



# Shifting Sands: The Changing Nature of Alberta's Nonprofit Sector

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Calgary Chamber of Voluntary Organizations

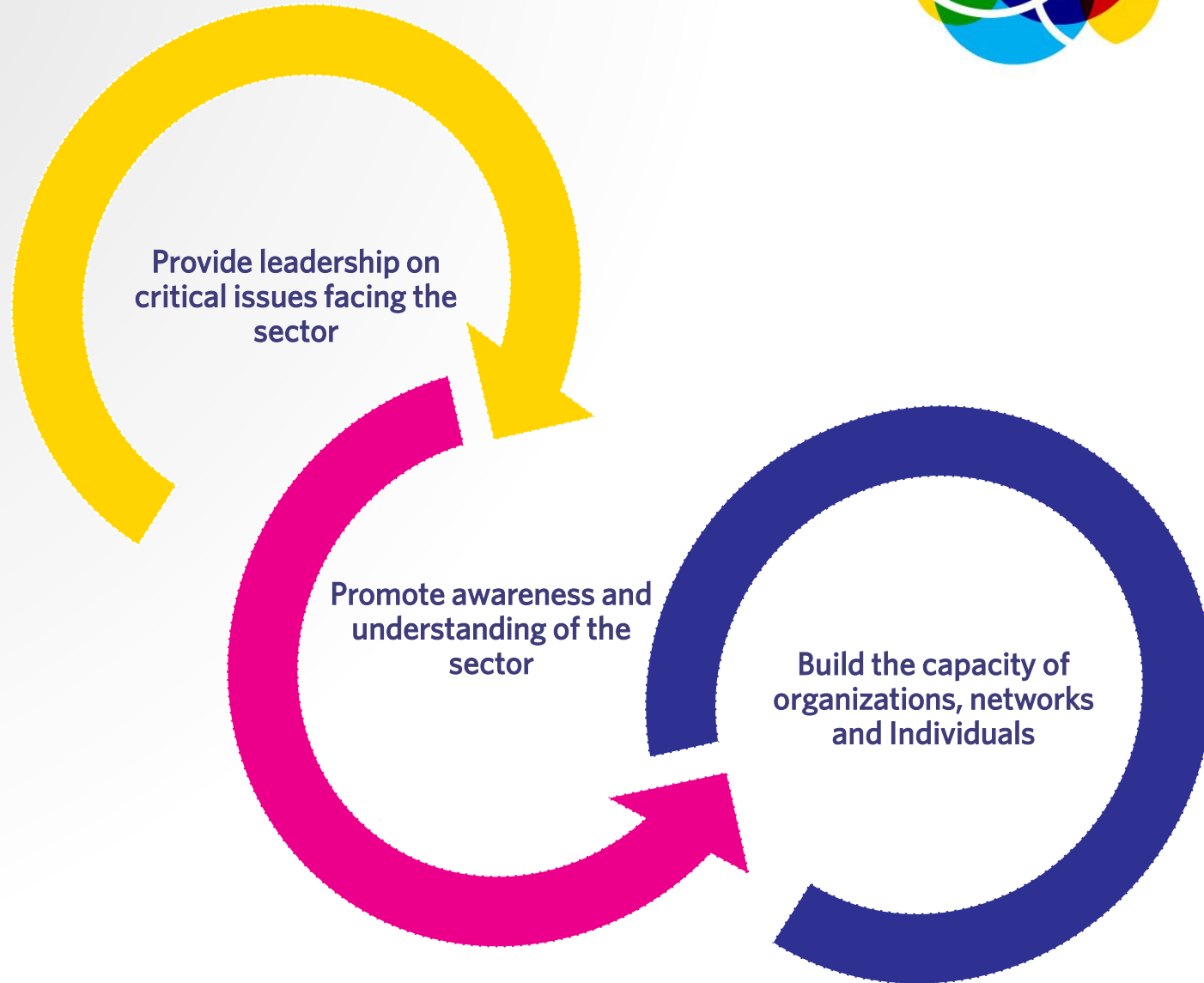


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- ❖ The Economic, Political and Societal Shifts in Alberta
- ❖ Implications & Impacts
- ❖ The Questions We Must Face

# TWO PERSPECTIVES OF THE ENVIRONMENT

“The nonprofit sector is very adaptable. We have gone through down times before and we will come through this one as well”

CCVO Survey Respondent - 2009

# TWO PERSPECTIVES OF THE ENVIRONMENT

“Thoughtful observers recognize that five years from now the sector will not simply have returned to its previous, pre-crisis state. They know that fundamental changes coupled with the loss of (*thousands of*) nonprofits will permanently change the landscape”

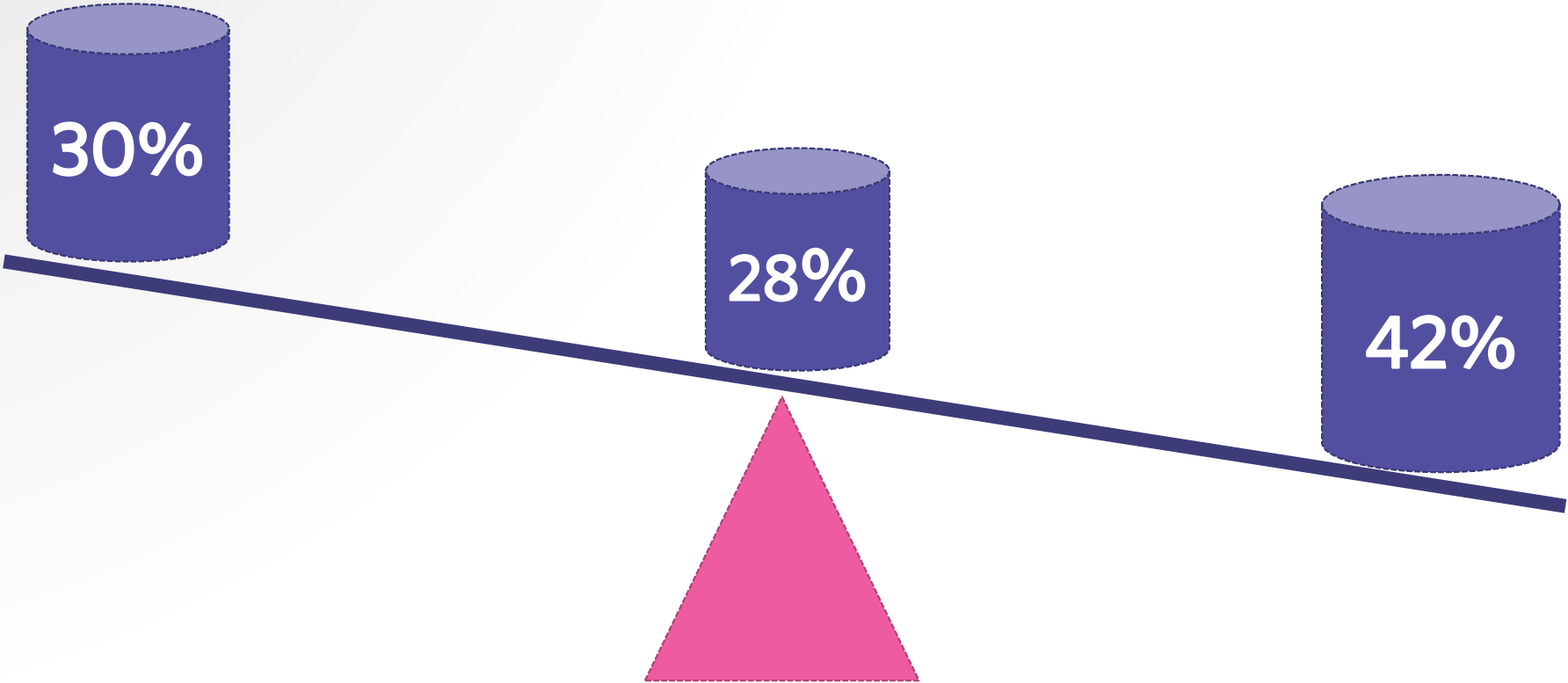
Convergence, 2009

# TWO PERSPECTIVES OF THE ENVIRONMENT

We have been through this before and things will improve

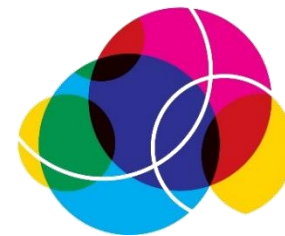
We simply don't know

We need to adapt to a new economic reality





# The Nonprofit Sector



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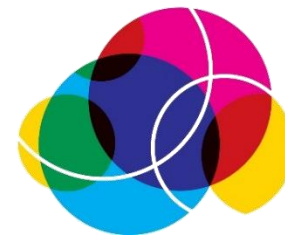
# DRIVING FORCES





