08 / 2023

MONTHLY REPORT

Charity Insights Canada Project -
Projet Canada Perspectives des Organismes de Bienfaisance
[CICP-PCPOB]

#8 / 10

PROJECT YEAR 1

Please cite as, citez comme: CICP-PCPOB. (2023). CICP-PCPOB Monthly Report- Rapport Mensuel (No. 1.8). Philanthropy and Nonprofit Leadership, Carleton University. https://carleton.ca/cicp-pcpob/homepage/research-data/

A WORD FROM OUR PRINCIPAL INVESTIGATOR

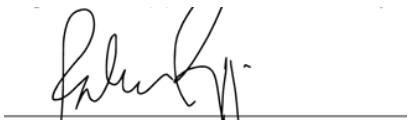
Welcome to the August edition of the Charity Insights Canada Project report. This month, our surveys brought to light several key trends and perspectives from those at the forefront of change.

Many respondents disclosed their reliance on events as a primary method of fundraising. Furthermore, while 60% of respondents saw merit in establishing a dedicated home for the sector within the Canadian government, a substantial 73% expressed concerns regarding potential bureaucratic inefficiencies that such an arrangement might entail.

Accountability and transparency continue to underpin the sector's operations. A striking 93% of respondents conveyed strong accountability to their board of directors. Furthermore, to ensure their actions align with this commitment, 75% of respondents report that they employ external auditors or publish annual reports as part of their accountability strategies.

Collaboration was another pivotal theme this month. An impressive 81% of survey respondents engage in cross-disciplinary or cross-sector collaborations, which reinforces the idea that tackling today's challenges requires diverse perspectives and contributions. However, there is room for improvement as 53% report a lack of structured assessment processes for these collaborative endeavours.

As we disseminate these insights, we urge you to share this report with your networks. The data we've compiled is a collective testament to the charitable sector's vibrancy and resilience. If you wish to delve deeper, do not hesitate to contact us for detailed data sets and additional information. Thank you for your continued engagement and trust in the Charity Insights Canada Project.



Paloma Raggo, PhD.

THE CHARITY INSIGHTS CANADA PROJECT – AN OVERVIEW

The Canadian charitable sector employs 10% of the country's full-time workforce and accounts for 8.3% of the country's GDP.[1] However, there is a lack of accurate and up-to-date information about the sector. This knowledge gap became more apparent during the COVID pandemic when quick policy decisions were needed. The CICP-PCPOB aims to support ongoing data efforts across the country, amplify the voices of practitioners, and serve as a valuable resource for researchers, educators, nonprofit advocates, policymakers, and other stakeholders. Through a range of tools, including short weekly surveys, reports, an online data literacy hub, and a yearly data summit (November 9th, 2023), we aim to provide a comprehensive overview of the trends, challenges, and opportunities currently facing the sector.

The CICP-PCPOB has three fundamental goals:

- To **inform** sector stakeholders and researchers by regularly surveying a representative sample of registered charities - collecting longitudinal data on critical aspects of the charitable sector;
- To **build** a lasting and flexible infrastructure to promote access to and understanding of the data collected about the sector;
- To **strengthen** relationships between the sector and policymakers in designing evidence-based policies on issues impacting the charitable sector.

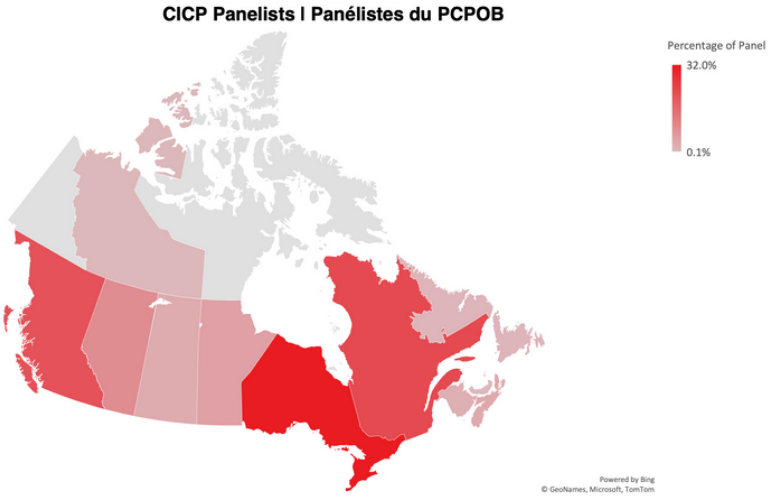
We are committed to a systems-oriented and purposeful approach to closing the information gap about registered charities in Canada. We seek to amplify voices from the sector, particularly those from underserved communities throughout the country. We aim to listen, learn, and improve data practices, including our own, while acknowledging our biases and limitations.

Each week, we send a ~3-minute survey to a panel of more than a thousand registered charities nationwide. Panel participants were randomly selected from the CRA registry and recruited via phone, email, and mail. Panellists from organizations differing in size and scope, sectors of activity, and geographic locations have graciously agreed to remain, anonymously, on the panel for a year.

1 CanadaHelps. (2022). The Giving Report 2022: Giving at a Crossroads.

Survey results are published 48 hours after their initial distribution. We publish weekly reports on our website (https://carleton.ca/cicp-pcpob) and send a weekly newsletter with the latest survey report. We delve more deeply into our findings when preparing our monthly and annual reports. In addition, we are developing a data literacy course which we hope to launch later this year.

A transformational investment by the Alberta-based Muttart Foundation, the Lawson Foundation and Metcalf Foundation in Ontario, the Vancouver Foundation in British Columbia, an anonymous donor, and Carleton University has made the CICP possible.



PROJECT MEMBERS

Paloma Raggo
Principal Investigator

Susan D. Phillips
Policy Lead

Callie Mathieson
Chief Project Officer

Thi Kim Quy Nguyen
Postdoctoral Fellow

Sai Gouthami Priyanka Raparthi
Data & Computing Science Researcher

Clara Graham
Research Assistant

Rohan Kumar Reddy Damagatla
Research Assistant

Nicholas Smit-Keding
Research Assistant

Carter Tongs
Research Assistant

THEMES THIS MONTH

Weekly themes in August included *Funding Strategies, Regulation & Management of the Sector, Cross-Sector Collaboration,* and *Accountability strategies & Regulatory frameworks.*

MONTHLY HIGHLIGHTS

62%

of respondents rely on events to fundraise.

