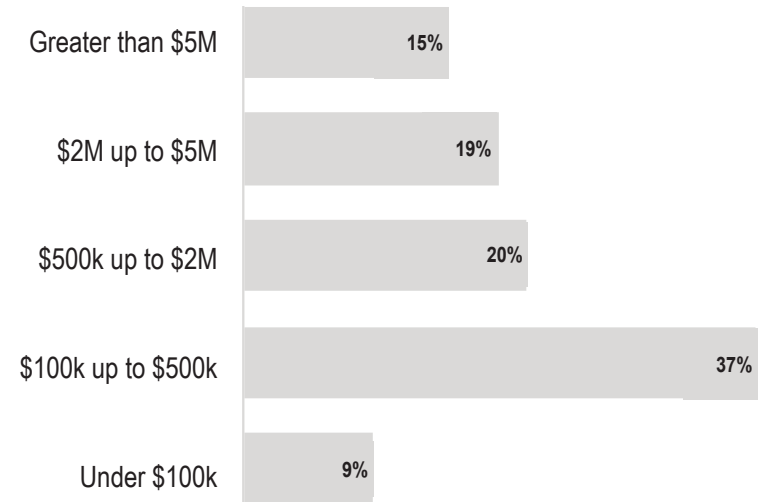# Nonprofit Community Assessment

Organization Overview

The following is a summary of the Lakeshore Nonprofit Alliance's **"Nonprofit Community Assessment,"** which was a first-of-its-kind data collection project to help measure the overall health of the local nonprofit community.

A total of 64 nonprofits completed the assessment. The results (to be collected every three years) will track several important outcomes for Ottawa County-area nonprofits including demographic data, retention and talent level of staff, board practices, compensation data, the degree to which organizations are following best financial and operational practices, and the overall strategic nature of nonprofits. The results of this assessment will help inform where strategic focus is needed to improve the overall effectiveness of local nonprofits.
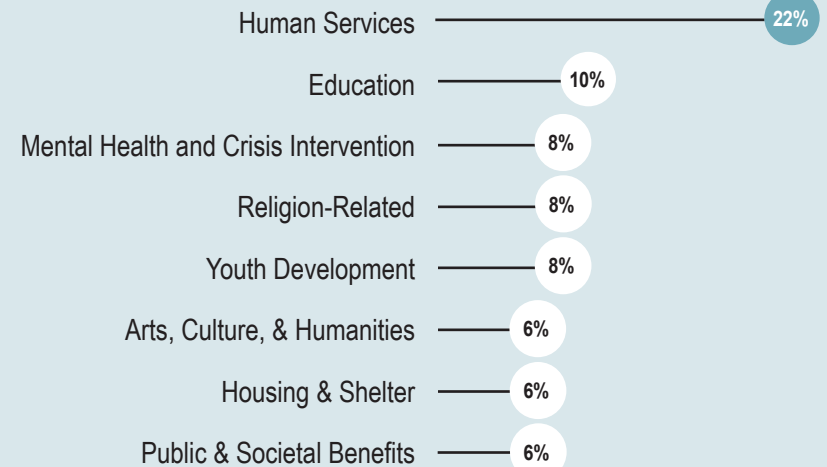
▶ **58%** of organizations were founded in the **1990s or later; 33 years** is the average number of years in operation
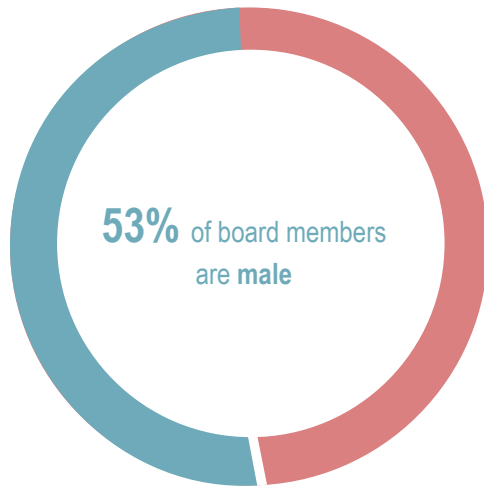
▶ **95%** of organizations have **paid staff**

Annual revenue of organizations

Greater than $5M	15%
$2M up to $5M	19%
$500k up to $2M	20%
$100k up to $500k	37%
Under $100k	9%

