



2017

Elite Research

Nonprofit Needs Assessment Report

This report summarizes the findings from the nonprofit needs assessment survey from July-September 2016.





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Executive Summary

During the summer of 2016, Elite Research, LLC conducted a needs assessment survey of nonprofit organizations. The goal of the assessment was to gather information about the research, evaluation, and analytic needs of nonprofits; this information was intended to help Elite Research tailor its services to those areas of nonprofit need.

Findings from this report suggest that nonprofits:

- Have a strong interest in research and evaluation, specifically outcomes and impact evaluations.
- Are interested in analytics, but they do not have the tools or expertise to do this task on a full scale.
- Are invested in social media and interested in expanding into more social media platforms.
- Know grants are crucial and because these are important, nonprofits have internal resources who work to write them.
- Are interested in grant writing services in order to increase their likelihood of obtaining foundation funding.



Introduction

In July 2016, Elite Research, LLC launched a nonprofit needs assessment survey to determine the specific needs facing nonprofits in the areas of research, evaluation, analytics, data visualization, and grant-writing. The goal was to identify these needs in order to tailor services catering to nonprofits, ensuring that services offered actually matched actual needs. This project was intended as a simple collection of information to increase Elite Research's understanding of nonprofit need, and as such, no identifying information was asked in the survey.

Methodology

Survey

The survey consisted of 30 questions addressing the six areas of services provided by Elite Research for nonprofits, including research, evaluation, analytics, dashboards, grant-writing, and editing, along with some demographic questions. On average, the survey took participants 5-6 minutes to complete.

Data Collection

Two rounds of data collection were conducted. For the initial round of data collection, Elite Research utilized the website Charity Navigator to identify nonprofits fitting certain criteria. All nonprofits were well-established with a budget of \$5 million in total assets, had ongoing programs, and focus their work in the Health, Human Services, and Education sectors. The first survey round was open from June 31, 2016 through August 09, 2016.

The second round of data collection was opened to the broader nonprofit community. Emails from Elite Research were sent out to specific contacts who were asked to take the survey and send it along to others as well. The second survey round was open September 8 through September 30, 2016.

In each round, participants completed the survey online at www.eliteresearch.com/nonprofit-survey.

Participants

The preliminary sample included 22 nonprofit organizations. The second round of data collection yielded 9 nonprofit respondents. Participants were from Texas (75%) and California (25%), and their organizations varied from small to large organizations, with the majority (75%) having less than 100 employees. Of those that responded, they acknowledged being from the health, education, religious, and community sectors.

