

Alberta Nonprofit Data Strategy:

Canadian Survey on Business Conditions, Second Quarter 2021



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Content

1. Executive Summary
2. Canadian Survey on Business Conditions Q2-2021



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1. Executive Summary - Organizations

Based on the Canadian Survey on Business Conditions, Second Quarter 2021:

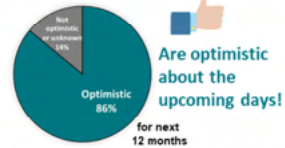
1. 86% of community nonprofits are optimistic about the future.

- While more have increases in expenses than increases in revenue, 71% can take on debt or do not need to take on debt, and 81% report being able to continue 6+ months more.
- Organizations are reporting workforce, clients, financial, and government regulation obstacles.

Source: Statistics Canada, Canadian Survey on Business Conditions, Second Quarter 2021



Based on 1,395 community nonprofits sampled across Canada April 1 to May 6, 2021. These numbers may not reflect the full community nonprofit sector in Canada. Please interpret the findings with caution when discussing the full community nonprofit sector.



Are optimistic about the upcoming days!

Expenses > revenue near term, but...

71% can take debt or don't need it
81% can continue at least 6 months

Obstacles next 3 months?
31% government regulations
28% recruiting skilled employees
24% attracting customers



Executive Summary (cont.) - Employees

Based on the Canadian Survey on Business Conditions, Second Quarter 2021:

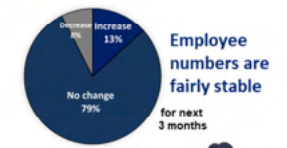
2. 92% of community nonprofits are reporting an expected increase or no change in their number of employees in the next 3 months.

- 79% can continue 6+ months without considering layoffs.
- Some challenges faced for the workforce are around recruiting and retaining staff, staff training, and returning to work on-site.

Source: Statistics Canada, Canadian Survey on Business Conditions, Second Quarter 2021



Based on 1,395 community nonprofits sampled across Canada April 1 to May 6, 2021. These numbers may not reflect the full community nonprofit sector in Canada. Please interpret the findings with caution when discussing the full community nonprofit sector.



Employee numbers are fairly stable

for next 3 months

79% can continue 6+ months without considering layoffs



Executive Summary (cont.) – COVID-19



Based on the Canadian Survey on Business Conditions, Second Quarter 2021:

3. COVID-19 has affected organizations' operations.

- 31% used virtual connections in the pandemic to reach out to new clients.
- 69% used COVID-19 funding, but 67% of organizations that didn't get funding reported not needing it.
- Organizations are considering permanent workplace, support, and workspace measures post-pandemic.

During the pandemic...

- 31% used virtual services to reach NEW clients
- 69% used COVID-19 funding



Post-pandemic plans...

- 61% to require employees to come back on-site
- 31% to offer teleworking
- 58% to offer online training
- 37% to increase distance between employees in work space

Source: Statistics Canada, Canadian Survey on Business Conditions, Second Quarter 2021



Based on 1,395 community nonprofits sampled across Canada April 1 to May 6, 2021. These numbers may not reflect the full community nonprofit sector in Canada. Please interpret the findings with caution when discussing the full community nonprofit sector.

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2a. Canadian Survey on Business Conditions Q2-2021: Introduction

Canadian Survey on Business Conditions

1. A Cross-Canada Statistics Canada cross-sectional survey
2. A voluntary, stratified random sample of businesses by geography, industry sector, and size
3. The Second Quarter (Q2) 2021 survey was collected between **April 1 to May 6, 2021**

More details at:

<https://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&Id=1305631>



Nonprofits in the Current Analysis

The current analysis focuses on survey responses from **community nonprofits**:

1. Also called 'Nonprofit institutions serving households'
2. The reported data is cross-Canada, but similar to Alberta patterns
3. 1,395 community nonprofits responded across Canada, with 102 from Alberta



Based on Alberta nonprofit stakeholder goals to have information on sector recovery from the COVID-19 pandemic, this deliverable was created.

