

Regional Social Services Sector Demographics and Trends

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theromegroup

11 Years of Nonprofit Surveys

- 317 respondents in 2012-2013
- 183 social service respondents
 - 39% have \$3+ million budgets
 - 32% have \$1-3 million budgets
 - 29% have >\$1 million budgets



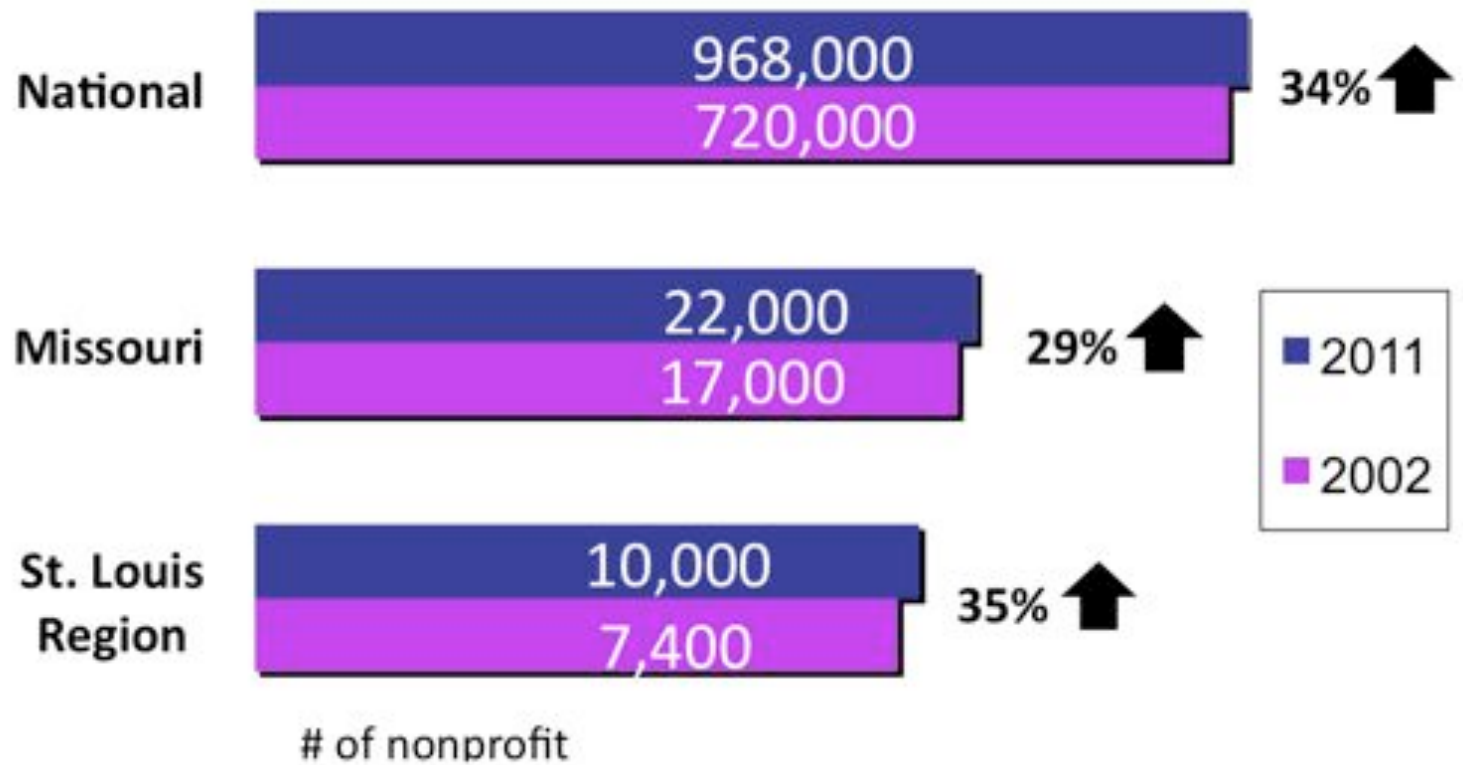
What We Have Learned

1. Competition for charitable dollars is fierce.
2. Demand for services is rising faster than nonprofits' ability to respond.
3. Traditional funding sources are waning.
4. Many organizations are living on the edge.
5. Organizations asked to do things for which they have neither the tools nor the training.
6. More emphasis on collaboration, outcomes measurement and leadership development.



Competition is fierce

... and everyone wants more resources



Things are looking better

- 52% social service agencies met their 2012 fundraising goal
- 64% raised more money than in 2011.
- 62 % expect 2013 to be even better.