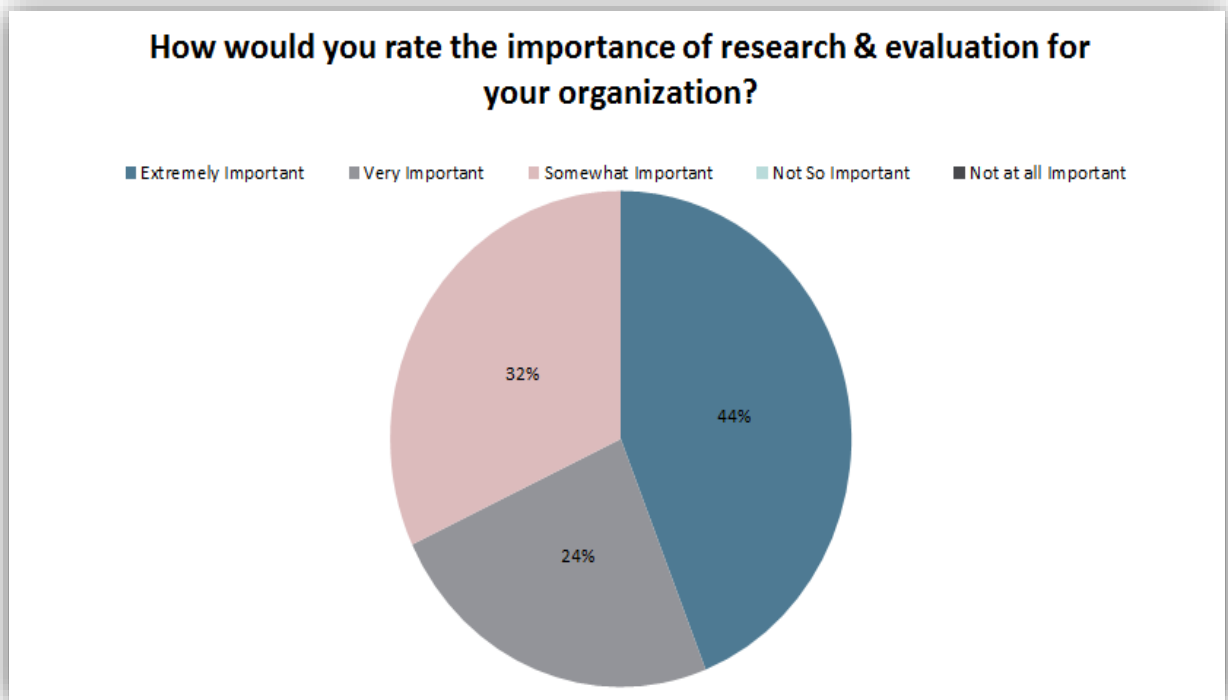


Content Analysis



Research & Evaluation

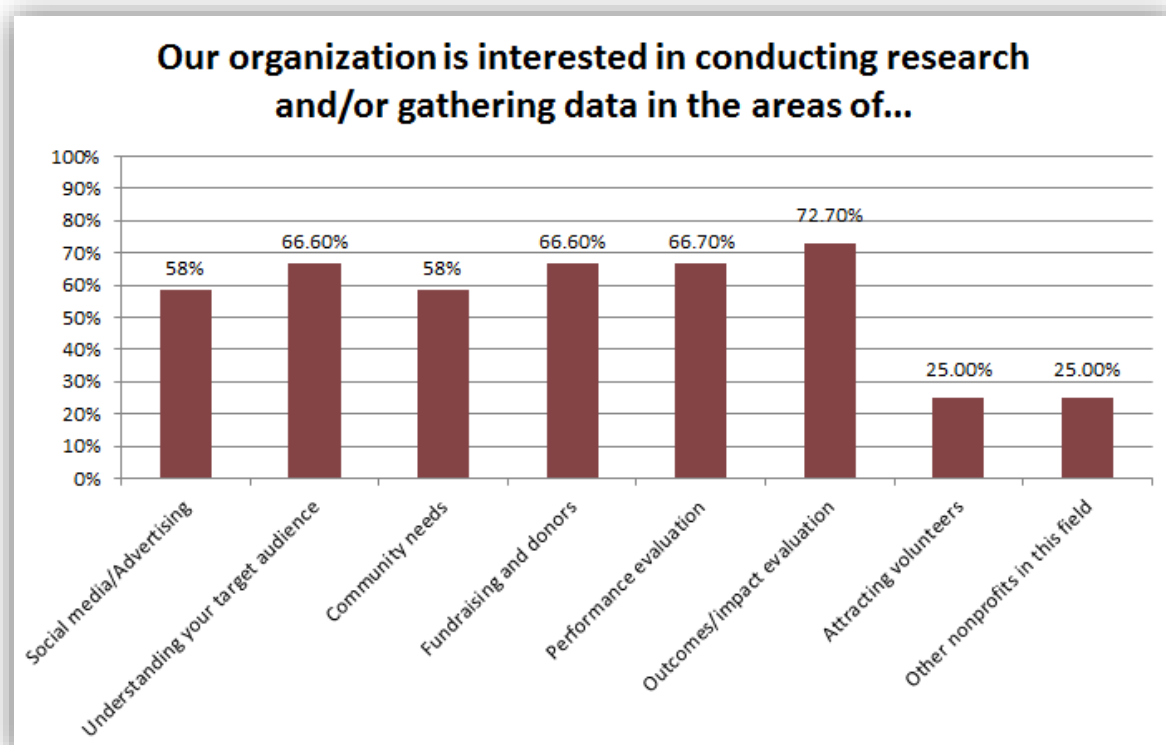
- Research and evaluation (R&E) is of great importance to the majority of nonprofits; 68% of those surveyed attest to R&E being very to extremely important. No participants regarded R&E as unimportant.



