

SASKATCHEWAN NETWORK OF NONPROFIT ORGANIZATIONS

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**Feasibility
Study &
Organizational
Options**

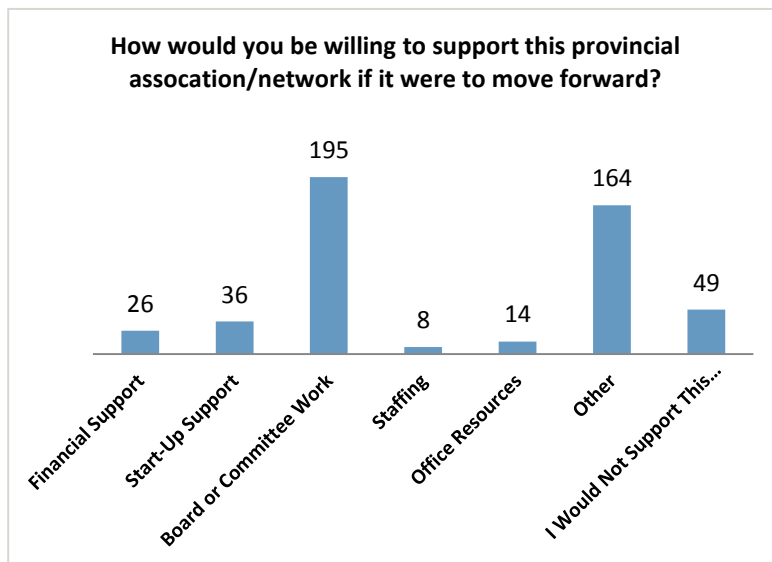
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Executive Summary

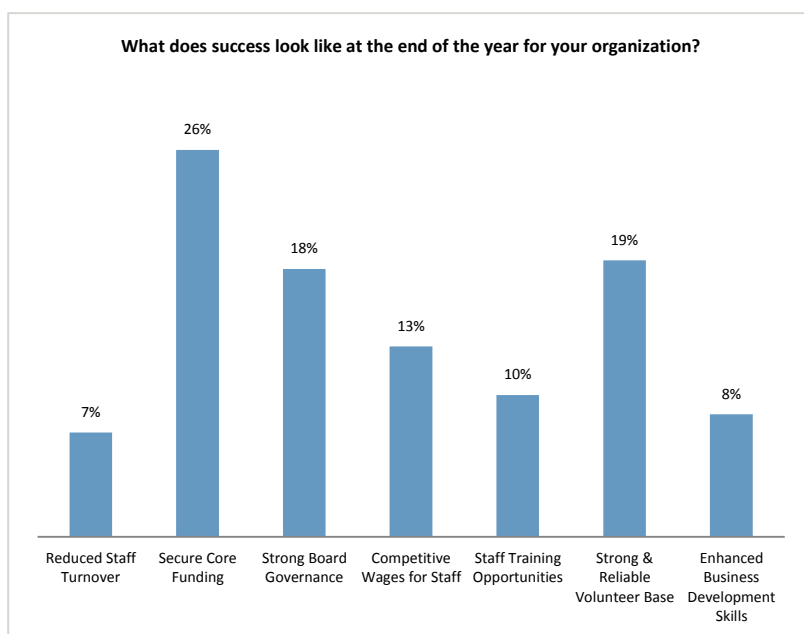
Key Findings

- + With respect to sector support for establishing a provincial network or representative association of some type, there was a clear “need” identified by the sector as well as a strong level of support and willingness to support.



- + This support, however, is not without some modest caution. Several potentially supportive organizations and sector leaders raised questions around the true purpose and mandate of such a network if it were to be established. One of the interviewees summarized their conditional support best by stating that they “understand the need for representation, but be clear on purpose and mandate. Make sure to engage the sector and be mindful of limited resources”.

- + With respect to that broad focus and purpose for such a provincial association, there was a consistent message around the sector needing some type of “a common voice”. As well, the majority of respondents from the Online Survey indicate the need within the sector for collaboration and coordination in order to improve outcomes.



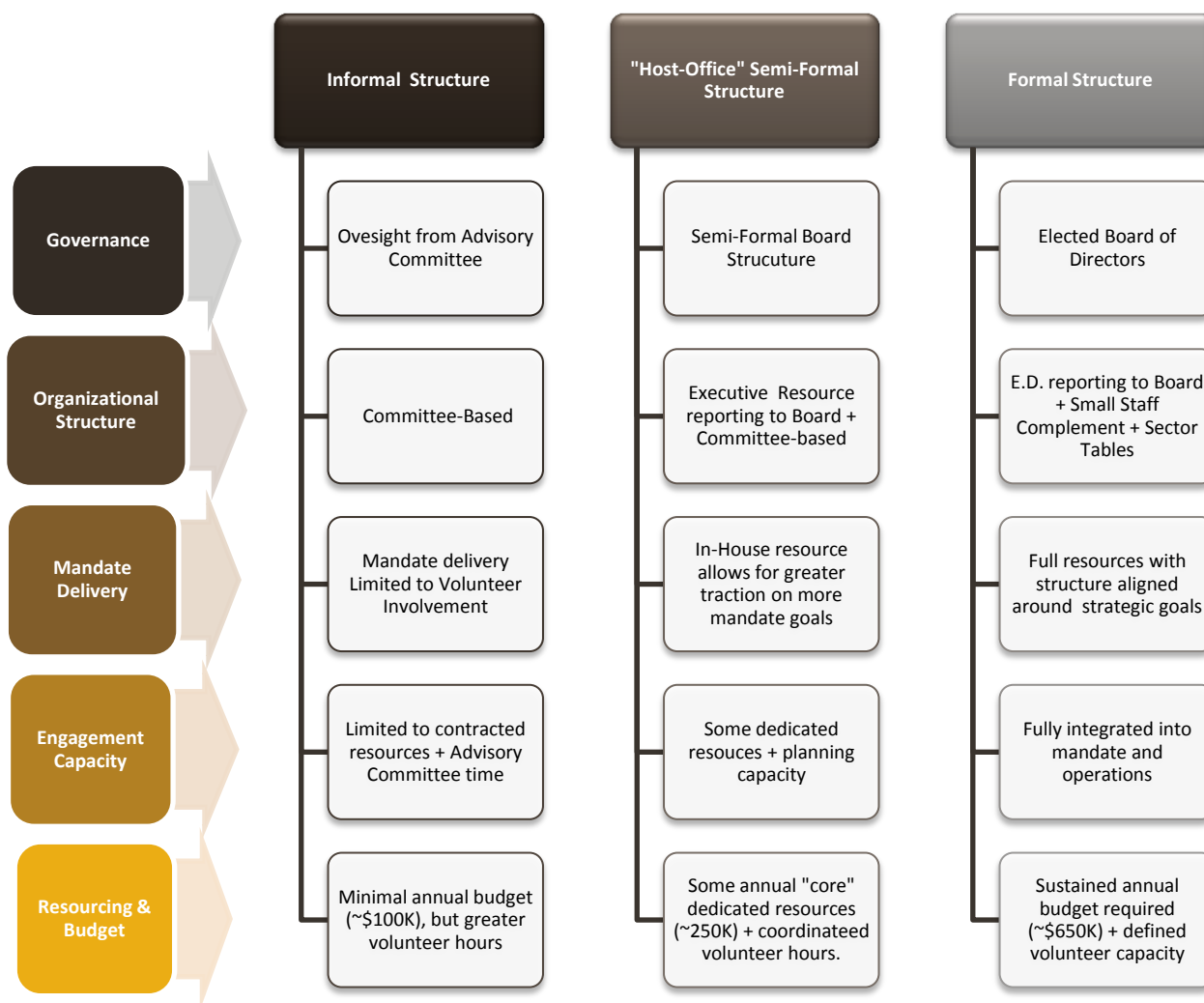
- + And in terms of what success looks like for the sector, sector capacity building (e.g. Board Governance, Resourcing, and the Volunteer Base) was a clear choice in terms of improving the outcomes and impact of the non-profit sector.

Main Recommendations

1. Actively proceed with establishing a new provincial association or network that would represent the issues, concerns, and aspirations of the Saskatchewan non-profit sector.
2. Ensure committed resourcing is in place regarding a sector engagement strategy.
3. Adopt the following “high-level” mandate statements:
 - i. Be the common voice of the non-profit sector;
 - ii. Act as a collaborative mechanism for the sector.

Findings on Organizational & Management Structure Options

Moving forward, the following three general organizational models need to be further explored:



Introduction & Overview

Project Purpose

The focus of this feasibility study was to examine, outline and provide recommendations with respect to establishing a Saskatchewan Network of Non-Profit Organizations. The project, led by a community-based Steering Committee (with sponsorship from the Community Initiatives Fund), addressed the following objectives:

- First and foremost, examine and measure whether or not community and sector need and support is strong enough to warrant setting up a provincial association or network;
- Secondly, if the level of support and community need was substantive enough, review and identify possible options regarding an organizational mandate, governance, and management structure; and
- Finally, provide a high-level roadmap of suggested actions and timelines for the establishment of an association or network.

The project Steering Committee contracted McNair Business Development Inc. (McNair) to deliver on these objectives. The general approach and methodology taken is outlined below:

1. Delivering of an Online Survey: An online survey was sent out to a substantive majority of the non-profit sector within the province of Saskatchewan. After being in market for just about four weeks, there were 545 responses from a fair representation of the provincial sector.
2. Conduct National Leadership Interviews: Stakeholder interviews were conducted with similar organizations from across the country to determine best practices, lessons learned and to gain an understanding of how they operate in other jurisdictions.
3. Conduct Provincial Stakeholder Interviews: Additional stakeholder interviews were conducted with key leaders in the province of Saskatchewan to determine potential support and to understand some of the needs and demands that could potentially be met by establishing this network or association in the province.
4. Literature Review & Secondary Research: Secondary research and a literature review were completed with a predominant focus towards the value of the sector nationally, business case information and main findings of similar exercises in other provinces, as well as best practices and inter-jurisdictional comparisons to guide the objectives of this feasibility study.

