

# Financial, Technology, and Human Resource Information for Maricopa County Nonprofit Organizations

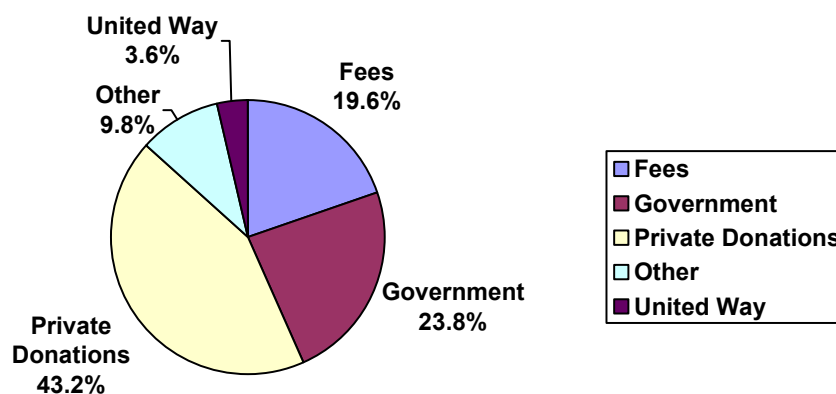
## *Additional Findings from the 2004 Nonprofit Compensation and Benefits Study Supplemental Report #1*

### 1. Financial Information

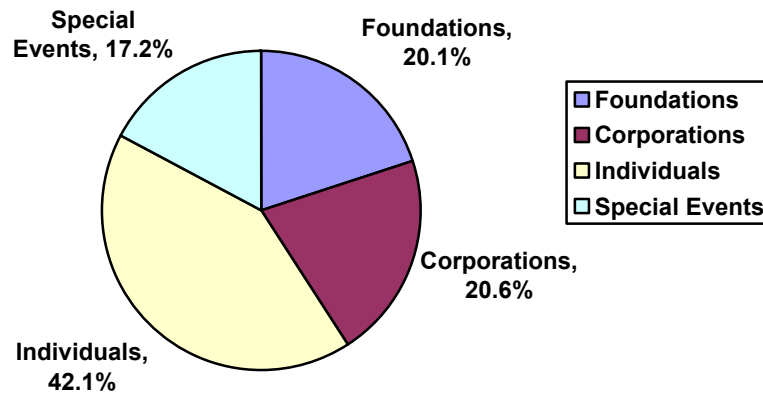
Participant organizations received revenue from private sector donations, government grants and contracts, fees for services, the United Way, and a variety of other sources (e.g., interest and sales of non-related goods). Figure 1 depicts the breakdown of revenue sources as well as the sources of private donations. Approximately 43 percent of revenue for all participant organizations, on average, came from private sector donations. The largest percentage of private sector donations came from individuals (42 percent), followed by corporations (21 percent), special events (17 percent), and foundations (20 percent).

The economic downturn that has occurred since the previous study in 2001 appears to have affected many organizations' operating budgets. Forty-five percent of organizations indicated that they operated at a net financial surplus, five percent fewer organizations than the 2001 study. Twenty-four percent indicated neither a loss nor surplus, a 6 percent decrease from the previous study, and 30 percent indicated a net financial loss, a 14 percent increase from the 2001 study.

**Figure 1. Revenue Sources**



**Figure 2. Sources of Private Donations**



Participants were asked to indicate perceived stability for each of their income sources for the upcoming fiscal year. Table 1 shows the average level of perceived stability for each income source on a scale of one to five, with one being “very low” stability and five being “very high” stability. Although none of the income sources were perceived as having very high stability, fees for service, individual donations, and government grants and contracts had the highest average levels of perceived stability.

