A Portrait of SOCIAL SERVICES ORGANIZATIONS in Canada

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The 2003 *National Survey of Nonprofit and Voluntary Organizations* (**NSNVO**) is the first comprehensive survey of Canada's nonprofit sector. It provides key data about nonprofit organizations including: their numbers; geographic distribution; areas of activity; the populations they serve; the extent to which they provide public benefits; the financial and human resources on which they rely; and problems they report in their capacity to fulfill their missions.

Undertaken by a consortium of nine organizations, the **NSNVO** was led by the Canadian Centre for Philanthropy (now Imagine Canada). Participating organizations included l'Alliance de recherche universitéscommunautés en économie sociale, Université du Québec à Montréal; Canada West Foundation; Canadian Council on Social Development; Capacity Development Network, University of Victoria; Community Services Council, Newfoundland and Labrador; School of Policy Studies, Queen's University; the Voluntary and Nonprofit Sector Organization of Manitoba; and Statistics Canada. It was based on a representative sample of approximately 13,000 nonprofit organizations.

To be included in the survey, organizations had to be: non-governmental; non-profit distributing; selfgoverning; voluntary; and formally incorporated or registered. Organizations meeting these criteria were asked about their activities over the 12 month period prior to the survey.

The 2000 *National Survey of Giving, Volunteering and Participating* (**NSGVP**) provides a comprehensive look at the contributions that Canadians make to one another and their communities. Respondents were asked a series of questions about: how they give money and other resources to individuals and to charitable and nonprofit organizations; volunteer time to nonprofit organizations and directly to individuals; and participate in groups, organizations, and associations by becoming members.

www.givingandvolunteering.ca www.imaginecanada.ca www.nonprofitscan.ca www.kdc-cdc.ca

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Imagine Canada - Signature Research



Social Services organizations engage in a wide range of activities. They provide child and youth welfare services; refugee and material assistance; disaster and emergency prevention and control; temporary shelters; self-help and personal social services such as credit counselling; income support; as well as a range of other important services to populations and communities. Using data from the 2000 *National Survey of Giving, Volunteering and Participating* (**NSGVP**) and the 2003 *National Survey of Nonprofit and Voluntary Organizations* (**NSNVO**), this report provides a portrait of the many Social Services organizations in Canada, their donors, their volunteers, and the challenges they face as they attempt to fulfill their missions.

According to the **NSNVO**, Social Services organizations are the third most common type of nonprofit organization after Sports and Recreation and Religious organizations. There are approximately 19,000 Social Services organizations in Canada, accounting for 12% of the country's estimated 161,000 nonprofit organizations. Social Services organizations tend to be somewhat larger than other types of nonprofit organizations – half (50%) report annual revenues of \$100,000 or more – and they tend to be more dependent on paid staff, with 69% of organizations reporting the presence of at least one staff member.

Social Services organizations have somewhat less of a membership focus than do many other types of nonprofits – 31% of Social Services organizations report having no members,¹ compared to 21% of nonprofit organizations generally. However, Social Services organizations do have a local focus – 91% of organizations serve a single neighbourhood, city, town, or rural municipality, or a region within a province.

Quick Facts:

Quick Facts: Characteristics of Social Services Organizations

- Social Services organizations are the third most common type of organization in Canada – 12% of organizations, or 19,000 of a total of 161,000 nonprofit organizations.
- They tend to be larger than other types of nonprofits – 50% of Social Services organizations have annual revenues of \$100,000 or more.
- They are more likely to have paid staff
 69% of Social Services organizations have at least one paid staff member.
- They are very likely to have a local focus

 91% of organizations serve a single neighbourhood, city, town, or rural municipality, or a region within a province.

Social Services organizations have been in operation for fewer years than other types of nonprofit organizations. In fact, more than half (52%) have been in operation for less than 20 years. Social Services organizations are more likely than many types of organizations to be registered charities — almost three quarters (72%) are registered charities. Charitable status allows organizations to issue tax receipts for donations, perhaps making it easier for them to solicit donations.

¹The 69% of Social Services organizations that have members collectively report a total membership of over 12 million people and 59,000 organizations.



Collectively, Social Services organizations report annual revenues of \$11.1 billion, and account for approximately 10% of total annual nonprofit sector revenues - the largest proportion of any sub-sector except Hospitals, Universities and Colleges. Social Services organizations tend to be larger than other types of organizations - half (50%) report annual revenues of \$100,000 or more, compared to 37% of nonprofit organizations generally.