Background & History

Over the last number of decades, a multitude of non-profit and voluntary sector initiatives have emerged across Canada, all of which were generally focused on strategies to strengthen the sector in a variety of ways. One key document that seems to stand out the most in terms of being a bulkhead for future initiatives is the 1999 Broadbent Report “Building on Strength: Improving governance and Accountability in Canada’s Voluntary Sector”.

This report recommended that both federal and provincial governments enter into a “discussion with the sector to establish mechanisms, such as compacts on both sides, for promoting understanding and agreement on appropriate conduct and the future of relationship between the sector and governments”. It also noted that the sector should have a place in the policy making process of governments.

The report served as a catalyst for a number of national and provincial initiatives that were implemented over the next decade, commencing with the Government of Canada’s five-year Federal Voluntary Sector Initiative (VSI) announced in 2000. Through the VSI a number of joint government/non-profit sector tables were established to address specific topics such as accountability, financing, policy, and advocacy.

In addition to the tables, the government announced the Canada Volunteerism Initiative (a national program that was delivered provincially) and the HR Council for the Nonprofit Sector was also established. As a result of the various consultations and gatherings that occurred during the VSI, representatives from non-profits were provided the opportunity to meet and learn from each other about non-profit sector initiatives that were occurring across the country, and the Federation of Canadian Voluntary Sector Networks was established as an informal network to enhance communications and information sharing between the various networks.

In Saskatchewan, we were one of the first provinces out of the gate in terms of work, effort and collaboration intent on establishing some type or form of working relationship between Government and the sector. Over a number of years, several research and partnership milestones were accomplished:

- The Provincial Government announced its commitment to a voluntary sector initiative in early 2002;
- Later that year, a more formal partnership framework or model was outlined between Government and the sector;
- A sector inventory, updated in 2004, was produced that outlined existing relationships between Government and the sector;
- 2005 witnessed the development of a “best practices” document around this type of collaborative working relationship;
- By the end of 2007, momentum for this partnership initiative weakened, due in large part to the formation of a new government administration, an implicit change in the sector relationship policy, and the lack of a sector body to continue the work.

Most recently Imagine Canada has led a National Engagement Strategy which again brought non-profit sector leaders together within their provinces and territories to identify the most pressing challenges, or drivers, currently affecting organizations and the sector. The first phase of the Strategy concluded in November 2011 at a National Summit attended by 500 sector representatives. Based on the results of the pan-Canadian consultations, the Summit was designed to address four priorities:

1. Improved conditions for the attraction and retention of paid staff;
2. More diversified and sustainable financing of the sector;
3. Better understanding of the sector and its impact; and
4. Enhanced support for organizations to engage volunteers.

A number of individuals who attended the Summit from Saskatchewan were inspired to explore the concept of a provincial network of non-profit organizations and thus determined to undertake this project.

Describing & Defining the Non-Profit Sector

Defining the non-profit sector is equally as complex as trying to find a singular definition for the private sector. Aside from the obvious distinction, one has to recognize and respect that the non-profit sector is quite diverse, varied, and organizationally quite encompassing.

The sector includes a diverse range of groups, organizations, issues and mandates. The following list is a good illustration of this non-profit sector variety:

- Large institutions such as universities, schools and hospitals with budgets in the tens of millions and thousands of paid employees;
- Professional associations with varied budgets and quite distinct and different mandates from their non-profit counter;
- Sport, culture, and recreation organizations with varied reliance on volunteers and funding opportunities;
- Religious groups and organizations;
- Environmental advocacy agencies;
- Smaller agencies with no budget and no staff; and
- Human services and community health organizations.

According to Statistics Canada's 2004 Report on the National Survey of Non-Profit and Voluntary Organizations, non-profit organizations are those that meet the following criteria: non-governmental; non-profit distributing; self-governing; voluntary; and formally incorporated or registered under specific legislation.

In effect, this definition excludes some organizations or citizen groups that many would consider as non-profit because they are not formally incorporated or registered as non-profit organizations. And defined in this way, the non-profit sector is quite large because it also includes the majority of health care and post-secondary institutions.

To deal with this definitional issue, statistics for the non-profit sector are usually calculated separately for three subcategories:

1. Hospitals and residential care facilities;
2. Universities and colleges; and
3. The core non-profit sector.

This extraordinary range of Saskatchewan's non-profit organizations creates a very complex and challenging environment in which to develop collaborative partnerships, define issues, clarify purpose, and build capacity. And the inventory of the sector from our Online Survey simply reinforces that there are many different types of non-profit organizations and a myriad of different types of relationships with government.

Diversity aside, there are a substantive number of recurring issues, challenges, needs and opportunities that help in defining the sector with more commonality than difference. For the purposes of this study, the following definition was used (paraphrased from the Voluntary Sector Initiative work in 2006):

“A registered and self-governing not-for-profit (including charitable) organization and/or community-based group that benefits Saskatchewan's communities and economy”.

And in order to be more specific around the scope of this study, and provide a bit more focus on non-profit organizations with similar issues, challenges and needs, this study focussed mainly on the “core” non-profit sector definition and used the following groupings to guide and define the work and assessment:

- | | |
|--------------------------|-----------------------------------|
| - Arts & Culture | - Grant-making, fundraising and |
| - Sports & Recreation | voluntarism promotion |
| - Human Services | - Youth |
| - Health | - Environment |
| - Education and research | - Aboriginal |
| - International | - Community Development & Housing |
| | - Social/Human Justice |

The sector-based Steering Committee believed more valuable information and data would be gathered by not casting the net too broad in terms of including all registered non-profits such as Universities, Hospitals, Municipalities, and Schools. And in terms of the purpose of this feasibility study, these organizations truly are distinct from the list outlined above respecting variables such as funding, governance, size, challenges, and advocacy.

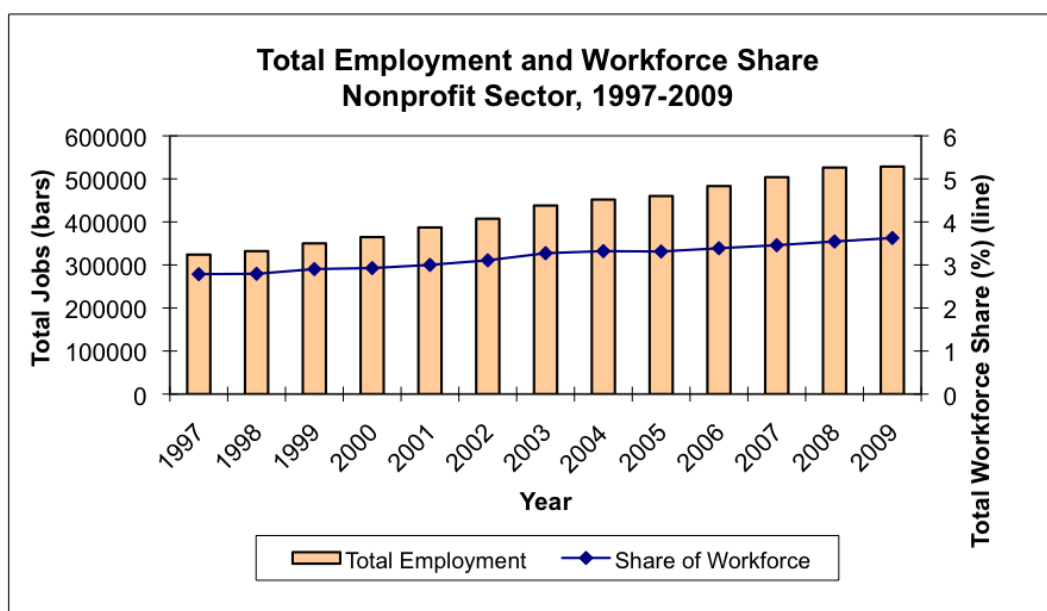
Value & Impact of the Non-Profit Sector

The non-profit sector in Saskatchewan is an important and substantive sector for the province in terms of community impact, quality of life, employment, and economic activity. This value and the need to express, appreciate, and support the value of this sector is in fact one of the original objectives behind initiatives decades earlier as well as today.

The following data is a good demonstration of that impact with respect to employment, percentage of the workforce, magnitude of payroll, volunteer hours, and overall economics:

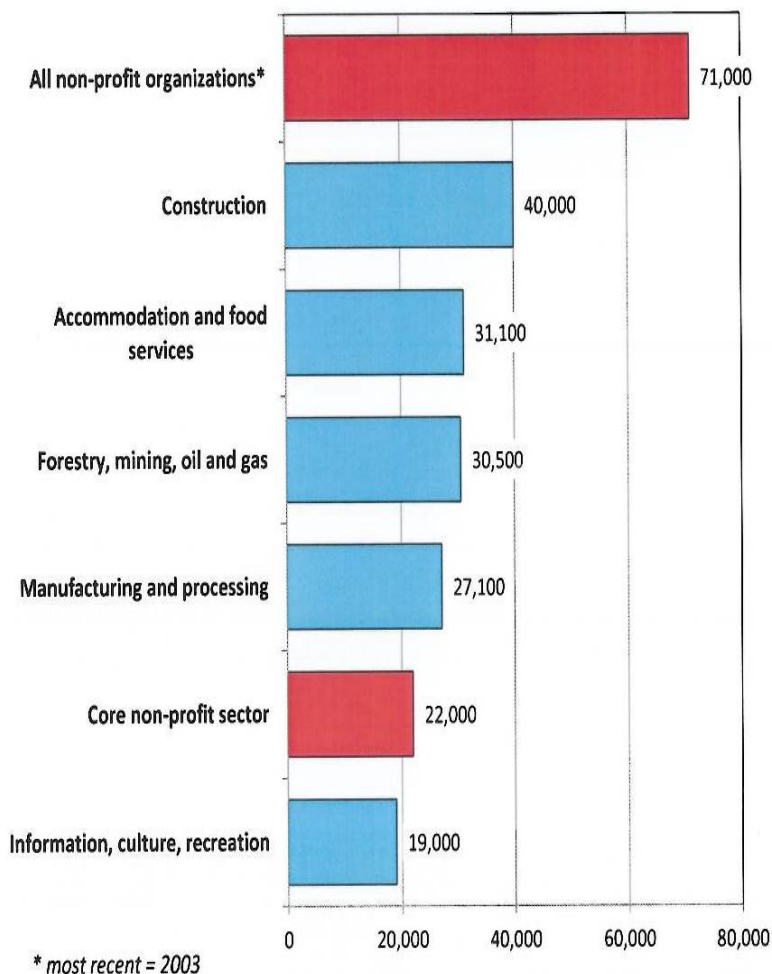
- + According to Statistics Canada 2007 data, 12.5 million Canadians contributed 2.1 billion volunteer hours, considered to be a \$32 billion injection of skills into the labour market.
- + For Saskatchewan in 2007, 465,000 volunteers contributed 78 million hours valued at a contribution of \$1.25 billion.
- + With respect to employment figures (Statistics Canada data for 2005), 1.2 million people were employed in 69,000 non-profit organizations. This employment level represented 7.2% of the national workforce with an annual payroll earning of approximately \$22 billion.
- + A more specific “core” subset of the non-profit sector is the Non Profit Institutions Serving Households (NPISH) category. This subset makes up approximately 22% of the non-profit sector by GDP and does not include organizations like hospitals, colleges and universities. Employment trends for this “core” subset of the non-profit sector (as a percentage of the total workforce) is illustrated in the table below:

Total employment, NPISH



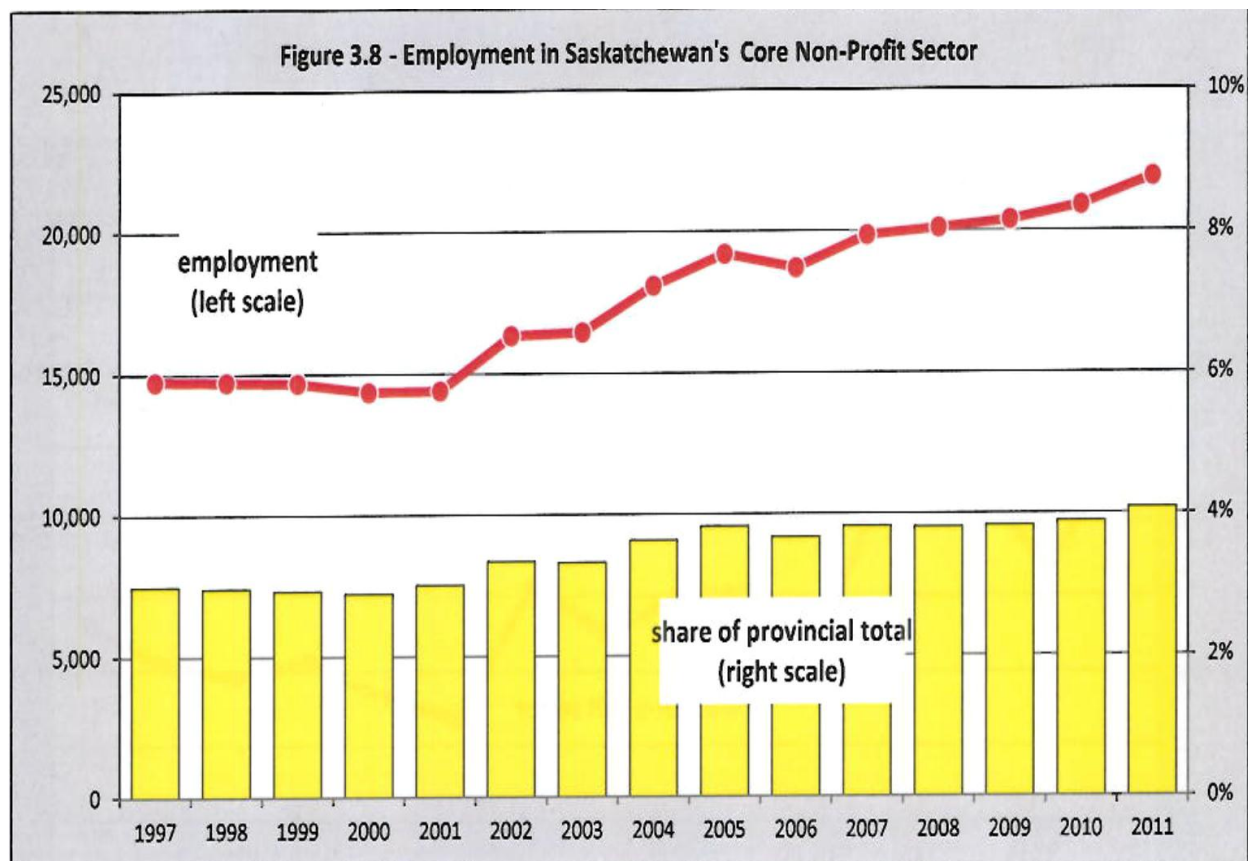
- + There were 21,900 paid employees in the core non-profit sector in Saskatchewan in 2011. This is approximately 4% of the paid employment in Saskatchewan (similar to the national data outlined above).

**Employment in 2011, Saskatchewan Non-Profit Sector
Compared with Selected Industry Groups**



- In 2003, employment in Saskatchewan's non-profit sector was estimated at 71,000 by a Statistics Canada study.
- This is 15% of employment in the province and twice the size of the resource sector.
- The share will probably have increased since then.
- The "core" non-profit sector employed an estimated 22,000 persons in 2011.

- + Since 1997, the number of paid employees has increased both in absolute terms and as a percentage of the total employment in the province.



Main Findings & Feasibility Analysis

The following section represents the main findings and key pieces of analysis that have emerged as a result of this feasibility study. As a result of the research approach in general, and the Online Survey specifically, there has been a robust and over-abundance of data collected. Given this positive outcome, the report has had to reflect as succinctly as possible only the main and high-level findings.

As well, wanting to consider factors such as readability, ease of access to information, and a clear presentation of ideas all data, information and key findings have been organized under the following headings and order:

1. A description of “who” the Sector is (as it pertains to data from this study);
2. An indication of Sector “support” for a Provincial Association concept;
3. An outline of “purpose and function” for such an entity;
4. Possible options to consider in terms of “form” for such an entity; and
5. Ideas on implementation and a proposed roadmap moving forward.

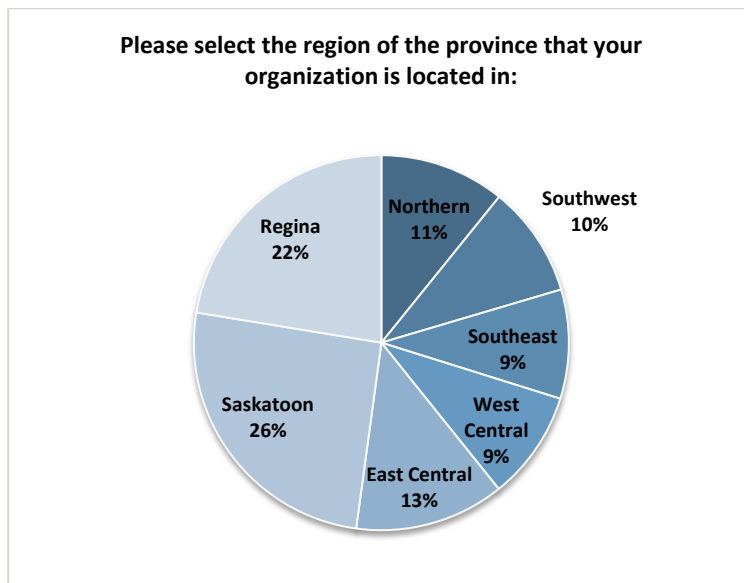
A. Sector Description

Within Saskatchewan, there are approximately 6600 registered non-profit and charitable organizations. And based on “who we heard from” throughout the course of our survey and feasibility study, our provincial sector can be generally described as follows:

- Organizations within the non-profit sector are located and dispersed province-wide with a great deal of regional representation;
- Most organizations are typically smaller in terms of operating budgets;
- Staffing levels within the sector are varied. Organizations staff, on average, 18 full-time employees per organization, but almost 20% surveyed stated they have zero staff. And in terms of the range of staffing, while many organizations had staff of between 4-30, there were also organizations with staff ranging from 65 all the way up to 400;
- The sector is also quite mature in terms of numbers of years organizations have been in existence (almost 70% indicated being in existence for 21+ years);
- The sector is fairly diverse when it comes to comparing their reliance on and level of provincial government funding; and
- Most organizations have either a local or regional mandate.

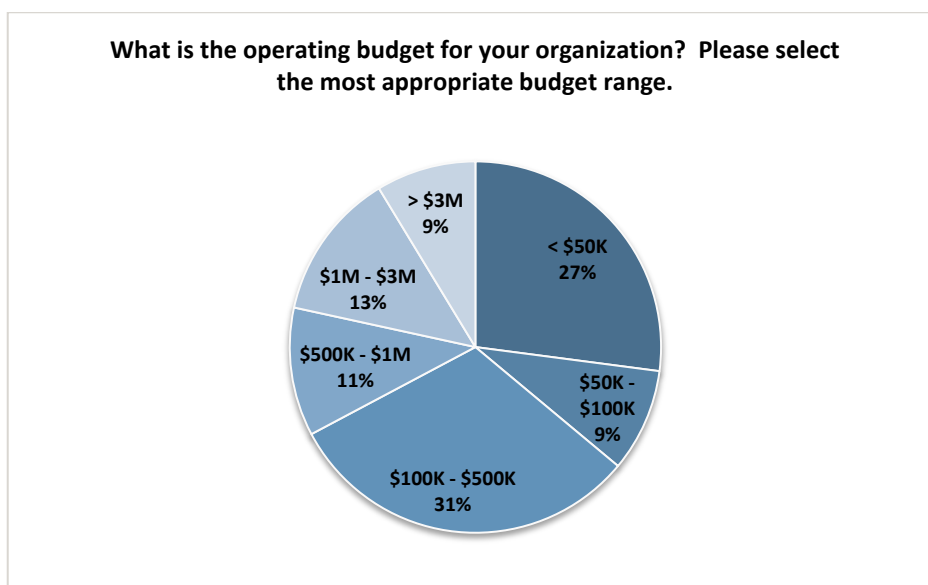
Regional Base

No one region appears to be either over- or under-represented in terms of geographic location of a non-profit organization. This characteristic will be vital in terms of understanding and representing the sector and its issues.



