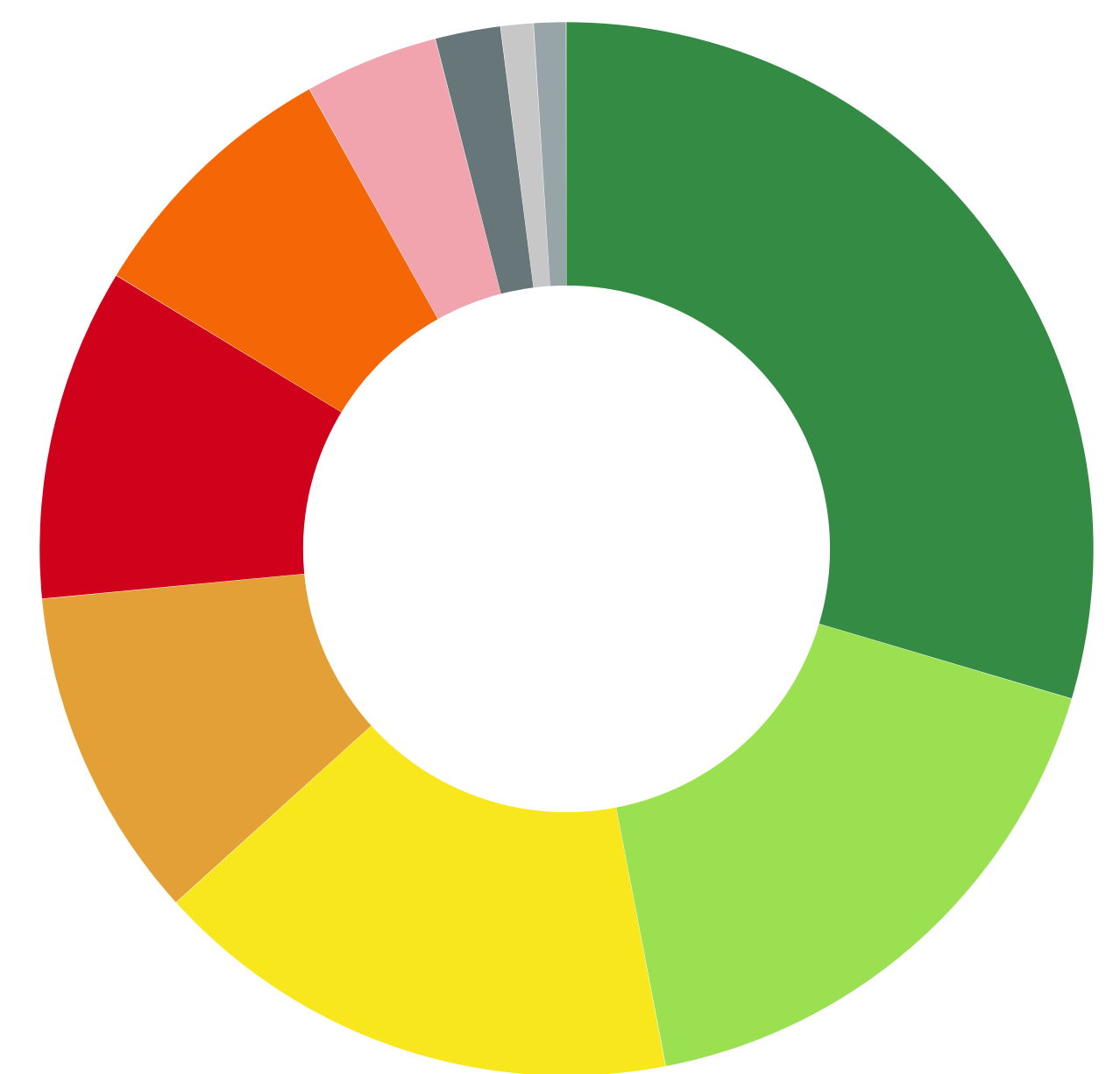
Responses to the survey suggest that GMW nonprofits serve a wide range of functions and are present throughout the different communities in our region. Despite this diversity, some key patterns emerge from the survey results. The large majority of survey respondents were relatively small nonprofits employing 20 or fewer workers but served 80 or more clients per year. Their main sources of funding are family and individual's donations and government grants, while just over half of them had annual budgets of less than one million dollars in 2022. When it comes to the labor market conditions for this sector in our region, GMW nonprofit organizations rely extensively on volunteers, and to a lesser extent on consultants, for conducting their work. Moreover, while having a highly trained workforce, compensation standards appear to be lower than positions of a similar profile in other sectors. For instance, only 18% of Executive Directors, and 10% of Program Directors reported salaries exceeding \$100,000. This, along with limited benefits packages, could undermine the sector's ability to attract and retain workers in a high-cost environment like that of Greater MetroWest.

### Survey Results

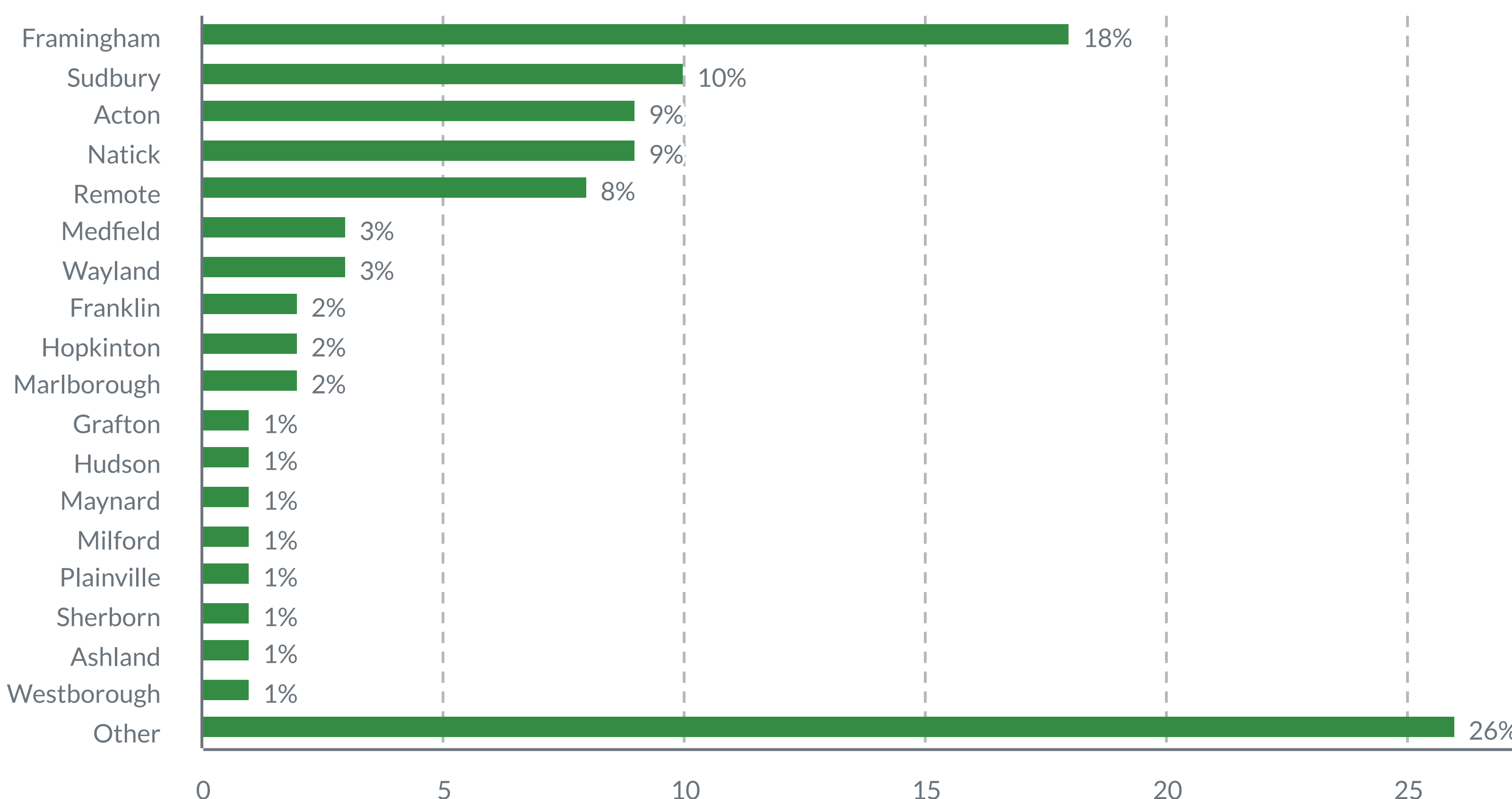
Based on the following subsector designations, with which primary subsector do you identify your organization?

Human Services (29.6%) and Youth & Education (17.4%) were the two largest subsectors of the nonprofit sector. Combined together, they accounted for almost half of respondents.

- Human Services (29.6%)
- Youth & Education (17.4%)
- Other, please specify (16.3%)
- Arts & Culture (10.2%)
- Environment (10.2%)
- Health (8.2%)
- Philanthropy (4.1%)
- Human Rights (2%)
- Housing/Community Development (1%)
- Religion-related (1%)



Please select the MetroWest community in which the primary office of your organization is located. If your organization has several locations, please select the main location.



