

Strategic Drivers *of Alberta's Nonprofit Sector*

- *What we know*
- *What we don't know*
- *What we're missing*

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What we know, what we don't know, what we're missing:

Strategic Driver's of Alberta's Nonprofit Sector

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Introduction & Methodology

This project has been conducted as part of a research internship established by the Institute for Nonprofit Studies at Mount Royal University. Although the ultimate goal of this internship has been to prepare a written report detailing my research findings, the research process has also been integral to this research internship. The research process involved several stages including: formulation of the research question, development of the research methodology, analysis of the data, and a presentation of preliminary conclusions and observations.

The development of the research question was the first portion of this research internship. In consultation with my advisor, Dr. Peter Elson, the research question was refined to ensure that it would be sufficiently broad to allow inclusion of a variety of nonprofit sources yet specific enough to yield some results that would be applicable for nonprofit organizations in Alberta. The research question became:

**“What are the strategic drivers that influence
the future of the nonprofit sector in Alberta?”**

Once the question was established, the research and analysis portion of the Research commenced. The methodology employed for this report was composed of two phases. The first phase included a literature scan and key informant interviews. I would like to thank these individuals for their insightful comments and suggestions. The second phase of the research internship was the analysis of the data obtained through the literature review and key informant interviews.

The literature review involved reading and analyzing a variety of nonprofit sector scans including international, national, and provincial surveys, periodic economic scans, and key trend research. From this literature review certain strategic drivers influencing the nonprofit sector in Alberta emerged. To further validate these strategic drivers, Key Informant interviews were conducted with a number of senior nonprofit leaders in Alberta. Drawing on their experience and expertise the plan was to determine how important they perceived these strategic factors to be to the future of the nonprofit sector in Alberta.

The second phase of the research internship was the analysis of the data obtained through the literature review and key informant interviews. To better classify this information, a resource dependency lens was used. Essentially, resource dependency theory suggests organizations engage in dependent relationships to gain access to (scarce) resources. In this case, nonprofit organizations form relationships with various actors to gain access to the resources they require. These relationships, therefore, influence how the nonprofit organization interacts with its environment and what strategies they enact to acquire the resources to achieve their mission or purpose. The resources can include volunteers, employees, money, and technology.

These relationships lead to the development of the strategic factor table below:

Strategic Factor Table				
	Human Resources	Government Funding	Donations and Foundations	Market
Socio-Economic Climate	✓		✓	✓
Government Policy		✓	✓	
Network Technology	✓		✓	✓
Economic / Corporate Climate	✓	✓		✓

Within this grid, the nonprofit sector has been divided into four non-exclusive categories: human resources, government funding, donations and foundations, and market. These four categories are juxtaposed against four types of factors: socio-economic climate, government policy, network technology, and economic / corporate climate. This report investigates the intersection of the categories and factors (where relevant) to investigate the key strategic drivers that will influence the future of the nonprofit sector in Alberta. The checkmarks inside the strategic factor grid indicate the intersections investigated within this report.

There are three types of conclusions profiled throughout this report. The first is the identification and explanation of the key strategic drivers influencing the future of Alberta's nonprofit sector. In cases where there was insufficient information to ascertain the importance of a driver, the available information is discussed. Although there are many sources of information available, often there are deeper underlying questions that the data neither addresses nor explains. Therefore, the second type of conclusion is the identification of strategic questions which have the potential to spark discussions within the nonprofit sector. Lastly, the report addresses the information that is missing to link the identified drivers and the subsequent strategic questions. Rather than a lengthy section at the end of the report which refers back to previous sections, each section of this report is equipped with a 'conclusions box'. As illustrated in the sample 'conclusion box' below, the three types of conclusions are easily accessible.

Conclusion Box: <i>(sample)</i>		
What we know	What we don't know	What we're missing
Identification and explanation of the driver.	Strategic question addressing the underlying issue.	Missing information required to link the driver to the strategic question.

Literature Review

A variety of nonprofit reports were consulted for this research project. The majority of the reports were: international, national, and provincial surveys, economic impact scans, key trend reports, and international reports produced between 2000 and 2010. Canadian surveys such as the Canada Survey of Giving, Volunteering and Participating provided the majority of demographic and statistical data used in this report. Due to the economic shocks of 2008, a number of nonprofit intermediary organizations tasked themselves with identifying and tracking the impacts of the economic downturn on the nonprofit sector. The Calgary Chamber of Voluntary Organizations (CCVO) and Imagine Canada, for example, provided a variety of periodic scans that tracked economic changes throughout the nonprofit sector. Key trend reports such as Tim Brodhead's, *On Not Letting a Crisis Go To Waste: An Innovation Agenda for Canada's Community Sector*, published in *The Philanthropist* in, identified trends and looked for growth opportunities within the sector. Lastly, international reports provided insight into the research is being conducted on trends within the nonprofit sector in other countries. The *Convergence Report* by the James Irvine Foundation and La Piana, for example, highlights five key trends such as demographic shifts and technological advances as factors shaping the nonprofit sector in the United States. Although the data obtained from the international reports was not directly applicable, they did provide other avenues of investigation for potential trends here in Alberta.

Keeping in mind that there were a broad variety of nonprofit reports available, there are some limitations that need to be addressed. In particular, this report was limited by the availability of reports that track changes over time. Although there are many nonprofit reports that look at a variety of current issues, it is difficult to develop trends based on this type of one-off analysis. Without follow-up research to track changes, we are left to rely on static information to understand dynamic trends. For this reason Imagine Canada's *Sector Monitor*, first published in early May 2010, has the potential to be very beneficial for the nonprofit sector. With follow-up surveys by the Sector Monitor, the nonprofit sector will be better informed about the overall state of the sector and the direction of change. The next limitation is the lack of statistical information about Alberta's nonprofit sector. Although Alberta funded a statistically significant breakdown of the *National Survey of Giving, Volunteering, and Participating*, the province lacks a "made-in-Alberta" workforce labour management information data set. Without a frequent update of Alberta data, it becomes necessary to look beyond Alberta to identify trends and changes.

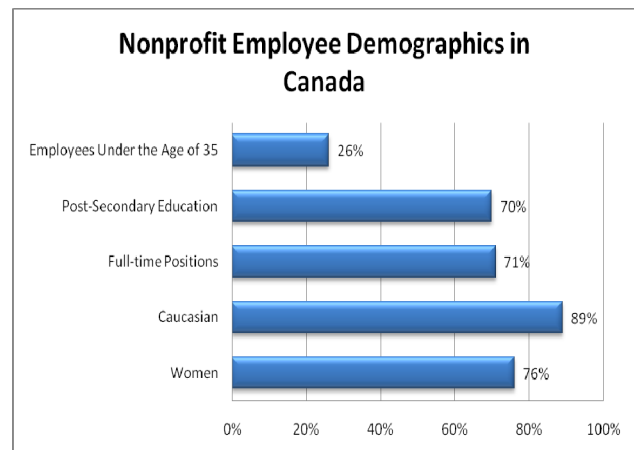
Human Resources

As with many sectors in Alberta, the nonprofit sector will feel a number of aftershocks from the 2008 economic fallout. With reported decreases in funding and increases in the number and complexity of service demands across most of the sector, many organizations are left to wonder what will happen in 2010 and 2011 when the real shock of the economic troubles is expected to hit.¹ In terms of human resources, the nonprofit sector will have several issues to confront. Both paid and unpaid (volunteer labour) will be affected. The consequences for paid and unpaid labour are similar in some respects, but will be addressed separately.