The IRS sub-sector Human Services is the most commonly reported

Human Services	22%
Education	10%
Mental Health and Crisis Intervention	8%
Religion-Related	8%
Youth Development	8%
Arts, Culture, & Humanities	6%
Housing & Shelter	6%
Public & Societal Benefits	6%

Nonprofit Community Assessment

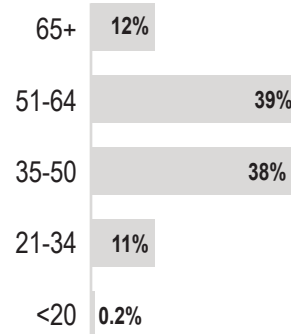**Lakeshore Nonprofit Alliance**

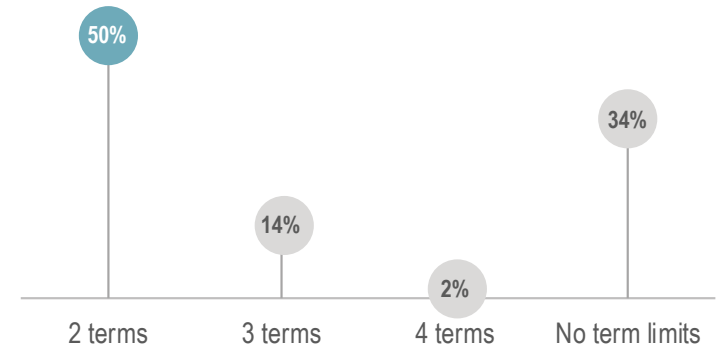## DEMOGRAPHICS

53% of board members are **male**

Race

87% of board members are White or Caucasian

49% of organizations have boards comprised of all White/Caucasian members
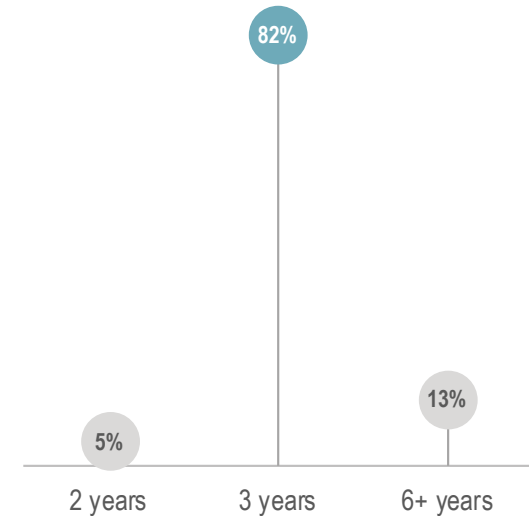
Age of board members

Age	%
65+	12%
51-64	39%
35-50	38%
21-34	11%
<20	0.2%

TERMS

50% of board members are limited to **2 consecutive terms**

34% have no term limits

50%	14%	2%	34%
2 terms	3 terms	4 terms	No term limits

82% of board member terms are **3 years long**

5%	82%	13%
2 years	3 years	6+ years

Effectiveness

Organizations rate board's effectiveness

10 – Highly effective

7
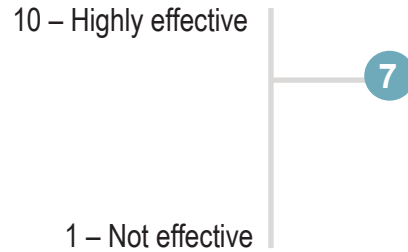
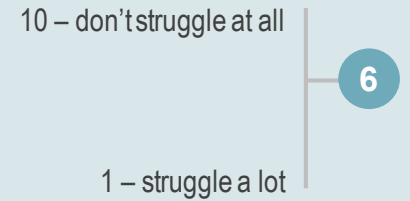1 – Not effective

▶ **34%** of organizations **strongly agree** or **agree** that the board invests in professional development for its members to improve effectiveness
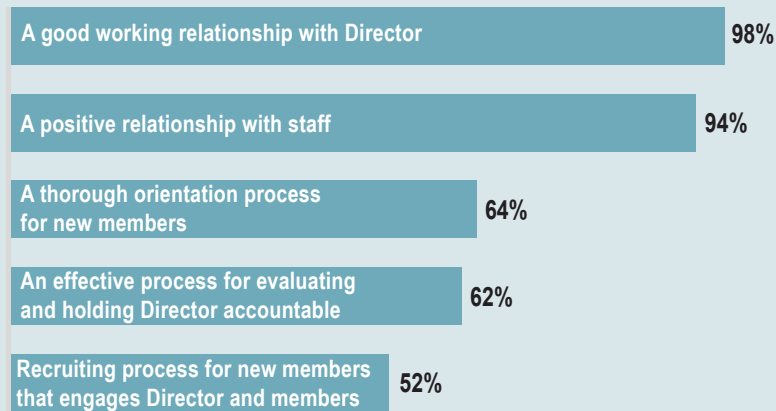
Recruitment

