



# NONPROFITS

Scope and Community Dimensions

Indiana Nonprofit Capacity Survey Series  
Report #3

## NONPROFIT CAPACITY ASSESSMENT: INDIANA'S ARTS AND CULTURE ORGANIZATIONS, 2010

SUBMITTED TO THE INDIANA ARTS COMMISSION

FINAL REPORT, JUNE 2010

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AND ENVIRONMENTAL AFFAIRS  
AT INDIANA UNIVERSITY



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**Submitted to the Indiana Arts Commission**



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An electronic version of this report is available on the Indiana Nonprofit Sector Project Web site, see <http://www.indiana.edu/~nonprof/results/npcapacity.html>.

# NONPROFIT CAPACITY ASSESSMENT: INDIANA’S ARTS AND CULTURE ORGANIZATIONS

## PROJECT ON INDIANA NONPROFITS: SCOPE & COMMUNITY DIMENSIONS

### NONPROFIT CAPACITY SURVEY SERIES: REPORT #3

A JOINT PRODUCT OF

THE CENTER ON PHILANTHROPY  
AT INDIANA UNIVERSITY  
AND  
THE SCHOOL OF PUBLIC &  
ENVIRONMENTAL AFFAIRS  
AT INDIANA UNIVERSITY

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**JUNE 2010**

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# NONPROFIT CAPACITY ASSESSMENT: INDIANA'S ARTS AND CULTURE ORGANIZATIONS

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## I. INTRODUCTION

The current economic crisis is threatening the financial health of not only American families, businesses, and all levels of government, but also the nonprofit sector. In late 2007, when the Indiana Arts Commission (IAC) asked us to plan a survey of the capacity building and technical assistance needs of Indiana arts and cultural organizations, the crisis was not yet evident to most observers. By fall 2008, when we were able to launch the survey, the economy was deteriorating rapidly and it was clear that nonprofit arts and cultural organizations would be hard hit.<sup>1</sup> Cuts in public spending, shifts in donor concerns, plummeting endowments, and less discretionary income by patrons all threaten to reduce most of the types of revenues that these types of organizations depend on.

These developments are coming on top of a period when many funders, including the IAC, have encountered growing requests for capacity building and technical assistance. However, as we noted in our first capacity assessment report in 2007,<sup>2</sup> the meanings of these concepts vary widely, and grant and policy makers have found it difficult to develop grant opportunities that effectively meet the needs of nonprofits.

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<sup>1</sup> "Arts Groups Lose Out in Fight for Funds" by Mike Spector, *Wall Street Journal*, March 18, 2009.

<sup>2</sup> *NONPROFIT CAPACITY ASSESSMENT: INDIANA CHARITIES, 2007*, by Kirsten A. Grønberg and Laney Cheney, with the assistance of Scott Leadingham and Helen Liu. Online report. *INDIANA NONPROFIT CAPACITY SURVEY SERIES, REPORT #1. MAY 2007*. (<http://www.indiana.edu/~nonprof/results/npcapacity/charitycapacityassessment.pdf>).

As it turns out, this report is timelier than we anticipated back in 2007, and we hope it provides valuable information to Indiana policy makers and to the arts and cultural organizations that enrich the quality of life in Indiana.

This final report is an updated and expanded version of our Preliminary Report (May 2009). It is based on a slightly larger number of respondents (some late respondents or incomplete surveys were not included in the preliminary report) and more accurately coded responses to the open ended questions. We have also significantly expanded the analysis to include efforts to determine which factors are associated with more severe challenges or more positive assessments of various forms of assistance. Finally, we have added several appendices with detailed statistics.

## A. PROJECT PURPOSE

To identify major capacity building and technical assistance needs and effective ways to address the needs, the IAC has worked in partnership with the Indiana University School of Public and Environmental Affairs (SPEA) in collaboration with the Indiana University Center on Philanthropy to survey Indiana arts and culture organizations. The IAC is a state agency that advocates for arts development opportunities across the state, stewards effective use of public and private resources for the arts, and stimulates public interest in — and participation with — Indiana's diverse arts resources and cultural heritage.

The survey asked a sample of Indiana's arts and cultural organizations about the challenges they face across a broad range of management areas and the most effective ways to address them. Our sample includes both nonprofit and public/governmental organizations that provide arts and cultural activities (but excludes individual artists and



for-profit organizations). For some survey respondents, these activities and programs define the organization's primary focus (e.g., theatre companies, community orchestras, art museums, etc.). For others, arts and culture comprise only a relatively small component of their overall mission (e.g., choirs and bands in public schools, theatre departments at universities, community centers offering art classes, etc.).