1. The Canadian Survey on Business Conditions is a cross-sectional survey by Statistics Canada, reflecting a sample of businesses in the time period. The results we report are cross-Canada, and not specific to Alberta nonprofits.
2. The survey is voluntary, based on a stratified random sample of businesses, and split by geography, industry sector, and size. This means that the sampling tries sample across the sector, but it will have some bias and might miss some sectors and types of nonprofits. Information is provided on the types of nonprofits covered in the next slides.
3. The survey used in these slides is from the Second Quarter (Q2) of 2021, collected between April 1, 2021 to May 6, 2021.

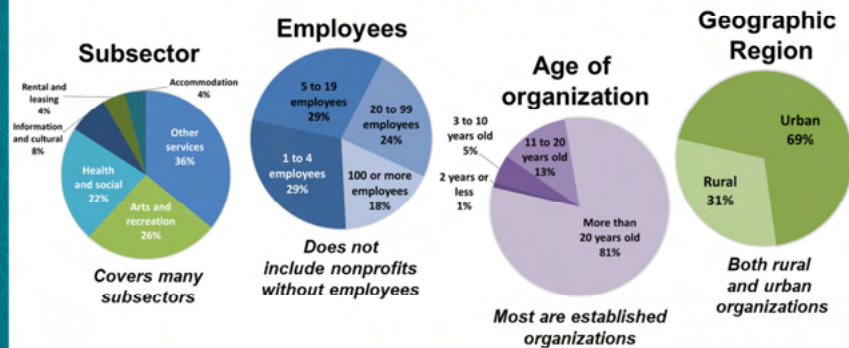
For more details go to the Statistics Canada website:

<https://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&Id=1305631>

The analysis focuses on the following nonprofit data:

1. It focused on community nonprofits (also called 'non-profit institutions serving households'). For example, these are social services, advocacy, or sports and recreation organizations. This definition of nonprofits most closely follows the Alberta Nonprofit Network (ABNN) view of nonprofits. This definition excludes government nonprofits such as schools and hospitals.
2. The sample is cross-Canada. However, similar patterns were generally seen in Alberta. This analysis focuses on the cross-Canada level due to the small sample size in Alberta.
3. The sample includes 1,395 self-identified community nonprofits across Canada, with 102 from Alberta.

Nonprofits in the Current Analysis: Breakdown



In terms of where this survey samples from:

1. The total sample consists of 26% arts and recreation, 22% health and social organizations, 8% information and cultural, etc. The survey samples from a couple of the big subsectors in nonprofits (arts and recreations, and health and social organizations). These percentages are based the North American Industry Classification System (NAICS), not on the International Classification of Non-profit Organizations (ICNPO), the standard often used for classifying nonprofit subsectors.
2. The sample includes a pretty equal sample for the different numbers of employees for organizations. This sampling misses the estimated 58% of nonprofits without employees, and is weighted more heavily towards larger organizations, which make up a smaller part of the nonprofit sector (Imagine Canada 2006; "The Nonprofit and Voluntary Sector in Alberta").
3. A majority of organizations are well established (11+ years of business, 94%), compared to more recent organizations (10 or less years of business, 6%).
4. The data represents both rural and urban organizations.

How to Interpret these Results?¹

(Limitations of this Data)

What to do:

1. interpret the findings with caution as they may miss aspects of the community nonprofit sector. For example, it was estimated that 58% of community nonprofits in Alberta had no employees in 2003², whereas all organizations had an employee in this analysis;
2. use the data to provide initial evidence for where the community nonprofit sector may be heading and create opportunities for future discussion on change; and
3. consider how well the findings apply to your organization's context.

What NOT to do:

1. do NOT interpret the findings to represent the full community nonprofit sector nationally or in Alberta; and
2. do NOT use the findings without discussing the context about how the data was collected and how this may affect their application to the broader community nonprofit sector.



