

# 2007 TROPMAN REPORTS

*Applied Research about the Pittsburgh Region's Nonprofit Sector*

## do they see what i see...now? *Public Opinion and the Human Services Sector*

Campos Inc



THE FORBES FUNDS

Envisioning Pittsburgh's nonprofit sector as innovative, informed, and engaged, THE FORBES FUNDS advances capacity-building within and among the region's nonprofit organizations.

### The Copeland Fund for Nonprofit Management

*To strengthen the management and policymaking capacity of nonprofit human service organizations to serve better the needs of their communities.*

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APPLIED RESEARCH PROJECTS  
ANNUAL RESEARCH CONFERENCE

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*To encourage pioneering nonprofit leadership by promoting public learning and discussion about issues critical to ethical and effective management, as well as by celebrating exemplary practices.*

LEADERSHIP FORUMS  
FRIEDA SHAPIRA MEDAL  
ALFRED W. WISHART, JR. AWARD FOR EXCELLENCE IN NONPROFIT MANAGEMENT

### Background

In 2004, The Forbes Funds commissioned Campos Inc to conduct a study modeled after a 2003 national study by the Pew Partnership for Civic Change. The Pew Partnership's study identified substantial discrepancies between the public at-large and nonprofit practitioners in assessing the severity of community problems. The Forbes Funds' 2004 study, entitled, "Do They See What I See," sought to determine if similar discrepancies existed between the public and the nonprofit human service providers in Allegheny County. The Campos Allegheny County study revealed that despite the Pittsburgh region's strong civic culture, public-private partnerships, and four graduate programs in nonprofit management, the 2004 results were surprisingly similar to the national study.

The existence of discrepancies between the public's and nonprofit leaders' perceptions can create several challenges. If the public is not aware of a community problem, they will not likely support organizations that exist to address the problem. If nonprofit organizations do not understand public perception, they cannot make the most effective policy and management decisions and cannot cost-effectively reach potential volunteers and contributors.

In 2007, The Forbes Funds once again commissioned Campos Inc to conduct another study to see if nonprofit or public perceptions had shifted or if any new observations could be made. To track changes in perceptions over time, many of the survey questions remained the same, though some new questions were added to address relevant issues in 2007. For this study, national comparisons were not conducted.

### Research Purpose & Questions

The purpose of this study was *to identify gaps in perceptions or practice between nonprofit executives and the general public that constitute opportunities to enhance the fundraising, marketing, advocacy, and management capacity of nonprofit human service organizations.*

The study sought to compare results with the 2004 benchmark study and to answer multiple questions related to potential gaps in perceptions or practice such as:

- What is the public perception in Allegheny County of local problems, including hunger, affordable housing, illiteracy, neighborhood safety, and quality public education?
- What kinds of support do human service organizations need from the community, government, and business sector?
- What are the existing attitudes among the public about the need for community support for nonprofit human services practitioners?
- How do the perceptions of the public compare to the perceptions of human services practitioners?
- What would the public need to know to become more supportive of nonprofit human services practitioners?

**Methodology**

For the resident survey, Campos Inc conducted 302 phone interviews among Allegheny County residents using Campos Inc’s Voice of the Region Panel. Data collection was closely monitored to ensure the sample was representative of Allegheny County. Resident interviews were conducted between July 30, 2007, and August 15, 2007, during weekday evenings and weekend mornings and afternoons.

For the executive survey, 112 nonprofit executives completed the online survey. The Forbes Funds provided Campos Inc with a list of 447 nonprofit executives who were then sent invitations and reminders via e-mail, and given two weeks to participate.

**Note on Subset Analysis**

A number of demographic factors seem to somewhat affect respondents’ perceptions and practices.<sup>1</sup> For the purpose of this study, however, the only areas significantly affected by demographic characteristics were volunteerism (among residents) and government advocacy (among nonprofit executives). These results have been included in the following comparative summaries.

**Comparative Summary – Nonprofit Executives and Allegheny County Residents, 2004 – 2007**

**Severity of Community Issues**

Like the 2004 study, both residents and executives were asked to rate the severity of five community problems – both in the Pittsburgh region and in their neighborhood. (See Figure 1.) The underlying concern was that unless the two groups are reasonably close in their perceptions, nonprofits may not find adequate community support to fulfill their missions.

