### NORP SURVEY SERIES #10

WINTER 2021



## NORPanel.org

Nonprofit Organization Research Panel (NORP) Project Schar School of Policy and Government George Mason University 3351 Fairfax Drive Van Metre Hall Arlington, VA 22201



#### About the Panel

The Nonprofit Organization Research Panel, NORPanel, is an online community of nonprofit leaders who were *invited* to sign up to participate in occasional web-based surveys and studies about the organizations they lead and the important work their organizations do.

Researchers using the NORP data apply sampling weights to take account of unequal sample selection probabilities and to frame coverage errors and nonresponses.

For more information, visit www.norpanel.org or email norpanel@gmu.edu.

### Nonprofit Revenue Trade Off

The survey results are based on 248 valid responses collected mostly during November and December 2021.

The basic characteristics of participant organizations:

- 1. The average organizational age is 35.85 years (i.e., years since obtaining the IRS 501c3 status)
- 2. About 20.65% of the organizations are located in the Northeast, 27.53% in the Midwest, 25.91% in the South, and 25.9% in the West regions.
- 3. About 29.65% came from arts and culture organizations, and the rest were completed by organizations in the human services sector.

There were 17 questions asked in this survey. This report presents preliminary results for all questions except five questions that asked about the person and organization completing the response.

\*\*\*\*Special thanks to Ninya Khabush at George Mason University for her invaluable assistance in the preparation of this report.\*\*\*

# **Tables of Content**

Questions	<u>Pages</u>
Q1. Indicate Non-profit CEO's opinions about their organization.	3
Q2. Impact from COVID-19, political stability, and recession to the organizations	4
Q3. Organizations' financial responses to the fiscal stock and uncertainty in the future recession.	5
Q4. Organizations' financial responses to the fiscal stock and uncertainty in the future political stability	6
Q5. Organizations' financial responses to the fiscal stock and uncertainty related to the COVID-19	7
Q6. How likely your organization would exercise financial strategies in a time of fiscal uncertainty?	8
Q7. Indicate how strongly agree or disagree to the government programs and policies	9
O8 Demographic of the interviewers	10-13

# Q1 - Please indicate how strongly you agree or disagree with all the following statements.

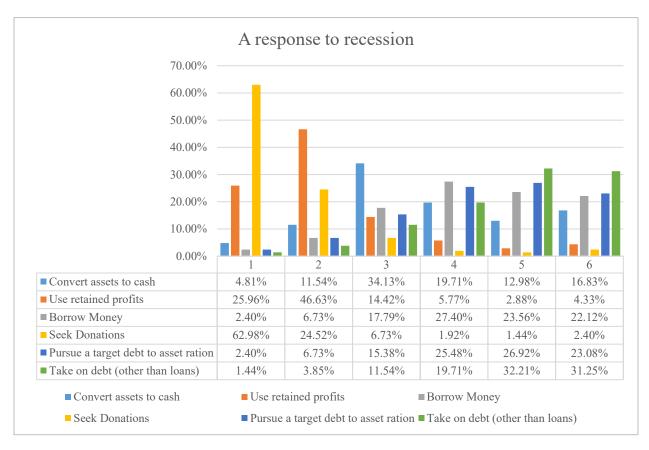
	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat at agree	Strongly agree
My organization could handle a major unexpected expense	15.32%	19.57%	14.04%	31.91%	19.15%
My organization is secure in its financial future.	8.05%	17.80%	22.46%	32.20%	19.49%
Because of our financial circumstances, I feel like my organization can accomplish its goals.	4.68%	11.06%	8.51%	48.94%	26.81%
My organization can be successful in meeting our mission.	1.70%	3.83%	4.68%	32.77%	57.02%
My organization is just getting by financially.	23.18%	30.47%	16.31%	21.03%	9.01%
My organization has money set aside for an economic setback.	11.91%	13.19%	10.64%	37.45%	26.81%

Q2 - Please indicate how strongly you agree or disagree with all the following statements.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat at agree	Strongly agree
My organization's finances have been negatively impacted by COVID-19	8.90%	14.83%	11.86%	34.32%	30.08%
My organization's finances have been negatively impacted by political instability.	15.74%	16.60%	28.94%	25.11%	13.62%
My organization's finances have been negatively impacted by a recession.	5.11%	19.57%	22.13%	36.17%	17.02%

Q3 - Recession affects an entire economy, including the non-profit sector, resulting in changes in government support, donations, investment income, service fees or a combination.