- 48% of respondents consider themselves generally good and another 20% very good at conducting research.
- The survey suggests that all nonprofits conduct R&E at some point in the year and most (68%) attest to conducting research more than one time in a year. One-fifth of nonprofits conduct R&E at least monthly, while just over one-third conduct it at least quarterly.
- Roughly half of organizations use R&E to search for answers to questions, define a problem, solve existing problems, redesign program plans, and evaluate for funding. This demonstrates that nonprofits are using the information they gain from R&E to make internal improvements.
- When considering their organizational knowledge, approximately:
 - 76% consider themselves to have up to a moderate ability to develop appropriate surveys.
 - 59% consider themselves to have up to a moderate ability to correctly conduct and analyze focus groups.
 - 67% consider themselves to have up to a moderate ability to determine appropriate research questions.



- 56% consider themselves to have up to a moderate ability to develop effective designs for R&E, effectively use online data collection, and thoroughly analyze data.
- 60% consider themselves to have up to a moderate ability to conduct needs assessments.
- 50% consider themselves to have up to a moderate ability to be able to find publicly available data relevant to their needs.
- Of those that responded to the question regarding what inhibits them from conducting R&E, cost seems to be the highest deterrent (57%) followed by not enough time or staff to dedicate to it (29%); leadership support does not seem to be a factor.
- When considering areas of interest for conducting research and evaluation, nonprofits have special interest in:
 - Outcomes and impact evaluation (73%)
 - Understanding their target audience, fundraising/donors, and performance evaluation (67%)
 - Social media/advertising and understanding community needs (58%)

