NORTHWEST NONPROFIT CAPACITY REPORT:
OUR STRENGTHS – OUR CHALLENGES – OUR RESILIENCE

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OVERVIEW OF RESULTS

Each year, the five state associations of nonprofit organizations in the Northwest disseminate a survey, collaboratively designed, to nonprofits throughout the region. The five associations are:

o   The Foraker Group (Alaska)
o   Washington Nonprofits
o   Nonprofit Association of Oregon
o   Idaho Nonprofit Center
o   Montana Nonprofit Association

In the fall of 2015, they launched their fourth survey and gathered responses from more than 1,600 nonprofit organizations in five states. Approximately 60% of survey takers were from Washington and the remaining were from Montana (13%), Oregon (11%), Alaska (8%), and Idaho (8%). Overall, the largest majority of organizations responding to the survey were human service agencies (21%) followed by education organizations (14%), and arts groups (12%). Nonprofits in the sample are located in both urban and rural settings.

To strengthen the 2015 survey, we included a series of qualitative questions that focused on collaboration within the nonprofit sector and the sector's approach to public policy work. Luma Consulting, based in Seattle, has partnered with the associations for the last four years to analyze the data gathered through the survey and to present the results of the analysis. The Foraker Group led in designing and managing the survey tool and data collection. This overview highlights key findings from our analysis and interprets the findings in light of major trends in the field.

In our analysis, we devoted special attention to understanding survey takers' operating capacity, collaboration, and policy work. This overview reinforces previous calls to all major stakeholders – nonprofits, funders, and government – to take individual steps that, collectively, will create a stronger and more sustainable field. The associations describe this call for *shared sustainability* in their letter preceding the report. This call is anchored in the survey findings and the clear evidence for more progress in creating a healthy and resilient sector.

Efficiency, Capacity, and Fundraising

For many years there have been widespread calls for nonprofits to improve their financial efficiency. Consequently, we sought to better understand efficiency, along with overall operating capacity, in our analysis. One indicator of how common measures of efficiency have become in the field can be found in the widely used *Charity Navigator* website. Among various measures of nonprofit health, the site includes seven different metrics focusing on an organization's financial health, including efficiency.[1]

While efficiency is an important indicator of health, our analysis reminds us of the often tenuous economic situation surrounding nonprofits. Specifically, this year's survey results show that nonprofits receive money from at least nine different sources of revenue, ranging from individual gifts to events to government contracts. These revenue streams also include the responding groups' own boards of directors - the majority of whom donate to their organizations. This wide diversity of revenue streams requires sophisticated (and often expensive) financial management and deep resource development

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[1] http://www.charitynavigator.org/?bay=content.view&cpid=35#.V0Idnlf_Tmg

expertise. Yet, it's precisely these kinds of required expenses that can be dismissed as "overhead" and, consequently, a mark of inefficiency.

The organizations in our sample are extraordinarily lean. The large majority of them (61%) – regardless of the state they operate in – have budgets under $500,000 and 44% have less than three months of reserve. Given this, it's not surprising that when asked to rate how "robust and effective" their fundraising systems are, they gave only modest ratings.

The impact of this lean financial infrastructure – coupled with external calls for ever-improved efficiency – has been previously documented. In 2009, Gregory and Howard wrote in the *Stanford Social Innovation Review* that "over time, funders expect grantees to do more and more with less and less—a cycle that slowly starves nonprofits." Indirect references to the "starvation cycle," as Gregory and Howard put it, can be seen among the responses to our survey.

Specifically, when asked to describe their number one capacity building need, survey takers stated that they needed "personnel and staff." As one respondent wrote, we need "quality staff to implement capacity building and [our] sound business plan." Additional needs include better facilities and equipment, as well as fundraising expertise.

The complex and challenging nature of nonprofits' operating environment was further emphasized in responses to open-ended questions about public policy. When asked to identify the most pressing policy issues they face, three of the four key themes in the responses centered on the administrative and economic burdens faced by nonprofits in doing public policy work. More specifically, the first theme concentrated on funders and policymakers with respondents asking them to be more concerned with the *overall* economic health of nonprofits and less concerned with paperwork, reporting, and oversight. In short, they wanted funders to facilitate an efficient operating environment. One respondent summed up the situation this way: we need "more funding opportunities without overly burdensome reporting requirements."

There were two additional economic themes in the responses. On the one hand, nonprofits were worried about their individual state's economic health and the impact of potential government cuts on their budgets. These concerns were more often voiced by organizations in Alaska and Oregon. And, on the other, survey comments pointed to the need for overall economic improvement in the five northwest states. A better economy would enable government to pay for the services its citizenry needs, and not necessarily rely upon nonprofits to stand in the gap with what they consider to be a discounted rate. As one commentator put it, the state "government budget needs to pay for the services of nonprofits at their full cost."

Altogether, this year's various findings relating to efficiency, capacity, and fundraising echo previous discussions of the perennial economic struggle that nonprofits face. While nonprofits are called upon to improve their efficiency and do more with less, in reality they struggle to make ends meet. By and large, those who responded to our survey grapple with lean budgets, limited reserves, modest fundraising systems, limited staff capacity, and challenging state economies.

Mission Achievement and Evaluation

Despite facing marked economic barriers, the organizations we surveyed see themselves – somewhat surprisingly given the economic challenges they described – as effective and knowing how to reach their

missions. Specifically, when asked to rate how effective they were at accomplishing their mission, the ratings across the states ranged from 8.2 to 8.8 on a scale where 10 was "A Great Amount." While the ratings reveal room to grow, overall, they are strong and among the highest ratings in all of the results. We suspect these positive ratings attest to the ability of nonprofits to sacrifice internal infrastructure – including competitive salaries – in order to prioritize mission and program services. The long-term consequence of this approach, however, likely means limited sustainability and resilience. In contrast, when the same organizations are asked about their ability to meet their missions, the scores drop notably (5.3 to 5.6). The gap between these measures needs further exploration and will be addressed in future surveys.

Interestingly, in contrast to the high rankings for mission achievement, organizations ranked themselves lower in their use of data and program evaluation. Consistently over the years, the five-state survey results have revealed that nonprofits lag in developing cultures anchored in data-based decision-making. Ratings concerning the use of data to inform strategy and to promote continuous improvement were mid-range this year. In short, our analysis shows that relatively few organizations use evaluation findings for something other than reporting to their boards of directors. In the midst of resource challenges, survey findings suggest that data and evaluation take a backseat to seemingly more immediate and pressing components of mission achievement.

Collaboration

Collaboration is clearly a topic on the minds of many people. It is integral to *Collective Impact* models of community change and has been praised in publications ranging from *Forbes*[2] to the *Chronicle of Philanthropy*[3]. There are multiple reasons for the enthusiasm. As *Third Sector* has explained, collaboration can have significant benefits for nonprofits, including improving their efficiency, helping them expand their programs, and strengthening their leadership.[4] Yet, despite the frequent praise in the media and among sector leaders, the organizations who responded to our survey have a somewhat less optimistic view of collaboration.

In particular, when we asked them to rate how strongly they agreed that nonprofits come together to collaborate with business and government in their communities, the average results were almost always in the middle of the range. Survey takers were only slightly more positive when rating collaborative efforts with one another. Open-ended comments shed light on these middling ratings.

Four key themes emerged from our analysis of survey comments that described barriers to collaboration. These themes were: (1) a lack of capacity, including time, money, and staff to devote to it; (2) negative attitudes among nonprofits toward collaboration (including, somewhat dismayingly, conflicts over "turf"); (3) difficulty communicating with one another, including a lack of connection and social capital with colleague organizations; and (4) conflicts over mission and culture which make collaborative action difficult. The frequency of these barriers was consistent across the five states, which suggests that the barriers appear to be unrelated to geography and, perhaps, universal to the sector. Several survey comments exemplify these themes:

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[2] http://www.forbes.com/sites/geristengel/2013/04/09/nonprofit-collaborations-why-teaming-up-can-make-sense/#1ba8dab24c2c
[3] https://philanthropy.com/article/Collaboration-Can-Bring-Big/154275
[4] http://thirdsectortoday.com/2014/03/31/6-goods-reasons-for-nonprofit-collaboration/

> *The feeling of competition, territory marking, and lack of communication between groups [prevents]…truly working together for the same goals.*

> *Often, through networking and/or events, nonprofits will find each other and form partnerships organically. The need is always there, and this is something all nonprofits understand, and I feel we are willing to help one another fill gaps in services.*

Doing more to facilitate collaboration is certainly possible and survey comments point out that, under the right circumstances, collaboration is very beneficial. Nonprofits in our sample identified several things that would help them collaborate more. These things include convenings and events organized by networks and alliances. (Respondents praised the efforts of the five state associations in organizing such events.) These events are valuable because they bring nonprofits together, help improve communication in the field, and promote natural alignments and synergies among peers. Just as important, nonprofits hope funders – who frequently champion collaboration – will recognize and do more to support the fundraising costs associated with building and maintaining it. As the comments make clear, collaboration is costly because it requires a high level of coordination and person-to-person interaction. Regardless of the value nonprofits place on collaboration, it becomes more challenging when organizations are stymied by lean resources, including limited personnel.