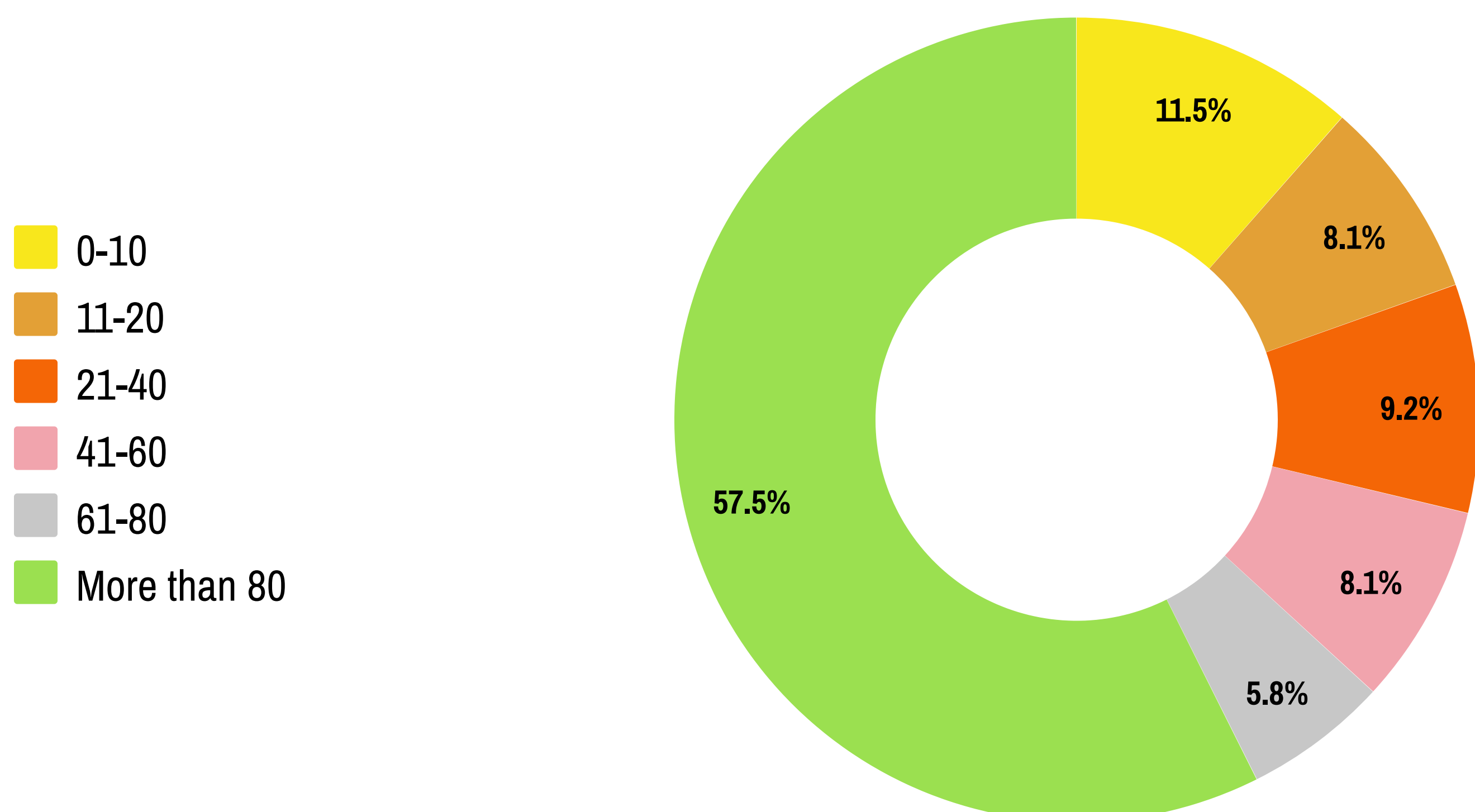
Almost half of the respondents' primary offices were located in Framingham (18%), Sudbury (10%), Acton (9%), and Natick (9%).

8% of respondents reported that they had their primary office remotely.

\*Source: Massachusetts Nonprofit Network and MetroWest Nonprofit Network, <https://metrowestnonprofit.org/metrowest-nonprofit-data/>



On average, how many clients did your organization serve during a regular month in 2022?

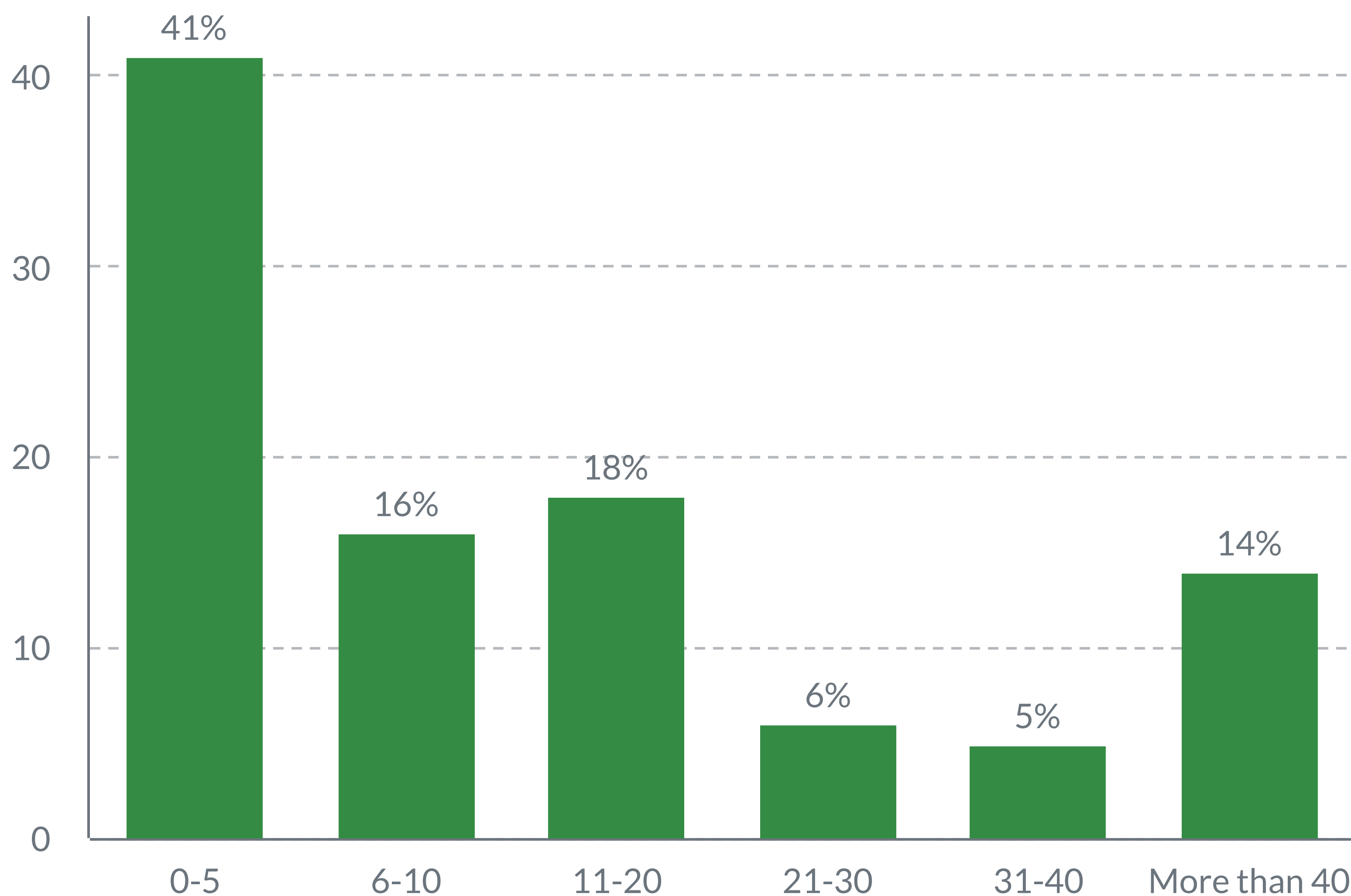


57% of respondents served more than 80 clients during a regular month in 2022.