Organizations rate their struggle to find quality board members as a 6

10 – don't struggle at all

6

1 – struggle a lot

Relationship, Roles & Responsibilities

Executive Directors or other organizational leaders strongly agree/agree the board has ...

- A good working relationship with Director — **98%**
- A positive relationship with staff — **94%**
- A thorough orientation process for new members — **64%**
- An effective process for evaluating and holding Director accountable — **62%**
- Recruiting process for new members that engages Director and members — **52%**

▶ When asked if board has an effective process for evaluating and holding Director accountable, **57% of Executive Directors or organizational leaders** strongly agreed/agreed while **76% of Board Chairs** strongly agreed/agreed*

Financial Leadership

Executive Directors or other organizational leaders strongly agree/agree that board members ...

- Contribute financially to the organization — 63%
- Are active in fundraising efforts — 47%
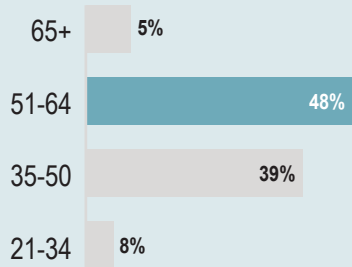- Understand fundraising expectations — 41%
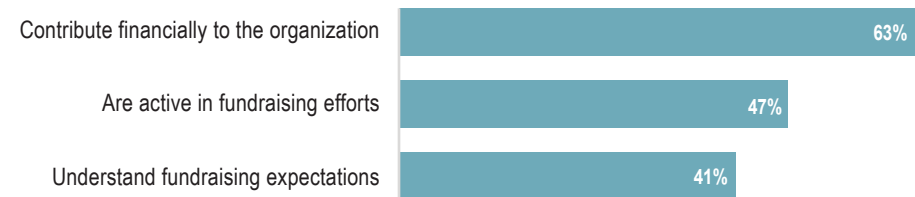
▶ When asked if members played an active role in fundraising, **45% of Executive Directors or organizational leaders** strongly agreed/agreed, while **69% of Board Chairs** strongly agreed/agreed*

*27 organizations completed both the Executive Director and Board Chair survey and answered these survey questions. The bulleted items reflect responses from these 27 organizations and, as a result, may differ from the charts provided above.
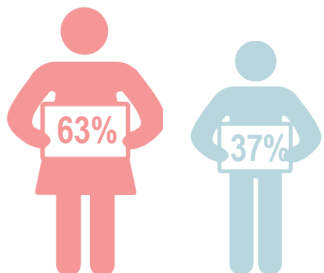
Demographics

98% of Executive Directors identify as **White/Caucasian**

The most commonly reported age for **Executive Directors** is **51-64 years old.**

Age	%
65+	5%
51-64	48%
35-50	39%
21-34	8%

Service in Nonprofit Sector

56% of CEO/Executive Directors have **held staffing positions in the nonprofit sector, but this is their first time as a CEO/Executive Director in the nonprofit sector**
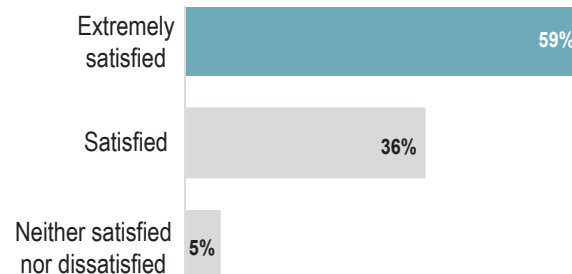
	%
First CEO/Executive Director position	56%
First paid position in nonprofit	27%
Has held other CEO/ED positions	17%
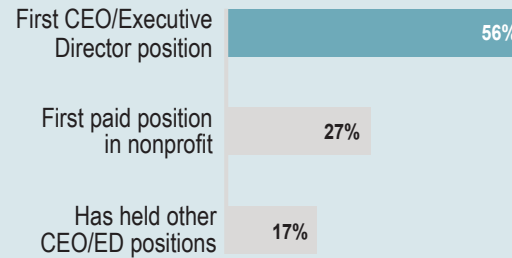
6.7 years is the average time CEO/Executive Directors have been in their role, with a range from less than 1 year up to 26 years

