



Evaluating the capacity building needs of Hamilton/Halton area nonprofits

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By

Krishian Camargo
Megan Devoe
Naisha Dharia
Megan Li
Lathusha Sritharan
Evan Gravely

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Executive Summary

The United Way of Halton & Hamilton (UWHH)'s ConnectEd program helps to build the capacity of local nonprofits to help them achieve their mission. However, since the pandemic, UWHH has received less feedback from organizations in their network about what their capacity building needs are, driving them to reach out to the McMaster Research Shop for help conducting a needs assessment. The McMaster Research Shop partnered with UWHH to help assess the post-pandemic needs of local nonprofits, including their organizational priorities, capacity building topics that would help them with their priorities, and the formats capacity building initiatives should take.

To collect data, we conducted an online survey with nonprofits in the region and summarized responses from 63 organization representatives. Our survey results indicate that finances were the overall highest priority area for local nonprofit organizations. Human resources were also a high priority, especially for larger organizations.

Relevant capacity building topics that could help organizations with their priorities varied. For funding and financial management, nonprofits were most interested in grant-writing, access to a database of funding opportunities, financial planning and sustainability, and fundraising trends and emerging practices. For human resources, nonprofits were interested in recruitment and retention of staff and volunteers, staff wellbeing, succession planning, and organizational policies for diversity, equity, and inclusion.

There was no major preference for the format that future capacity building initiatives could take, though there was a slight preference for online (63%) or in-person (60%) workshops/ training courses. Less than a third of respondents (27%) have participated in highly impactful capacity building activities in the past.

Overall, the results of this study highlight organizational challenges that nonprofits are currently facing and what capacity building topic areas/activities can help.

Introduction

United Way Halton & Hamilton (UWHH) is a nonprofit fundraising organization that aims to empower the local community. UWHH's ConnectED program works with nonprofit leadership and staff to enhance their knowledge and skills, thereby building organizational capacity and strengthening their impact. Examples of their programming include providing free professional development workshops, information sessions, and speakers series on topics relating to communications, equity/diversity/inclusion, human resources, and financial management. Historically, programming has been driven by direct feedback provided by their funded organizations and those who've registered through the ConnectED program. However, in the past two years, UWHH has been receiving less feedback from organizations both in terms of quantity and quality. Moreover, UWHH believes that community organizations' needs have changed in the last few years due to the impacts of an inflationary economy and a perceived human resources crisis in the nonprofit sector. They are looking for research to understand how the needs of nonprofit organizations in Hamilton and Halton have changed, and in turn what capacity building programming might help address these needs.

UWHH partnered with the McMaster Research Shop to address this knowledge gap. Our research was guided by the following questions:

1. What are the greatest organizational challenges for nonprofit organizations in Canada?
2. What kind of capacity building activities (knowledge sharing/education, resource sharing, skills training, etc.) would help address these challenges (i.e., are most needed) for Hamilton and Halton nonprofits?
3. What form of capacity building activities (e.g., in-depth workshops vs. short webinars) are most preferred by Hamilton and Halton nonprofit staff?

To answer these questions, we surveyed nonprofits in Halton and Hamilton. Our findings will be used by UWHH to inform their programs, services, and advocacy related to capacity building.

This plain language report outlines our methods, results, and a discussion of our findings.

Methods

We used a survey to collect data from nonprofits in the Hamilton and Halton region. We recruited participants online with support from UWPHH via emails and social media. We communicated that only one representative per organization should fill out the survey but consultation between colleagues was encouraged. The survey took participants approximately 15-30 minutes to complete. As an incentive, participants were also given the option to enter a draw to win 1 of 5 prizes. The survey was open from July 6 to 23, 2023. We received responses from 63 survey participants. Appendix A lists the exact survey questions that were posed to participants. Appendices B and C provide the demographic profiles of our respondents and their organizations.

We analyzed the survey results using descriptive statistics for quantitative questions and content analysis for qualitative questions.

For the descriptive statistics, we calculated the proportion that selected each option for multiple-choice questions. We also checked whether priority areas, organizational challenges, and preferred capacity building formats varied based on the size of the organization’s operating budget and number of staff. Table 1 lists the thresholds we used to define organization size.

Table 1: Organization Size Thresholds by Operating Budget and Number of Staff

Size	Annual Operating Budget	Number of Staff
Small	Under \$500,000	Under 20
Medium	\$500,000 - \$4,999,999	21-99
Large	\$5,000,000+	100+

For the analysis of qualitative questions, we used an iterative process to code the open-ended responses we received based on patterns, similarities, and relationships. Our codes assigned specific words to a portion of the data collected. We coded for frequency to understand what the most common capacity building challenges were for nonprofits in the Hamilton and Halton regions.

Limitations

Our survey was somewhat limited in its reach. The survey was only shared via email and social media, so it may have excluded those who are not on UWPHH’s mailing list or connected to the social media accounts it was promoted on. Moreover, because our survey was conducted online, there was limited ability for participants to clarify questions. In face-to-face or telephone surveys, respondents can ask clarifying questions. In an online survey, this type of interaction is absent, which may have led to the misinterpretation of some questions.

Additionally, some participants did not answer all the questions that were posed in the survey. Respondents may have experienced survey fatigue as our survey was quite

lengthy. In some cases, participants may not have had opinions or knowledge on the open-ended questions we posed to them. Some participants may have been constrained by time and chose to skip questions to complete the survey more quickly. All of these scenarios can lead to incomplete or skipped answers.

Section 1: Organizational Priorities and Challenges

Finances are the top priority for most organizations

59 of the 63 respondents shared how they would prioritize strategic / organizational development, human resources, finances, and technology in the upcoming year(s) (Figure 1). Finances were the top priority for most organizations in the upcoming year(s), whereas Technology was the lowest priority,

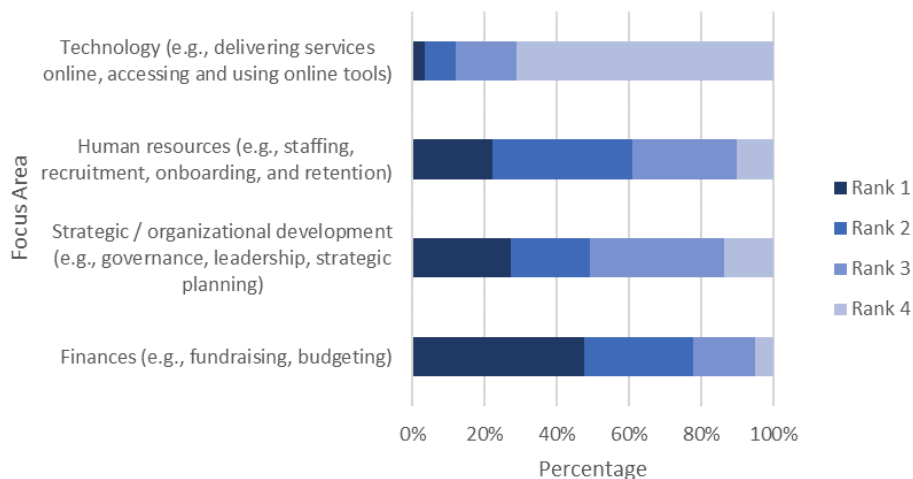


Figure 1. Organization Focus Areas for the Upcoming Year(s).

The priorities, however, change based on the size of the organization. For organizations with large operating budgets and staff sizes, human resources become the top priority rather than finances.

Fifty respondents elaborated on their rankings through open-ended comments (see Appendix D for the full breakdown of responses):

- **Finances** were viewed as the top priority for most organizations because they underpin the operations and sustainability of the organization. As one respondent noted: “Without multi-year, unrestricted funding, we cannot attract and hire talent, we cannot make strategic plans for the future, we cannot promise to our community that we will be there for them when they need us.”
- **Human resources** were also a high priority area because organizations faced challenges with staff recruitment, retention, and turnover.

- **Technology** was a lower priority area because some organizations felt they already had technology that addressed their needs. Some organizations also prioritized in-person services/engagement with clients.

Strategic challenges: Increasing demand for services and lack of non-profit awareness

Figure 2 shows the biggest strategic / organizational challenges organizations are currently facing (n = 63). Most organizations indicated an increasing demand for services (66.7%) and a lack of nonprofit awareness among the public/ potential donors (50.8%) as their biggest challenges.

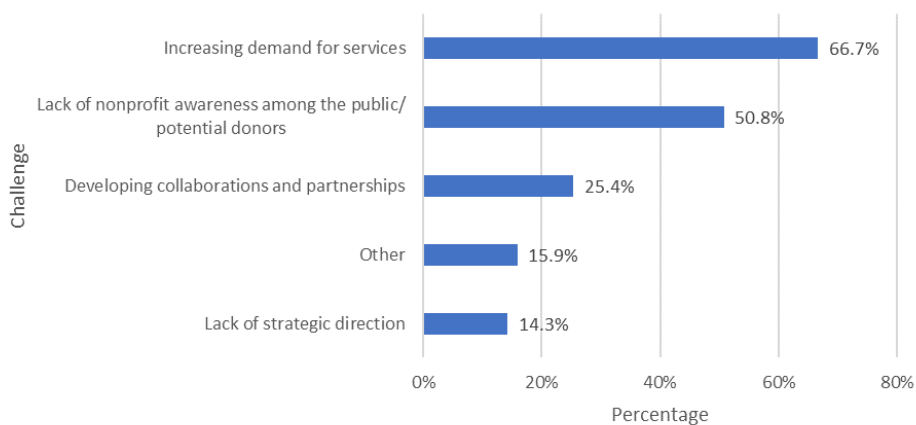


Figure 2. Biggest strategic / organizational challenges the organization is currently facing.