The purpose of this survey is to aid the IAC and other Indiana grant makers in developing a framework for appropriate grant-making and other support strategies in the arts and cultural field. This will also benefit Indiana arts and cultural providers by ensuring that grant and policy makers have solid information about their capacity building challenges and about the utility of key strategies for addressing these challenges.

## **B. SURVEY FOCUS**

The survey is a modified version of our 2007 capacity building survey of Indiana charities conducted at the request of the Indiana Grantmakers Alliance with support from Lumina Foundation for Education. Like its predecessor, the IAC survey aims to develop a firm grasp of the underlying dimensions and nuances of capacity building and technical assistance by asking responding organizations to identify their most significant needs in each area and the best ways to address them. To provide the most comprehensive assessment, we also asked respondents to assess specific challenges in broad categories of capacity building identified in the literature<sup>3</sup> in order to establish which aspects present the most severe and/or widespread challenges. Finally, we asked respondents to indicate how helpful various types of funding, technical assistance, and/or peer learning would be in addressing these challenges. The full survey instrument is

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<sup>3</sup> See Appendix A for literature referred to in the design of this project.

available at:

[www.indiana.edu/~nonprof/results/npcapacity/IndianaArtsCultureCapacitySurvey.pdf](http://www.indiana.edu/~nonprof/results/npcapacity/IndianaArtsCultureCapacitySurvey.pdf).

## **C. SAMPLE AND SURVEY PROCEDURES**

The original sample consisted of all 1,792 organizations that have sought funding from the IAC or any of its regional partners since 2003. To administer the survey, we used a web-based format hosted by Vovici.com. To maximize response rates, the IAC first contacted potential respondents to alert them to the survey and request their participation. We followed that with invitations to participate in the survey and several follow-up contacts to non-respondents. In addition to promising respondents full confidentiality, we also offered several incentives: a summary of our final report to all those completing the survey and an opportunity for 12 respondents, selected at random, to have their organization featured for one month on the IAC's website. Finally, we experimented with an additional incentive by randomly selecting one-half of the organizations to receive a customized report that would allow each organization to compare its own "challenge scores" to other similar organizations.

In all, 279 organizations completed the survey, another 96 completed portions of the survey, while 22 organizations refused to participate and 980 did not respond despite repeated invitations, resulting in an overall response rate of 27 percent. The remaining 415 organizations in the original sample include 42 that are duplicates of other organizations, 70 that are ineligible for the survey, and 303 for which no valid contact information (e-mail, phone number, or mailing address) could be located. For a more detailed description of the sampling and survey procedures, see Appendix B.

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## II. EXECUTIVE SUMMARY

### A. CAPACITY BUILDING CHALLENGES

We selected seven dimensions of capacity building that were most prominent in the literature and asked arts and culture organizations in Indiana whether indicators within each posed a major, minor, or not a challenge, or was not applicable. We find that financial resources pose the most challenges, followed by networking and advocacy, marketing, programs and planning, information technology, human resources, and operations and governance.

***Financial Resource Capacity.*** All aspects of securing financial resources pose at least a minor challenge to at least 60 percent of Indiana arts and culture organizations. Obtaining funding or other financial resources in general, expanding the donor base and securing foundation or corporate grant support are viewed as a major challenge by more than 60 percent and as at least a minor challenge by approximately 90 percent of organizations.

***Networking and Advocacy Capacity.*** All indicators pose at least a minor challenge to more than two-thirds of the organizations. Enhancing public understanding of key policy issues and strengthening relationships with key policy makers pose at least minor challenges for more than 75 percent of arts and culture organizations, with a third reporting major challenges.

***Marketing Capacity.*** All indicators pose at least a minor challenge for more than 60 percent of respondents. Enhancing the visibility and reputation of the organization is at least a minor challenge for almost 90 percent and a major challenge for close to half.

***Programs and Planning Capacity.*** All indicators pose at least a minor challenge to

about half of the respondents, with attracting new members or clients a major challenge to more than two-fifths and at least a minor challenge to more than four-fifths.