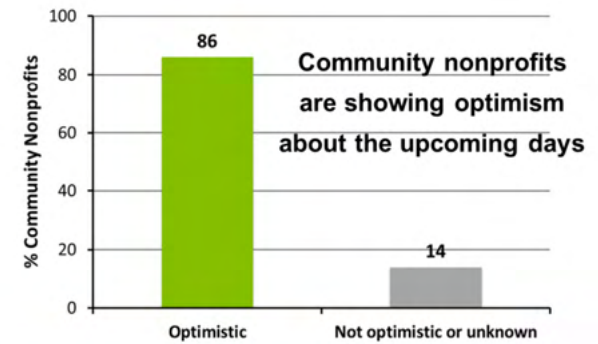
As with most surveys, the results should be used and interpreted with some caution¹.

- 1: https://albertanonprofits.ca/resources/Documents/ABNN%20Pulse%20Check%20Report_November%202020.pdf
- 2: Roach, R. (2006). The Nonprofit and Voluntary Sector in Alberta: Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations. Toronto, ON: Imagine Canada.

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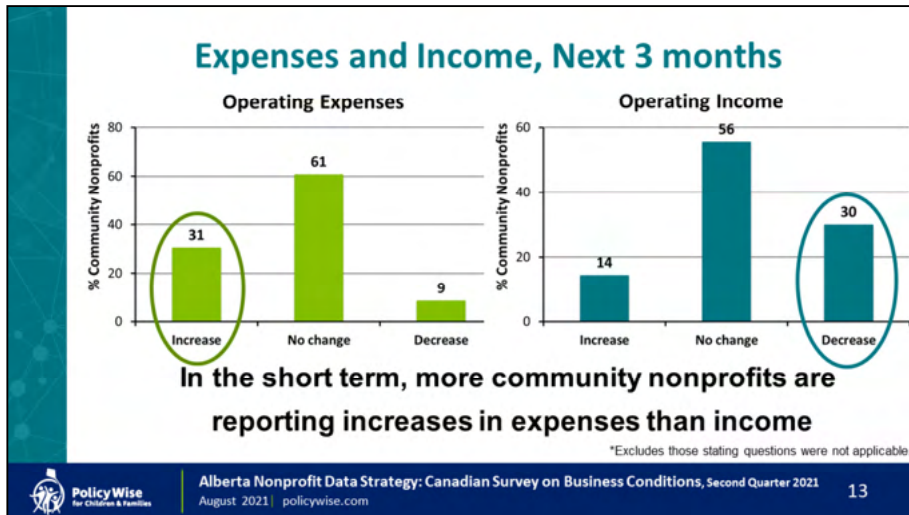
2b. Organization Outlook: Outlook for the Next 12 Months



Survey Question: “Over the next 12 months, what is the future outlook for this business or organization?”

Analysis Notes: Optimistic consists of ‘very optimistic’ and ‘somewhat optimistic’.

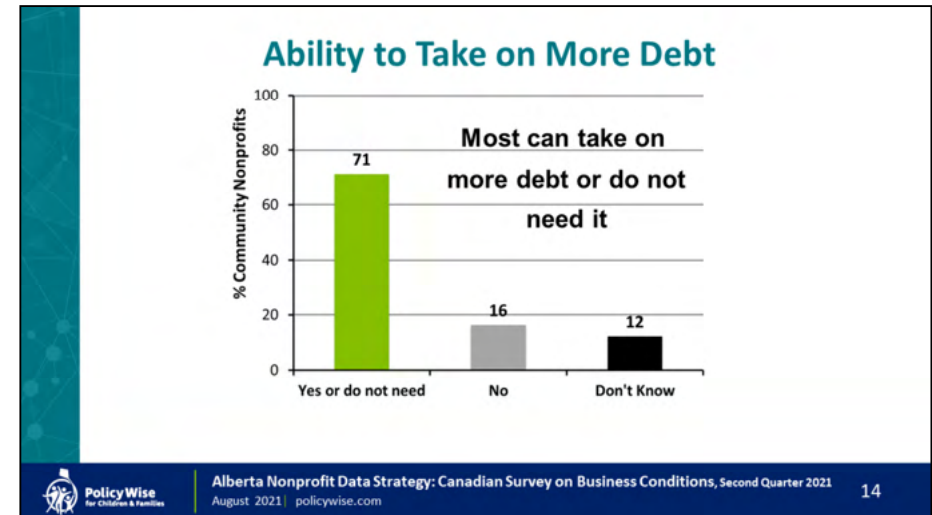
Source: Statistics Canada. Table 33-10-0361-01 Future outlook over the next 12 months, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310036101-eng>



Survey Question: “Over the next three months, how are each of the following expected to change for this business or organization?” Subcategories were “Operating expenses” and “Operating income”.

