

Another Long Hot Summer of Nonprofit Burnout

09.27.24 | Linda J. Rosenthal, JD



“The nonprofit sector has been roasted on the outside”

That was the grim observation in late May 2023 of Tim Delaney, (then) CEO of the National Council of Nonprofits, “... likening the state of things to a hard pretzel rod on the verge of snapping in half. ‘That’s how fragile things are right now.’”

About a week earlier, the Center for Effective Philanthropy (CEP) had released *State of Nonprofits 2023: What Funders Need to Know* (May 2023, 24 pp. PDF). This Report was based on survey responses from a carefully selected group of nonprofit executives, who are part of CEP’s Nonprofit Voice Project. The second of three “Findings” read: “Issues related to staff—including burnout, filling staff positions, and retaining staff—are the top challenges facing nonprofit leaders.”

Over that summer, there was considerable reaction and response. See our reporting: *New Surveys: Alarm Bells for Nonprofit Sector* (June 26, 2023) *FPLG Blog*; *“Thank You, Funders.” But There’s More Work To Do* (July 25, 2023) *FPLG Blog*; and *Burnout: Nonprofits’ Five-Alarm Worry* (July 30, 2023) *FPLG Blog*.

A year later, in May 2024, CEP published a follow-up report titled *State of Nonprofits 2024: What Funders Need to Know* (28 pp. PDF). The new publication “... revisits the core questions from the “similar” 2023 survey “of a nationally representative panel of nonprofit leaders..., shedding light on nonprofit organizations’ staffing, finances, and relationships with funders....”

The three “Findings” for the 2024 Report are notable because “burnout” moves front and center this year. This time, it is in first place: “Burnout — for both nonprofit staff and leadership — remains a top concern for most nonprofit leaders, with half of nonprofit leaders feeling more concerned about their own burnout than this time last year.”

There has been substantial reaction and response over the summer month's to this year's Report. Our reporting began last week in [Burnout is Still The Story for Nonprofits in 2024](#) (September 16, 2024), *FPLG Blog*.

A Six-Alarm Fire?

What was a five-alarm blaze in 2023 has *not* been controlled or contained. Burnout is pervasive all through modern society but, for a number of reasons, it is epidemic in the charitable community. And many of the general assumptions about causes and solutions are not holding up well either. It's more complex than previously believed.

The common wisdom has been that, once the acute financial woes of the pandemic subsided, the level of burnout would also decrease. It has not. "...[B]urnout is top of the mind for nonprofit leaders in 2024, despite relative consistency in nonprofit organizations' finances and relationships with funders." See [This Year's State of Nonprofits Highlights Mounting Concern About Burnout](#) (May 29, 2024), *CEP Blog*. The authors, Christina Im & Seara Grundhoefer, both of CEP, published this post to accompany release of the full 2024 Report.

See also: [CEP's Latest Report on Nonprofits Reveals "A Wild World" of Burnout, Raising Questions for Funders](#) (June 17, 2024), Dawn Wolfe, *Inside Philanthropy* ["... the crisis-level burnout and staffing issues that first became apparent during the height of the COVID-19 pandemic are an ongoing problem"].

Perhaps the only good news right now – to counter the troubling information and warnings from multiple surveys and reports, analyses and commentary – is what appears to be a growing willingness in the charitable community to bring this important topic out of the shadowy corners of the sector's discussions and debates and into the sunlight. The goal: Move away from simplistic band aid or other partial or inadequate "fixes" and move toward probing the true nature, contours, causes, and manifestations of burnout specific to the nonprofit sector.

CEP Reports

The Center for Effective Philanthropy (CEP) "provides data, feedback, programs, and insights to help individual and institutional donors improve their effectiveness." While CEP's audience is primarily funders, the organization's vision is based on the belief that "... improved effectiveness of philanthropic funders can have a profoundly positive impact on nonprofit organizations and the people and communities they serve."

Bear in mind that the scope of the CEP surveys in both 2023 and 2024 has been broad: namely, respondents were asked about "nonprofit organizations' staffing, finances, and relationships with funders." Nevertheless, "burnout" has emerged as the dominant storyline. The survey participants were "... mostly direct service nonprofit leaders" who are dismayed that "... the crisis-level burnout and staffing issues that first became apparent during the height of the COVID-19 pandemic are an ongoing problem."

The three "Findings" for 2024 are:

- #1: Burnout — for both nonprofit staff and leadership — remains a top concern for most nonprofit leaders, with half of nonprofit leaders feeling more concerned about their own burnout than this time last year.
- #2: As in 2023, most nonprofits experienced either a balanced budget or a surplus in the most recently completed fiscal year, and the majority anticipate breaking even or having a surplus this fiscal year.
- #3: The majority of nonprofit leaders report that funders are maintaining or making new commitments to change their grantmaking practices, including reducing funding restrictions or streamlining processes.

