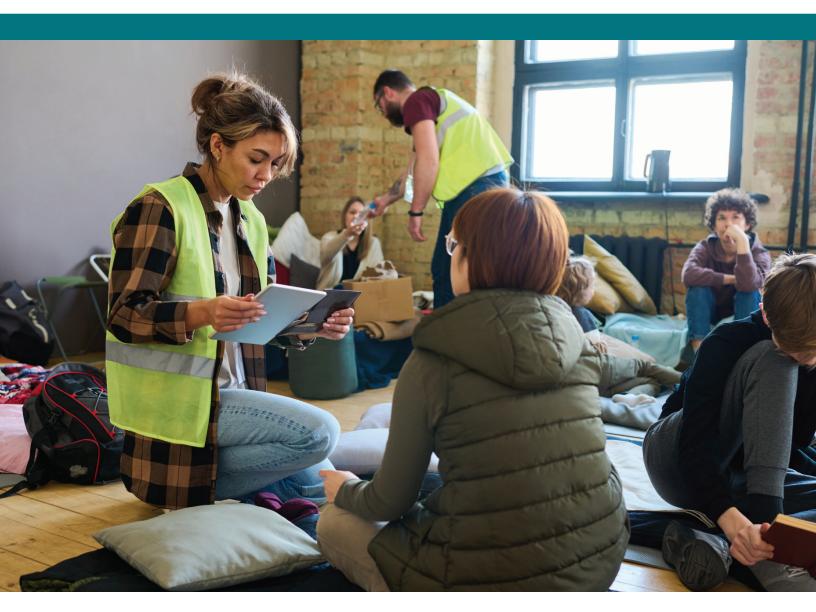
Championing the Power of Data in Challenging Times

2023-24 Alberta Nonprofit Data Strategy



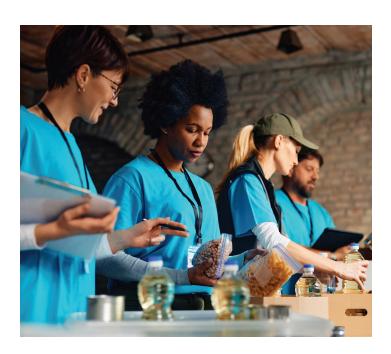


Background

The Alberta Nonprofit Data Strategy is a sectorwide collaborative initiative led by PolicyWise for Children & Families. It aims to build a knowledgedriven non-profit sector by providing access to timely and relevant information to support evidence-based decision-making. This initiative also engages with the non-profit sector to produce sector-related analyses, build sector capacity, and share analyses to support non-profits.

This report combines previous Alberta Nonprofit Data Strategy work and other more up-to-date analyses to tell a story about the sector's impact, current challenges, and priorities. It also provides resources that can help non-profits in the future.

The Edmonton Community Foundation is funding the Alberta Nonprofit Data Strategy in 2024-2025 with additional support from PolicyWise for Children & Families.





Alberta's Social Profit

Non-profits are essential to Alberta's economy and well-being.

- 1. Non-profits play a critical role in Alberta. They serve diverse and vulnerable populations across the province, generate value through extensive volunteer work, and employ many Albertans.
- 2. Non-profits are valuable to our economy.
 - a. In 2022, community non-profits generated \$8.8 billion in revenue¹ and employed 64,000 Albertans.²
 - b. Albertans donated \$1.8 billion to support the work of charities in 2022.3
 - c. 57% of Alberta non-profits are entirely volunteer based.4
 - d. In 2018, 46% of Albertans volunteered for a non-profit organization. If their time were paid for, it would have been worth an estimated \$5.3 billion.5

- 3. Non-profits create 'social profit,' serving many critical areas of society. Social profits aim to maximize improvements to well-being rather than focusing on financial gains.^{6, 7}
 - For example, social profit is generated as non-profit organizations serve through religion, sports and recreation, housing supports, philanthropy, arts and culture, and provision of social services like mental health and food banks.4
- 4. Community non-profits are diverse. Most of those working for them are women, with a significant number from newcomer and minority communities.8





What is Social Profit?

At its core, social profit comes from the efforts of individuals, non-profits, and other groups that work to improve society. This means helping communities grow, caring for the environment, fighting for fairness and equality, and promoting well-being.

By putting the well-being of society and ethical behaviour on the same level as economic prosperity, success can be seen in a whole new way. It means measuring success by looking at the positive effects on society instead of just focusing on financial metrics.