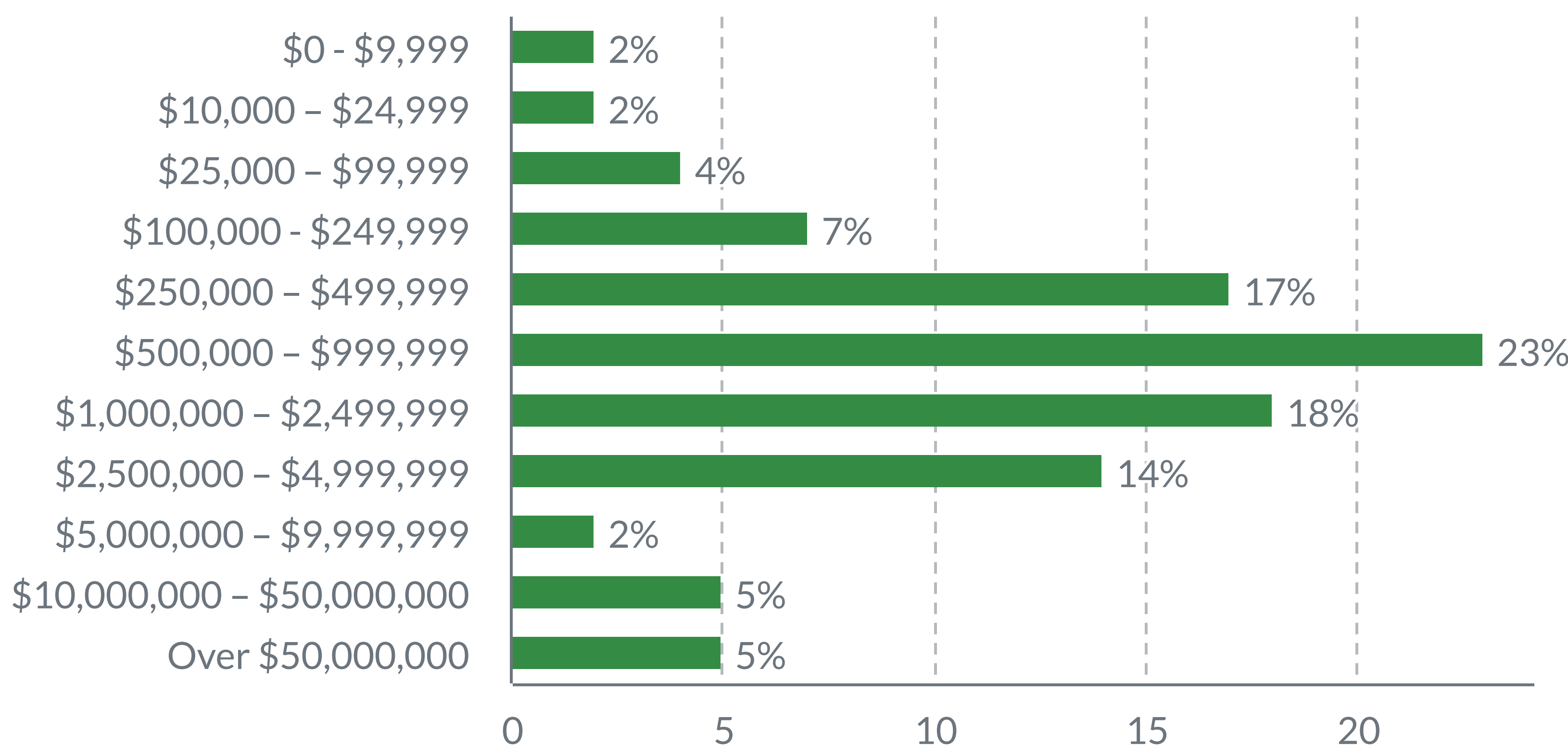
How many employees (both full-time and part-time) did your organization have during 2022?

75% of respondents employed a relatively small number of employees (20 people or fewer).

Only 14% had more than 40 employees.



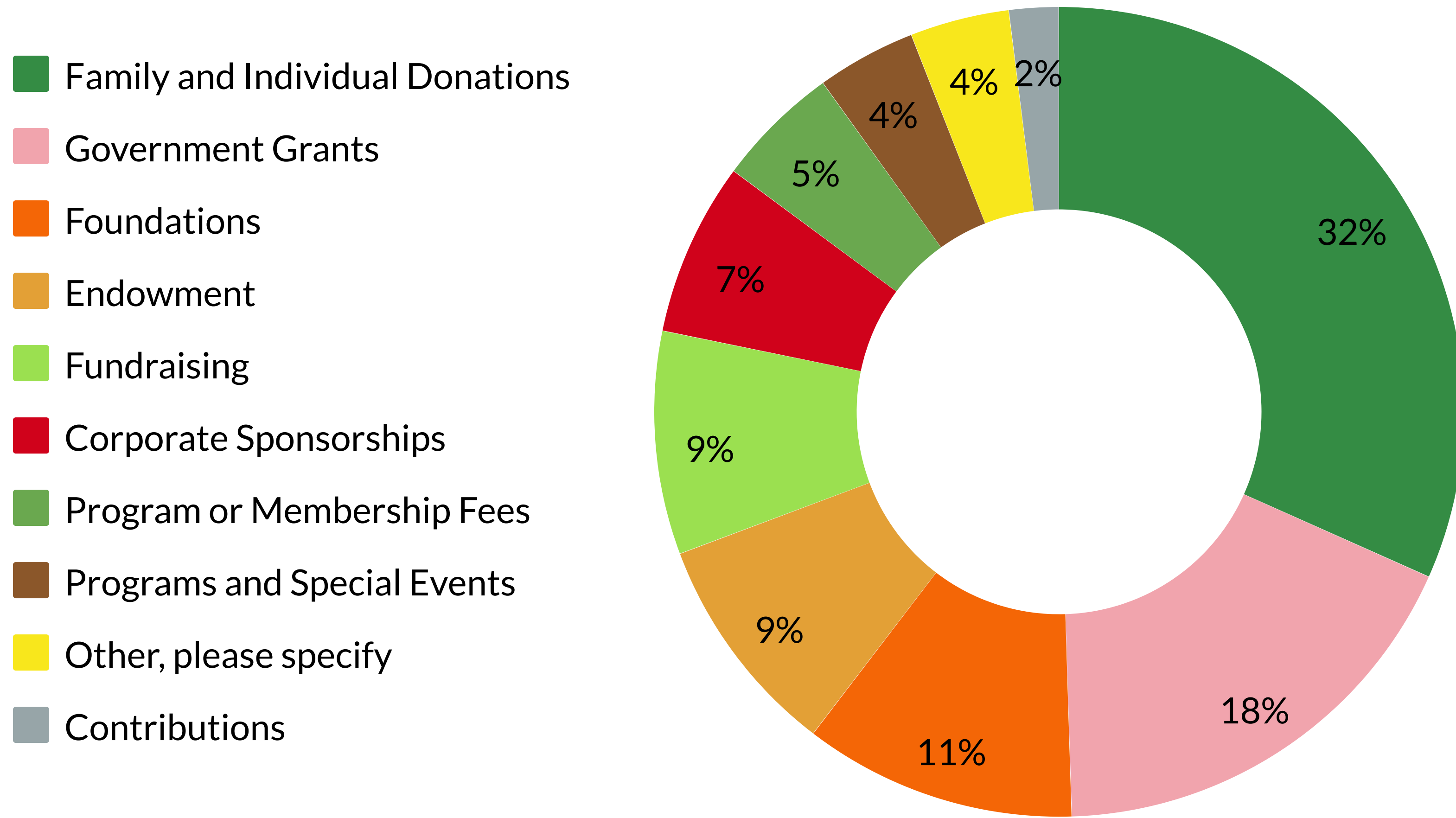
Approximately, what was the annual budget of your organization in 2022?



23% of respondents had a budget between \$500,000 and \$1 million.

55% operated with a budget of less than \$1 million.

During a regular year, what is the main source of funding for your organization?

