



CT NONPROFIT WORKFORCE CRISIS

REPORT + NONPROFIT SURVEY FINDINGS



JANUARY 2022

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Executive Summary

CT NONPROFIT WORKFORCE CRISIS: REPORT + NONPROFIT SURVEY FINDINGS

59%

Of nonprofits currently have a waiting list for community services

Community nonprofits are on the front lines of the Coronavirus pandemic, providing essential services to people in need in every city and town in Connecticut. They are a vital part of Connecticut's economy, providing services that make our state safe, healthy, and vibrant. Community nonprofits serve more than 500,000 people every year.

18%

Average vacancy rate for nonprofits

But in the wake of the pandemic, community nonprofits are facing an unprecedented workforce crisis on top of ongoing issues related to inadequate funding. The Alliance surveyed its membership to better understand how these issues are impacting nonprofits and the people they serve.

68%

Of nonprofits say that demand for services has increased in the past two years

Ninety one percent of nonprofits surveyed reported that it has been extremely difficult or difficult to recruit employees this past year, with an average vacancy rate of 18%. The top factors affecting nonprofit organizations' ability to recruit/retain staff include lack of applicants (81%), inability to offer a competitive salary (80%), and staff burnout (66%), among other factors.

91%

Of nonprofits report that it is extremely difficult or difficult to recruit employees

This unprecedented workforce crisis comes at a time when demand for services has increased dramatically. **Sixty eight percent of respondents said that demand for services has increased over the past two years.** Of those respondents, 11% stated that services have increased by more than 50%, and 30% said that demand for services increase by 25-49%.

94%

Of nonprofits say that with additional funding they would be able to fill more open positions

Community nonprofits are facing a no-win situation. They need the commitment of policymakers to help solve this crisis. Now more than ever, it is critical that the state fulfill The Alliance's \$461 million funding plan for community nonprofits and **provide at least an eight percent Cost of Living Adjustment for Fiscal Year 2023.**

Introduction



Community nonprofits serve those in need, enabling people to thrive in an imperfect world. In 2022, nonprofits, so adept at dealing with crises, are dealing with an emergency of their own.

In the wake of the pandemic, community nonprofits cannot attract and retain staff. It is no longer enough to convince potential employees that nonprofit work is noble work, employees must be adequately compensated, especially when there is competition for their services.

Afraid of the transmission of COVID-19, those who can are dropping out of the nonprofit workforce or moving to private practice where they can be paid three times as much for the same or less difficult work. **Community nonprofits are now in competition with employers such as Amazon and Walmart that require no specialized training, are paying more and offering more hiring incentives.** Nonprofits are at a disadvantage with limited support from the State, which has historically underfunded them and to date has not provided sufficient critical support which could be used to raise wages.

Community nonprofits are facing a no-win situation. They need the commitment of policymakers to help solve this crisis.