81%

of respondents engage in cross-disciplinary / cross-sector collaborations.

73%

of respondents fear bureaucratic inefficiencies if a ‘home’ for the sector were to be established within the Canadian government.

75%

of respondents report that their organization engages an external auditor as part of their overall accountability strategy.

93%

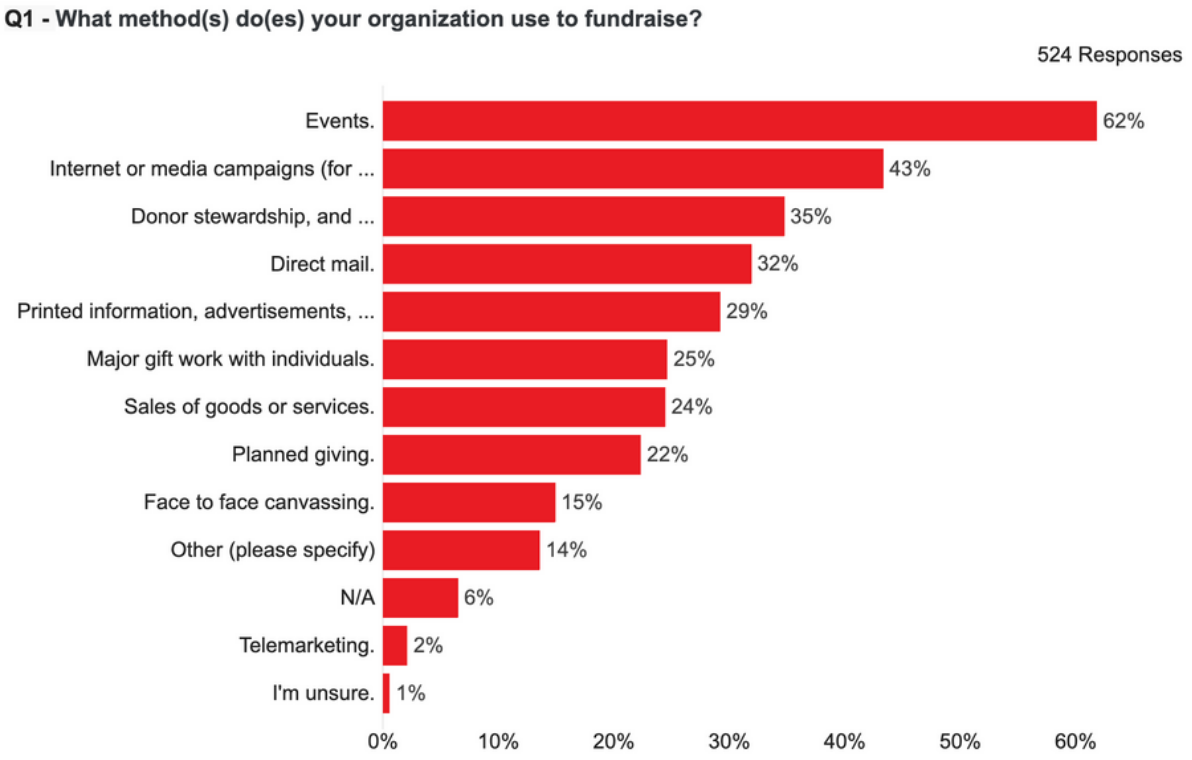
of respondents feel highly accountable to their board of directors.

60%

of respondents feel that a dedicated ‘home’ for the sector in the Canadian government would be beneficial.

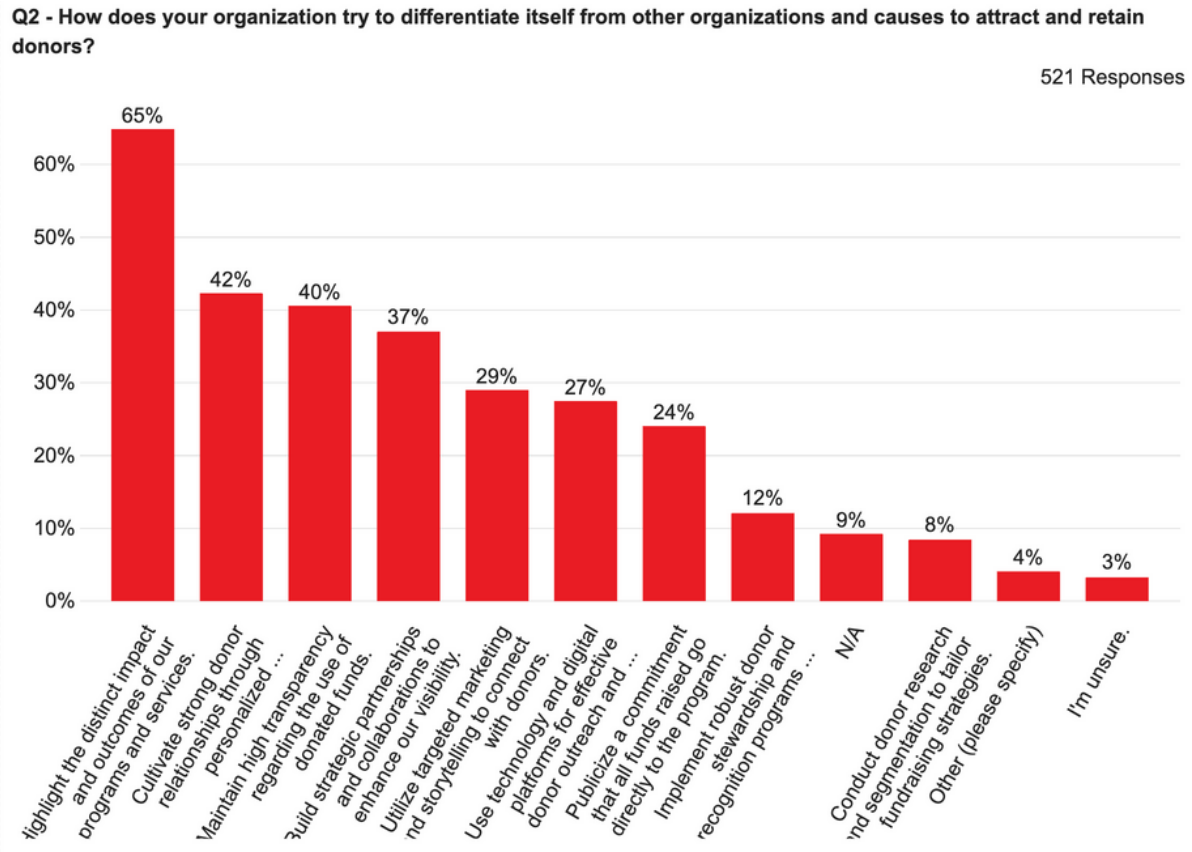
FUNDING STRATEGIES

Week 32 of the CICP focused on organizational funding strategies. Panellists were asked about the methods they use to fundraise, and how their organizations attempt to differentiate themselves from others to attract and retain donors.