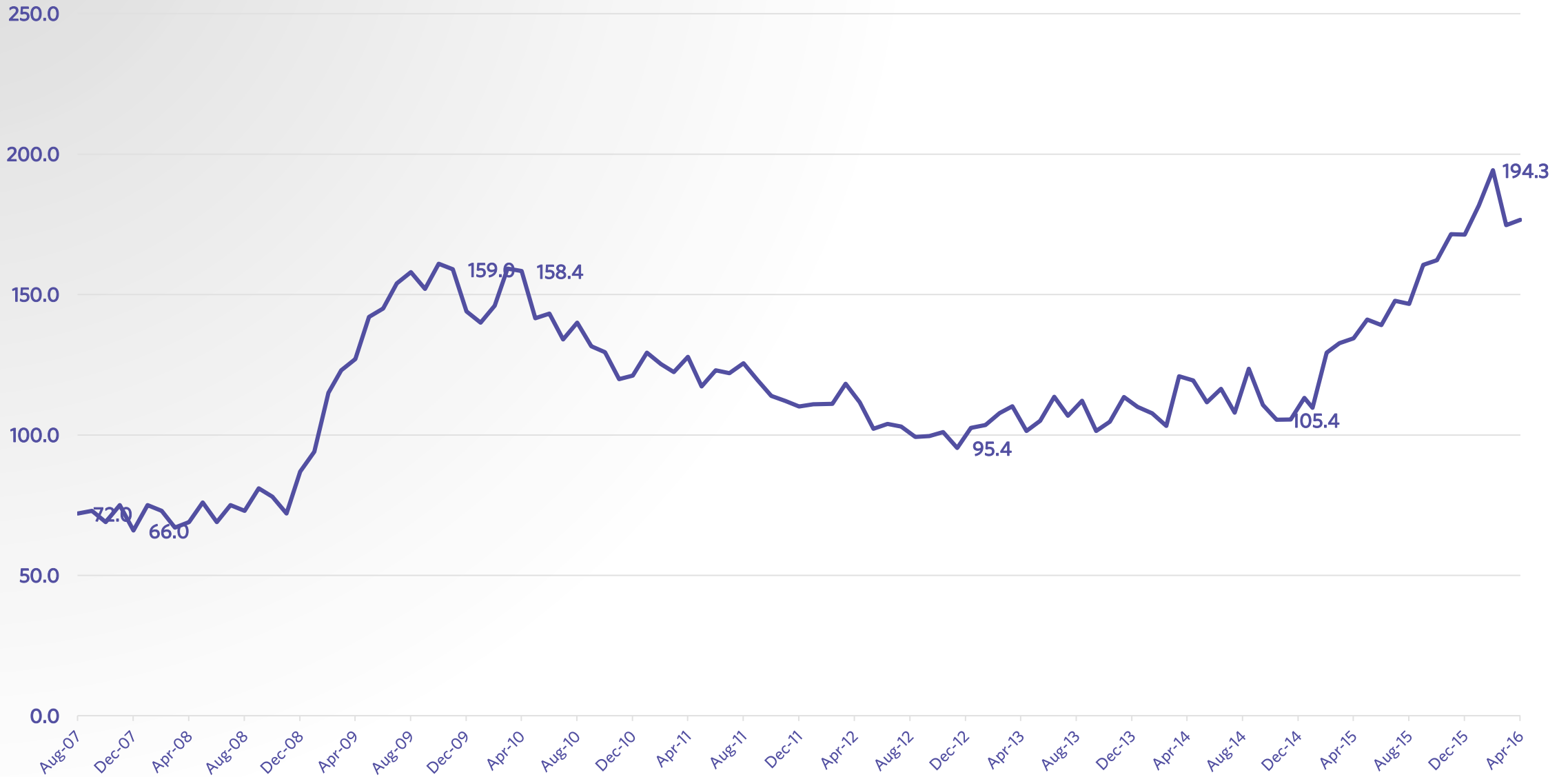


# THE ECONOMY

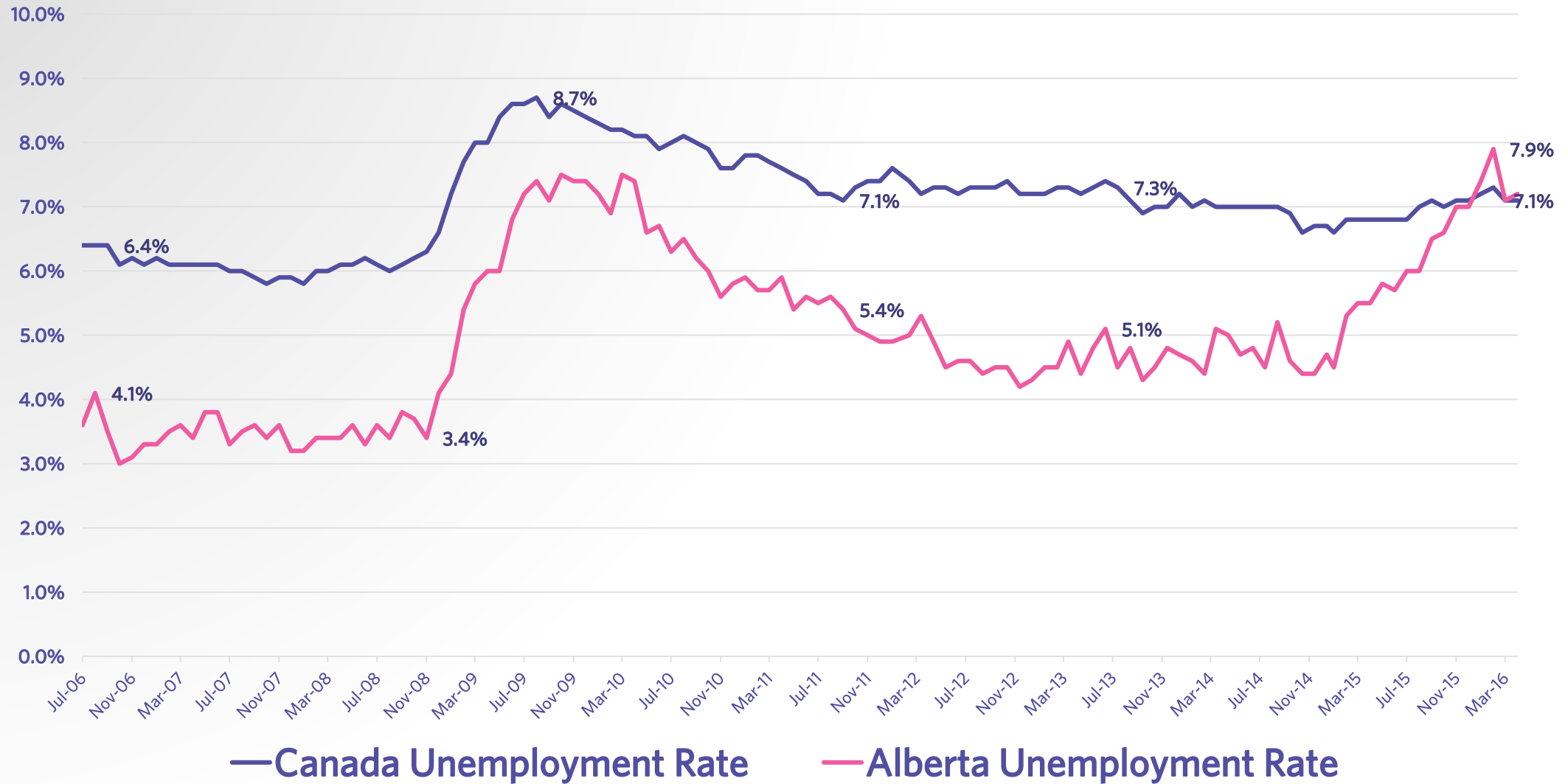


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# ALBERTA UNEMPLOYED (000's)