Similar to 2004, residents and nonprofit executives in 2007 did not rank the severity of the issues in the same order. With the exception of crime/neighborhood safety, residents are still much less likely than nonprofit executives to perceive issues in the Pittsburgh region as very/fairly serious.

**Figure 1.** Percentage of residents and executives who perceive community problems as very or fairly serious.

	Executives		Residents			
	Pittsburgh Region		Pittsburgh Region		Your Neighborhood	
	Very/Fairly Serious	Rank	Very/Fairly Serious	Rank	Very/Fairly Serious	Rank
Quality of education	95.4%	1	63.6%	3	32.4%	2
Crime/Neighborhood Safety	87.4%	2	86.2%	1	33.3%	1
Illiteracy	84.6%	3	56.8%	4	14.7%	5
Affordable housing	82.4%	4	52.6%	5	25.4%	3
Hunger	81.7%	5	65.0%	2	15.2%	4

<sup>1</sup> For residents, these factors included: gender, age, residency, education, income, and ethnicity. For nonprofit executives, these factors included: years on the job, number of employees in organization, and organization’s budget size.

The 2007 study also contrasted residents' perspectives of problems in the Pittsburgh region with the problems in their own community. Although crime remains the number one concern, residents perceive all problems to be much less severe in their own neighborhoods, and in fact are the least likely to feel that hunger and illiteracy are serious problems.

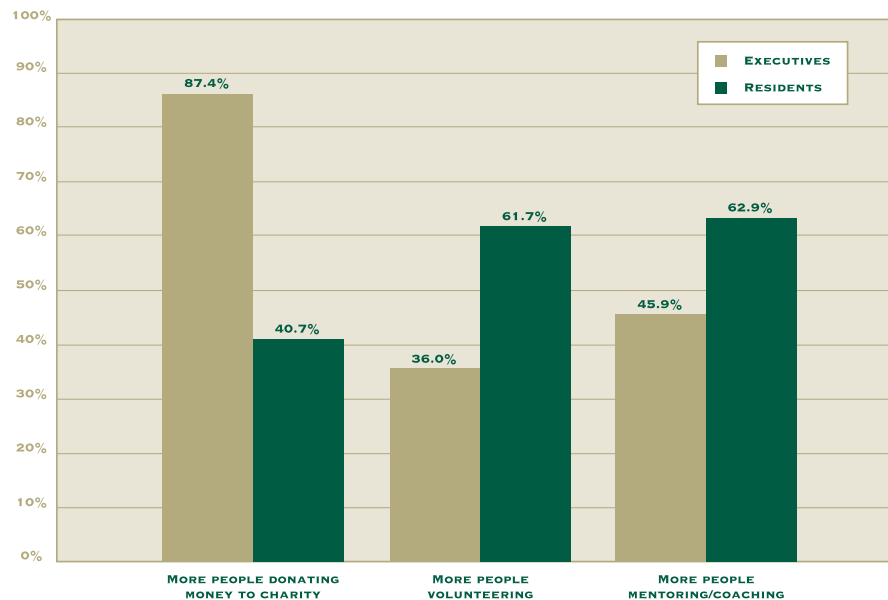
### Challenges Faced by Nonprofits: Funding, Volunteering & Business Involvement

In addition to community problems, executives were asked to identify the single biggest problem they faced in accomplishing their mission. Just as in 2004, lack of funding/resources was ranked first. The next biggest problem facing executives in 2007 was a lack of visibility within the community.

Additionally, as stated earlier, executives said that the involvement of business leaders is just as important as more people donating money to charity, thus implying that business leaders can also provide goods or services that volunteers cannot provide.

In fact, the demand for business involvement seems to be growing since 2004. Nonprofits seem increasingly aware that local businesses can be invaluable partners in addressing community issues, and providing volunteers who possess specialized skills. When asked what business leaders could do to help, just as in 2004, nonprofit executives still believe that the most important action would be to provide funds, grants, or financial support. However, the percentage that said so decreased since 2004, while the importance that executives

Figure 2. Percentage of residents and executives who feel actions would help a great deal.