Most respondents (62%) identify events as the primary method used by their organization for raising funds. While telemarketing may have been a leading method at one point, only 2% of respondents indicate that they are using this now, while 43% report using internet and media campaigns. Though we did not ask panellists about the forums used for their events, it would be interesting to see how many of these events are being hosted virtually versus in person.We know from the CICP's week 29 survey that 33% of panellists have implemented online fundraising platforms for their organization and that the introduction of new technologies in recent years has increased the ability of organizations to reach new beneficiaries, which indicates a further shift towards other forms of online outreach, giving and fundraising. To learn -

more about the ways in which organizations are integrating technology into their daily practices, see the CICP's week 29 report (CICP weekly report 1.7.29) on Digital Transformation in the sector.



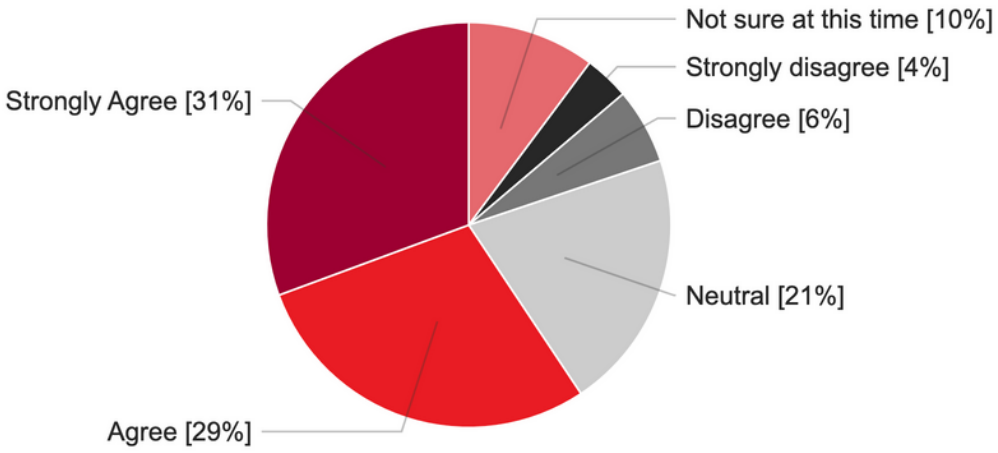
When asked how organizations are attempting to differentiate themselves from others to attract and retain donors, most (65%) indicate that they do so by actively highlighting the unique impacts and outcomes of their work. By contrast, only 8% are conducting donor research and segmentation to tailor their fundraising strategies. In week 26 of our study (CICP weekly report 1.6.26), it was found that only 28% of respondents have seen an increase in donor levels of giving to their organization in the last few years (while 34% have seen decreases). Though these changes in donor levels of giving may be due to a variety of reasons, increasing research efforts on donors and tailoring outreach efforts accordingly, may give organizations a leg up when trying to differentiate themselves from the rest and offer a better chance at increasing their attraction and retention of current and future donors.

REGULATION & MANAGEMENT OF THE SECTOR

In week 33 of the CICP, study panellists were surveyed on regulation and management of the sector, including whether they believe there should be a dedicated 'home' for the sector within the Canadian government, the benefits that this 'home' might yield for the sector, and what concerns the sector might have about a move toward the institutionalisation of the sector.

Q1 - As an organization, do you think that establishing a dedicated ministry or department for the charitable and non-profit sector within the Canadian government would be beneficial?

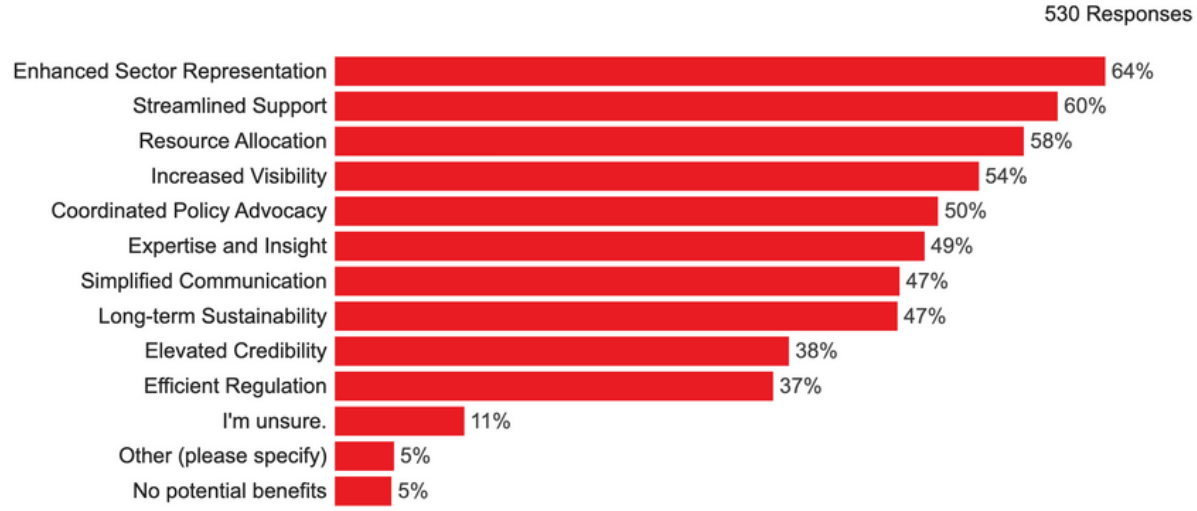
529 Responses



When asked whether they believe the establishment of a dedicated ministry or department for the charitable and non-profit sector within the Canadian government would be beneficial, 60% of our responding panellists indicate that they either "Agree" or "Strongly Agree" with this idea, while only 10% disagree. In week 19 of the CICP (CICP weekly report 1.4.19), panellists were asked about the different ways that organizations can better advocate for policy changes at the government level. Many of the responses indicate the need for stronger relationships and a unified voice to present the challenges being faced within the sector. Perhaps the creation of a specific 'home' in the federal government would help to facilitate these and other changes, but our data show that we are far from a consensus on the question.