When grouped by operating budget and number of staff, larger organizations tended to identify service demand as their biggest challenge, while smaller organizations tended to identify lack of nonprofit awareness among the public/ potential donors as their biggest challenge.

We received 40 open-ended responses that elaborated on their strategic / organizational challenges:

- **Increasing demand for services:** Since the COVID-19 pandemic, organizations have observed that more people need their services. Needs were also seen as more urgent and complex, as one respondent noted, “I would highlight that it is not just increase in demand for services but rather increase in acute needs of families accessing our services since the pandemic. People waited longer to access service therefore having the concerns presenting being more complex, requiring intensive approaches to care that are limited in resources.”
- **Funding:** some organizations discussed how they lack the finances to meet the needs of their users. As one respondent noted, “we find ourselves having to quickly develop alternative ways to generate revenue, and having to determine

whether it is financially viable for us to continue to provide these critical supports to the community.”

- Staffing: certain organizations found it difficult to recruit volunteers and staff. Finances and services may also intersect with the issue of staffing. For example, one organization mentioned, “We lack the capacity to deliver broad advertising and/or public education campaigns and grants are often not large enough to cover necessary staffing and advertising costs.”

Human resource challenges: Low pay and staff burnout

When asked specifically about their human resources challenges, most organizations indicated low pay (60.3%), staff burnout / retention issues (57.1%), and difficulties recruiting talent (46.0%) as their biggest challenges (see Figure 3).

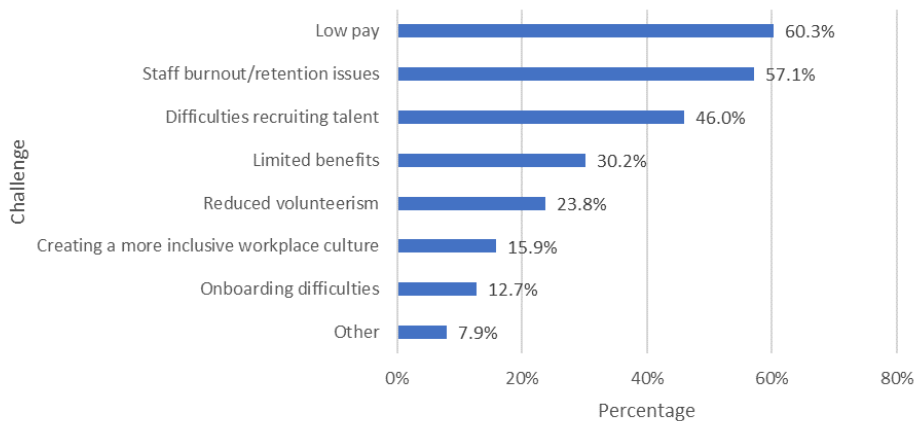


Figure 3. Biggest human resource challenges the organization is currently facing.

While these three factors were important regardless of the size of the organization, reduced volunteerism was also a major issue for organizations with small operating budgets (see Figure 4). Low pay was also much more of an issue for organizations with small staff sizes (see Figure 5).

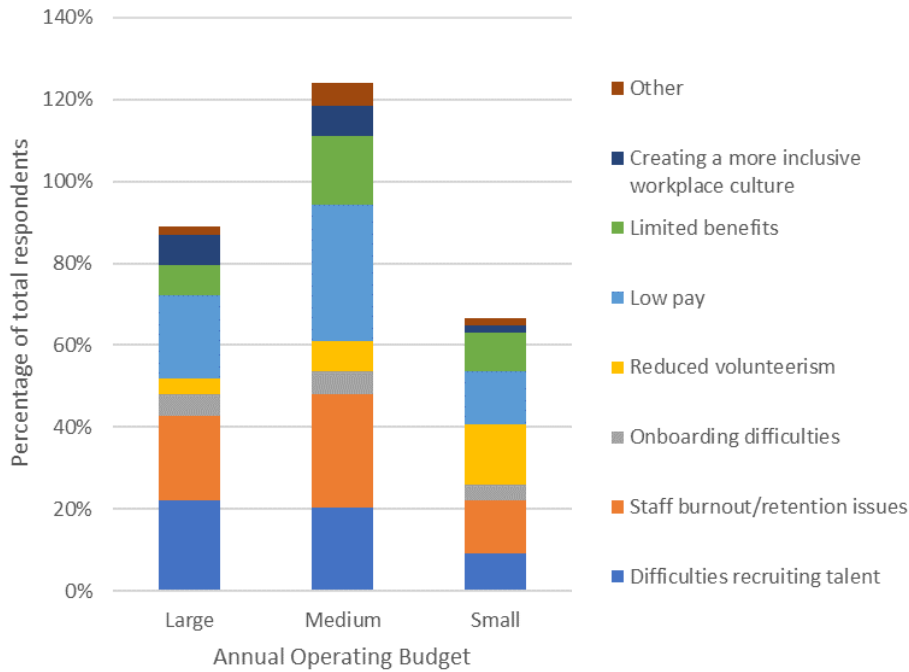


Figure 4. Biggest human resource challenges the organization is currently facing grouped by their annual operating budget size.

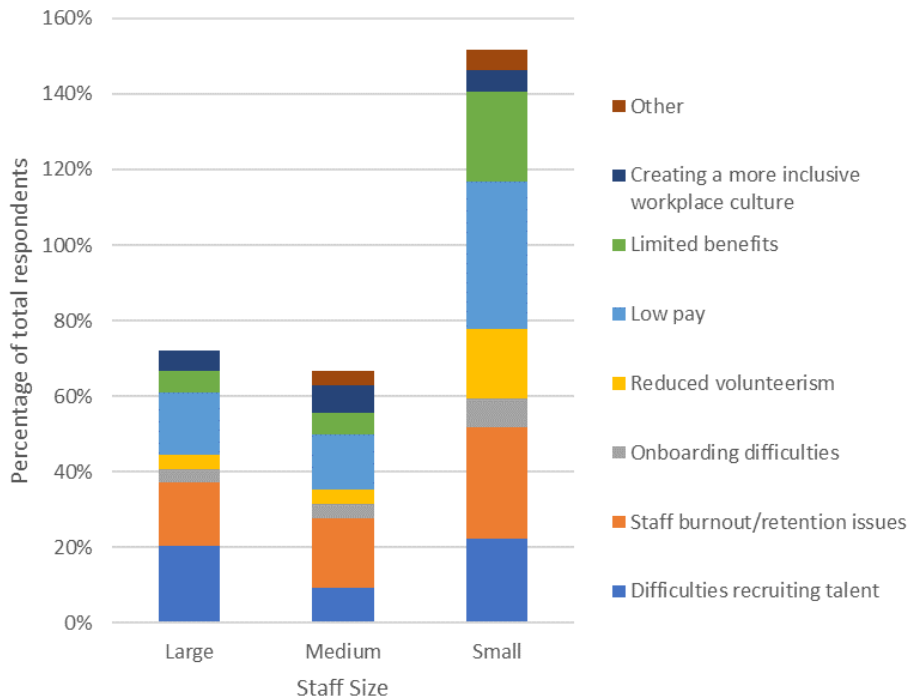


Figure 5. Biggest human resource challenges the organization is currently facing grouped by their staff size.

Unsurprisingly, when asking participants to elaborate on their human resource challenges, funding was a major issue. Without enough funding, organizations have found it difficult to offer competitive wages, leading to staff turnover and difficulties hiring new staff. As one participant noted, “Funding limitations [inhibit] our ability to compete with wages, impacting our recruitment and retention in a competitive employee driven marketplace.”

Financial challenges: Funding acquisition

When asked specifically about their financial challenges, most organizations indicated that difficulty acquiring funding (60.3%) is their biggest challenge (see Figure 6). This was true regardless of the size of the organization.

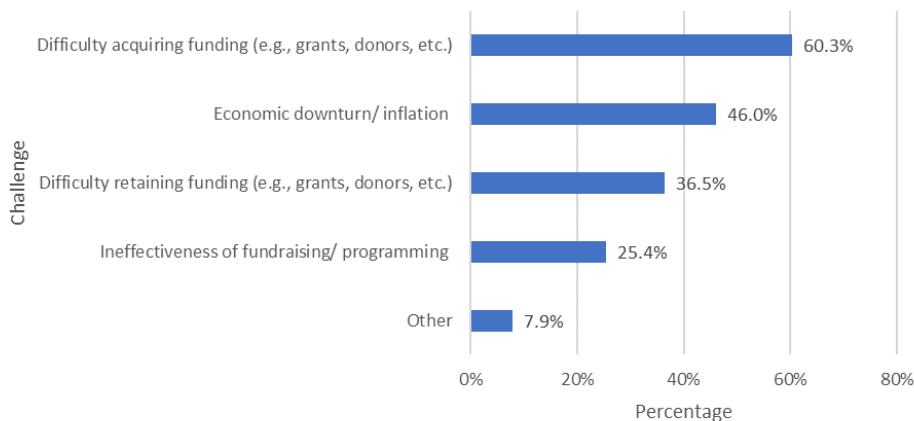


Figure 6. Biggest financial challenges the organization is currently facing.

