CMP

NONPROFIT LEADERSHIP PULSE CHECK 2026-2027

UNSHAKEABLE





Introduction

Our world is constantly changing. New problems arise, new disasters strike, and new policies reshape how our organizations do their work. In the nonprofit sector, these external circumstances are even more impactful on both the populations served and their workforce. Challenges shift, priorities change, and nonprofit organizations adapt.

To better understand how nonprofit organizations are managing, CMP conducts an annual C-Suite Nonprofit Pulse Check. Across organizations of all sizes, causes, and budgets, our Pulse Check helps us see where nonprofits are succeeding and where they might be struggling.

We hope other nonprofit leaders, organizations, and individuals find this data enlightening. While we draw our own conclusions based on the results, we invite you to take the findings, interpret them, and apply them.

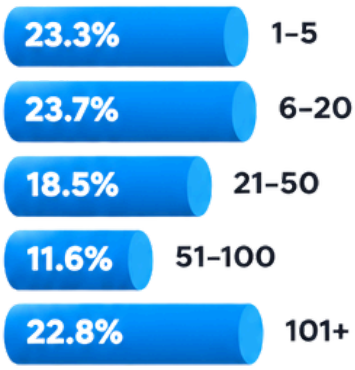
Respondent Profile

Most respondents (77.1%) worked in organizations with 100 or fewer employees (Q1). This number correlates with the majority of nonprofit respondents (62.7%) having a budget of $5 million or less (Q3). According to Candid, an organization that collects and publishes data on nonprofits, 59% of nonprofits in the United States have an annual budget of $50,000 or less, so these respondent profiles are unsurprising.

As for the nonprofit causes, the highest representation belongs to Children & Youth (40.1%), Economically Disadvantaged Populations (40.1%), and Education (34.9%) (Q2).

Q1

How many employees work in your organization?



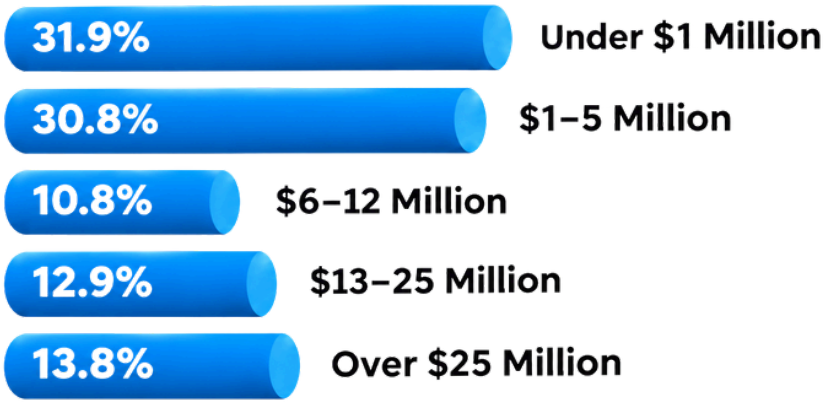
Q2

Which cause does your organization support?



Q3

What was your operating total budget in 2025?



Financial Health

Though overall growth slowed from last year's Pulse Check Survey results—with a slight increase in those experiencing moderate- to high-negative growth (Q4)—plans for future expansion remain optimistic. 68% of nonprofit organizations expect some form of growth, from 0–10% and beyond (Q5). These findings go hand-in-hand with the increased demand for services noted by 68.4% of respondents (Q9).

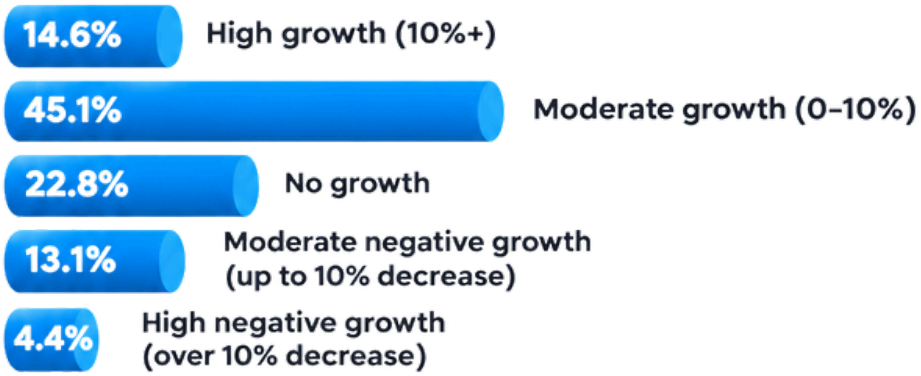
A slight majority of nonprofits (52.4%) can last more than 12 months at their current operating capacity if all funding ceased (Q6). However, that still leaves 29.6% of respondents with only 6–12 months of a safety net, and 18% with 5 months or less. These numbers highlight the continued need for nonprofits to build a financial safety net for their organization, especially given the increased demand for their services.