Panellists pinpointed potential benefits of introducing a dedicated ministry or department within the Canadian government. Among the options provided, respondents notably preferred "enhanced sector representation" (64%), "streamlined support" (60%), "resource allocation" (58%), and "increased visibility" (54%). At least 37% of respondents selected each of the options provided, suggesting that they see multiple benefits in such a reform. However, 5% of respondents feel that there are “no potential benefits” in creating a dedicated ministry or department for the sector.

Q2 - If a dedicated ministry or department for the charitable and non-profit sector was established within the Canadian government, what potential benefits do you think might arise for the sector?

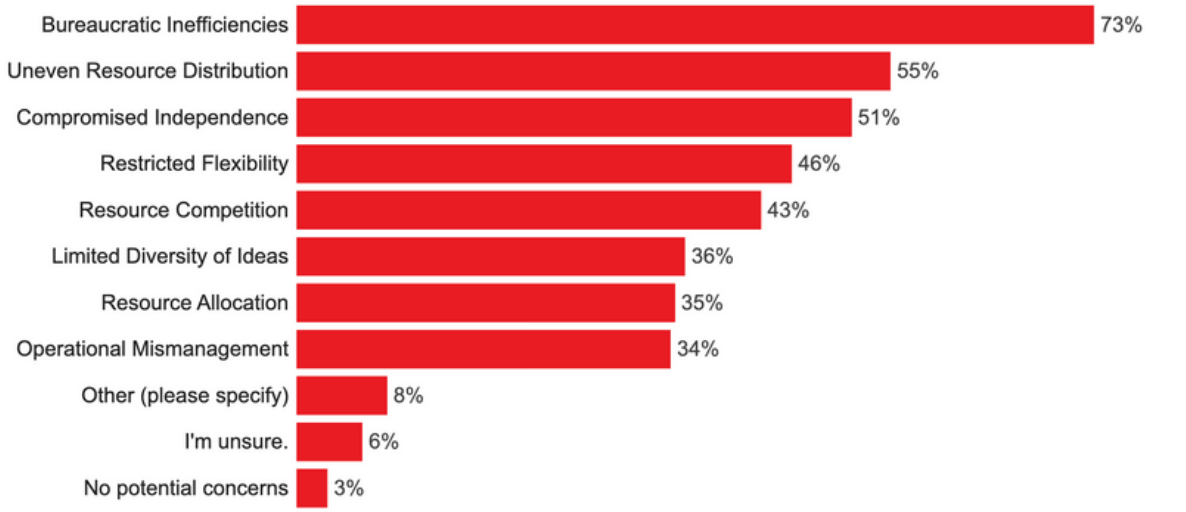


Enhanced Sector Representation: *A dedicated entity could amplify the sector's voice and advocate for its needs effectively.*
Streamlined Support: *Such a ministry could provide targeted support and resources tailored to the sector's unique challenges.*
Coordinated Policy Advocacy: *A specialized department could coordinate policy efforts, leading to more impactful advocacy.*
Increased Visibility: *The establishment of a dedicated body could increase public awareness about the sector's importance.*
Simplified Communication: *Having a single point of contact within the government could streamline communication and collaboration.*
Expertise and Insight: *A specialized ministry could bring in-depth sector knowledge to governmental decision-making.*
Resource Allocation: *A dedicated entity might secure more resources and funding for sector-related initiatives.*
Elevated Credibility: Having a government department could enhance the sector's credibility and legitimacy.
Long-term Sustainability: *A dedicated ministry could work on policies and programs for the sector's sustainable growth.*
Efficient Regulation: *Specialized oversight could lead to well-informed and balanced sector regulations.*

After addressing benefits, we asked panellists about possible concerns if the government were to establish such a dedicated ministry or department. Apprehensions around bureaucratic inefficiencies resonate with 73% of respondents, while 55% worry about the uneven distribution of resources. Again, every option gathered attention from at least one-third of the respondents. Only 3% have “no potential concerns” with this kind of change at the federal level.

Q3 - If a dedicated ministry or department for the charitable and non-profit sector was established within the Canadian government, what potential concerns do you think might arise for the sector?