Paid labour is already experiencing severe cuts. Many organizations are cutting positions, restructuring employee responsibilities and implementing hiring freezes.² Succession has also become an issue for Alberta's nonprofit sector. The 2008 *Workforce Strategy for Alberta's Non-profit and Voluntary Sector* explains that "with a larger number of leaders nearing retirement age and a lack of staff in Middle management positions, many nonprofit organizations are unprepared for the leadership turnovers that are expected to come in the next five years."³

Human Resources	
Socio-Economic Climate	✓
Government Policy	
Network Technology	✓
Economic / Corporate Climate	✓

Tim Brodhead of the McConnell Foundation has found evidence that suggests volunteering has experienced a 10-year downward trend in participation and that smaller organizations are those most affected.⁴ In order for the sector to prosper, or at the very least maintain current levels, it will be necessary for organizations to turn to different groups of the Canadian population as potential sources of



Source: HR Council for the Nonprofit Sector (2008)
Towards a Labour Force Strategy for Canada's Voluntary & Non-profit Sector.

volunteers. Four such groups include: youth volunteers, immigrant volunteers, older adult volunteers, and corporate volunteers. Although one or more of these groups may provide volunteers where needed in the nonprofit sector, an appeal to new volunteers may very well demand a significant change in recruitment, utilization,

¹ (Calgary Chamber of Voluntary Organizations 2009a)

² (Calgary Chamber of Voluntary Organizations 2009a)

³ (Alberta Workforce Council 2008)

⁴ (Brodhead 2010)

Paid Nonprofit Staff and Succession Planning

The nonprofit sector is a major employer in Alberta employing over 176,000 Albertans as of 2003.⁵ In addition, it employs a slightly older workforce with only 26% of its employees under the age of 35 compared to 37% in the for-profit sector.⁶ A 2006 CCVO report entitled *Human Resources Issues for Alberta's Nonprofit Sector* identified that compensation, workplace conditions, and staff retention as key challenges for the Alberta nonprofit sector.⁷

In the mid-2000's, Alberta as a whole was experiencing a labour shortage of which the nonprofit sector was not exempt. With high turnover rates and escalating wages, this "immediate and critical" shortage was something the sector felt should be dealt with.⁸ The nonprofit sector, working in conjunction with the government of Alberta, developed a new workforce strategy framework designed to help the nonprofit sector become more competitive when attracting, retaining, and training qualified employees.⁹ By increasing salaries, benefits, and employment stability, the nonprofit sector hoped to shed its third-choice image within the job market.¹⁰ Less than two years later, though, the results are not very promising.

Some organizations are now struggling to cover the salaries and benefits for their organizations while employees are asked to take on additional responsibilities, stress, and uncertainty.¹¹ However, the biggest concern based on the *Developing a Non-profit Workforce Strategy: The Alberta Story* report is the actual implementation of the workforce strategy. While the sector has been touted for its ability to be inclusive and cooperative, there appears to be significant concern about who is responsible for implementation of the workforce strategy and how to go about it.¹² Certainly the acute economic crisis of 2008 has changed the labour conditions in Alberta, but there is fear that the momentum of the workforce strategy has been lost.¹³ The 2009 follow-up report further suggests that "more attention should have been paid to implementation from the very outset of the process."¹⁴

Another important challenge facing the nonprofit sector in Alberta is succession planning. With many baby-boomer-era senior managers preparing to retire, it is estimated that over 80% of nonprofits in Alberta have no succession plans in place.¹⁵ While succession planning issues are likely across many industries in Alberta, it is particularly troubling for the nonprofit sector. Compared to the for-profit sector, the nonprofit sector does not have the same formal organizational structure. There are fewer intermediary management levels and fewer opportunities for systematic and ongoing training and development. Additionally, between intra-sector poaching and competition with the for-profit sectors, it may be difficult for organizations to retain their senior level managers. It could be time for the nonprofit sector to collectively support career advancement across organizations rather than only within one organization.

⁵(Alberta Non-profit/Voluntary Sector Initiative 2006)

⁶(Alberta Workforce Council 2008)

⁷(MacAulay 2006)

⁸(HR Council for the Voluntary & Non-profit Sector 2009a)

⁹(Alberta Workforce Council 2008)

¹⁰(Calgary Chamber of Voluntary Organizations 2009a)

¹¹(Calgary Chamber of Voluntary Organizations 2009a)

¹²(HR Council for the Voluntary & Non-profit Sector 2009a)

¹³(HR Council for the Voluntary & Non-profit Sector 2009a)

¹⁴(HR Council for the Voluntary & Non-profit Sector 2009a)

¹⁵(MacAulay 2006)

The strategic driver on the paid labour side of the nonprofit sector is the lack of incoming (and qualified) employees from entry-level to senior management positions. Although these labour issues affect most businesses and organizations at some level, the nonprofit sector is “[entering] the race at a competitive disadvantage.”¹⁶ This disadvantage is revealed in the gaps between potential employees and the nonprofit sector. The first gap exists on an economic level. The reality is that the nonprofit sector cannot offer the same level of compensation and performance rewards as private and governmental employers. As the nonprofit sector is expected to lag behind the private sector in its recovery from the 2008 recession, this economic gap between employees and the nonprofit sector is likely to grow.

The second gap is demographic. Alberta's aging population is creating a large gap in senior and middle management positions.¹⁷ Given that an estimated 80% of nonprofits in Alberta have no succession plans in place and that nonprofit organizational structures are not as rigid as those found in the private sector, there is mounting concern for smooth transitions as baby-boomer-era nonprofit leaders begin to retire.¹⁸ In addition, in the 2009 *Toward a Labour Force Strategy for Canada's Voluntary & Non-profit Sector* from the HR Council for the Nonprofit Sector suggests that the new generation of employees coming into the market, those born after 1980, have different values than the current generation of nonprofit employees and managers retain. For example, the report suggests that work-life balance and flexibility tend to be more important for the post 1980s generation and that they are motivated by causes “rather than by loyalty to an organization.”¹⁹ Additionally, this generation expects challenging and rewarding opportunities and are ready to move on to other organisations if their needs are not met.²⁰

What we know	What we don't know	What we're missing
Nonprofit sector is challenged by labour shortages and succession issues.	Will new generations of Albertans embrace the nonprofit sector as a viable career option?	Systematic and timely data on the nonprofit workforce in Alberta.

Youth Volunteering

The 2007 *Canada Survey of Giving, Volunteering and Participating* identified that youth volunteers, those aged 24 years and under, are a group most likely to volunteer. With a volunteering rate of 58%, an increase of 3% from the 2004 survey, youth are indeed active volunteers.²¹ Although the average annual number of volunteer hours has decreased slightly between 2004 and 2007, from 154 to 148, the youth segment still accounts for 18% of total hours volunteered. When young Canadians do volunteer, 37% between the ages of 15 to 24 volunteer in education and research, followed by sports and recreation at 25% and social services at 26%.²²

¹⁶ (Imagine Canada 2010)

¹⁷ (Alberta Workforce Council 2008)

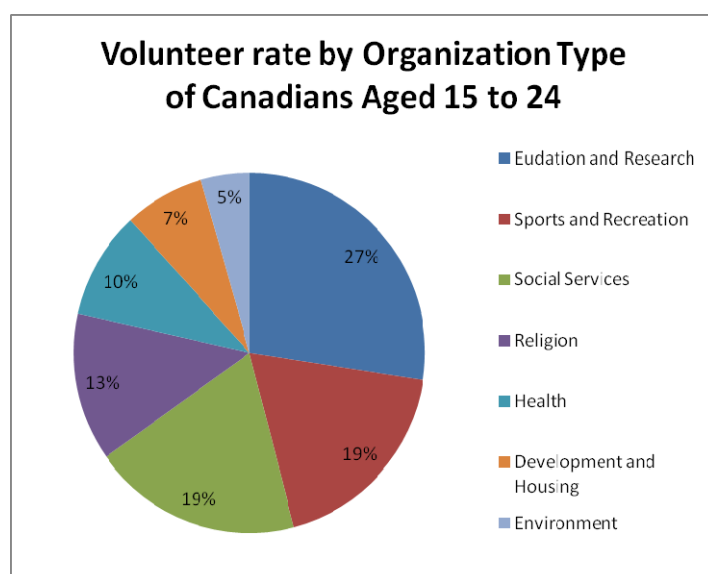
¹⁸ (MacAulay 2006)

¹⁹ (HR Council for the Voluntary & Non-profit Sector 2009b)

²⁰ (HR Council for the Voluntary & Non-profit Sector 2009b)

²¹ (Hall et al. 2009)

²² (Hall et al. 2009)



Source: Hall et al (2009) *Highlights from the 2007 Survey of Giving, Volunteering, and Participating*.