Public Policy

Based upon our analysis, public policy work continues to gain prominence among nonprofits in the Northwest. While survey takers' views toward it are not necessarily celebratory, they do lean toward the positive. For example, when asked to rate the importance of public policy work to accomplishing their mission, average ratings among respondents from across the five states ranged from 6.1 to 7.2 (where 10 was "A Great Amount"). Ratings concerning the "friendliness" of the policy environment for nonprofits, and whether nonprofits had a role in the policy making process, also tended toward the positive side of the scale. The lowest policy ratings, however, asked whether nonprofits had a "voice" in the policy process. The ratings – ranging from 4.9 to 6.2 (on the same 10-point scale) – suggest they have a relatively quiet voice. This finding, and other ratings, suggests that while nonprofits recognize the importance of policy work, they may feel less confident that they can actually make meaningful contributions to policy processes and outcomes.

Qualitative comments shed additional light on the tension between acknowledging the importance of public policy and believing that one's organization can actually make a difference. Overall, the comments focus on: (1) legislative engagement, including the need for nonprofits to build relationships with policymakers; (2) the importance of being connected to advocacy groups that can amplify the voice of the nonprofit sector; (3) possessing deep knowledge about the community in which the organization operates in order to speak persuasively about needs in the community; and (4) collaborating with peer organizations to move an agenda forward.

Conclusion

This year's five-state survey gathered data from a wide cross-section of nonprofits throughout the Northwest. The survey sample includes responses from organizations both urban and rural that are working in a variety of domains, such as human services, the arts, and education. This year's findings provide important insights into the health of the sector and shed light on the internal and external challenges nonprofits face. In particular, our analysis reveals opportunities for enhancing nonprofit effectiveness through capacity building generally, and increased attention to program evaluation,

collaboration, and public policy work. Survey takers were candid about their struggles, and at the same time, they expressed confidence in their progress toward their mission, appreciation of conveners and peer connections, and a growing acknowledgement of the unique role of nonprofits in the public policy arena.

SURVEY SAMPLE

A clear strength of this year's survey was the fact that the five organizations involved employed a standard online survey tool that was administered by The Foraker Group in Alaska. The survey was several pages long and, like last year, a sizeable percentage of respondents declined to finish the survey after the first page of demographic questions. Specifically, there were 1,623 responses. (This means that the respondents completed rating questions in subsequent pages of the survey.) The number of responses (designated by n) for specific survey questions is presented in the tables throughout this report. This number varies considerably from question to question.

As **Table 1** indicates, the statewide distribution of organizations has been relatively consistent over the last three years; this year's percentage mirrors the 2015 results. With this in mind, it is still worth noting the decrease in the percentage of organizations from Oregon and the increase in the percentage of organizations from Washington. Because Washington's large data set continues to skew the overall results, cross-state comparisons are provided throughout the report.

TABLE 1. STATE DISTRIBUTION

STATES	2014 NUMBER	PERCENTAGE	STATES	2015 NUMBER	PERCENTAGE
Alaska	92	7%	Alaska	90	8%
Idaho	97	8%	Idaho	84	8%
Montana	125	10%	Montana	138	13%
Oregon	250	20%	Oregon	118	11%
Washington	698	55%	Washington	656	60%
TOTAL	**1262**	**100%**	**TOTAL**	**1086**	**100%**

While Washington has the largest percentage of surveys, Idaho's responses comprise the largest percentage of nonprofits operating in urban areas; Montana has the largest percentage of organizations from rural communities, while Alaska has the largest percentage of respondents operating in remote areas. **Table 2** summarizes this distribution.

TABLE 2. OPERATING LOCATION BY STATE

LOCATION	ALASKA (N=90)	WASHINGTON (N=656)	OREGON (N=118)	IDAHO (N=84)	MONTANA (N=138)
Urban	36.7	46.5	46.5	51.2	34.1
Rural	31.1	30.2	30.2	23.8	46.4
Remote	15.6	3.8	3.8	2.4	1.4
Other	16.7	19.5	19.5	22.6	18.1
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**

The survey asks respondents to choose from nine different types of activity (sectors) they work in. New this year is our inclusion of data comparisons based upon organization type. These results are presented in **Appendix III**.

The largest majority of organizations are human services groups, followed by education and arts/culture groups. This general trend holds across the states with only minor variations. More specifically, Washington and Oregon have the largest percentage of education groups; Alaska and Oregon have the greatest percentage of arts organizations; and Alaska, Washington, and Montana have the largest

percentage of human services nonprofits. Overall, it is clear that the survey gathers data from a wide swath of organizations operating in diverse subsectors within the nonprofit field. These results are presented in **Tables 3 and 4**.

TABLE 3. ORGANIZATION TYPE

ORGANIZATION TYPE	NUMBER	PERCENT
Human services	226	21%
Education	153	14%
Arts, culture and humanities	135	12%
Environment and animals	98	9%
Health	91	8%
Public/societal benefit	88	8%
Religious congregation	23	2%
Mutual/membership benefit	18	2%
International or foreign affairs	14	1%
Other (please specify)	240	22%
TOTAL	**1086**	**100%**

TABLE 4. ORGANIZATION TYPE BY STATE

TYPE	ALASKA (N=90)	WASHINGTON (N=656)	OREGON (N=118)	IDAHO (N=84)	MONTANA (N=138)
Human services	25%	19%	18%	25%	25%
Arts & culture	16%	12%	16%	5%	12%
Education	11%	15%	15%	13%	10%
Health	10%	8%	10%	11%	8%
Public benefit	10%	7%	11%	10%	7%
Environment	7%	9%	12%	8%	11%
Religious	2%	2%	2%	1%	1%
Mutual benefit	1%	2%	1%	2%	2%
International	--	2%	2%	--	1%
Other	18%	24%	13%	25%	23%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**

ORGANIZATION BUDGET

Budget trends for the 2015 responses are quite similar to those in 2014. The overall range of budgets varies from small grassroots groups with a zero dollar budget (no funding) to an international relief organization with a $253 million budget. In terms of trends across the states, there are only two discernable differences. First, in Alaska, there appears to be slight growth at the two ends of the budget spectrum: slightly higher percentages of very small (less than $500K) and very large ($5M+) groups. Second, in Montana, the converse exists with a growing percentage of mid-sized groups and slightly lower percentage of very small organizations (less than $500K). These statistics are shown in **Table 5**.

TABLE 5. BUDGET DISTRIBUTION BY STATE *(2014 / 2015)*

ORGANIZATION BUDGET	ALASKA *(N=92/90)*		WASHINGTON *(N=698/656)*		OREGON *(N=250/118)*		IDAHO *(N=97/84)*		MONTANA *(N=125/138)*	
<$500K	45%	48%	70%	68%	48%	49%	62%	62%	58%	56%
$500K-$1M	15%	13%	9%	9%	12%	17%	17%	11%	10%	20%
$1M-$2M	14%	8%	10%	10%	17%	13%	8%	11%	17%	12%
$2M-$5M	11%	13%	7%	6%	12%	15%	3%	7%	9%	5%
$5M+	15%	18%	4%	7%	11%	6%	10%	9%	6%	7%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

And, as **Table 6** indicates, across all five states the percentage of organizations with very large reserves (12 months or more) has dropped, particularly in Alaska. In general, the majority of groups have between 4 and 12 months of operating reserve with Idaho seeing the greatest uptick in this level of reserve, moving from 34% in 2014 to 52% in 2015.

TABLE 6. RESERVE LEVELS BY STATE *(2014 / 2015)*

RESERVE LEVEL	ALASKA *(N=92/83)*		WASHINGTON *(N=698/613)*		OREGON *(N=250/108)*		IDAHO *(N=97/82)*		MONTANA *(N=125/127)*	
No reserve	9%	5%	14%	10%	12%	15%	11%	7%	8%	7%
1-3 months	34%	40%	40%	35%	50%	32%	41%	28%	44%	41%
4-12 months	41%	45%	34%	44%	28%	46%	34%	52%	37%	43%
12 months +	16%	10%	12%	11%	10%	7%	14%	12%	11%	9%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

REVENUES AND FUNDRAISING

All organizations in the survey (100%) receive individual charitable gifts; yet, this source of revenue is not the largest percentage of their budget. Earned income is actually the greatest percentage of funding (30%). Planned giving and gaming comprise very small percentages of budgets and are received by relatively few organizations. These details are presented in **Table 7**.