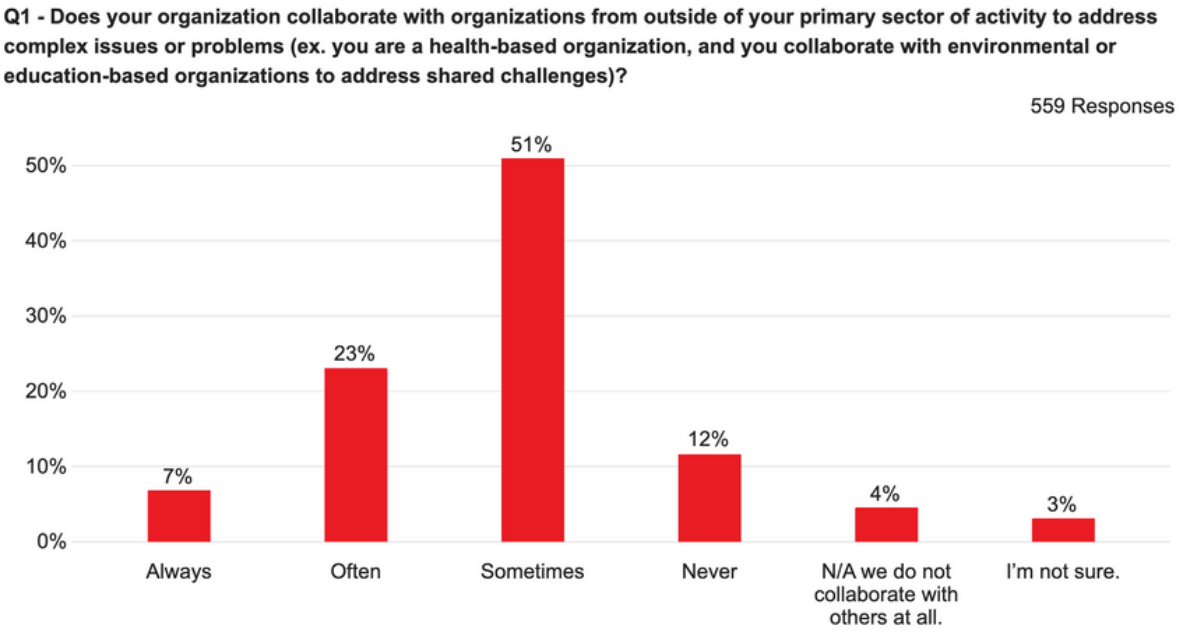
529 Responses



Resource Allocation: *Possible diversion of resources from other sector priorities.*
Bureaucratic Inefficiencies: *Risk of increased red tape and slowed decision-making.*
Restricted Flexibility: *Reduced ability for charities to engage with various government officials and departments.*
Compromised Independence: *Concerns that government influence might compromise the sector's independence.*
Operational Mismanagement: *Risk of mismanagement within the dedicated ministry or department.*
Limited Diversity of Ideas: *Potential negative impact on the diversity of approaches and ideas within the sector.*
Resource Competition: *Competition for resources with other government bodies or agencies.*
Uneven Resource Distribution: *Possibility of resources favoring certain organizations over others.*

COLLABORATING ACROSS DISCIPLINES

In Week 34 of the CICP, we delved into cross-disciplinary collaborations, probing whether organizations partner with entities outside of their core sectors to tackle challenging issues. We also examined how they evaluate the outcomes of these cross-sector collaborations, their reasons for not pursuing them, and the perceived influence of these partnerships on the sector's effectiveness in confronting intricate challenges. Our survey aimed to understand how collaborations spanning sectors like health, education, and the environment might lead to more holistic and significant solutions to Canada's societal problems.

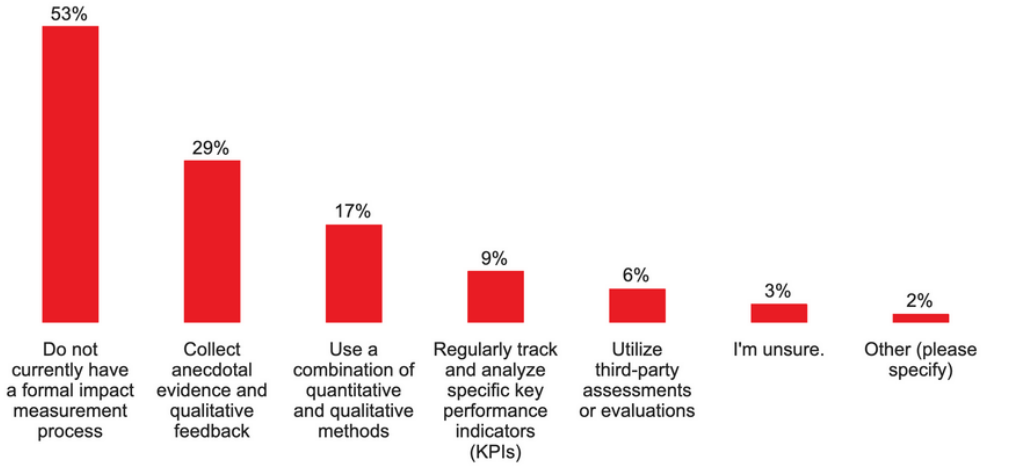


We first asked panellists the extent to which their organizations collaborate with entities outside of their usual sectors of activity. A substantial proportion of respondents (81%) indicate that they do collaborate with organizations outside their primary sector to varying extents. On the contrary, our data show that 12% of organizations do not engage in cross-disciplinary collaborations at all. This information implies that while many recognize the advantages of cross-sector collaboration, a subset of organizations either do not see its value or face obstacles that deter participation.

Panellists engaged in cross-disciplinary collaborations were then asked about their methods for measuring the impacts of these partnerships. Surprisingly, 53% reveal that their organizations lack formal impact measurement processes. This absence of formal impact measures might indicate an assessment capability gap, a leaning towards instinctive evaluations, or insufficient resources or motivation. On the other hand, 29% of respondents collect qualitative feedback, while 17% blend both quantitative data and stories for a comprehensive view. "Other" responses spotlight strategies like "situation tables," "relationship metrics," and "post-incident debriefings." Some panellists emphasize that unique collaborations call for specific evaluation metrics and mention challenges in measurement due to resource constraints.

Q1.2 - How does your organization measure the impact(s) of its cross-disciplinary collaborations?

449 Responses



Q1.3 - If your organization does not engage in cross-sector/cross-disciplinary collaboration, please explain why.

49 Responses

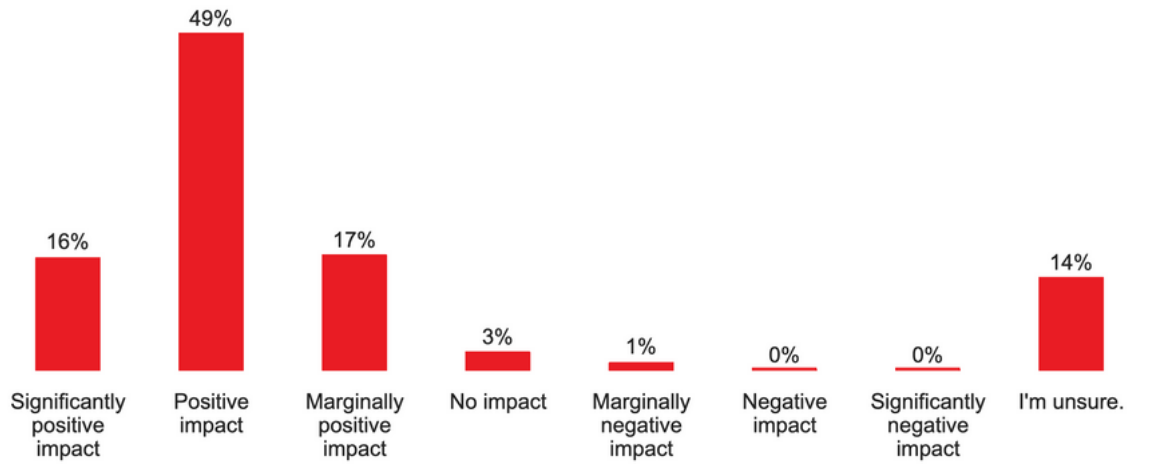
For those who are not currently participating in cross-sector collaborations, respondents shared reasons why their organizations might not be pursuing these kinds of relationships. Of the 49 written comments, resource constraints emerge as the most prevalent barrier. Many organizations, particularly smaller ones, highlight limited staffing and time availability, emphasizing their narrow focus on core objectives due to these constraints. Another group mention the absence of suitable partners or the lack of identifiable opportunities for collaboration. Some respondents express that their specific mission or focus make cross-sector collaborations less relevant. Lastly, a handful of respondents have indicated a lack of familiarity with potential avenues or methods to initiate such collaborations.