When asked to choose from a list of actions that would do the most to solve their organization's primary concern, over 85% of executives said that business leaders working more closely with organizations like theirs and more people donating money were both actions that would help a great deal. However, once again, Allegheny County residents rated donating money to charities last among the various options for how people could help to improve the quality of life in the Pittsburgh region. Instead, residents were more likely to think that volunteering or mentoring would have the greatest impact. (See Figure 2.)

The mistaken assumption that nonprofits need more volunteers far more urgently than they need additional contributions continues to persist among residents. While nonprofits would be pleased to have more volunteers, their most urgent need is for additional funding to cover the costs of goods and services that volunteers cannot provide.

placed on business leaders' committed/active involvement increased. Additionally, nonprofit executives said that the second most important volunteer source (after word-of-mouth) is professional/business associations or people volunteering through their place of business. Despite the increased desire for business leaders to be committed and actively involved, the proportion of executives (about half or 51.8%) who are meeting regularly with members of the local business community has not increased.

It seems that lack of management capacity may be preventing nonprofit executives from spending enough time on important issues, such as meeting more with members of the local business community. Indeed, most (86.6%) of nonprofit executives who participated in the survey find themselves frequently managing day-to-day operations, leaving them with little time to engage in those activities that would further the mission of their organization.

### **Challenges Faced by Nonprofits: Government Advocacy**

Four out of 10 nonprofit executives feel they should be spending more time on government advocacy. A closer examination of demographic factors revealed that executives with 10 or more years in their current position or who head larger organizations (with budgets of over \$3 million or 50 or more employees) are more likely than other executives to spend time on government interaction, and feel that they should spend even more time on this activity. As a further example, larger organizations spend more time visiting Harrisburg and participating in government commissions. They see the lack of government understanding/cooperation as more of an issue than do smaller organizations, and are more likely to feel that government officials working more closely with organizations like theirs would help a great deal. Executives with 10 or more years in their current position are also more likely to spend more time meeting with elected officials, and those with four or more years in their current position are more likely to send newsletters to government officials.

On the other hand, nonprofit executives with less than four years in their current position, as well as those heading smaller organizations, are more likely to find themselves frequently managing day-to-day operations. In keeping with the previous comparison, lack of management capacity may also be limiting nonprofit executives' ability to make government advocacy a priority.

### **Challenges Faced by Nonprofits: Marketing and Communications**

Just as in 2004, residents and executives agreed that word-of-mouth was one of the most effective methods of learning about volunteer opportunities. Additional important methods mentioned by about one in ten residents, included the local newspaper, church, television, the internet and email/blogs. In contrast, nonprofit executives listed several types of business-related contacts as the most important additional methods for recruiting volunteers.

When comparing these findings at a more detailed level, it becomes clear that nonprofits are not utilizing several important methods for recruiting volunteers. For instance, the importance of church as a source for volunteers was reinforced by the fact that actual volunteers (those residents who indicated they had volunteered during the past year) were just as likely to have found out about their volunteer opportunity through church as through word-of-mouth. When specifically asked about churches, however, less than one-third of nonprofit executives thought churches were a crucial source of volunteers. Additionally, less than half of nonprofits perceive online methods (e.g. internet, email, and blogs) to be very useful for volunteer recruitment, despite the

fact that they are low-cost or free and were listed by one in eight people under the age of 55 as the best way to find out about volunteer opportunities.

In addition, nonprofit executives could recruit more volunteers by raising general awareness about their organization. Many residents – especially those from the suburbs – said that they did not volunteer because they lacked awareness of what the community issues are, which organizations need help, or how their skills might be valuable. Indeed, about one in ten residents said that they called nonprofits directly to find volunteer opportunities. Only 6% of nonprofits, however, currently send a newsletter to the general public, membership or subscription lists outlining their organization's work.

It seems that limited capacity may inhibit some nonprofits from implementing their knowledge of communication best practices. For example, more than 80% of nonprofit executives agreed that word-of-mouth was a method they used to inform people in the community about their organization's needs, and over 90% believe that it would help a great deal if business leaders worked more closely with their organization. However, only about 50% meet regularly with members of the local business community and/or local government officials.