17% of CEO/Executive Directors anticipate leaving their position in the next 3 years

63% of executive directors identify as **female**

63%   37%

Job Satisfaction

	%
Extremely satisfied	59%
Satisfied	36%
Neither satisfied nor dissatisfied	5%

Professional Development
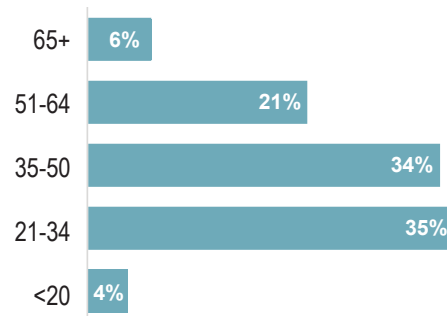
39% of organizations **have a professional development plan** for their CEO/Executive Director to enhance effectiveness

Nonprofit Community Assessment

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Demographics

➤ **76%** of employees are **White or Caucasian**

82% of employees are female

Age of staff

- 65+ **6%**
- 51-64 **21%**
- 35-50 **34%**
- 21-34 **35%**
- <20 **4%**

Mission Maximizing

88% of **Executive Directors (or organizational leaders)** say their organization has the right staff makeup, skill sets and chemistry to achieve its current mission and goals
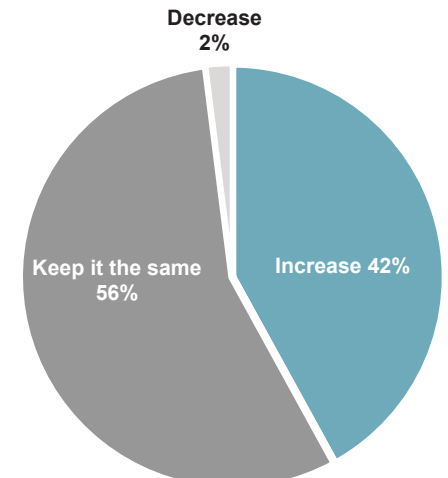
Retention

➤ **37%** of organizations are concerned about staff retention.

Of these organizations, **81%** do not have a clear staff retention strategy

Personnel changes

Change in staff size during the past fiscal year

- Decreased 8%
- Stayed the same 40%
- Increased 52%
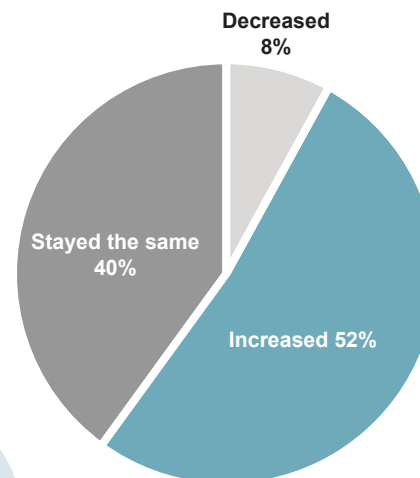
Planned change in staff size in the coming year

- Decrease 2%
- Keep it the same 56%
- Increase 42%

Diversity, Equity & Inclusion

50% or more of organizations have modified recruitment efforts to reach potential board and staff members from diverse backgrounds

Board members — **61%**

Staff members — **50%**

Less than **40%** of organizations have conducted diversity, equity, and inclusion training for board and staff members

Board members — **14%**

Staff members — **37%**
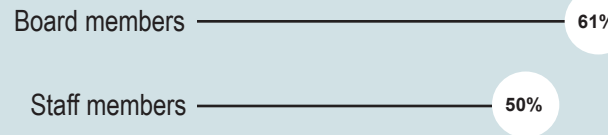
46% of organizations have modified their policies and procedures to be more inclusive

Volunteers

25,486 volunteers utilized per year. This is an average of 418 volunteers per organization

770,000 volunteer hours provided per year. This is an average of 14,800 hours per organization