Interestingly, youth volunteers are more likely than any other Canadians to engage in informal volunteering²³ with a 90% rate, an increase of 1% from 2004.^{24 25} Young Canadians are finding creative ways of becoming directly involved in helping others and avoiding some of the more cumbersome aspects of formal volunteering.

While this volunteer rate among youth is impressive, we also need to be aware of the barriers faced by this group. Firstly, more than any other group, young Canadians reported that they did not volunteer either, because they were not asked (45% of respondents), or, because they did not know how to get involved (35% of respondents).²⁶ While many young Canadians do report lacking the time to volunteer, they are, for the most part, willing and able to volunteer – they just need to be asked. When speaking with nonprofit leaders and volunteer coordinators, this perception is reinforced. Those working in the nonprofit sector suggest that young Canadians want to volunteer but the process to find volunteer positions is cumbersome and screening processes are complicated.

Some organizations, such as Alberta's Youth Volunteer Society, are attempting to facilitate the volunteering process for youth by creating websites where uploaded profiles are matched with organizations and volunteering opportunities. This is just one way in which the sector is attempting to use technology to reach more Canadians. Although data is sparse when it comes to the effectiveness of the internet in matching young Canadians with volunteer opportunities, the organizations running these types of programs appear to feel confident that they are having a positive impact on volunteering rates. Time will reveal whether young Canadians respond to web-based programs.

²³ Informal volunteering is volunteering outside an organized volunteer recruitment process.

²⁴ (Hall et al. 2009)

²⁵ (Hall et al. 2006)

²⁶ (Hall et al. 2009)

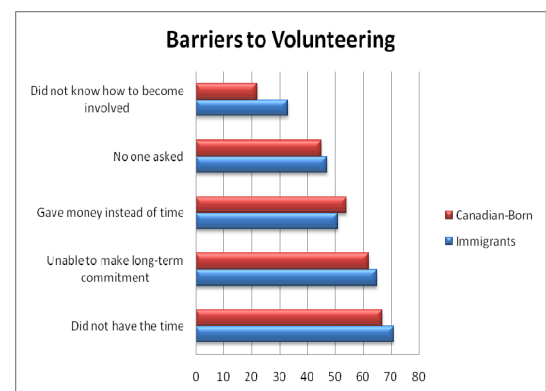
Looking forward, youth volunteers can potentially provide a large pool of volunteers for Alberta. We know that they want to volunteer, but they do not always know how to get involved. The big problem, however, is that it is unclear what methods work best to attract these potential young volunteers. There is a dearth of information regarding web-based recruiting. This is due in part though, to the newness of these programs, and to a lack of research of the effectiveness of web-based recruiting. Another area worth exploring is the methods used by education and recreation-based organizations when involving young volunteers. More than a third of young volunteers are involved in this area and so it may prove useful to observe how they recruit, inform, and involve young Canadians.

What we know	What we don't know	What we're missing
Youth want to be involved. New network technologies attract youth volunteers.	How effective are network technologies to recruit youth volunteers?	Research detailing the impact of network technologies on youth volunteers.

New Immigrants and Volunteering

While new immigrants currently account for 2.5% of all active volunteers, this trend is likely to change based on the results of recent Statistics Canada studies.²⁷ A 2010 Statistics Canada study projects by 2031 between 25% - 28% of the population of Canada will consist of foreign-born individuals.²⁸ This study also projects that Alberta will experience an increase of approximately 1 million people by 2031. Of that number half of will be new immigrants (or first-generation Canadians).²⁹ In terms of volunteer engagement, new immigrants are less likely to volunteer than native-born Canadians (40% vs. 49%).³⁰ In addition, the length of time that they spend in Canada does not greatly impact this trend.³¹ However, immigrants tend to have a higher participation rate in religious based volunteering (13% percent of immigrant volunteers compared to 10% for Canadians).³²

With as many as 500,000 foreign-born individuals coming into Alberta over the next two decades, a challenge will be to develop recruitment and involvement mechanisms to address both the barriers faced by this group and their reasons for volunteering. On the recruitment side, it will be important to look at the volunteering barriers new immigrants face. In a 2009 study by Handy and Greenspan, *Immigrant Volunteering: A Stepping Stone to Integration?*, one of the barriers faced by



Source: Hall et al (2009) *Highlights from the 2007 Survey of Giving, Volunteering and Participating*.

²⁷ (Hall et al. 2009)

²⁸ (Malenfant, Lebel, and Martel 2010)

²⁹ (Malenfant, Lebel, and Martel 2010)

³⁰ (Hall et al. 2009)

³¹ (Hall et al. 2009)

³² (Hall et al. 2009)

immigrants was being unaware of how to get involved (33% of respondents cited this as their reason for not volunteering).³³ The *Highlights from the 2007 Canada Survey of Giving, Volunteering and Participating* reported that 47% of new immigrants did not volunteer because they were not asked.³⁴

The barriers faced by this segment of the population are not unlike those faced by the rest of the Canadian population, but they do appear to be cited more frequently by immigrants. Similarly, a study called *Intersections: Intercultural Learning Modules*, conducted by Volunteer Alberta, examined the barriers and challenges faced by new immigrants volunteering in rural Alberta. The first part of the study reported that new immigrants in rural Alberta face similar barriers to those new immigrants throughout Canada. However, new immigrants feel that rural organizations lack the capacity to reach out to members with limited language skills and a lack of interest from community leaders and the wider community can hamper their involvement.³⁵

Although new immigrants volunteer for many of the same reasons as the rest of the Canadian population, they are more likely to report religious beliefs as their primary reason for volunteering when compared to native-born Canadians (34% vs. 20%).³⁶ The 2009 study by Handy and Greenspan also suggests that faith-based volunteering provides opportunities for new immigrants to both form bonds within their community and form bridges to the wider Canadian community.³⁷ The combination of bonding and bridging allows new immigrants to learn skills, such as language skills or Canadian work-related experience, within a comfortable context. Assuming that Handy and Greenspan's findings hold true in Alberta, there might be something to be learned from religious organizations and new immigrant volunteers. By providing opportunities to learn language skills, gain Canadian work experience, and network within the larger Canadian community, religious organizations help new immigrants integrate into Canadian society while fulfilling their sense of civic duty and religious obligations.

Although non-faith-based organizations are unlikely to be able to emulate the advantage held by faith-based organizations, there may be a potential for partnership opportunities. By reaching out to faith-based organizations, other nonprofits may be able to recruit additional volunteers or provide support and resources to help faith-based organizations to fulfil their goals.

What we know	What we don't know	What we're missing
There will be many new immigrants coming to Alberta. Faith organizations currently have a strategic advantage when involving immigrant volunteers.	What can be done to attract and retain immigrant volunteers? How prepared are nonprofit organizations to recruit highly-skilled immigrant volunteers?	Research which evaluates recruitment and retention strategies for immigrant volunteers.