CT Nonprofit Survey

Findings

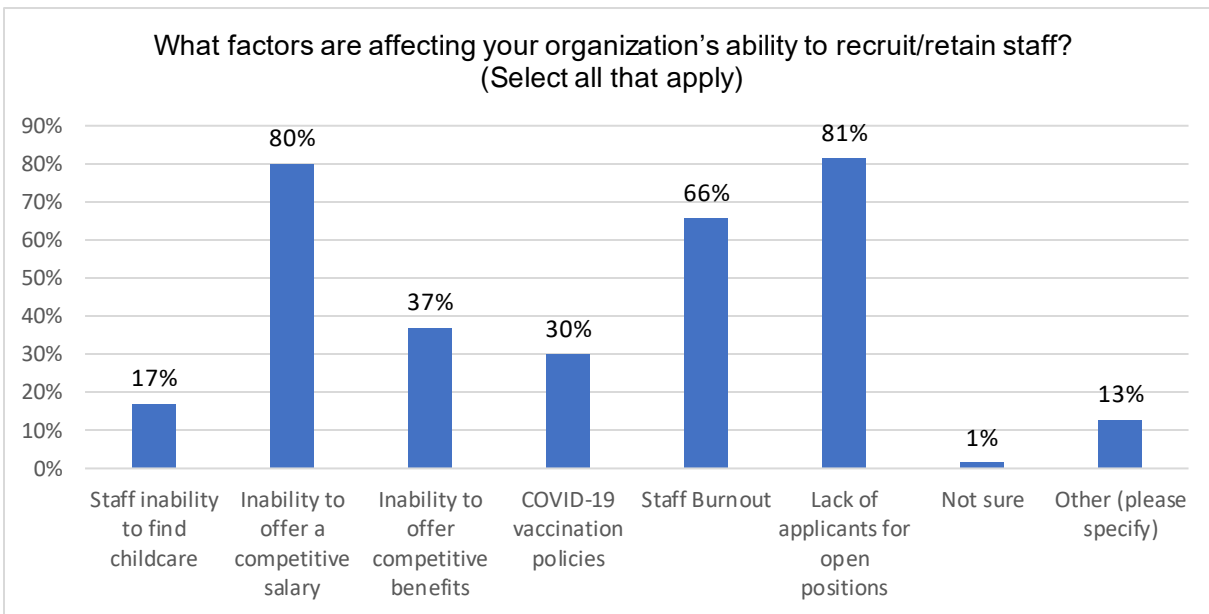
State funding has fallen behind inflation and the needs of providers at least since 2007. The Alliance has led the charge to uphold Connecticut’s obligation to the nonprofit community and people that depend on them.

One Alliance member says their employees are “hanging on by their fingernails.” They are having difficulty hiring at all levels, from psychiatrists and APRNs to residential staff. With clinician vacancies alone, 3,520 people are unable to access life-saving care, and they report experiencing 120 full- and part-time positions vacant out of a workforce of 900. They might not even be able to keep their residential programs open as positions that used to get 20 applicants now get “1 or 2, if that.” Another provider says their employees have been working multiple shifts, wearing masks, and risking exposure to COVID-19. They say they have 45 open positions out of a total staff of 363 – that’s 12% of their workforce.