When asked to elaborate, respondents highlighted the factors contributing to their financial challenges:

- **Economic factors:** Includes inflation, increased demand for services, supply chain issues, interest rate increases, and the rising costs of food, care, and gas. Three participants mentioned that their “base funding” has not increased to keep pace with rising costs.
- **Policy factors:** including reduced government funding and changes in government priorities. Notably, two participants mentioned challenges related to the Canada-Wide Early Learning and Child Care system, and one participant mentioned challenges related to Ontario Health Teams.
- **Organizational factors:** one participant felt that their organization is “significantly behind industry” because their organization “has not invested in fundraising prior to last year”. Other participants did not have the staff or capacity for an effective fundraising strategy, noting that funding applications are “labour intensive”.

- **COVID-19:** Two respondents discussed how they faced funding challenges since the pandemic, and a third participant received supports during the pandemic that they are now looking for new funding to replace.
- **Funding options.** Three participants found it more difficult to secure funding for operational costs compared to new projects. There were also issues related to grant-based funding for projects and programs. Four participants mentioned that securing funding involves matching funders’ preferences, but projects and programs do not always meet funders’ criteria. As one participant noted, an “increasing number [of] grantors/donors are becoming ‘cause specific’”. Grants are also time-limited, which negatively impacts organizations’ capacity to make long-term, sustainable plans. One participant noted that they “struggle with ... staff retention ... and reliable programming for clients as many time[s] programming is forced to change or end due to gran[t] ending”. According to another participant, “it is not healthy for us to continue to shift gears to new projects, nor does our community do well with ongoing shifts and transitions of programming to match with grant preference for new projects.” Additionally, four participants mentioned that they rely on donors for funding. While one participant stated that “the community has responded to [their] increased needs with donations”, three others experienced reduced donor support.

Technological challenges: Lack of technological expertise

When asked specifically about their technical challenges, most organizations indicated a lack of technological expertise (44.4%) (see Figure 7). This was true regardless of the organization’s size.

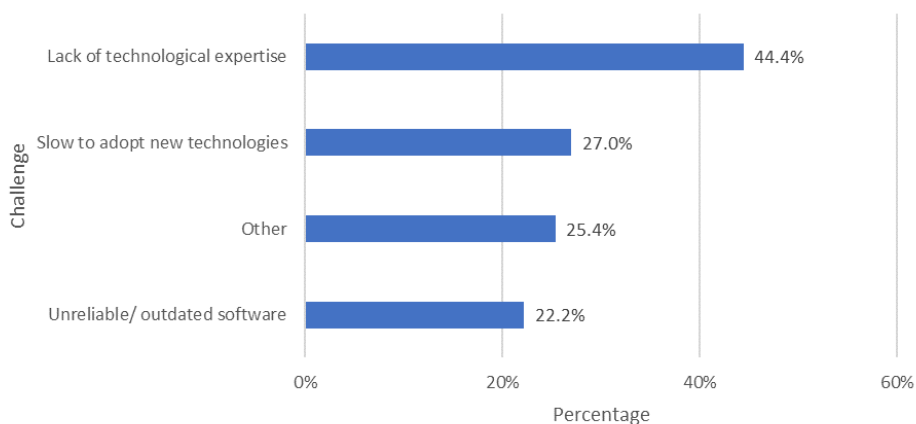


Figure 7. Biggest technological challenges the organization is currently facing.

When asked to elaborate we identified the following themes:

- **Cost of technology:** Ten participants mentioned costs related to upgrading and implementing technology, as well as outsourcing IT support and software. While most responses were related to nonprofits having limited funding in general, one participant noted a distinction between types of technology expenses that are funded: “[a] funder ... will pay for the service, but not the equipment”. Another participant commented that “donors are also reluctant to provide funding for projects that might be considered administrative versus impact directed”.
- **Lack of in-house expertise:** Most respondents did not have in-house expertise, with one commenting that it is “hard to attract good IT people when they can make much more in other sectors.” Five participants rely on outsourced IT services, though four of them mentioned that these services are expensive.
- **Technological sustainability:** Several respondents noted it’s hard to “keep up.” Related topics that were mentioned include digital strategy, digital resiliency, and outdated technology. One participant noted that “the pandemic was a time to adopt digital and paperless technologies as staff had reduced or shifted workloads. However, without the funding or internal expertise, we could not take advantage of that time. Now the world is moving faster, and we remain in a[n] analogue world.”

Other organization-wide challenges

Thirteen (20.6%) respondents indicated they would like to share other organization-wide challenges that were not covered by our pre-defined focus areas.

Four participants re-iterated financial challenges, such as increased costs, funding, and increased demand. One participant noted that they are “trying not [to] increase the fee for service for our clients as many of them have limited income.” Three participants mentioned leadership challenges, which included seasoned leaders retiring, recruiting board members, and the need for leadership training. Three participants mentioned challenges with recruiting volunteers and members. Three participants also mentioned difficulties with outreach, specifically advertising, marketing their services, and mobilizing their work in the community. One participant mentioned that they lacked capacity due to being a “vendor-based organization”.

Three participants mentioned broader challenges that were affecting their organization. These were government priorities, lack of affordable housing, and adapting to changing community demographics. One participant also mentioned that duplication of services was an issue: “It is disheartening to develop a program model, then another begins to offer a similar/duplicate service.”

Section 2: Capacity Building Topics

Organizational and strategic planning

The respondents rated the relevance of capacity building topics related to organizational and strategic planning for addressing their organization’s challenges. Strategic planning and development were rated as most relevant by 53.9% of respondents, followed by governance and leadership development (47.6% of respondents) (see Figure 8).

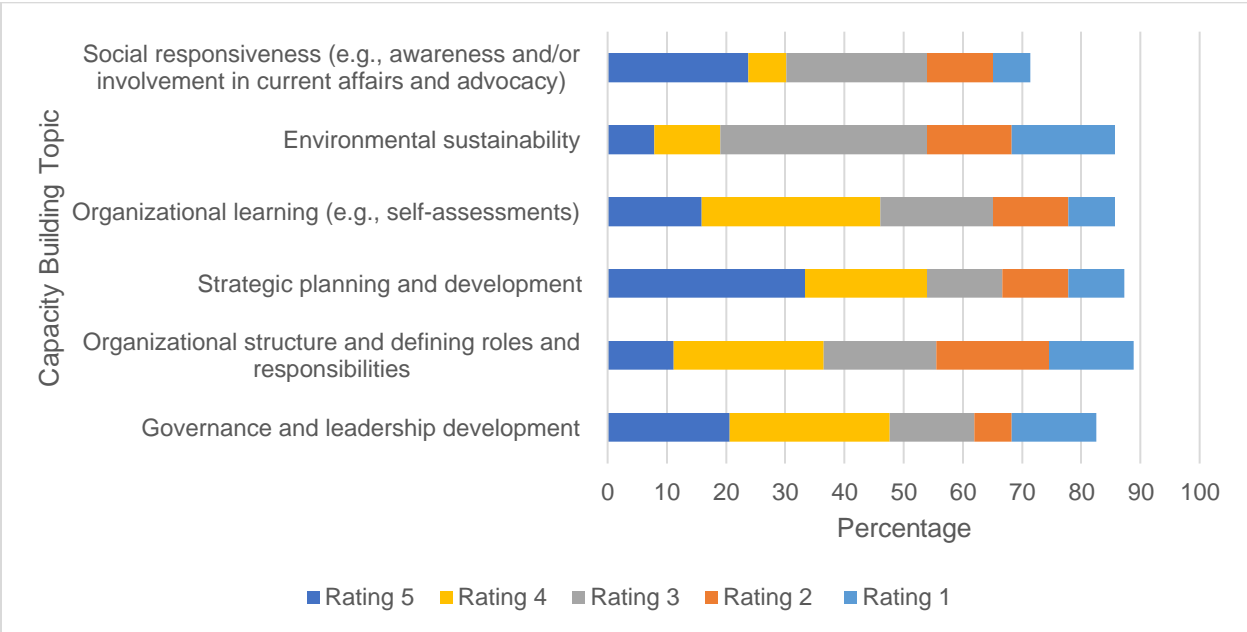


Figure 8. Relevance of capacity building topics: organizational and strategic planning

Elaborating on strategic planning and development, two respondents highlighted that data strategies would help their decision-making processes. One respondent mentioned that “effective execution of [their] strategic plan has been a challenge”; they mentioned resources for quality assurance and organizational assessments would be helpful. Most respondents were familiar with strategic planning, but they still consider it highly relevant for their organization’s next steps.

Five respondents identified the following capacity-building topics relating to leadership development: governance and board training, succession planning, and mentorship. One organization also experienced challenges with recruitment and continuity for their board: “Because it’s a volunteer position, many people don’t have enough time to serve on boards, or they are able to serve for a few years and need to step down.”