Methods to achieve greater sustainability vary, but by far the greatest share of respondents are taking a relationship-focused approach by strengthening donor engagement and recurring giving programs (65%) and expanding public partnerships and grant collaborations (43.2%) (Q7). A little over half are also aiming to diversify their revenue streams (52.9%). Inversely, over one-third of respondents (40.8%) are still exploring new funding approaches. Given the data we've collected and CMP's close partnerships in the sector, nonprofits need to implement diversification strategies to sustain their organizations quickly and meet demand for their services.

Despite this potential sustainability gap, most nonprofits (62.6%) are not considering any restructuring options (Q8). A portion of respondents are considering a strategic alliance or formal partnership (16.5%), while others are weighing the possibility of a spin-off or dissolution of a program or entity (11.7%). Only a slim percentage of organizations are considering a merger (8.7%). These results show that most nonprofits are reasonably healthy and sustainable, which aligns with the data on sustainability initiatives.

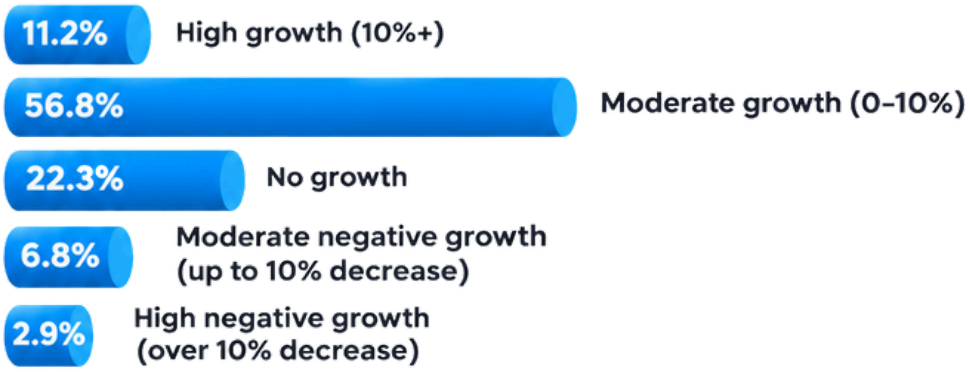
Q4

What was your level of annualized revenue/contribution growth in 2025?



Q5

What is your anticipated level of revenue/contribution growth in 2026?



Q6

Assuming no new fundraising, grants, or government funding, how long can your organization operate at current capacity?



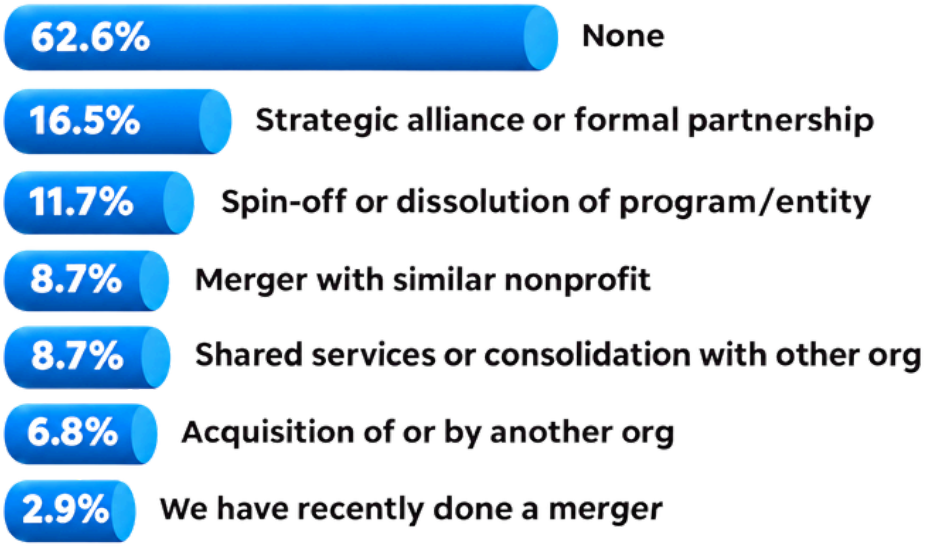
Q7

How is your organization adapting its financial strategies to ensure long-term sustainability?