***Information Technology Capacity.*** All indicators are considered to be at least a minor challenge by more than half the respondents. Creating a comprehensive and interactive website and creating, updating and effectively using databases are seen as at least a minor challenge by more than three-fourths and as a major challenge by about a third.

***Human Resources Capacity.*** All indicators of human resources capacity are identified as at least a minor challenge by more than half. Recruiting/keeping qualified volunteers or board members, as well as board training, are considered at least minor challenges by more than 60 percent and as major challenges by about 30 percent.

***Operations and Governance Capacity.*** All indicators pose at least a minor challenge for more than half the organizations. Undertaking strategic planning and training and/or developing the board are viewed as a minor challenge by about 70 percent and as major challenges by about a third.

***Helpful Assistance in Addressing Challenges.*** We asked respondents how they would rank the helpfulness of various types of funding, peer learning, and technical assistance. Overall, multi-year and general overhead funding are seen as very helpful by at least 80 percent of respondents, followed by endowment funding (71 percent), small targeted grants (61 percent), challenge grants (53 percent), and learning from peers (44 percent). All other types of assistance were considered very helpful by no more than a third, although all types of assistance was considered at least somewhat helpful by more than half, except for low-cost loans (only 19 percent). The overwhelming majority (about 80 percent) also rated IAC project and



operations funding as very helpful, as did 35 percent with regard to IAC regional training and workshops.

***The Significance of Organizational Characteristics.*** Looking at how challenges might be related to various organizational attributes, we find no particular characteristic (e.g., mission or size) consistently related to challenges. However, an organization's level of focus on arts and culture programs plays a statistically significant role in over half of the challenges we examined. The same holds for reliance on volunteers or having at least one board vacancy – in both cases, organizations with these characteristics report higher overall levels of challenges than their counterparts for at least half the challenges. In addition, more than half of the different types of assistance are significantly related to the level of IT sophistication, use of volunteers, or use of endowment or government grant funding.

## **B. NONPROFIT VIEWS**

To assess how nonprofits define and differentiate *Capacity Building* and *Technical Assistance*, we asked our respondents to describe (1) their three most significant capacity building challenges and the best ways to address each of these, and (2) their three most significant technical assistance needs and the best ways to address each.

***Extent and Nature of Capacity Building and Technical Assistance Needs.*** We analyzed the extent to which respondents provided descriptions of capacity building or technical assistance needs, as well as whether those descriptions included references to specific organizational changes or resources needed.

Not all respondents identify major capacity building or technical assistance needs, but about 49 percent report having at least three capacity building needs, while only 25 percent described as many technical assistance needs.

Overall, respectively 76 and 69 percent reported at least one need of a given type. Respondents appear to have greater awareness of the types of resources than the nature of organizational changes they need in order to address their capacity building or technical assistance needs.

As in our previous survey, we find that *capacity building* and *technical assistance* have different meanings. Technical assistance appears to be seen mainly as having to do with technology, while capacity building appears to be applied to broader functional areas, such as fundraising, human resources, general operations and governance, and marketing.

***Three Most Significant Capacity Building Needs.*** Only 27 percent of the 592 descriptions of capacity building needs include details on the nature and/or direction of organizational changes needed; another 51 percent contained only general reference to organizational activities. By contrast, 45 percent of the descriptions reference specific resources needed while another 41 percent identify only general types of resources.

While needs related to financial resources are clearly the most prominent, those related to human resources, and operations and governance take on greater prominence when respondents focus on just their three most significant needs as opposed to assessing how challenging specific types of capacity building are.

***Most Helpful Ways to Address Capacity Building Needs.*** Our respondents listed the most helpful ways to address each of their three most significant capacity building needs. Some type of funding assistance was mentioned in 40 percent of the descriptions followed by human resources (23 percent). Various forms of marketing efforts were included in 17 percent and some form of external assistance in 14 percent.

***Three Most Significant Technical Assistance Needs.*** Of the 418 major technical assistance needs described, 53 percent include at least some details on the specific resources that would be needed, with another 32 percent identifying a general type of resource. Only 35 percent provided details on the nature and/or direction of organizational changes needed, with another 39 percent including only references to some general organizational component.

Over half (56 percent) of the descriptions include some reference to information technology, with items related to operations and governance trailing far behind at 15 percent, followed by human resources (14 percent), funding (13 percent), and marketing (10 percent), with the remaining two categories even less prevalent.