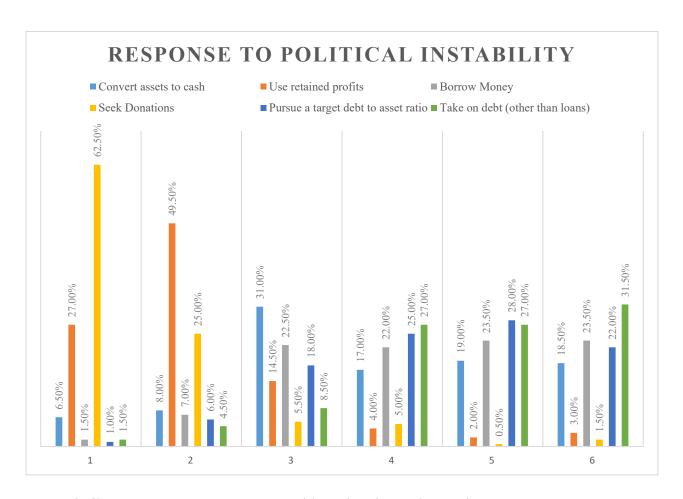
Please rank order the following financial decisions your organization would make in response to the fiscal shocks and uncertainty related to a future recession by dragging and dropping the following options. In other words, what would your organization seek to do 1st, 2nd, 3rd, etc. in response to a recession?



Many nonprofit organizations often prioritized seeking donations as their initial response during a recession. Operating under the 501(c)(3) designation, they frequently allocated their funds to support other nonprofits. Soliciting donations was considered the most beneficial and ideal option for these organizations, as it prevented the loss of funds. While reducing expenses or programs was not commonly listed among their primary strategies, nonprofit leaders frequently mentioned relying on grants as one of their backup options.

Q4 - Political instability creates uncertainty across multiple sectors of society. Political instability can influence demand for a nonprofit's services, government support, donations, investment income, or service fees as well as public attention to an organization's mission.

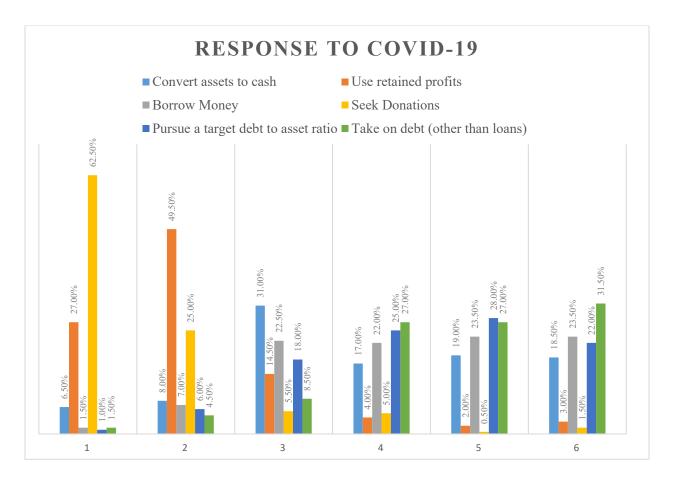
Please rank order the following financial decisions your organization would make in response to fiscal shocks and uncertainty related to future political instability by dragging and dropping the following options. In other words, what would your organization seek to do 1st, 2nd, 3rd, etc. in response to political instability?



Note: Similar responses to response to Covid-19 situation and recession.

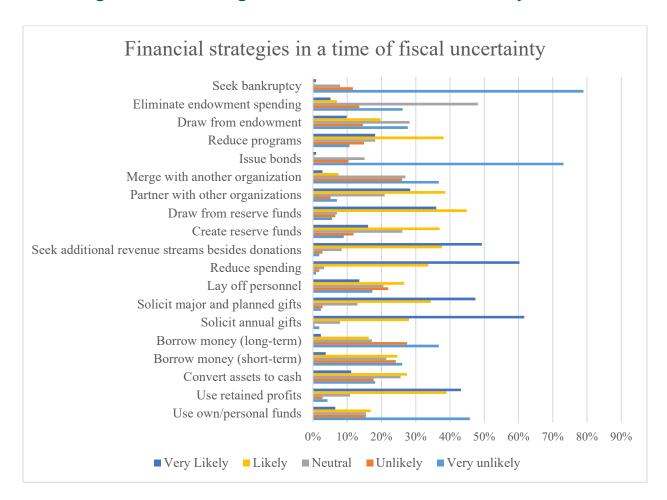
Q5 - The COVID-19 pandemic has impacted the entire world. Within the U.S., over 500,000 Americans lost their lives and approximately 9.6 million people lost their jobs. The pandemic created months of uncertainty across all sectors of society.

Please rank order the following financial decisions your organization made in response to the fiscal shocks and uncertainty related to COVID-19 by dragging and dropping the following options. In other words, note what your organization did 1st, 2nd, 3rd, etc. in response to COVID-19.