Analysis Notes: The percentages exclude those answering ‘not applicable’. Some figures do not add to 100% due to rounding.

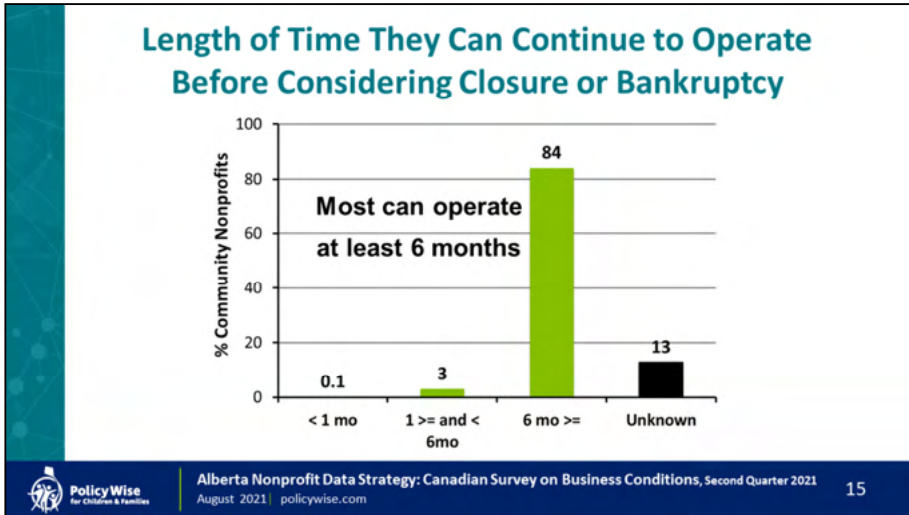
Source: Statistics Canada. Table 33-10-0337-01 Business or organization expectations over the next three months, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310033701-eng>



Survey Question: “Does this business or organization have the ability to take on more debt?”

Analysis Notes: Responses of “yes” and “this business or organization does not need to take on more debt” were combined. Some figures do not add to 100% due to rounding.

Source: Statistics Canada. Table 33-10-0354-01 Ability for the business or organization to take on more debt, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310035401-eng>



Survey Question: “How long can this business or organization continue to operate at its current level of revenue and expenditures before having to consider the following options? Closure or bankruptcy:”

Analysis Notes: Responses of “1 month to less than 3 months” and “3 months to less than 6 months” were combined, and “6 months to less than 12 months” and “12 months or more” were combined.

Source: Statistics Canada. Table 33-10-0362-01 Length of time businesses or organizations expect to continue to operate at its current level of revenue and expenditures, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310036201-eng>



Survey Question: “Over the next three months, which of the following are expected to be obstacles for this business or organization? Select all that apply.”

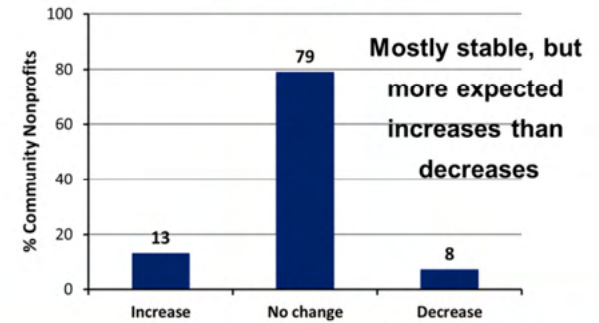
Analysis Notes: Categories were created through a qualitative grouping of the topics by PolicyWise.