55% of Executive Directors (or organizational leaders) strongly agree/agree their organization **has the right number of volunteers to accomplish their goals**

45% of Executive Directors (or organizational leaders) strongly agree/agree their organization **has a volunteer recruitment strategy in place**

Professional Development

68% of organizations have a professional development budget for employees
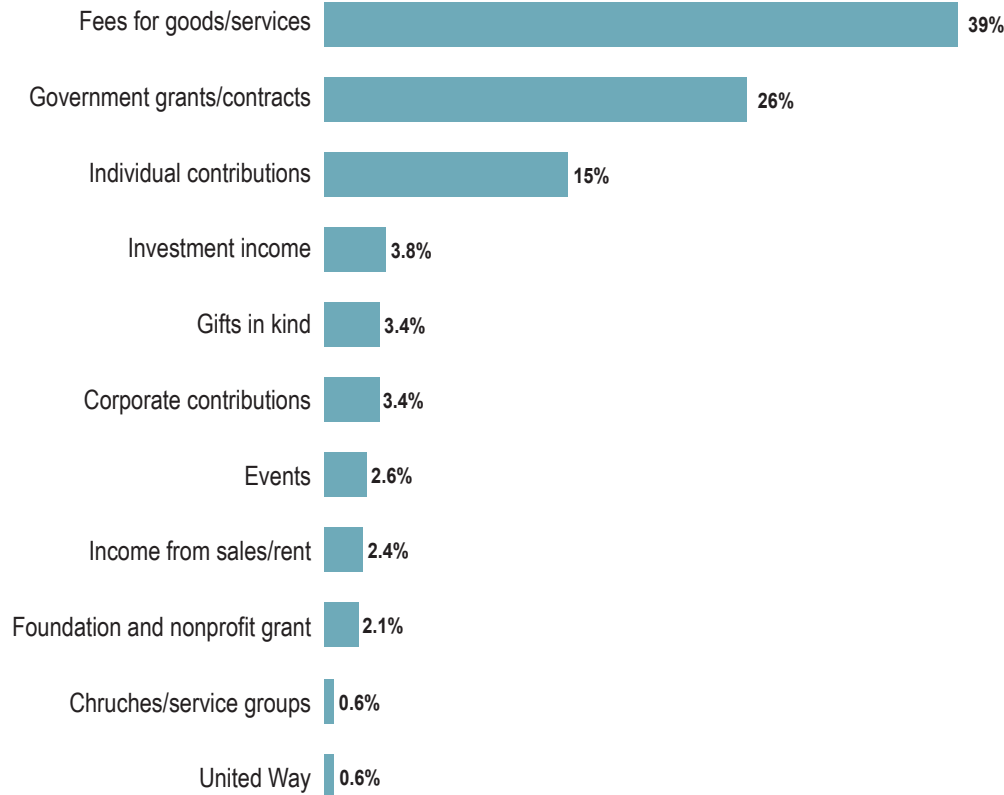
Interns

78% of organizations offer internships

**191** internships offered per year; an average of 3.9 per organization

Funding Sources

Operating revenue sources of organizations (past fiscal year)

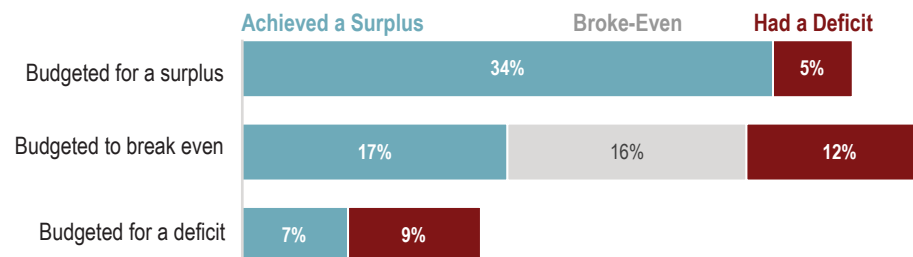| Source	Percent
Fees for goods/services	39%
Government grants/contracts	26%
Individual contributions	15%
Investment income	3.8%
Gifts in kind	3.4%
Corporate contributions	3.4%
Events	2.6%
Income from sales/rent	2.4%
Foundation and nonprofit grant	2.1%
Chruches/service groups	0.6%
United Way	0.6%

Cash Flow

74% of organizations have **solid cash flow** – meaning they can cover operating expenses for 3 or more months during their lowest point of the year