Human resources

For human resources capacity building topics, recruitment of staff and volunteers was the most relevant, followed by staff wellbeing (e.g., organization policies, providing services) (see Figure 9).

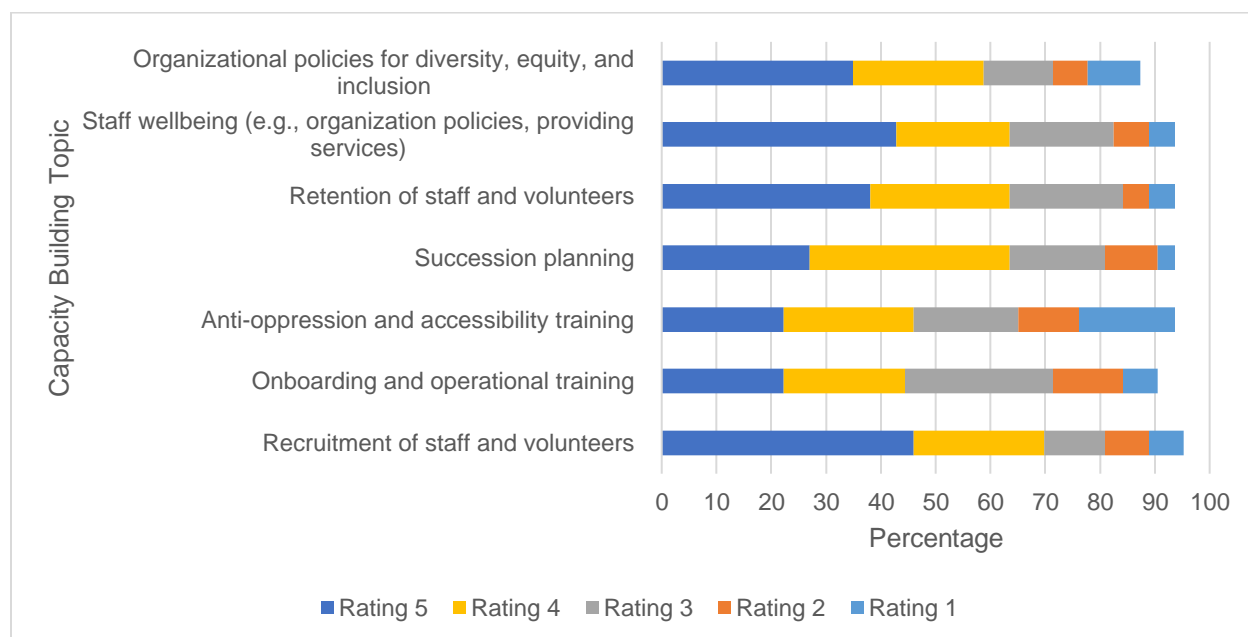


Figure 9. Relevance of capacity building topics: human resources

Fifteen respondents commented on capacity building topics related to human resources. A prominent theme among the responses was having enough staff and volunteers. Six respondents were concerned about succession planning. One respondent noted that “as most of our positions are based on grant funding, and we are a young organization, we haven't had the capacity to engage in long-term HR planning, including succession planning.” Four respondents experienced issues with recruitment and retention, with two specifying that their organization relies on volunteers. One respondent noted that they are “struggling to find the right staff ... to move from a small two-person operation to a much larger charity.” Additionally, one respondent was concerned about experienced staff nearing retirement age and another respondent was concerned about decreasing membership.

Inclusion was another major theme. Six respondents mentioned policies for diversity, equity, and inclusion policies – four organizations already had these policies in place, while two others have identified the need and are developing them. Three organizations also have anti-racism/anti-oppression (ARAO) and accessibility training for staff.

Funding and financial management

The respondents rated the relevance of capacity building topics related to funding and financial management for addressing their organization’s challenges (see Figure 10). The most relevant topics were tied for grant-writing and access to a database of funding opportunities (over 58% of respondents rated in their top two), closely followed by financial planning and sustainability.

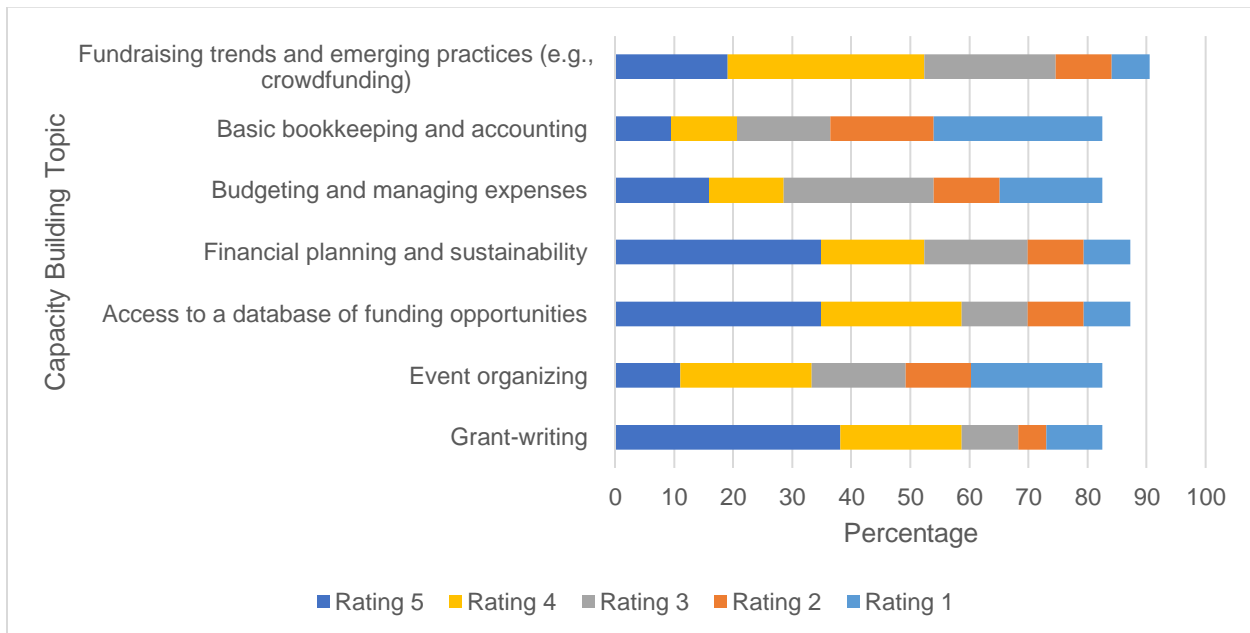


Figure 10. Relevance of capacity building topics: funding and financial management

Elaborating on their needs, some respondents were interested in learning more about funding and financial management. Specific capacity building topics included fundraising, financial sustainability, and accessing “more unrestricted funds.” One participant mentioned a *local* database of funding opportunities would be beneficial.

Communication and partnerships

The respondents rated the relevance of capacity building topics related to communication and partnerships for addressing their organization’s challenges (see Figure 11). Marketing was the most relevant (highly rated by ~60% of participants), followed by networking and identifying potential partners.

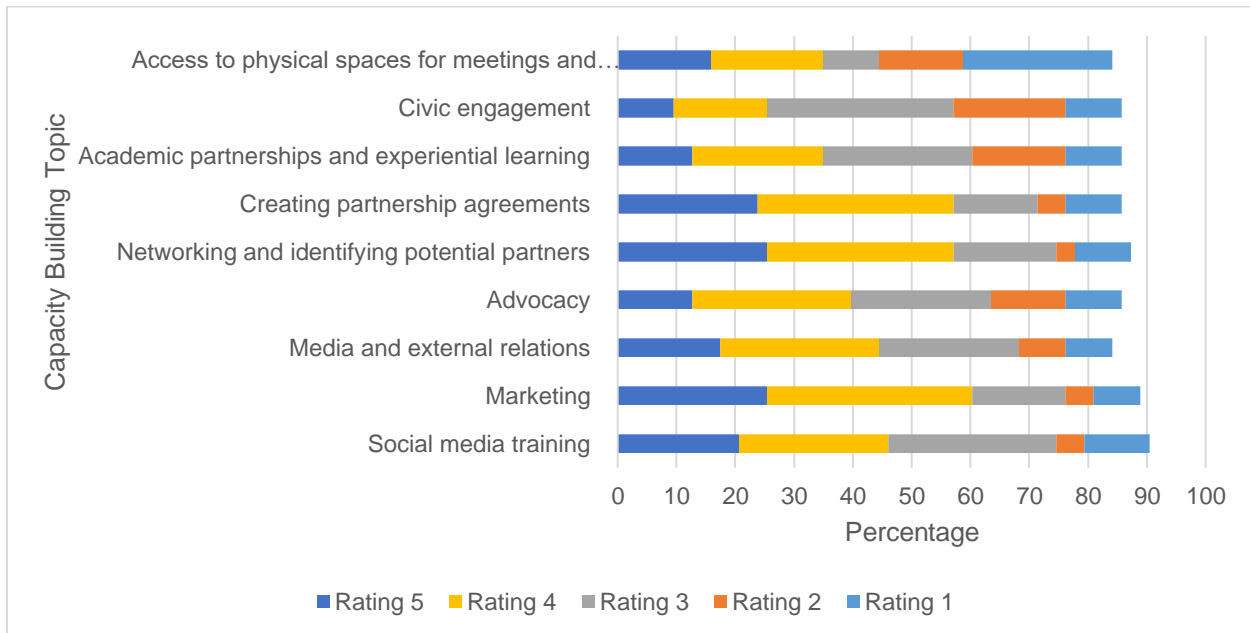


Figure 11. Relevance of capacity building topics: communications and partnerships

The most common theme mentioned was training. Five participants mentioned that training would help their organization address their current challenges: for example, training students through experiential learning and marketing training. Social media in particular was emphasized among four participants. One participant mentioned that their organization could use assistance with their “use of social media to encourage the public to be more supportive of the underserved in the community”.