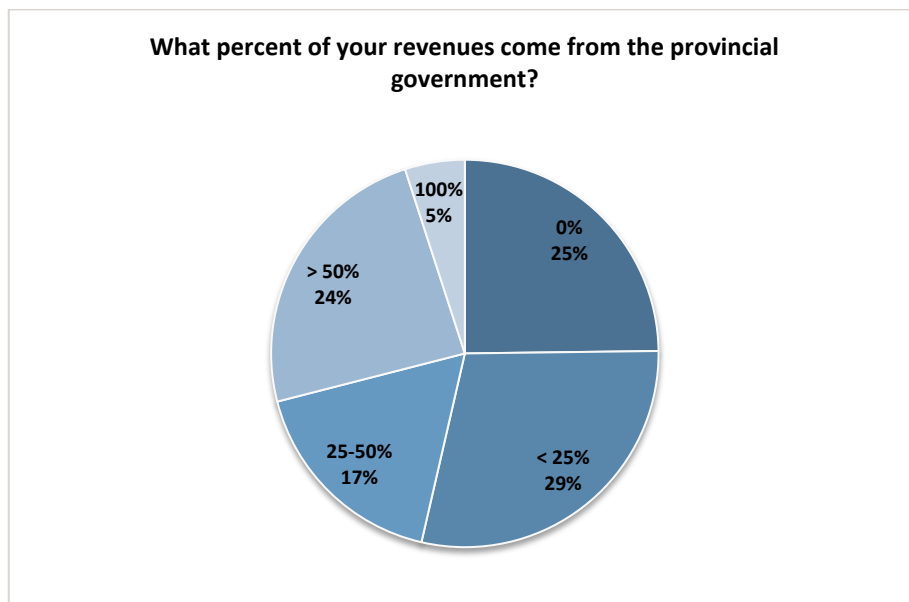
Size of Operating Budget

The majority of non-profits (67.3%) in Saskatchewan also carry out their mandates on operating budget of less than \$500K annually. And, in fact, 27.1% of organizations indicated they had an operating budget of less than \$50K.



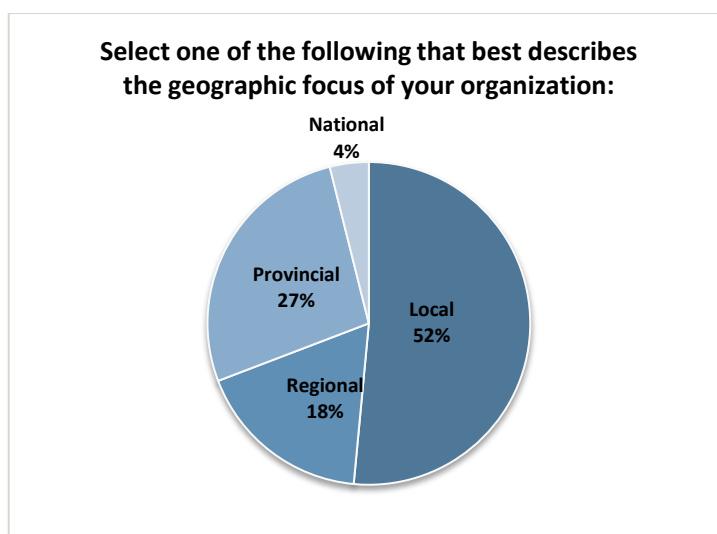
Reliance on Government Funding

And in terms of reliance on provincial government funding, again, there is quite a bit of difference within the sector. While the majority of organizations (75.2%) indicated some level of reliance on provincial government funding, the 24.8% that don't is substantive. This point speaks to the voluntary nature of organizations in the non-profit sector.



Geographic Focus

The majority of the online survey respondents do local work in the non-profit sector, and accounted for 51.5% of all survey responses. The next geographic focus that was most prominent was provincial, accounting for 26.9% of the geographic focus. Regional was third with 17.7% and national was the smallest percentage at only 3.9% of the representation.



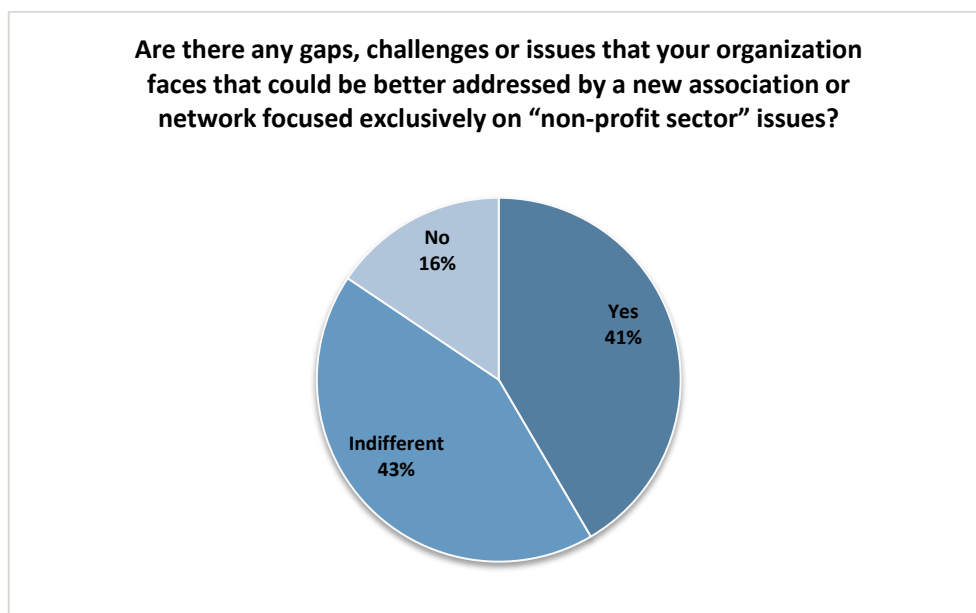
B. Concept Feasibility & Community Needs Assessment

The fundamental question posed in undertaking this study was to determine whether there was enough interest, demand and community support for establishing some form of non-profit sector association or network. The purpose of such an organization would be to represent and support the sector in one capacity or another.

Undertaking this type of endeavour and investment without enough market or community support and backing would be risky and potentially less successful and costly in the end. Therefore, the findings of both the primary and secondary research are extremely important and play a significant role in determining “if” the feasibility of this concept is solid and on “how” to move forward.

Non-Profit Sector Need

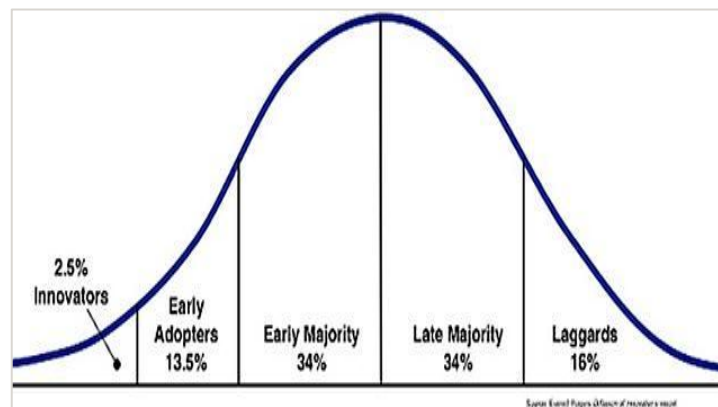
Based on the online survey, stakeholder interviews with sector leaders and supporting research, McNair believes there is a substantive degree of need, support, and optimism for establishing such an association or network. To be fair, however, in the words of one stakeholder, there should be “cautious optimism” in moving forward.



One of the most important questions posed in the online survey was whether the formation of a non-profit network or association would aid organizations in the fulfillment of their mandate and business objectives. As demonstrated in the pie chart, an equal percentage answered “Yes” and “Indifferent,” and the remaining 15.6% of the sector respondents replied “No.”

This is encouraging with respect to determining community need and measuring possible sector support for a representative body for two reasons. First off, if this were a private sector endeavour, 41% would be a clear indication to move forward in terms of “market share”. As well, when

compared to the “Rogers Adoption Curve” model (outlined below), the “Yes” percentage level represents clear support well into the Early Majority phase.



Secondly, based on further analysis of those that were “Indifferent,” an overwhelming number noted the need and support for such an association, but raised some points of caution and consideration. McNair, therefore, conducted a cross section analysis on those organizations that indicated “Indifference” in the survey and discovered that the dominant reason for many voting this way was due to questions around what the eventual purpose, mandate and objectives would be. The sector understands its needs and would see benefit in having a voice, but a good number of organizations need to be further engaged around what the potential purpose and actions of such an organization could be.

Examples of what we heard from the “Indifferent” respondents in terms of deliverables and support for some type of provincial association include: capacity, awareness, collaboration, common voice, networking, sharing best practices, knowledge transfer, volunteer recruitment, advocacy, board capacity and awareness. The following mix of quotes from the Online Survey capture some of these points:

- “Heightened awareness of the need for development of quality volunteers”.
- “The opportunity to collaborate”.
- “Hopefully it could be a united voice for the association. A provider of information and education. An organization where we can learn from each other. Provide liaison with senior governments”.
- “Collaboration on raising our value for our constituencies”.
- “Stronger voice to share issues and successes”.
- “I have found the most valuable thing is the informal networking that takes place which results in the sharing of funding and granting opportunities”.
- “Good ideas for recruitment”.
- “We are a very small organization, we could benefit from a larger organizations experience”.
- “Advocacy for small agencies to the provincial government as to who we are, what we do, and what our needs are - also education and information for us”.

- "I'm unsure. It would all depend on what the Network is for and what its goals are going to be for the non-profit sector. I do believe though that there is a need for something to be in place for the non-profit sector in Saskatchewan"
- "Sharing of best practices/knowledge/resource sharing".
- "This may be a positive idea, but I am not sure...depends on how it is organized...if it could translate into better funding and capacity, that would be good".
- "It always helps to know other people who are in the same business and to know what they are doing that may enhance what we are doing and assist our clients. For me, the mentorship and fellowship with other Executive Directors is the value".
- "Awareness of range of services offered throughout the province; networking with a view toward coordinated service delivery for clients; potentially increased lobbying and advocacy resources".

What about the "Yes" Vote?