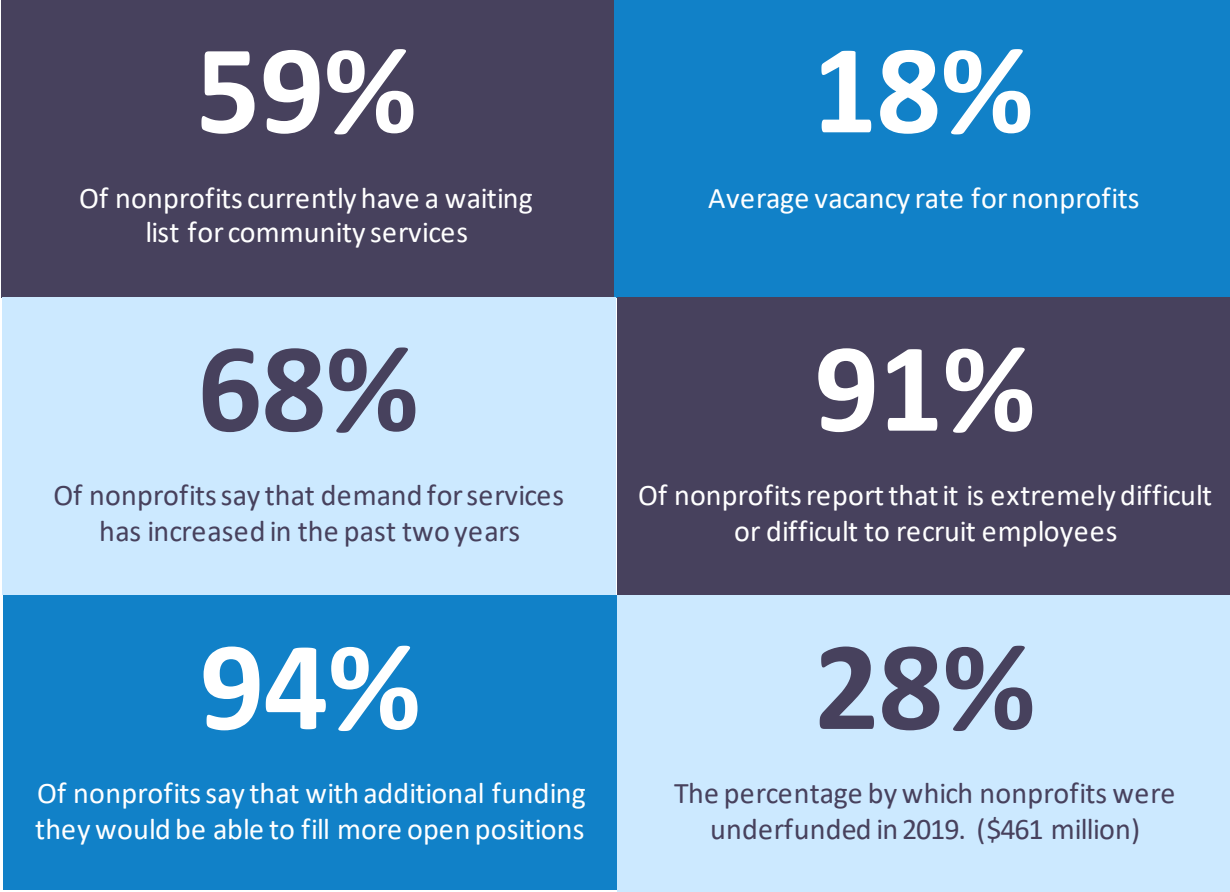
In December, The Alliance surveyed its membership to better understand the scope of the CT nonprofit workforce crisis. A total of 70 nonprofit organizations provided data on how the crisis is impacting a wide range of community-based services, the people they serve and staff.

“I have 45 open positions out of a total staff of 363 - that’s 12 percent of my workforce.”

Survey findings illustrate the severity to which nonprofit recruitment and retention rates are suffering, negatively impacting community services and the people that depend on them. **91% of nonprofit organizations reported that it has been extremely difficult or difficult to recruit employees** this past year, with an **average vacancy rate of 18%**. The top factors affecting nonprofit organizations’ ability to recruit/retain staff include lack of applicants (81%), inability to offer a competitive salary (80%), and staff burnout (66%), among other factors.



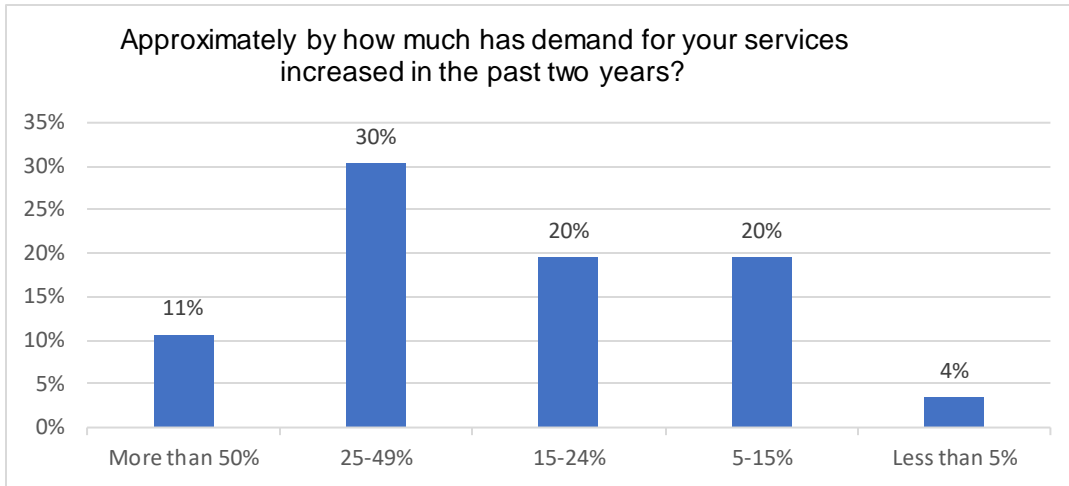
When asked how staff are impacted by hiring challenges, some cite low morale and stress, but an overwhelming majority say burnout by name. One provider says, “**Staff are stretched to the max and experiencing burnout** due to the weight of additional responsibilities. Tension is high and tempers are short.” Many responses indicate that current staff are exasperated and frustrated, feelings that negatively impact both the workplace culture for clients and staff. The feelings are warranted: nonprofit **staff are having to work overtime or longer shifts** to compensate for loss of staff in other areas. One provider says, “Because staff are/were working so many additional hours, in addition to experiencing burnout, incentivizing the open shifts is no longer proving to be effective.”