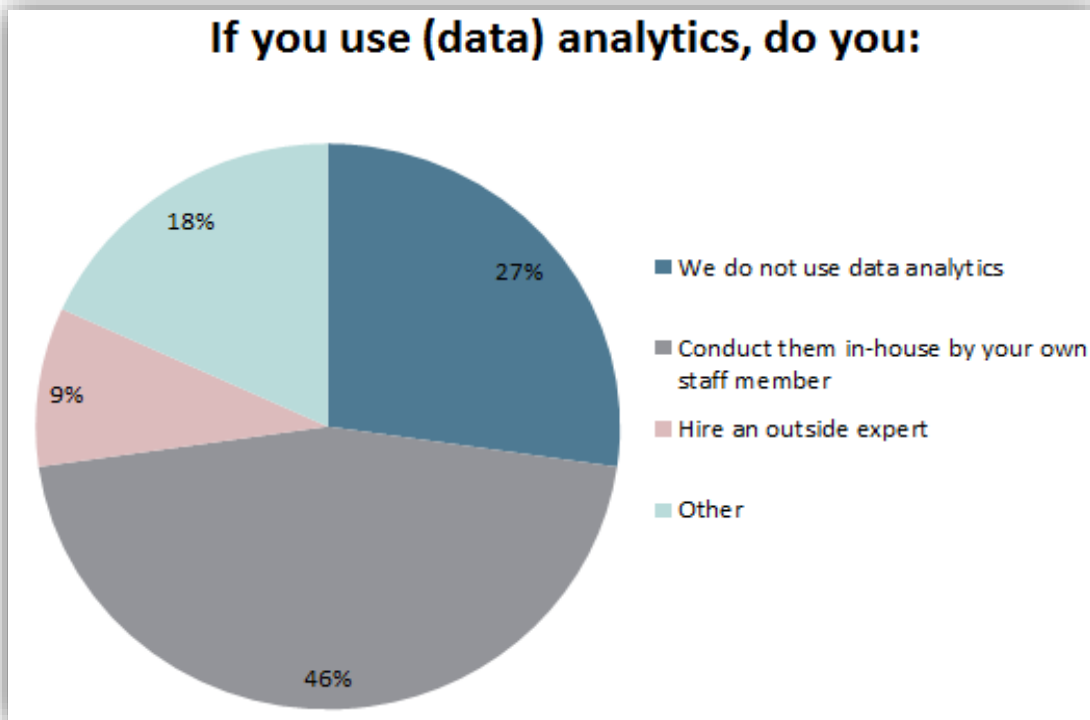


- Regarding what evaluation questions are most important to their nonprofits, the following questions are rated as having the most interest:
 - What change has occurred as a result of our programs? Have we hit our targets? Have we implemented our strategies effectively? How well have our programs performed? (83%)
 - What are our strengths, weaknesses, and challenges? (67%)
 - How much growth potential do we have? (58%)



Analytics

- Analytics has a role in the majority of nonprofits; 72.7% of nonprofits use analytics.
- Of those who use data analytics, just under half (46%) report using in-house staff to carry it out, while a small portion (9%) report hiring an outside expert to complete analytics for them.



- Of the analytic tools listed, participants are most experienced with Microsoft Excel (73%) and SPSS (27%). Less than 20% are experienced in SAS. No participants have experience with R, Tableau, or Domo.
- Of those using analytics tools, roughly half are satisfied with their analytic tools (18% more are not even using these tools).
- Approximately 70% of those surveyed are interested in learning a new analytic tool.
- When examining the challenges in conducting analytics, not having the expertise to conduct in-house analytics and improving the quality of data were cited as most prevalent (40%); the least prevalent challenge noted is organizing and managing data (10%).
- When assessing which analytics topics would be of most interest to nonprofits, findings suggest that organizations indicate the most interest in knowing:
 - Who can be our potential audience? (63%)
 - Which of our communication pieces are most effective at increasing donations? (63%)
 - What are the trends in our data? (63%)
 - How can we improve the quality of our data? (50%)
 - What are the most cost efficient ways of improving our fundraising? (50%)