Source: Statistics Canada. Table 33-10-0338-01 Business or organization obstacles over the next three months, by business characteristics, second quarter of 2021. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310033801>

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2c. Employee Outlook: Number of Employees, Next 3 months



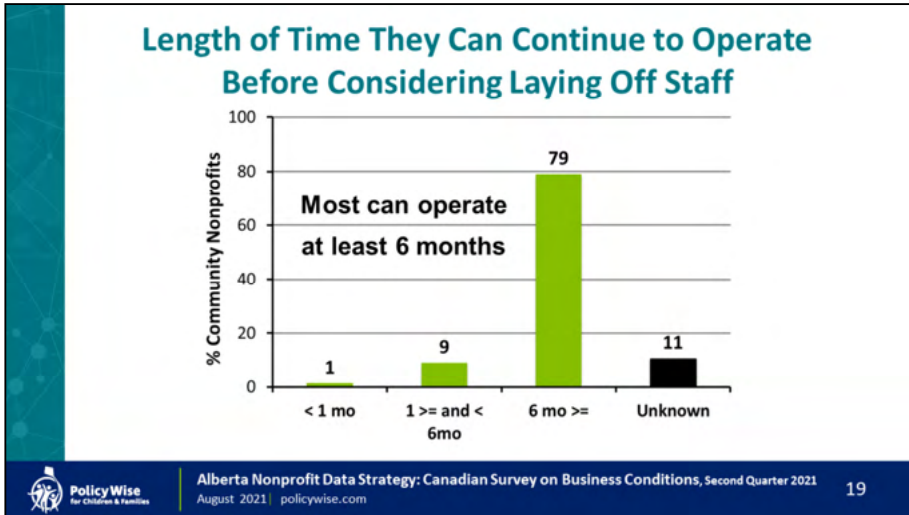
*Excludes those stating this question was not applicable.

Survey Question: “Over the next three months, how are each of the following expected to change for this business or organization? Number of employees.”

Analysis Notes: The percentages exclude those answering ‘not applicable’.

Source: Statistics Canada. Table 33-10-0337-01 Business or organization expectations over the next three months, by business characteristics, second quarter of 2021.

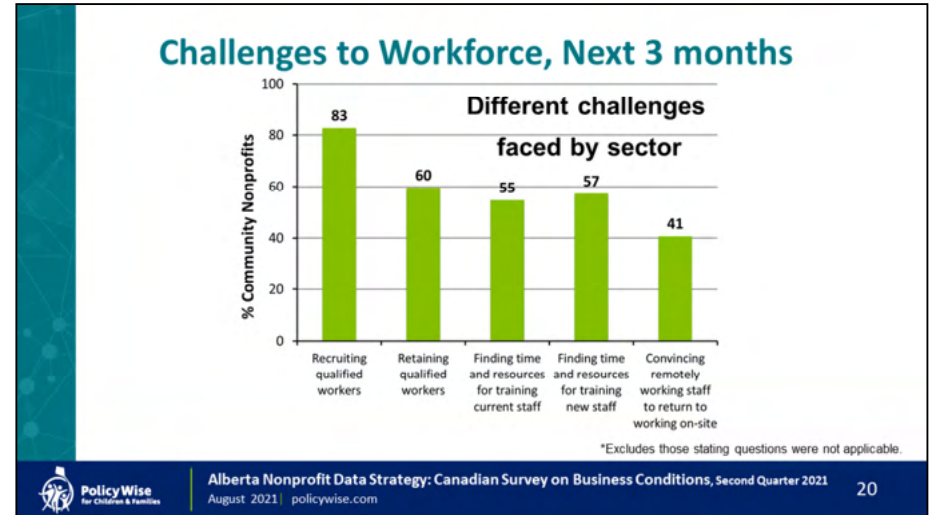
<https://doi.org/10.25318/3310033701-eng>



Survey Question: “How long can this business or organization continue to operate at its current level of revenue and expenditures before having to consider the following options? Laying off staff:”

Analysis Notes: Responses of “1 month to less than 3 months” and “3 months to less than 6 months” were combined, and “6 months to less than 12 months” and “12 months or more” were combined.