As mentioned above, a solid percentage (41%) of the survey respondents indicated a "Yes" in terms of supporting a provincial organization. And upon further review, there were no distinguishing differences from the "Yes" respondents. This group represented all regions, had organizations from multiple sector sub-types, represented different budget and staff sizes, and had varying mandates. The following quotes listed below provide a good summary and snapshot of the main ideas presented by the survey respondents.

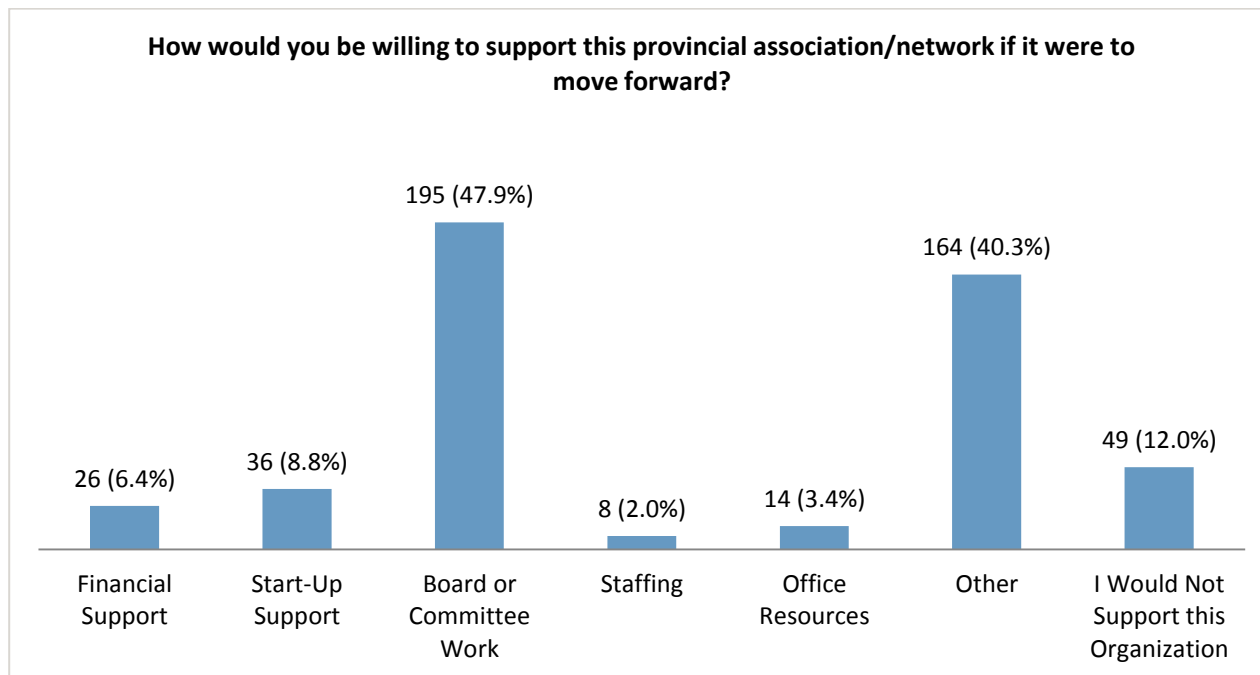
- "Networking, sharing information and resources, mentoring."
- "A network would provide for greater advocacy."
- "There is strength in numbers... The value of the word of many is greater than the value of the word of one."
- "There hopefully would be a development of strategies and resources to enhance and support the nonprofit sector. It would encourage collaboration and coordination among the sector and outside the sector. As well through advocacy, research and capacity building add credibility to the nonprofit sector."
- "Although we are a part of a national organization who advocates for us, I believe that there are issues that are specific to Saskatchewan. I would like to see an association or network that will have knowledgeable people about Saskatchewan issues and trends."
- "Shared policy, legal and financial resources so that we aren't always re-inventing the wheel."
- "There may be best practices from other sectors that would enhance our operations. Being part of this broader group of organizations could help all sectors develop best practices based on other sectors."
- "A provincial Association is long overdue for SK. We need to build community and government awareness as a group about the wide range of essential and valued services that we provide. We can set standards for CBO's and generally assist with all levels of support needed to run a CBO."

Non-Profit Sector Support

The survey also revealed that out of all of the 545 respondents, approximately 65.7% confirmed some level of willingness to provide support to a provincial network or association if it were to

proceed. There were 407 that answered this question, with 49 indicating no willingness to support. A further 138 skipped this question.

This question also allowed respondents to choose several areas that they would be willing to provide support, which explains why of the 407 respondents, the total amount is 492. There were simply many respondents that chose more than one area of support that they were willing to give.



It is important to note that in this instance, when directly asked whether they would support this organization or not, only 49 of the 545 respondents (12%) answered that they “would not support this organization.” The majority of support would come from either Board or Committee type work combined with a modest indication of support for start-up.

It is also worth noting that even though the indication of financial support, staffing, and office resources was low, this does represent a good starting point for any organization or network to get established. And for those that indicated “Other”, they were predominantly unsure of how to support and would require greater information. It is also unclear and undetermined why 138 respondents chose to skip this question.

Non-Profit Sector Leadership Support

Through discussions with some of the major stakeholders in the Saskatchewan non-profit sector, there appeared to be both strong support and some *cautious optimism* towards the formation and viability of this sort of association.

Some of the main benefits to forming such an organization, as outlined by the sector leaders, include the following:

- Allowing the sector to have a *common voice* to the communities, businesses and governments in the province;

- Building capacity to address the large, important issues that the sector faces every day, with a ground-swell of support;
- Having the ability to influence public opinion of the sector through provincial marketing campaigns to influence the current reputation of the sector;
- Running provincial recruitment campaigns to draw volunteers and resources into the sector;

However, along with these benefits there were also some words of caution that were brought forth by these stakeholders. The most common include the following:

- Ensuring that all of the sub-sectors within the nonprofit sector do not lose their individual voice. There are many sub-sectors within the sector that are all very different and as such, while some issues can be combined as *sector-wide issues*, there are other sub-sector specific issues that cannot and should not be overlooked.
- Ensuring that the new association does not pull resources, both financial and/or human, away from other sector organizations as they are already limited.
- Ensuring that the association has a clear agenda, outcomes and timelines and is seen as being transparent throughout the province to ensure the sector buys in and provides support to the association.

Therefore, although there are some demonstrated benefits to having an association like this there are also some significant cautions that need to be respected in the formation of such an organization.

National Sector Leadership Input

Through discussions with several of the national non-profit sector partners and stakeholders across Canada, there was a clear indication of support, optimism, thoughts on “lessons learned” from other provinces, and strong interest in supporting, contributing and learning from Saskatchewan as it moves forward on this project.

One interviewee had noted that they were “excited to see this project move forward for Saskatchewan”. As noted, the only other similar model is in Ontario, and provinces could learn from them and Saskatchewan. Several others interviewed noted their excitement and felt it was long overdue for Saskatchewan. Several also were hoping that the process would be documented in order to share the experience and knowledge with the other provinces

One other interviewee noted that this concept “... makes more sense now for Saskatchewan” in light of the booming economy. The individual noted that it will be important to “build the relationship with government now” and clarify the role of the sector in a growing economy.

The main points of consideration and advice moving forward are outlined below:

- Sector-Driven – the demand for this type of network needs to come from, supported by, and defined by the sector itself (at a provincial level) for it to be credible and effective.
- Autonomous – a network of this type and purpose needs to be able to operate separately from government in order to be sustained long-term.

- Collaborative – in order for this type of association to be representative of the interests of the sector as a whole, it will need to take on a collaborative model and ensure involvement of sub-sectors (“do not forget about smaller organizations and those in rural and remote areas”).
- Responsive/Inclusive – this association will need to have engaged members from the beginning. Make sure members know that their input matters and is considered. Make it clear how they will be able to provide feedback.
- Government relationship – build relationship with government through policy. Work together to address a problem. Have a main point of contact within provincial government. Must also develop relationship with municipal governments.

As well, in terms of mistakes to avoid and be aware of, the following was provided:

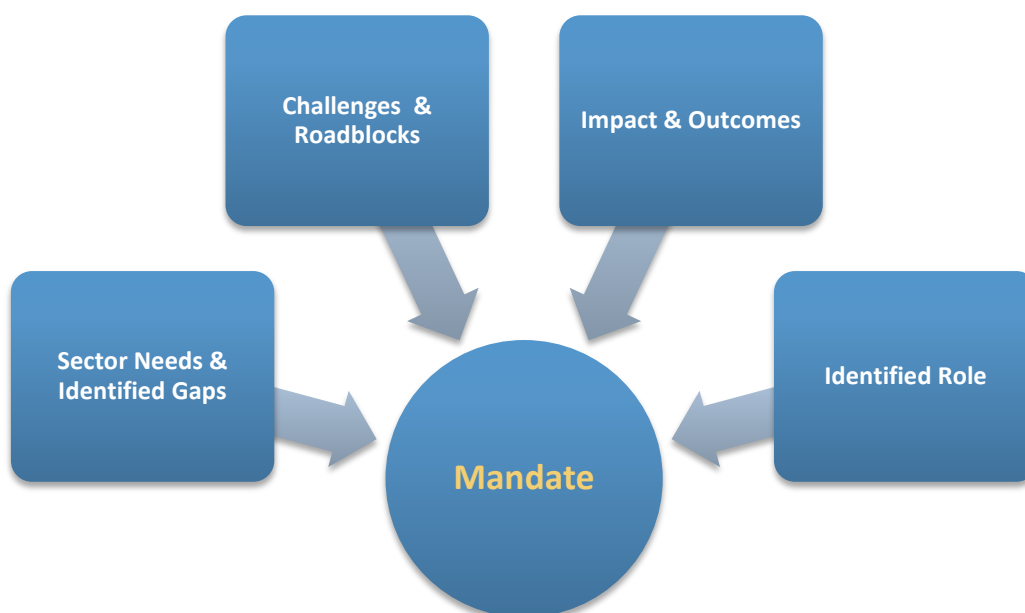
- Ensure broad representation and engagement has been reached before proceeding too far with the establishment of a provincial body and mandate – failure to represent and speak with small organizations and those in rural areas could be detrimental. Without good representation and broad support, the network may lose credibility over time.
- Be mindful that this initiative is not Government-initiated and led. Sustainability and credibility within the sector requires it be led by the sector.
- One key failure experienced from other provinces was the mistake of not securing long-term and committed resources, direct support, and capacity from the beginning.
- Avoid the mistake of failing to consult and engage with existing umbrella organizations in the sector. This consultation effort will help with avoiding duplication of effort, resources, and cross-purpose mandates. The concern around duplication of effort and using limited resources effectively can be addressed through this type of dialogue.