Marketing and funding were equally prevalent themes, with three participants naming each as having the potential to help their organization address current challenges. In relation to marketing, one participant stated “we have great community partnerships within our region and across the province. It would be helpful to explore additional ways to market ourselves, especially if we are to develop social enterprise strategies”.

Program planning, management, and evaluation

The respondents rated the relevance of capacity building topics related to program planning, management, and evaluation for addressing their organization’s challenges (see Figure 12). Data collection methods and tools was the most relevant (highly rated by about ~55% of respondents), followed by assessing and interpreting data.

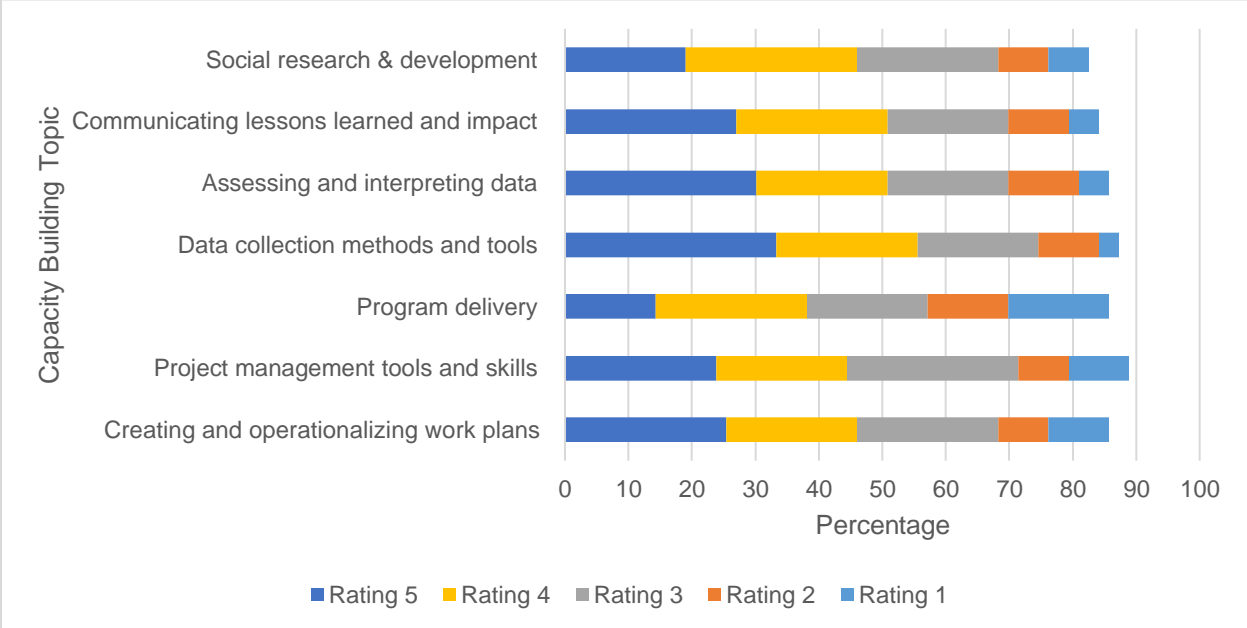


Figure 12. Relevance of capacity building topics: program planning, management and evaluation

Elaborating on their responses, most respondents commented how it’s difficult for organizations to collect and interpret their own data. One respondent stated: “there is so much to be learned from data, but it is time consuming to collect and assess for planning and evaluation purposes”. Other respondents also emphasized that finding the capacity to collect, analyze, and communicate data has been difficult.

Other major themes associated with program planning, management, and evaluation were impact reporting and measurement, research, and monitoring/evaluation/learning, with three participants identifying each as a potential solution to their organization’s capacity building challenges. One participant stated that “we were thankful to be able to work with a student this past year to create an impact report and improve our impact tracking over the past year, but this continues to be a capacity stretch for us, as is the case for many nonprofits”. In terms of research capacity, another participant highlighted “interpreting research provided by governments and academics” as a capacity building challenge. In terms of monitoring/evaluation/learning, multiple participants emphasized the importance of improved evaluation processes for their organizations.

Technology

The respondents rated the relevance of capacity building topics related to technology for addressing their organization’s challenges (see Figure 13). Database management was the most relevant (highly rated by almost 60% of respondents), followed by access to appropriate technology and equipment.

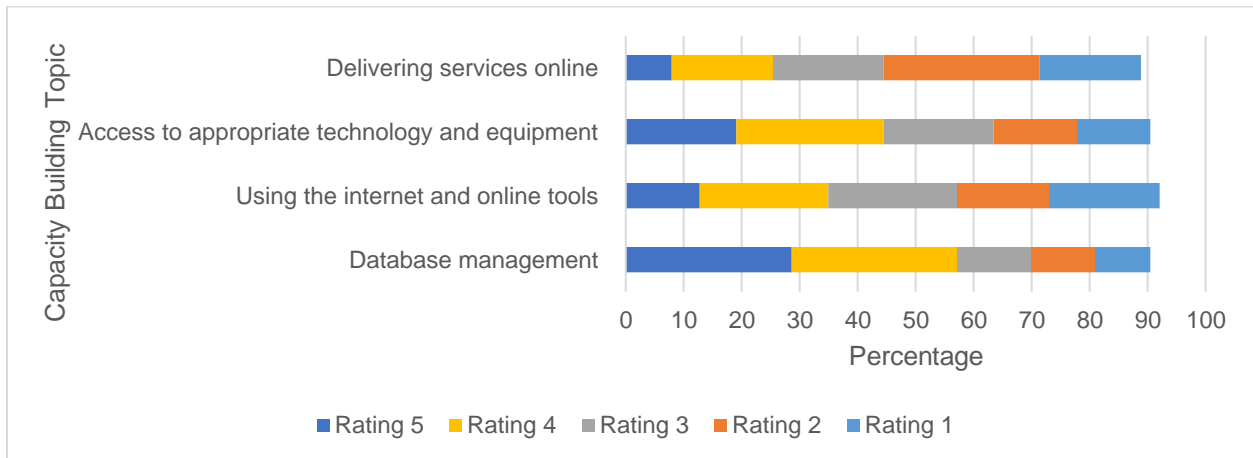


Figure 13. Relevance of capacity building topics: technology

Elaborating on their responses, five participants were interested in using technology for specific purposes, including donor management, website development, fundraising, delivering services online, communications, and promoting their group. One participant noted that “perhaps exploring technology funding opportunities that may not be commonly known would be helpful.” Two participants also mentioned technological expertise, specifically “having someone with more tech knowledge” and “hav[ing] IT support from a larger organization”.

Specific technology topics also varied. Six participants were interested in tools such as databases and “online tools” in general. Other capacity building topics that were mentioned include “keeping up with technology”, “utilizing technology more effectively”, and privacy issues.

Section 3: Capacity Building Initiatives

Characteristics of highly impactful initiatives

When asked if their organization had participated in highly impactful capacity building initiatives, 17 (27.0%) respondents said Yes while 28 (44.4%) said No. The remainder said “N/A”.

Sixteen participants provided examples of capacity building initiatives that they perceived were highly impactful to their organization. The topics of these initiatives varied widely, along with the impacts they had on the organizations. Table 2 provides examples of topics and their corresponding impacts. The formats also varied, but the most common ones were workshops (n=11), groups (n=4), and webinars (n=3). There was a mix of in-person (n=7) and online (n=6) initiatives. The initiatives were often led by other community organizations, external consultants and certified trainers, and in-house staff.

Table 2. Examples of highly impactful capacity building initiatives and impacts

Capacity Building Initiative(s)	Impact(s) on Organization (Quotes)
Strategic planning (e.g., process efficiency, new models for delivering support, asset-based community development and social research)	<ul style="list-style-type: none"> • Able to maximize use of our resources (human, time, funds) • Defined our identity • Set our direction and helped plan for the future • Identified several risk areas that we were able to mitigate and plan for ahead of time
Community roundtables	<ul style="list-style-type: none"> • Helped connect us with other community organizations
Diversity, equity & inclusion; anti-oppression/anti-racism; restorative justice practice training	<ul style="list-style-type: none"> • Positive work culture • How to improve systems to make a better, more supportive workplace
Training for frontline staff (e.g., de-escalation, first aid, mental health first aid)	<ul style="list-style-type: none"> • Confidence for staff and volunteers
Skills (e.g., data management, data collection, grant writing)	<ul style="list-style-type: none"> • Able to make solid decisions based on data, not anecdotal evidence • Developed a solid understanding of how to measure outcomes and write an effective grant application
Indigenous cultural competency	<ul style="list-style-type: none"> • Impacted how we serve; now have formal agreements with Indigenous orgs, and a strong training program including all staff

Not impactful or low impact initiatives

When asked if their organization had participated in capacity building initiatives that were not impactful or had low impact, 6 (9.5%) respondents said Yes while 33 (52.4%) said No. The rest said “N/A”.