Months	Percent
8+	27%
7	0%
6	9%
5	7%
4	12%
3	19%
2	3%
1	14%
0	9%
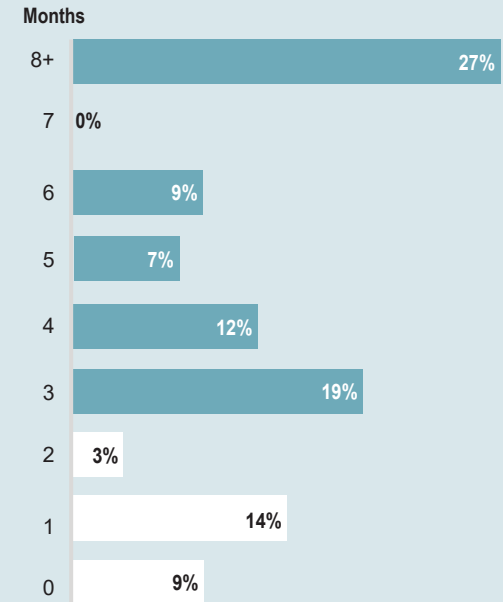
> **78%** of organizations have cash reserves that allow them to be flexible and act on opportunities as they develop

Budget Margins and Actual Year-End Results

While 39% of organizations budgeted for a surplus, **58% of organizations achieved a surplus.**

	Achieved a Surplus	Broke-Even	Had a Deficit
Budgeted for a surplus	34%		5%
Budgeted to break even	17%	16%	12%
Budgeted for a deficit	7%		9%

> **29%** of organizations utilize a multi-year budget planning process

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Demand for Programs/Services

Change in organizations demand for program/service offerings (compared to last year)

**70%** were **able to meet the demand** for programs/services

Able   **Unable**

Significant increase (more than 10%): 18% | 22%

Slight increase (1-10%): 22% | 5%

Stayed the same: 18% | 3%

Slight decrease (1-10%): 10%

Significant decrease (more than 10%): 2%
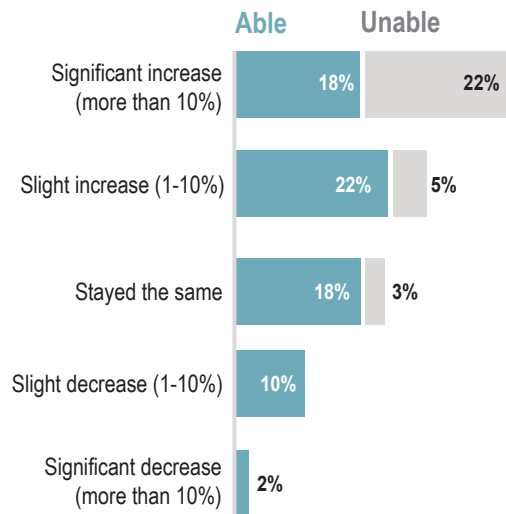
77% of organizations anticipate being able to meet the demand for programs/services in the coming year

Giving

61% of organizations described giving to their organization as having **increased** from 2017 to 2018

Stayed the same 21%

Decreased 18%

Increased 61%
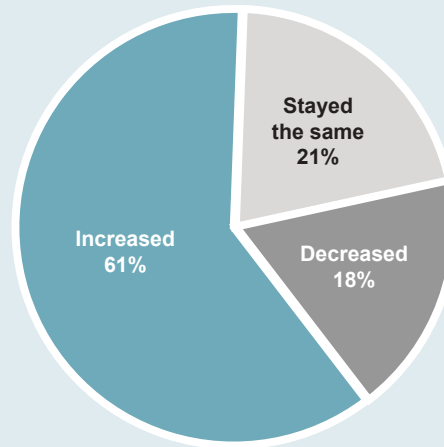
888 is the average number of individuals and entities giving to an organization per year. The range is from 4 to 8,000 per organization.