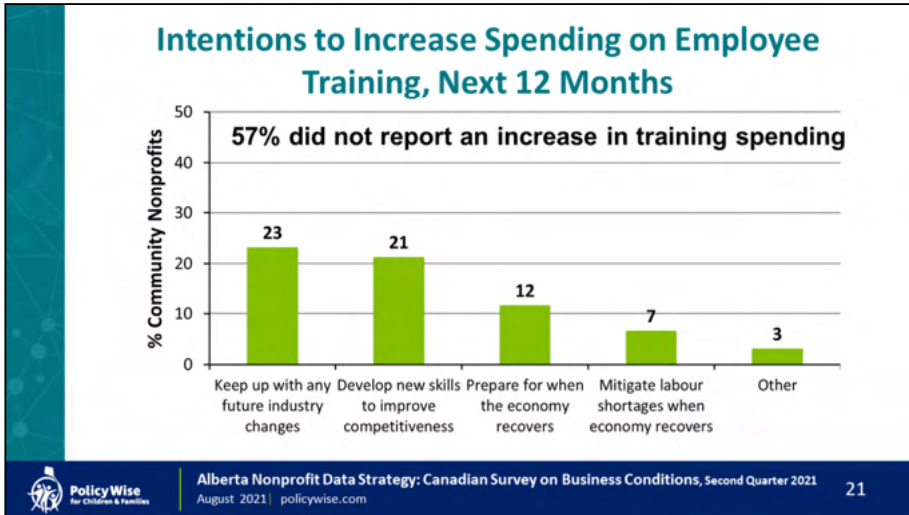
Source: Statistics Canada. Table 33-10-0362-01 Length of time businesses or organizations expect to continue to operate at its current level of revenue and expenditures, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310036201-eng>



Survey Question: “Over the next three months, to what extent will each of the following be a challenge for this business or organization with regards to the workforce?”

Analysis Notes: The percentage consists of ‘very challenging’ and ‘somewhat challenging’, in comparison to ‘not challenging’. The percentages exclude those answering ‘not applicable’.

Source: Statistics Canada. Table 33-10-0344-01 Extent to which businesses or organizations expect to face various challenges with regards to the workforce over the next three months, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310034401-eng>



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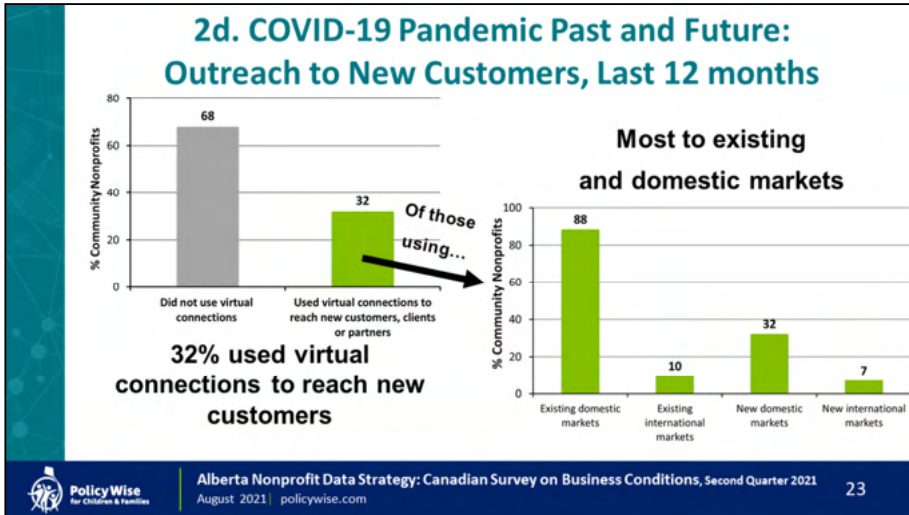
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Survey Question: “Over the next 12 months, does this business or organization plan to increase spending on employee training to do any of the following? Include both current and new employees. Select all that apply.”

Analysis Notes: 57% of organizations did not select to increase any of these types of spending on training.

Source: Statistics Canada. Table 33-10-0343-01 Intentions behind spending on employee training over the next 12 months, by business characteristics.