³³ (Handy and Greenspan 2009)

³⁴ (Hall et al. 2009)

³⁵ (Volunteer Alberta 2008)

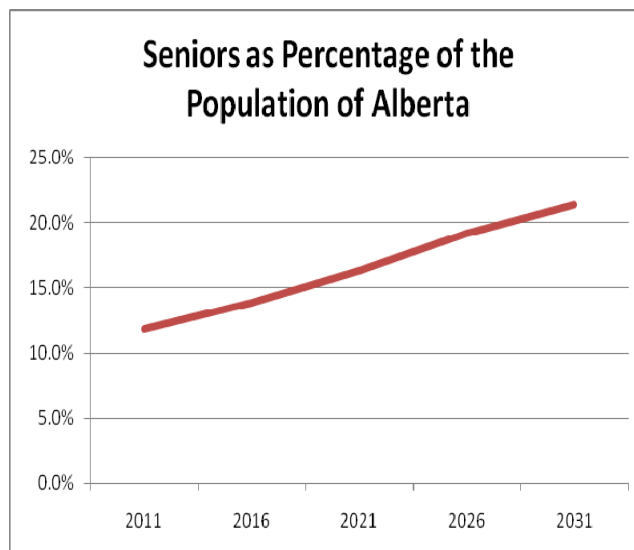
³⁶ (Hall et al. 2009)

³⁷ (Handy and Greenspan 2009)

Older Adult Volunteers

As our population continues to age, older adults will continue to be a greater proportion of the Canadian population. Senior citizens currently account for approximately 12% of the population. A Demographic Planning Commission report has found that by 2031 they will account for as much as 21% of the population of Alberta.³⁸ Approximately 12% of the total hours currently volunteered in Alberta are that of older adult volunteers and they will continue to play an important role in the Alberta nonprofit sector.³⁹ As with youth and foreign-born volunteers, older adult volunteers present specific challenges for the nonprofit sector.

While the volunteer rate among older adult volunteers is lower than all other age groups, an average of 216 hours per year, it is 20 hours more than the next highest group of 45 to 54 year olds.⁴⁰ Although this number is lower by nearly 40 hours per year from the 2004 sector survey, a reduction in the amount of hours volunteered is reflected across all age groups during this period.⁴¹



Source: Alberta Senior and Community Support (2008)
Findings Report of the Demographic Planning Commission.

An American study entitled *Inclusion of Diverse Older*

Population in Volunteering by Tang et al. suggests that role flexibility is the most important aspect of volunteering opportunities for older adult volunteers.⁴² In this context, role flexibility encompasses the ability of the volunteer to choose volunteer activities, set schedules, both flexible and part-time, and to have a variety of volunteering activities.⁴³ Research suggests that older adults, as they leave the work sphere, want to continue to participate in the community but they also want to enjoy their leisure time. As more and more hours are directed toward self-care and leisure, organizations must recognize that older adult volunteers do not necessarily want to be involved in long-term, full-time volunteering positions. Although not explicitly mentioned in the literature, older adult volunteers may not want to participate in volunteering opportunities that cannot accommodate personal or spousal responsibilities. Additionally, the Tang et al. study indicates that some accommodation, including compensation for incurred expenses and stipends, do encourage lower-income seniors to volunteer.⁴⁴ The reality of the situation, in the United States at least, is that for some older adults the financial implications of volunteering can be very onerous and associated incidental costs can be a detriment to participation.

³⁸ (Alberta Seniors and Community Supports 2008)

³⁹ (Hall et al. 2009)

⁴⁰ (Hall et al. 2009)

⁴¹ (Hall et al. 2009)

⁴² (Tang, Morrow-Howell, and Hong 2009)

⁴³ (Tang, Morrow-Howell, and Hong 2009)

⁴⁴ (Tang, Morrow-Howell, and Hong 2009)

As with youth and new immigrant volunteers, the nonprofit organizations in Alberta will need to find ways to engage older adult volunteers in a manner that works for them and for the sector. Older adult volunteers tend to favour volunteer opportunities that give them flexibility both with their schedule and their activities. Unfortunately, there is little research that has monitored older adult volunteers. Their participation is well documented but it is less clear where and how older adult volunteers contribute their time. Dosman et al. suggest that the government needs to do more to acknowledge and support older adult volunteers.⁴⁵ Acknowledging their contribution is a good start but as Dosman et al. suggest, tax incentives which help lower-income older adults offset the costs of volunteering might encourage greater participation.⁴⁶ Additionally, certain costs associated with volunteering such as transportation may be a significant burden on someone with a fixed budget. Taxi cabs and/or transit fare may be simple solutions to encourage older adults to volunteer.

What we know	What we don't know	What we're missing
Alberta's population is aging. Older adults are a significant source for volunteers.	Is the sector able to accommodate the needs of older adult volunteers?	A better understanding of where older adults tend to volunteer and what their needs are.

Corporate Volunteering

Corporate volunteering serves as a powerful tool to help voluntary organizations meet their goals. A 2006 survey conducted by Imagine Canada and the University of Lethbridge highlights that as many as 71% of corporations encourage or accommodate employee volunteerism.⁴⁷ A study by Peloza et al., albeit conducted in an American context, suggests that employee volunteerism is encouraged with opportunities for employees to learn new and novel skills, meet new people within their own organization (outside of their immediate workplace connections), and support their employer outside of the workplace.⁴⁸

While it should be evident that employee volunteerism is beneficial for employees, employers, and nonprofit organizations in general, there are few quantitative studies to indicate that this has been understood by for-profit firms in Alberta (or Canada for that matter). A 2006 Imagine Canada study (Easwaramoorthy et al.) reveals that corporations that encourage employee volunteerism do see the benefits, but the level of support they provide and their relationship to the nonprofit sector varies significantly.⁴⁹ For example, only 35% of corporations that encourage or accommodate employee volunteerism recognize the contributions of employee volunteerism, and only 31% notify their employees of available volunteering opportunities.⁵⁰ The report states that nonprofit organizations should collaborate with business to provide opportunities for employee volunteerism and subsequently recognize the companies and employees which contribute to their organizations.⁵¹

⁴⁵ (Dosman et al. 2006)

⁴⁶ (Dosman et al. 2006)

⁴⁷ (Easwaramoorthy et al. 2006)

⁴⁸ (Peloza, Hudson, and Hassay 2009)

⁴⁹ (Easwaramoorthy et al. 2006)

⁵⁰ (Easwaramoorthy et al. 2006)

⁵¹ (Easwaramoorthy et al. 2006)

Corporations, on the other hand, are advised to develop written policies to set clear goals and guidelines for employee volunteering and to recognize and support employees for their contributions in the community. Lastly, it is important to note that while “these initiatives are still in the early stages of development”⁵² the available research suggests that more and more businesses are finding ways to incorporate

What we know	What we don't know	What we're missing
Corporations are willing to support and encourage employee volunteerism.	Statistical evidence on the extent and nature of corporate volunteering in Alberta.	Research on strategies to increase cooperation between the nonprofit sector and corporations.

Government Funding

Alberta has traditionally enjoyed a level of prosperity not found in most other provinces, but Alberta has not been insulated from the recent economic shocks. At the federal and provincial levels, budgets have been slashed and organizations will undoubtedly continue to feel the impacts during the next few years. In the 2010-2011 provincial budget, cuts of \$34 million dollars from the Ministry of Children and Youth Services; \$53 million from the Ministry of Culture and Community Spirit; and \$8.7 million from the Ministry of Employment and Immigration left many wondering just where and how these cuts will manifest themselves in program funding and services to Albertans.⁵³ The immediate effects have caused nonprofit organizations and leaders in Alberta to worry about their future, but, the full effects of the changes in government funding will likely be manifested throughout 2010 and beyond.