Four participants shared their experiences with capacity building initiatives that were not impactful or had low impact on their organization. These are situational, and therefore serve as examples rather than a representative picture of what nonprofits feel are low-impact capacity building activities:

- Trade shows that one organization led “[did] not get the message across what we really do”.
- An organization worked with a consultant to conduct staff feedback surveys, but there were challenges due to a difficult fit with the consultant and mistakes during the process.
- Another organization stated that webinar trainings promoting specific products (e.g., CRM) were “too generic” and did not consider their organization’s “specific needs” and “financial constraints”.
- A fourth participant talked about a “series of full-day, in-person workshops” that were “mandatory in order to apply for a grant from the organization [that led the activities]”. They felt that it was “very time-consuming” and felt unnecessary because they “already had equivalent training”. They also stated that “the content was less useful because they used non-standard terminology”.

Preferred formats

The respondents indicated which formats they preferred for capacity building activities (Figure 14). Preferences were similar across all options, though the top choices were online workshops / training courses / webinars (63%) and in-person workshops / training courses (60%). Responses did not vary between organization sizes.

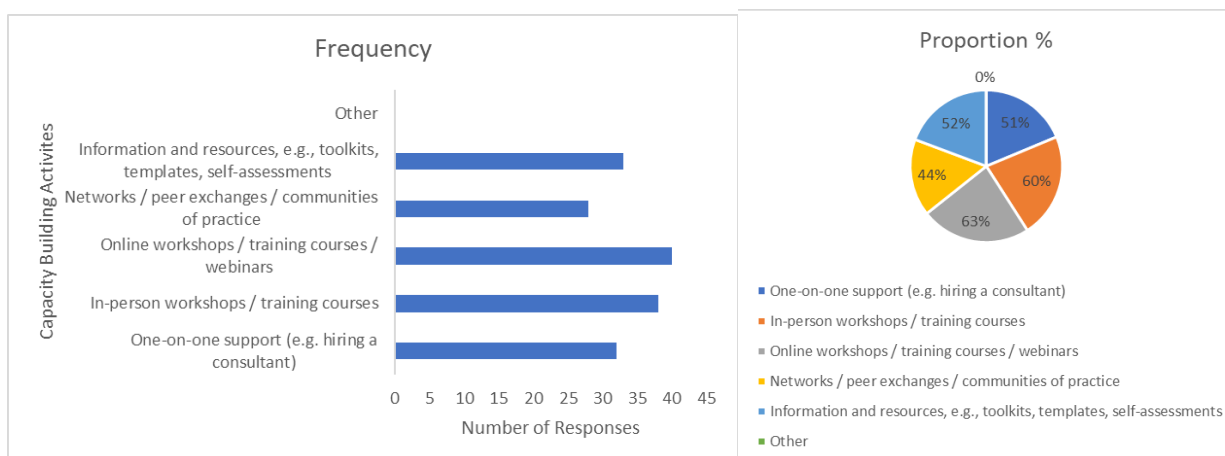


Figure 14. Frequency and proportion of preferred formats of capacity building activities

Open-ended responses tended to affirm the effectiveness of workshops. For instance, one participant stated that “in person and online workshops have proven effective in the past. Networks, peer exchanges have served us well when it is with agencies providing like services, but not otherwise”.

Interestingly, four participants emphasized that they would appreciate any format of capacity building activities, with one participant stating that “all of these formats for learning will be useful”. However, three participants pointed out that their organizations would be better served by activities that are flexible, efficient, or free. One participant stated that “my time is my most valuable commodity, so I prefer formats that are efficient and don’t require travel time” while another said: “we are always conscious of how much money we have to spend on capacity building so often look for free workshops”. The third participant said: “I need things that are flexible because there is not enough time in my day”.

Summary of Findings

Our survey had a total of 63 responses. We explored three areas of improvement for nonprofits by identifying organizational challenges, relevant capacity building topics and preferred capacity building activities.

Research question 1: What are the greatest organizational challenges for nonprofit organizations in Canada?

Finances were the top priority area for 44.4% of respondents, especially small and medium organizations. Respondents prioritized finances because they impact all aspects of their operations, which is further evidenced by funding and financial challenges being recurring themes throughout the survey. Most respondents found it difficult to acquire funding (60.3%), while organizations with small budgets are also struggling with economic downturn and inflation. Open-ended responses reveal that financial challenges are complex and are influenced by various factors (e.g., economic factors, policies, COVID-19 pandemic). Respondents also commented that current funding systems, such as time-limited grants, are negatively impacting their organization’s ability to plan long-term.

Human resources were also a priority area especially for large organizations. Over half of the respondents experienced challenges with low pay and staff burnout/retention. Additionally, large organizations are having difficulty recruiting talent while small organizations are experiencing reduced volunteerism. Respondents felt that it was a priority to address challenges with recruitment, retention, and turnover.

Research question 2: What kind of capacity building activities (knowledge sharing/education, resource sharing, skills training, etc.) would help address these challenges (i.e., are most needed) for Hamilton and Halton nonprofits?

Capacity building topics aligned with the top organizational challenges/priorities are as follows:

- **Funding and financial management:** grant-writing, access to a database of funding opportunities, financial planning and sustainability, and fundraising trends and emerging practices (e.g., crowdfunding).
- **Human resources:** recruitment and retention of staff and volunteers, staff wellbeing, succession planning, and organizational policies for diversity, equity, and inclusion.

Other capacity topics of interest (that are lower in alignment with organization's priorities) are as follows:

- **Organizational and strategic planning:** strategic planning and development
- **Communication and partnerships:** marketing, networking and identifying potential partners, and creating partnership agreements
- **Program planning, management, and evaluation:** data collection methods and tools, assessing and interpreting data, and communicating lessons learned and impact
- **Technology:** database management

Research question 3: What form of capacity building activities (e.g., in-depth workshops vs. short webinars) are most preferred by Hamilton and Halton nonprofit staff?

We did not see a clear preference for certain formats of capacity building activities in our multiple-choice question, though the top choices were online and in-person workshops / training courses / webinars. The open-ended responses also mentioned workshops often, while emphasizing activities that are flexible, efficient, or free.

Additionally, we asked about the impact of participating in previous capacity building initiatives. Seventeen (27%) respondents have participated in highly impactful initiatives. Topics and formats varied, though the most common formats were workshops, groups, and webinars with a mix of online and in-person activities. Six (9.5%) respondents have participated in initiatives that were not impactful or had low impact.

Appendix A: Survey questions

We invite you to take part in a survey to understand the capacity building needs of non-profit organizations in the Hamilton and Halton regions. Capacity building refers to developing and strengthening the skills, instincts, abilities, processes, and resources that organizations and communities need to survive, adapt, and thrive in a fast-changing world. This survey asks questions about various challenges faced by non-profits, and about the capacity building activities that can help organizations address these challenges.

This research is conducted by the McMaster Research Shop in partnership with United Way Halton and Hamilton (UWHH). The McMaster Research Shop is a student-based community research hub that supports local organizations with their informational needs. United Way Halton & Hamilton is seeking the results of this research through McMaster Research Shop to better inform their work. Specifically, the information we collect in the survey will be communicated back to the sector and to community, and used by UWHH to inform their programs, services, and advocacy related to capacity building. As a participant in the survey, you will be contributing to regional and national advocacy and network building, and connecting your organization's work to a broader system of changemakers in the non-profit sector.

For ease of analysis, we ask that only one representative per organization fill out the survey; however, we encourage you to consult or fill it out with colleagues. Your responses will be confidential and will only be used for research purposes. Individual responses will only be viewed by the McMaster Research Shop team. Results will be aggregated and reported to UWHH in a manner that ensures anonymity.

The survey should take approximately 10-15 minutes to complete. We understand that your time is valuable, and we greatly appreciate your willingness to contribute to this research. You will have the option to enter into a draw to win 1 of 5 prizes, and to share your (anonymized) information to be connected to United Way Halton & Hamilton's low-barrier capacity building program and other efforts.

Thank you in advance for your participation. If you have any questions or concerns about the survey, please contact camargok@mcmaster.ca.

Thank you!

About your organization

Q1: What region does your organization serve?

- Halton
- Hamilton
- Both Halton and Hamilton
- Other: _____

Q2: What is the primary geographic scope of your organization's work/services? (Check all that apply)

- Local level (within a neighbourhood, city, town, or rural municipality)
- Regional level (region within your province or territory)
- Provincial or territorial level
- National level
- International level

Q3: Which nonprofit subsector does your organization mainly belong to?