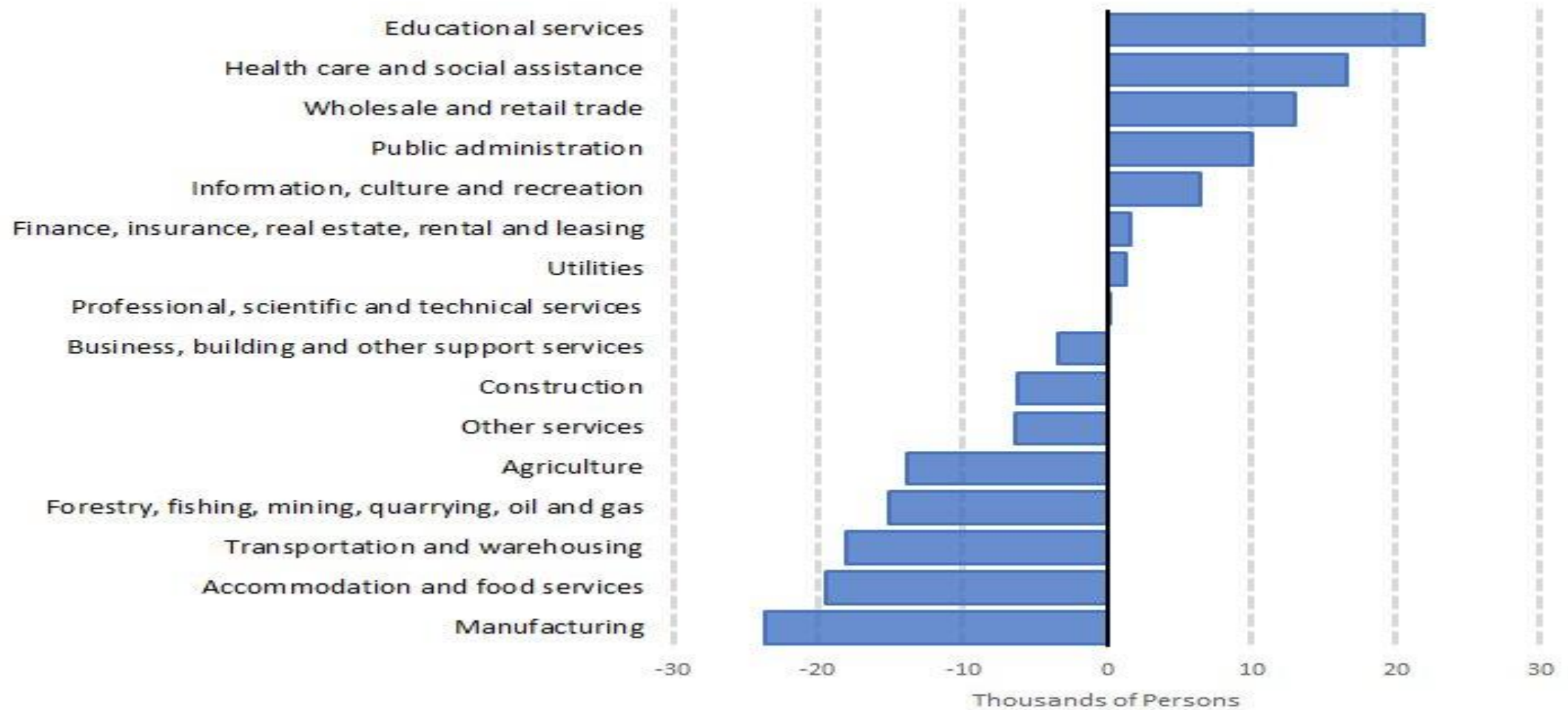
# UNEMPLOYMENT RATES



# EMPLOYMENT GAINS & LOSSES

## Change in Alberta Employment, by Sector, Since January 2015

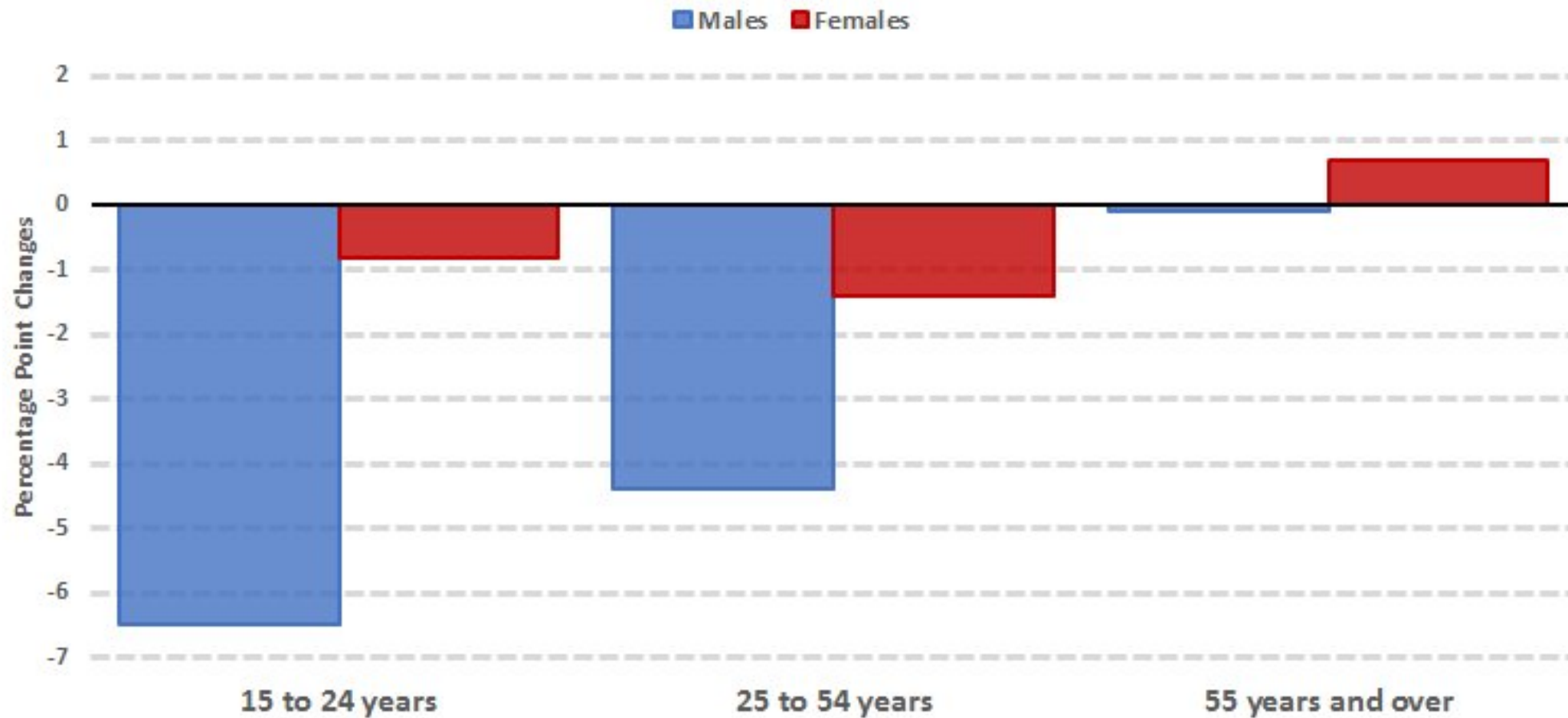
CANSIM 282-0088



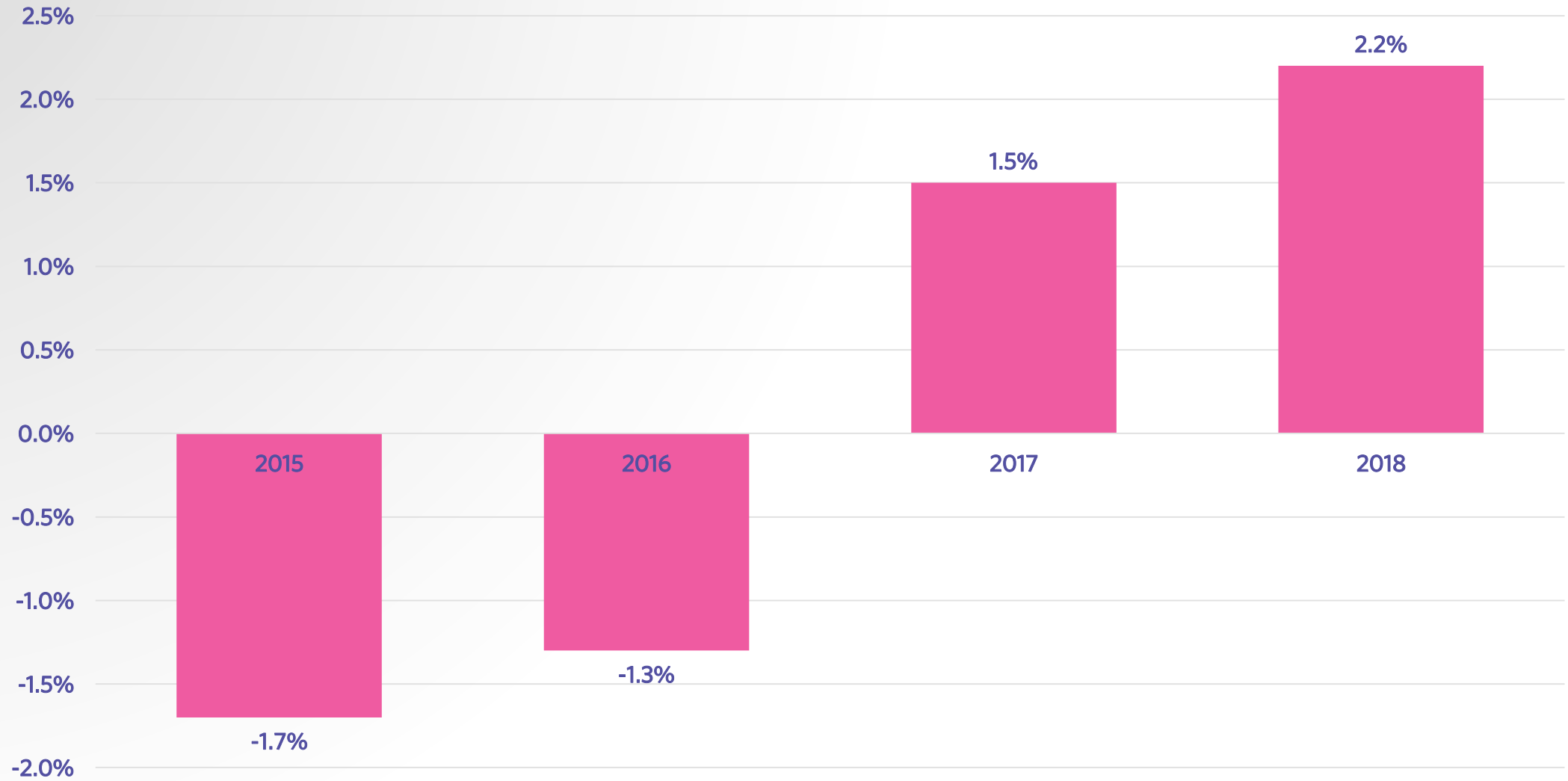
# EMPLOYMENT GAINS & LOSSES

## YoY Change in Alberta Employment Rates, by Age and Gender

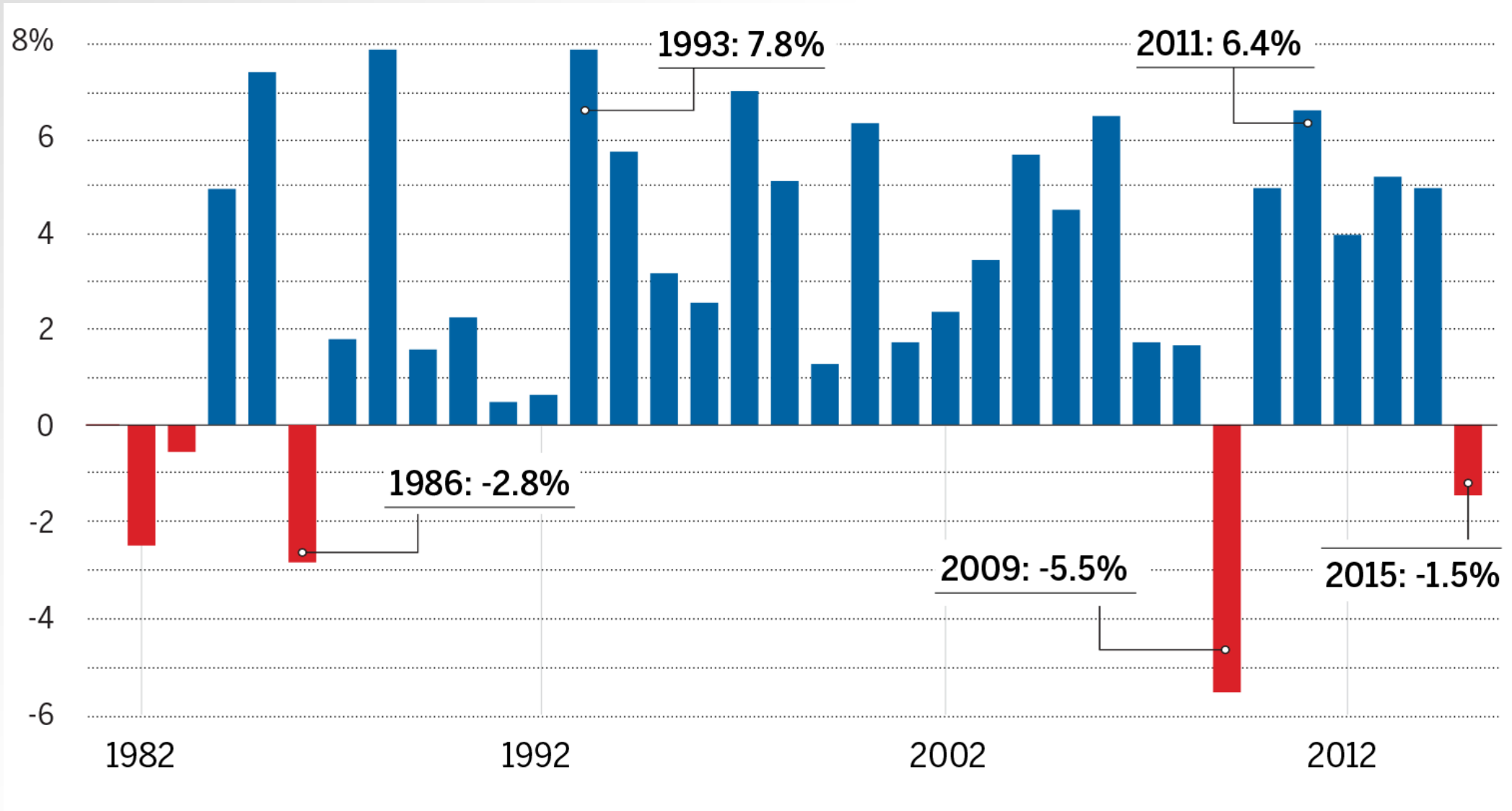
CANSIM 282-0087 - to January 2016



# ALBERTA GDP

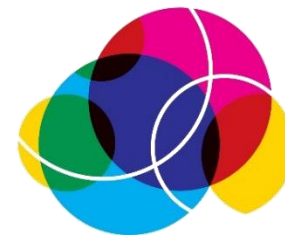


# ALBERTA GDP





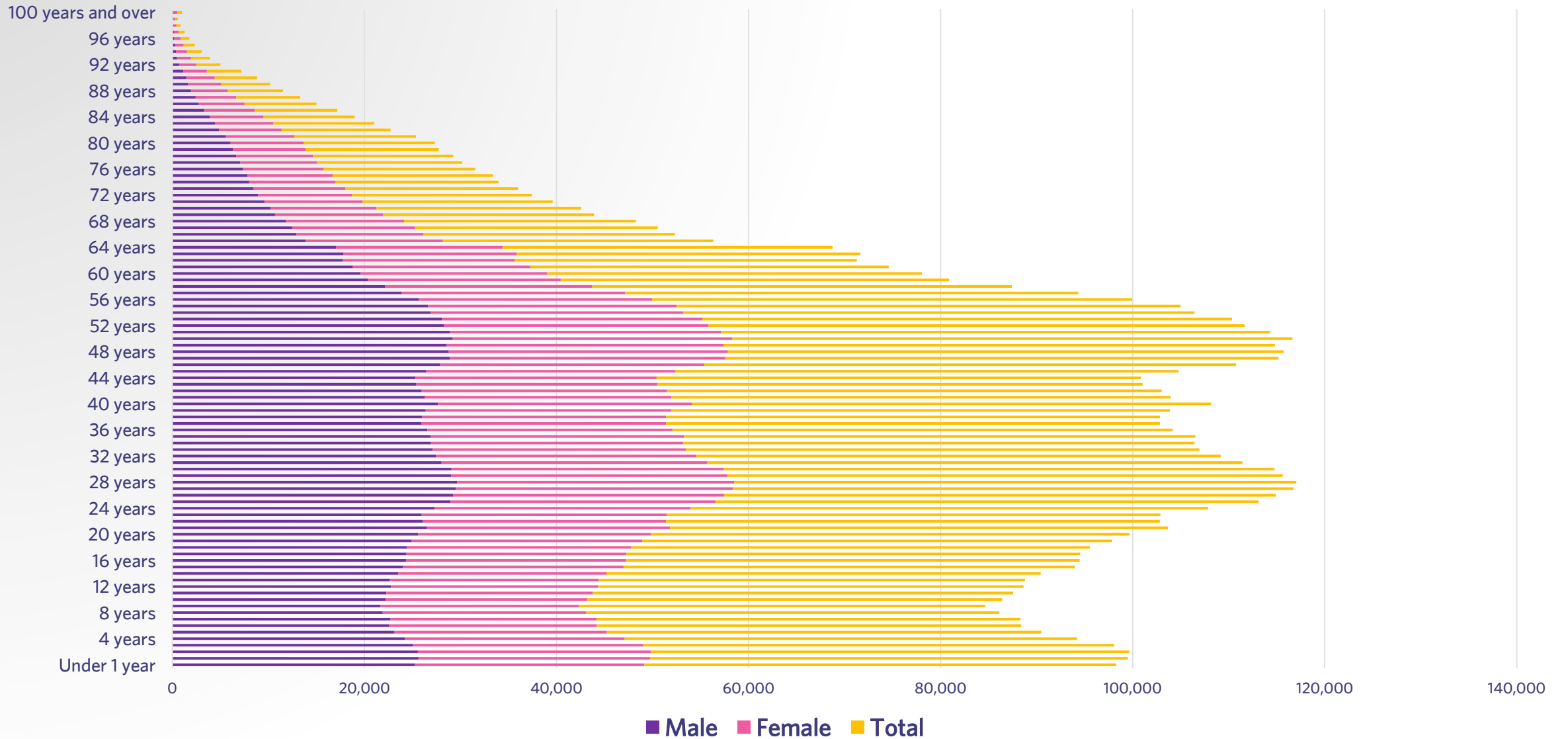
# DEMOGRAPHICS



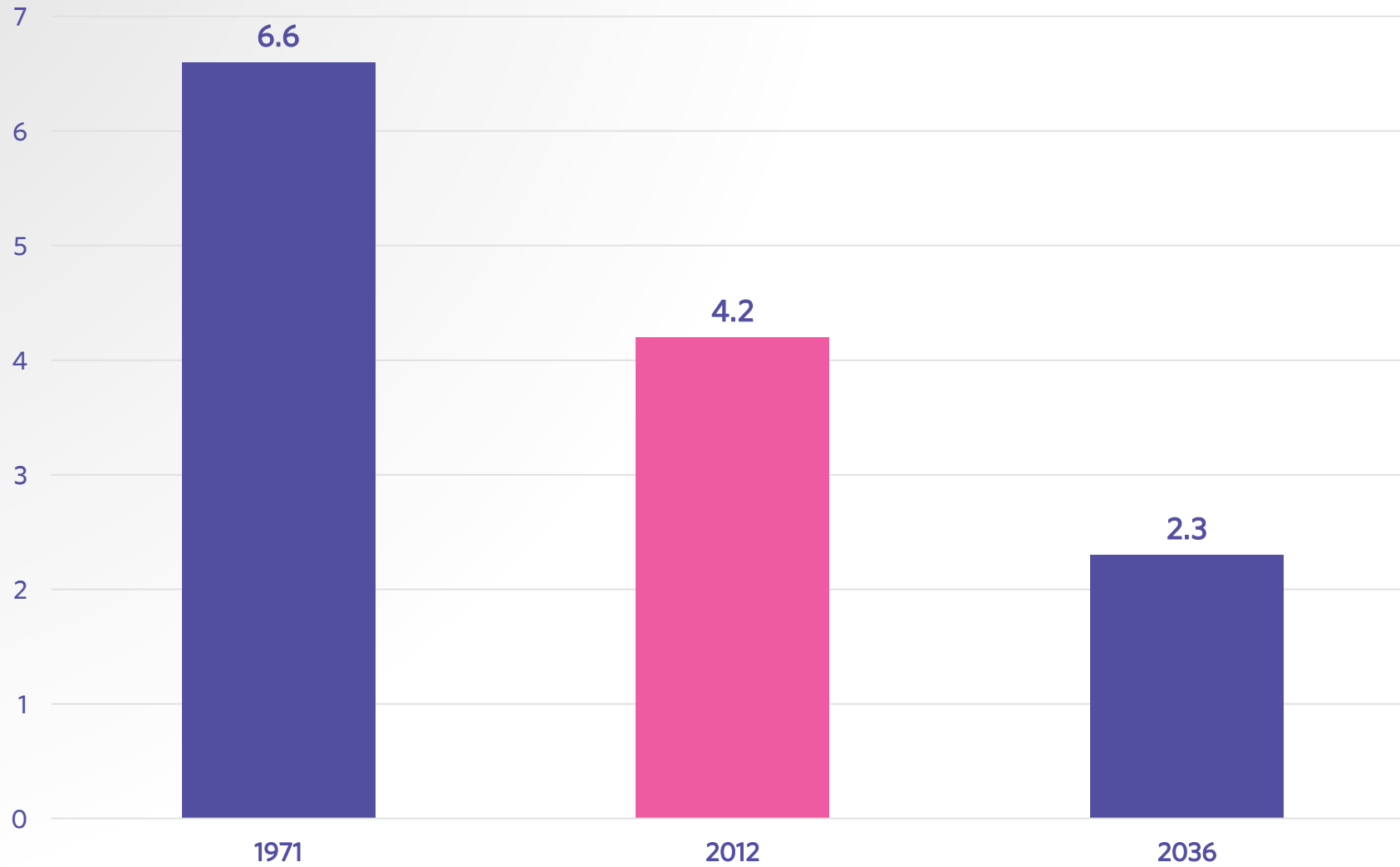
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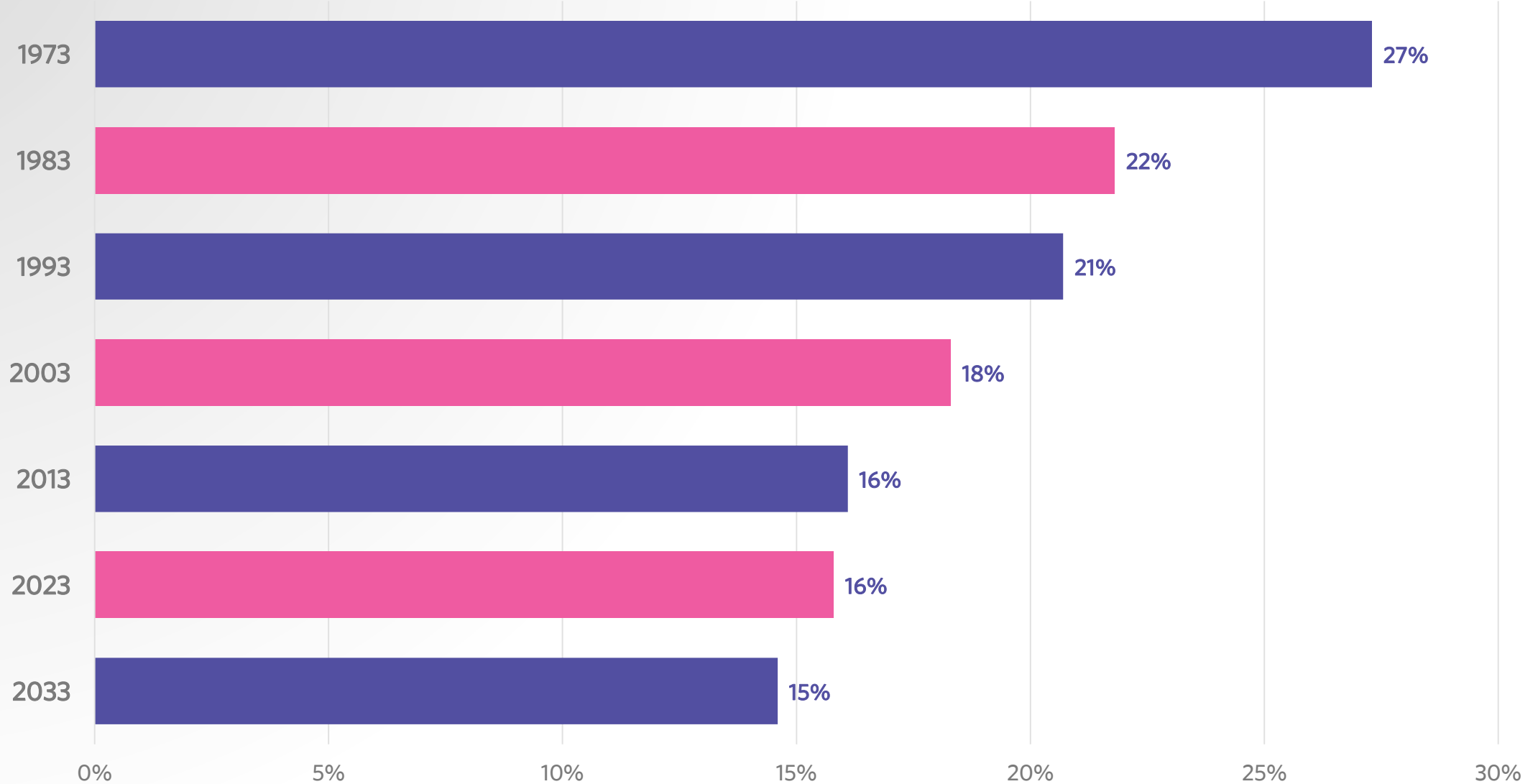
# ALBERTA AGE PROFILE



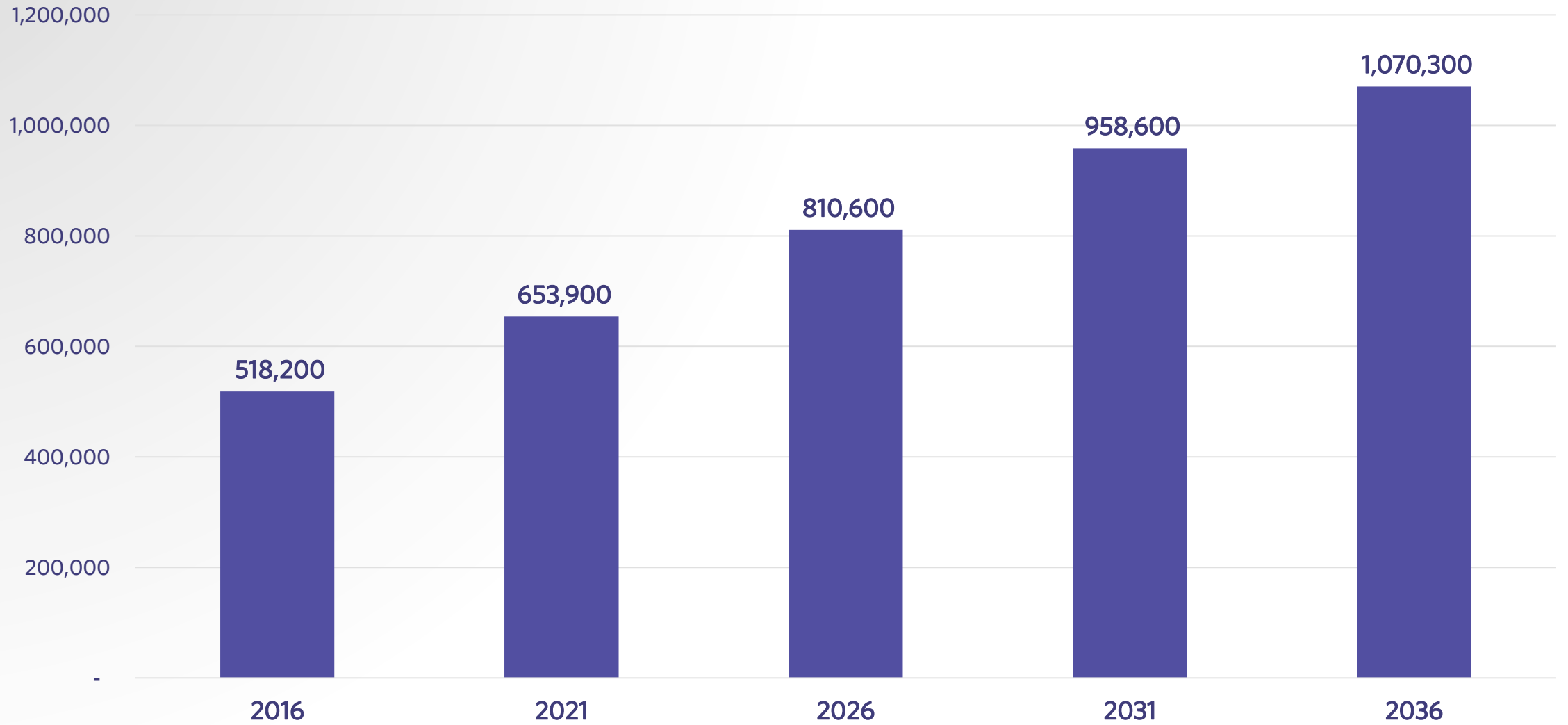