C. Purpose, Mandate & Sector Needs

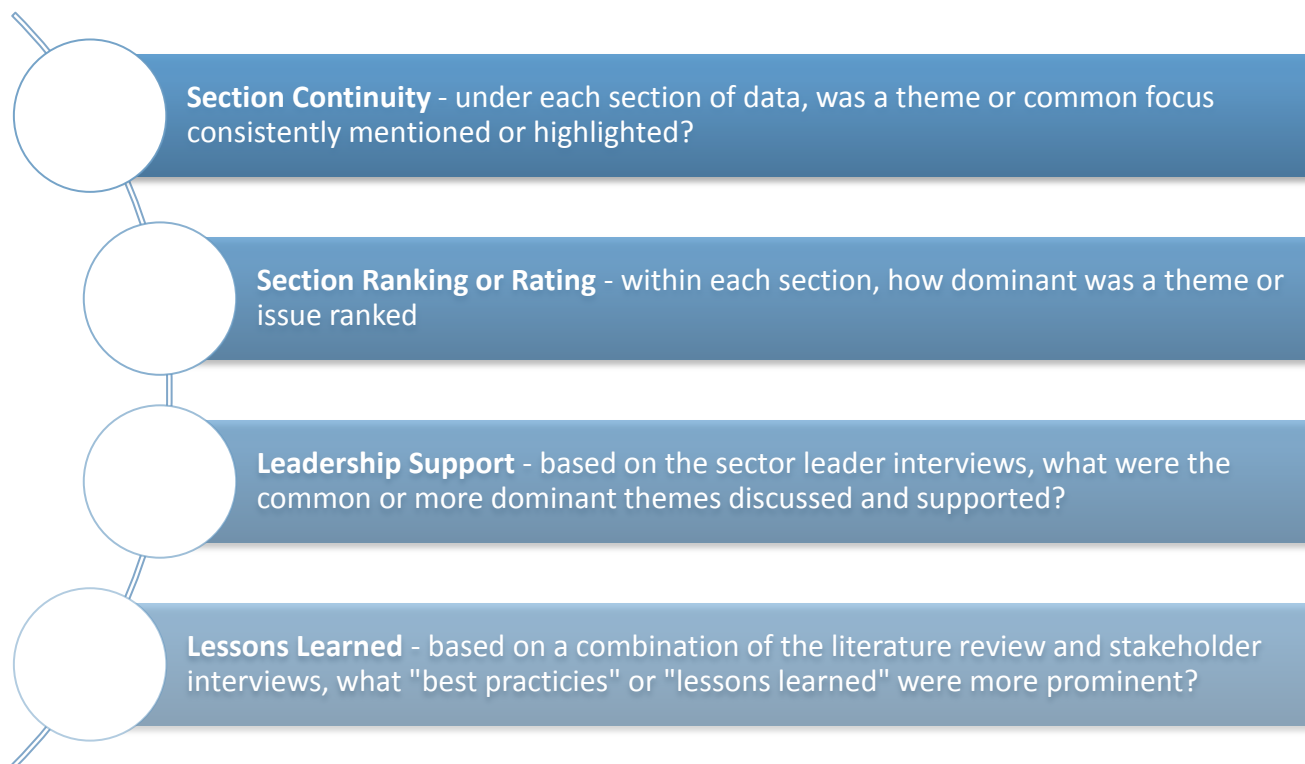
The approach taken in determining the purpose and mandate for a possible non-profit sector network or association was to combine the findings from the literature review, stakeholder interviews and the online survey. Based on all data collected, there was a definite need communicated from the sector and its leaders, as well as some common areas to define the purpose and mandate. When compared with recent research and studies completed across Canada, and through interviews with sector leaders within Saskatchewan and other jurisdictions, the sector needs and challenges are incredibly common.

In trying to scope out, synthesize, and determine an actual mandate and purpose, however, McNair deployed the following two-step methodology:

- a. Sort and organize all data under four common themes (as outlined below). The groupings used included: 1) the identified challenges from the sector; 2) highlighted gaps the sector believes exist; 3) outline an indication of the outcomes and impact the sector wants to achieve; and, 4) articulate and clarify what role the sector believes is the most beneficial.



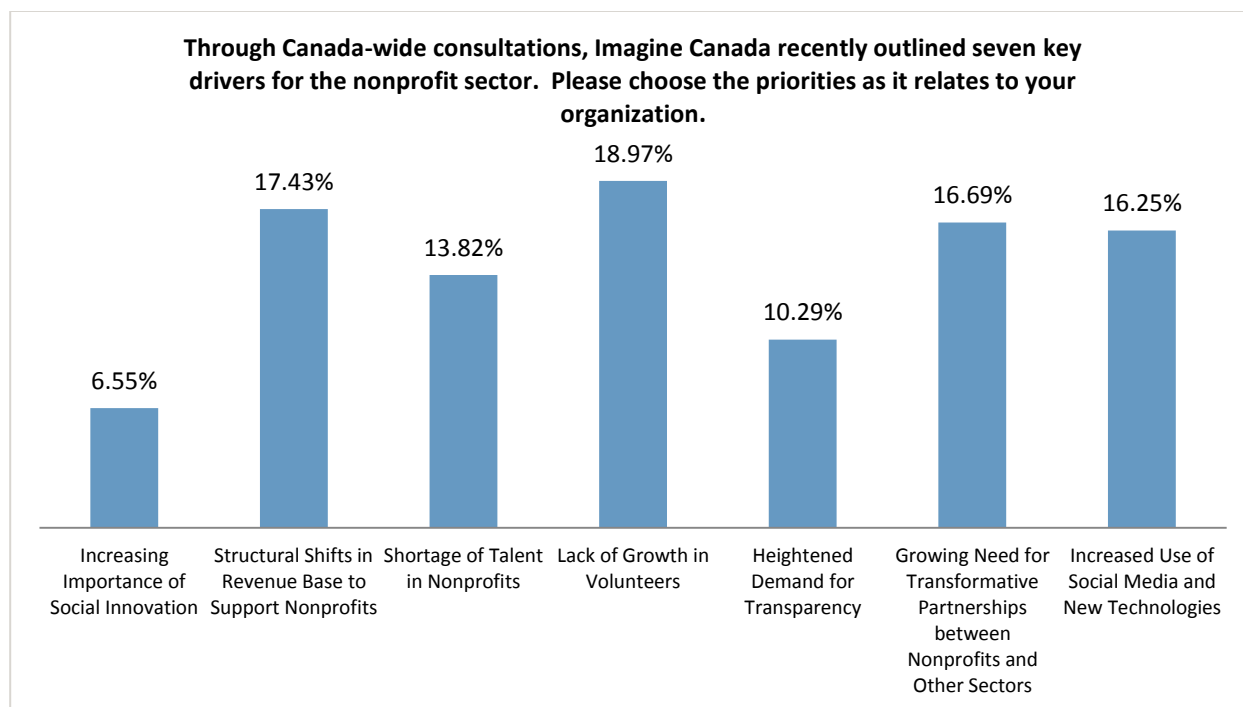
b. Analyze and filter all data using the following criteria set:



Sector Needs & Identified Gaps

In the survey, respondents were asked to choose which of the seven priorities – outlined by Imagine Canada – related best to their organization. As demonstrated in the bar chart below, the most common issue that was chosen was “Lack of Growth in Volunteers.” This was followed closely by “Structural Shifts in Revenue Base to Support Nonprofits,” “Growing Need for Transformative Partnerships...” and “Increased Use of Social Media and New Technologies.”

As these were identified by the Saskatchewan nonprofit sector as being priority issues that they are dealing with right now, they could potentially pose as some of the issues that the proposed association could tackle on behalf of the sector.



Challenges & Roadblocks

When asked in the Online Survey what challenges their organization faced in attempting to fulfill its mandate, the number one issue was “Obtaining external sources of funding and/or revenue”. Of those surveyed, 42.3% indicated this as their number one challenge.

In the question, respondents were asked to rate, in order of importance, which challenges their organization faced on a day-to-day basis. The challenges were ranked in the following order:

- Obtaining External Sources of Funding and/or Revenue – 42.3% ranked this area as their number one challenge, 24.2% ranked it as their number two;
- Planning for the Future – 18.1% ranked this as their number one and 18.9% as their number two issue.
- Recruiting & Retaining Volunteers – 15.2% ranked this as their number one and 20.8% as their number two.