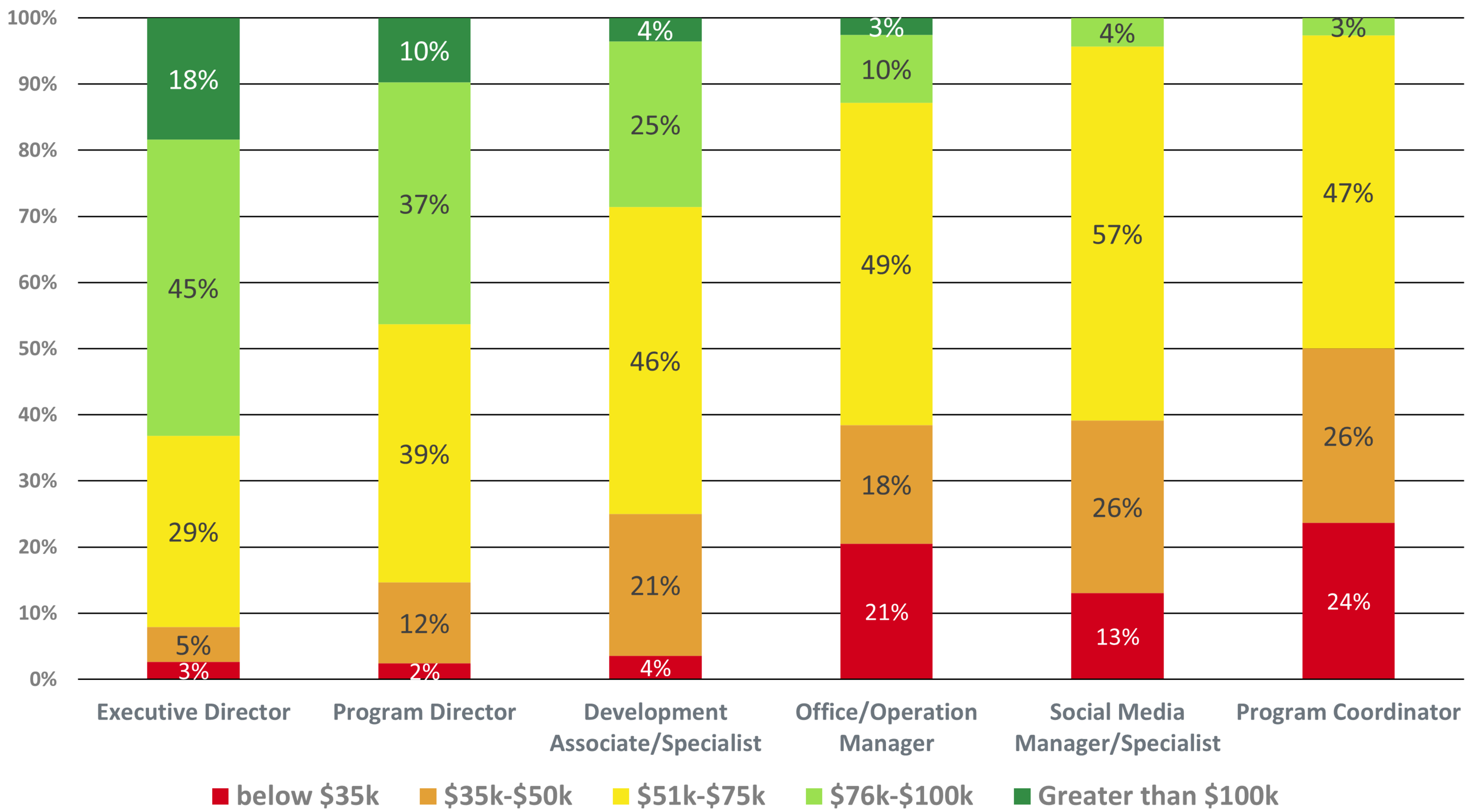


Family and Individual Donations were the main source of funding for more than 32% of total respondents.

Just under 18% listed Government Grants as their main source of funding.

Contributions (just under 2%) were the least common main source of funding.

What is the equivalent full-time yearly salary of the following positions?

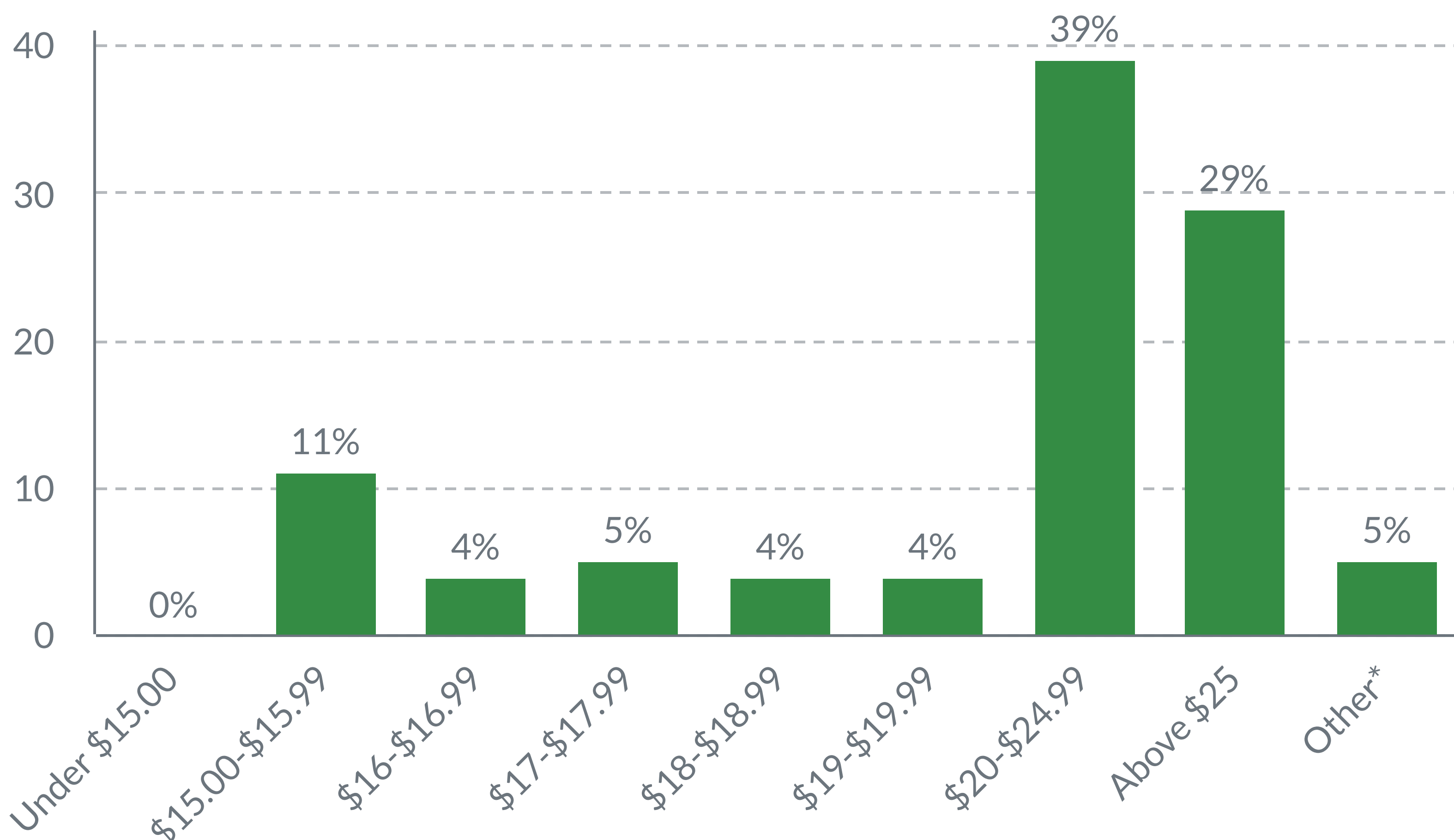


18% of Executive Directors and 10% of Program Directors had a salary of \$100,000 per year or more.

More than 1 out of 5 Program Coordinators and Office/Operation Managers earned less than \$35,000 a year.



What is the hourly wage currently paid to the lowest-paid employee in your organization?



\*Other Includes: Unpaid Employees or only Salaried Employees

2 out of every 3 respondents paid their lowest-paid employee less than \$25 an hour.

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11% paid their lowest-paid employee between \$15.00-\$15.99 an hour.

Leadership Position Profile

84% of the surveyed nonprofit organizations were run by female leaders.

69% of the leaders held a Master's degree or higher.



Female-run (84%)



White, Non-Hispanic (94%)



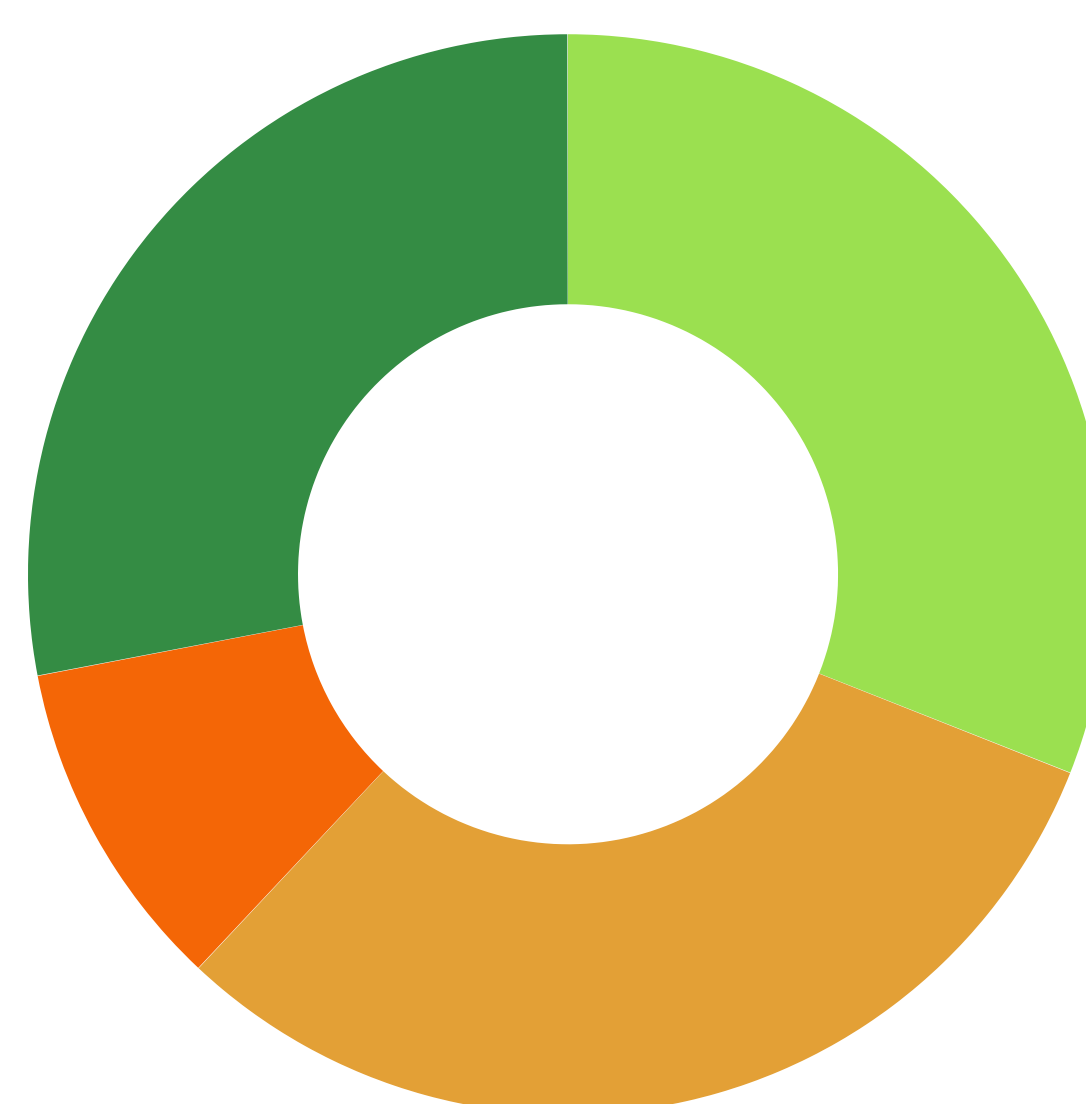
5 years or less in the position (46%)



Master's degree or higher (69%)

When deciding salary levels for your employees, what resources or tools do you use to benchmark these salaries?