# CANADIAN DEPENDENCY RATIO



# 0-14 YEAR OLDS AS A % OF CANADIAN POPULATION

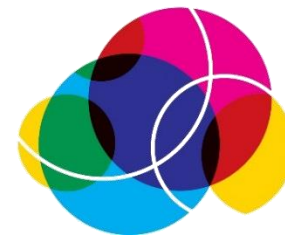


# SENIORS POPULATION PROJECTIONS





# THE NONPROFIT LABOUR FORCE



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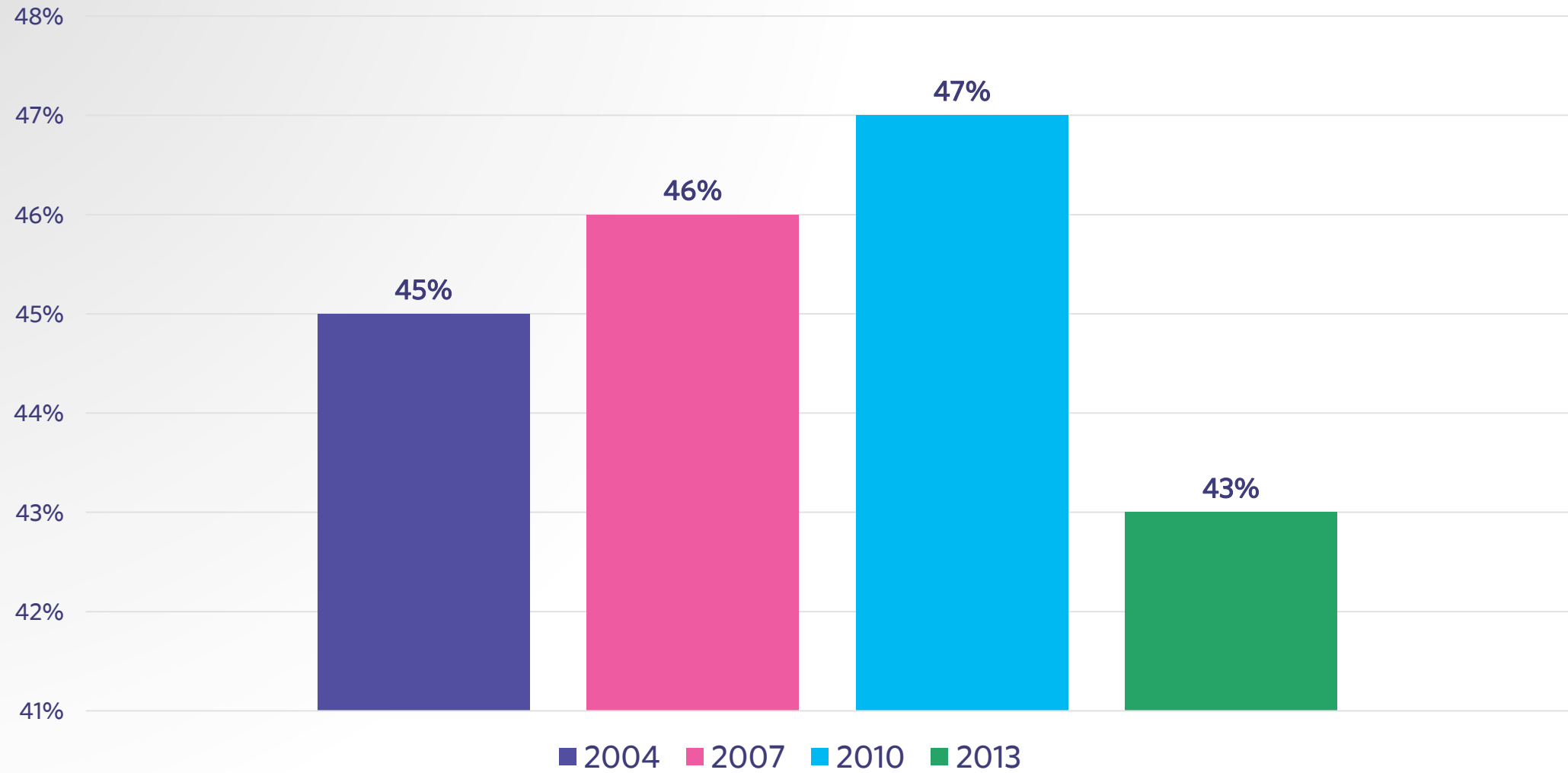
# NONPROFIT LABOUR PROFILE

- 42% of organizations have a paid workforce.
- 78% of paid staff are employed by organizations with annual revenues greater than \$1,000,000.00.
- 52% of the total FTE labour is carried out by paid staff, 48% by volunteers.

# VOLUNTEERISM

- Increased emphasis on short-term, discrete volunteerism.
- Volunteerism concentrating in fewer groups.
- Qualified, committed board members are becoming difficult to attract.
- Expectations of Board members – leadership, fundraising, relationship building.