### **Challenges Faced by Nonprofits: Perception of Effectiveness, Stewardship & Impact**

The results of this survey, like the 2004 survey, continue to show that the public supports the work of local nonprofits and believes that community involvement and volunteerism are good and beneficial. However, the results also show that the public is more hesitant to support the financial management, efficiency, or resource usage of local nonprofits, and is not convinced that financial donations will be beneficial in solving community issues.

Most residents (85%) said they were confident in or felt positive towards nonprofits, and almost all executives had predicted, although slightly overestimated, both a confident and positive response. Additionally, more than half of residents reported volunteering for some type of charitable organization in the past year. Nearly all residents said that the organization they had chosen to volunteer for made good use of their skills and that their volunteering made a difference. Most who didn't volunteer in the past year said that lack of time was a major reason for not doing so (an especially important reason for people under age 55). Others listed lack of awareness (especially an issue for suburban residents), or lack of transportation (especially an issue for older residents); hardly anyone listed negative perceptions about nonprofits as a reason for not volunteering.

Residents generally believe that nonprofits are good stewards in using their volunteer skills, delivering programs and services, helping people, getting things done and achieving their mission. Just as in 2004, however, residents are far less likely to feel that nonprofits do a good job making efficient use of resources or spending money wisely. (See Figure 3.) Additionally, when residents were asked to share their greatest concerns about charitable organizations, almost all responses had to do with effective financial management and accountability concerns.

**Figure 3.** Publics' ratings of nonprofit organizations' performance.

Nonprofits do a Very Good Job or a Somewhat Good Job

	2007 Executives' Perceptions	2007 Residents' Ratings	2004 Executives' Perceptions	2004 Residents' Ratings
Delivering programs and services	100.0%	83.1%	94.3%	84.9%
Helping people	99.1%	89.4%	100.0%	88.7%
Getting things done and achieving their missions*	87.0%	82.8%	N/A	N/A
Spending money wisely	72.9%	63.1%	79.2%	63.3%
Making efficient use of resources*	68.8%	65.4%	N/A	N/A

\* Note that these questions were not asked in 2004

Residents also have a misperception about whether or not they can make a difference on issues facing our community. Overall, most residents responded that volunteering would do the most to help the issue, and very few felt that financial donations would make a difference. Nonprofits, on the other hand, said that financial donations could make a very large impact on the issues facing our community.

As mentioned in the 2004 study report, fundraising and volunteer recruiting are most often disconnected from one another, and could result in misperceptions about needs, stewardship, and potential impact. Additionally, residents seem to perceive a connection between volunteering and organizational impact, but do not necessarily see a connection between financial donations or financial management and organizational impact. Overall, it seems residents do not perceive that the stewardship, goals, and impact of financial and skill-based donations are interdependent.