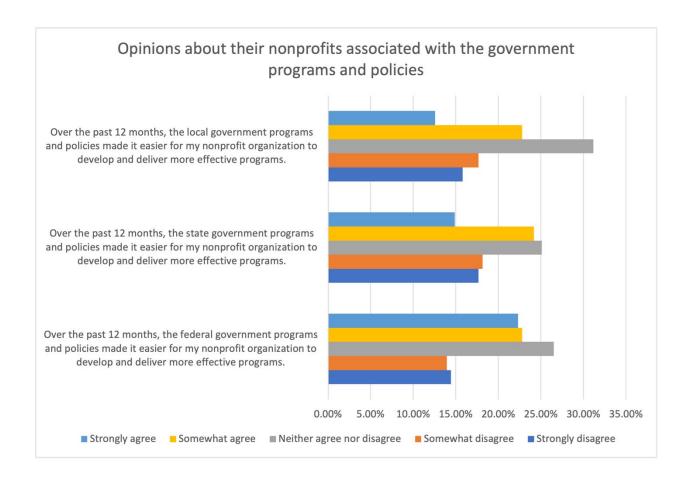


Note: Many responses were similar to previous ones: reactions to recession and political instability. However, they mentioned that the impact of COVID-19 did not affect them as much, so they did not suffer financially. They had backup money from investments and donations, but there were instances where they took PPP loans, grants, and borrowed money.

Q6 - Please rate how likely your organization would be to exercise the following financial strategies in a time of fiscal uncertainty.

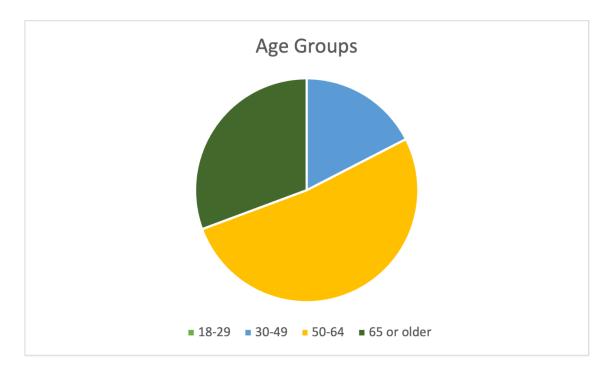


# Q7 - Please indicate how strongly you agree or disagree with all the following statements.

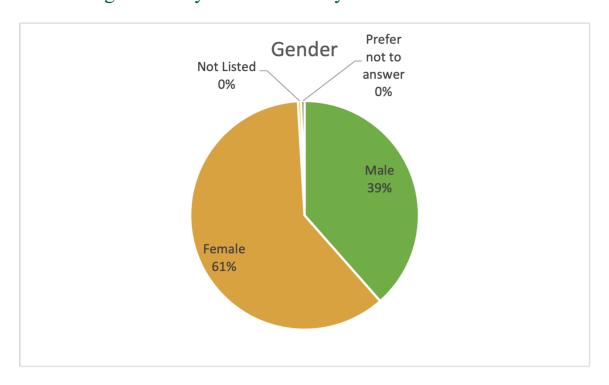


### Q8 – What are the demographics?

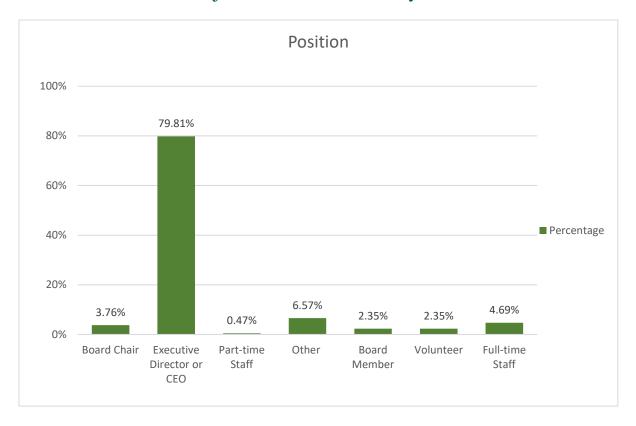
### What is your age group?



### To which gender do you most identify?



### What is the title of the job that best describes your role?

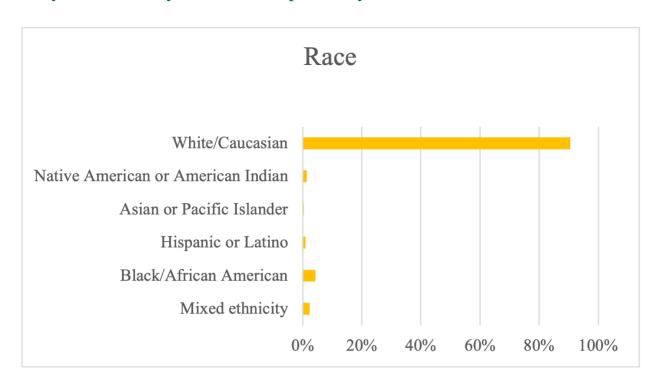


Notes: In the "others" section, a manager or director answered NORP surveys. A few organizations mentioned that they did not have a specific role, as they were volunteer organizations.

How many years have you "worked" in the nonprofit sector? Including paid-jobs and board service, but not including non-board volunteer work.

	Age
Mean	24
Median	25
Mode	25
Standard Deviation	11.94

#### Do you consider yourself to be primarily...?



What is the highest level of school you have completed or the highest degree you have received?