# VOLUNTEER RATES

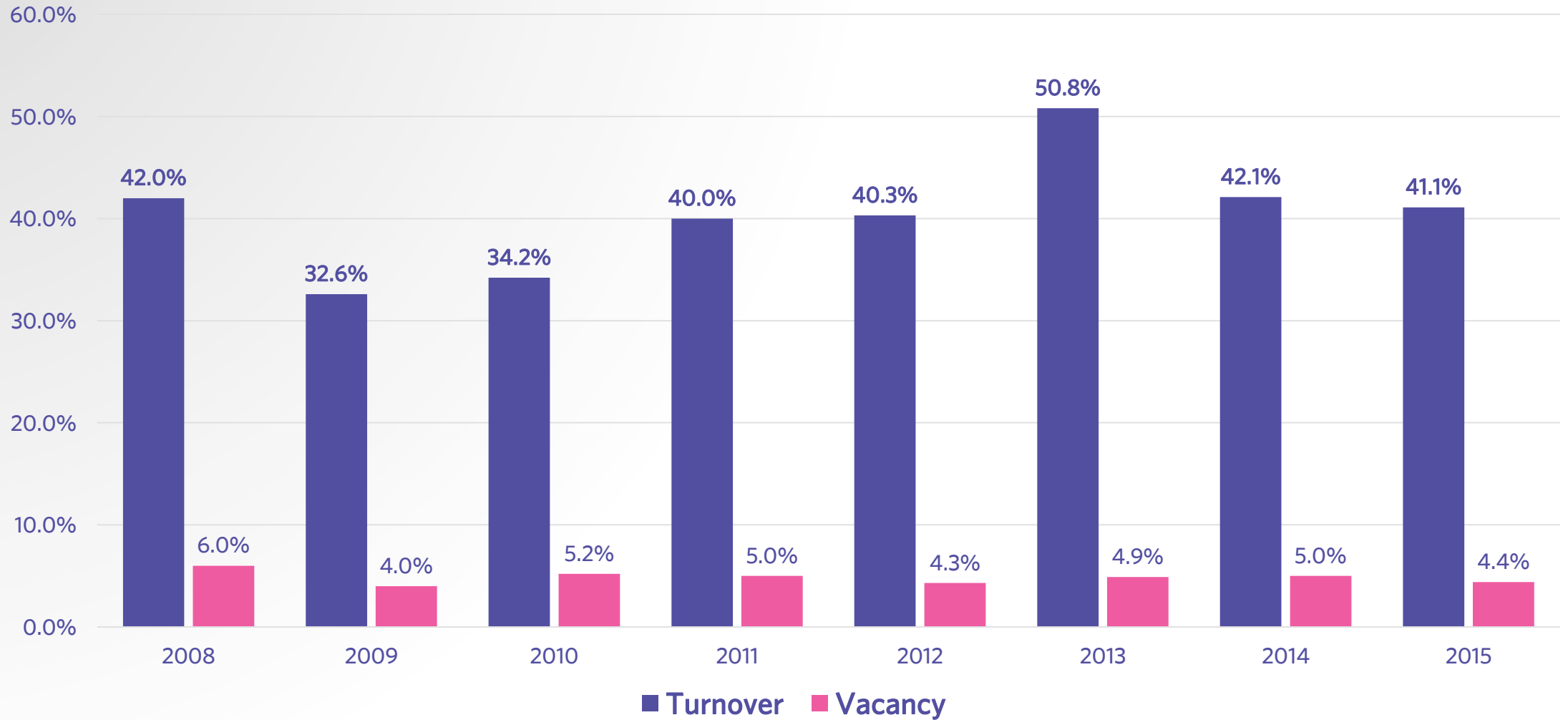




# NONPROFIT WORKFORCE DRIVERS

- Alberta labour force conditions
- Wage and benefits differentials
- Increasing professionalization of the sector
- Changing government role / orientation
- Aging population and shifts in immigration patterns
- Management and leaderships competency
- Transitions of existing leaders

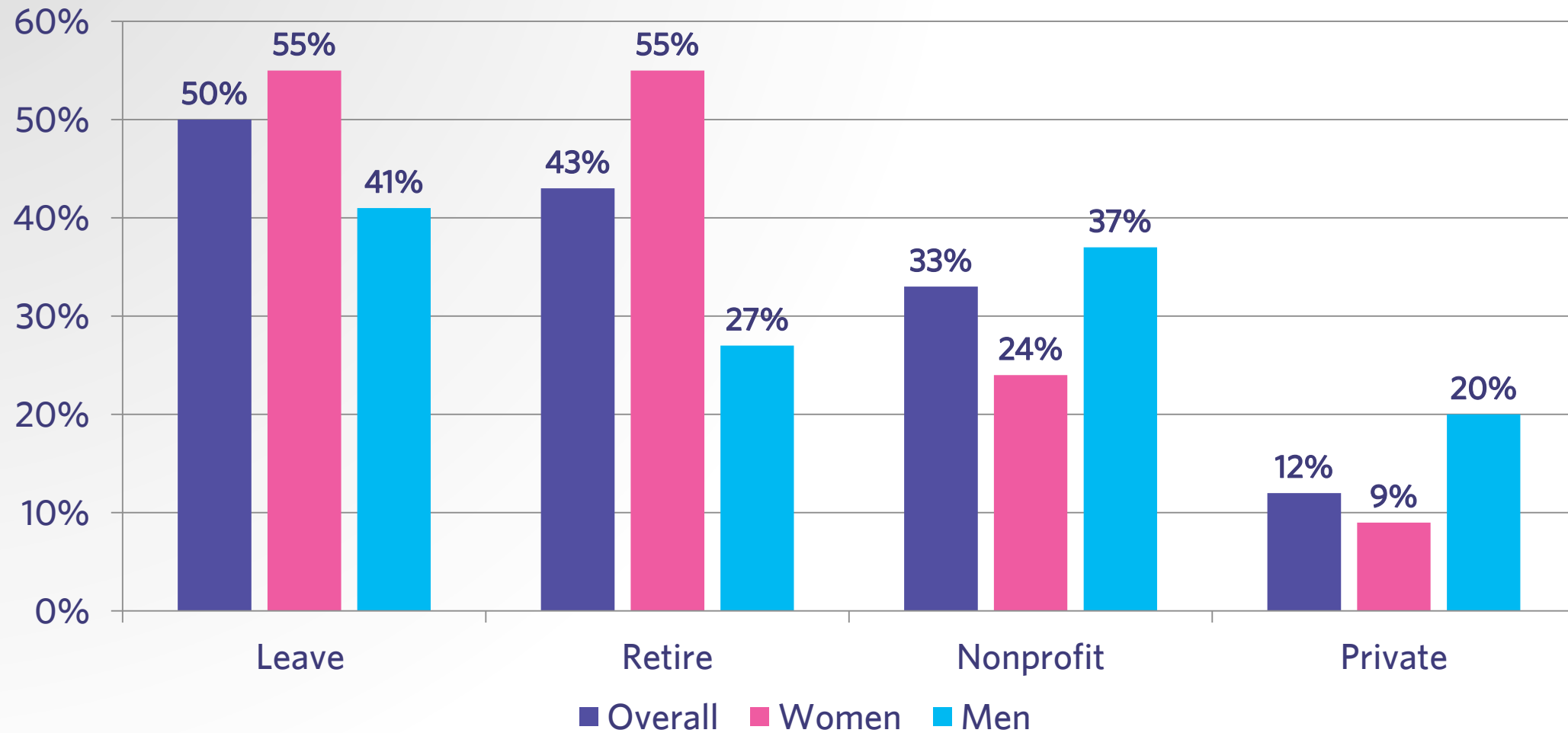
# NONPROFIT TURNOVER & VACANCY RATES



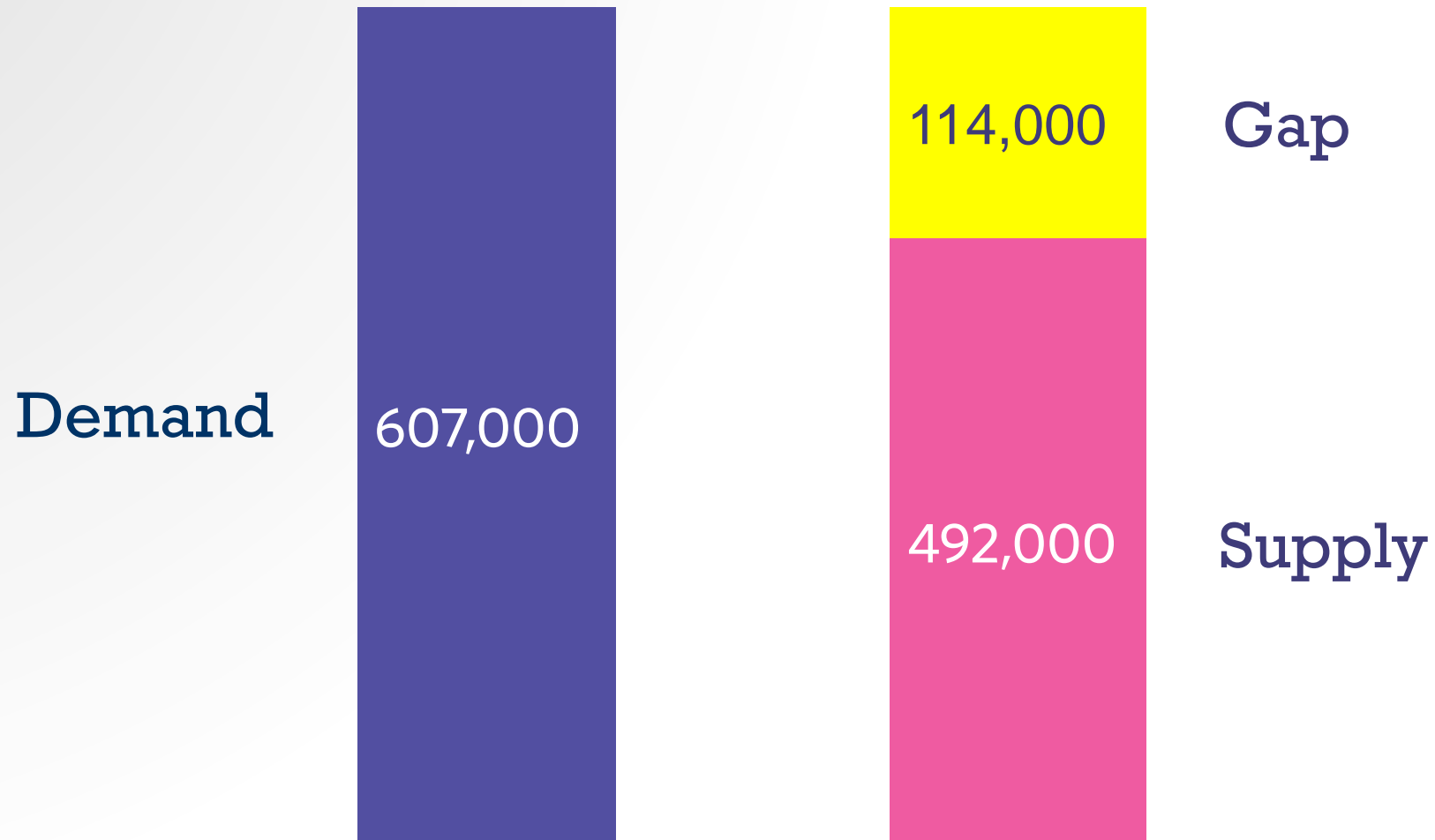
# EXECUTIVE LEADERSHIP

- One quarter of EDs/CEOs are leaving every two years.
- Funding issues are the greatest factor impacting satisfaction.
- Governance is a concern for many.
- Emerging leaders are most concerned about work-life balance.
- Existing leaders most wished they possessed better financial management skills.