- Arts, culture, heritage and tourism
- Business associations, professional associations and union
- Community development and housing
- Education and research
- Environment
- Grantmaking, fundraising, and volunteerism promotion
- Health (e.g., nursing homes, mental health and crisis intervention)
- Hospitals, universities, and colleges
- International
- Law, advocacy, politics
- Social services (e.g., multi-service agencies, child care, settlement services, services for seniors)
- Sports, recreation, and other social clubs (e.g., leisure clubs, fitness and wellness, amateur sports)
- Faith group
- Other: _____

Q4: What are the primary types of activities that your organization is involved in? (Check all that apply)

- Providing basic needs/services directly to clients (e.g., food bank, providing health care)
- Delivering programs for clients (e.g., organizing community events)
- Linking clients to services (e.g., referring clients to health services)
- Providing financial support and resources for clients (e.g., funds for clients to access services)
- Advocacy and policy development
- Supporting other community organizations
- Developing relationships between community members (e.g., hosting social events, mentorship)
- Providing educational classes
- Other: _____

Q5: What is your organization's annual operating budget?

- Less than \$100,000
- \$100,000 - \$249,999
- \$250,000 - \$499,999
- \$500,000 - \$999,999
- \$1,000,000 - \$2,999,999
- \$3,000,000 - \$4,999,999
- \$5,000,000 - \$10,000,000
- Over \$10,000,000

Q6: How many staff (full-time equivalents) does your organization employ?

- 0
- 1 - 5
- 6 - 10
- 11 - 20
- 21 - 99
- 100 - 199
- 200 - 499
- 500+

Q7: How many volunteers are involved with your organization?

- 0
- 1 - 5
- 6 - 10
- 11 - 20
- 21 - 99
- 100 - 199
- 200 - 499
- 500+

Organizational challenges

Q8: How would you prioritize these focus areas for your organization in the upcoming year(s)?
(Rank order question)

- Strategic / organizational development (e.g., governance, leadership, strategic planning)
- Human resources (e.g., staffing, recruitment, onboarding, and retention)
- Finances (e.g., fundraising, budgeting)
- Technology (e.g., delivering services online, accessing and using online tools)

Q9: Please elaborate on the above (why did you order things the way you did?).

Q10: What are the biggest **strategic / organizational challenges** your organization is currently facing? (Check all that apply)

- Increasing demand for services
- Developing collaborations and partnerships
- Lack of nonprofit awareness among the public/ potential donors
- Lack of strategic direction
- Other, please specify: _____
- None of the above

Q11: (If any option other than "None of the above") Please elaborate on the above.

Q12: What are the biggest **human resource challenges** your organization is currently facing? (Check all that apply)

- Difficulties recruiting talent
- Staff burnout/retention issues
- Onboarding difficulties
- Reduced volunteerism
- Low pay
- Limited benefits
- Creating a more inclusive workplace culture
- Other, please specify: _____
- None of the above

Q13: (If any option other than "None of the above") Please elaborate on the above.

Q14: What are the biggest **financial challenges** your organization is currently facing? (Check all that apply)

- Economic downturn/ inflation
- Difficulty acquiring funding (e.g., grants, donors, etc.)
- Difficulty retaining funding (e.g., grants, donors, etc.)
- Ineffectiveness of fundraising/ programming
- Other, please specify: _____
- None of the above

Q15: (If any option other than "None of the above") Please elaborate on the above.

Q16: What are the biggest **technological challenges** your organization is currently facing? (Check all that apply)

- Unreliable/ outdated software
- Lack of technological expertise
- Slow to adopt new technologies
- Other, please specify: _____
- None of the above

Q17: (If any option other than "None of the above") Please elaborate on the above.

Q18: Are there any **other organization-wide challenges** you would like to share that were not covered by the above questions?

- Yes
- No

Q19: (If "Yes") Please elaborate on the above.

Capacity building topics

Capacity building is the process of developing and strengthening the skills, instincts, abilities, processes and resources that organizations and communities need to survive, adapt, and thrive in a fast-changing world.

Q20: What capacity building topics related to **organizational and strategic planning** would help to address the challenges your organization is facing? Please indicate the

importance/relevance of each of these topics for your organization. (Scale from “Least Relevant” to “Most Relevant”)

- Governance and leadership development
- Organizational structure and defining roles and responsibilities
- Strategic planning and development
- Organizational learning (e.g., self-assessments)
- Environmental sustainability
- Social responsiveness (e.g., awareness and/or involvement in current affairs and advocacy)

Q21: Please elaborate on your responses above, and/or identify any other capacity building topics that would be relevant to your organization.

Q22: What capacity building topics related to **human resources** would help to address the challenges your organization is facing? Please indicate the importance/relevance of each of these topics to your organization. (Scale from “Least Relevant” to “Most Relevant”)

- Recruitment of staff and volunteers
- Onboarding and operational training
- Anti-oppression and accessibility training
- Succession planning
- Retention of staff and volunteers
- Staff wellbeing (e.g., organization policies, providing services)
- Organizational policies for diversity, equity, and inclusion

Q23: Please elaborate on your responses above, and/or identify any other capacity building topics that would be relevant to your organization.

Q24: What capacity building topics related to **funding and financial management** would help to address the challenges your organization is facing? Please indicate the importance/relevance of each of these topics to your organization. (Scale from “Least Relevant” to “Most Relevant”)

- Grant-writing
- Event organizing
- Access to a database of funding opportunities
- Financial planning and sustainability
- Budgeting and managing expenses
- Basic bookkeeping and accounting
- Fundraising trends and emerging practices (e.g., crowdfunding)

Q25: Please elaborate on your responses above, and/or identify any other capacity building topics that would be relevant to your organization.

Q26: What capacity building topics related to **communication and partnerships** would help to address the challenges your organization is facing? Please indicate the importance/relevance of each of these topics to your organization. (Scale from “Least Relevant” to “Most Relevant”)

- Social media training
- Marketing
- Media and external relations
- Advocacy
- Networking and identifying potential partners
- Creating partnership agreements
- Academic partnerships and experiential learning
- Civic engagement
- Access to physical spaces for meetings and community

Q27: Please elaborate on your responses above, and/or identify any other capacity building topics that would be relevant to your organization.

Q28: What capacity building topics related to **program planning, management, and evaluation** would help to address the challenges your organization is facing? Please indicate the importance/relevance of each of these topics to your organization. (Scale from “Least Relevant” to “Most Relevant”)

- Creating and operationalizing work plans
- Project management tools and skills
- Program delivery
- Data collection methods and tools
- Assessing and interpreting data
- Communicating lessons learned and impact
- Social research & development

Q29: Please elaborate on your responses above, and/or identify any other capacity building topics that would be relevant to your organization.

Q30: What capacity building topics related to **technology** would help to address the challenges your organization is facing? Please indicate the importance/relevance of each of these topics to your organization. (Scale from “Least Relevant” to “Most Relevant”)

- Database management
- Using the internet and online tools
- Access to appropriate technology and equipment
- Delivering services online

Q31: Please elaborate on your responses above, and/or identify any other capacity building topics that would be relevant to your organization.

Capacity building activities

Q32: Has your organization participated in any capacity building initiatives that you perceive were **highly impactful** to your organization?

- Yes
- No

Q33: (If yes to Q32) What was the **topic or focus** of the capacity building initiative(s)?

Q34: (If yes to Q32) What was the **format** of the capacity building initiative(s) (e.g., workshop, webinar, in-person vs. online)?

Q35: (If yes to Q32) Who led the capacity building initiative(s)?

Q36: (If yes to Q32) How did the capacity building initiative(s) impact your organization?

Q37: Has your organization participated in any capacity building initiatives that you perceive were **not impactful** to or had **low impact** on your organization?

- Yes
- No

Q38: (If yes to Q37) What was the **topic or focus** of the capacity building initiative(s)?

Q39: (If yes to Q37) What was the **format** of the capacity building initiative(s) (e.g., workshop, webinar, in-person vs. online)?

Q40: (If yes to Q37) Who led the capacity building initiative(s)?

Q41: (If yes to Q37) Why do you think the capacity building initiative(s) was not impactful to or had low impact on your organization?

Q42: In general, what format of capacity building activities do you tend to prefer? (Check all that apply)

- One-on-one support (e.g. hiring a consultant)
- In-person workshops / training courses
- Online workshops / training courses / webinars
- Networks / peer exchanges / communities of practice
- Information and resources, e.g., toolkits, templates, self-assessments
- Other: _____

Q43: Please elaborate on your response above.

About you

Q44: What is your role within your organization?

- Board member
- CEO or Executive Director
- Vice-President or Director
- Manager
- Frontline / community-facing staff
- Volunteer (non-board)
- Other (enter role title): _____

Q45: Did you consult with colleagues about your answers to this survey?

- Yes
- No

Q46: (If “Yes” to Q45) Which of the following role(s) within your organization did you consult about this survey? (Check all that apply)

- Board member
- CEO or Executive Director
- Vice-President or Director
- Manager
- Frontline / community-facing staff
- Volunteer (non-board)
- Other: _____

Q47: How many years have you been in this role?

- Less than 1 year
- 1-2 years
- 3-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- 20+ years

Survey follow-up

Q48: Would you like to receive an emailed copy of the final report outlining the results of this survey?

- Yes
- No

Q49: Would you like to be included in a raffle for 1 of 5 prizes valued at over \$50 each?

- Yes
- No

Q50: (If yes to Q48 and/or Q49) Please provide your email address so we can contact you. Your contact information will not be tied to your responses and will only be used to follow up about the final report and/or raffle:

- Field to enter email address

Thank you for participating in our survey!

