



**Projected  
Increase:  
Executives  
and Staff**

## Executive pay increases are up sharply

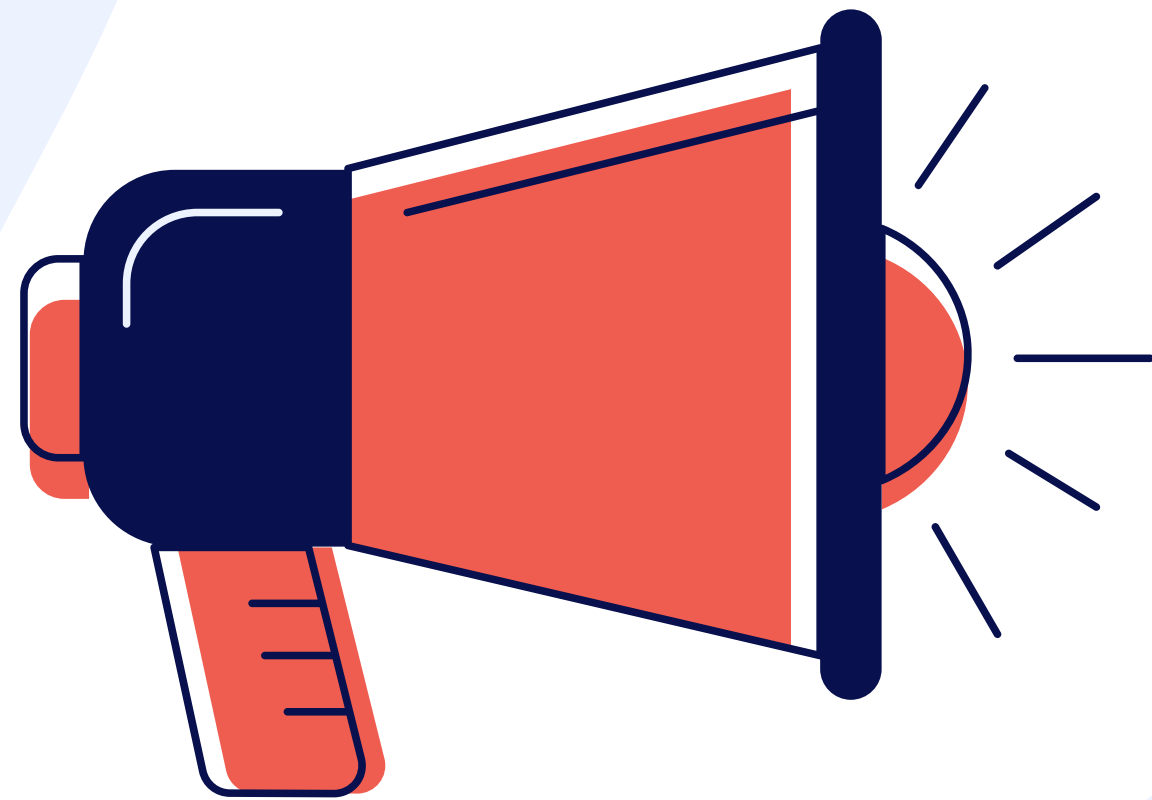
Based on the latest survey data: In 2021, **performance-based adjustments for senior-level VPs are averaging 4.3%**. These figures are slightly above the pre COVID-19, 2019 average of 4.2%

## Performance-based increases for staff are up

The average for a pay increase pre COVID-19 was **3.2% to 3.5%**. In 2020, those general increases dipped to between 2.6% and 3.0%.

## Labor costs will increase by 2.3%

Overall, according to Bureau of Labor Statistics, there will be a **sharp bump in expenses like pay and benefits**, from retraction and flat-level increases experienced in 2020 by nonprofit organizations whose employment levels were paralyzed by the disruption caused by COVID-19



**Gender Pay  
Differences  
Causes Leads  
to Weaken  
Market  
Benchmarking**

# Differences in pay by gender for senior-level executives in similar sectors and similar sized organizations persist:

Based on 2020 survey data reported by GuideStar, **female executive pay is below their male counterparts by 13% to 17%**. To prevent gender-based market flaws from filtering into their compensation programs, companies should **set their benchmark levels 10% to 15% above** prevailing market ranges.