- Employer and industry associations\* (31%)
- Job and career sites\*\* (31%)
- U.S. Department of Labor, Bureau of Labor Statistics (10%)
- Other\*\*\* (28%)



About 62% of respondents used data from either Employer and Industry Associations or Job and Career sites.

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Only 10% used data from the Bureau of Labor Statistics.

Examples of resources cited:

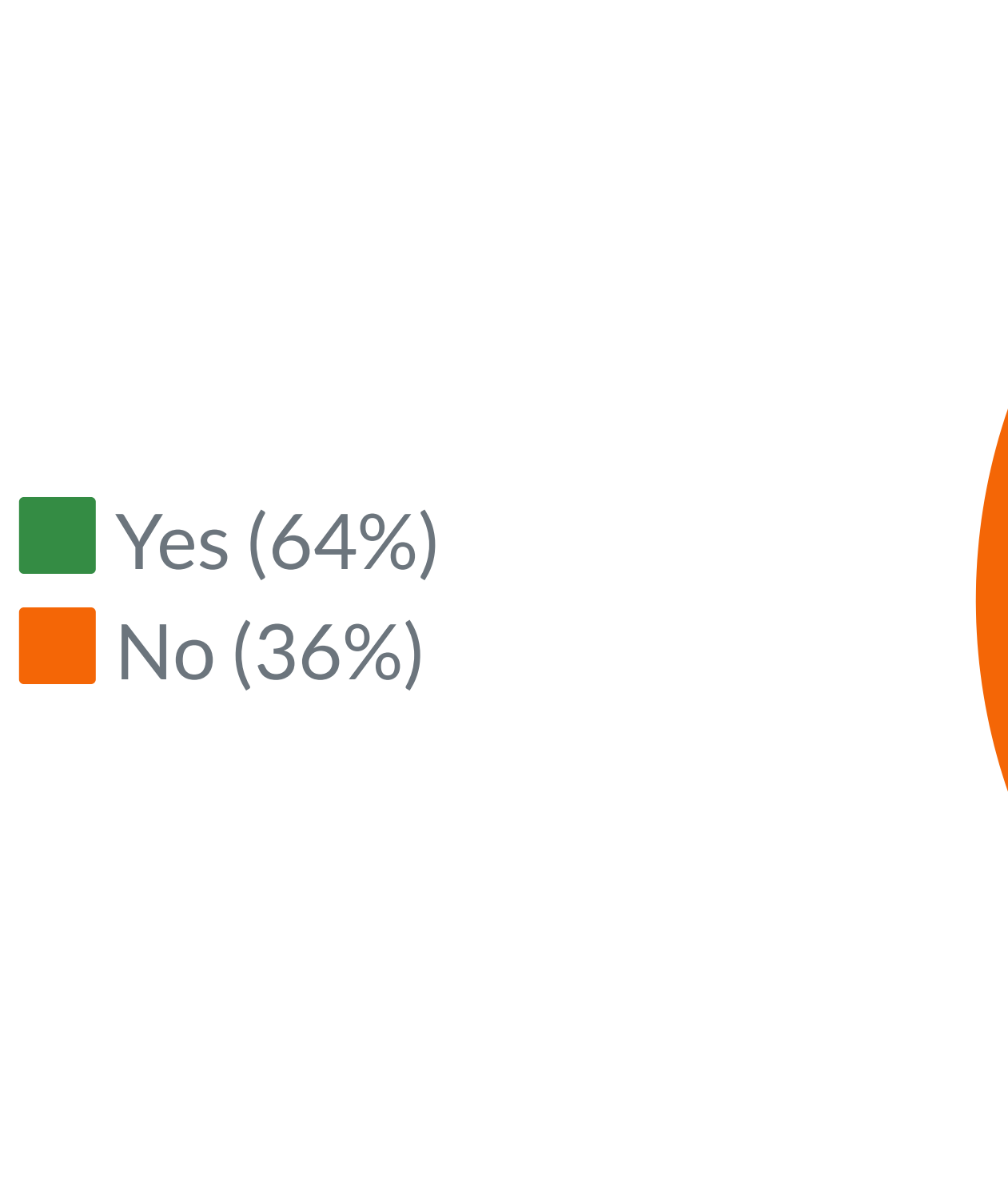
\*Third Sector New England, Employer's Association of the Northeast, National Umbrella Organizations  
 \*\* glassdoor.com, indeed.com, PayScale.com, salary.com  
 \*\*\*Paychex PEO, 990 tax returns, self studies

Does your organization make use of volunteers?

Volunteers play an important role in regional nonprofit organizations: 96% of respondents relied on volunteers for some of their functions.



Are there any positions in your organization filled by independent contractors?



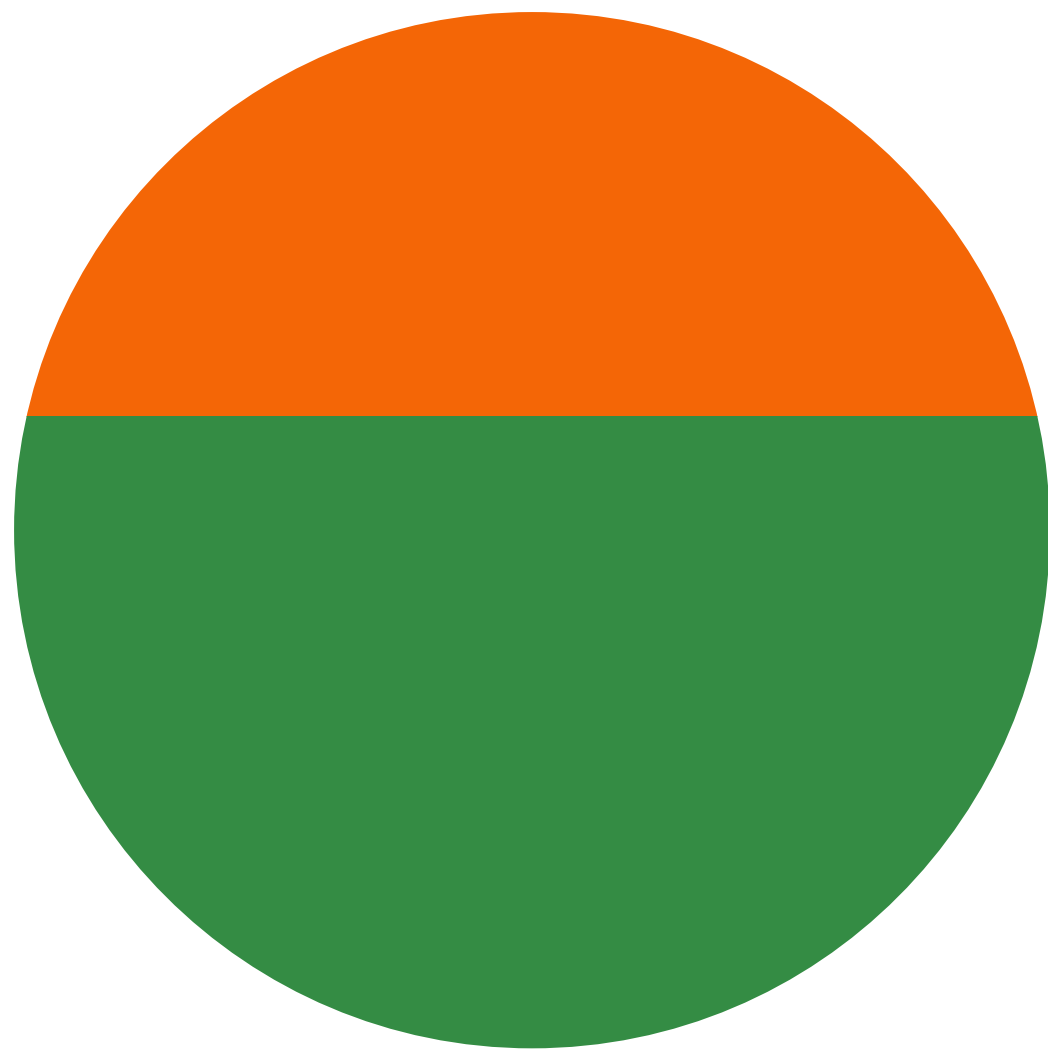
Most nonprofit organizations in the region rely on independent contractors: 64% of respondents reported using them.

