Subject of the Survey

The eighth Nonprofit Finance Fund State of the Nonprofit Sector Survey asked nonprofit leaders about their organizations' programmatic, operational, and financial health and experiences in 2017 and their expectations for 2018.

Our core lines of research inquiry included:

- What is the state of service demand?
- Are nonprofits able to meet the demand for their services?
- Are nonprofits accessing the capital they need?
- What are the current challenges for nonprofits and the communities they serve?
- What programmatic and organizational actions are nonprofits taking and planning to take?
- How diverse is nonprofit leadership?
- Did the federal government's 2017 policies and positions impact nonprofits' policy and funding environments, their ability to deliver on mission, and the challenges facing their clients?
- Are nonprofits pursuing outcomes-focused funding and impact measurement?

How the Survey Was Conducted

Survey responses were gathered in the SurveyGizmo online survey platform. Respondents remained anonymous unless they chose to identify themselves.

Time Frame

The Survey opened on Jan. 16, 2018, and closed on Feb. 28, 2018, remaining open for a timeframe similar to those of previous Survey years. NFF first conducted this Survey in 2009.

Target Population and Method of Outreach

This is a sector-wide Survey. NFF invites senior leaders of all active US 501(c)(3) organizations to participate. Outreach and promotion are broad community efforts in collaboration with many partners, including other nonprofits, funders, associations, umbrella organizations, and many more.

Outreach comprised multiple mass and targeted emails, social media campaigns, and advertisements by NFF and many partner organizations who utilized NFF's outreach kit. Several reminder emails were sent post-launch.

Survey Questions

The Survey contained between 41 and 58 questions per respondent and included mandatory, optional, branch, multiple-choice, and open-ended questions.

Question topics included:

- Key organizational demographics (e.g., sub-sector/work focus, location, size/operating expenses)
- State of demand for services and ability to meet it
- Finances at the end of fiscal year (FY) 2017
- Revenue and revenue mixes in FY2017 and anticipated for FY2018
- Experience with government grants or contracts
- Operational/programmatic actions taken in FY2017 and planned for FY2018
- Measurement of organizations' results and outcomes-based funding
- Debt use
- Demographics of and critical challenges facing communities served
- Sector-specific questions for health and human services nonprofits, such as partnerships and which social determinants of health they address, and for social enterprises, such as life-cycle stage and access to debt

Survey Results

NFF shares the Survey as an aggregated national dataset that can also be filtered by sub-sector/work focus, organization size, geography, and other criteria. Visit nff.org/survey and nff.org/surveydata to learn more. Email survey@nff.org for questions, historical data, or other analyses (charges may apply).

Completion Rates

NFF establishes a minimum threshold of questions respondents must answer for their responses to be included in calculations. For the 2018 Survey, this threshold was completion of a core organizational profile (state, zip code, sub-sector, operating expenses) plus months of cash on hand. The order and mandatory designation for select questions were revised during Survey deployment to increase response rates for priority questions. After removing incomplete responses, duplicate IP addresses, and international organizations, the final sample size counted was 3,369.

Analysis

Because the Survey included both non-mandatory and conditional (branch) questions, the number of responses (N) varies. Calculations use as N the number of respondents for each individual question or row as appropriate. For instance, a single question about government revenue includes separate Ns for federal, state, and local government.

Philanthropy and/or grantmaking organizations were excluded from calculations for questions regarding funding or revenue sources. Respondents could select more than one answer to certain questions; in those cases, the resulting percentages do not equal 100 percent.

NFF contracted with a software services company to help create the online filterable Survey Analyzer utilizing Alteryx analytic and Tableau visualization software. NFF also contracted with an Excel consultant who created

the data analysis engine used in previous Survey years; the consultant's 2018 Excel engine was compared against the Alteryx and Tableau data to confirm accuracy and continuity of results.

Limitations to the Data & Analysis

NFF uses a nonprobability sampling method to invite nonprofit leaders to complete the Survey, and results therefore reflect the responses of nonprofit leaders who heard about the Survey and elected to respond. This creates a probable voluntary response bias from nonprofit leaders who chose to participate.[1] As with all self-reported data, there remains an inherent risk of inconsistent and inaccurate data reporting. Survey respondents reflect a convenience sample and the results are not weighted for statistical significance, so findings may not be representative of the nonprofit sector as a whole and may over- or understate differences between demographic or other respondent groups. Finally, this dataset should be treated as a snapshot capturing a moment in time, and not considered longitudinal.

Questions? Email survey@nff.org

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[1] Voluntary response bias can occur when responses to a survey are entirely voluntary. Frequently those who volunteer to respond have stronger opinions on a given subject matter than the general population.