Human Resources	
Socio-Economic Climate	✓
Government Policy	✓
Network Technology	
Economic / Corporate Climate	✓

Budgetary Cutbacks

Certainly, the last two provincial budgets (2009 and 2010) have not seen any increase in funding to the nonprofit sector and, in fact, a CCVO analysis of the 2010 provincial budget has identified that the trend of the government in the past few years has been a “continued erosion of funding support.”⁵⁴ The same CCVO survey highlights the elimination of significant changes to, programs such as the Wild Rose Foundation and the Community Spirit program.⁵⁵ Some of these monies have been re-allocated. Increased funding flexibility for some of these organizations however, there are fewer opportunities to access government funds and there is greater competition for funds which are available.⁵⁶ With a decrease in reported revenue from individual and corporate donations, alternative funding options are becoming increasingly meagre. In areas where the budget levels have been maintained, such

⁵² (Easwaramoorthy et al. 2006)

⁵³ (Calgary Chamber of Voluntary Organizations 2010)

⁵⁴ (Calgary Chamber of Voluntary Organizations 2010)

⁵⁵ (Calgary Chamber of Voluntary Organizations 2010)

⁵⁶ (Calgary Chamber of Voluntary Organizations 2010)

as Family and Community Support Services and Women's Shelters, a 2009 CCVO report indicates that pressures may still be felt as these budgets have failed To account for increases in operating costs and increased demand for services.⁵⁷ Between February and October 2009, a CCVO survey found that the number of organizations in Calgary, Medicine Hat, and Red Deer who had reported a decrease in government contract revenues had doubled.⁵⁸

In the midst of these cuts, the Government of Alberta expressed a desire for "an innovative and prosperous province where Albertans enjoy a high quality of life built on a healthy environment, a competitive economy and vibrant communities."⁵⁹ Similarly, there appears to be a movement outside of the governmental sphere aimed at "revitalizing" Alberta's economic and social goals. Reboot Alberta, for example, is advocating a more innovative, open-minded Alberta with an emphasis on the "triple bottom line" and not "simply financial metrics."⁶⁰ This sentiment is also echoed by senior nonprofit leaders who suggest that the nonprofit sector needs to build its competitiveness, build demand for services, provide services based on full-cost accounting, and target their attention to specific services. However, the actual manifestation of these shifts in the nonprofit sector is hard to discern. There appears to be a tendency for the nonprofit sector in Alberta to passively react to both changes in government funding and the pursuit of alternative funding sources.

One of the pervasive issues being faced by nonprofit organizations dependent on government funding is uncertainty. Canadians (and Albertans) have been assured that the economy will be picking up in 2010; but the lag effect of the previous budget cuts is expected to hit Alberta's nonprofit sector in the coming year.⁶¹ Between January 2008 and December 2008, a Volunteer Alberta survey found that 22% of organizations reported a decrease in government grants.⁶² A 2009 CCVO online survey reported a decrease in revenues from government grants (28% in February 2009; 40% in October 2009) and government service contracts (25% in February 2009; 40% in October 2009).⁶³ In addition, one-quarter of the organizations which took part in this survey also reported that their organization was experiencing delays in receiving government grants and payments from government service delivery contracts.⁶⁴

What we know	What we don't know	What we're missing
Government funding is retrenching to reduce deficits and alternative sources of revenue are limited as corporations, donors, and foundations also cut back.	Where will the nonprofit sector turn to for funding alternatives or will services be reduced?	More information on the consequences of reduced government funding on services as well as the capacity by government dependent organizations to turn to individual and corporate donations and alternative revenue streams.

⁵⁷ (Calgary Chamber of Voluntary Organizations 2010)

⁵⁸ (Calgary Chamber of Voluntary Organizations 2009a)

⁵⁹ (Holmgren 2010)

⁶⁰ (McGarvey December 18, 2009)

⁶¹ (Calgary Chamber of Voluntary Organizations 2009a)

⁶² (Calgary Chamber of Voluntary Organizations 2009b)

⁶³ (Calgary Chamber of Voluntary Organizations 2009a)

⁶⁴ (Calgary Chamber of Voluntary Organizations 2009a)

Since government budgets are heavily dependent on the economic growth, it is difficult to see whether these current patterns will turn into long-term trends. What we do know, however, is that this financial uncertainty makes it increasingly difficult for the nonprofit sector to operate. Compounding this issue is the increase in demand for service and program delivery reported by nearly two-thirds of the nonprofit sector.⁶⁵ Without available funds to replace those cut from the provincial budget, many organizations are under a great deal of fiscal pressure. Nearly 25% of organizations, according to the April 2010 *Sector Monitor* from Imagine Canada, report that the current economic conditions have put their organization at risk of closure.⁶⁶

Accountability

Although recent survey data is somewhat limited when it comes to accountability, there appears to be growing concern regarding the direction of reporting requirements in recent years. Increasingly, provincial and federal governments are asking nonprofit organizations to mimic governmental organizations when it comes to income reporting. Tim Brodhead suggests that coupled with open bidding processes and cost efficiency measurements, accountability requirements increase the burden borne by nonprofit organizations.⁶⁷ Brodhead's report also suggests that grants that exclude support for core costs increases the financial vulnerability of nonprofit organizations.⁶⁸ Consequently, reduced means to recruit, train and develop staff leave nonprofit managers unable to manage their organizations effectively.⁶⁹ In 2000, a Canada West Foundation *Research Bulletin* (as part of the Alternative Service Delivery Project) urged the government of Alberta to move away from inappropriate and overly burdensome reporting measures, yet this advice appears to have gone unheeded.⁷⁰ A 2006 Volunteer Alberta report, *2006 Lobbyist and Contractor Registry* and a 2010 Cardus report on the demand for social services both indicate that current reporting measures are detrimental to the overall performance of the nonprofit sector.^{71 72}

Although an appropriate level of accountability is necessary within the nonprofit sector, there appears to be growing evidence that the nonprofit sector and the government of Alberta are moving in opposite directions concerning this issue. While the nonprofit sector is not opposed to accountability measures, there is consensus in the studies reviewed for this research that as nonprofits seek out resources from a greater number and type of funding sources; the increased cost of reporting will impede their ability to meet goals and demands for their services.

What we know	What we don't know	What we're missing
Increased accountability measures adding to the pressures felt by the nonprofit sector that delivers public services.	How risk management turns to risk elimination in the management of government contracts.	A clear mechanism to negotiate accountability across government in individual departments, or, for a particular service delivery contract.

⁶⁵ (Calgary Chamber of Voluntary Organizations 2009a)

⁶⁶ (Lasby and Barr 2010)

⁶⁷ (Brodhead 2010)

⁶⁸ (Brodhead 2010)

⁶⁹ (Brodhead 2010)

⁷⁰ (Canada West Foundation 2000)

⁷¹ (Volunteer Alberta 2006)

⁷² (Cardus 2010)

Service-based Contract Funding

Although service-based contract funding has been occurring for more than a decade, there is a continued push towards short-term, underfunded service delivery contracts. While these contracts do provide a certain amount of revenue for organizations, they put many organizations in a position of financial vulnerability. Not knowing if a given contract will be renewed, organizations cannot plan for the long term. In turn, nonprofit organizations are unable to guarantee long-term, full-time employment and are often forced to offer short-term renewable contract employment. While there is certainly a market for this type of employment, employees are faced with much more uncertainty and tend to seek more permanent work, often outside of the nonprofit sector.

There is also concern about chronic underfunding of service contracts offered by the government. It has been suggested that the nonprofit sector in Alberta needs to stop treating itself as the “poor cousin” of the for-profit sector and begin demanding full cost for the services it offers. By selling itself short, the nonprofit sector is implying that its services are worth less than their full value.

The government’s adoption of the supply-chain model for the nonprofit sector creates additional problems. An unpublished report from the Community Human Service Network has suggested that the creation of lead agencies and outcome-based contracting is likely to lead to “a significant reduction in the number of service providers as well as changes to the services provided.”⁷³

Tim Brodhead suggests that Canadian nonprofit organizations need to gravitate toward contracts that will cover all of an organization’s expenses.⁷⁴ The challenge to the nonprofit sector will be to demonstrate that they are “highly professional, competitive, [and] efficient.”⁷⁵ The nonprofit sector also needs to present itself as more than a low-cost alternative to publically funded services. In addition, the negotiation of service contracts on ‘an organization-by-organization’ basis often puts nonprofit organizations at a strategic disadvantage when dealing with much larger and more collectively organized government departments.