CT’s unprecedented workforce crisis comes at a time when demand for services has increased dramatically. **68% of respondents say that demand for services has increased over the past two years.** Of those respondents, 11% state that services have increased by more than 50%, and 30% more say that demand for services increase by over 25%.

“We have students now on the waiting list,” says one provider, “that has never happened to us in the past.” Another notes, “DMHAS-funded employment services has seen an increase of approximately 15% and the increase for DDS employment/day services is much higher.”

Waiting lists for services also continue to grow, as **59% of respondents state that they currently have a waiting list for services** ranging from outpatient mental health services for children and adults, Intensive In-Home Child & Adolescent Psychiatric Services (IICAPS), Extended Day Treatment, residential placements, child first, employment and day services, and more. Many have waited more than a year,” says one provider. Almost all programs that reported waitlists said that their wait times were in the range of months



In addition, some providers have been forced to **reduce or stop admissions to programs altogether**. “We receive many calls inquiring about program openings,” says one provider. “But due to limited capacity, they have not been officially referred. The average wait time for DDS-funded services is approximately four months.”

Another says: “We have over 100 consumers on the waiting list and increasing referrals every day. We have exceeded our caseload per staff per the DMHAS fidelity, but it does not help when you don't have staff to begin with.” Below are just a few examples of waiting list for services that CT residents are facing:

Service	Wait Time
DMHAS-funded services	3 weeks
DDS funded services	4-7 months
Extended Day Treatment	2-4 months
Private Residential Treatment Facility	3 weeks
Day support and employment	6 months
Day programs	12+ months
Intensive Outpatient	1-8 weeks
Autism assessments	3 months
Outpatient Substance Use services	14 days
Inpatient Substance Use Rehab Services	10 days
Inpatient withdrawal management services	4 days
Adult Outpatient Services/MAT Services	2 -3 months
Outpatient mental health services	3-16 weeks