Q8

Is your organization currently exploring or considering any of the following strategic restructuring options?



Impact

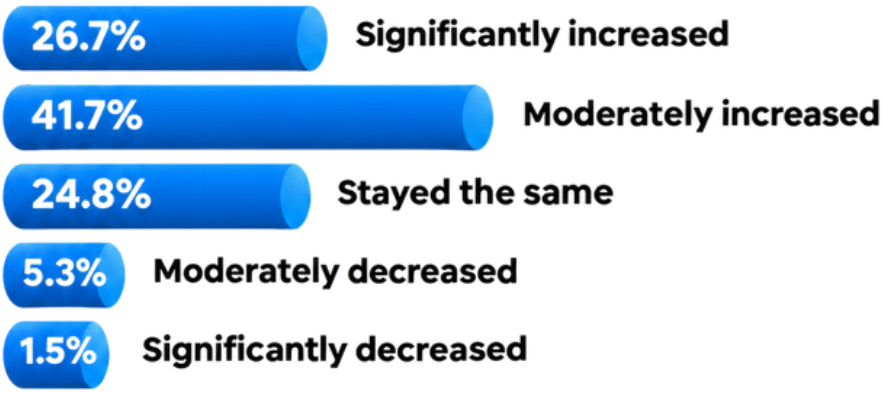
The current economic and political climate has affected all organizations, including nonprofits. Issues that may not have been relevant last year are coming to the forefront in 2026. For this year's survey, we touched on how federal policy has impacted the nonprofit space and how AI is being utilized in each organization.

Regarding federal policy, a slim majority (52.9%) have seen impacts on their organizations, such as changes to how they describe their programs (35%), reduced or loss of government funding (31.1%), and increased demand for services they can't meet (30.6%) (Q10). The rest have seen no direct impact so far (33.5%) or are uncertain if there has been any impact (13.6%). These responses suggest that federal policy is affecting certain sectors, but the overall impact remains to be seen.

AI usage has increased since last year—from 40.65% non-utilization to only 15.3% (Q11). AI has become part of nearly every nonprofit organization, most often in data management and analysis (40.8%). In 2026, 32.7% reported having or developing an AI framework, while 28.1% reported using AI without a formal AI policy or framework. Given how rapidly this technology has become ingrained in our workplace culture, this increase in utilization—and the delay in relevant policies—is understandable. Even so, nonprofit organizations would be wise to define the type and scope of AI use they want their employees to implement.

Q9

Compared to 12 months ago, how has demand for your services changed?