Social Services organizations depend heavily on government revenues. Two-thirds (66%) of total revenues in this sub-sector come from this source, compared to 49% in the nonprofit sector as a whole. However, comparatively small amounts of total Social Services revenues come from earned income - 20% of total revenues come from this source, compared to 35% for nonprofit organizations generally. Only 2% of the revenues of Social Services organizations come from corporate sponsorships, donations, and grants - just under the national average of 3%.

This revenue profile is distinct from all nonprofit organizations, which receive 49% of their revenues from government. It is even more distinct from the sector excluding Hospitals, Universities, and Colleges, which represent only 1% of all Canadian nonprofit organizations, but account for approximately one-

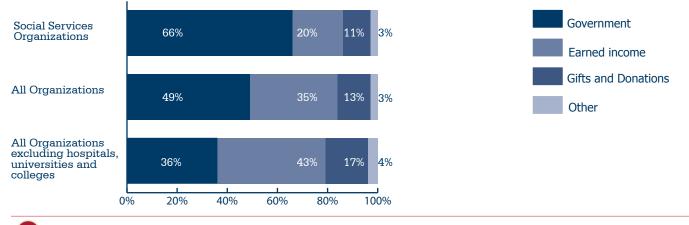
Quick Facts:

Financial Resources

- Social Services organizations reported \$11.1 billion in annual revenues – 10% of total nonprofit sector revenues.
- 66% of the revenues of Social Services organizations came from government.
- 46% of Social Services organizations reported increased revenues between 2000 and 2003.
- 38% of Canadians aged 15 and over donated to Social Services organizations, contributing a total of \$503 million in 2000.

third of total sector revenues. It is, therefore, sometimes useful to exclude these organizations from analysis. The sector *excluding* Hospitals, Universities, and Colleges, receives only 36% of its revenues from government.

Social Services organizations are more likely than almost all other types of nonprofit organizations to report that their revenues increased between



Sources of Revenue: Social Services organizations, 2003.

Who Donates to Social Services Organizations?

Social Services organizations rely far less on donations from individuals than other types of nonprofit organizations. Those who do donate to Social Services causes tend to be women aged 35 to 54, married or in common-law relationships, with post-secondary educations, and annual incomes of \$60,000 - \$99,999 or more. Compared to all donors, Social Services donors are more likely to be motivated by a sense of commitment to their community and less likely to donate in order to receive a tax credit.

Tips For Attracting And Keeping Donors:²

- To attract new donors, target your fundraising campaign to this audience.
- Community profiles (demographic details gathered from Census information) can help you get a good understanding of the pool of potential donors in your area. Visit the Statistics Canada's Community Profiles database at www.statcan.ca.
- Spend 70% of your fundraising resources on informing and involving your current, loyal donors, and 30% attracting new donors.
- The highest number of donations to Social Services organizations were made in response to canvassing in a public place (e.g., in a shopping mall or on the street). Consider this method for your next fundraising campaign.
- There is a strong relationship between charitable giving and religiosity. Consider building links with places of worship in your community, and advertising your events in congregational bulletins or newsletters.
- Welcome new donors and acknowledge all gifts promptly.
- Remember: fundraising isn't just about getting people's money; it's about getting their support.

2000 and 2003. Nearly half (46%) reported increased revenues, compared to 36% of nonprofit organizations generally. Only Hospitals were more likely to report increased revenues (59%) over this period.

Donors and Donations. According to the NSGVP,

38% of Canadians aged 15 and over made a donation to a Social Services organization in 2000. On average, each Social Services donor gave \$55, for a collective total of \$503 million. In comparison, donors to Religious organizations gave \$310 each. Donations to Social Services organizations accounted for 10% of the total value of individual donations made to nonprofit organizations.

The top 25% of Social Services donors contributed 82% of the total value of donations in 2000. This finding is consistent with the pattern observed in the sector as a whole, and indicates that there is opportunity for organizations to expand their donor bases.

Financial Challenges. Although Social Services organizations are comparatively well off financially, they still report challenges. At least 65% say they have problems dealing with increased demands for services and products, compared to 43% of all nonprofit organizations. Social Services organizations were more likely than most other types of organizations to report difficulty getting funding from other organizations - 67% reported this problem, compared to 48% of organizations generally. Of those that receive external funding, at least 70% reported difficulty due to reductions in government funding, unwillingness of funders to support core operations, and an over-reliance on project funding.

²McClintock, N. (2004). *Understanding Canadian Donors: Using the National Survey of Giving, Volunteering and Participating to Build your Fundraising Program.* Toronto: Canadian Centre for Philanthropy.

