



COVID-19 JOBS UPDATE, SEPTEMBER 2021: Nonprofits shed jobs for the first time in 2021

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Online at: <http://ccss.jhu.edu/september-2021-jobs>

In our [continuing effort](#) to track the ongoing impact of the coronavirus pandemic on nonprofit employment, this report documents our estimates of COVID-induced nonprofit job losses through September 2021, as reflected in the [September BLS Employment Situation Report](#). For the first time this year, September's jobs report showed an overall decline in nonprofit jobs, led by a sizable loss of jobs in the education and health care sectors.

Part 1 of this report spotlights the changes in nonprofit employment in September 2021. **Part 2** then details the recovery of nonprofit jobs over the past several months and notes where that leaves nonprofit employment as of September compared to the pre-pandemic period. Against this backdrop, **Part 3** provides an updated estimate of the time it will take the nonprofit sector to return to pre-pandemic employment levels based on the recovery record from January through September 2021.

PART 1: CHANGE IN NONPROFIT JOBS IN SEPTEMBER 2021

As shown in **Figure 1**, September saw a small reversal in the recovery of nonprofit jobs, with employment in the sector as a whole declining by an estimated 2,500 workers compared to August's total—increasing the total lost jobs by 0.4% vs. the 557,000 jobs still lost as of August.¹

Of the major fields of nonprofit activity that we track, the educational field was the hardest hit in September, shedding over 13,400 estimated jobs, while religious, grantmaking, civic, professional, and similar organizations lost over 4,000 estimated jobs during the month. On the positive side, social assistance organizations added an estimated 12,000 jobs in September and nonprofit arts, entertainment, and recreational organizations continued a recent strong recovery trend, adding an estimated 6,700 jobs during the month.

Continuing a recent trend, nonprofit health care institutions lost an additional 7,600 jobs during the month. The decline in jobs in the nonprofit health care sector were concentrated in nursing and residential care facilities, which shed over 13,000 workers in September—losses which were only partially offset by gains in ambulatory health services. Overall, the nursing and residential care field is estimated to be down by over 146,000 jobs vs. pre-pandemic staffing levels—a loss representing 12.5% of its pre-pandemic workforce.

FIGURE 1 • Estimated changes in nonprofit jobs, September vs. August 2021, by field

	Nonprofit jobs lost as of August 2021 [^] vs. February 2020	Change in nonprofit jobs in September vs. August 2021 [^]	Percent change in nonprofit jobs in September vs. August 2021 [^]
Educational services	-124,854	-13,408	-10.7%
Health care	-220,735	-7,602	-3.4%
Religious, grantmaking, civic, professional, & similar	-35,592	-4,244	-11.9%
Social assistance	-75,279	12,249	16.3%
Arts, entertainment, & recreation	-59,178	6,673	11.3%
Other fields*	-7,742	2,611	33.7%
TOTAL, ALL FIELDS	-556,848	-2,499	-0.4%

[^] Reflects BLS adjustments for July and August 2021.

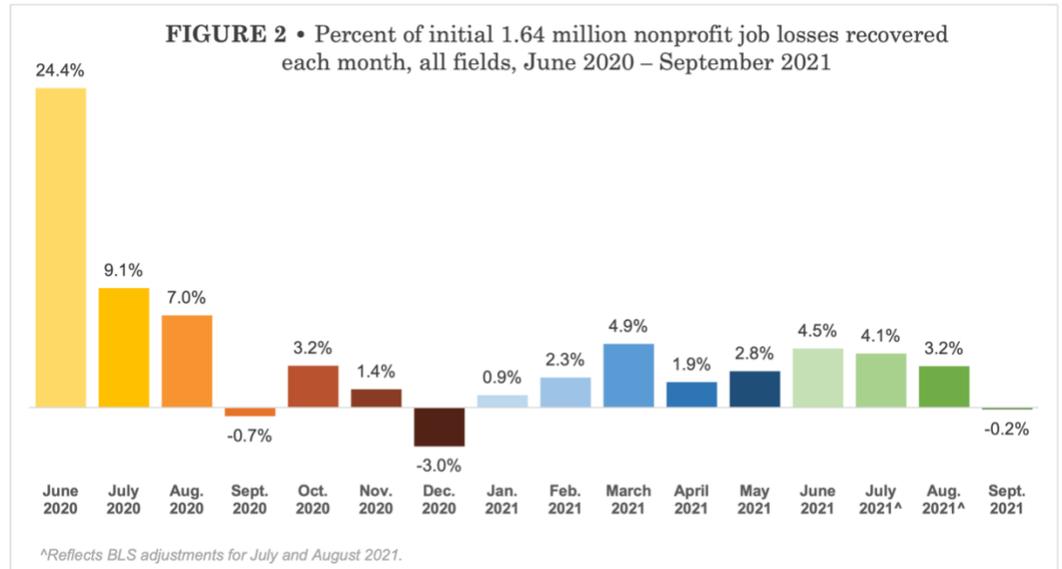
* Includes: Construction; Manufacturing; Wholesale trade; Retail trade; Professional and technical services; Transportation and warehousing; Information; Finance and insurance; and Accommodation and food services. Totals ~4.4% of total nonprofit employment.