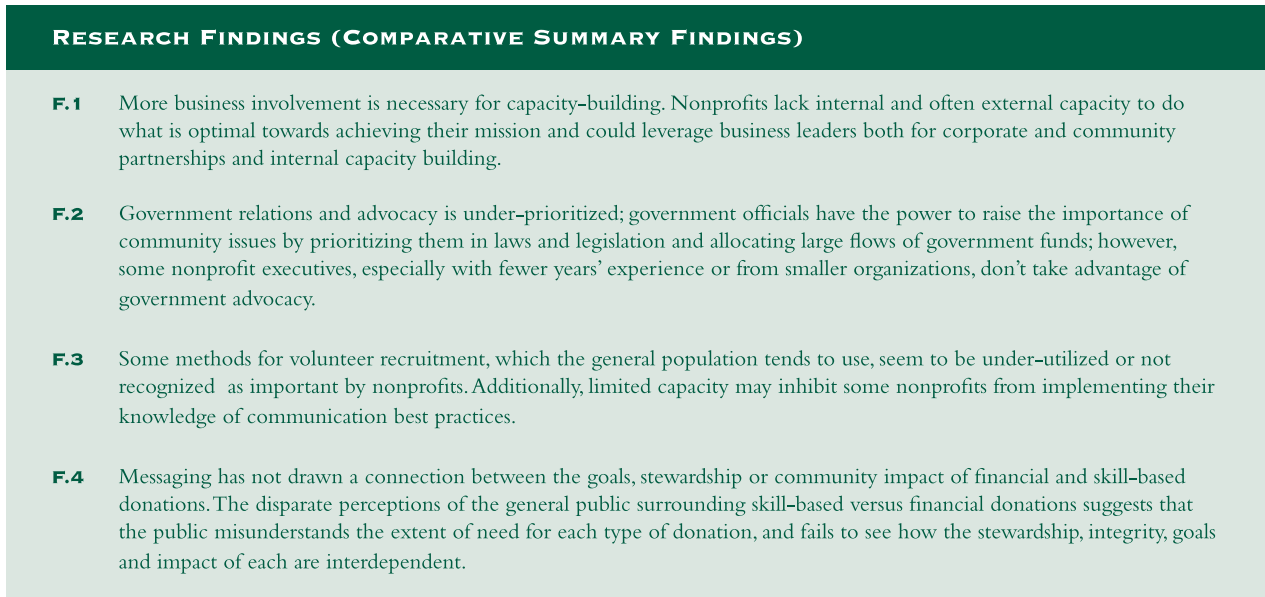
**Findings**

As the previous comparative summaries discussed, there are many gaps in perceptions and practices between nonprofit executives and the public. Overall, networking, communications, and capacity were prevailing themes throughout the comparative summaries. Nonprofits, for example, can do more to close perception gaps by networking and building lasting relationships within the private sector and government. They can work to close perception gaps by raising community awareness about the issues they address and by becoming more effective in the way they recruit volunteers. Nonprofits can also do more to close perception gaps about financial accountability in the nonprofit sector by communicating their commitment to transparency in everything that they do.

The study also showed that while nonprofits have before them a tremendous opportunity to close perception gaps, many lack the capacity to execute those changes. Indeed, as this report demonstrates, far too many capable nonprofits are bogged down by the day-to-day requirements of managing their organizations.

The complete summary of the report findings is shown in Figure 4 below.

**Figure 4.** Networking, communications, and capacity were prevailing themes throughout the findings.



**Recommendations**

When developing the report recommendations, it became clear that in order for them to be useful, they must take into consideration nonprofits' capacity to implement. Indeed, Allegheny County's nonprofit sector as a whole is comprised mostly of smaller nonprofits which, as discussed in the comparisons and findings, often lack the management capacity to take action beyond day-to-day responsibilities. Subsequently, the report recommendations are broken into both short-term recommendations, which do not require substantial resources or capacity, and long-term recommendations, which may require somewhat greater capacity or access to resources.

While the short-term recommendations are intended for all nonprofits, it is believed that they will allow even the smallest nonprofits to contribute to, and make a difference in, closing perception gaps. Many organizations have yet to see how carrying out such recommendations will benefit their organization. Smaller nonprofits in particular tend to focus on immediate benefits of networking or improving volunteer outreach, such as obtaining funding from government and donors, as opposed to long-term benefits that result from building such relationships. By implementing these short-term recommendations, it is expected that nonprofits will achieve some short-term success, thus building momentum to begin implementing the more time and resource intensive long-term recommendations.

Figure 5 below outlines the short-term recommendations and incentives for nonprofits to implement. Since nonprofits can do the most to close perception gaps, all the recommendations presented in this report are intended for this audience.

**Figure 5.** These short-term recommendations were designed to allow even the smallest nonprofit to participate in closing perception gaps.