TABLE 7. SOURCE OF REVENUE *(N=1136)*

ORGANIZATION TYPE	AVERAGE PERCENT OF BUDGET	PERCENT RECEIVING REVENUE
Individual charitable giving	28%	100%
Special events	17%	82%
Foundations	13%	73%
Earned income	30%	71%
Government grants	23%	68%
Corporations	9%	63%
Investment income	5%	51%
Bequests or planned giving	3%	51%
Government contracts	9%	45%
Gaming	<1%	45%

Perhaps the most revealing statistics pertaining to fundraising are the responses to a rating question, whose results are presented in **Table 8**. Here survey takers were asked to rate whether their fundraising practices were "robust and effective" on a 10-point scale. Alaska had significantly lower ratings for this question compared to any other state. Smaller groups (those under $500K) also had lower ratings. The highest average ratings were for organizations whose budgets were between $1M and $2M in Oregon, Idaho, and Montana. The 4.6 and 4.7 ratings in the table are among the lowest in the survey data.

TABLE 8. FUNDRAISING PRACTICES ROBUST & EFFECTIVE
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

LOCATION	ALASKA (N=90)	WASHINGTON (N=656)	OREGON (N=118)	IDAHO (N=84)	MONTANA (N=138)	ALL STATES (N=1259)
<$500K	4.7	4.7	5.1	5.1	5.7	4.9
$500K-$1M	5.7	5.9	7.2	6.0	5.9	6.2
$1M-$2M	4.7	6.4	7.8	8.4	7.5	6.8
$2M-$5M	4.7	5.6	6.6	5.2	6.3	5.8
$5M+	5.1	5.3	5.9	4.6	7.3	5.5
All Groups	**4.9**	**5.1**	**6.1**	**5.5**	**6.1**	**5.8**

Table 9 provides some additional insight into fundraising operations. Survey takers were asked whether they regularly compare actual expenditures against budgeted amounts. Across the board, large majorities of organizations engage in this financial monitoring activity, though organizations with smaller budgets are less apt to do so.

TABLE 9. ACTUAL AGAINST BUDGETED COMPARISON

LOCATION	<$500K (N=797)	$500K - $1M (N=144)	$1M - $2M (N=118)	$2M - $4.9M (N=84)	$5M+ (N=138)
Yes	77%	94%	99%	98%	99%
No	10%	3%	<1%	2%	1%
No Budget	13%	3%	--	--	--
TOTAL	**100**	**100**	**100**	**100**	**100**

BOARDS OF DIRECTORS

The data concerning boards of directors mirror those from previous years. In fact, there is only minor variation in the rates of board meeting attendance across the states (even in Montana and Alaska where transportation is difficult). These findings are presented in **Table 10**.

TABLE 10. AVERAGE BOARD ATTENDANCE *(2014 / 2015)*

MEETINGS ATTENDED	ALASKA (N=92/90)		WASHINGTON (N=698/656)		OREGON (N=250/118)		IDAHO (N=97/84)		MONTANA (N=125/138)	
< 60%	1%	2%	5%	5%	4%	2%	3%	6%	5%	5%
60-79%	21%	29%	19%	21%	22%	19%	28%	17%	20%	15%
80-89%	38%	36%	34%	29%	39%	49%	37%	42%	43%	36%
90-100%	40%	33%	43%	45%	36%	30%	32%	36%	32%	44%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

In addition to regularly attending meetings, board members are expected to make a personal financial contribution to their organizations. The latter is both a measure of organizational leadership and board engagement. This year, as **Table 11** indicates, there was growth in the percentage of boards where the majority of members make contributions to their organizations. There was an uptick in all states, except Washington.

TABLE 11. PERCENT OF BOARD MEMBERS CONTRIBUTING TO THEIR NONPROFIT *(2014 / 2015)*

BOARD CONTRIBUTION	ALASKA (N=85/88)		WASHINGTON (N=621/596)		OREGON (N=237/115)		IDAHO (N=92/80)		MONTANA (N=122/135)	
25% or less	16%	11%	27%	29%	23%	16%	30%	30%	26%	26%
26-50%	2%	2%	10%	9%	5%	8%	5%	6%	10%	10%
51-75%	7%	8%	17%	16%	21%	16%	25%	13%	19%	19%
76-100%	75%	78%	46%	46%	51%	60%	40%	51%	45%	45%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Finally, as **Table 12** reveals, boards in some states (Alaska and Montana) are more apt to review their executive directors than those in other states (Washington and Idaho).

TABLE 12. BOARD REGULARLY EVALUATE ED *(N=1,086)*

ORGANIZATION TYPE	PERCENT YES
Alaska	78%
Washington	63%
Oregon	74%
Idaho	63%
Montana	77%

PROGRAM EVALUATION

In the 2015 survey, we probed more deeply on the use of evaluation findings. Survey questions reveal that across all states evaluation results are primarily used to provide updates or reports to boards of directors. As **Table 13** shows, there is some interesting variation in these findings. Specifically, the table shows:

- The "**report to funders**" percentage is higher in Oregon and Alaska, suggesting that these states may have funders who are more focused on evaluation than those in other states.

- While "**support advocacy**" is generally the least frequently mentioned use, there is notable variation among the states with Alaska and Idaho groups using evaluation results for this purpose more often than others.

- Relatively few organizations report that they "**have not used**" evaluation findings, suggesting that a large majority of respondents are making some use of data and evaluation in their work.

[Table 13 Next Page]

TABLE 13. USE OF EVALUATION FINDINGS

USE OF EVALUATION FINDINGS	AK *(N=90)*	WA *(N=653)*	OR *(N=118)*	ID *(N=84)*	MT *(N=138)*	ALL
Update or report to board	64%	48%	64%	55%	68%	45%
Plan or revise programs	57%	45%	61%	54%	61%	41%
Plan or revise strategies	48%	37%	54%	50%	52%	35%
Report to funders	50%	35%	60%	42%	52%	34%
Use in proposals to funders	47%	31%	35%	38%	48%	30%
Communicate to stakeholders	44%	32%	29%	33%	44%	29%
Make resource allocations	44%	32%	42%	36%	40%	29%
Make staffing decisions	44%	27%	42%	33%	38%	26%
Share best practices	29%	20%	25%	30%	25%	18%
Support advocacy/policy work	24%	19%	18%	29%	20%	15%
Have not used	23%	36%	20%	19%	20%	26%

This year, respondents were also asked additional rating questions about their use of data. As **Table 14** indicates, one question was kept from 2014, concerning quality data, and there were some significant shifts in responses to this question between the two years. New questions were also asked about using data to inform strategy and its contribution to a culture of continuous improvement. In general, the responses are in the middle of the range with Montana groups have the strongest data-based cultures.

TABLE 14. RATINGS ABOUT STATEWIDE ASSOCIATION *(CHANGES FROM 2014)*
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT STATEWIDE ASSOCIATION	AK *(N=90/135)*	WA *(N=653/1085)*	OR *(N=118/256)*	ID *(N=84/189)*	MT *(N=138/277)*
To what extent is there **quality data and information** on the sector in your region?	5.4 / 6.0 *(-.6)*	5.7 / 4.7 *(+1.0)*	4.9 / 5.9 *(-1.0)*	4.8 / 5.3 *(-.4)*	5.2 / 5.0 *(+.2)*
Our organization uses data from our community to **inform our strategy.**	5.4	5.0	5.6	5.7	6.2
Our organization uses program evaluation to promote **continuous improvement.**	5.4	5.0	5.6	5.7	6.4

WRITTEN PLANS & INFORMATION CULTURE

This year's results provide evidence that the responding organizations do not necessarily have key planning documents. Taken together, **Tables 15 and 16** show that large majorities of respondents have written annual budgets and they find these effective. The next most frequently written document is a strategic plan, which fewer groups find effective (ranging from a low of 32% in Washington to a high of 54% in Alaska). Very few organizations have transition plans or a theory of change/logic model. **Table 15** identifies the percentage of groups with specific types of written plans. The table identifies the percentage that has a *written* version of the plan, whether the plan is *board approved*, whether the plan is *in use*, and the percentage of organizations that find the plan to be *effective*.