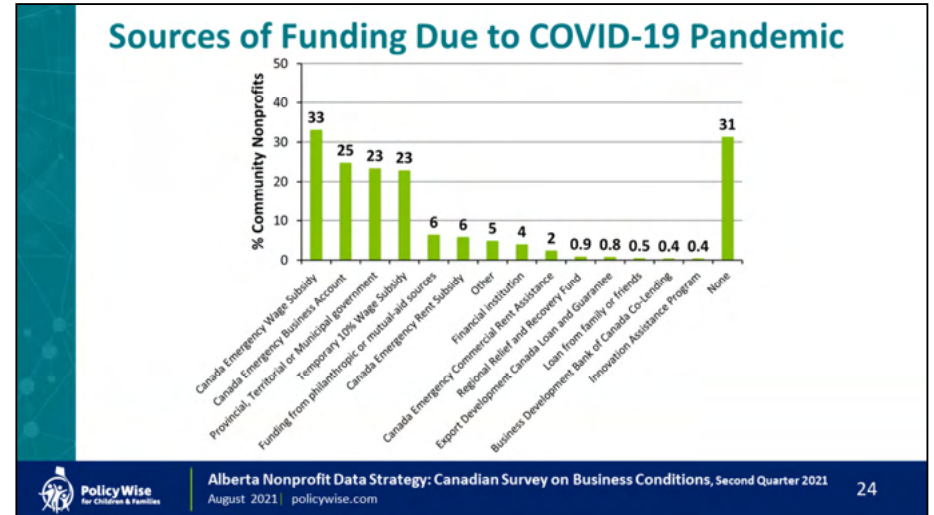
<https://doi.org/10.25318/3310034301-eng>



Survey Question: “Outreach to new customers. Over the last 12 months, did this business or organization use virtual connections to reach new customers, clients or partners in any of the following markets? Include virtual meetings, virtual events, virtual trade shows, and initiating or expanding e-commerce presence. Select all that apply.”

Analysis Notes: Did not use virtual connections was worded as ‘did not use virtual connections to reach new customers, clients or partners.’ The percentages on the right are of the 32% that used virtual connections to reach new customers.

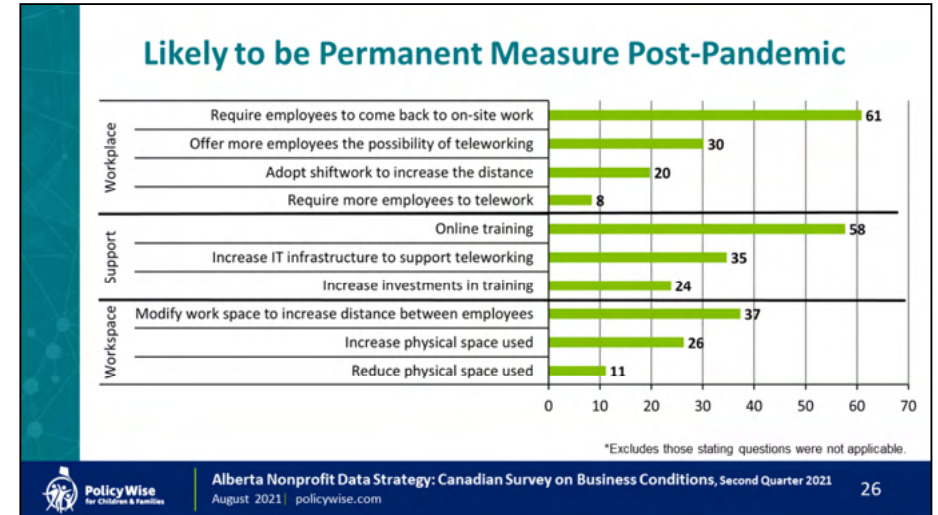
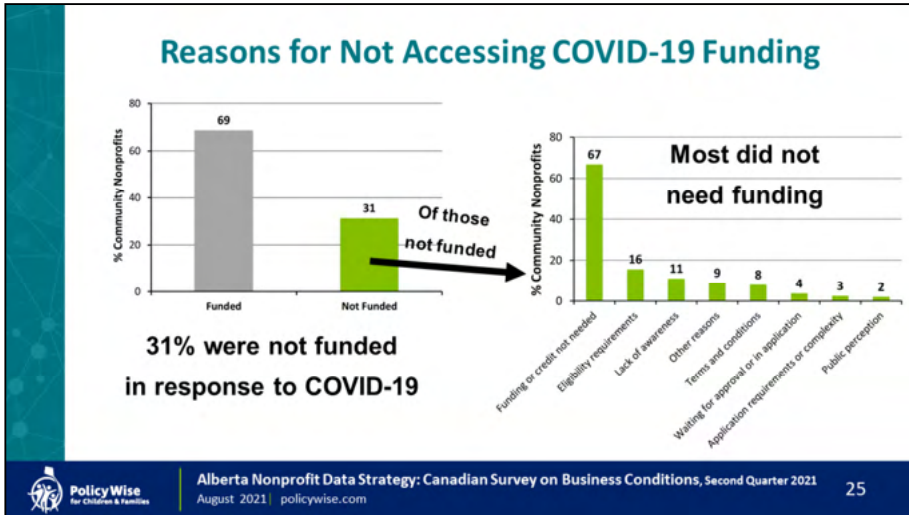
Source: Statistics Canada. Table 33-10-0346-01 Outreach to new customers over the last 12 months, by business characteristics. <https://doi.org/10.25318/3310034601-eng>