***Most Helpful Ways to Address Technical Assistance Needs.*** Our respondents also described the most helpful ways to address each of their three most significant technical assistance needs. Over a quarter included some reference to funding, followed by information technology (23 percent) and human resources (20 percent), and some form of external assistance (18 percent).

### **C. SUMMARY AND RECOMMENDATIONS**

Based on our analysis of what respondents view as the most helpful types of assistance to meet various types of capacity building and technical assistance needs, we identify four priorities for the Indiana Arts Commission and other funders in the arts and culture field.

***Top Priority: Funding Assistance.*** More than 80 percent see multi-year funding and general overhead as very helpful. We recommend that Indiana funders give serious consideration to providing this type of support to arts and culture organizations seeking assistance with capacity building needs. Endowment funding, small grants and

challenge grants targeted at particular areas of capacity building are also likely to be very useful.

***Second Priority: Peer Learning.*** The opportunity to interact with and learn from peer organizations is seen as very helpful by 44 percent of respondents and at least somewhat helpful by 89 percent. Thus, we recommend that arts and culture funders and other community leaders give serious consideration to creating opportunities for peer interactions and information sharing among executives and others in key arts and culture management positions, such as volunteer managers, special event coordinators, grant writers, and the like.

***Third Priority: Joint activities with other organizations.*** More than 32 percent indicate that joint activities with other organizations are very helpful, with 85 percent finding it at least somewhat helpful. We therefore recommend that funders explore ways to facilitate collaborative activities among arts and culture organizations.

***Fourth Priority: Support for Technical Assistance.*** Outside consultants, student interns, and workshops and other off-site training are viewed as very helpful by about three in ten or more of respondents and at least somewhat helpful by three-fourths or more. Thus, we recommend that funders give particular attention to identifying and supporting high quality consultants, student internship programs, and workshop or training opportunities.

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### III. KEY FINDINGS

A number of key findings stand out from our analysis of capacity building and technical assistance needs among Indiana arts and culture organizations.

***Indiana arts and culture organizations face many capacity building challenges.***

When asked to assess a broad array of capacity building challenges, our respondents indicate that securing financial resources presents the most severe and widespread challenges, followed by networking and advocacy, and marketing, with programs and planning, information technology, human resources, and operations and governance, following in succession. We find that financial resources remains the most prominent type of capacity building need when respondents were asked about their own three most important needs in open-ended questions. Respondents, however, indicated human resource and operations and governance as the next most prominent challenges they face. These are followed by challenges in marketing, programs and planning, information technology, and lastly networking and advocacy.

***Seven of the ten most prevalent major challenges are related to funding.*** Almost all of the specific capacity building dimensions across the seven broad categories pose at least a minor challenge for most nonprofits. However, more than half of all respondents reported major challenges with: obtaining general funding, expanding the donor base, securing foundation or corporate grants, developing a capital campaign, building an endowment, and securing government grants/contracts. At least 40 percent report major challenges with enhancing visibility, attracting new members/clients and writing grant proposals; at least one-third report major challenges with developing community communications, creating comprehensive and

interactive websites, recruiting and keeping volunteers, and strategic planning.

***Arts and culture organizations indicate that various types of funding would be very helpful in addressing these capacity building challenges.*** Over three-fourths of the organizations reported that multi-year and general overhead funding would be very helpful in addressing capacity building challenges, followed by over half reporting that endowment funding, small targeted grants, and challenge grants would be very helpful. In addition to funding assistance, over 40 percent of organizations reported it would be very helpful to have opportunities to interact and work with peers. About one-third also noted that outside consultants or joint activities with other organizations would be very helpful. When considering IAC assistance, organizations also emphasize the helpfulness of funding. Almost all organizations noted project funds would be helpful (80 percent very helpful, 17 percent somewhat helpful). Most organizations also indicated the helpfulness of operations funds (79 percent very helpful, 14 percent somewhat helpful).

***Indiana arts and culture providers do not view capacity building as synonymous with technical assistance.*** It appears most organizations associate technical assistance with information technology. In contrast, capacity building reflects a broader set of functional areas, including fundraising, governance, and human resources.

***An organization's degree of focus on its arts and culture activities is significantly associated with many challenges.*** For example, organizations with a greater focus on the arts have greater challenges with enhancing their visibility, attracting new members or clients, training/developing the board, and strategic planning. However, we find that organizations with a moderate focus on the arts have the fewest IT-related challenges.