TABLE 15. PERCENTAGE OF ORGANIZATIONS WITH SPECIFIC ORGANIZATIONAL PLANS *(N=1461)*

SPECIFIC PLAN TYPE	WRITTEN	BOARD APPROVED	IN USE	EFFECTIVE
Annual budget	77%	78%	76%	67%
Strategic plan	49%	46%	44%	37%
Fundraising plan	43%	33%	44%	33%
Annual plan	36%	31%	36%	28%
Communications plan	24%	13%	25%	19%
Business plan	25%	22%	23%	18%
Board improvement plan	19%	16%	19%	12%
Executive transition plan	16%	13%	11%	10%
Emergency succession plan	19%	16%	11%	11%
Theory of change	15%	9%	12%	10%

Table 16 shows the percentage of organizations that have specific plans, by state, and of those with a written plan, the percentage of respondents that find it effective. This table reveals that while smaller numbers of nonprofits have documents such as business and board improvement plans, the majority of those that possess the plans find them effective.

TABLE 16. PERCENTAGE OF GROUPS WITH SPECIFIC WRITTEN PLANS
Table presents percentage of groups with written plan, and of these groups, the percentage that find it effective

SPECIFIC PLAN TYPE	AK *(N=90)*	WA *(N=653)*	OR *(N=118)*	ID *(N=84)*	MT *(N=138)*
Annual budget	89% / 86%	72% / 78%	89% / 91%	81% / 75%	89% / 85%
Strategic plan	71% / 72%	42% / 68%	68% / 75%	48% / 63%	60% / 77%
Annual plan	46% / 73%	35% / 64%	36% / 74%	42% / 69%	51% / 71%
Fundraising plan	42% / 45%	40% / 62%	58% / 66%	58% / 55%	54% / 76%
Business plan	31% / 39%	25% / 57%	20% / 48%	30% / 68%	30% / 54%
Communications plan	28% / 56%	22% / 52%	36% / 74%	27% / 61%	28% / 51%
Board improvement	20% / 50%	17% / 41%	28% / 58%	16% / 61%	24% / 55%
Emergency succession	26% / 61%	20% / 35%	20% / 65%	20% / 41%	24% / 46%
Executive transition	18% / 56%	15% / 42%	16% / 68%	19% / 44%	15% / 43%
Theory of change	19% / 59%	14% / 57%	17% / 55%	11% / 56%	10% / 71%

Finally, respondents indicate that, for the most part, their staff and board are aware of key planning documents. **Table 17** provides average state ratings for this question.

[Table 17 Next Page]

TABLE 17. AWARENESS OF STRATEGICALLY DEVELOPED PLANS

Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

ORGANIZATION TYPE	RATING
All organizations	6.2
Alaska	6.4
Washington	6.0
Oregon	6.8
Idaho	6.2
Montana	6.7

MISSION ACHIEVEMENT & CAPACITY

Like last year, the survey results show that nonprofits rank themselves highly for achieving their mission. These ratings are among the highest in all of the survey results. **Table 18** lists the average rating across the states and reveals some variation from last year. The 8.2 mission rating for Alaska is tied for the highest among the state comparisons. (We provide more detailed analysis of capacity ratings in Appendix I.)

TABLE 18. RATINGS OF MISSION ACHIEVEMENT *(CHANGES FROM 2014)*

Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT MISSION ACHIEVEMENT	AK *(N=90/135)*	WA *(N=653/1085)*	OR *(N=118/256)*	ID *(N=84/189)*	MT *(N=138/277)*
How effective is your organization at accomplishing its **mission**?	8.2 *(-.2)*	8.2 *(-1)*	8.4 *(NC)*	8.8 *(+.8)*	8.4 *(+.2)*
Our team has right **capability and skills** to accomplish our mission.	7.1	7.2	7.2	7.6	7.6
Our organization is **on target** to complete all aspects of our plan.	6.4	6.5	7.1	6.7	7.0
Our organization has **sufficient capacity** to complete all aspects of our plan.	5.3 *(-1.0)*	5.4 *(-.5)*	5.6 *(-.3)*	5.6 *(-.2)*	5.4 *(-.3)*

This year, the survey asked respondents to rate whether they had the right "capability and skills" to accomplish their missions and whether they were on target for completing their strategic plans. Overall, respondents appear satisfied that they have the right mix of internal resources to do their work; there was minimal variation across the states regarding capability and skills. More interestingly, perhaps, is the variation found when the groups were asked if the were on target to accomplish their strategic plans. Here, responses ranged from a low of 6.4 (Alaska) to a high of 7.1 (Oregon). Finally, across all of the states, organizations gave lower ratings this year when they were asked about having "sufficient capacity." Alaska showed the deepest reduction, again likely reflecting the state's economic challenges.

To better understand nonprofits' capacity ratings, this year we asked survey takers to identify their top capacity building needs. Six primary themes emerged from these open-ended responses. The themes, and illustrative quotes, are presented below.

1. **Personnel and staff**: Comments describe the overall need for human resources, including staff members, board members, and volunteers. Comments also identify general personnel needs or gaps and the need for people with specific skill sets.

   Quality Staff to implement the capacity building and sound business plan.

   More staff to manage the workload at mid-level and senior management.

   Attracting high quality personnel.

   Building a stronger, more effective Board.

2. **Facilities and equipment**: Comments point to the need for physical structures or land, including their acquisition or repair. Comments also point to the need for capital investments and purchases of equipment, both for administrative purposes (e.g. computers) as well as programs (e.g. sports equipment).

   Facilities - We moved into a very large space and are still in the process of furnishing it so that it can provide maximum benefit to our constituents as a museum gallery.

   Facilities renovation and improvement.

   Buying another building in order to better meet the demand for childcare in our area. Which we are doing.

   Equipment, furniture, etc. Nobody wants to fund new office chairs but people need a good workplace.

   Our organization owns and operates in an almost 100-year-old building - our facility is always NEEDY.

3. **Fundraising**: Although the question asked respondents to identify things other than funding, respondents still frequently described it. Comments also point to the need for sustainable and diverse funding streams, and the challenges posed by budgeting, grant requirements, and overall fiscal demands.

   Staff and board fundraising and development capacity.

   Fundraising/donor diversification and development.

   Fundraising systems and structures.

   Money for more staffing and to pay current [staff] a higher wage.

   There's no such thing as "apart from additional funding" - that's our biggest need.

4. **Communications**: Comments focused on the interaction between nonprofits and the communities around them, including the need for greater community outreach, awareness, and education. Communication needs were also identified, including marketing and public relations.

   We need a development/communications director and associate executive director.

   We need to build more robust communications.

   Enhanced communications tools and experience.

Advertising and marketing. Community (local and regional) outreach.
Increased membership base marketing/brand recognition.

5. **Clients and membership**: Respondents pointed to a need for new members, new clients, and increased enrollment in services.

   Getting more participants and volunteers.

   Involving new community members.

   Enrolling new members.

   Recruitment of clients.

   Getting new members.

6. **Strategy, leadership, and modernization**: Nonprofits pointed to an ongoing need to "improve their game" through enhanced organizational oversight and management, more strategic management, leadership development, improved staff/program coordination, and a desire to be more technologically "cutting edge." In general, these comments refer to larger, high-level nonprofit management issues.

   Program evaluation and growth strategy.

   Developing a modern sustainable model.

   Improved communication strategy development and implementation.

   Staffing dedicated to capacity building/strategy.

   Efficient use of I.T. and prudent and effective communications through the myriad channels and to different age cohorts.

As **Table 19** shows, the general frequency of the themes is consistent across the states. More specifically, personnel was the most urgent need across all of the states, followed by facilities, fundraising, and communications assistance.

TABLE 19. CAPACITY BUILDING NEEDS

NEED	ALASKA	WASHINGTON	OREGON	IDAHO	MONTANA	ALL
Personnel	52%	46%	50%	56%	40%	47%
Facilities	18%	23%	24%	26%	19%	22%
Fundraising	14%	12%	16%	20%	13%	13%
Communications	10%	9%	10%	10%	15%	10%
Clients	7%	8%	6%	1%	11%	8%
Strategy	1%	6%	3%	6%	4%	5%
NA or Don't Know	3%	5%	1%	0%	3%	4%

COLLABORATION & COLLECTIVE ACTION

Table 20 displays the average ratings for a series of questions concerning nonprofit collaboration. While the ratings generally hover about the mid-point of the range, there is significant variation across the states

with Alaska consistently at the higher end of the continuum and Washington at the lower end. The table reveals that only Washington saw uniform increase in ratings compared to last year.