This shows how important it is for organizations and individuals to consider their impact on society and focus on what's good for everyone. Ultimately, social profit is a commitment to foster positive change and give future generations a better life.6,7

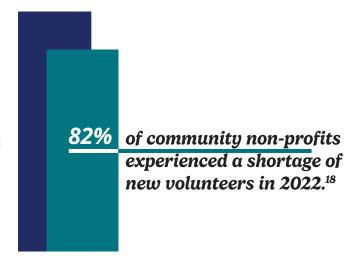
A Maze of Challenges

Albertans and the non-profits serving them face a maze of challenges with recent difficulties around the cost of living.

- 1. Some Alberta-based non-profits have struggled during and after the COVID-19 pandemic. The number of non-profits dropped by 3% from 2020 to 2023, while Alberta's population has rapidly increased by 6.3%.9
- 2. Alberta inflation has dropped from a peak of 8.4% last year to 4.2% in February 2024. But, it is expected to remain high for some time.¹⁰ The combination of high interest rates and inflation will continue to have compounding effects on Albertans.11
 - a. 71% of Alberta community non-profits report costs are becoming an obstacle to their operations.¹²
 - b. People who rely on non-profit services are not fairing any better. 69% of Canadians say they can't absorb \$1,000 in unexpected costs.13 30% of Albertans expect to need charitable services in the next six months.14

Community non-profits are struggling to meet demands.

- 46% of Alberta non-profits report an increased demand for services.15
- **63%** of Alberta non-profits say they find it challenging to meet rising costs.¹⁴



- 3. Non-profits are also facing many other challenges.
 - a. Community non-profits continue to struggle with workforce retention. 50% report labour-related obstacles to their organizations. 12 Community non-profits' wages are low compared to other sectors.
 - For example, in 2019, the average salary for someone working full-time in the community non-profit sector was \$54,716 annually. In contrast, government non-profit jobs paid \$66,356.16
 - b. 71% of charities report their workforce is experiencing increased mental health challenges, including volunteers.¹⁷
 - c. Non-profits are struggling with fewer donations and volunteers. In 2022, 16.4% of Albertans donated to charities, down from 18.6% in 2019.18



Strengthening the Non-Profit Sector

The non-profit sector believes the following priorities need to be enacted to strengthen the sector and overcome its current challenges.

- 1. Non-profits require more funding and grants to meet the increased needs of those they serve. 19, 20, 21
 - a. Funding must keep pace with inflation and rising costs. 20, 21
 - b. Core funding is required to address current inflationary challenges.^{22, 23}
 - c. Fewer restrictions should be placed on non-profits when receiving funding.^{19, 23}
 - d. Reporting and compliance procedures should be simplified when funding is provided.19



- 2. Governments need to provide a dedicated ministry for the non-profit sector.20,24
- 3. Non-profits require support to meet the rapid digital transformation of the workplace, particularly to increase accessibility and efficiency for workers and community members.^{20, 21, 25}
- 4. Better data about the non-profit sector needs continued support from the Government of Canada. 20, 21, 26, 27
- 5. Non-profits need to reduce inequities in data access by supporting diversity, equity, and inclusion. 20, 21, 23, 28, 29



Championing the Power of Data

At PolicyWise for Children & Families, we champion the power of data. Through our initiatives, we support non-profit organizations on their data journeys.

<u>Alberta Nonprofit Data Strategy</u>

- Provides non-profits with sector-level analysis and connects them to other sector-level research and resources.30
- Offers capacity-building activities to help nonprofits understand and effectively use data to enhance their services.30



Organizational Resilience

- Seeks to strengthen the ability of non-profits to anticipate, respond, cope, and recover from internal and external challenges.32
- Supports non-profits in maintaining organizational continuity and improving practices during times of change and crisis.32





Build Better Data

Provides non-profits with innovative demographic tools and resources to unleash the power of data to inform decision-making and impact policy solutions.31



Resources for Practice

Provides a wide selection of free resources that PolicyWise and other organizations have created to build capacity and enhance policies and practices.33