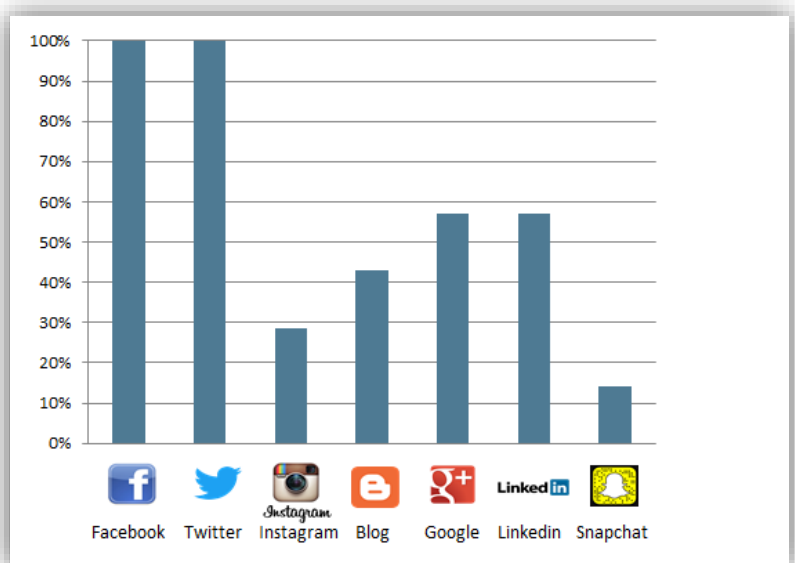


- When tracking metrics, approximately:
 - 100% consider themselves to have a moderate to very well tracking of cash flow and the number of people served.
 - 100% consider themselves to be doing up to a moderate tracking of social media; none consider themselves to be doing it well.
 - 86% consider themselves to be tracking donor loyalty indicators up to a moderate level.
 - 75% consider themselves to be tracking financial indicators up to a moderate level.
 - 50% consider themselves to be doing well at tracking program beneficiary satisfaction.
 - 50% consider themselves to have a moderate to good tracking of community engagement; none of them consider themselves to be doing it very well.
 - 38% consider themselves to have only a good tracking of progress towards goals
 - 0% consider themselves to be doing *very well* at tracking program impact/outcomes, and only 14% would consider themselves to be doing okay at it. Just over half consider themselves moderately achieving this effort.
 - 0% consider themselves to be tracking website landing pages, website traffic sources that lead to conversions, or exit rates from website pages to their fullest potential.



Dashboards/Social Media

- The survey reports, 85% of those who know what dashboards are, find them important for data visualization; 22% considered themselves unfamiliar with dashboards.
- Of those that responded, in regards to using dashboards to visualize metrics, dashboards are used most to show a visualization of cash flow and financial indicators (38%).
- In regards to using dashboards to visualize metrics, every nonprofit expressed interest in using dashboards to visualize: cash flow, number of people served, program deliverable and their dollar value, progress towards goals, program impact/outcomes, human resources, donor loyalty, volunteer/employee satisfaction, volunteer/employee retention, volunteer/employee hours, volunteer/employee training hours, program beneficiary satisfaction, social media influence, and website analytics.
- Regarding what social media sites are most important to their nonprofits, the following outlets are rated as being the most used:
 - Facebook and twitter (100%)
 - Google and LinkedIn (57%)





Grant-Writing

- According to the survey, 100% of nonprofits go after grant funding.
- Of those who responded to the question, the vast majority of responses (approximately 88%) are going after foundation grants (63% are from large foundations); none of the nonprofits surveyed are pursuing state or federal grants.
- 100% of the surveyed nonprofits applied for a grant within the last year.
- Approximately 3 out of 4 nonprofits report having adequate resources to go after grants with those resources on staff.
- In regards to grant writing services, approximately:
 - 88% are moderately to very interested in researching funding sources, using data to strengthen our proposal, evaluation design and reporting.
 - 63% are moderately to very interested in proposal development.
 - 50% are moderately to very interested in formatting our proposal, editing our proposal, building out our timeline, reviewing and incorporating feedback from funders.



Conclusion

The findings suggest that research and evaluation has a high level of value and importance to nonprofits. All of the surveyed organizations conduct research, and the majority (68%) conducts a form of research or evaluations more than once a year. The results of the survey reveal that nonprofits consider themselves relatively good at conducting research.

Nonprofits would like to conduct more research and evaluation about community needs and understanding their target audience and donors; however, information relating to outcomes and impact is, by far, most important. When it comes to research and evaluation, nonprofits feel strongest about their knowledge in conducting surveys and weakest concerning how to find publicly available data relevant to their needs. Between 55-70% of nonprofits consider their research skills (designing surveys, conducting focus groups, developing appropriate research designs, etc.) to be up to a moderate proficiency, which indicates there is room for improvement.

According to the survey, cost is the factor that keeps most nonprofits from carrying out R&E. When considering which evaluation questions are most important to them, nonprofits are interested in understanding: *What change has occurred as a result of our programs? Have we hit our targets? Have we implemented our strategies effectively? How well have our programs performed?* These prominent questions seem to indicate that they are interested in accurately attaining an understanding of how well their services are being carried out.

Approximately one-quarter of nonprofits do not use analytics at all, with only 10% hiring an outside expert to assist in their use of analytics. Nonprofits do not seem to have extensive experience with analytical tools such as SAS, SPSS, R, Tableau, and Domo, which suggests that they are not using analytics to their fullest potential. The analytical tool most understood and used by participants in this survey seems to be Microsoft Excel. Understandably, only about 11% of organizations report being extremely satisfied with the analytic tools they are currently using, while about 70% were interested in learning a new analytic tool. The survey results uncover that the largest analytic obstacle facing nonprofits is the lack of in-house staff equipped to carry out this task. This coupled with a prominent desire to improve the quality of their data and the low satisfaction ratings of their currently used analytic tool suggests that an outside expert may be the best option for nonprofit organizations.