In the Introduction (p.4) of the 2024 Report, the authors note: “Almost every leader surveyed in *State of Nonprofits 2023: What Funders Need To Know* indicated some degree of concern about burnout, and three-quarters reported some level of difficulty filling staff vacancies.” The 2024 findings show a higher – and deeper – level of worry.

According to the CEP staffers who authored the May 29, 2024 blog post: “...[N]onprofit leaders overwhelmingly express concern about burnout — both for themselves and their staff — a concern that was present in last year’s report, too.... Virtually all of [the] respondents indicate at least some level of concern about staff burnout, with a third reporting that staff burnout is ‘very much’ a concern. On top of this continued worry about staff burnout, nearly 90 percent of leaders note some level of concern about their own burnout....”

They add: “While burnout is a perennial issue in nonprofit organizations, our data indicate that nonprofit leaders’ alarm over the issue is *not abating but rising*. Half of those we surveyed are more concerned about their own burnout now than they were at this time last year. One leader told us, ‘I have been a nonprofit leader for 20 years and I’ve not experienced a reality like the one I am in currently. There are no trailblazers that have faced this path before us, to guide and advise, wisdom. It is a wild world right now.’” (emph. added).

The conversations nowadays among nonprofit executives – more often than before – are taking on some of the characteristics of the standard pre-flight warning from a flight attendant; that is, “put on your own oxygen mask first so you can help everyone else.” This marks a significant change from even a year ago; there is an emerging “permission” by top staff to focus not only on rank-and-file workers’ mental well-being, but also on their own needs.

Perplexing Data Conflicts

This “rising” alarm about burnout seems at odds with other data from the study [including 2024’s Finding #2] showing that the respondents’ “... finances remain relatively sound ... including a balanced budget or surplus in the last fiscal year. Likewise, most are also projecting that they will have a balanced budget or surplus in the current fiscal year. Just 15 percent of leaders both recorded a deficit in the last fiscal year and anticipate a deficit in the current year.”

In 2023, there was similar data. Last year’s Finding #3 was: “Despite a challenging economic context characterized by high inflation, most nonprofits experienced either a balanced budget or surplus in the most recently completed fiscal year, and the majority anticipate at least breaking even or having a surplus this fiscal year.”

It has long been commonly believed that burnout arises in full or in part from financial stress. *Inside Philanthropy's* Dawn Wolfe, in her [June 17, 2024, article](#), notes: "One of the report's authors, CEP Senior Research Analyst Christina Im, said that a lot of people have come to her team to ask why burnout remains so high despite the financial health of many of the organizations they work for. The question, she said, isn't 'how are these finances producing this burnout?' Instead, the real question is 'how are nonprofits potentially burning out in order to achieve these finances?'" She adds: "Burnout' isn't just about money. It's only mostly about money."

But it's not as simple as assigning causation percentages. Ms. Wolfe explains that institutional funders often insist that a nonprofit have a balanced budget sheet to be considered for a new or renewed grant. At the same time, "nearly a quarter of surveyed nonprofit leaders reported that they had lost more staff than typical during the year" due to inability to provide competitive pay or benefits or because of lost funding or due to "staff stress or burnout."

It is a "difficult juggling act" to "keep their books balanced at the expense of themselves and their workers." They don't "replace unfunded/reimbursed positions that become vacant" and they "continue to keep caseloads too high." The organization cuts staff which "address[es] budget issues but not burnout."

Dawn Wolfe continues: "Funders' tight-fistedness hasn't been the only cause of nonprofit worker burnout, particularly within the direct-service organizations that comprise the strong majority of respondents to CEP's latest survey. Many of these workers were hit doubly hard by COVID, with the disease impacting them directly and also the populations they serve. The level of shock to society as a whole has been broadly disruptive and also caused many to rethink their lives in a way that cannot be countered by simply earning a living wage, having health insurance, and getting two weeks vacation a year."

"Meanwhile, many nonprofits are unable to provide staff with even these basics...." This last point – about the cruel hypocrisy of funders who make grants to fight poverty, but who won't fund the grantees with enough general operational support to pay their own staff adequately – is bubbling up to the surface more and more frequently in the discussions about burnout.

Conclusion

There's much more from Dawn Wolfe as well as from other observers. See also, for instance, [Burnout Still Plagues Nonprofits, New Study Finds](#) (May 29, 2024), Ben Gose, *The Chronicle of Philanthropy* [the "results point to some troubling if not surprising conclusions about foundation inaction in the face of widespread nonprofit burnout and hiring issues"].

And there is important follow-up from Chloe Heskett, CEP's Senior Writer, Editor & Content Strategist. See [Burnout and Well-Being in Grantee Organizations: A CEP Blog Series](#) (August 15, 2024) "...[W]e invited leaders from nonprofits and foundations to respond to the findings..." Eight seasoned nonprofit veterans provide "responses reflections, and analysis of the data" focusing "largely on the related topics of burnout and well-being in grantee organizations..." Links are included.

Each of these articles is well worth reading, particularly since they reflect the type of out-of-the-box approach necessary to uncover and eventually address the many complex layers of the burnout problem.

We'll continue this conversation in the next post.

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