> *"We are a very small organization with only one full-time staff member so working with other sectors is outside our scope at this time."*
>
> *"Ceci n'a jamais été fait et manque de volonté et de ressources humaines pour explorer les possibilités."*
>
> *"There are too many sector-specific issues that aren't easily understood by outside parties."*
>
> *"Don't see the need or relevance".*

Panellists were prompted to assess the perceived effects of cross-disciplinary collaborations on the sector's capacity to address complex challenges. A notable 82% see these collaborations as beneficial while a scant 4% feel they either make no difference or slightly hinder outcomes. Considering that over 50% of organizations apparently lack formal impact measurement processes, it is intriguing that the majority of respondents still perceive these collaborations as having a positive impact. For a deeper look into the collaboration landscape within the sector, refer to the CICP's week 8 (CICP weekly report 1.2.8) and week 18 (CICP weekly report 1.4.18) survey reports. These reports further explore partnership dynamics and their effectiveness, partner identification methods, and more.

Q2 - How do you perceive the impact of cross-disciplinary collaborations on the overall effectiveness of the sector in addressing complex challenges?

553 Responses



ACCOUNTABILITY STRATEGIES & REGULATORY FRAMEWORKS

In Week 35, our survey investigated how organizations view and handle accountability. We asked participants about their take on accountability within their organizations, how they answer to their stakeholders, and the methods they use to ensure they are accountable.

Q1 - How would you define accountability in your organization? | Comment définiriez-vous l'imputabilité (accountability) dans votre organisation ?

279 Responses

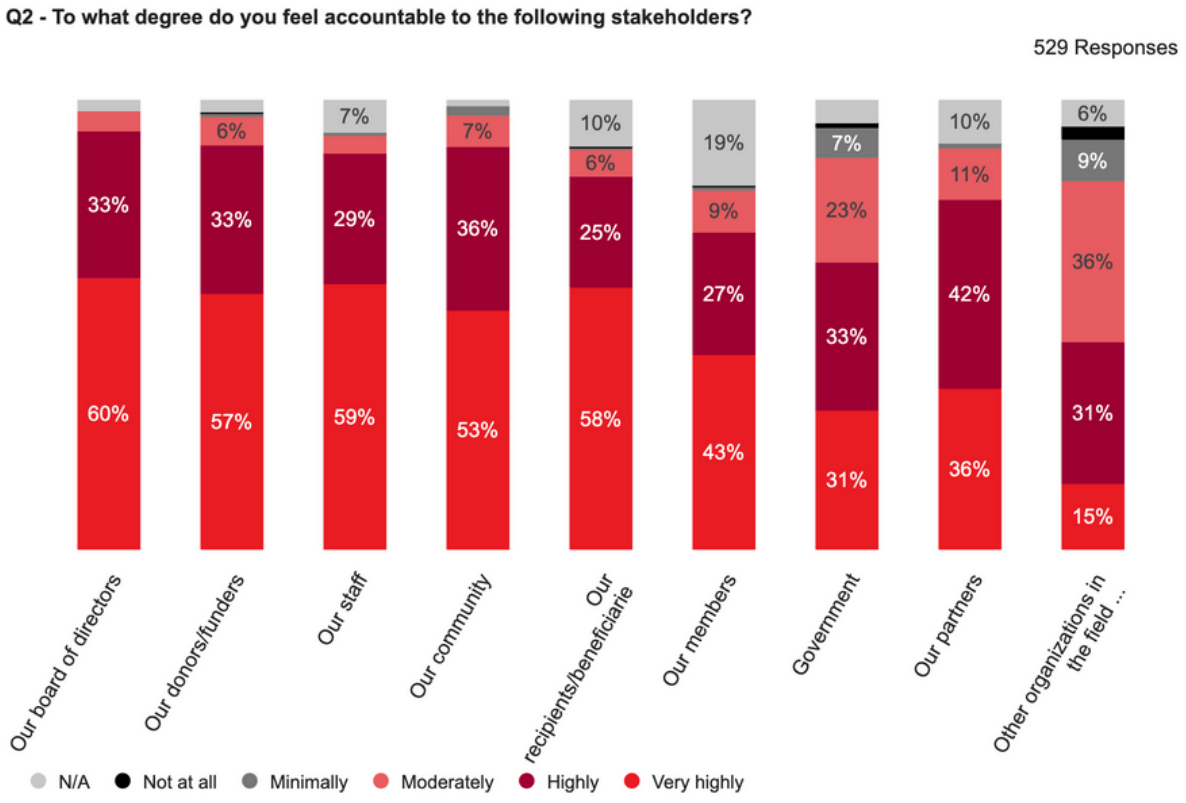
Panellists were first asked for their definition of accountability within their organization. From the 277 answers received, it is clear that views on accountability in the charitable sector can vary. Some respondents broadly link accountability to ideas like responsibility, transparency, and trust. Others share a more introspective view, referring to their organization's internal practices. Two terms, "responsibility" and "transparency" come up as key elements of accountability across answers. Many responses touch on both why accountability matters and who it is meant for. Some common areas of focus also include performance, staying true to an organization's mission, governance, and communication. On the "who" side, responses often mention groups like beneficiaries, donors, staff, volunteers, the broader community, and partners. Some even detail how they ensure accountability, mentioning tools like metrics, evaluations, and regular updates.