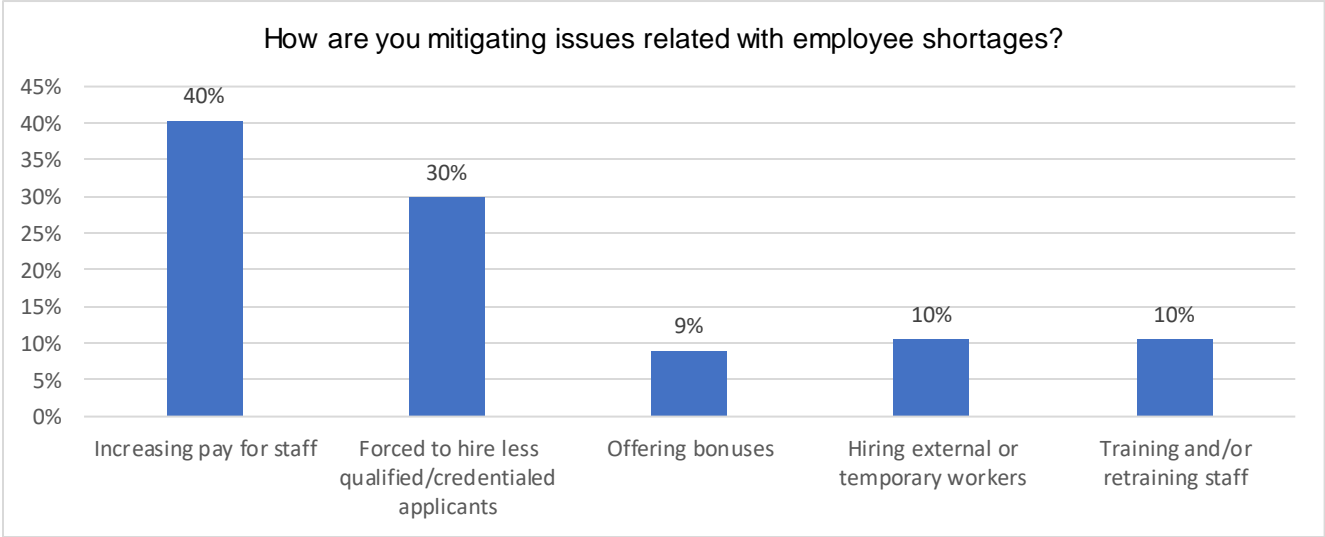
Without immediate support from the state, the workforce crisis may jeopardize safety and quality of care. For example, one provider says they “cannot support suicide prevention needs or postvention response as responsively as possible to towns when we are understaffed,” which could lead to life-threatening consequences.

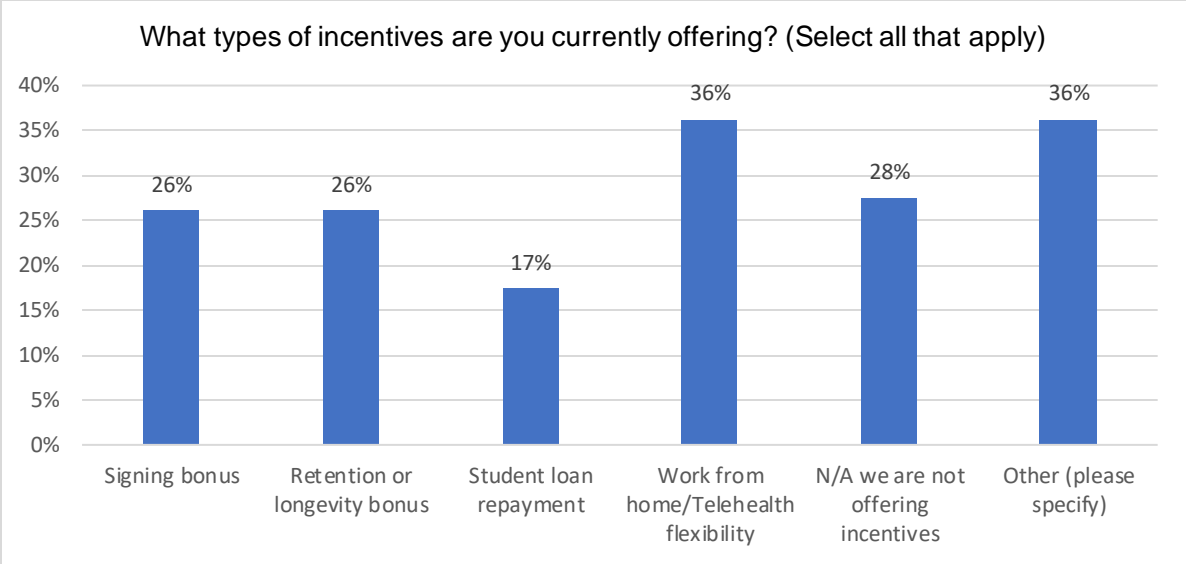
“
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 equates to
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Others say safety minimums are at risk and required paperwork is not being completed. An overwhelming number of respondents say they simply cannot recruit staff. There is an enormous shortage of clinicians – doctors, APRNs, social workers – all jobs that must be filled by an applicant with specialized training. One provider says, “We cannot hire licensed clinicians because they have so many options to work with an ‘easier’ population or have a private practice. Each clinician vacancy equates to about 200 clients not served per year.”