***Organizations that have board vacancies or that rely extensively on volunteers generally report higher levels of challenges.***

Board vacancy is significantly related to a number of specific challenges and is also significant in our multivariate analyses of all major types of challenges. Reliance on volunteers is also significantly associated with greater challenges, especially in the area of human and financial resources, as well as information technology. In terms of other characteristics, we expected younger and smaller organizations to have the most capacity building challenges, but this was not always the case. The significance of these factors varied depending on the type of challenge involved.

***While organizational formality is frequently related to how helpful organizations see various types of assistance, this relationship is not straightforward.***

We asked organizations whether they had various policies and procedures in place associated with organizational formality and capacity (e.g., written personnel policies, a written code of ethics, computers for staff members, etc). Organizations with a moderate number of these components tend to find various forms of assistance more helpful, compared to organizations with only a few or a great many of these elements. This suggests that organizations need a certain level of formality to benefit fully from assistance, but that the usefulness of assistance declines again as organizations develop more formal policies and procedures.

***While an organization's revenue diversification is related to challenges, this relationship doesn't hold across the board.***

We asked organizations if they received revenue from a variety of sources (e.g., individuals, grants, sales or fees for services, etc.). For over half the top challenges, the number of revenue sources is statistically

significant. We might expect organizations with more revenue sources to have fewer challenges, considering the emphasis organizations placed on financial resource challenges and the helpfulness of financial assistance. This, however, is not the case. Challenges sometime peak for organizations with a moderate number of sources, and in couple of cases, organizations with no revenues at all report the fewest challenges.

***Very few challenges vary significantly across state regions.*** Organizations face similar challenges regardless of their location in the state with only a few exceptions. Thus Indianapolis-area organizations report greater challenges in enhancing their visibility and reputations, securing foundation or corporate grant support, and developing comprehensive and interactive websites compared to organizations in other regions of the state. Additionally, Indianapolis-area organizations see low-cost loans as less helpful.

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## IV. METHODOLOGICAL NOTES

### A. MULTIVARIATE ANALYSIS

In some prior survey reports we primarily used cross-tabulations of two indicators (*bivariate analysis*) to guide our investigations. This method allowed us to examine whether there is a significant relationship between two variables, such a particular type of challenge and age, to see if older nonprofits are notably more likely to report high levels of challenges.

Although useful, this approach is limited in that it only permits us to examine two variables at a time. Thus, continuing with our example, if we found that young nonprofits are more likely to report challenges, we might be curious whether this also has something to do with the size of the organization. To do so, we use *multivariate analysis*, an advanced statistical technique that allows us to include multiple variables into a statistical model in order to determine which of them appear to be significantly related to the extent of challenge, controlling for everything else under consideration. In the present report we experiment with these techniques in order to provide a more robust and nuanced analysis of the capacity building challenges that Indiana arts and culture organizations face.

To simplify the presentation, however, all the figures that we present are based on the bivariate analyses. We use the text to highlight the variables that stand out in the multivariate analyses. For this analysis, we explore several models based on various combinations of eight key organizational features: **importance of arts and culture activity, sector** (nonprofit vs. public auspices), involvement in **collaboration/networking, size,<sup>4</sup> funding**

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<sup>4</sup> We use total annual revenues and number of full-time equivalents (FTEs) as alternative indicators of organizational size.

**mix,<sup>5</sup> age, and location.** In addition, we included **use of** and **reliance on volunteers** as well as **board vacancies**, since these features appear to be significant for many specific challenges. We also consider whether having specific **organizational tools or components** (such as information technology) in place is associated with fewer challenges in a related area (as we would expect). For a complete list and description of these variables, see Appendix D.

Our analysis highlights differences that meet statistical criteria of significance (5 percent or less chance that the results occurred by chance). In some cases, we also note “marginally” significant relationships (10 percent or less change that the results occurred by chance). The results of these analyses are presented in Appendices D.2 and D.3.

### B. FACTOR ANALYSIS

To simplify our multivariate analysis, we also performed separate factor analyses of almost 50 challenge and twelve assistance items. Factor analysis is a statistical method that explores the relationships among a large number of variables. This process helps reveal unobserved underlying dimensions called factors.