# INTENTIONS OF EXISTING LEADERS



# PERSISTENT LABOUR SHORTAGES



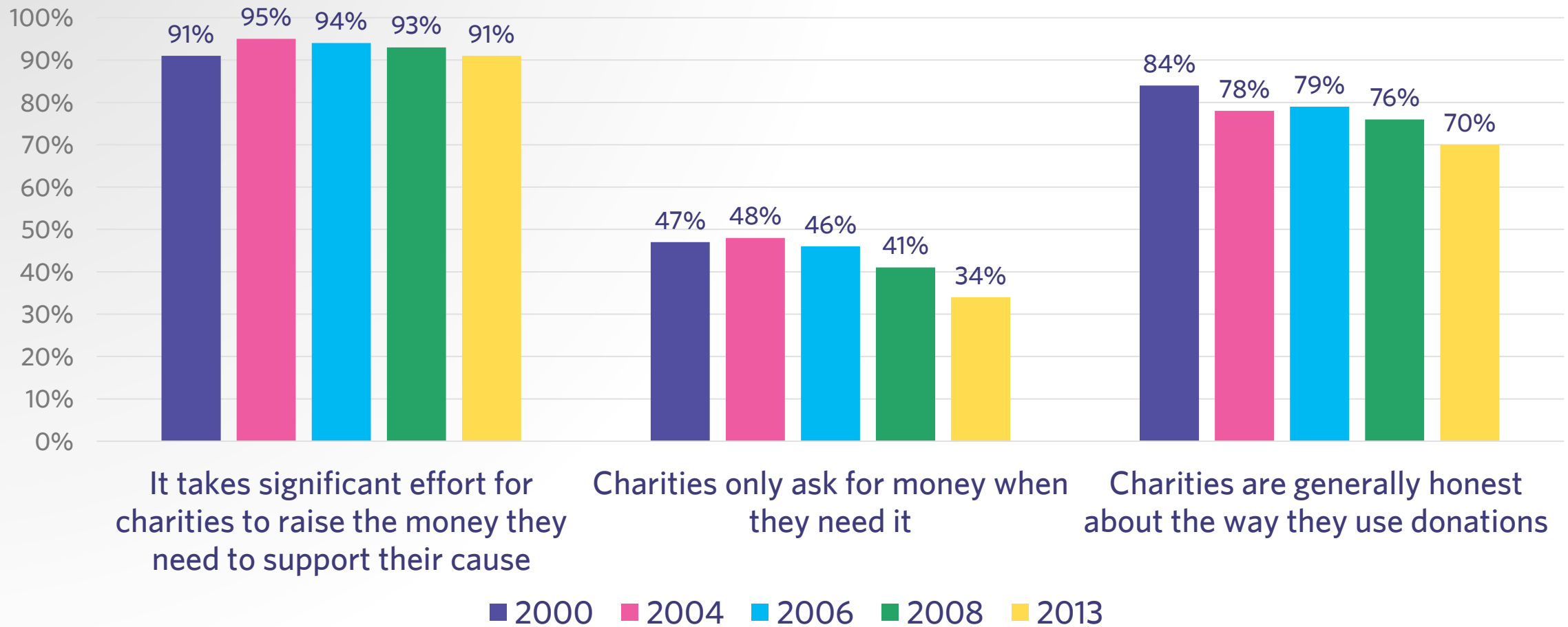


# PUBLIC PROFILE



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# TRUST IN CHARITIES

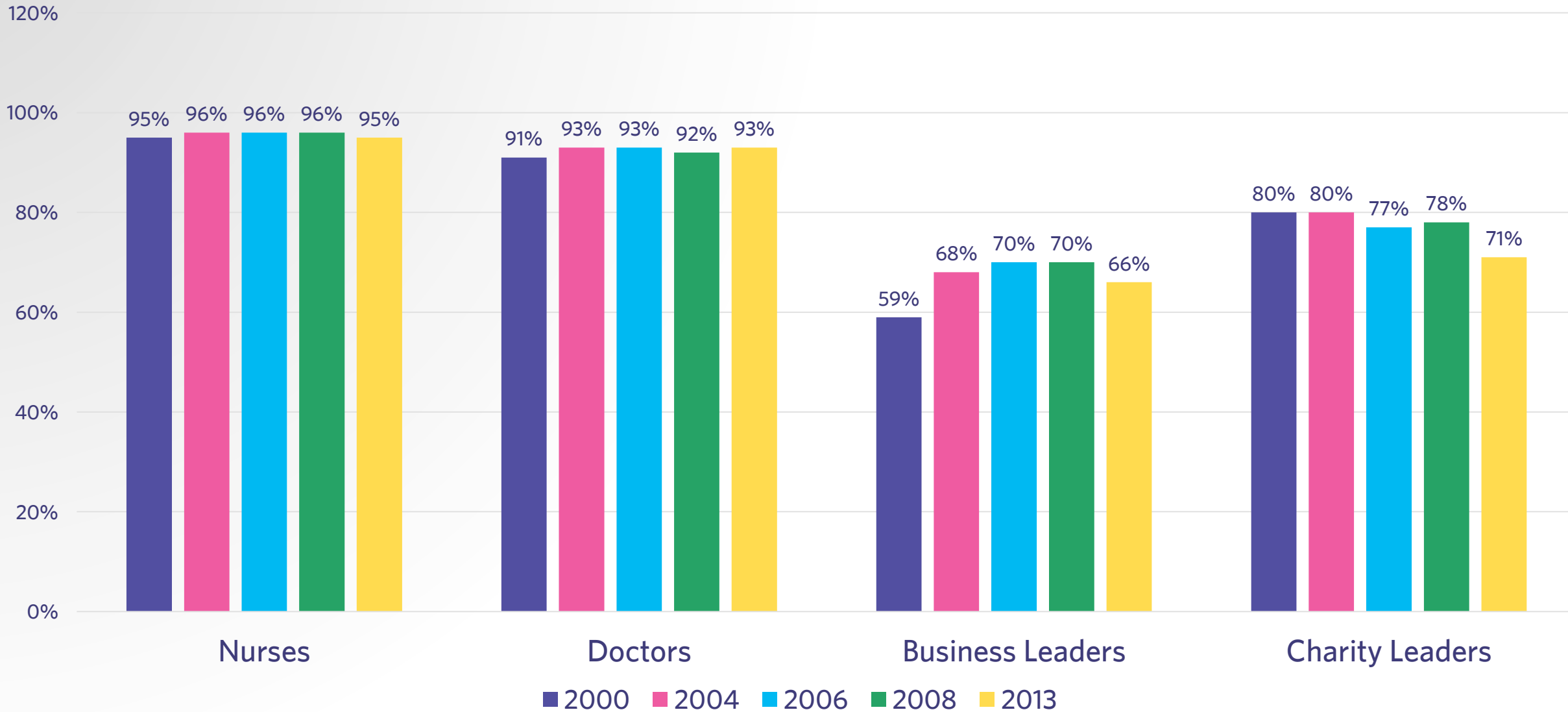


# TRUST IN CHARITIES

- Charitable giving has remained very consistent over that past few decades.
- A lack of understanding of the role of charities in society remains a critical issue even as charities are entrusted to carry out a growing range of key societal functions.
- Compensation, fundraising costs, and overhead remain hot button issues.



# TRUST IN LEADERS





# THE POLITICAL LANDSCAPE



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# THE POLITICAL LANDSCAPE

- The government is faced with a structural deficit that remains heavily reliant upon the price of oil. Financing constraints may limit the ability of the new government to fully implement their platform.
- The Wood Buffalo fires will have a substantial impact both politically and financially
- The varied backgrounds and experience levels of new MLAs provide for both challenges and opportunities.

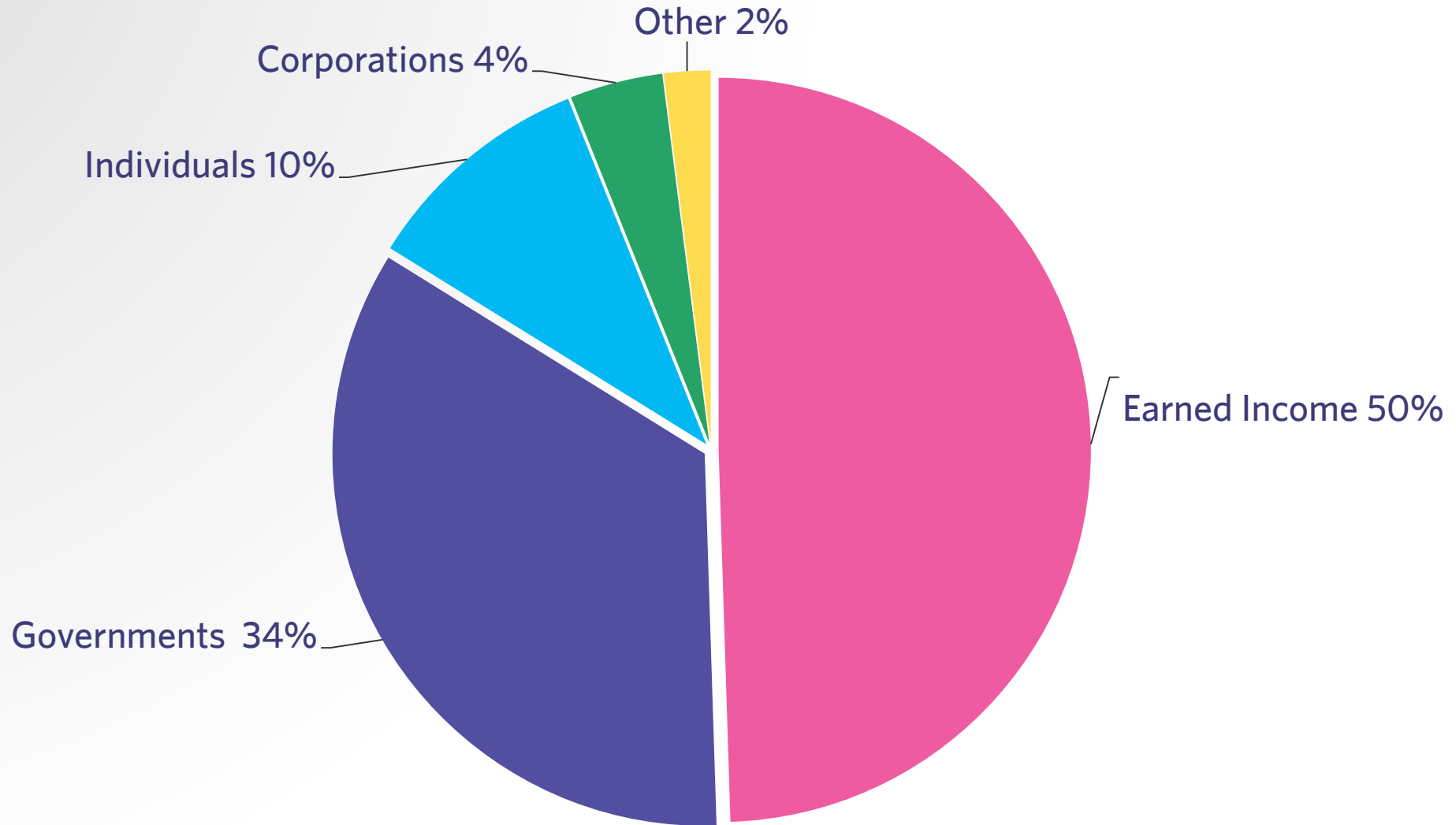


# ORGANIZATIONAL HEALTH

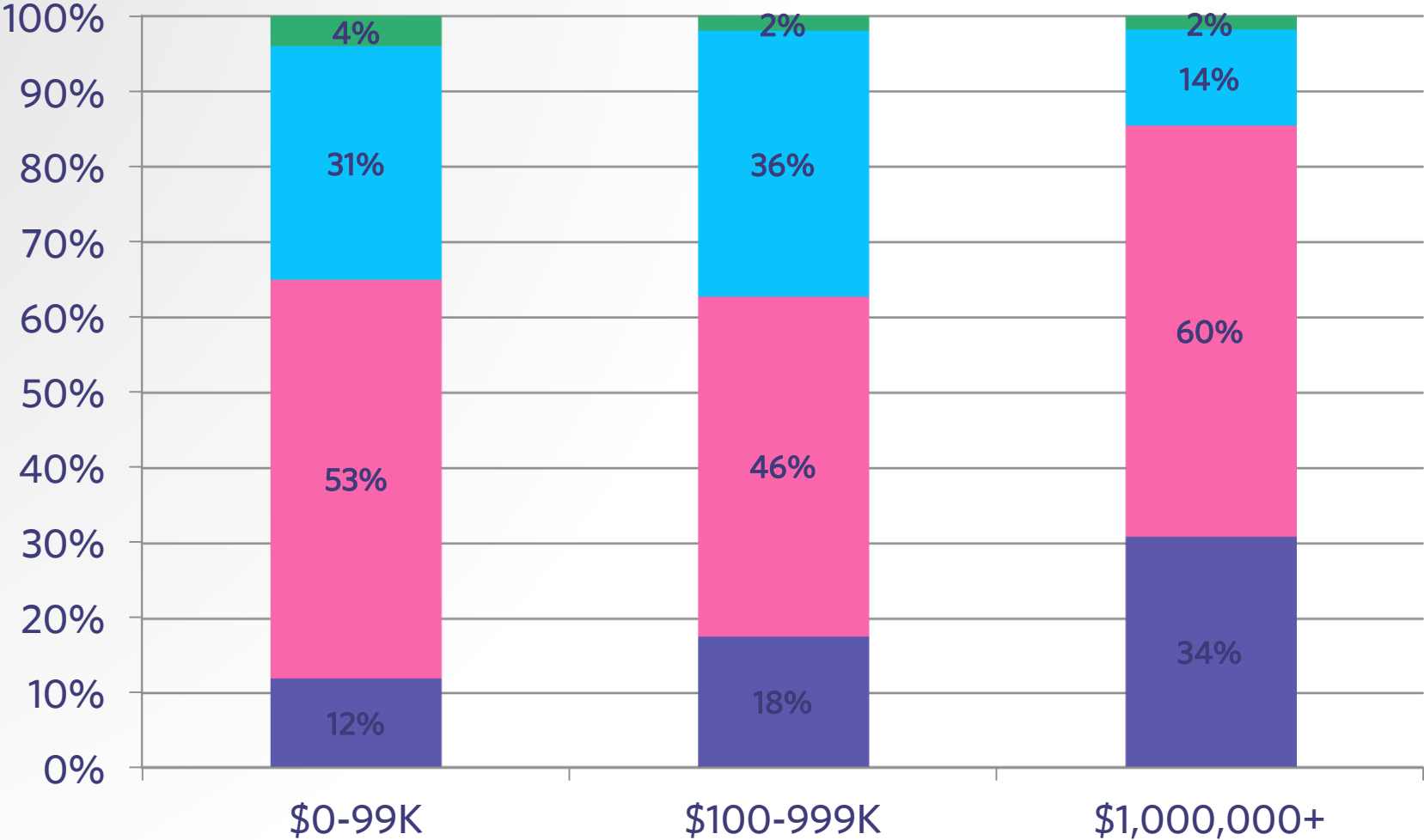


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# SOURCES OF REVENUE - ALBERTA