Respondents overwhelmingly report that **employees are demanding competitive wages and benefits and many nonprofits are not being adequately funded to offer that.** Many providers (40%) have increased pay for staff, but they note how **“These costs are not funded by state contracts.”**

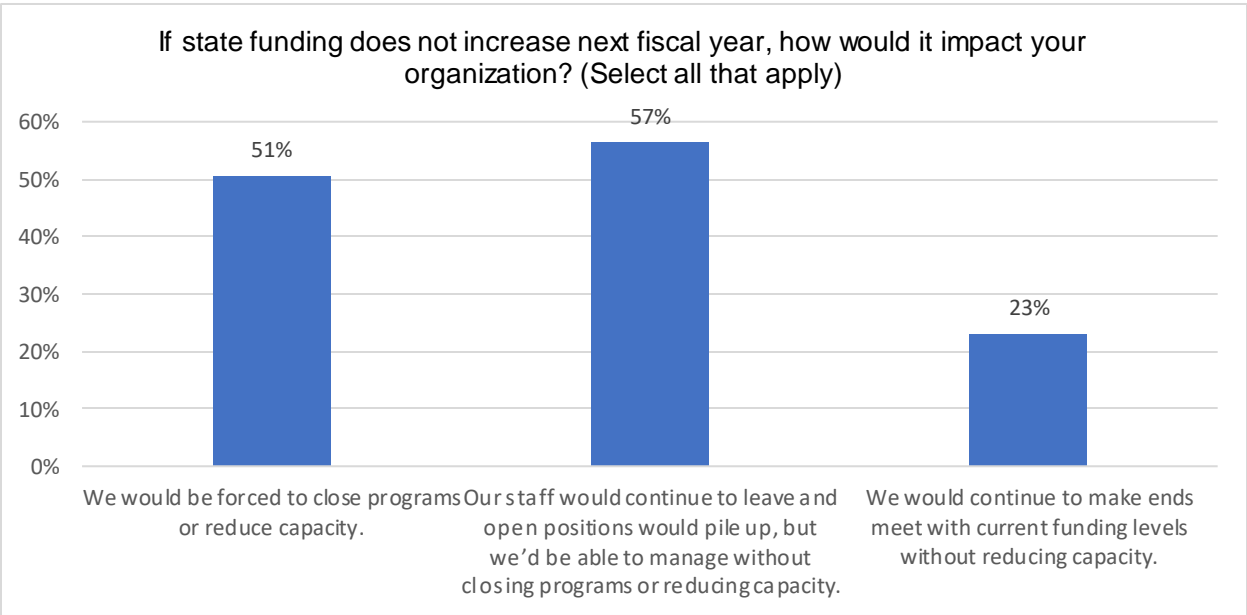
Nonprofits are also not being compensated to implement other recruitment and retention tactics. For example, when asked to select from a list of incentives that they are providing their staff, it is clear nonprofits do not have the resources to offer hiring or retention incentives. Only nine percent of respondents have offered their staff bonuses, and only 26% have been able to offer a signing bonus for new staff or longevity payments. As one respondent notes, “I wish we could offer these benefits!” In addition, some organizations that have implemented incentives have not found there to be any improvement in their ability to recruit.