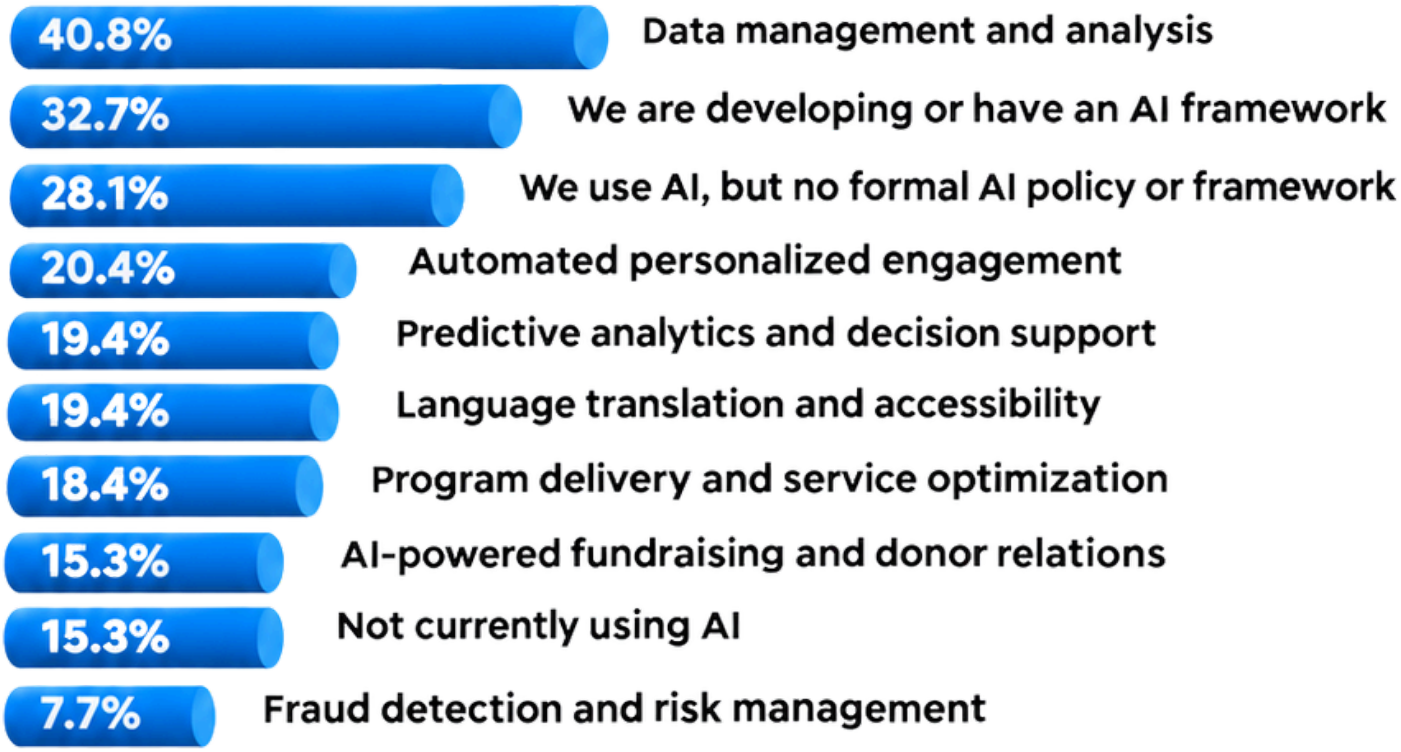
Q10

How has the current federal policy environment affected your organization?



Q11

In which areas is your organizations currently utilizing AI?



Talent

The people in an organization—the talent—are what make any nonprofit successful. As a talent development firm, CMP has a particular interest in how nonprofits use and develop their talent to best serve their needs.

In The Center for Effective Philanthropy's "State of Nonprofits 2024: What Funders Need to Know" report, 95% of leaders expressed concern about burnout. With this in mind, we asked our respondents whether burnout was affecting their ability to deliver services. A slight majority (55.9%) reported that burnout was affecting them, while only 26.7% said it was not (Q12). These are significant numbers. Half of respondents are feeling the impact of burnout, which deeply affects every aspect of a person's life. Implementing programs or policies to prevent or alleviate burnout could go a long way toward maintaining a nonprofit organization's sustainability.

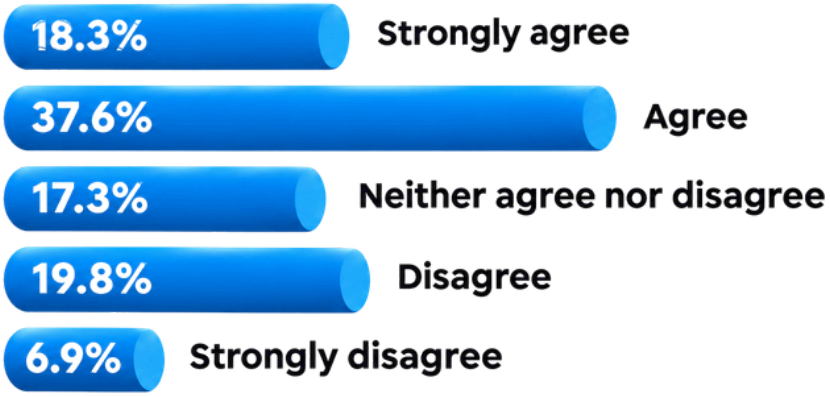
Moving to talent priorities: the focus has shifted from last year, with more attention on current employees—including retention (52%) and engagement and performance (52%)—and less on talent acquisition and leadership development (Q13). This correlates with the expected headcount change for each organization. More than half (58.9%) of respondents plan to keep headcount steady over the next year, underscoring the priority of focusing on the talent they currently have—and keeping it (Q14).

For organizations looking to expand their headcount (32.2%), priorities include strengthening internal interview skills and practices (38.6%), attracting and hiring diverse talent (39.6%), and improving hiring efficiency (34.2%) (Q15). Notably, there is a 14.75% decrease in the prioritization of assessment tools for hiring. This could reflect the broader emphasis on internal hiring procedures and policies among this year's respondents.

As for leadership competency development, people and team leadership emerged as the clear frontrunner, with almost half of respondents (44.9%) citing it as a top priority (Q16). This is an 18.5% increase from last year, reinforcing the overall emphasis on developing the talent and people the organization already has.