¹ Our [August update](#) found that, as of August 2021, nonprofit job losses stood at an estimated 606,895. However, BLS routine revisions for July and August resulted in a new estimate for August, which we have incorporated in Figure 1. BLS monthly revisions result from additional reports received from businesses and government agencies since the last published estimates and from the recalculation of seasonal factors. For more information, see: [U.S. Bureau of Labor Statistics September Employment Situation Report \(10/8/2021\)](#).

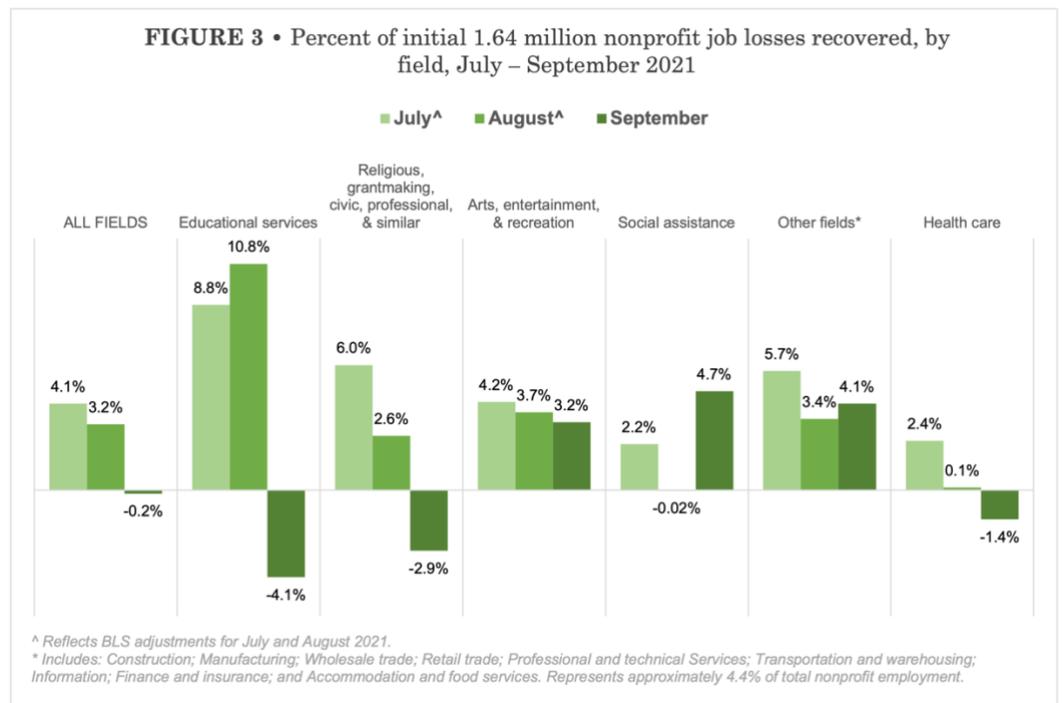
PART 2: TRACKING THE RECOVERY OF NONPROFIT JOBS

Prior to the onset of the COVID-19 pandemic, U.S. nonprofit institutions accounted for at least 12.5 million total jobs. As reported in our [2020 Nonprofit Employment Report](#), during the first three months of the pandemic (i.e., March, April, and May 2020), nonprofits lost a conservatively estimated 1.64 million of those jobs, reducing the nonprofit workforce by 13.2% as of May 2020. This section examines the progress made by nonprofits in recovering those lost jobs over the ensuing months.²