What we know	What we don't know	What we're missing
Service-based contracts within the current funding paradigm, are not viable for a healthy nonprofit sector.	Can the nonprofit sector better position itself compared to the public and for-profit sector when it comes to service-based contracts?	A means to collectively organize the nonprofit sector to push for collective contract provisions.

⁷³ (Community Human Service Network 2009)

⁷⁴ (Brodhead 2010)

⁷⁵ (Brodhead 2010)

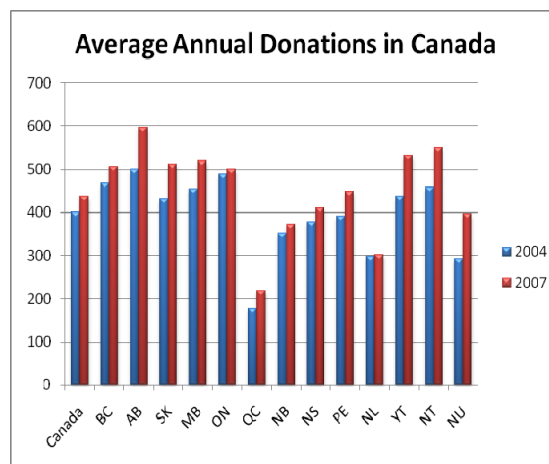
Private Donations and Foundations

Individual donors, corporate donors, and foundations have all been affected following the 2008 economic shocks. Individual donors and corporations have changed their donation patterns to reflect tighter economic conditions and foundations have either limited or eliminated their giving. Imagine Canada reports that 41% of foundations have decreased the value of their grants and that 44% of foundations have reduced the total amount of available funds for grants.⁷⁶ Although the distribution limitations that were previously imposed were eliminated, foundations, however, have been forced to cut back their degree of giving until their resources recover. Although the full effects of these decreases in funding may not be felt immediately, there are already noticeable impacts throughout Alberta's nonprofit sector.

Human Resources	
Socio-Economic Climate	✓
Government Policy	
Network Technology	✓
Economic / Corporate Climate	✓

Private Donations

Alberta's 85% donor rate in 2007 was in the mid-range when compared to the rest of Canada. Alberta had the highest increase in donor rate (up 6% from 2004) and the highest increase in number of donors (up 341,000 from 2004) for all Canadian provinces and territories.^{77 78} In addition, Alberta had the second highest increase in average annual donations from 2004 to 2007 (from \$500 to \$596).^{79 80} While donation rates are a lagging indicator (in as much as they follow in the wake of employment and decreases in wage rates), this survey suggests a positive trend in Alberta. Alberta is also something of an anomaly if the number of donors are considered.⁸¹ The 2007 *Canada Survey of Giving, Volunteering and Participating* reported that 63% of Albertans supported health and hospitals (up from 59% in 2004) and that faith organizations benefited from the highest average donation of \$760 (up from \$526 in 2004).^{82 83}



Source: Hall et al (2004, 2007) *Highlights from the Canada Survey of Giving, Volunteering and Participating*.

The nonprofit sector in Alberta, and across Canada in general, is experiencing a shift towards fewer, but larger gifts. Increasingly, the majority of donations are from a small segment of the population. In Alberta, this change has been significant. 48.6% (up 11.6% since 2004) of total

⁷⁶ (Lasby and Barr 2010)

⁷⁷ (Hall et al. 2009)

⁷⁸ (Hall et al. 2006)

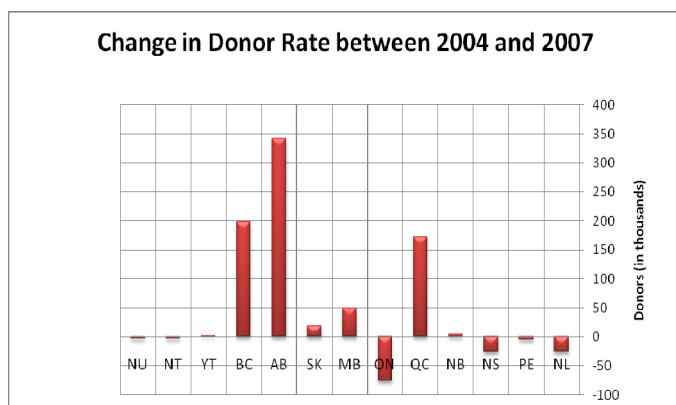
⁷⁹ (Hall et al. 2009)

⁸⁰ (Hall et al. 2006)

⁸¹ (Hall et al. 2009)

⁸² (Hall et al. 2009)

⁸³ (Hall et al. 2006)



Source: Hall et al (2004, 2007) *Highlights from the Canada Survey of Giving, Volunteering and Participating*.

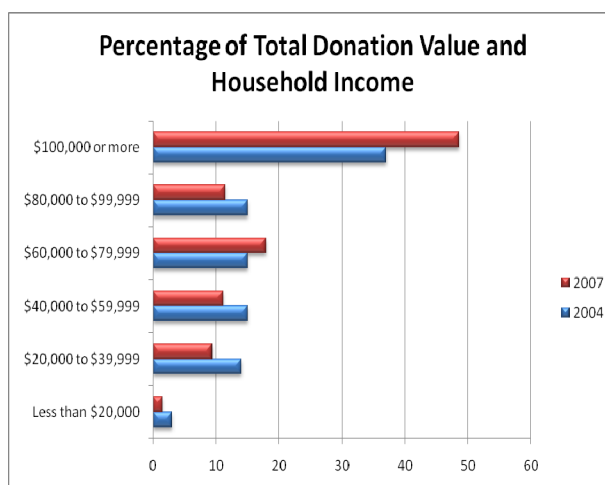
dollars donated came from households with more than \$100,000 compared with less than 10% (down 7% since 2004) of total dollars donated coming from households with less than \$40,000.^{84 85} Our current charitable tax system tends to benefit larger, urban-based charities at the expense

of smaller, rural-based charities.⁸⁶ The challenge, according to nonprofit sector literature, is to bolster donation numbers and encourage the development of a broader donor base.⁸⁷

While the data above suggests that Alberta has a strong, albeit concentrated donor base, this information was gathered before the economic downturn in 2008.

Unfortunately, donation rates tend to lag behind the economy and it may be some time before an accurate picture will be seen. An Imagine Canada

report has reported, however, that 36% of organizations have experienced decreases in revenue from individual donations, individuals and that 34% of organizations have experienced decreases in revenue from corporate sponsorships, donations and grants.⁸⁸ There remains much uncertainty concerning private donations and it will take time before the sector can accurately assess the state of its donations.



Source: Hall et al (2004, 2007) *Highlights from the Canada Survey of Giving, Volunteering and Participating*.

What we know	What we don't know	What we're missing
There is a trend toward soliciting fewer but larger donations. Donors and foundations have been affected by economic downturn and donations tend to be a lagging economic indicator.	<p>The extent to which longer-term donation patterns will be affected by the economic downturn.</p> <p>The impact of pension shortfalls on donation patterns of older Canadians who have a history of giving.</p>	Continued monitoring of the effects of the economic downturn on the nonprofit sector.

⁸⁴ (Hall et al. 2009)

⁸⁵ (Hall et al. 2006)

⁸⁶ (Burrows 2009)

⁸⁷ (Brodhead 2010)

⁸⁸ (Lasby and Barr 2010)

Charitable tax incentives

In recent years, research has been conducted on the efficiency of tax policy to encourage donations by individuals. The basic principle of federal and provincial income tax policies is to encourage Canadians to donate to charity by reducing their tax liability. Many Canadians do take advantage of these tax breaks at the federal and provincial level, but there is ongoing debate as to the actual effectiveness of these tax policies and whether the money spent on these policies is being used in the most effective manner.