Top 10 Functions of Volunteers and Independent Contractors (in descending order)

Volunteers	Independent Contractors
Other (e.g. program support, food pantry, special events)	Bookkeeping
Fundraising/development	Website design and hosting
Administrative assistance	Information technology (IT)
Strategic planning	Accounting
Human resources (HR)	Other (e.g. trainers, CFO and legal, facilities)
Grant writing	Graphic design
Communications	Website maintenance
Social media	Fundraising/development
Marketing	Marketing
Graphic design	Social media

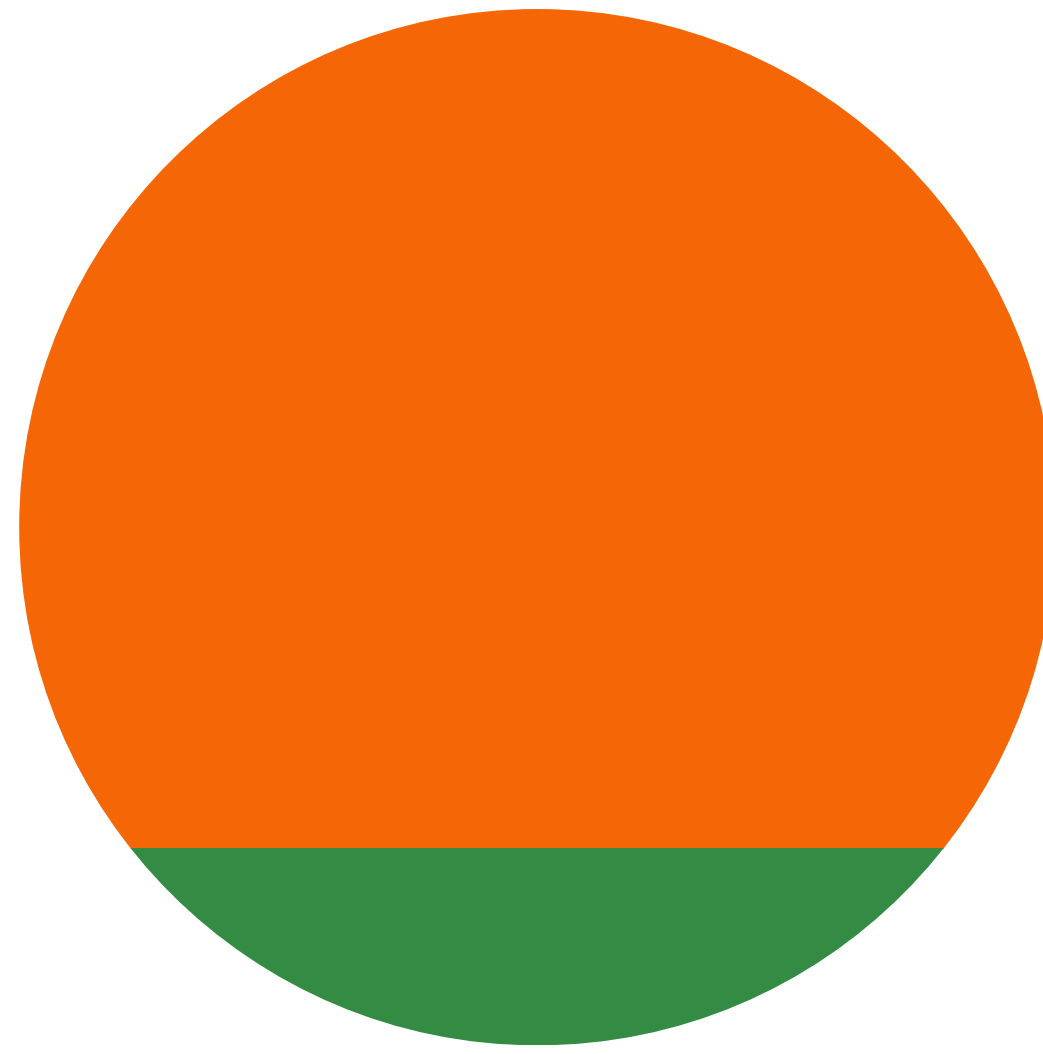
## Full-Time Employee Insurance Coverage

Medical Insurance



■ YES (61%) ■ NO (39%)

Vision Insurance



■ YES (19%) ■ NO (81%)

Dental Insurance

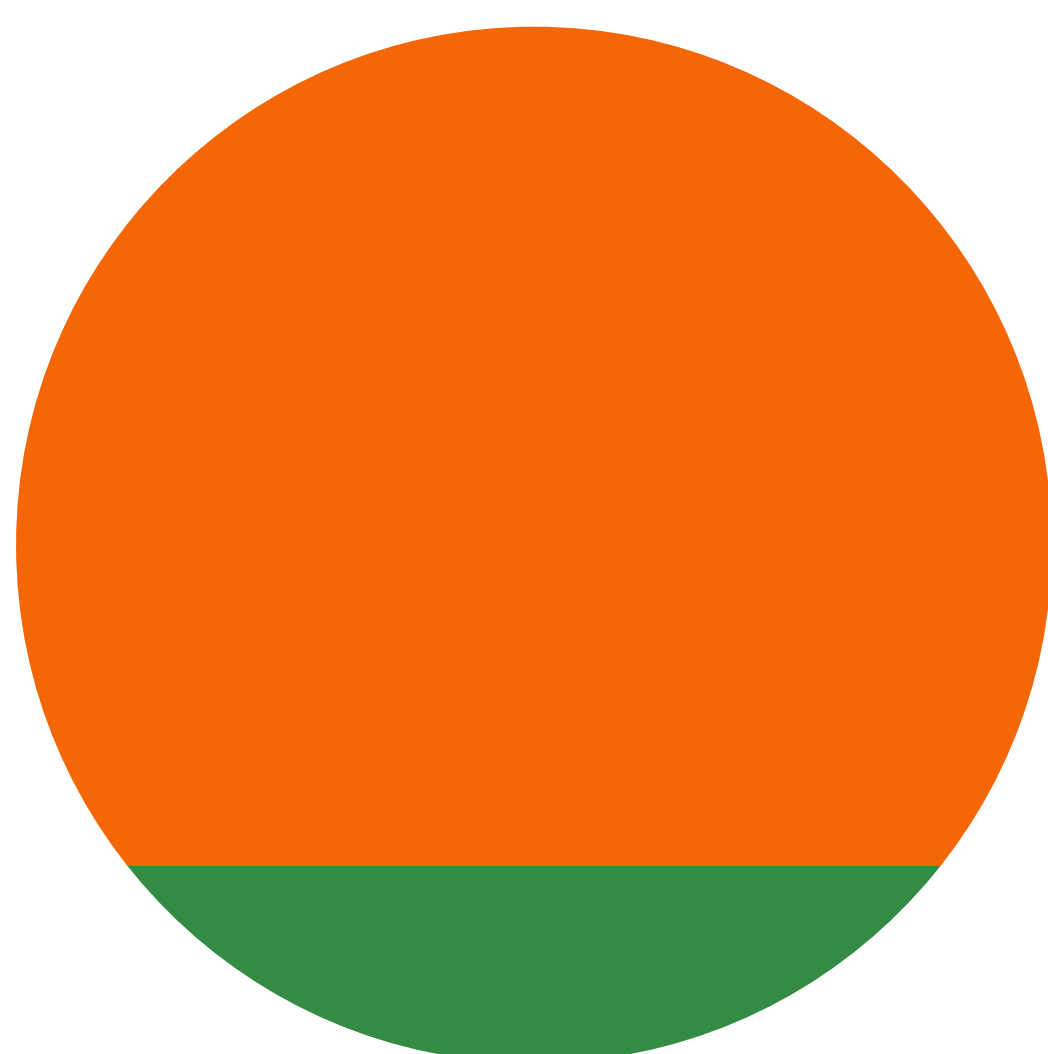


■ YES (43%) ■ NO (57%)

61% of respondents offered medical insurance to their full-time employees. This is below the Massachusetts average for all firms which was 74% in 2021\*.