As shown in **Figure 2**, in June, July, and August, 2020, significant shares of the initial 1.64 million lost nonprofit jobs were recovered, regaining a combined 40.6% of these lost jobs. Beginning in September 2020, however, this recovery slowed significantly, with the months of September 2020-February 2021 seeing a combined recovery of just 4.2% of the initial lost jobs overall. A stronger recovery trend began in March 2021, with March through August seeing an overall recovery of 21.4% of the estimated 1.64 million jobs lost during the first three months of the pandemic. September, however, saw this recovery stall as nonprofit employment contracted by 0.2% during the month. Thus, over the full recovery period (i.e., June 2020-September 2021), nonprofits have recovered approximately 66% of the jobs lost as of May 2020.



As shown in **Figure 3**, September’s job losses in educational institutions, religious, grantmaking, civic, professional, and similar organizations, and health care institutions resulted in all three fields taking steps back in their overall recovery of 4.1%, 2.9%, and 1.4% respectively. Over the full recovery period from June 2020 through September 2021, educational institutions have thus recovered approximately 51% of the estimated 323,000 jobs lost as of May 2020; religious, grantmaking, civic, professional, and similar organizations have recovered 73% of the estimated 147,000 jobs initially lost; and health care institutions have recovered



² To estimate nonprofit job losses, we began with the latest available BLS data on nonprofit employment by field, which cover 2017, and calculated the nonprofit shares of total private employment by field as of this date. We then applied these shares to the monthly changes from pre-COVID (i.e., February 2020) levels in private employment by field as reported in the monthly BLS Employment Situation Reports to derive our estimates of monthly changes in nonprofit employment by field, such as those reflected in Figures 1 and 3 of this report. For more on these estimates, see: Salamon & Newhouse, “The 2020 Nonprofit Employment Report,” *Nonprofit Economic Data Bulletin no. 48*, (Baltimore: Johns Hopkins Center for Civil Society Studies, June 2020), available at: bit.ly/2020-NP-Empi-Rpt

60% of their 547,500 early job losses. In the other major fields of nonprofit activity, social assistance organizations saw the strongest recovery in September 2021 at 4.7% of their initial 259,000 job losses bringing the overall job recovery in this field to 71%; while arts, entertainment, and recreational institutions recovered a further 3.2% of their initial 206,000 job losses during September, for a total of 67.6% of the jobs initially estimated to have been lost in this field (click [here](#) to view field-level recovery data for all months).

As shown in **Figure 4**, the nonprofit workforce remained down by nearly 560,000 jobs—or 4.5%—in September vs. its estimated pre-pandemic level. These missing jobs include 15% of all workers in nonprofit arts and entertainment organizations; 7% of those in education; 4% of workers in nonprofit social service institutions; 5% of workers in religious, grantmaking, and civic associations, and in and 3.4% of workers in health care institutions.

FIGURE 4 • Estimated nonprofit job losses, September 2021 vs. February 2020, by field

	Estimated number of jobs as of February 2020*	Estimated nonprofit job losses, September 2021 [^] vs. February 2020	Percent of jobs lost, September 2021 [^] vs. February 2020
Arts, entertainment, & recreation	355,965	-52,506	-14.8%
Educational services	2,003,634	-138,261	-6.9%
Religious, grantmaking, civic, professional, & similar	818,562	-39,836	-4.9%
Social assistance	1,528,920	-63,030	-4.1%
Health care	6,777,730	-228,337	-3.4%
Other fields*	555,421	-5,131	-0.9%
TOTAL, ALL FIELDS	12,482,741	-559,347	-4.5%

* Based on 2017 BLS data, latest year available.

[^] Reflects BLS adjustments for July and August 2021.