Survey Question: “Funding or credit. Due to COVID-19, was funding or credit for this business or organization approved or received from any of the following sources? Select all that apply.”

Analysis Notes: ‘None’ was answered as ‘none of the above’.

Source: Statistics Canada. Table 33-10-0350-01 Sources of funding approved or received due to the COVID-19 pandemic, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310035001-eng>



Survey Question:

- Left graph "Funding or credit. Due to COVID-19, was funding or credit for this business or organization approved or received from any of the following sources? Select all that apply."
- Right graph "For which of the following reasons has this business or organization not accessed any funding or credit due to COVID-19? Select all that apply."

Analysis Notes:

- For the left graph 'Not funded' was answered as 'none of the above', stating that they did not select any of the funding types from the last slide (including 'other').
- The percentages on the right are of the 31% that were not funded in response to COVID-19.

Source:

- Statistics Canada. Table 33-10-0350-01 Sources of funding approved or received due to the COVID-19 pandemic, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310035001-eng>
- Statistics Canada. Table 33-10-0351-01 Reasons business or organization did not access any funding or credit due to the COVID-19 pandemic, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310035101-eng>

Survey Question: "Measures permanently adopted. Using a scale from 1 to 5, where 1 means "very unlikely" and 5 means "very likely", how likely is this business or organization to permanently adopt each of the following measures once the COVID-19 pandemic is over? An employee is someone who would be issued a T4 from this business or organization."

Analysis Notes: Likely to be permanent measure consists of 'very likely (5)' and '4' on the Likert scale, in comparison to '3' to '1' (Very unlikely) on the Likert scale. The percentages exclude those answering 'not applicable'. Categories were created through a qualitative grouping of the topics by PolicyWise.

Source: Statistics Canada. Table 33-10-0355-01 Likelihood of various measures being permanently adopted once the COVID-19 pandemic is over, by business characteristics, second quarter of 2021. <https://doi.org/10.25318/3310035501-eng>

Acknowledgements

PRIMARY CONTRIBUTORS

Matthew Russell, Robert Jagodzinski, Naomi Parker, and Xinjie Cui

PROJECT SPONSORS

PolicyWise for Children & Families, Edmonton Community Foundation, and the Government of Alberta Ministry of Culture, Multiculturalism & Tourism.



ACKNOWLEDGEMENTS

It is with thanks we acknowledge the individuals who have contributed their wisdom, experience, and perspectives to this project. This project was built on collaborative learning, and we would like to thank the partners that worked with us across the Alberta nonprofit sector, Alberta Government, and Statistics Canada. In particular, we would like to thank the Alberta Nonprofit Network and the co-chairs for the Alberta Nonprofit Data Strategy, Mike Grogan and Robyn Blackadar.

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