At the federal level, the current tax policy allows Canadians to receive a 15% credit for donations up to \$200 and a 29% credit for donations beyond \$200. As recently as December 2009, the Standing Committee on Finance received a variety of recommended changes from nonprofit sector representatives. These recommendations included a variety of changes including the implementation of a stretch credit with a flat 42% rate for donations between \$200 and \$10,000.⁸⁹ Although the committee ultimately recommended that a 39% charitable tax rate be implemented for all donations between \$200 and \$10000, it is clear that a consensus has not been reached within either the sector or the federal government.⁹⁰ A 2009 report written by A. Abigail Payne for the C.D. Howe Institute suggests that the current tax policy places a greater value on the last dollar given, rather than the first dollar of donation, which tends to benefit larger, wealthier donors.⁹¹ As mentioned above, this might help to clarify why there are increasingly fewer, larger donations. The data, however, is inconclusive at best.

The issue with Canadian charitable tax incentives lies in its effectiveness. Based on available research evidence, there appears to be two broad opinions on the matter. The first view suggests that tax incentives help to encourage donations but that the current systems needs to be reworked to encourage first-time donors and higher levels of donations. The second view holds that tax incentives rank very low when compared to other motivational factors such as altruism, belief in an organization's goals, or a personal connection to a cause. This second view further contends that the cost of charitable tax incentives outweigh the benefits and that most donors do not ultimately claim their donations as tax credits.⁹² It is not immediately clear where this debate is going. The federal government, with respect to this issue, is no different. Reports by the Standing Committee on Finance, as noted above, recommend increasing the charitable tax rate. Other reports indicate that the federal government is worried that these extra incentives may result in even higher levels of foregone tax revenues.⁹³

Alberta, similarly, has a two-tiered charitable tax system. A 10% credit is applied to the first \$200 and a 21% credit is applied to any dollar above \$200. This provides Albertans one of the highest charitable tax credits in Canada.⁹⁴ Alberta experienced an increase in the number of Albertans claiming donations (up .02% from 2006) and an increase in the value of donations (up 7.35% from 2006).⁹⁵ At the same

⁸⁹ (Rajotte 2009)

⁹⁰ (Rajotte 2009)

⁹¹ (Payne 2009)

⁹² (Payne 2009)

⁹³ (Burrows 2009)

⁹⁴ (Burrows 2009)

⁹⁵ (Burrows 2009)

time, British-Columbia reported a .05% increase in the number of donors claiming credits and an increase of 7.5% in the value of donations without any changes in their charitable incentive schemes.⁹⁶ As with the federal tax programs, this leaves many to wonder just how effective the changes in Alberta have been.

Although charitable tax incentives are not detrimental to charitable giving, scepticism exists about its effectiveness. At both the provincial and federal levels, we can see that the numbers do strongly suggest that these incentives motivate donors yet there are undoubtedly some Albertans who value these tax credits. Thinking long-term, Malcolm D. Burrows proposes that “while there is no question that certain planning avenues have been shut down and some classes of donors discriminated against... the parameters of the system have become set. Any proposal for new tax incentives needs to be presented in the context of this system.”⁹⁷ (pp.13-14) Given this, the future of charitable tax incentives will necessarily require the collaboration of the government, the nonprofit sectors, and Canadians to determine what tax incentives are most effective in attracting donors and how public funds should be spent to ensure the highest return for Canadians. It is noteworthy that the most significant changes in donation tax policy (e.g., increases in donation limits and donation of stocks) have followed massive reductions in government funding to the sector.⁹⁸

What we know	What we don't know	What we're missing
There are opposing views on the effects of charitable tax incentives.	Is there a more efficient way for the government to encourage donations?	Further research that investigates the effects of charitable tax incentives and other available options.

Online donations, text donations, and microgiving

While online, text, and microgiving are different forms of donating, in this context they are grouped together because they share a few similarities: they present new forms of giving, they rely on technology, and they are highly accessible to donors. In the age of Web 2.0, it takes more than a webpage and an email address to take advantage of online opportunities. Websites such as CanadaHelps.org and DonorsChoose.org as well as text message donations (e.g.'s, see Rogers Wireless, The Red Cross below) have created new avenues for donors to give money. These initiatives allow donors to give both immediately and incrementally. They cost relatively little to operate and few people are needed to run such a campaign. One online source reports that while online donations grew by 17% between 2008 and 2009 they still account for only 2% of all individual donations.⁹⁹

The nonprofit sector seems to have embraced these new technologies but not without reservation. Some nonprofit leaders worry that microgiving might preclude larger donations. For example, if an individual was willing to donate \$10 at a fundraising rally but is given the opportunity to donate \$5 via text message, will an

⁹⁶ (Burrows 2009)

⁹⁷ (Burrows 2009, pg. 13)

⁹⁸ (Elson forthcoming 2010)

⁹⁹ (Byrne 2010)

organization lose the potential extra donation? There are also questions regarding repeat donations and how that applies to online and text donations. These initiatives have been widely publicized and Canadians appear to have responded in force. For example, between January 13th, 2010 and March 2nd, 2010 Rogers Communications raised \$385,000 through its text donation campaign in response to the Haiti earthquake and while the American Red Cross raised \$3,000,000 worldwide between January 13th and January 15th with its text campaign.¹⁰⁰

Although these examples reflect the wide reach of cell phones and online tools they do not yet form any discernable trends. Unfortunately, without more data to investigate the patterns of online giving, it is difficult to understand the future of this phenomenon. Individual responses have been strong and organizations are clearly benefiting. However, there are still too many unknowns. With more research and data, these new donation tools may prove to be the future of nonprofit organizations.

What we know	What we don't know	What we're missing
There has been a rise in e-giving especially in response to natural disasters around the world.	What is the role of technology in nonprofit giving?	Research and statistics on e-giving.

Market

Social Enterprises

Market-based organizations in the Alberta nonprofit sector present an interesting dimension of the sector. While the nonprofit sector is often perceived as being dependent on donations and government grants, the reality is that a significant portion of revenue for nonprofits in Alberta is from the sale of goods and services. Universities and colleges receive approximately one-third of their revenues from the sale of goods and services.¹⁰¹

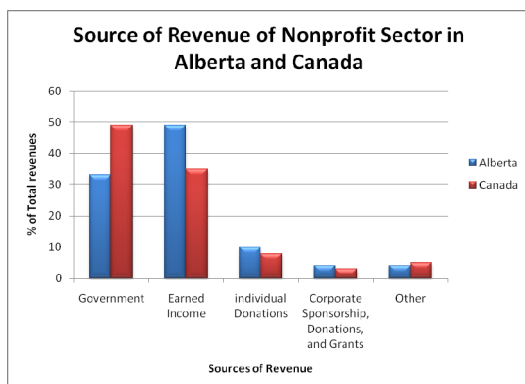
For the core nonprofit sector (excluding colleges, universities, and hospitals), 45.6% of their accumulated revenue is from the sale of goods and services, more than twice what they receive from government transfers.¹⁰²

Human Resources	
Socio-Economic Climate	✓
Government Policy	✓
Network Technology	
Economic / Corporate Climate	✓

¹⁰⁰ (Sterne 2010)

¹⁰¹ (Haggar-Guenette et al. 2009)

¹⁰² (Haggar-Guenette et al. 2009)



Source: Statistics Canada (2005) Cornerstones of Community: Highlights of the National Survey of Nonprofit and Voluntary Organizations (2003 revised): Ottawa

When referring to strategic drivers, the information is even murkier. Since social enterprise research is just emerging, it is difficult to project the way forward. In fact, the John Howard Society of Alberta suggests that “the way forward [for social enterprises] is largely uncharted on the Canadian landscape.”¹⁰³ This really appears to be the key driver for social enterprises in Alberta. With a blank canvas, the nonprofit sector, in conjunction with the provincial government and the broader economic context, is positioned to

influence the type of social enterprise in Alberta that may emerge. As organizations increasingly recognize themselves as social enterprises, then how best to develop and encourage Alberta’s social enterprises will drive the discussions.