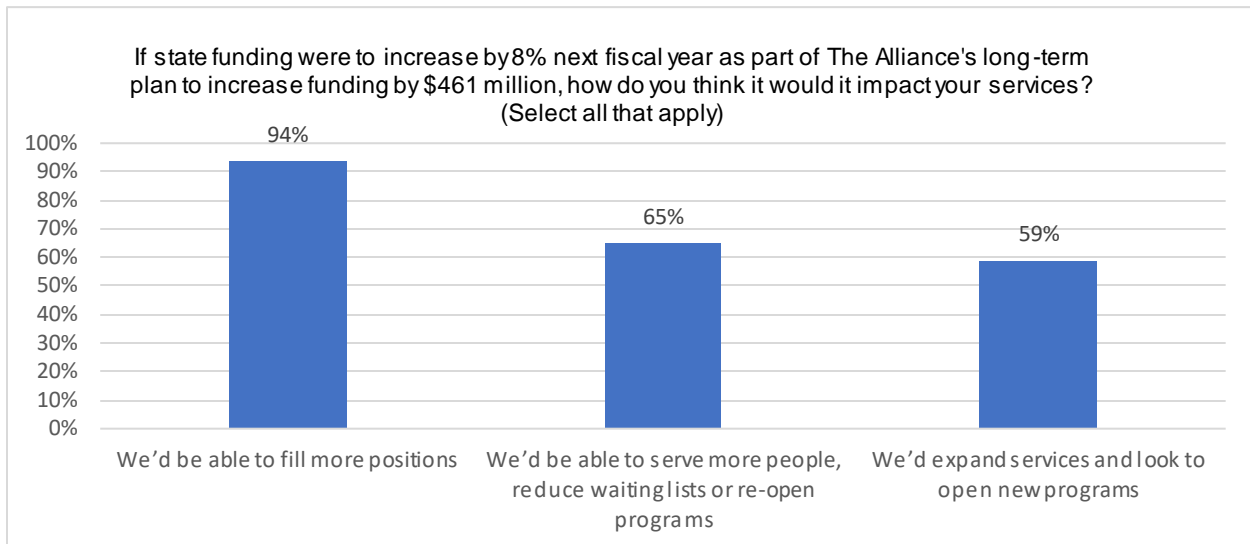




Survey findings highlight the need for adequate funding for nonprofits facing unexpected and unbudgeted costs of doing business during a pandemic and in the midst of a workforce crisis. As policymakers craft the fiscal year 2023 and 2024 state budget, they must **increase funding by at least an additional eight percent (at least \$150 million) for Connecticut’s community nonprofits.**

When asked what they would do if state funding increased by eight percent, 94% of respondents say they would be able to fill more open positions and 65% say they’d be able to serve more Connecticut residents. Conversely, if funding is not increase, 57% of respondents say their staff would continue to leave and 51% say they might be forced to close programs.





Before the pandemic hit, community nonprofits were underfunded by \$461 million, or 28%, behind the cost of services. Between 2007 and 2019, community nonprofits lost that much because state funding for services did not keep pace with inflation. In 2021, policymakers stepped up and appropriated a four percent Cost of Living Adjustment (COLA) for the current year budget. That was very much needed and appreciated. But the increase in this year's budget has quickly been absorbed by rising costs. Since 2019, inflation grew by an additional 8.4%, more than doubling the COLA in the current year's budget.

We urge policymakers to continue to make Connecticut stronger by increasing funding for community nonprofits by at least eight percent in FY23. Now more than ever it is critical that the state fulfill The Alliance's plan to continue to increase funding above that initial allocation over the next several years. Connecticut's community nonprofits provide essential services in every city and town in Connecticut, serving people in need. They are partners with state government in serving our residents, a vital part of Connecticut's economy, and help keep our state safe, healthy, and vibrant.

People are struggling, and so are the nonprofit staff they depend on. Without additional funding, the state risks destabilizing our state's community service delivery system.

Some providers have been forced to stop or reduce admissions altogether

Provider Spotlight

Sherry Albert, COO of Community Solutions Inc., knows that “this is not a dress rehearsal for our clients” – the wellbeing of the people she serves is on the line. Community Solutions, a community nonprofit specializing in reintegrating offenders into the community, is facing grim circumstances because of the workforce crisis.