RECOMMENDATIONS FOR NONPROFITS		INCENTIVES
<b>R1.1</b>	Join advocacy organizations and associations that address issues relevant to your organization. <b>F.1 F.4</b>	Most nonprofit executives do not have the time to visit Harrisburg to meet with government officials. Joining an advocacy association is one way to impact the policy process without making a significant time contribution.
<b>R1.2</b>	Send your organizational newsletter to government officials and business leaders. <b>F.1 F.2 F.3</b>	Newsletters, emails, blogs and other communications allow nonprofit executives to reach these stakeholder groups and build broader community support for their mission.
<b>R1.3</b>	Design communications to educate the community and business and government leaders about issues as well and the direct impact specific actions and specific skills can make in addressing those issues. <b>F.1 F.2 F.4</b>	People are more likely to volunteer if they know about issues impacting the community and how their involvement and donations will affect those issues.
<b>R1.4</b>	Make volunteer and donation information easily accessible on your website, via email, and through local blogs. <b>F.1 F.2 F.3</b>	Listing such opportunities online is low-cost or free and will allow nonprofits to reach more tech savvy volunteers, donors, and professionals.
<b>R1.5</b>	Recruit volunteers through churches. <b>F.1 F.3</b>	Many people find out about volunteer opportunities through church. For nonprofit executives, recruiting volunteers through churches is low-cost, time efficient and effective.
<b>R1.6</b>	Invest in business, skills, or government advocacy training for volunteers who are willing to make a long-term commitment. <b>F.1 F.2 F.4</b>	When there's not enough money to hire, training committed volunteers could provide a low-cost method for increasing an organization's internal capacity.
<b>R1.7</b>	Make your organizations' financials available on your website, in annual reports, and through national databases like Guidestar. <b>F.3 F.4</b>	At a time when the public demands accountability, using your website to model transparency and communicate to donors, funders, and the public that your organization is trustworthy will build community support for your organization.

**F.#** = related research findings

The long-term recommendations presented in Figure 6 focus more on those activities that require building relationships with business and government, improving volunteer recruitment practices and refining nonprofits' communication strategies. The recommendations also include two recommendations first presented in the 2004 study that are still relevant today. While these long-term recommendations require a greater commitment on the part of the nonprofits to implement, they are likely to have the greatest impact in closing perception gaps and building support for the nonprofit sector.

**Figure 6.** These long-term recommendations require a greater investment on the part of nonprofits, but will likely result in the greatest impact.

RECOMMENDATIONS FOR NONPROFITS		INCENTIVES
<b>R2.1</b>	Network, build relationships, and explore solutions with government officials and local business leaders. <b>F.1 F.2 F.3</b>	Relationships with local leaders can start word-of-mouth campaigns in powerful circles, influence legislation, catalyze collaborations and corporate champions, and attract professional volunteers.
<b>R2.2</b>	Approach corporations and business people with well-defined projects and operations that volunteers with professional skills can undertake. <b>F.1 F.3</b>	Many corporations have or would like to set up volunteer or pro-bono programs, and a lack of awareness may be all that is preventing some professionals from volunteering.
<b>R2.3</b>	Outsource your volunteer management, use a volunteer matching or retired executive program, or collaborate with another nonprofit to manage your volunteer program. <b>F.1</b>	Organizations specializing in volunteer management can save staff time and money and often have greater visibility and capacity to locate volunteers with specific skill sets, and overcome obstacles to volunteering.
<b>R2.4</b>	Unify messaging around skill-based and financial donations to show cumulative impact, common objectives, and shared ethical practices in addressing community issues. <b>F.4</b>	Communicating how nonprofits' ability to achieve their mission and be good stewards of skill-based donations is dependent on good financial management, might help the public trust nonprofits' use of financial donations as much as they trust their use of skill-based donations.
<b>R2.5</b>	Make sure messaging, especially around donations, is simple, clear and consistent across the organization (among both staff and volunteers) and communication mediums. <b>F.3 F.4</b>	The public is already concerned about how nonprofit organizations handle finances, and unclear or inconsistent messaging can result in confusion.
<b>R2.6</b>	Join a government commission that is researching or making policy recommendations on an issue relevant to the mission of your organization. <b>F.1</b>	Commissions and working groups examine policy and legislation that impacts nonprofits and their missions, and provide opportunities to give testimony and to network with government officials.
<b>R2.7</b>	As recommended in 2004, continue to grow internet-based fundraising campaigns. <b>F.3 F.4</b>	Internet fundraising allows multiple donors to contribute small amounts of money to specific projects on a frequent basis and for the direct impact of funds to be made clear and transparent online.
<b>R2.8</b>	As recommended in 2004, establish a volunteer challenge campaign involving volunteers in fundraising and recognizing their efforts to increase skill-based and financial donations. <b>F.3 F.4</b>	Since volunteers are involved in the most effective method of spreading information - word of mouth, they can help to span the perception gap between skill-based and financial donations.

**F#.#** = related research findings