TABLE 20. RATINGS OF COLLABORATION AND COLLECTIVE ACTION *(CHANGES FROM 2014)*
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT COLLABORATION AND COLLECTIVE ACTION	AK *(N=90/135)*	WA *(N=653/1085)*	OR *(N=118/256)*	ID *(N=84/189)*	MT *(N=138/277)*
Nonprofits **come together** to address big issues.	6.7 *(-.1)*	5.5 *(+.1)*	5.9 *(NC)*	6.4 *(+.6)*	5.8 *(+.2)*
Nonprofits **come together with businesses** to address big issues.	5.1 *(-.1)*	4.6 *(+.2)*	4.7 *(-.1)*	5.0 *(NC)*	4.8 *(-.1.5)*
Nonprofits **come together with government** to address big issues.	5.7 *(-.3)*	4.8 *(+.1)*	5.4 *(+.1)*	4.7 *(-.4)*	5.0 *(-1.0)*

In 2015, survey takers were asked to provide additional details about their collaboration efforts. The goal was to more thoroughly understand what assisted nonprofits in their collaboration efforts and what stood in the way. We first asked respondents what has most facilitated effective collaboration in their geographic area. Four primary themes emerged from the responses:

1. **Conferences and convenings:** Responses pointed to the role of specific alliances, networks, coalitions, and foundations that bring organizations together, along with formal events, trainings, conferences, and meetings. There was regular mention of the management support organizations in these comments.

   Conferences, health fairs, community events, partnerships to promote initiatives.

   Communications from and convenings by [our statewide MSO].

   Convening discussions and the funding to promote engagement in those discussions.

   Big one time events that give the public more information on what each nonprofit does to help the community.

   Often, through networking and/or events, nonprofits will find each other and form partnerships organically. The need is always there, and this is something all nonprofits understand, and I feel we are all willing to help one another fill gaps in services.

2. **Shared goals and interests:** Nonprofits pointed to natural alignments and overlap among their colleagues in mission and program services. Comments also noted galvanizing events, such as natural disasters, that cause people and groups to want and need similar things.

   Work together when they have common interests that help each other.

   Forums held with collective mindset and benefitting nonprofits regardless of their mission.

   Joint meetings and partnership programs.

   Similar goals or interests in specific issues/projects.

   Finding a common goal that does not have a competitive element. The [local] Community foundation is a good example of pulling groups together for common cause.

3. **Communication:** Person-to-person connections and ongoing communication clearly facilitates collaboration. Comments specifically noted open communication lines, networking, online forums, and social media. Organizational culture and leaders – and a spirit of collaboration and willingness to interact with one another – is clearly essential.

    Spending time together; talking; sharing ideas, practices, common goals.

    General Communication among non profits.

    Having someone lead, organize, and communicate about matters at hand.

    Communication and peer meetings.

    Open and honest communication. Small town so easy for people to see each other and bring issues come. The awareness gets us talking.

4. **Funders:** Respondents noted that funders (such as public/private partnerships) are inherently collaborative and require ongoing alignment of work.

    Common community issues, funder-driven collaborations.

    A shared pool of funding that all organizations are eligible to access.

    State and private funding to support collaboration.

    The growth of local networks. Funder focus on collaboration.

    Contract mandates and funder expectations.

As **Table 21** indicates, while "events" is the primary facilitator of collaboration across all five states, there is some variation among the states in how frequently the different facilitators appear. For example, in Alaska, Idaho, and Montana, events were cited by survey takers more than half the time. In both Washington and Oregon, however, "shared goals" is identified nearly as often.

TABLE 21. COLLABORATION FACILITATORS

FACILITATOR	ALASKA	WASHINGTON	OREGON	IDAHO	MONTANA	ALL
Conferences/convenings	58%	34%	44%	62%	55%	41%
Shared goals	15%	30%	38%	28%	25%	25%
Communication	6%	27%	3%	5%	6%	19%
Funders	1%	8%	2%	4%	10%	9%
NA or Don't Know	16%	5%	15%	5%	4%	6%

We also asked respondents to identify the barriers to effective collaboration. Four themes emerged during our analysis. These themes are:

1. **Capacity**: The lack of capacity infringes on the ability to collaborate. Geographic barriers (being too remote or far away), and not enough time, money, or staff can make collaboration impossible or not effective.

    Lack of bandwidth/internal capacity to make the time needed to effectively collaborate.

Locally, lack of capacity among organizations and the total absence of a staffed, unifying organization (like a community foundation) inhibits collaboration.

Being too busy to spend time outside of the daily grind.

Many are too busy (capacity); not because it isn't important.

Scarcity of resources and constituency demands and/or community pressures that pull nonprofits away from the time commitments that are needed to develop the institutional and interpersonal relationships and trust that are the building blocks for successful collaboration.

2. **Attitude**: Comments suggest that collaboration is not necessarily desired by nonprofits. Negative attitudes that made collaboration difficult, beyond the legitimate lack of resources, such as competitiveness, jealousy, turf wars, pride, poor leadership, and territorialism were all mentioned.

Sense of scarcity / competition for donations and funding.

Probably competition and differing values and methods.

Turf and wanting to receive credit for the work.

Turf protection, vying for the same funds and resources.

Competition for the same funding - occasionally confusion about the difference between a partnership and a dictatorship.

3. **Communication barriers**: Comments pointed to a lack of communication and social capital as a reason for ineffective collaboration. Respondents indicated that they did not know colleagues with whom they could work together nor did they talk to them regularly. Overall isolation, a lack of events spurring collaboration, and working in silos was mentioned.

Lack of communication and connection.

Our isolation as a very small community where the population density is at the opposite end of the County.

Many organizations are too busy and can tend to isolate.

The feeling of competition, territory marking, and lack of communication between groups to truly work together for the same goals.

Inadequate communication among individual organizations.

4. **Mission and culture**: Organizational mission also comes into play, according to survey takers. Some respondents felt that their organizations overlapped too much or were too similar to warrant collaboration. In contrast, others felt they were too different to work together. These differences stemmed from political viewpoints, culture, or disbelief that collaboration with organizations with different approaches or values would be worthwhile.

Bias such as conservative views vs liberal.

Culture and inertia of 'this is the way we have always done it . . . .'

Montana culture of doing it their own way, own rules, own terms. A lot of overlapping services in relation to the population.

Views of religion in our State.

Probably competition and differing values and methods.

As **Table 22** shows, the primary barrier across all five states was a lack of "capacity." While "attitude" was the second most frequently cited barrier, it was most common in Montana and least common in Washington. Overall, the barriers were most evenly distributed in Washington with Montana's responses concentrating on two themes.

TABLE 22. COLLABORATION BARRIERS

BARRIER	ALASKA	WASHINGTON	OREGON	IDAHO	MONTANA	ALL
Capacity	54%	50%	50%	41%	39%	49%
Attitude	29%	16%	35%	31%	44%	24%
Communication	20%	15%	13%	23%	7%	15%
Mission	3%	18%	4%	9%	6%	13%
NA or Don't Know	6%	6%	5%	4%	6%	6%

POLICY ENVIRONMENT

Survey results presented in **Table 23** indicate that the majority of organizations agree that policy work is important to their missions, though there were some changes from last year. When asked whether the local policy environment was friendly toward nonprofits, all of the state averages went up, except in Alaska. In fact, it is interesting to compare the downward trend in responses in Alaska, which is suffering an economic downturn, and the overall upward trend in Montana, where there has been greater economic prosperity.

TABLE 23. RATINGS OF POLICY ENVIRONMENT *(CHANGES FROM 2014)*
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT POLICY ENVIRONMENT	AK *(N=90/135)*	WA *(N=653/1085)*	OR *(N=118/256)*	ID *(N=84/189)*	MT *(N=138/277)*
How important is public policy work to accomplishing your **mission**?	7.1 *(-.3)*	6.1 *(+.2)*	6.7 *(-.2)*	6.5 *(-.3)*	7.2 *(NC)*
The state/local policy environment is **friendly** to nonprofits.	5.9 *(-.4)*	5.9 *(+.2)*	6.4 *(+.2)*	5.5 *(+.2)*	6.1 *(+.4)*
Nonprofits have a **role** in the public policy decision-making process.	6.2 *(-.3)*	5.6 *(NC)*	6.2 *(+.2)*	5.2 *(-.2)*	6.5 *(+.7)*
Nonprofits have a **voice** in the public policy decision-making process.	5.8 *(-.4)*	5.3 *(+.1)*	5.9 *(+.2)*	4.9 *(-.2)*	6.2 *(+.5)*

Like the focus on collaboration, the MSOs also included two open-ended questions about policy work in this year's survey. The first question focused on identifying those things that contributed to nonprofits doing policy work and the second question concerned the most pressing policy need. When describing the things that helped them do policy work, we found four key factors:

1. **Legislative engagement**: Nonprofits noted the importance of having and building relationships with legislative officials, engaging in activities that build connections to legislative officials (lobby days, emailing/calling officials, hiring lobbyists), and securing access to legislators to involve them in their issues.