## Gender pay gaps are more pronounced in Southern California than in Northern California

In California, according to data by Nonprofit Compensation Associates surveys, gender gaps from nonprofit organizations in **Northern California averaged around 12%**; while in Southern California, **pay gaps were found to be around 16%**



# Projected Medical Costs

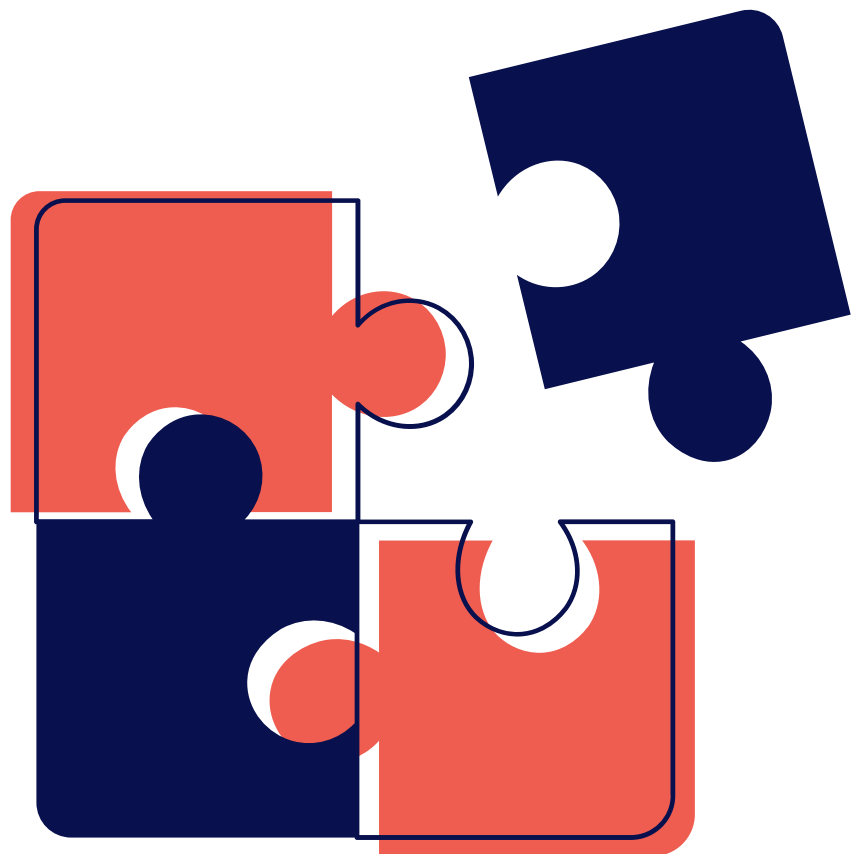
# **Medical premium increases will fall between 4.1% to 4.3% for 2022**

The projected increases are based on trend data as reported by Kaiser Family Foundation based on historical data. In all, over the last three years, medical premium **annual increases have averaged around 3.5%**

# **With premiums going up, employers will pass some of the cost to employees**

According to Nonprofit Compensation Associates 2021 surveys, two in five companies plan to pass some of these costs to their employees. In all, employee contributions towards their health plans will increase by 4% for those with individual coverage and 5% for family coverage

# Staffing Levels and Costs



# **Employers are highly likely to experience voluntary attrition rate spikes.**

Highly sought-after and talented disengaged employees who paused their job search last year are now actively looking to switch to organizations with better opportunities and pay. Over the next 12 months, voluntary attrition - a key measure of a company's culture - are likely to increase and reach double digits. For the last three years, companies were experiencing annual voluntary turnover at a rate of 6 per every 100 employees, **the voluntary attrition rate will likely jump to 10 per every 100 employees**

# **Only 1 in 10 nonprofits will hold back performance-based increase to all their employees**

Nonprofits are investing on employees. According to Nonprofit Compensation Associates 2021 survey, while 58% of nonprofits said that COVID-19 had a significant negative impacted on their operations in 2020, in 2021, their labor cost-reduction actions will be minimal: there will be a significant drop from 2020 where 1 in 5 organizations took some sort of staff reduction to reduce payroll costs.



# **90% of employers are signaling aggressive plans to maintain existing labor levels**

Based on forecasted actions by nonprofit agencies, the majority are locking key talent by providing salary adjustments equal or higher than pre COVID-19 levels