Financial Planning/Budgeting Process

64% of organizations indicated their financial planning/budgeting process is **very solid or solid**

Limited, very limited or none 36%

Very solid or solid 64%
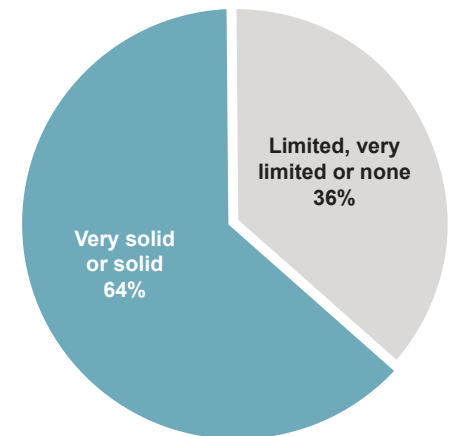
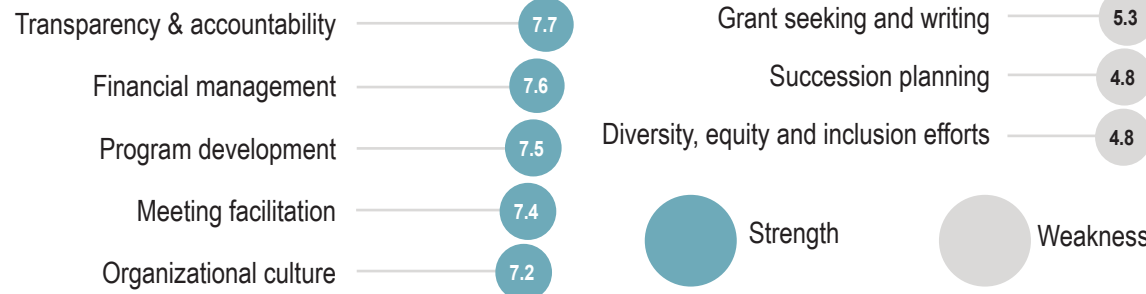## Funding Model & Fund Development Planning

58% of organizations indicated their funding model includes **highly diversified funding streams or a solid base of funders**

62% of organizations have an annual fund development plan, with **33%** of organizations including "planned giving" in their plan

Organizational Strengths and Weaknesses

Average strength in areas of core organizational development
Rating system: 1 means no strength, 10 means couldn't be stronger. Middle data omitted.

Transparency & accountability: 7.7
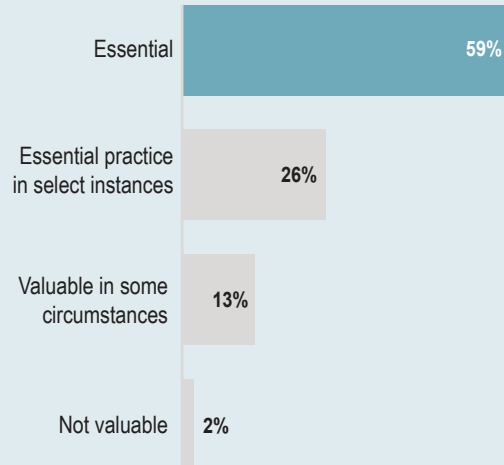
Financial management: 7.6

Program development: 7.5

Meeting facilitation: 7.4

Organizational culture: 7.2

Grant seeking and writing: 5.3

Succession planning: 4.8

Diversity, equity and inclusion efforts: 4.8

Strength   Weakness

Collaboration

Executive Directors or other organizational leaders strongly agree/agree that ...

Collaboration has helped our organization better accomplish its mission/goals — **95%**

Our organization has co-created goals that are shared by a partner organization in the area — **68%**

59% of organizations find collaboration to be **essential to the success of their organization**

Essential	**59%**
Essential practice in select instances	**26%**
Valuable in some circumstances	**13%**
Not valuable	**2%**

95% of organizations plan to partner with other nonprofits in the coming year
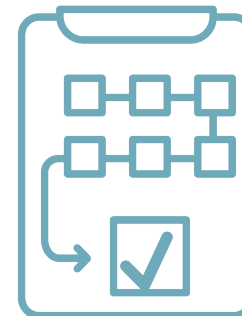
Strategic Planning & Performance Measurement

66% of organizations conduct regular strategic planning that engages the board and/or staff, has their buy-in, and results in some concrete action

56% of organizations have translated their vision into goals that are often or consistently used to direct actions and set priorities

58% of organizations regularly or continually measure performance and track progress against internal and external benchmarks to identify their social impact

Lakeshore Nonprofit Alliance

We would like to thank our generous funders who helped make this first-ever Nonprofit Community Assessment possible!

Grand Haven Area community foundation℠

cfhz community foundation Holland/Zeeland Area

HermanMiller Cares

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