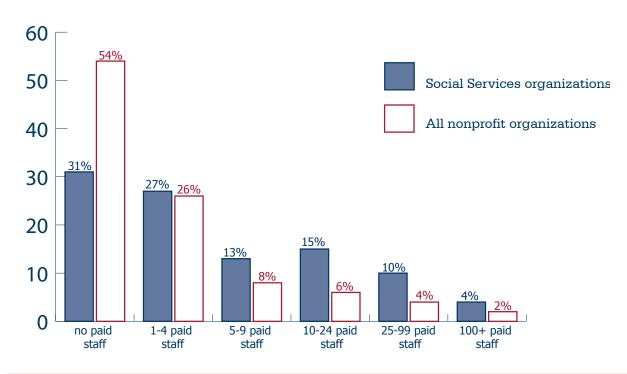


Paid Staff. The **NSNVO** estimates that Social Services organizations employed more than 297,000 people in 2003. This represents 15% of the total nonprofit sector workforce of two million people. Social Services organizations rely quite heavily on paid staff to deliver services. In fact, 69% of these organizations have paid staff. This is markedly higher than in the sector as a whole (only 46% of all organizations are also more likely to have large staff contingents — 29% have 10 or more staff members, compared to 12% of all organizations.

Quick Facts:

Human Resources

- 69% of Social Services organizations have at least one paid staff member.
- They have 1.8 million volunteers and 130,000 paid staff.
- Social Services organizations receive 17% of all volunteer hours contributed by Canadians.
- Social Services volunteers give an average of 117 hours each for a total of 214 million hours a year.
- 2% of Canadians are responsible for 68% of hours volunteered to Social Services organizations.



Paid Staff Levels, Social Services organizations and all nonprofit organizations, 2003.

Who Volunteers for Social Services Organizations?

Social Services volunteers tend to be women, aged 35 to 54, married or in common-law relationships, with post-secondary educations and household incomes of \$60,000 - \$99,999 per year. People who volunteer for Social Services causes are less likely than all volunteers to cite religious obligations as a motivation for their volunteer activity. They are most likely to be motivated by a belief in the cause they are supporting.

Tips for Recruiting Social Services Volunteers: ³

- Don't wait for volunteers to come to you. In 2000, only 16% of all volunteers approached an organization on their own initiative.
- Consider the "personal ask" approach whenever you meet someone who might have an interest in your organization or cause. In 2000, the most common way that volunteers became involved was by being personally asked by someone in the organization.
- Advertise volunteer opportunities by placing tent cards on tables in your agency's cafeteria to encourage parents and family members of clients to get involved.

Volunteers. Volunteers play a major role in Social Services organizations. According to the NSGVP, 7% of Canadians volunteered for a Social Services organization in 2004. These volunteers gave an average of 120 hours each and together they contributed a total of 214 million hours in 2000.

Human Resources Challenges. Although Social Services organizations tend to be better staffed than nonprofit organizations generally, they do report some human resources challenges. Nearly half (49%) of Social Services organizations report difficulties obtaining the types of paid staff they need, and 47% report problems providing training and development for their staff. Additionally, half (50%) report that a lack of paid staff to recruit and manage volunteers is a problem.

²McClintock, N. (2004). *Understanding Canadian Donors: Using the National Survey of Giving, Volunteering and Participating to Build your Fundraising Program.* Toronto: Canadian Centre for Philanthropy.

Strengths, Challenges, and Opportunities

The key strengths of Social Services organizations appear to be their local community focus, their attention to specific populations, and the dedication of their staff and volunteers. These organizations have higher levels of paid staff than other types of nonprofit groups, which means they are less vulnerable if volunteer rates decline. Generally larger than other types of nonprofit organizations, Social Services groups report that both their revenues and their number of paid employees are increasing; they also report greater annual revenues than other sub-sectors in Canada, after Hospitals, Colleges and Universities.

However, Social Services organizations also face some serious challenges. They are, for example, very reliant on external and government funding. In fact, Social Services organizations that rely on government funding for more than half their revenues are more likely to report financial and human resources capacity problems.

Opportunities may exist for Social Services organizations to expand their support base by attracting donors and volunteers from demographic groups that are currently under-represented among their core contributors (e.g., men, young people, people with higher levels of income and education). However, there may also be opportunities to increase donations of time and money provided by existing supporters. By attracting new and by further developing existing sources of financial and volunteer contributions, Social Services organizations can strengthen their capacity to provide important services and programmes to communities across Canada.