**Table 1. Perceived Stability of Income Sources**

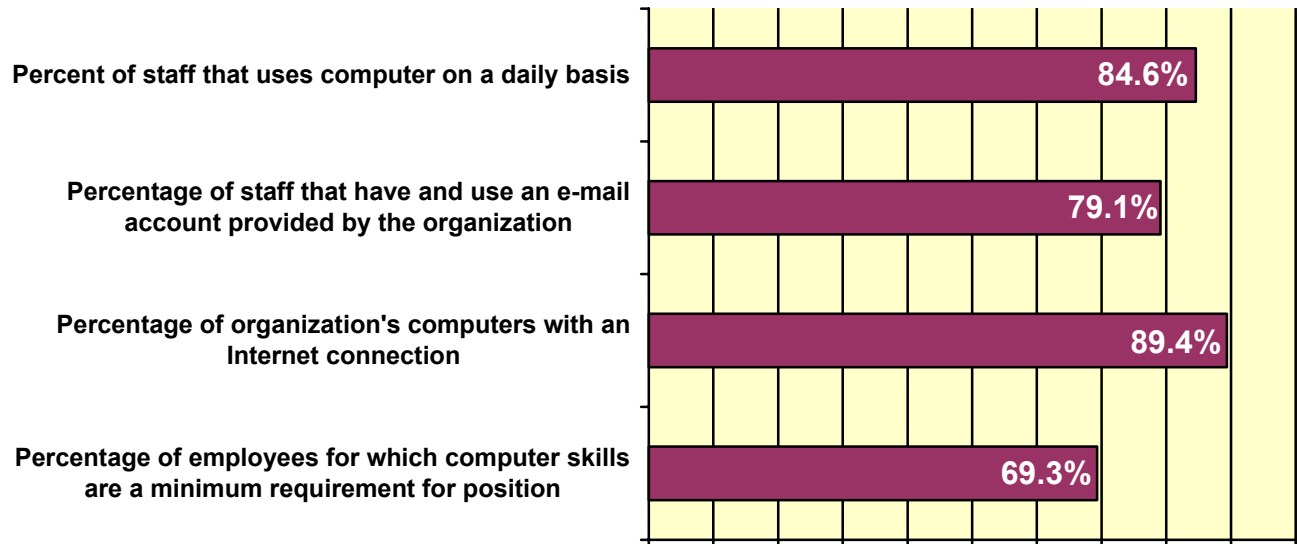
Income Source	Perceived Stability*
Fees for Service	3.94
Individual Donations	3.87
Government Grants and Contracts	3.80
Special Events	3.65
Corporate Donations/Grants	3.57
United Way	3.55
Foundation Grants	3.50
Other	3.24
Unrelated Sales	3.01

\*Scale of 1 to 5 with 1 being “very low” stability to 5 being “very high.”

## 2. Technology

Regarding technology, participating organizations reported that nearly 85 percent of their staff uses computers on a daily basis, while 79 percent of staff have and use an e-mail account provided by the organization. The vast majority of computers have Internet connections and computer skills are a minimum requirement for a majority of job positions (see figure 3). Additionally, 72 percent of organizations indicated that they pay for computer software skills training for employees.

**Figure 3. Technology in Participant Organizations**



### 3. Human Resource Practices

Participant organizations were asked about their human resource practices. Thirteen human resource practices were listed and participants were asked to rate their use of each practice on a seven point scale, with one being “not used at all” to seven being “used to a very high degree.”

Several of the human resource practices were highly used by organizations of every budget size. Table 2 lists practices in which organizations of all budget sizes had a mean score of five or higher.

Many of the human resource practices were less likely to be used by smaller organizations. Table 3 lists human resource practices and the mean scores for organizations with budgets under \$500,000 and those over \$500,000.