Out of 280 Connecticut-based employees at Community Solutions, there are 52 openings. Of the people who apply for jobs, there is a 20% response rate and many people don’t show up even when an interview is scheduled. CSI's job listings have been up for more than a year – they’re paying extra to get the job postings moved to the top of job listing websites. But finding job seekers with appropriate experience and retaining even those who have worked for her for years is becoming a constant struggle.

Community Solutions has done everything they can to compete with retail and service industry employers. At great cost to the organization, they gave hazard pay when covid was peaking, retention bonuses, and referral bonuses to current employees with no help from the State, which has a budget surplus.

Still, Community Solutions is rapidly losing employees. Sherry talks of burnout, of employees required to cover extra shifts, and spending two months trying to fill positions for a program running with 50% of the needed staff. The state needs to acknowledge the great hardship of leaders like Sherry and how it directly affects her clients and the quality of services in Connecticut.

”

Sherry tells of a seasoned program director leaving to work at Planet Fitness, citing more money, better benefits, and less stress.

National Workforce Crisis

Connecticut's challenges mirror those of other states. In a national poll of behavioral health organizations, 78% say the demand for their services has increased during the pandemic but 97% say it is difficult to recruit employees, especially the highly qualified. These organizations say recruitment and retention is their greatest concern mostly because they are unable to provide a competitive salary.

Behavioral health organizations need state funding to pay the true cost of care and address increased demand for services. This has led to a growing regional movement to hold states accountable to what they have promised.

Behavioral health professionals say that good social support is the strongest indicator of secure mental health. In a pandemic year of isolation and loneliness, Americans faced a concurrent mental health epidemic. Nearly half (49%) of Americans between the ages of 18-29 exhibited

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97%

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3,520

At one behavioral health provider, 3,520 people are unable to access life-saving care as they have 120 full- and part-time positions vacant out of a workforce of 900. They might not even be able to

symptoms of anxiety or depression during the pandemic, particularly in marginalized groups, which has led to increased demand on behavioral health services in a sector already dealing with a scarcity of qualified professionals to provide services.

The National Alliance on Mental Illness of Connecticut says that calls to their mental health concern warmline have doubled from 2019. Even before the pandemic, the Health Resources and Services Administration (HRSA) predicted a 15% increase in demand for addiction counselors by 2030 and a 13% increase in demand for mental health counselors.

Like their colleagues in behavioral health, community nonprofits that support those with intellectual and developmental disabilities have found their workforce decimated. According to

Career coaches
are helping
clients with
disabilities land
jobs that pay
even more than
the career
coaches receive.

a study from the American Network of Community Options and Resources (ANCOR), 93% of respondents said that they are struggling with hiring because employers that were never competitors in the past are now taking away potential applicants. Almost 60% of these employers surveyed said they were discontinuing programs and services.

Consequently, more clients are being sent to hospitals and crisis care, a non-solution that violates principles of commonly accepted recovery models. More than three quarters of providers have closed their doors to new clients. Some providers say they are sometimes forced to hire staff who do not meet their usual high level of qualifications

Recommendations

- Continue to implement The Alliance's \$461 million funding increase request by providing at least an eight percent Cost of Living Adjustment for Fiscal Year 2023.
- Create a tuition reimbursement and loan forgiveness program for critical staff who choose to spend their careers employed by community nonprofits serving Connecticut's most vulnerable residents.
- Temporarily relax requirements or provide waivers for staff credentials, allowing qualified staff to begin practicing without waiting for administrative hurdles to be cleared.
- Reduce or eliminate tuition for community nonprofit staff at state institutions of higher education, providing a pathway for staff to enrich their lives and careers.

About The Alliance

The CT Community Nonprofit Alliance (The Alliance) is the statewide association of community nonprofits in Connecticut. Our mission is to advance excellence in community-based nonprofits through advocacy and capacity building.

If you have questions or need more information please contact Gian-Carl Casa, President and CEO at gcasa@ctnonprofitalliance.org or Ben Shaiken, Director of Government Relations at bshaiken@ctnonprofitalliance.org.