   A legislator who comes from the health field and is a champion of our mission and of state-provided expansion to cover all Idaho residents.

   Engagement with individual city council members.

   Access to our state and federal legislators.

   Supportive governor's office, legislators recognizing that the gaps in communities are filled by nonprofits, research, economic impact report.

   The engagement of the community at large in the legislative process on behalf of arts and culture nonprofits.

2. **Collaboration**: While survey takers, as a whole, have a mixed view of collaboration (as shown by the previous results), they noted its importance in policy work, especially collaboration with their colleagues and the use of issue networks.

   Collaborative efforts to approach legislature, ability to show results in our community and how the work that we do helps address legislators' concerns.

   Alliances with business and other unlikely partners.

   Partnering with the city and the school district - members of whom belong to our club.

   Human service networks have worked to advocate with government, and on the local level, individual councils have been very connected and supportive to human service organizations.

   Collaborations where we can speak with one voice.

3. **Advocacy groups**: Comments noted the importance of creating a louder voice on the issues and pointed to organizational structures for doing this, including collectives, coalitions, alliances, councils, and other advocacy networks that meet or exist to inform and change public policy.

   The power of collective voice through coalitions.

   Joining with our state organization to approach local government as a collective body.

   Being a member of the WA state Federation of animal care and control - an organization that focuses on advocacy and legislation for the animals.

   A couple of nonprofits whose mission includes advocacy and public policy.

   Our state advocacy organization - the Washington Low Income Housing Alliance.

4. **Community knowledge**: Data, education, and awareness in the community at large is essential to creating policy change. Comments noted the importance of working to shift public opinion and values, engaging with their communities, and ensuring that leaders are visible and involved with their communities.

   Strong facts based data and regular communication with decision makers.

Public radio reporting, access to more information on the internet, access to better information.

Providing solid, peer reviewed data to all stakeholders on the topic of discussion.

Sharing of information.

Educated legislators who seek information from nonprofit when making policy decisions. Building relationships with legislators.

The frequency of these responses are presented in **Table 24** below. It is interesting to note how the frequencies vary considerably from state-to-state. This suggests that there is no "one size fits all" contributor and that the things that help build a policy-focused culture vary across the Northwest.

TABLE 24. CONTRIBUTORS TO POLICY WORK

CONTRIBUTOR	ALASKA	WASHINGTON	OREGON	IDAHO	MONTANA	ALL
Engagement	28%	20%	19%	27%	20%	21%
Collaboration	18%	10%	9%	3%	11%	10%
Advocacy groups	27%	15%	41%	27%	44%	22%
Community knowledge	23%	15%	26%	18%	27%	18%
NA or Don't Know	5%	42%	9%	29%	4%	31%

Respondents were also asked to identify the most significant issue of public policy that needs to be addressed for them to succeed. Four specific themes emerged:

1. **Issue specific**: Not surprisingly, comments frequently centered on specific issues that affect the respondent and its constituents. Examples included health policy, Medicaid, animal welfare, environmental protection, homelessness, affordable housing, art, substance abuse, mental health, and many others. Overall, comments were varied and idiosyncratic to the focus of each organization.

   Support of people with intellectual and developmental disabilities.

   State regulations not lump small rural cemeteries with large urban cemeteries.

   HUD implementing 2 CFR 200 for indirect cost reimbursement.

   Teens and the obesity crisis. This involves cutting recess, cutting PE classes, and unhealthy foods served to kids at Public Schools throughout King County.

   Animals are not property, rather are family members.

2. **Red tape:** Nonprofits wanted funders and policymakers to be more concerned with the health of the nonprofit sector and less focused on paperwork, reporting, and burdensome oversight. There was also a concern about the challenges in sharing data that could benefit the sector as a whole. Overall, respondents felt that nonprofits were overly scrutinized and excessively micro-managed by outside entities, which in turn limits efficiency and effectiveness.

   Over regulation, reports taking up too much resources.

   Breaking red tape to allow nonprofits to be effective.

Clarify property tax exemption and support for charitable organizations that is not creating more paperwork headaches.

More funding opportunities without overly burdensome reporting requirements.

Improved state revenue systems so the state can do more and there is less of a burden on local governments, nonprofits, and foundations.

3. **Funding**: Nonprofits were concerned about their funding security and sustainability and its impact on policy work. Specific worries included the health of the state budget, potential cuts to funding brought on by governmental budget cuts, the challenge of building long-term funding security, and the urgent need for funding that covered operations and not just programs.

Funding to support identified community needs.

Sustainable funding of nonprofits is an unanswered challenge currently. Due to our model, we are less impacted, but we all share the same environment.

Enough funding for programs like mine to actually serve low income families.

Education funding for programs that work instead of old school programs that don't.

Stable funding year to year and more flexible income limit guidelines and a State income tax.

4. **Economy**: Comments pointed to the need for overall economic improvement in their states as well as at the national level, including social security, tax reform, family friendly policies, an increase in minimum wage or living wages for workers, and economic improvement for all citizens.

How the state budget is distributed. Our education system is a mess.

Affordable housing and the minimum wage.

We are not significantly impacted by public policy, but two current issues of strong interest are minimum wage legislation and major changes to the salary thresholds for exempt employees.

Government budget needs to pay for the services of nonprofits at the full cost.

Voter turnout, campaign finance reform (we made some progress on reform last session re: dark money in state races). We do not control the government when it can be bought and so few vote.

The frequency of these themes across the states is summarized in **Table 25**. It shows fairly uniform distribution across the states, except in Washington where there was a very high number of "don't know" responses.

TABLE 25. PRESSING POLICY NEED

PRESSING NEED	ALASKA	WASHINGTON	OREGON	IDAHO	MONTANA	ALL
Specific issue	31%	35%	39%	43%	31%	35%
Red tape	25%	15%	15%	28%	25%	17%
Funding	25%	10%	30%	12%	21%	14%
Economy	13%	7%	15%	5%	18%	9%
NA or Don't Know	9%	34%	3%	11%	3%	24%

STATEWIDE ASSOCIATIONS

Overall, the five nonprofit associations are well regarded by their constituents as seen by the relatively high average ratings in **Table 26**. New this year was a question asking whether respondents personally valued their statewide association. All of these responses were quite positive. The 8.2 rating for Montana's state association tied the highest average rating among the state comparisons.

TABLE 26. RATINGS ABOUT STATEWIDE ASSOCIATION *(CHANGES FROM 2014)*
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT STATEWIDE ASSOCIATION	AK *(N=90/135)*	WA *(N=653/1085)*	OR *(N=118/256)*	ID *(N=84/189)*	MT *(N=138/277)*
My association **amplifies** the sector's voice in public policy decision-making.	6.1 *(-.2)*	5.0 *(-.1)*	6.5 *(+.6)*	6.3 *(+.1)*	7.6 *(+.6)*
Extent to which you personally **value** your statewide association.	6.8	5.3	7.3	7.6	8.2

APPENDIX I. CAPACITY LEVEL COMPARISONS

One of the more interesting findings in the survey data was the gap between respondents' self-assessment of their financial capacity (ranging from 5.3 to 5.6 on a 10-point scale) and their self-assessment of their effectiveness in accomplishing their mission (ranging from 8.2 to 8.8). Overall, we found a statistically significant correlation between the two with organizations rating their mission effectiveness higher as their financial capacity grew.

To better understand respondents' capacity – and their ratings of it – we divided the survey sample into three roughly equal groups. The first group comprises those organizations who rated their financial capacity as 4 or below (on a 10-point scale). We call this group "low capacity." The second group ("medium capacity") had ratings of 5 to 7 and the third group ("high capacity") had ratings of 8 to 10. **Table 27** lists several average ratings of these three groups. Perhaps the most striking finding in the table is that high capacity groups are more likely to have the right capabilities and skills among their staff. This underscores the qualitative finding that the greatest capacity challenge faced by organizations is a lack of staff and personnel.