**Table 2. Widely Used Human Resource Practices**

<b>Human Resource Practice</b>	<b>MEAN* All Organizations</b>
Use the mission and values of the organization to attract employees	<b>5.56</b>
Encourage and allow flexibility in work schedule and working arrangements	<b>5.70</b>
Have internal communication practices that consistently reach all employees with valuable information	<b>5.36</b>

\*Seven-point scale with 1 being “not at all” to 7 being “used to a very high degree”

**Table 3. Human Resource Practices by Organization Budget**

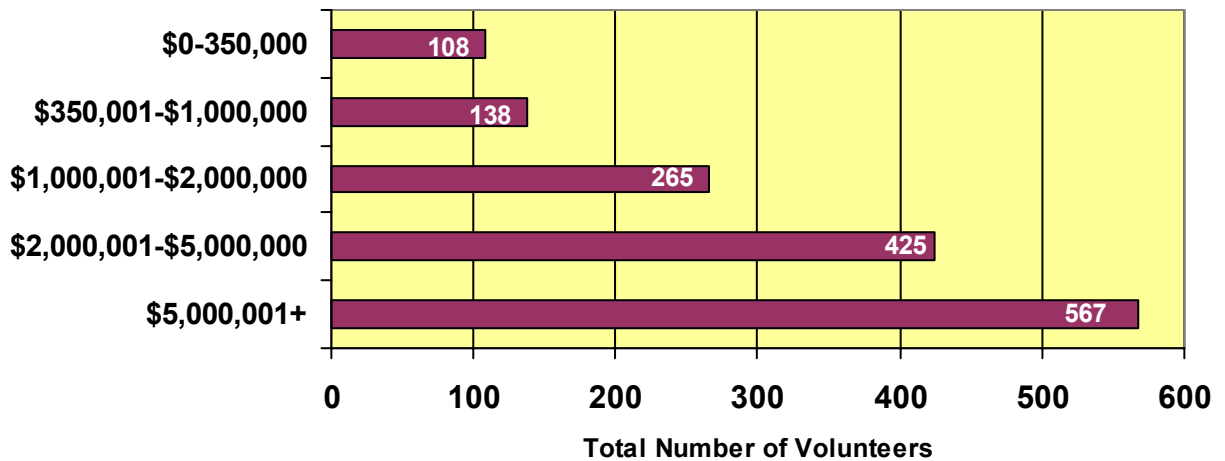
<b>Human Resource Practice</b>	<b>MEAN* Organization Budget \$0 - \$500,000</b>	<b>MEAN* Organization Budget \$500,001 - highest</b>
Use recruitment practices that might include recruiting college graduates and targeting experienced individuals	<b>3.52</b>	<b>4.45</b>
Engage in practices to retain employees such providing competitive wages and bonuses	<b>3.56</b>	<b>5.11</b>
Provide professional development opportunities for employees	<b>4.23</b>	<b>5.05</b>
Specifically target high quality employees for leadership development	<b>4.25</b>	<b>4.87</b>
Evaluate employees through multiple performance assessment strategies such as supervisor assessment, peer evaluations, and customer feedback	<b>3.81</b>	<b>4.24</b>
Link indicators of effective employee performance to organizational objectives	<b>4.40</b>	<b>4.81</b>
Provide opportunities for systematic employee feedback through surveys, exit interviews, etc.	<b>3.40</b>	<b>4.38</b>
Conduct planning related to workforce needs	<b>4.25</b>	<b>4.77</b>
Communicate and reinforce a widely recognized corporate culture	<b>3.87</b>	<b>5.26</b>
Practice workforce diversity initiatives	<b>4.60</b>	<b>5.19</b>

\*Seven-point scale with 1 being “not at all” to 7 being “used to a very high degree”

## 4. Volunteers

All but 29 of the participant organizations indicated they used volunteers—87 percent of the sample. The overall mean number of total volunteers was 282, although there was wide variance in this figure. The number of volunteers generally increased with organization budget size; figure 4 shows the average number of total volunteers at each organization budget category.

**Figure 4. Average Total Number of Volunteers by Organization Budget Category**



Participants were also asked for the total percentage of work in their organization that was accomplished by volunteers. In this case, the smaller organizations generally reported that a larger percentage of the work was done by volunteers, as shown in figure 5.

**Figure 5. Percentage of Work Accomplished by Volunteers by Organization Budget Category**