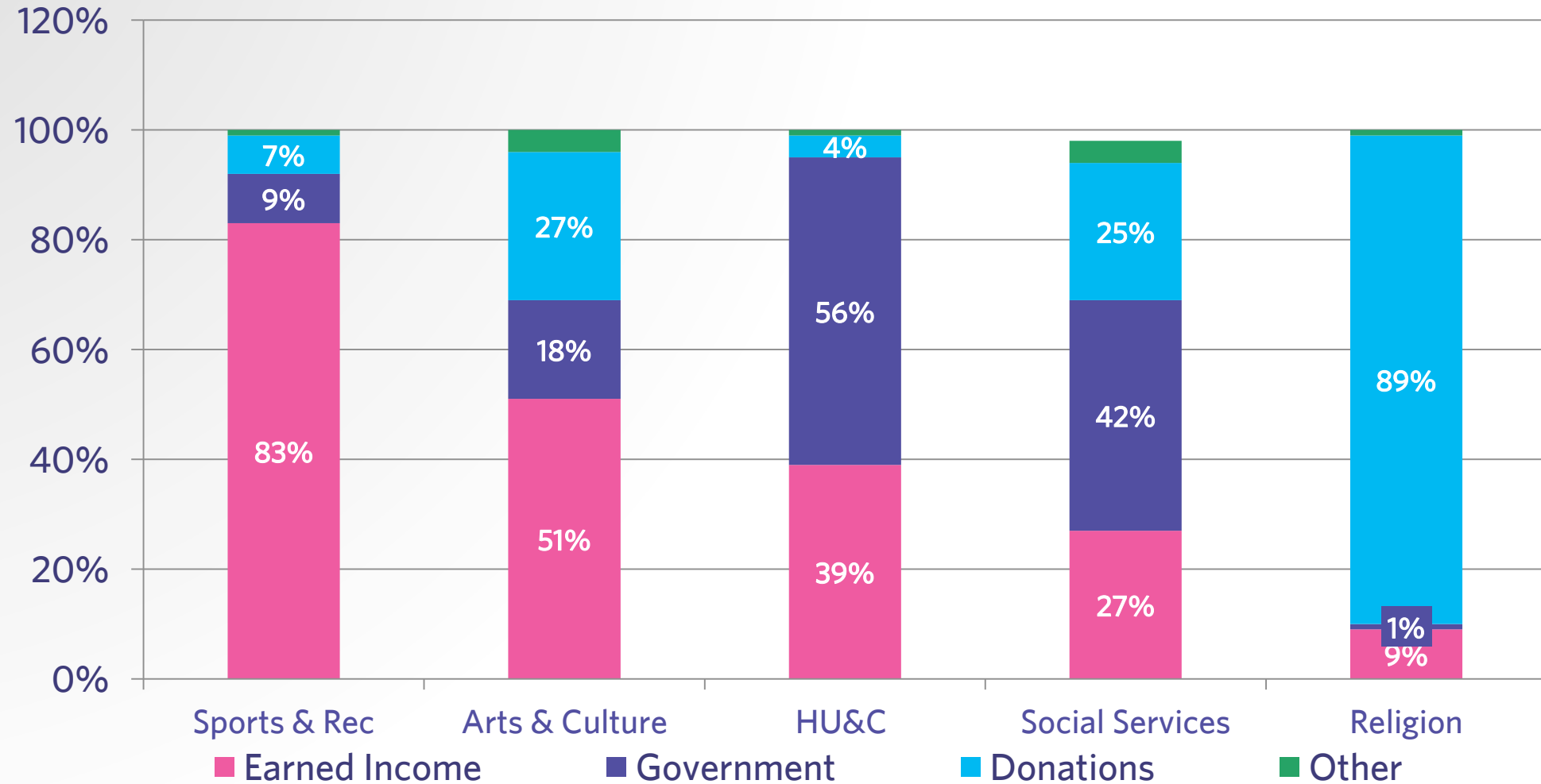


# SOURCES OF REVENUE - SIZE



■ Government ■ Earned Income ■ Donations & Grants ■ Other

# SOURCES OF REVENUE - SUBSECTOR

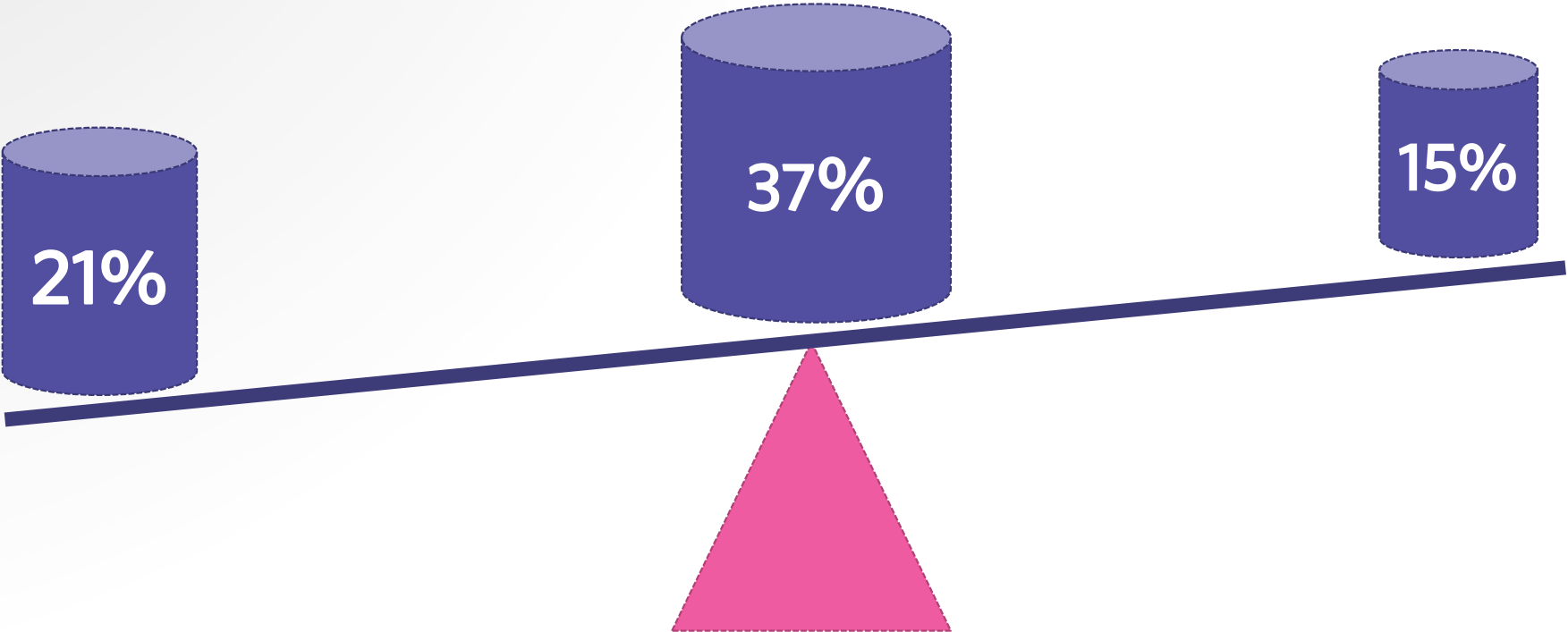


# EARNED REVENUE

Increased

About the Same

Decreased



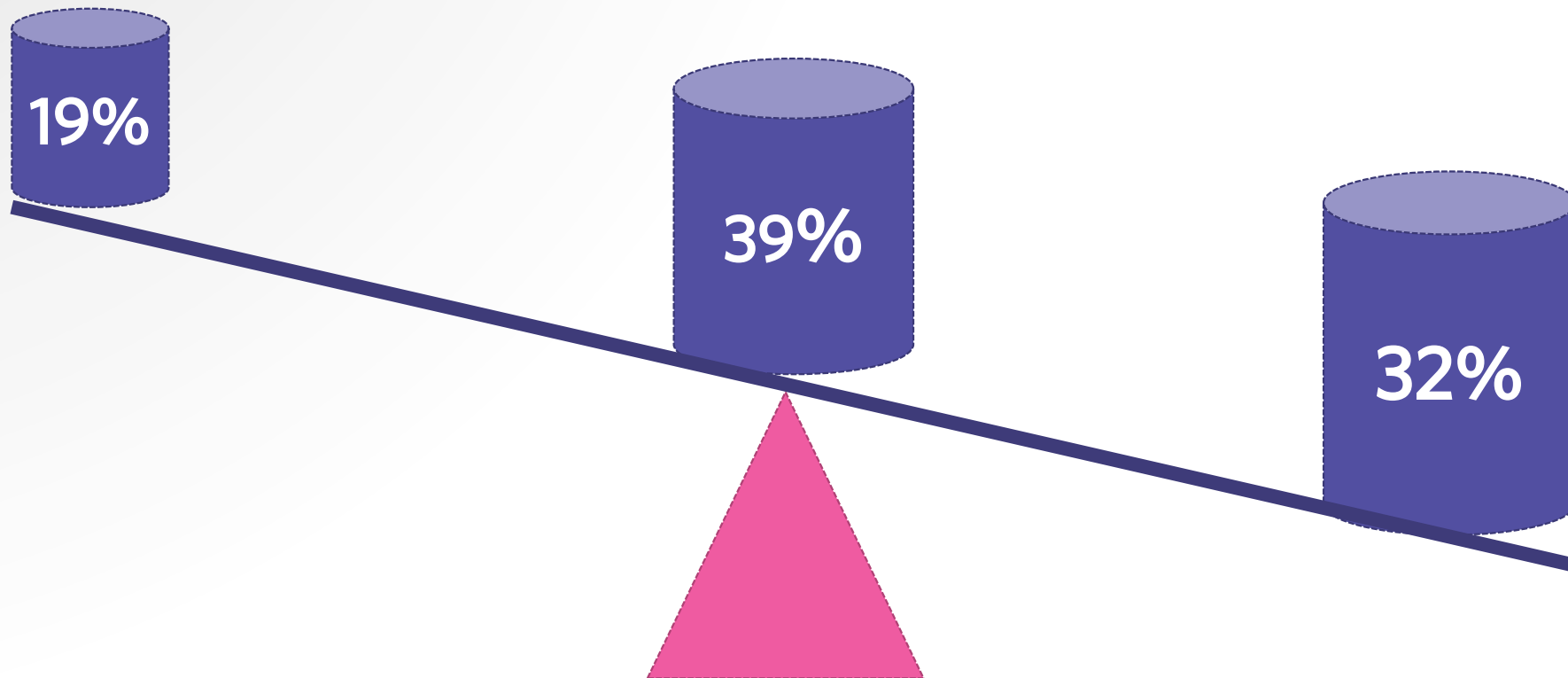


# DONATIONS FROM CORPORATIONS

Increased

About the Same

Decreased

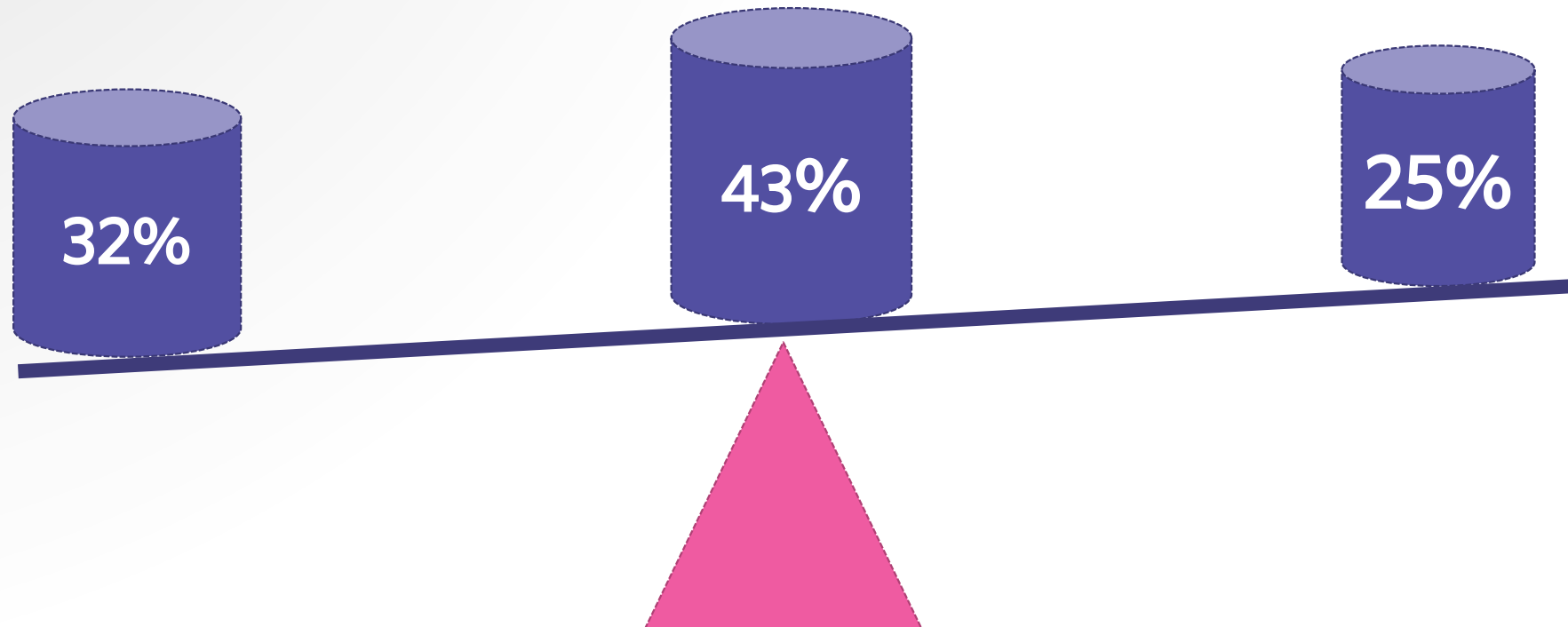


# DONATIONS FROM INDIVIDUALS

Increased

About the Same

Decreased

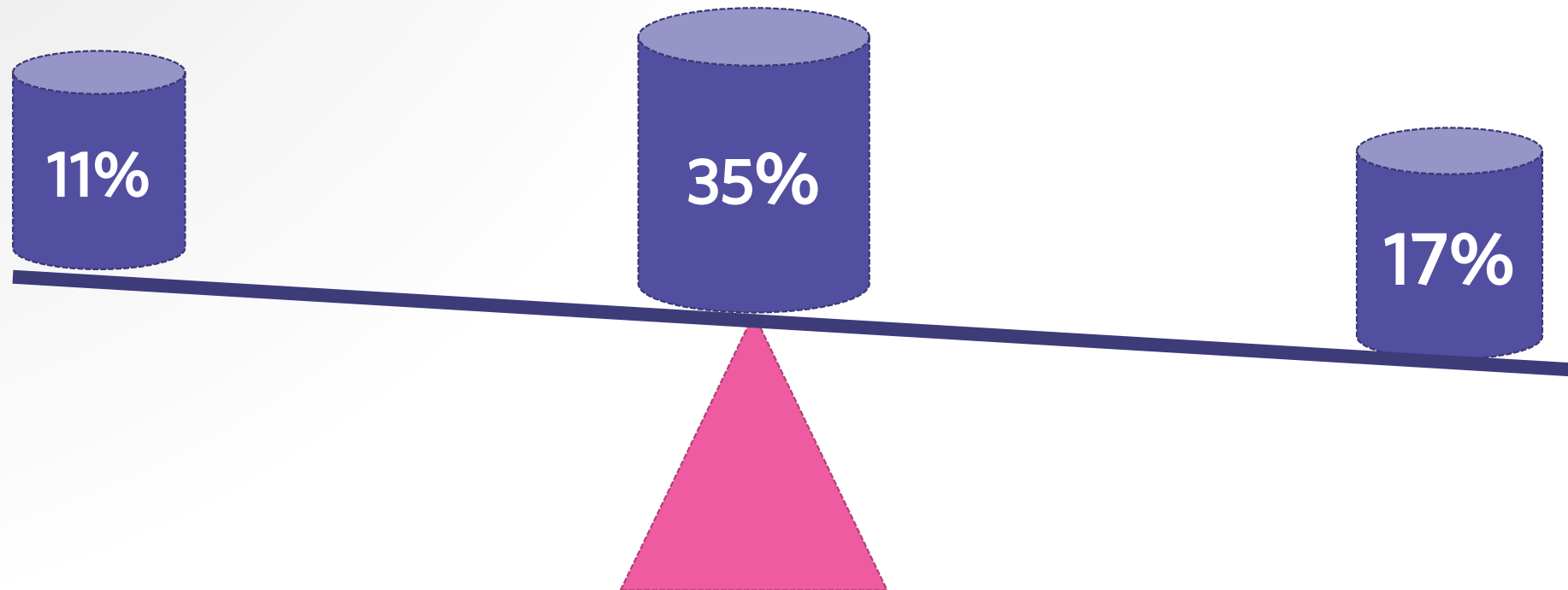


# DONATIONS FROM FOUNDATIONS

Increased

About the Same

Decreased

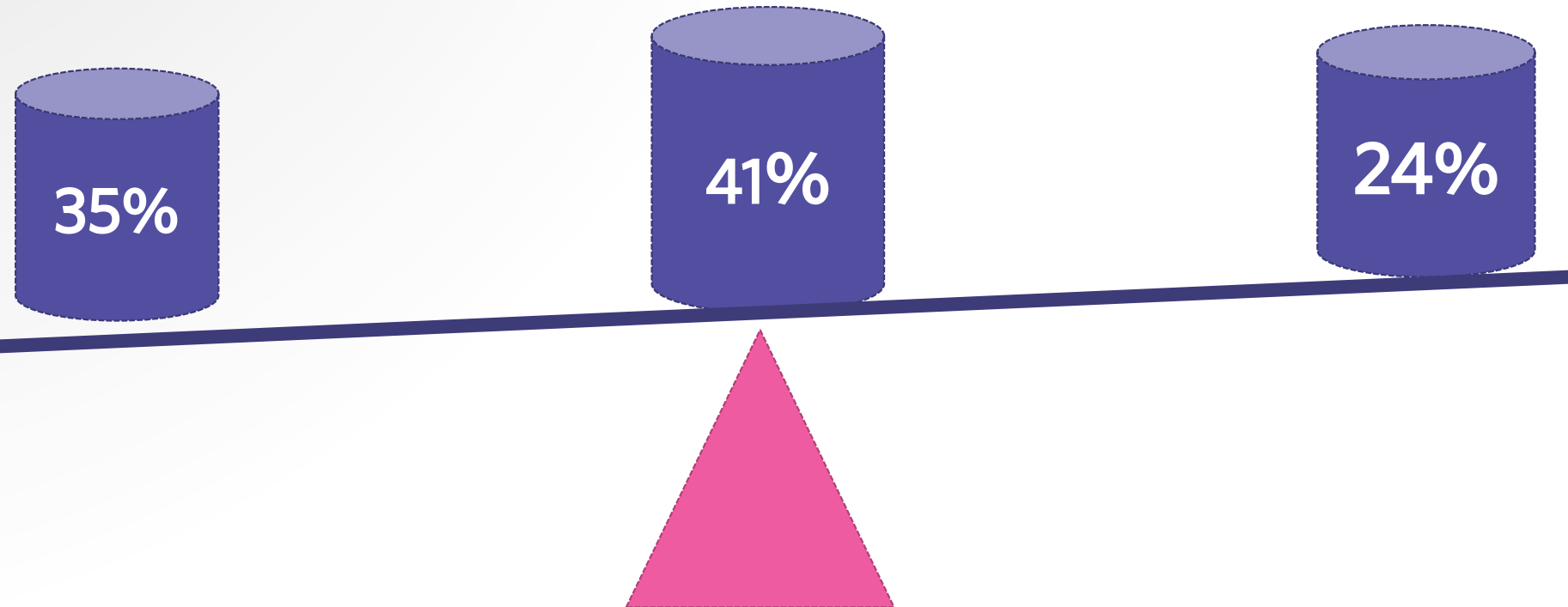


# TOTAL REVENUE

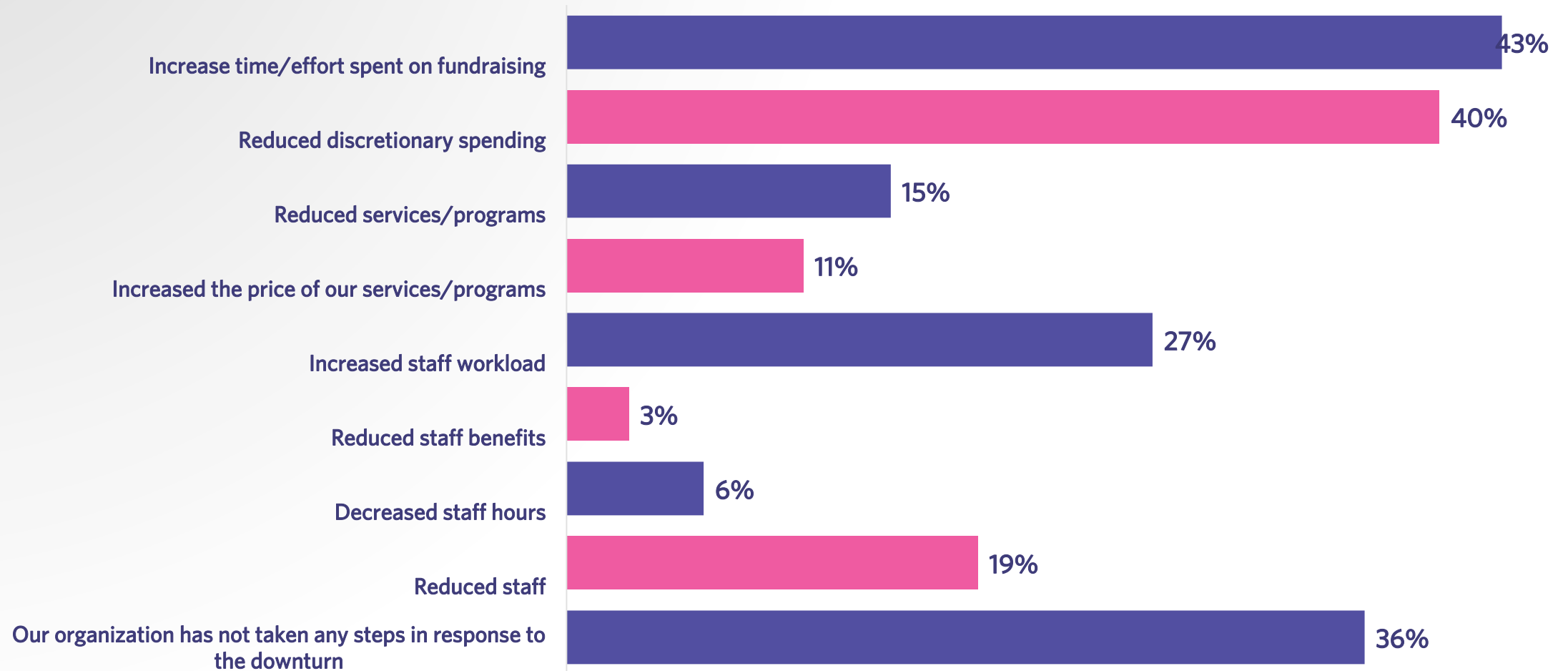
Increased

About the Same

Decreased



# ORGANIZATIONAL RESPONSES





# IF THIS IS A NEW NORMAL...



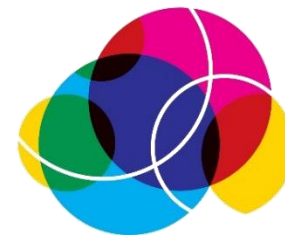
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# FOUR CHALLENGING QUESTIONS

- Are you prepared to be taken over if that helps the cause you serve?
- Are you prepared to hold on to only your organization's best and brightest and let large numbers of your less capable staff go?
- Are you willing to specialize and jettison the things you do that are of lower value?
- Are you prepared to become far more commercial in the way you deliver your mission?



# IF THIS IS A “NORMAL” DOWNTURN...



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# FOUR ENDURING QUESTIONS

- Clarifying the Nonprofit Value Proposition
- Improving the Government - Nonprofit Partnership
- Strengthening Nonprofit Finances
- Improving Public Understanding

**“It is what we know  
already that often  
prevents us from  
learning.”**

Claude Bernard