Nonprofits have a substantial interest in the use of dashboards to visualize data. Findings suggest that dashboards are currently used to mainly display cash flow and financial indicators, but there is interest to implement dashboards to visualize data program deliverables and their dollar values, human resources, and volunteer/employee statistics.

In regards to social media, all nonprofits use social media to interact with their audience. Facebook and Twitter are the most powerful sources of social media for nonprofits, but they are interested in using other outlets such as blogs to connect with others. Three-quarters of nonprofits are moderately tracking social media metrics, with an additional quarter reporting minimal tracking of these metrics.

Grants are clearly critical to nonprofits; 100% of those surveyed report that they are going after grant funding and have applied for a grant in the last year. Approximately 89% of nonprofits say that they have adequate resources on their staff or they have hired support to go after their desired grant(s). When it comes to grant writing services, nonprofits are most interested in discovering how research can improve their grant proposal process and less interested in services that would aid editing and formatting for a grant proposal. Due to the fact that grants are an important factor to nonprofits, they make this a priority for their organization.



Recommendations



Nonprofits

- Since research and evaluation is valuable yet the most prominent conflict with conducting R&E is cost, invest in employee training. Work to embed and deepen these skills into your organization.
- Outsource for high-end analytics services, as this seems to be where organizations have least expertise; find partners who will invest in your organizational learning and not just do the work for you.
- Spend time researching how dashboards can help your organization manage its resources; find out the types of data you need to get the visuals you want and begin to track those. Consult with data visualization experts to ensure your data points match your desired outcome.
- Identify the holes (or at least general ideas) in your organization, and use research uncover the information you need to address those areas in order for your organization to work more effectively and efficiently.
- Increase the use of social media and website metrics in order to market your organization more efficiently.
- To continue to improve your nonprofit's chance of obtaining foundation funding through grants, seek out expertise to help you with evaluations or how to use data effectively. Foundations are increasingly requiring data (specifically outcomes and impact data) or evidence of your program's impact, and this must be clearly articulated in your grant proposals.



Elite Research

- Since nonprofits are interested in new analytics tools, develop some examples of the types of analytics that can be run using common nonprofit type data and how specific tools analyze the data differently. Create standardized reporting measures that nonprofits could learn to use.
- Focus on consulting efforts to nonprofits in the research and evaluation fields in which most interest is shown: outcomes and impact evaluations.
- Offer whitepapers and workshops on topics that are important to nonprofits such as designing surveys, developing valid/reliable surveys, conducting asset-mapping, and obtaining data through analytics.
- Help nonprofits evaluate performance/outcomes/impacts in their programs, strategies, and grant funding.
- Offer resources on how to get started with social media and web analytics to increase their online presence and convert viewers to partners.
- Use Facebook and Twitter as communication vehicles to connect to nonprofits, as 100% of the nonprofits surveyed use these outlets.
- Focus grant services around data and evaluations, as this is of more interest to nonprofits than other areas.



Contact

Report Questions

For a copy of the survey data or for any questions related to this report, please contact Mindy Chandler at mchandler@eliteresearch.com.

About Elite Research, LLC

In 2014, Elite Research, LLC celebrated its tenth year globally assisting researchers and practitioners. Since its inception, Elite Research has had the mission of empowering researchers in the nonprofit, academic, and business realms by educating and mentoring clients, providing research and editing expertise, and stepping in at the research point where clients are ready. Elite Research has assisted with thousands of projects ranging from research design, survey development, and data collection to advanced statistical models, data analytics, and dissertation preparation. As evidence of the team members' excellence in empowerment and ensuring project success, many clients return for multiple projects.