Demand for services is up

Keeping up with demand is agencies' #1 challenge

- 85% experienced greater demand
 - 20% saw increases of 25% or more
 - 41% saw increases of 10-24%
- Only 52% percent could keep up with demand

***This is a trend that is
not sustainable over the long term.***



Traditional Funding Sources Are Waning

- Government funding = 65% of human services' total revenue
- 60% of agencies rely on government as their primary funder
- Government cutbacks/sequester
 - \$1.5 million from Meals on Wheels
 - 190 fewer Head Start slots

***Too much reliance on government funding
among top two challenges facing
social service agencies***



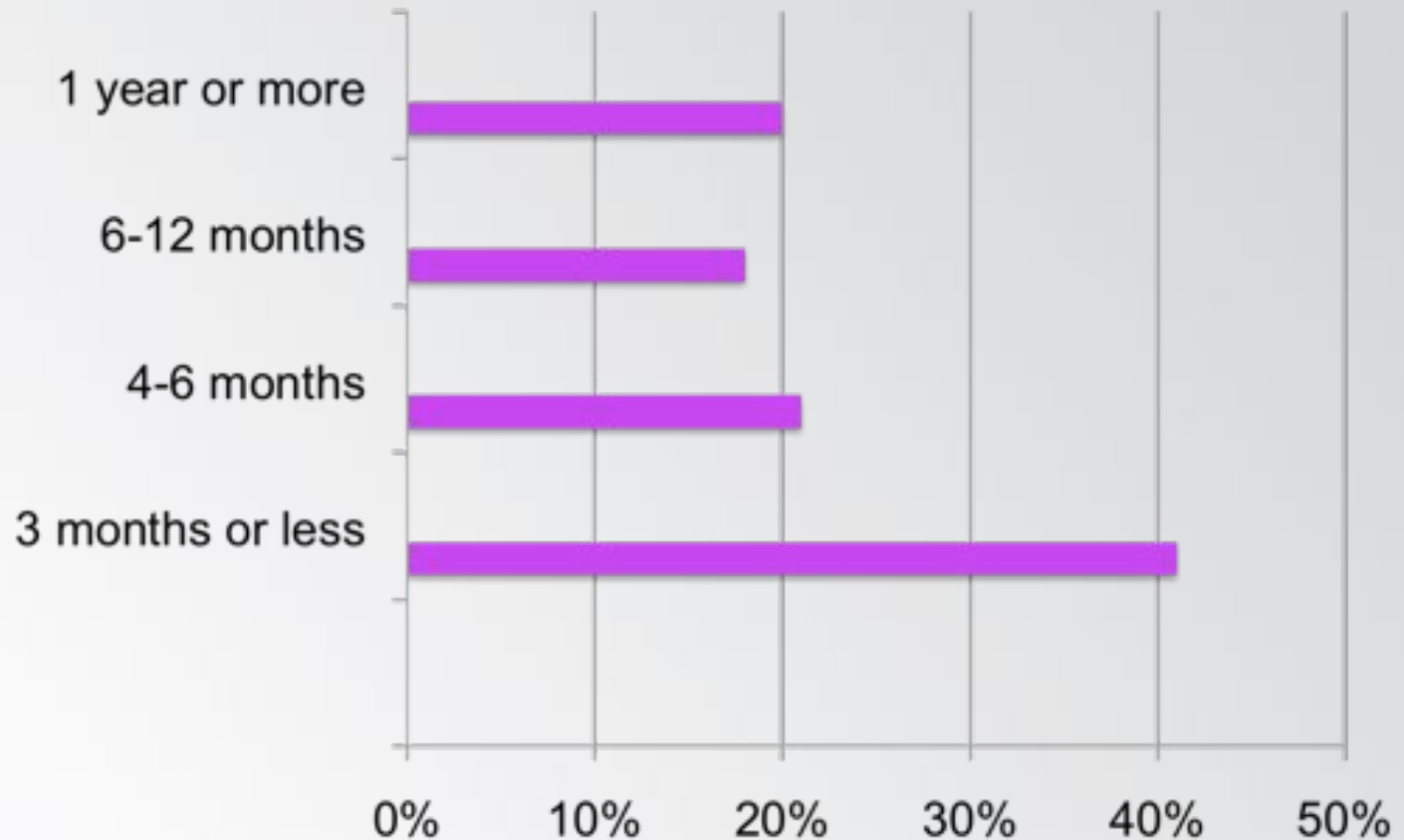
Traditional Funding Sources Are Waning

- Corporations emphasizing in-kind and volunteer support
- Foundations/individual donors more selective
- Special events and direct mail produce less



Living on the Edge

Amount of Reserves on Hand



More is required

- Marketing & Communications
 - 55% need new ways to communicate who they are and what they do
 - 31% lack the resources to do anything
- Technology
 - 30% need better technology and data collection processes.
 - They can't afford the hardware or software
 - They lack the expertise needed
- 60% don't do planned gifts
- 40% need a development plan



Future issues

- Leadership Development
 - 48% expect a leadership change within 5 years
 - Only 55% have a succession plan
 - Grantmakers reluctant to fund professional development
 - Few programs for lower level staff



Future issues

- Collaboration
 - 87% have collaborated
 - Program development (81%)
 - Lobbying (50%)
 - Marketing/Communications (37%)
 - Facilities (28%)



Effective collaboration takes time and must be nurtured, but organizations don't have the luxury of time



Future issues

Measurement & Evaluation

- One of the biggest factors that will affect the sector in the next five years
- 27% lack the resources to be effective

Again, it takes more time, money and expertise than most organizations have



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