·*"Our organization defines accountability as the confluence of meeting the needs of the people we serve while being responsible stewards of the resources donated by benefactors and volunteers".*

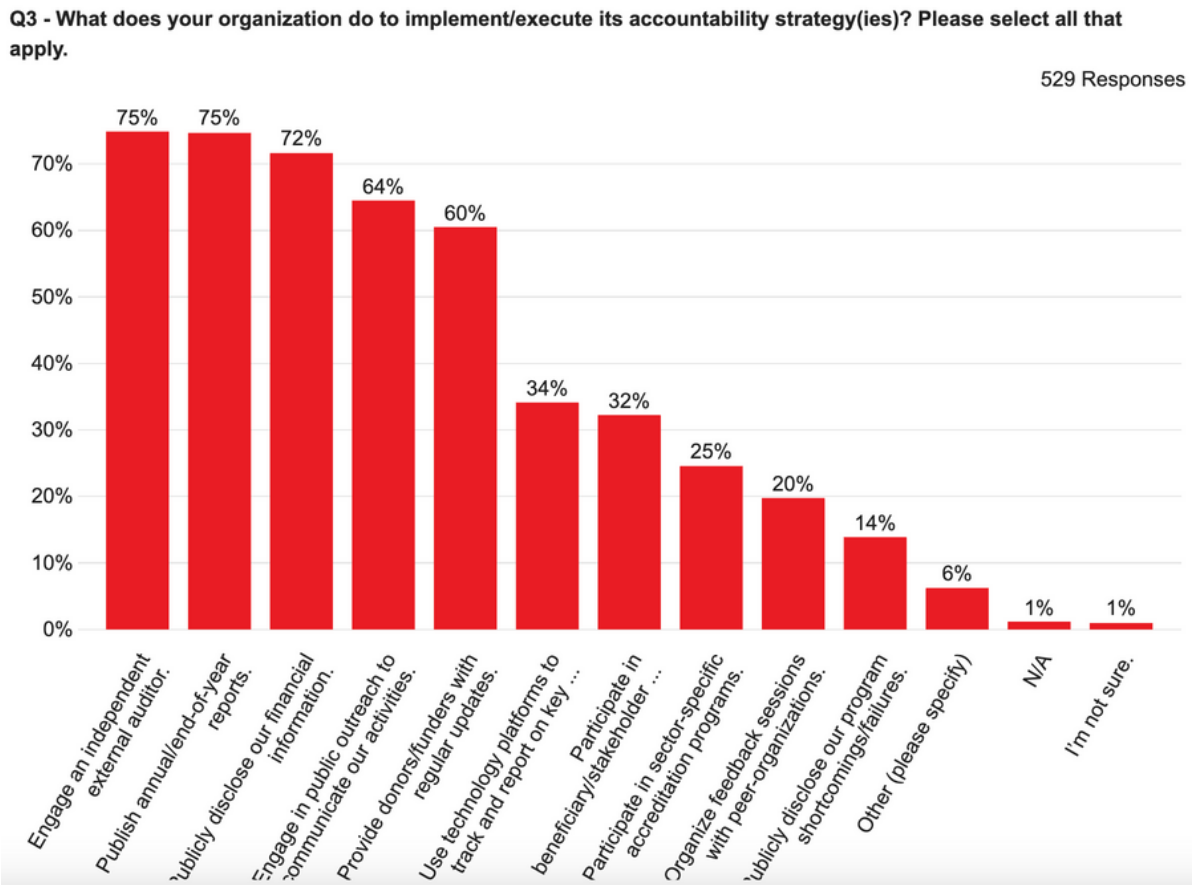
·*"Accountability is being clear about our mission to our donors, employees and volunteers and clients. Focusing our daily activities towards that mission and being transparent in our evaluation of our success and failures."*

·*"Être irréprochable dans la gestion de notre organisme. Afin de respecter les organisations qui nous soutiennent. Être à la hauteur des attentes de nos membres."*

·*"Nous avons plusieurs politiques qui nous aide à établir un cadre à respecter. Production de rapport annuel et audit financier."*



Panellists were then asked to what degree they feel accountably to different stakeholders. The question further explores the "to whom" aspect of accountability discussed in the previous question and sheds light on how organizations view their responsibility to various stakeholders. A clear trend emerges within responses towards internal accountability: 60% feel a strong obligation to their board of directors and 59% to their staff. On the external side, 58% and 57% respectively, feel highly accountable to recipients/beneficiaries and donors/funders. Additionally, 53% of respondents express a strong commitment to the wider community. However, feelings of strong accountability drop in relation to partners, governmental bodies, and non-partner organizations in the sector. This variation suggests a solid dedication to primary stakeholders while also pointing out potential areas to bolster relationships, including with sector partners and government entities.



Panellists were then asked about how their organization's implement/execute their accountability strategies. Many organizations lean towards "upward" accountability strategies, focusing on meeting the requirements of donors, boards, and regulatory entities. This trend is evident in their top practices: 75% bring in external auditors and/or publish annual reports, and 72% transparently disclose their financial data. We know from our week 13 survey on Funder Requirements (CICP weekly survey 1.3.13), that one of the most common types of grant requirements that panellists encounter from funders is outcome and impact reporting, as well as budget reporting. These existing requirements by donors may be one of the primary reasons why so many are engaging in these activities.

There is also a noticeable emphasis on "outward" or "downward" accountability, targeting beneficiaries, the public, and peers. For instance, 65% of respondents mentioned they participate in public outreach efforts to communicate their activities. This may be driven by various factors, such as the growing influence of social media in shaping public perceptions and trust in the sector. Organizations may feel compelled to proactively shape their narratives by engaging in public outreach, rather than having them be defined by others. Additionally, heightened competition may motivate organizations to highlight their programs and attract more support.

Only 14% of respondents, however, report that they disclose their program shortcomings or failures, indicating that organizations may fear negative repercussions if such actions are made known. Week 39 of our study will dive deeper into public perceptions and trust, exploring perceptions of the charitable sector and the factors that influence donor and volunteer decision-making.

Comments in the "Other" section shed light on additional accountability measures organizations use, including internal staff evaluations, board meetings, and external consultations, which underscore the varied approaches charities take to satisfy stakeholder expectations.