If you have any questions, comments, or concerns about this survey, please contact

camargok@mcmaster.ca.

For questions related to United Way Halton & Hamilton and their involvement in this research, please contact kwebb@uwhh.ca.

Appendix B: Demographic profile of respondents

At the end of the survey, we asked participants to describe themselves.

Most respondents are the CEO or Executive Director of their organization (52.4%) (see Table 3). Table 4 shows the number of years the respondent has been in their role within the organization. Most respondents have worked 3-5 years (25.5%) or 6-10 years (20.0%) in their role.

Table 3. Respondent's Role.

Role	Percentage
Board member	4.8%
CEO or Executive Director	52.4%
Vice-President or Director	14.3%
Manager	12.7%
Frontline / community-facing staff	1.6%
Volunteer (non-board)	0.0%
Other	6.3%
N/A	7.9%

Table 4. Number of Years the Respondent's has been in their Role Within the Organization.

Years in Role	Percentage
Less than 1 year	14.5%
1-2 years	16.4%
3-5 years	25.5%
6-10 years	20.0%
11-15 years	16.4%
16-20 years	1.8%
20+ years	5.5%

25.4% of respondents consulted with their colleague(s) to answer this survey. Table 5 shows who the respondent consulted with to complete this survey. Most respondents consulted their manager (38.1%).

Table 5 Colleague(s) Consulted.

Colleagues' Role	Percentage
Board member	9.1%
CEO or Executive Director	9.1%
Vice-President or Director	18.2%
Manager	36.4%
Frontline / community-facing staff	22.7%
Volunteer (non-board)	0.0%
Other: Chief human resources officer	4.5%

Appendix C: Demographic profile of respondents' organizations

At the start of the survey, we asked participants to describe their organization.

Table 6 shows the region the organization serves (n = 63). There was a roughly even distribution of organizations serving Hamilton (34.9%), Halton (28.6%), and both Hamilton and Halton (33.3%).

Table 6. Region Served.

Region	Percentage
Hamilton	34.9%
Halton	28.6%
Both Halton and Hamilton	33.3%
N/A	3.2%

Table 7 shows the primary geographic scope of the organizations' work/services (n = 63). More than half the organizations we surveyed serve at the local level (60.9%). Almost a third of the organizations serve at the regional level (31.3%).

Table 7. Primary Geographic Region.

Geographic Region	Percentage
Local level (within a neighbourhood, city, town, or rural municipality)	60.9%
Regional level (region within your province or territory)	31.3%
Provincial or territorial level	4.7%
National level	3.1%
International level	0.0%

Table 8 shows which nonprofit subsector the organization mainly belongs to (n = 63). Most organizations we surveyed belong to the social services subsector (47.6%) or health subsector (15.9%).

Table 8. Nonprofit Subsector.

Nonprofit Subsector	Percentage
Social services (e.g., multi-service agencies, child care, settlement services, services for seniors)	47.6%
Health (e.g., nursing homes, mental health and crisis intervention)	15.9%
Education and research	7.9%
Other	7.9%
Arts, culture, heritage and tourism	6.3%
Community development and housing	4.8%
N/A	4.8%
Sports, recreation, and other social clubs (e.g., leisure clubs, fitness and wellness, amateur sports)	3.2%
Grantmaking, fundraising, and volunteerism promotion	1.6%
Business associations, professional associations and union	0.0%
Environment	0.0%
Hospitals, universities, and colleges	0.0%
International	0.0%
Law, advocacy, politics	0.0%
Faith group	0.0%

Table 9 shows the primary types of activities the organizations are involved in (n = 63). Most organizations we surveyed deliver programs for clients (21.3%), provide basic needs/services directly to clients (17.8%), or link clients to services (14.4%).

Table 9. Primary Types of Activities.

Primary types of activities the organization is involved in	Percentage
Delivering programs for clients (e.g., organizing community events)	21.3%
Providing basic needs/services directly to clients (e.g., food bank, providing health care)	17.8%
Linking clients to services (e.g., referring clients to health services)	14.4%
Developing relationships between community members (e.g., hosting social events, mentorship)	12.6%
Providing educational classes	10.9%
Advocacy and policy development	7.5%
Supporting other community organizations	7.5%
Other	5.2%
Providing financial support and resources for clients (e.g., funds for clients to access services)	2.9%

Table 10 shows if the organization charges a fee to its clients for services (n = 63). Half the organizations we surveyed indicated their services were free for clients to access (50.8%).

Table 10. Service Fee Charge.

Fee for Services	Percentage
No, our services are free for clients to access.	50.8%
Yes, our services are subsidized and/or use sliding scale fees.	23.8%
Yes, our services are charged at the same price to all clients.	14.3%
N/A	11.1%

Table 11 shows the organizations' annual operating budget (n = 63). Most organizations we surveyed indicated they have a medium sized annual operating budget (39.7%).

Table 11. Annual Operating Budget Size.

Annual Operating Budget	Percentage
Small (\leq \$499,999)	23.8%
Medium (\$500,000 - 4,999,999)	39.7%
Large (\geq \$5,000,000)	23.8%
N/A	12.7%

Table 12 shows how many staff (full-time equivalents) the organization employs (n = 63). Most organizations we surveyed indicated they have a small staff size (55.6%).

Table 12. Staff Employed.

Staff Size	Percentage
Small (\leq 20 staff members)	55.6%
Medium (21 - 99 staff members)	17.5%
Large (\geq 100 staff members)	20.6%
N/A	6.3%

Table 13 shows how many volunteers are involved with the organization (n = 63). There was a roughly equal distribution of organizations with small (33.3%), medium (33.3%), or large (27.0%) volunteer involvement.

Table 13. Volunteers Involved.

Volunteer Size	Percentage
Small (\leq 20 volunteers)	33.3%
Medium (21 - 99 volunteers)	33.3%
Large (\geq 100 volunteers)	27.0%
N/A	6.3%

Appendix D: Reasons for higher and lower priority for each focus area

Focus Area	Priority	Reasons (n = number of respondents who stated each reason)
Strategic / organizational development	Higher	<ul style="list-style-type: none"> • Organization is currently setting new strategic directions (n=5) • Strategic plan impacts organization's current work (n=4) • Organization is focusing on leadership and governance (n=3) • Strategic plan impacts organization's future (n=2) • Organization is growing (n=2) • Organization is young (n=1) • Organization is undertaking a new project that requires community consultation and strategic planning (n=1)
	Lower	<ul style="list-style-type: none"> • Strategic plan recently completed / currently being implemented (n=5) • Strategic planning will become more of a priority in future years (n=2) • Organization has strong governance (n=2) • Cannot engage in strategic planning due to inadequate resources (e.g., time, funding, talent) (n=2) • Organization is currently setting new strategic directions which will be ready soon (n=1)
Human resources (HR)	Higher	<ul style="list-style-type: none"> • Challenges with recruitment (n=15) • Challenges with staff retention and turnover (n=11) • Shortage / need for qualified staff (n=6) • Unable to provide competitive wages and benefits (n=5) • Lack of funding is a barrier to human resources (n=5) • Staff pressures due to increased demand (n=3) • Staff burnout and stress (n=2) • Recent / pending staff retirements (n=2) • Focus on having more full-time staff who can have a stable career (n=1) • Human resources are important for steady, reliable, ongoing service (n=1) • Struggling to get more members (n=1) • Organization requires many volunteers (n=1) • Creating a diversity, equity, and inclusion to plan to support human resources (n=1)
	Lower	<ul style="list-style-type: none"> • Organization experiences HR challenges, but it is a lower priority compared to other focus areas (n=4) • HR is an ongoing priority (n=3) • No staffing issues (n=3) • HR is included in strategic plan (n=1) • Staff retention is improving (n=1)
Finances	Higher	<ul style="list-style-type: none"> • Funding is important for operations (n=11) • Need for financial security and sustainability (n=9) • Organization relies on funding and grants (n=7) • Financial support has not increased despite higher costs and demand (n=4)

		<ul style="list-style-type: none"> • Staff does not have capacity for fundraising (n=3) • Funding opportunities are limited (n=3) • Additional funding needed for program growth and development (n=3) • Finances are part of the organization's strategic focus (n=2) • Organization wants to diversify revenue sources (n=2) • Impact of COVID-19 (n=2) • Organization's finance systems do not meet current needs (n=1) • Finances are an ongoing need (n=1) • Inadequate funds limit HR capacity (n=1)
	Lower	<ul style="list-style-type: none"> • Organization experiences funding challenges, but it is a lower priority compared to other focus areas (n=2) • Organization does not have a budget (n=1)
Technology	Higher	<ul style="list-style-type: none"> • Utilizing more technology in their work to save costs without reducing services (n=1) • Developing a more interactive website (n=1)
	Lower	<ul style="list-style-type: none"> • Organization already has capacity in this area (n=7) • Prioritizes in-person services / engagement with clients (n=5) • Technology is important, but it is a lower priority compared to other focus areas (n=5) • Serving clients virtually is a challenge as clients may not have access to technology (n=1) • Technology is expensive (n=1) • Virtual and hybrid work have negatively affected staff cohesion and collaboration (n=1)