TABLE 27. RATINGS OF MISSION ACHIEVEMENT
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT MISSION ACHIEVEMENT	LOW CAPACITY (N=470)	MEDIUM CAPACITY (N=414)	HIGH CAPACITY (N=328)
How effective is organization at accomplishing its **mission**?	7.7	8.5	8.9
Our team has right **capability and skills** to accomplish mission.	6.3	7.4	8.5
Our organization is **on target** to complete all aspects of our plan.	5.7	6.9	7.6

We were interested in knowing more about the nonprofits that fall within the three capacity groups. **Tables 28 and 29** present information about their budgets and reserve levels. It shows that medium and high capacity groups are larger and have more financial resources than low capacity groups.

TABLE 28. BUDGET BY CAPACITY LEVEL

BUDGET	LOW CAPACITY (N=470)	MEDIUM CAPACITY (N=414)	HIGH CAPACITY (N=328)
<$500K	72%	55%	60%
$500K-$1M	10%	14%	12%
$1M-$2M	7%	14%	8%
$2M-$5M	5%	10%	9%
$5M+	6%	7%	11%
TOTAL	**100%**	**100%**	**100%**

TABLE 29. RESERVE LEVEL BY CAPACITY LEVEL

RESERVE LEVEL	LOW CAPACITY *(N=431)*	MEDIUM CAPACITY *(N=388)*	HIGH CAPACITY *(N=315)*
No reserve	20%	5%	4%
1-3 months	43%	33%	26%
4-12 months	30%	53%	54%
12 months +	8%	9%	17%
TOTAL	**100%**	**100%**	**100%**

We also sought to understand how capacity was related to use of program evaluation. Overall, while organizations with more capacity clearly do more with evaluation, they are not that remarkably different from organizations with lower capacity. More specifically, the lowest rating in **Table 30 (**4.2) was for low capacity organizations' rating of availability of quality data and information. Interestingly, **Table 31** suggests that medium capacity organizations might make the most use of program evaluation findings.

TABLE 30. RATINGS ABOUT STATEWIDE ASSOCIATION *(CHANGES FROM 2014)*
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT STATEWIDE ASSOCIATION	LOW CAPACITY *(N=431)*	MEDIUM CAPACITY *(N=388)*	HIGH CAPACITY *(N=315)*
To what extent is there **quality data and information** on the sector in your region?	4.2	5.1	5.1
Our organization uses data from our community to **inform our strategy.**	5.1	6.1	5.9
Our organization uses program evaluation to promote **continuous improvement.**	4.7	5.7	5.5

TABLE 31. USE OF EVALUATION FINDINGS

USE OF EVALUATION FINDINGS	LOW CAPACITY *(N=470)*	MEDIUM CAPACITY *(N=414)*	HIGH CAPACITY *(N=328)*
Update or report to board	49%	58%	53%
Plan or revise programs	44%	55%	48%
Plan or revise strategies	36%	47%	44%
Report to funders	33%	42%	34%
Use in proposals to funders	35%	25%	30%
Communicate to stakeholders	30%	39%	37%
Make resource allocations	26%	40%	39%
Make staffing decisions	25%	35%	34%
Share best practices	19%	24%	23%
Support advocacy/policy work	17%	19%	19%

In reviewing **Table 32**, medium capacity groups appear to be the ones most likely to have the various plans identified in the table.

TABLE 32. PERCENTAGE OF GROUPS WITH SPECIFIC WRITTEN PLANS

SPECIFIC PLAN TYPE	LOW CAPACITY *(N=470)*	MEDIUM CAPACITY *(N=414)*	HIGH CAPACITY *(N=328)*
Annual budget	72%	81%	77%
Strategic plan	46%	54%	47%
Fundraising plan	38%	52%	42%
Annual plan	32%	42%	39%
Business plan	26%	27%	25%
Communications plan	18%	30%	27%
Board improvement plan	19%	19%	18%
Emergency succession plan	15%	20%	23%
Executive transition plan	11%	16%	2%
Theory of change	14%	15%	13%

The ratings in **Table 33** for collaboration and collective action help draw more distinctions between the three groups. Medium capacity groups appear to rate collaboration more highly than either low or high capacity organizations.

TABLE 33. RATINGS OF COLLABORATION AND COLLECTIVE ACTION
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT COLLABORATION AND COLLECTIVE ACTION	LOW CAPACITY *(N=470)*	MEDIUM CAPACITY *(N=414)*	HIGH CAPACITY *(N=328)*
Nonprofits **come together** to address big issues.	5.4	6.1	5.9
Nonprofits **come together with businesses** to address issues.	4.3	5.1	5.0
Nonprofits **come together with government** to address issues.	4.5	5.3	5.2

Finally, **Table 34** indicates that low capacity groups give consistently lower ratings in response to questions concerning the policy environment.

[Table 34 Next Page]

TABLE 34. RATINGS OF POLICY ENVIRONMENT
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount

STATEMENT ABOUT POLICY ENVIRONMENT	LOW CAPACITY (N=470)	MEDIUM CAPACITY (N=414)	HIGH CAPACITY (N=328)
How important is policy work to accomplishing your **mission**?	6.2	6.6	6.3
The policy environment is **friendly** to nonprofits.	5.5	6.0	6.4
Nonprofits have a **role** in the policy decision-making process.	5.3	6.1	5.9
Nonprofits have a **voice** in the policy decision-making process.	5.0	5.9	5.7

APPENDIX II. BUDGET COMPARISONS

We sought to better understand how survey responses might differ by organization budget. To that end, we provide responses to a series of questions with cross-tabulations for budget size. **Table 35** identifies how organizations of different sizes vary in their possession of key planning documents. The majority of all groups have annual budgets and strategic plans and larger groups possess all of the documents with greater frequency.

TABLE 35. PERCENTAGE OF GROUPS WITH SPECIFIC WRITTEN PLANS *(WRITTEN AND EFFECTIVE RATINGS)*

SPECIFIC PLAN TYPE	<$500K (N=899)	$500K - $1M (N=177)	$1M - $2M (N=142)	$2M - $5M (N=123)	$5M+ (N=120)
Annual budget	69% / 55%	88% / 83%	89% / 89%	89% / 88%	93% / 83%
Strategic plan	35% / 23%	62% / 53%	74% / 59%	73% / 63%	79% / 66%
Fundraising plan	34% / 25%	54% / 45%	67% / 56%	59% / 43%	56% / 38%
Annual plan	31% / 22%	41% / 38%	47% / 35%	41% / 31%	53% / 40%
Communications plan	17% / 13%	23% / 23%	42% / 32%	39% / 24%	47% / 30%
Business plan	20% / 13%	25% / 23%	32% / 20%	37% / 27%	44% / 32%
Bd improvement plan	15% / 9%	23% / 19%	25% / 16%	25% / 19%	29% / 19%
Emergency succession	14% / 7%	18% / 12%	24% / 12%	28% / 15%	47% / 30%
Exec. transition plan	12% / 7%	14% / 10%	17% / 10%	21% / 13%	38% / 23%
Theory of change	10% / 7%	19% / 16%	18% / 9%%	25% / 19%	35% / 24%

Overall, as **Table 36** reveals, the organizations generally use their evaluation findings in the same way, with larger organizations making more general use of them compared to smaller groups. It is notable that very few large groups "have not used" evaluation results compared to the larger percentage of groups with budgets under $500K.

TABLE 36. USE OF EVALUATION FINDINGS

USE OF EVALUATION FINDINGS	<$500K (N=899)	$500K - $1M (N=177)	$1M - $2M (N=142)	$2M - $5M (N=123)	$5M+ (N=120)
Update or report to board	34%	57%	63%	60%	67%
Plan or revise programs	31%	52%	57%	59%	59%
Plan or revise strategies	26%	45%	47%	52%	53%
Report to funders	24%	49%	54%	52%	52%
Use in proposals to funders	21%	43%	46%	45%	48%
Communicate to stakeholders	20%	41%	43%	45%	49%
Make resource allocations	21%	37%	41%	47%	46%
Make staffing decisions	14%	38%	43%	52%	50%
Share best practices	13%	22%	28%	28%	28%
Support advocacy/policy work	10%	19%	25%	21%	30%
Have not used	37%	9%	10%	3%	7%

Staff and board members of larger groups are generally more aware of strategically developed plans than are those from smaller organizations, as shown in **Table 37**.

TABLE 37. AWARENESS OF STRATEGICALLY DEVELOPED PLANS
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

ORGANIZATION TYPE	PERCENT RECEIVING
All organizations	6.2
<500K	5.6
$500-$1M	6.9
$1M - $2M	7.2
$2M - $5M	7.2
$5M	7.1

Table 38 reveals that large organizations are far more likely to regularly review their executive directors. There is a significant gap between the percentage of small groups (under $500K) doing these reviews compared to those with very large budgets (over $5M).