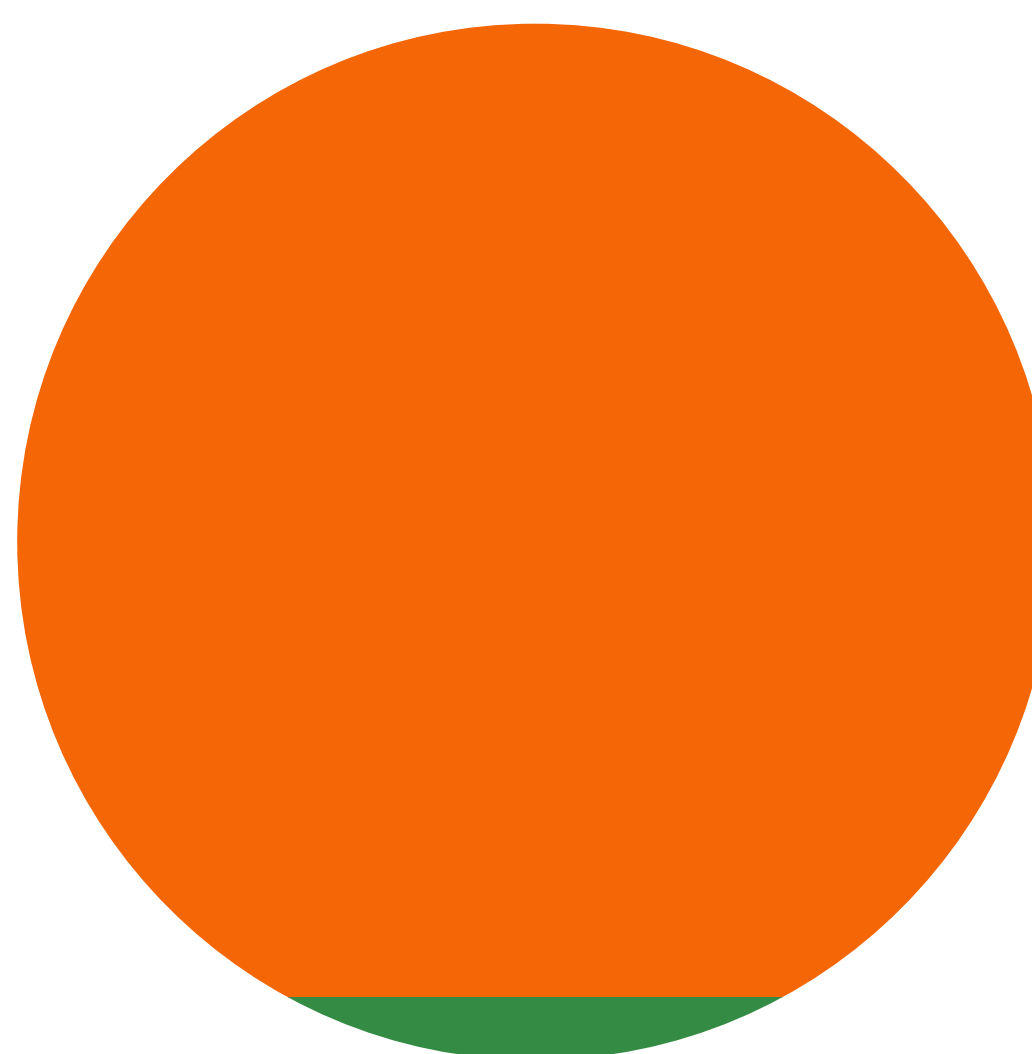
## Part-Time Employee Insurance Coverage

Medical Insurance



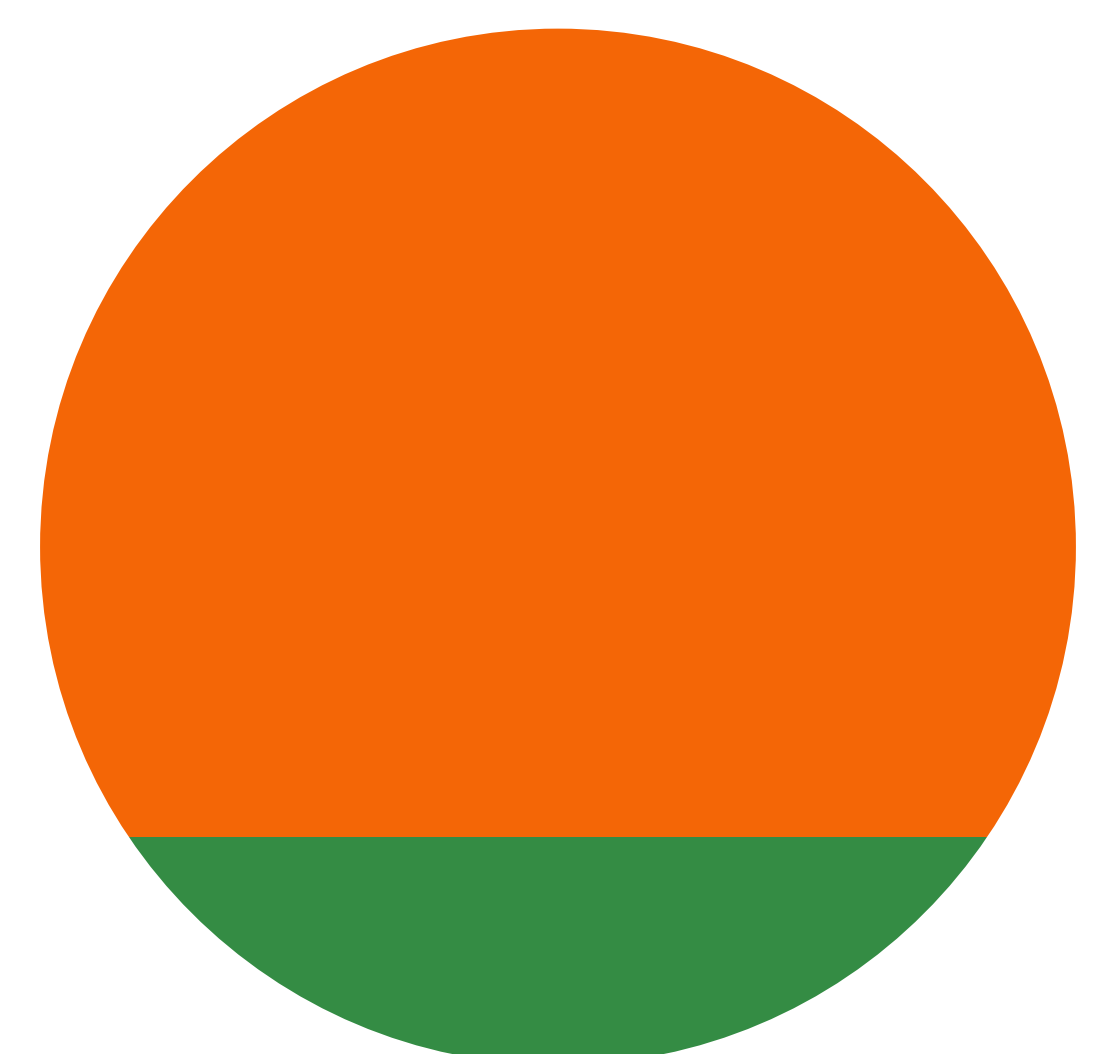
■ YES (19%) ■ NO (81%)

Vision Insurance



■ YES (6%) ■ NO (94%)

Dental Insurance

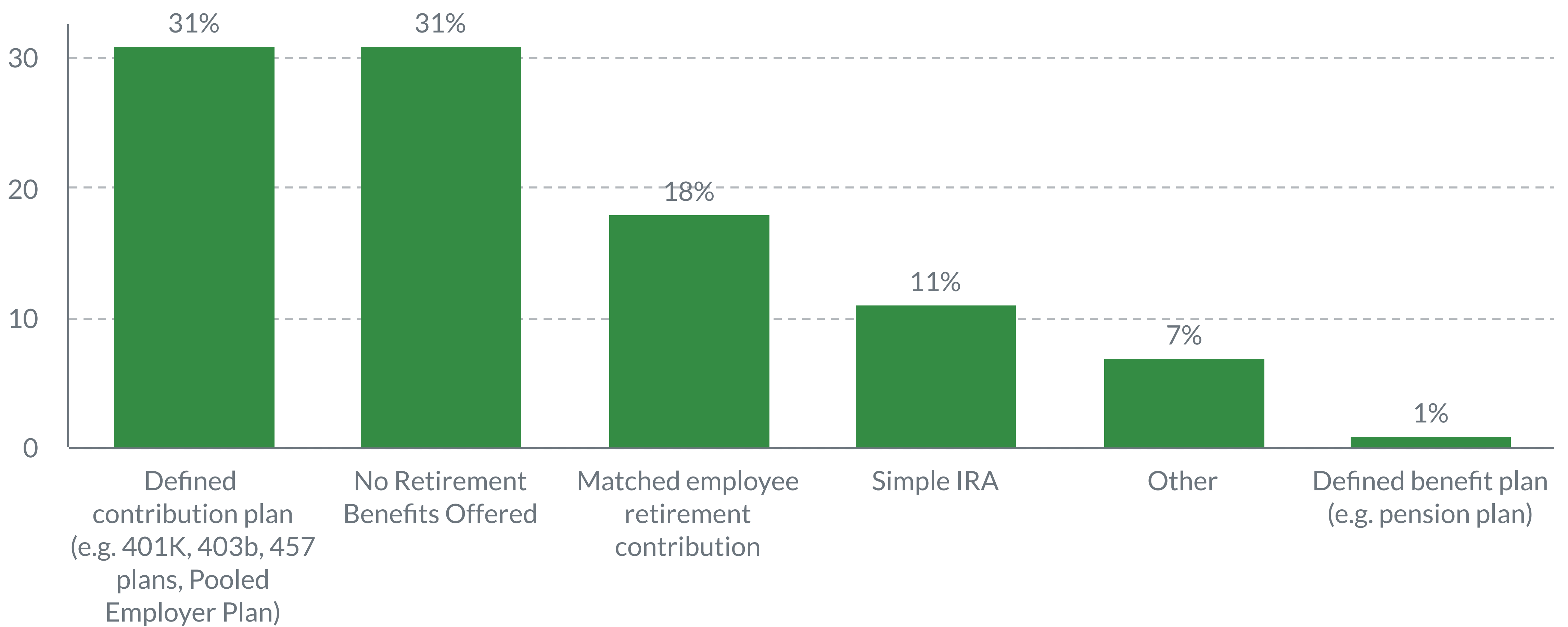


■ YES (22%) ■ NO (78%)

When it comes to part-time employees, GMW nonprofit organizations were much less likely to offer insurance coverage. Only a small portion of these employees had access to medical, vision, or dental insurance.