The bottom three challenges in order of priority were:

- Board Member Recruitment
- Staff Recruitment & Retention
- Reporting & Accountability

The list above of potential challenges within an organization was adopted from other surveys conducted in the survey. Additional predominant challenges and issues highlighted from the survey respondents include:

- Difficulty attaining longer-term contracts,
- Offering competitive wages,

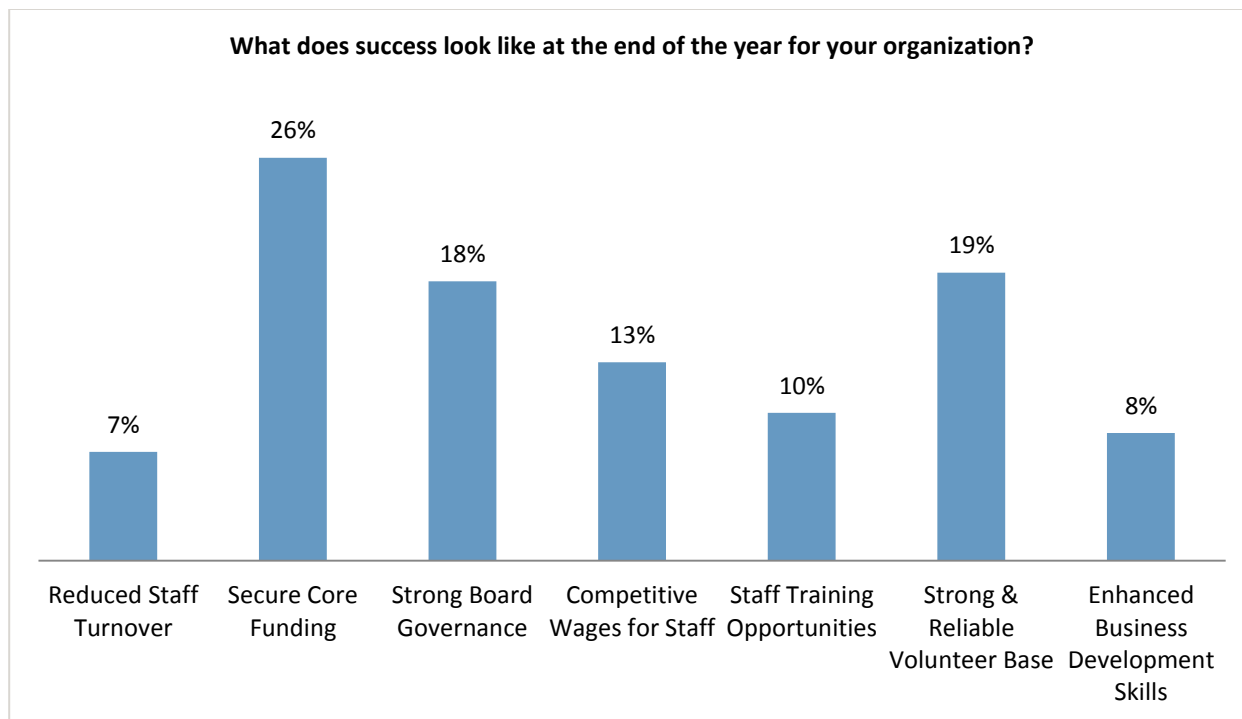
- Immigration as it imposes language and cultural barriers on new and existing staff,
- Succession planning both at the professional and volunteer levels,
- The changing political climate both federally and provincially, as it appears to focus more on business/economics and less on non-profit/societal impacts,
- Working with and creating partnerships,
- Affording the specialized training for volunteers and staff required to stay competitive,
- The changes that are occurring in social demographics (i.e. the aging baby boomers and the new up-and-coming workforce),
- Lack of infrastructure and/or decline of current infrastructure,
- Organizational capacity building to ensure stability during this period of on-going significant growth and change,
- Student recruitment and retention,
- Membership engagement, and
- Communications, promotion, public awareness and advocacy for the sector.

This list also offers several areas that the association could focus on when it's starting up in order to ensure it is meeting the needs of the nonprofit sector in Saskatchewan.

Impact & Outcomes

Another strategy used in the survey and interviews was to have the sector focus on success indicators or improved outcomes and impact. The purpose of this approach was to identify what success would look like and possibly delineate a more helpful and productive mandate if a sector association were to be established.

Question 12 of the survey asked respondents to identify "What does success look like at the end of the year for your organization?" The list of outcomes chosen was borrowed from an Imagine Canada survey conducted nation-wide. The following chart outlines those findings:



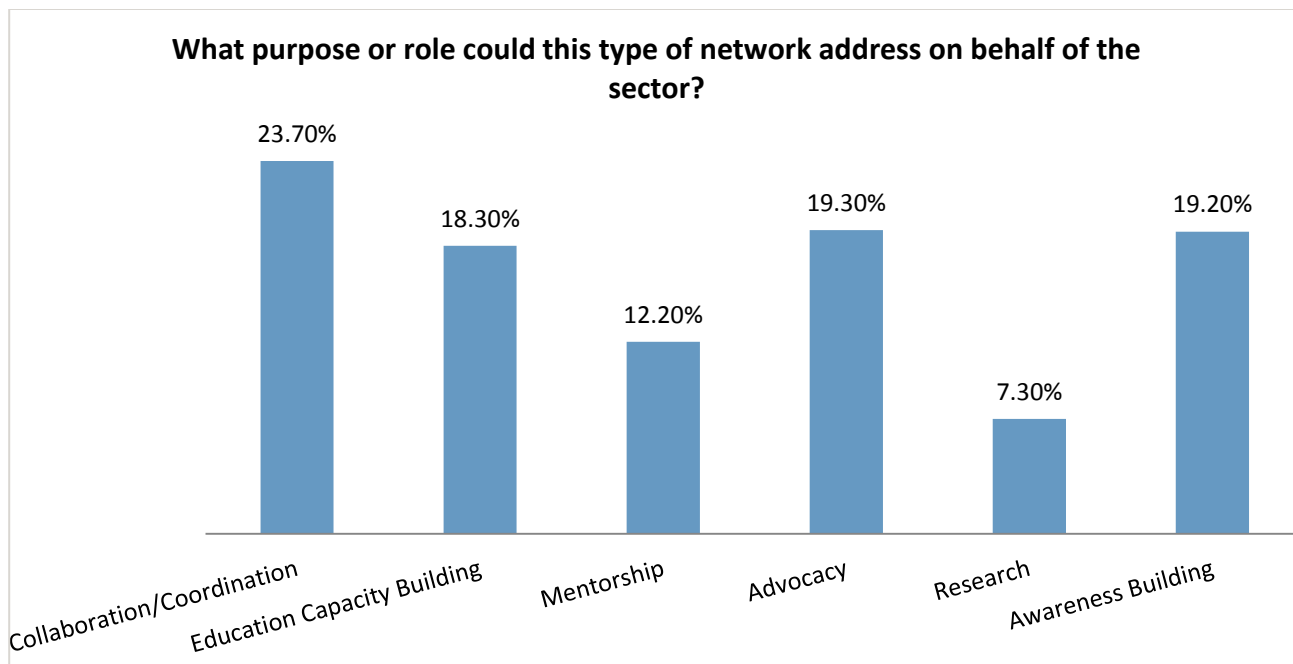
Based on the chart, the number one success factor is Securing Core Funding with 26% of the respondents answering with that choice. That is followed closely with having a Strong & Reliable Volunteer Base (19%) and Strong Board Governance (18%). These three areas play a significant part in the annual operation of nonprofit sector organizations, and there are likely some ways that the proposed nonprofit organization could aid in this area.

The survey also gave respondents an opportunity to provide other feedback of their success factors. Some of those responses include:

- Collaboration with other similar non-profit organizations,
- Strong membership engagement,
- Offering effective services and programs,
- Strong support from City Council,
- Accomplishing strategic direction,
- Opportunities to have staff attend regular training applicable to their job,
- Multi-year funding partnerships with public and private organizations to provide staff positions that are critical to providing consistent and quality programming,
- A strong board that actively participates in securing core funding for the organization,
- Newer and younger staff with energy to create programs and see them through,
- The capacity to pay more competitive wages,

Identified Role

In the online survey, respondents were asked to choose which of the following six functions would be the most beneficial for their organization: Collaboration/Coordination, Education Capacity Building, Mentorship, Advocacy, Research or Awareness Building. The results are presented in the following bar chart:



Based on the data in the chart, it is evident that the majority of the respondents would look for assistance in Collaboration and Coordination within the provincial sector. However, not far behind were the ideas of Education Capacity Building, Advocacy and Awareness Building for the sector.

Additional input from the survey includes:

- A network that facilitates communication and connection between various agencies, levels of government, community leaders and service providers,
- Strong voice of sector and increased support from government on charitable tax benefits,
- Assistance in providing information/awareness to the community about the value of the not-profit sector and assistance in discussions with government,
- Greater opportunities for networking, for collaboration, for shared expertise in areas such as human resources, law, speech-language pathology, etc.; employee group insurance plans, shared purchasing power,
- A place for new non-profit staff to go to ask questions about operations and procedures.
- Statistical analyses, communication, and identification of more opportunities for partnerships,
- Larger voice for the organization and sector,
- Training seminars directed towards management of non-profits.

It's also important to note that many survey respondents were hesitant whether this association would provide a benefit to their nonprofit association or not.

Purpose & Role Identified by Sector Leadership

Based on discussions with stakeholders from across Saskatchewan and in other jurisdictions, similar suggestions for a purpose or mandate for the association were brought forth. The common ideas include:

- Addressing sustainable resourcing and core funding;

- Improve and be involved with Government policy;
- Support human resource development (e.g. volunteers and staff turnover);
- Create opportunities for capacity development;
- Provide a voice for the sector's common interests;
- Assist in interpreting the ever-changing policy landscape;
- Assist new nonprofits in establishing themselves; and
- Identify opportunities for resource sharing, where appropriate.

Stakeholders and sector leaders also offered the following additional advice regarding the proposed association or network:

- This association should focus on only two or three areas and communicate them to the sector to build credibility, a relationship and develop trust;
- The association should remain autonomous from levels of government, sustainable, action-oriented for and accountable to members, and consultative with the sector;
- The association will be best served if it is truly representative of the entire sector – and not just certain members. Always keep in mind to focus on the sector as a whole and address sector-wide issues. This advice also suggests that the mandate of such an association should not take on or over the mandate of specific organizations.
- Moving forward, it will be important to ensure that any organization that wants to be involved and provide input has a healthy opportunity to do so. This advice does not mean that everyone needs to sit “at the table,” but there should be various methods of input for those who do not sit at the table.