TABLE 38. BOARD REGULARLY EVALUATE ED *(N=1622)*

ORGANIZATION TYPE	PERCENT YES
<500K	54%
$500-$1M	84%
$1M - $2M	89%
$2M - $5M	89%
$5M	97%

Organizations differ modestly in their self-assessment of effectiveness and capacity based upon budget size. **Table 39** indicates that larger groups rate themselves as being more effective and having more capacity than smaller groups. The greatest spread between ratings exists for the rating on "sufficient capacity" where small groups provide the lowest average rating and larger groups give themselves an average rating 1.2 points higher. It is interesting to note that the mission achievement rating of 8.9 for organizations with budgets between $2 million and $5 million is the highest in all of the survey results.

[Table 39 Next Page]

TABLE 39. RATINGS OF MISSION ACHIEVEMENT
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT MISSION ACHIEVEMENT	<$500K *(N=766)*	$500K - $1M *(N=139)*	$1 - $2M *(N=113)*	$2 - $5M *(N=95)*	$5M+ *(N=96)*
How effective is your organization at accomplishing its **mission**?	8.1	8.6	8.8	8.9	8.7
Our team has right **capability and skills** to accomplish our mission.	6.9	7.7	7.8	7.9	7.7
Our organization is **on target** to complete all aspects of our plan.	6.2	6.7	7.5	7.5	7.4
Our organization has **sufficient capacity** to complete our plan.	5.1	5.5	5.9	6.0	6.3

As shown in **Table 40**, larger groups have higher ratings for collaboration, most especially in relation to government.

TABLE 40. RATINGS OF COLLABORATION AND COLLECTIVE ACTION
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT COLLABORATION AND COLLECTIVE ACTION	<$500K *(N=766)*	$500K - $1M *(N=139)*	$1 - $2M *(N=113)*	$2 - $5M *(N=95)*	$5M+ *(N=96)*
Nonprofits **come together** to address big issues.	5.3	6.5	6.6	6.5	6.8
Nonprofits **come together with businesses** to address big issues.	4.5	5.2	5.2	5.3	5.2
Nonprofits **come together with government** to address big issues.	4.5	5.5	5.6	6.0	6.4

Finally, in terms of policy work, **Table 41** indicates that a gap exists in how much importance larger organizations place on public policy work compared to smaller groups.

[Table 41 Next Page]

TABLE 41. RATINGS OF POLICY ENVIRONMENT
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT POLICY ENVIRONMENT	<$500K (N=766)	$500K - $1M (N=139)	$1 - $2M (N=113)	$2 - $5M (N=95)	$5M+ (N=96)
How important is public policy work to accomplishing your **mission**?	5.9	7.1	7.0	7.5	7.6
The state/local policy environment is **friendly** to nonprofits	5.7	6.3	6.2	6.3	6.2
Nonprofits have a **role** in the public policy decision-making process	5.3	6.3	6.6	6.6	7.1
Nonprofits have a **voice** in the public policy decision-making process	5.1	6.1	6.1	6.4	6.4

APPENDIX III. ACTIVITY TYPE COMPARISONS

Table 42 identifies how organizations of different types vary in their possession of planning documents. As is the trend elsewhere in this report, the majority of groups generally have annual budgets and strategic plans. However, there is variation in the frequency with which different types of organizations possess other kinds of plans. Arts and culture groups typically have fewer documents and human services organizations have them more often.

TABLE 42. PERCENTAGE OF GROUPS WITH SPECIFIC WRITTEN PLANS

SPECIFIC PLAN TYPE	HUMAN SERVICES (N=90)	EDUCATION (N=653)	ARTS & CULTURE (N=118)	ENVIRO (N=84)	HEALTH (N=138)	PUBLIC BENEFIT (N=138)
Annual budget	82%	81%	73%	70%	82%	75%
Strategic plan	56%	49%	38%	50%	55%	49%
Fundraising plan	50%	49%	42%	35%	51%	41%
Annual plan	34%	39%	27%	37%	41%	39%
Business plan	26%	33%	18%	15%	31%	23%
Communications plan	31%	27%	22%	19%	27%	17%
Board improvement plan	26%	22%	14%	9%	22%	16%
Emergency succession plan	28%	18%	14%	12%	26%	14%
Executive transition plan	19%	18%	12%	11%	20%	10%
Theory of change	21%	18%	10%	8%	14%	18%

Overall, as **Table 43** reveals, there is not a significant difference in how organizations use their evaluation findings, with all groups reporting a focus on updating the board or adapting programs and strategies.

TABLE 43. USE OF EVALUATION FINDINGS

USE OF EVALUATION FINDINGS	HUMAN SERVICES (N=90)	EDUCATION (N=653)	ARTS & CULTURE (N=118)	ENVIRO (N=84)	HEALTH (N=138)	PUBLIC BENEFIT (N=138)
Update or report to board	48%	44%	31%	34%	44%	33%
Plan or revise programs	44%	40%	32%	32%	39%	33%
Plan or revise strategies	36%	32%	24%	31%	31%	30%
Report to funders	40%	31%	29%	32%	30%	26%
Use in proposals to funders	38%	28%	28%	23%	28%	19%
Communicate to stakeholders	37%	27%	20%	17%	31%	19%
Make resource allocations	32%	23%	22%	23%	28%	27%
Make staffing decisions	33%	23%	16%	22%	32%	17%
Share best practices	19%	21%	9%	15%	20%	18%
Support advocacy/policy work	22%	13%	6%	10%	22%	7%
Have not used	15%	19%	28%	31%	21%	31%

Average ratings for mission achievement in **Table 44** mirror both the results presented earlier and evidence only minor variation among the organizations in their responses. Overall, all groups rate their ability to achieve their mission highly and give lower average ratings to their capacity. Environmental groups have the lowest capacity rating of all (average 4.8 rating).

TABLE 44. RATINGS OF MISSION ACHIEVEMENT
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT MISSION ACHIEVEMENT	HUMAN SERVICES (N=90)	EDUCATION (N=653)	ARTS & CULTURE (N=118)	ENVIRO (N=84)	HEALTH (N=138)	PUBLIC BENEFIT (N=138)
How effective is organization at accomplishing its **mission**?	8.5	8.3	8.2	8.3	8.5	8.1
Our team has right **capability and skills** to accomplish mission.	7.5	6.9	7.0	7.0	7.3	7.0
Our organization is **on target** to complete all aspects of our plan.	6.7	6.6	6.4	6.5	6.9	6.4
Our organization has **sufficient capacity** to complete our plan.	5.3	5.4	5.5	4.8	5.6	5.2

Average ratings concerning nonprofit collaboration are displayed in **Table 45**. The results indicate that arts and culture groups have the lowest ratings overall while human services groups have the highest average ratings. In fact, the 4.3 rating for the arts and culture groups are the lowest in all of the survey data.

TABLE 45. RATINGS OF COLLABORATION AND COLLECTIVE ACTION
Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount"

STATEMENT ABOUT COLLABORATION AND COLLECTIVE ACTION	HUMAN SERVICES (N=90)	EDUCATION (N=653)	ARTS & CULTURE (N=118)	ENVIRO (N=84)	HEALTH (N=138)	PUBLIC BENEFIT (N=138)
Nonprofits **come together** to address big issues.	6.5	5.5	5.2	5.4	6.0	5.7
Nonprofits **come together with businesses** to address issues.	5.1	4.7	4.3	4.4	4.6	4.8
Nonprofits **come together with government** to address issues.	5.6	4.5	4.3	4.9	5.3	5.2

Finally, ratings for policy work show that arts and culture groups had the lowest average ratings with human services organizations offering the highest overall ratings. These results are presented in **Table 46**.

TABLE 46. RATINGS OF POLICY ENVIRONMENT

Scale equates 1.0 with "Not at All" and 10.0 with "A Great Amount

STATEMENT ABOUT POLICY ENVIRONMENT	HUMAN SERVICES (N=90)	EDUCATION (N=653)	ARTS & CULTURE (N=118)	ENVIRO (N=84)	HEALTH (N=138)	PUBLIC BENEFIT (N=138)
How important is policy work to accomplishing your **mission**?	7.5	6.1	5.2	6.6	6.7	6.2
The policy environment is **friendly** to nonprofits.	6.0	6.0	5.3	5.9	6.2	6.1
Nonprofits have a **role** in the policy decision-making process.	6.3	5.6	5.2	5.8	5.7	5.8
Nonprofits have a **voice** in the policy decision-making process.	5.9	5.4	5.0	5.7	5.1	5.7