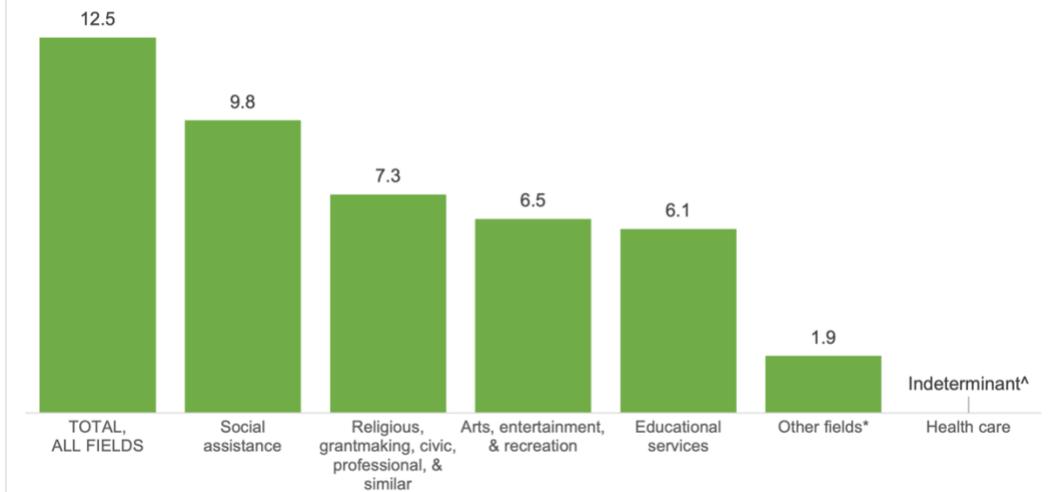
* Includes: Construction; Manufacturing; Wholesale trade; Retail trade; Professional and technical services; Transportation and warehousing; Information; Finance and insurance; and Accommodation and food services. Totals ~4.4% of total nonprofit employment.

PART 3: MONTHS TO RECOVERY AT RECENT RATES

Following the process developed for our [June 2021 report](#), we have updated our estimates of the likely time to full recovery of nonprofit employment back to pre-pandemic levels. To do so, we assumed that the average rate of nonprofit job recovery from January through September 2021 will prevail moving forward. With an estimated 559,347 nonprofit jobs still lost from February 2020 through the end of September, and an average of 44,624 nonprofit jobs recovered per month over this 2021 period, this suggests it would take the sector **12.5 months—or just over 1 year—to return to its pre-COVID level of employment**, as shown in **Figure 4**. This estimate represents an increase over our August prediction of 11.4 months, pushing the sector’s full recovery back to September or October 2022.

Also shown in Figure 4 are the projected times to full recovery of nonprofit employment in the various fields of nonprofit activity using the same approach. However, as reflected in the figure, we are unable to estimate a time-to-full-recovery for the health care field, which has seen an overall loss of approximately 4,700 total jobs since January 2021. As such, we have no reliable basis for estimating its future recovery.

FIGURE 5 • Projected months to full recovery of nonprofit jobs, by field, based on average job recovery rates from January through September 2021[^]



* Includes: Construction; Manufacturing; Wholesale Trade; Retail Trade; Professional and Technical Services; Transportation and Warehousing; Information; Finance and Insurance; and Accommodation and food services. Represents approximately 4.4% of total nonprofit employment.

[^] Due to an overall negative recovery over the estimation period, we cannot determine time-to-recovery for the health care field. See text for more detail.

CONCLUSION

While September’s stalling of the consistent, if slow, recovery seen over the course of 2021 is discouraging—especially the sizable losses recorded in educational institutions—it is important to note that disruptions to normal hiring patterns make this field difficult to track in real-time. As noted in the BLS report: “*Recent employment changes [in education] are challenging to interpret, as pandemic-related staffing fluctuations...have distorted the normal seasonal hiring and layoff patterns.*” Coupled with [positive developments](#) in pandemic caseload and hospitalization metrics, it is thus too early to say whether September portends a long-term trend, or whether future revisions and seasonal hiring will see the sector’s recovery accelerate as we head into the fall and winter months.

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Nonprofit organizations are facing increased pressures in states and localities throughout the United States, but the nonprofit sector’s ability to respond to these pressures has been limited by a lack of timely information about how prevailing economic realities are affecting the sector. The Johns Hopkins Nonprofit Economic Data Project (NED) is helping to tackle this problem by charting economic trends in the nonprofit sector including how employment, wages, and finances have changed over time and in relation to other industries. Moreover, the project is able to analyze these data at the national, regional, state, and local levels, and to focus on particular subsectors—such as nursing homes, hospitals, home health centers, education, social services, and the arts. A collaboration between the Johns Hopkins Center for Civil Society Studies, state employment security agencies, the U.S. Bureau of Labor Statistics, and state nonprofit associations, the NED Project has thus far produced almost 50 state, county, and regional [Nonprofit Economic Data Bulletins](#) since its founding in 2001, yielding a vital resource for understanding the nonprofit sector.

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