LOOKING AHEAD

In the coming weeks, we will be exploring the following themes/topics:

- ***Organizational Culture***
- ***Data Security***
- ***Long-term Sustainability***
- ***Public Perception & Trust***

As the project continues to grow, we will be updating our website frequently to include more detailed analyses of the data we collect, finalize the white papers related to the study's methodology, and upload working drafts of research papers our team is working on as well as the study's data. If there are questions you would like us to ask, please email them to us at cicp.pcpob@carleton.ca. We cannot guarantee their inclusion, but they will be given our full attention.

Mark your calendars – the CICP-PCPOB annual data summit will take place on Thursday November 9th, 2023. This event will be an opportunity for sector stakeholders to come together to review the year's results, consider the state of the sector and review the role(s) of the project for the year(s) to come. More information to follow in the coming weeks.

Email: cicp.pcpob@carleton.ca
Website: https://carleton.ca/cicp-pcpob/
Newsletter sign up: http://tinyurl.com/cicp-pcpob
Twitter: @CICP_PCPOB
Facebook: @CICP.PCPOB

IN PARTNERSHIP WITH

The Muttart Foundation
LAWSON FOUNDATION
METCALF FOUNDATION
vancouver foundation

APPENDIX - METHODOLOGY

The participants in this study were recruited using randomized lists created with publicly available T3010 data (2019), administered by the Canada Revenue Agency (CRA) https://www.canada.ca/en/revenue-agency.html. T3010 data was downloaded and sorted into sample lists. No data was altered from its original state. Our lists were produced as copies of an official work published by the Government of Canada and were not endorsed by, or produced in affiliation with, the Government of Canada.

This year, we partnered with the Canadian Hub for Applied and Social Research (CHASR) at the University of Saskatchewan to create our initial sample lists. As a team, we felt it was good practice to have a third party draw our randomized samples. From the initial population of 83,991 Canadian registered charities in 2019, we decided to exclude some organizations from the study in the first year. As we continue to study the whole population of registered charities, we hope that subsequent years will include more organizations.

The principal exclusions we discussed as a team from the T3010 dataset included: religious organizations associated with a specific denomination or place of worship (with some exceptions), hospitals, and schools. While the entire panel includes 1003 registered charities across the country, we also were mindful of creating seven subsamples to help us study specific groups with our final population of organizations. We opted for this strategy after our pilot study in June and July 2022 revealed the important challenges in recruiting some strata of the population of registered charities after our initial exclusions. The methodological details will be discussed in the white paper for this study (currently in preparation). In addition to excluding religious organizations, hospitals, and schools, we decided to constitute our panel as follows:

The final sampling frame for this year's study included the whole population of registered charities that –

a. Were designated as charities (type C in the T3010 form, thus excluding public and private foundations (type A and B).
b. Had at least 1 full time employee (FTE) based on their T3010 form data.
c. Had expenditures greater than $1 on their 2019 T3010 to make sure we focus on active charities.

Based on these criteria, the sampling frame was 32,384. We drew a randomized list of all the organizations left and recruited a total of 1074 participants. We refer to that first sample as the "main sample." However, given our interest in specific subgroups of Canadian registered charities and in consultation with the sampling experts at CHASR, we created a series of sub-samples that would allow us to study some groups that proved problematic to recruit in our pilot phase.

The following sub-sample categories were created to include some of these hard-to-reach populations. In future years of the project, we will investigate further some of these subgroups and develop strategies to improve our recruitment efforts. These subsamples (SS) are as follows:

- **General Sample (GS):** Includes only designated charities type C in the T3010 form that had at least 1 full time employee (FTE) and expenditures greater than $1 on their 2019 T3010 to make sure we focus on active charities.
- **Subsample 1 (SS1):** Includes only charities with designation A and B (public and private foundations) that had expenditures of at least $1 in 2019.
- **Subsample 2 (SS2):** Includes only charities with the designation C (charities) that have no full-time employee (FTE) or that left the field blank and that had expenditures of at least $1 in 2019. Those are what we think of as volunteer run organizations.
- **Subsample 3 (SS3):** Includes all charities designated as C (charities) with at least one full time employee in the province of British Columbia and that had expenditures of at least $1 in 2019.
- **Subsample 4 (SS4):** Includes designation C charities with at least 1 FTE, $1 in expenditures in 2019 ensuring representation from all geographical regions of the country.
- **Subsample 5 (SS5):** Includes designation C charities with at least 1 FTE, $1 in expenditures in 2019 ensuring representation from the province of Québec.
- **Subsample 6 (SS6):** Includes designation C charities with at least 1 FTE, $1 in expenditures in 2019 that have spent at least $1 internationally (information found in Schedule 4).

Table 1 presents an overview of our study samples.

List	Population N (32,384)	Number of participants recruited
Main Sample	14,267	704
SS1 (Foundations)	936	65
SS2 (Volunteer-run charities)	16,575	124
SS3 (Charities in BC)	1,926	157
SS4 (Geographic regions)	14,266	732
SS5 (Charities in QC)	4,992	189
SS6 (International charities)	606	70

Table 1

As of September 14, we had a panel of 864 subscribed panellists. Participant recruitment has been conducted via mail, e-mail, and phone calling. All new panellists have filled in a panelist information form. The data collected through these forms is then collated with existing CRA T3010 data to provide a more robust overall picture of panelist/organizational information. In addition to confirming their contact information, we ask them to give us greater details on their organization's human resources.

Questions are currently being developed by the CICP-PCPOB core team (Raggo, Phillips, and Mathieson). We are in the process of establishing an advisory board to help us respond to the needs of the communities and make sure the project captures emerging trends. Advisory board members will be recruited from various organizations representing the charitable sector in Canada.

Project surveys are distributed weekly on Wednesday mornings (6am Eastern Time). panellists are given a response period of 24 hours. Reminder emails are sent 24 hours after the initial survey has been distributed (Thursday morning), providing panellists with an additional 24 hours to respond. Weekly reports are published on the CICP-PCPOB website every Friday morning, providing initial graphs and descriptive findings for the week's questions. The monthly reports, quarterly reports and research papers will provide more details on the trends observed and deeper analyses of the data collected.

We have an excellent average weekly response rate of about 67%, although we find this varies across geographic regions.

More technical information will soon be available on our website. We will share programing codes used to create our samples, analyses (when available), and research papers as we continue to develop the project. We are committed to collaborative, transparent, and accessible research. We welcome researchers interested in collaborating with our team.