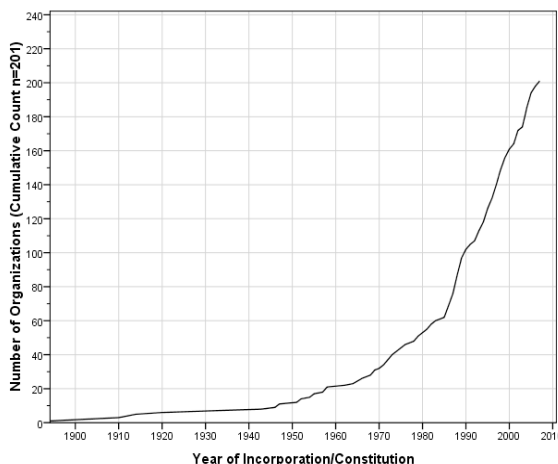
So far, the discussions are centred on the nature of social enterprise and the tools necessary to develop it.

A John Howard Society of Alberta report reveals that to identify and to obtain the funds necessary to develop social enterprises is one current challenge.^{104 105} The report

further promotes that the nonprofit sector should consider a “made in Canada” approach which looks at new funding arrangements between

“the government, charitable organizations, funders and social

entrepreneurs.”¹⁰⁶ Similarly, the 2009 *Money & Mission* report by the United Way of Calgary, the Calgary Foundation, and the Family & Community Support Services highlights the need for business advice, sustainable capital resources, and a cooperative approach that ensures that the needs of the social enterprise sector and its users are met.



Source: BALTA (2008) *Summary of Results: BALTA Social Economy Survey*.

What we know	What we don't know	What we're missing
Social enterprises are an attractive alternative to generate income in the market and in a manner that creates social and/or environmental benefits.	How will Alberta's social enterprises develop? What market activities are viable for social enterprises to engage in?	A comprehensive inventory of social enterprises in Alberta and a consistent definition of a social enterprise.

¹⁰³ (The John Howard Society of Alberta 2008)

¹⁰⁴ (The John Howard Society of Alberta 2008)

¹⁰⁵ A BALTA report on social enterprise funders in Alberta is available on the institute for nonprofit website see: nonprofit resources link at <http://www.mtroyal.ca/ProgramsCourses/FacultiesSchoolsCentres/InstituteForNonprofitStudies/>

¹⁰⁶ (The John Howard Society of Alberta 2008)

Conclusion

The choice of methodology and analysis of this research project reflects the diversity of the nonprofit sector in Alberta. Realizing that it would not be possible to consider all aspects of the nonprofit sector, these choices had to be weighed against the limitations they imposed.

By using resource dependency theory to develop the strategic factor grid, this report split Alberta's nonprofit sector into four main categories: human resources, government funding, private donations and foundations, and market. By examining drivers based on the type of resource involved (e.g., human resources), other drivers based around the same type of resource emerged to simplify the identification process. Although the strategic factor grid was useful identify certain drivers, there was a tendency for these drivers to be treated individually. Unfortunately, the reality of the situation is that many of the drivers affecting the future of Alberta's nonprofit sector do not operate independently of the other drivers. For example, the effects of budgetary cutbacks on nonprofit organizations cannot be fully understood without first understanding the state of individual donations, corporate donations and sponsorships. In addition, it may be necessary to inquire about charitable tax incentives and economic conditions to understand how these affect private donation levels, and so on. As such, the strategic grid model developed for this research project was not able to capture the interdependence of the drivers affecting Alberta's nonprofit sector.

The scope of the research project also created certain limitations. Although there is a strong body of research relating to Alberta's nonprofit sector, it has been difficult to obtain "made-in-Alberta" data sets. While there are many nonprofit resources which do document the demographic, social, and economic changes in Alberta, there is often a lack of follow-up reports with which to compare the available data. Without a degree of tracking, it is difficult to perceive trends within the nonprofit sector. It becomes necessary, then, to look beyond Alberta into neighbouring provinces to observe changes that may be occurring.

Finally, rather than listing recommendations for the nonprofit sector in Alberta, the goal of this research project has been to spark discussions within the nonprofit sector. Although many of the drivers identified throughout this report are known to those working in the nonprofit sector, there are a number of strategic questions that have been prompted by this research project. Alberta has a strong nonprofit sector and Albertans have a strong desire to help each other. Its strong tradition of community support and a vibrant nonprofit sector is a clear reflection of the efforts and hard work by those working in the nonprofit sector. However, there is also room for continuous improvements and adjustments to changing economic and societal conditions. Amidst all the change occurring throughout Alberta, it may be the time to reflect on the drivers affecting the future of the nonprofit sector, the core purpose and goals of the nonprofit sector, and how the nonprofit sector will work to strengthen itself.

Summary Table

What we know	What we don't know	What we're missing
The nonprofit sector is challenged by labour shortages and succession issues.	Will new generations of Albertans embrace the nonprofit sector as a viable career option?	Systematic and timely data on the nonprofit workforce in Alberta.
Youth want to be involved. New network technologies attract youth volunteers.	How effective are network technologies to recruit youth volunteers?	Research detailing the impact of network technologies on youth volunteers.
There will be many new immigrants coming to Alberta. Faith organizations currently have a strategic advantage when involving immigrant volunteers.	What can be done to attract and retain immigrant volunteers? How prepared are nonprofit organizations to recruit highly-skilled immigrant volunteers?	Research which evaluates recruitment and retention strategies for immigrant volunteers.
Alberta's population is aging. Older adult volunteers are a significant source of volunteers.	Is the sector able to accommodate the needs of older adult volunteers?	A better understanding of where older adults tend to volunteer and what their needs are.
Corporations are willing to support and encourage employee volunteerism.	Statistical evidence on the extent and nature of corporate volunteering in Alberta.	Research on strategies to increase cooperation between the nonprofit sector and corporations.
Government funding is retrenching to reduce deficits and alternative sources of revenue are limited as corporations, donors, and foundations also cut back.	Where will the nonprofit sector turn for funding alternatives or will services be reduced?	More information on the consequences of reduced government funding on services as well as the capacity by government-dependent organizations to turn to individual and corporate donations and alternative revenue streams.

Summary Table

What we know	What we don't know	What we're missing
Increased accountability measures adding to the pressures felt by the nonprofit sector that delivers public services.	How risk management turns to risk elimination in the management of government contracts.	A clear mechanism to negotiate accountability, across government, in individual departments, or for a particular service delivery contract.
Service-based contracts, within the current funding paradigm, are not viable for a healthy nonprofit sector.	Can the nonprofit sector better position itself compared to the public and for-profit sector when it comes to service-based contracts?	A means to collectively organize the nonprofit sector to push for collective contract provisions.
Fewer, but larger donations. Donors affected by economic downturn; tends to be a lagging indicator.	The extent to which donation patterns will be affected by the economic downturn. The impact of pension shortfalls on donation patterns of older Canadians who have a history of giving.	Continued monitoring of the effects of the economic downturn on the nonprofit sector.
There are opposing views on the effects of charitable tax incentives.	Is there a more efficient way for the government to encourage donations?	Further research that investigates the effects of charitable tax incentives and other available options
There has been a rise in e-giving, especially in response to natural disasters around the world.	What is the role of technology to nonprofit giving?	Research and statistics on e-giving.
Social enterprises are an attractive alternative to generate income in the market and to do so in a fashion which creates social and/or environmental benefits.	How will Alberta's social enterprises develop? What market activities are viable for social enterprises to engage in?	A comprehensive inventory of social enterprises in Alberta and a consistent definition of a social enterprise.

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Notes

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