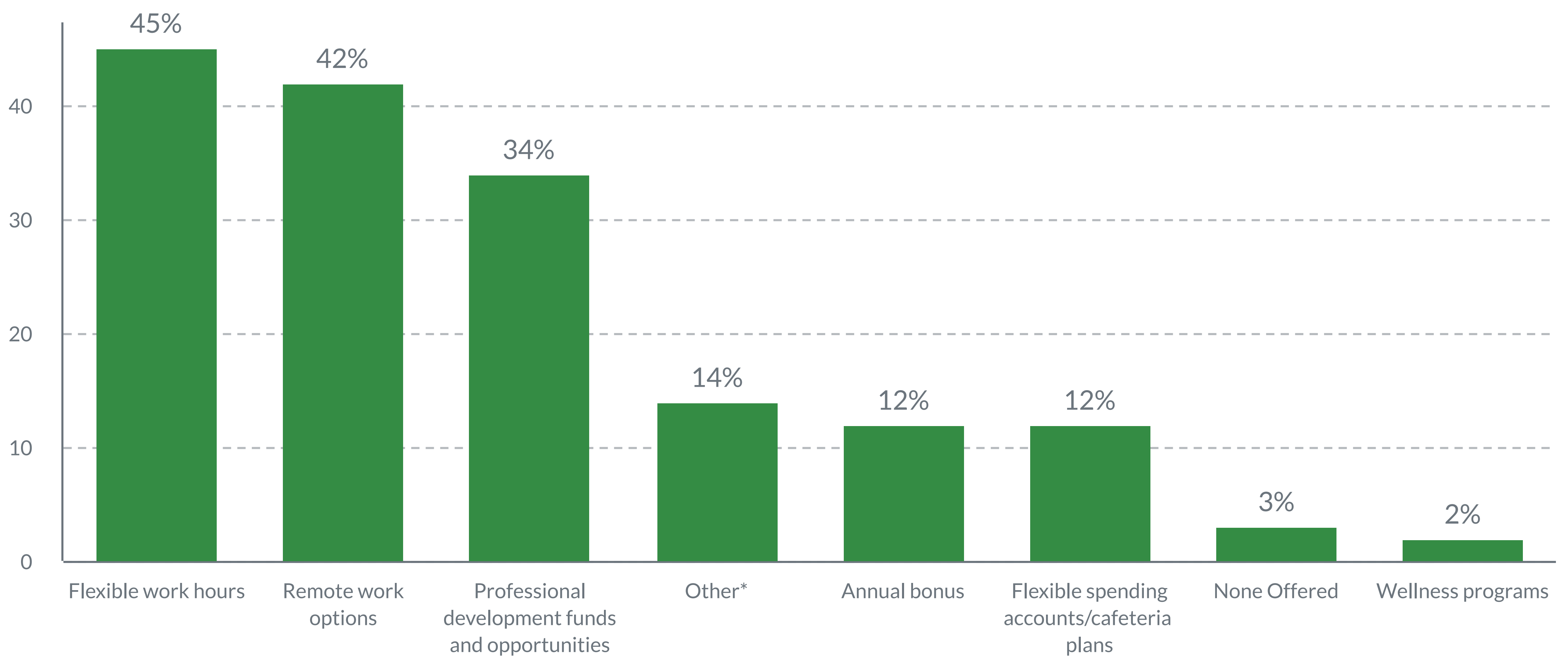


What types of retirement benefits do you offer your employees?



69% of respondents offered some form of retirement benefits to their employees. The most common retirement benefits provided were defined contribution plans.

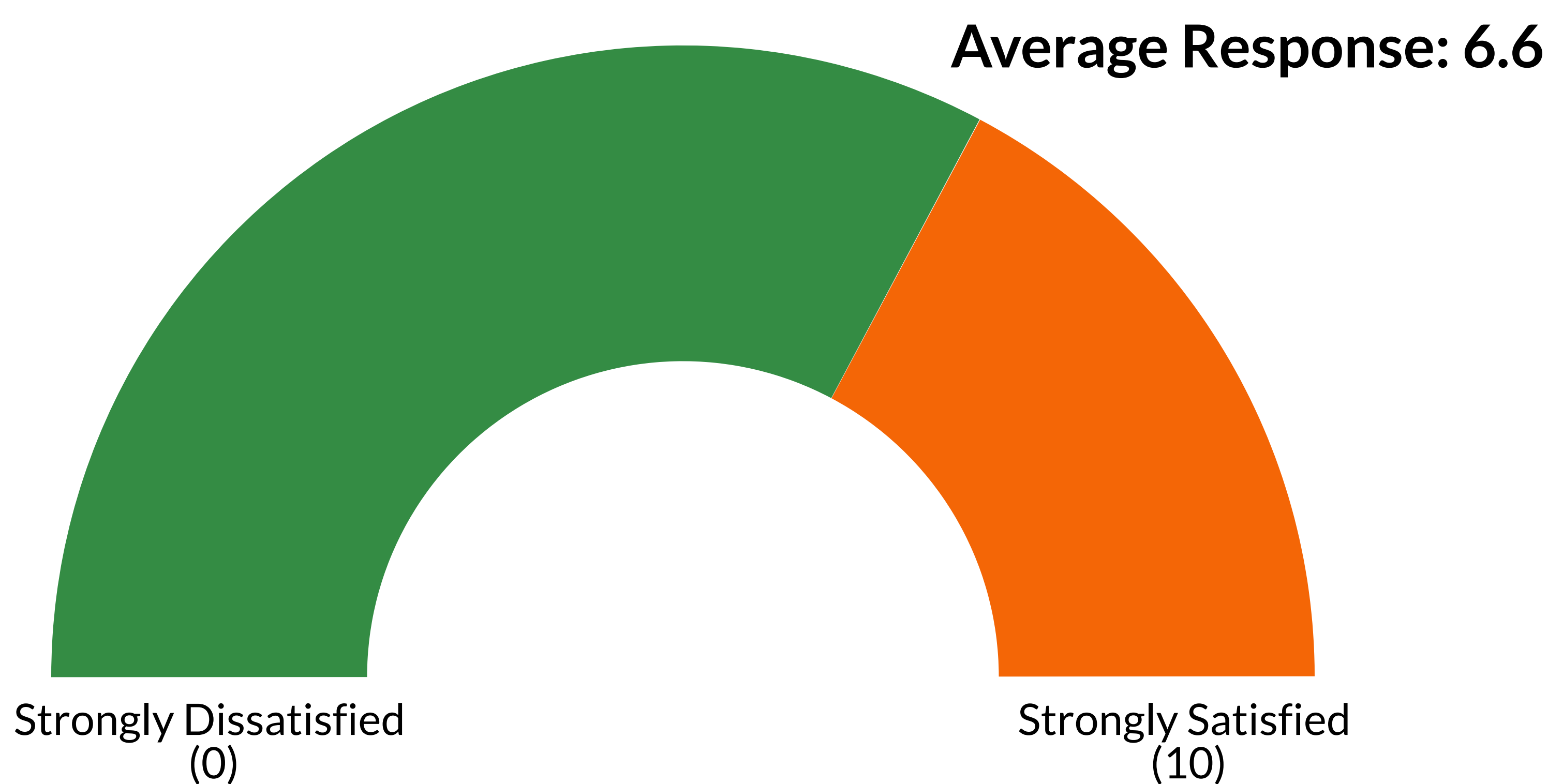
What types of additional benefits or work perks do you offer your employees?



\*Other Includes: Pet insurance, Paid vacation, Work from home stipend, Unlimited PTO

GMW nonprofit organizations offered alternative benefits or perks to their employees which include flexible work hours, remote work hours and professional development funds and opportunities.

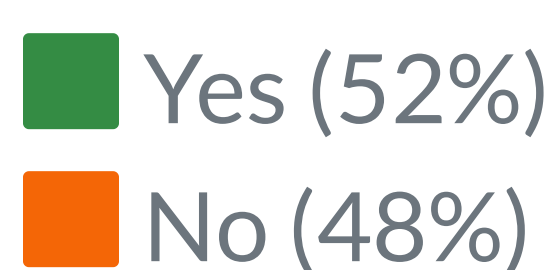
How satisfied are you with your organization's current practices to ensure equity in terms of compensation and benefits?



The average satisfaction score for the respondents was 6.6. This average score suggests a moderate level of satisfaction when it comes to their organizations' current compensation and benefits practices.

Does your organization have any proactive plan in place to increase employee compensation over the next three years?

52% of respondents reported having a plan to increase their employee compensation over the next three years.



In one or two sentences, please list what you see as the biggest challenge to attracting and retaining a qualified workforce in your organization?



The majority of respondents viewed the inability of their organizations to offer a competitive salary and benefits as the biggest challenge for attracting and retaining workers.