References

- 1. Statistics Canada. (2024). Table 36-10-0613-01: Production, income and outlay accounts of non-profit institutions (x 1,000,000).
- 2. Statistics Canada. (2024). <u>Table 36-10-0617-01: Employment</u> in non-profit institutions by sub-sector (x 1,000).
- 3. Statistics Canada. (2024). Table 11-10-0002-01: Tax filers with charitable donations by sex and age.
- 4. Statistics Canada. (2024). <u>Table 33-10-0753-01: Percentage</u> of total non-profit organizations, 2023.
- 5. Statistics Canada. (2018). General Social Survey Giving, Volunteering and Participating (GSS GVP).
- 6. Claire Gaudiani. (2007) "Let's Put the Word 'Nonprofit' Out of Business." The Chronicle of Philanthropy.
- 7. David Grant. (2015). The Social Profit Handbook: The Essential Guide to Setting Goals, Assessing Outcomes, and Achieving Success for Mission-Driven Organizations. White River Junction, VT: Chelsea Green Publishing.
- 8. Statistics Canada. (2023). <u>Table 36-10-0651-01: Employment</u> in the non-profit sector by demographic characteristic.
- 9. Government of Alberta. (2024). Alberta Non-profit Listing.
- 10. Government of Alberta. (2024). Consumer price index. Based on Statistics Canada. (2024). Table 18-10-0004-01: Consumer Price Index, 2011 basket.
- 11. Bank of Canada. (2024). Policy Interest Rate.

- 12. Statistics Canada. (2024). <u>Table 33-10-0772-01: Business</u> or organization obstacles over the next three months, first quarter of 2024.
- 13. IPSOS. (2023). Worries about Cost of Living Remain High as End of 2023 Draws Near.
- 14. Calgary Chamber of Voluntary Organizations. (2024). Facing the Storm: State of the Sector 2023.
- 15. Statistics Canada. (2024). <u>Table 33-10-0803-01:</u> Change in level of demand and overall capacity for non-profit organizations to meet demand for services and products, 2023.
- 16. Statistics Canada. (2023). Table 36-10-0650-01: Employment in the non-profit sector by type of worker.
- 17. CICP-PCPOB. (2024). CICP-PCPOB Weekly Report- Rapport Hebdomadaire (No. 2.2.3): Mental Health Challenges. Philanthropy and Nonprofit Leadership, Carleton University.
- 18. Statistics Canada. (2024). <u>Table 11-10-0002-01: Tax filers</u> with charitable donations by sex and age.
- 19. CICP-PCPOB. (2024). CICP-PCPOB Weekly Report- Rapport Hebdomadaire (No. 2.2.4): Policy Concerns. Philanthropy and Nonprofit Leadership, Carleton University.
- 20. Ontario Nonprofit Network. (2023). Policy Priorities.
- 21. Calgary Chamber of Voluntary Organizations. (2023). Policy Priorities.
- 22. CICP-PCPOB. (2023). CICP-PCPOB Weekly Report- Rapport Hebdomadaire (No. 1.3.15): Inflation. Philanthropy and Nonprofit Leadership, Carleton University.



- 23. Imagine Canada. (2023). Policy Priority: Make federal funding more equitable and effective.
- 24. Imagine Canada. (2023). Policy Priority: The nonprofit sector needs a home in government.
- 25. Imagine Canada. (2023). Policy Priority: Building the digital capacity of the sector.
- 26. CICP-PCPOB (2023). Charity Insights Canada Project (CICP). Philanthropy and Nonprofit Leadership, Carleton University.
- 27. Imagine Canada (2023). Policy Priority: Data is needed for effective decision making for and by our sector.
- 28. CICP-PCPOB (2023). <u>CICP-PCPOB Weekly Report- Rapport</u> Hebdomadaire (No. 1.1.5): Equity, Diversity, and Inclusion. Philanthropy and Nonprofit Leadership, Carleton University.
- 29. Statistics Canada. (2023). Disaggregated Data Action Plan.
- 30. PolicyWise for Children & Families. (2024). Alberta Nonprofit Data Strategy.
- 31. PolicyWise for Children & Families. (2024). Build Better Data.
- 32. PolicyWise for Children & Families. (2024). Organizational Resilience.
- 33. PolicyWise for Children & Families. (2024). Resources for Practice.

To cite this document

PolicyWise for Children & Families. (2024 April). Championing the Power of Data in Challenging Times: 2023-24 Alberta Nonprofit Data Strategy Annual Report. Edmonton, AB.

Acknowledgement

We acknowledge our ongoing collaborations with Statistics Canada and Imagine Canada to support a data-driven non-profit sector with us.

PolicyWise for Children & Families is a non-profit organization that supports the development of policies, programs, and services to benefit the well-being of Albertans. We conduct research, evaluation, and data analyses to ensure children, youth, and families can thrive.

To connect with us about this summary report, contact the project team at info@policywise.com.

The Alberta Nonprofit Data Strategy is funded by the Edmonton Community Foundation with additional support from PolicyWise for Children & Families. It has previously been supported by the Alberta Nonprofit Network and the Government of Alberta.