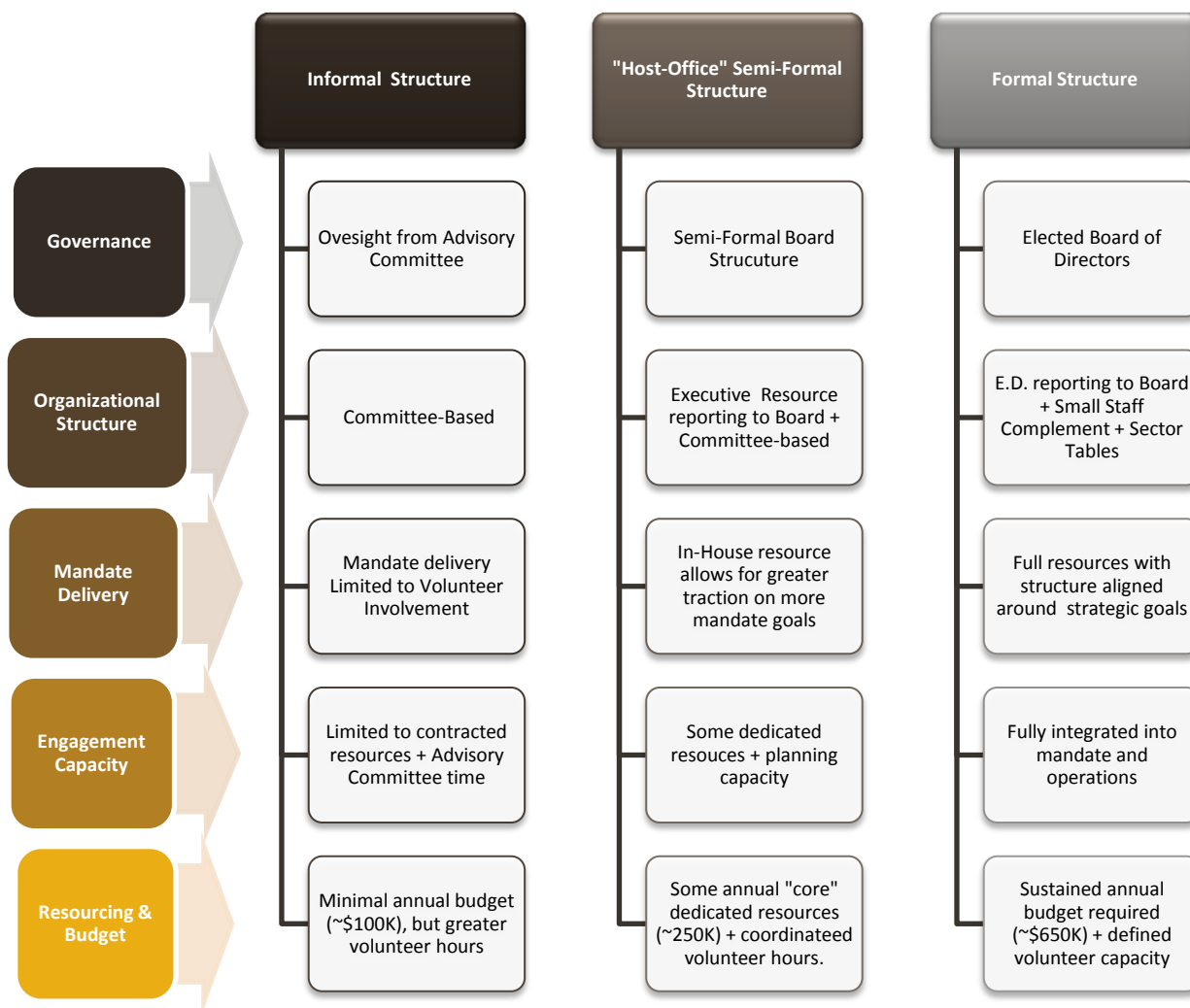
D. Organizational Structure & Governance “Options”

Form should follow function. And with having established first the need and demand as well as the possible function or purpose of the organization, the next task is to outline possible “forms” or organizational structures to consider.

This section presents an outline and high-level assessment of different organizational models to be considered and further explored. Based on interviews with sector leaders combined with the literature review conducted, these organizational models outlined below were the most dominant and relevant options worth exploring.

Organizational & Management Structure Options

There are generally three options proposed for the “Organizational & Management Structure” of a network or association (at least at this stage of development). These options are described in more detail in this section, and include:



Assessment of Structure Options

Informal Structure

An informal structure would operate similar to how things are operating right now. It would consist of a representative group of people who come together to work on the issues, but that do not formally operate under an association's name or as an organization. All of the resourcing would be either volunteer-based from those on the informal committee or brought in on an ad hoc basis (e.g. contracted resources). Under this model/option, there is no formal dedicated office space or employees.

The pros and cons of such a continued approach include:

- + Cost efficient as there are minimal expenses;
- + Represents a good “starting point” for the sector; and
- + Not completely resource-limited, as this approach still allows for contracted resources to be brought in to address certain ad hoc projects and sector engagement;
- Lacks a “name” or corporate brand for the entity, which may impact its level of acceptance or credibility with the sector and levels of government;
- Would struggle with full sector representation and engagement planning because of scarce and consistent resources;
- With limited dedicated resources, momentum would be a challenge;
- Priority projects would take longer to accomplish, and have the inherent risk of not being completed as planned or completed at all;
- Is difficult to get actions accomplished;
- More of a long-term roadmap.

“Host Office” Semi-Formal Structure

The “host office” structure would include the more formalized development of an office or space that is embedded and physically located within another existing non-profit organization that is viewed by the sector as being neutral. While the details of such a possible arrangement would need to be further articulated, generally, this model includes the following pros and cons:

- + A “host office” approach would create several opportunities for cost sharing through administration, office space, etc.
- + Allows for the more focussed development of sector awareness, relationships, credibility, corporate brand, resources and office front.
- + Is a logical “next step” to help develop vision, mission and mandate of the association;
- + Allows for resourcing to be received;
- + Creates an early opportunity to engage sector before a more formal office and separate legal entity is established;
- Would still have minimal resources;
- Hiring of multiple staff may be restricted;
- Challenged to find a “neutral” organization to act as the “host office”.

Formal Structure

The formal structure option would be a registered association and separate entity.

- + Ability to hire multiple staff and operate out of its own office space;
- + Ability to receive resourcing and financial support;
- + Be taken more seriously by levels of Government.

- Is more costly for start-up, especially in the early stages when resources have not yet been secured and committed.
- May not be as well received by sector if full engagement hasn't been reached.
- Premature given that the purpose and mandate have not yet been determined.
- Given the "cautious" note received from some sector leaders, potential support may not come to fruition.

McNair is not outlining any recommendations in this regard, as it is premature given the life stage of the organization and the priority around start-up and development. However, as the organization progresses in terms of development, formation, and management structure, it should turn its attention towards addressing these questions when deciding on the best final structure for the Saskatchewan association.

Resourcing & Funding Considerations

Moving forward, a critical question that will arise concerning this initiative will be around resourcing and funding. And time and time again, respondents and those interviewed begged the question "How would this be financed". This seemingly simple and straightforward question, however, underlines some key issues: a) whether a project goes forward or not; b) how fast an initiative can be advanced; and c) will it be sustainable past year one.

While an answer to this challenge is never straightforward or easy, findings have been encouraging and represent a good starting point for an association or network to establish itself.

- During the one-on-one provincial "sector leader" interviews, a few key organizations expressed an interest and willingness to provide resourcing in the form of direct funding and office/staffing capacity.
- Another prominent sector organization had further noted their interest in resourcing a "sector engagement" strategy or process.
- As well, 26 separate organizations in the Online Survey indicated a willingness to provide financial support in one form or another.
- The survey also revealed that out of all of the 545 respondents, approximately 65.7% confirmed a willingness to provide a range of supports from start-up, office resources, staffing, membership fees, and/or Board/Committee work.

Recommendations

Based on the findings from both provincial and national stakeholders, as well as discussions with the sector and the results from the online survey, McNair proposes the following recommendations:

1. Actively proceed with establishing a new provincial association or network that would represent the issues, concerns, and aspirations of the Saskatchewan non-profit sector. With respect to sector support for establishing a provincial network or representative association of some type, there was a clear “need” identified by the sector as well as a strong level of support and willingness to support
2. In proceeding with the set-up of such an organization, the Steering Committee needs to ensure committed resourcing and plans are in place regarding a sector engagement strategy.
 - a. Hosting of the currently planned Non-Profit Sector Summit in November of 2012 will be a strong first step in terms of hearing from the sector directly and allowing for dialogue around form and function and level of support.
 - b. Continue meeting and developing a dialogue with the pre-existing non-profit Provincial Associations and Networks to ensure ownership, strong buy-in and identity areas and degrees of support (financial and otherwise);
 - c. Ensure rural, remote and small community based organizations have a reasonable and fair opportunity to participate and be involved; and
 - d. Regarding sector engagement, this type of focus will need to be embedded within the eventual mandate and purpose of a new association.
3. In terms of outlining and defining a function and purpose for such a provincial association, McNair recommends that the sector (during the fall Summit) be involved and participate in animating and articulating an eventual vision, mission, mandate statement, and goals. And in lead-up to the Summit, McNair further recommends that the following “broad high-level” mandate statement and goals be outlined:
 - a. Proposed Purpose/Mandate Statement and Focus:
 - i. Be the representative and common voice of the non-profit sector;
 - ii. Act as a collaborative mechanism for the sector.
 - b. Possible goals:
 - i. Build a positive relationship of influence and policy development with levels of government;
 - ii. Create and facilitate opportunities for education and capacity-building;
 - iii. Develop tangible services that facilitate opportunities around networking, collaboration, and partnerships for the sector.
 - iv. Build and promote the value and appreciation of the sector (research, advocacy, and awareness-building).

Proposed Implementation Roadmap

Below is a high-level critical path that outlines the key steps that should be completed leading up to opening the doors of a provincial network or association:

	November 2012	December 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
Sector Summit							
Finalize Mandate/Purpose							
Review Governance							
Secure Initial Financing							
Formalize Goals & Business Plan							
Secure Office Space							
Hire an Executive Director/CEO							
Sector Engagement Strategy							
Membership							

The **sector summit** will be an ideal opportunity to gauge interest from people who work in the sector. It can also be used as a “brainstorming session” to better understand the needs and demands of the sector, ultimately leading to the finalization of the mandate/purpose for the association. After the summit, the feedback and findings should be reviewed in order to decide on the **mandate/purpose**.

Throughout the first quarter of 2013, the Steering Committee focus should be dedicated to securing initial and long-term funding as well as outlining a **formal business plan** for the association (based on feedback from the Summit). This will formalize and finalize the details of the organization such as resources, funding, governance structure, membership structure, etc.

Steps can then be taken towards **hiring an Executive Director/CEO**, and look for **office space**. By the end of Q4 2013 these steps should be completed, along with **having formalized more of an sector engagement strategy**.

Of course all of these dates and tasks may change once more formal planning has begun, but this provides a good snapshot and overview of what the next year and a half will look like as it leads up to beginning operations in Saskatchewan.

Appendices

A. Main Sources

B. Online Survey Tool

C. Survey Data

D. Stakeholder Interview Data