Q12

Burnout and staff morale are significantly impacting my organization's capacity to deliver services.



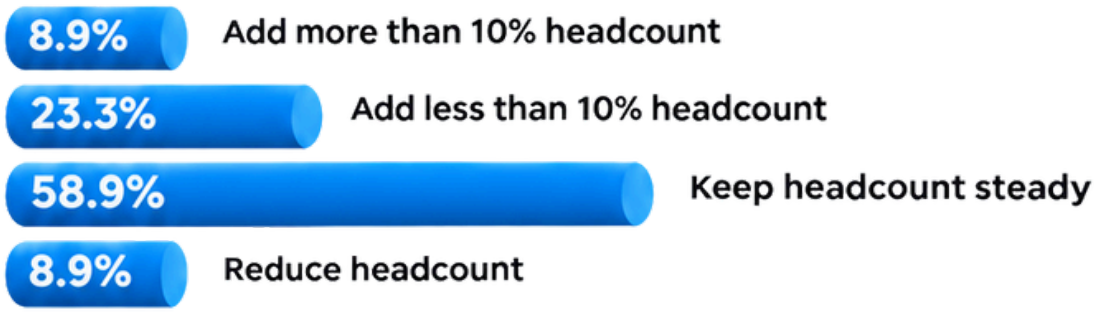
Q13

What are your talent priorities for 2026?



Q14

What is your planned full-time headcount change in 2026?



Q15

What are your organization's talent acquisition priorities?



Q16

What are the most critical competencies your leadership team need to develop in 2026?



Succession Plan

As with any organization, succession planning is often an overlooked aspect of strategic planning. Actively engaging your Board of Directors, implementing succession planning strategies, and thinking about your organization's future are all essential to maintaining the consistency of your vision and programs.

When asked about their Boards' engagement level, most (75.7%) were either highly or moderately engaged (Q17). However, a fifth of respondents (20.2%) reported an underdeveloped relationship with their Board. Building that relationship is important not only for succession planning but also for the nonprofit's overall support.

Although three-fourths of respondents have engaged Boards, the share with a successor plan dropped to 64.1%, and 35.9% have no internal successor ready within the next two years (Q18). Half of respondents (52%) had no current programs or plans for succession and retention (Q19). This number is higher than the national average. In a report done by the Association for Talent Development ("Succession Planning: Ensuring Continued Excellence"), only 35% of organizations had a formalized succession plan. Even so, if half of nonprofits lack a clear, defined succession plan, this could cause problems if unexpected circumstances arise.

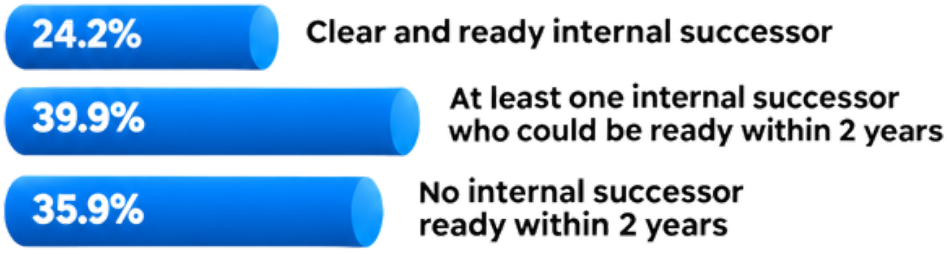
Q17

How would you describe the engagement level of your board of directors in the current environment?



Q18

What is the level of maturity of your top executive (CEO) succession?



Q19

How is your organizations addressing leadership succession and talent retention?



Conclusion

This year's Nonprofit Pulse Check Survey showed that nonprofits—despite their challenges—are doing well. Most are experiencing financial growth, which is good, given the increased demand for services. Those with a succession plan have increased from last year.

As for what to look out for, burnout and sustainability are key problems to continue addressing. Additionally, the effects of federal policy remain to be seen for some, but many are already experiencing the impact of the changes.

Overall, we feel optimistic about the future of nonprofits. CMP remains committed to helping nonprofit organizations remain sustainable and implement their missions.

About CMP

For 26 years, CMP has provided talent solutions across the talent lifecycle, from high impact talent acquisition and assessment support to innovative coaching, development, and outplacement services. CMP is minority- and woman-owned with a unique commitment to purpose driven organizations.

clientservice@careermp.com

800.680.7768

www.careermp.com