For example, it would be difficult for us to create one singular question that would fully capture operations and governance challenges. Instead, we asked several specific questions about operations and governance challenges (e.g., strategic planning, board development,

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<sup>5</sup> “Primary source of funding” is defined as obtaining 50 percent or more of total revenues from a particular source (government, dues and fees, donations, etc.); those obtaining less than half of their revenues from any one of these sources are defined as having “No dominant source” of funding. “Number of revenue sources” reflects responses to 11 possible options.



etc.) that the literature has described as part of this larger challenge

For this particular example, we found two groupings (or factors) of operations and governance challenges – an “operations” cluster (which includes performing routine tasks and managing facilities) and a “governance” cluster (which included board-staff relations, organizational culture, strategic planning, etc.). These sub-categories suggest that organizations that have operations challenges may or may not also have governance challenges.

In addition to operations and governance challenges, our factor analysis revealed sub-clusters for human resources and financial resource challenges. We also found four different clusters for assistance. We use these groupings in our multivariate analysis and discuss each in the respective chapters.



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## V. CAPACITY BUILDING: CHALLENGES AND ASSISTANCE

As noted in our first capacity assessment report, a review of the research literature<sup>6</sup> reveals both the complexity of capacity building as a concept and the diverse approaches that researchers and practitioners have used to identify the key components involved. To obtain a comprehensive assessment of capacity building challenges, we focused on a broad range of tasks identified in the research literature but supplemented with tasks of particular concern to the IAC. We grouped these into seven broad categories: operations and governance, human resources, programs and planning, marketing, networking and advocacy, financial resources, and information technology (the same categories we examined in our 2007 report).

### A. CAPACITY BUILDING CHALLENGES

Focusing on each of the seven broad categories in turn, we asked survey respondents to indicate the extent to which specific types of capacity building efforts within that category present **major, minor** or **no challenges** to the respondent's organization. We recoded those responses to a four-point scale so that we could compute an average challenge score for each of the seven categories, with 3 indicating that a particular dimension presented a "major challenge," 2 indicating "a minor challenge," and 1 indicating "not a challenge." We coded those that said a particular indicator did not apply to them as zero in order to avoid overstating the extent of challenge if a

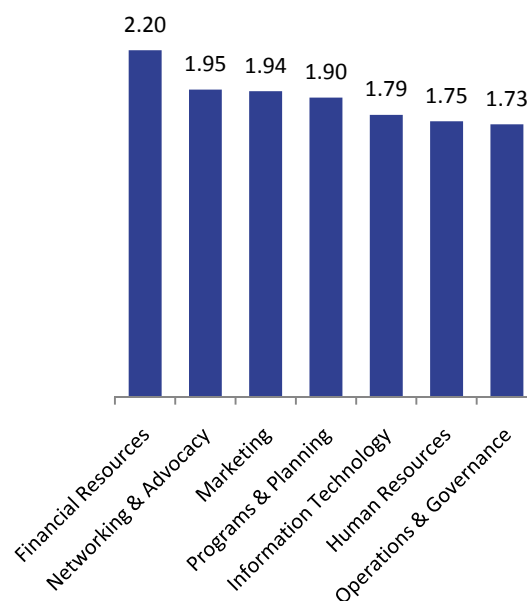
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<sup>6</sup> See Appendix A in *Nonprofit Capacity Assessment: Indiana Charities, 2007*, by Kirsten A. Grønberg and Laney Cheney, with the assistance of Scott Leadingham and Helen Liu. Online report. *Indiana Nonprofit Capacity Survey Series, Report #1. MAY 2007.* ([www.indiana.edu/~nonprof/results/npcapacity/charitycapacityassessment.pdf](http://www.indiana.edu/~nonprof/results/npcapacity/charitycapacityassessment.pdf)).

particular item pertains only to a small number of respondents.

Figure 1 shows the average challenge scores for the seven categories, ranging from the most challenging at the left to the least challenging at right. Not surprisingly, capacity-building efforts related to **financial resources** are the most severe with an average challenge score of 2.20 on the 0 to 3 scale. Three other areas show intermediary challenge scores: **networking and advocacy** (1.95 average challenge score) and **marketing** (1.94), followed by **programs and planning** (1.90). The remaining three areas have notably lower challenge scores: **information and technology** (1.79), **human resources** (1.75), and **operations and governance** (1.73). We turn now to a closer look at each of these major types of challenges.

**Figure 1: Nonprofit Capacity Building Categories: Average Level of Challenge (n=329-355)**



### 1. FINANCIAL RESOURCES

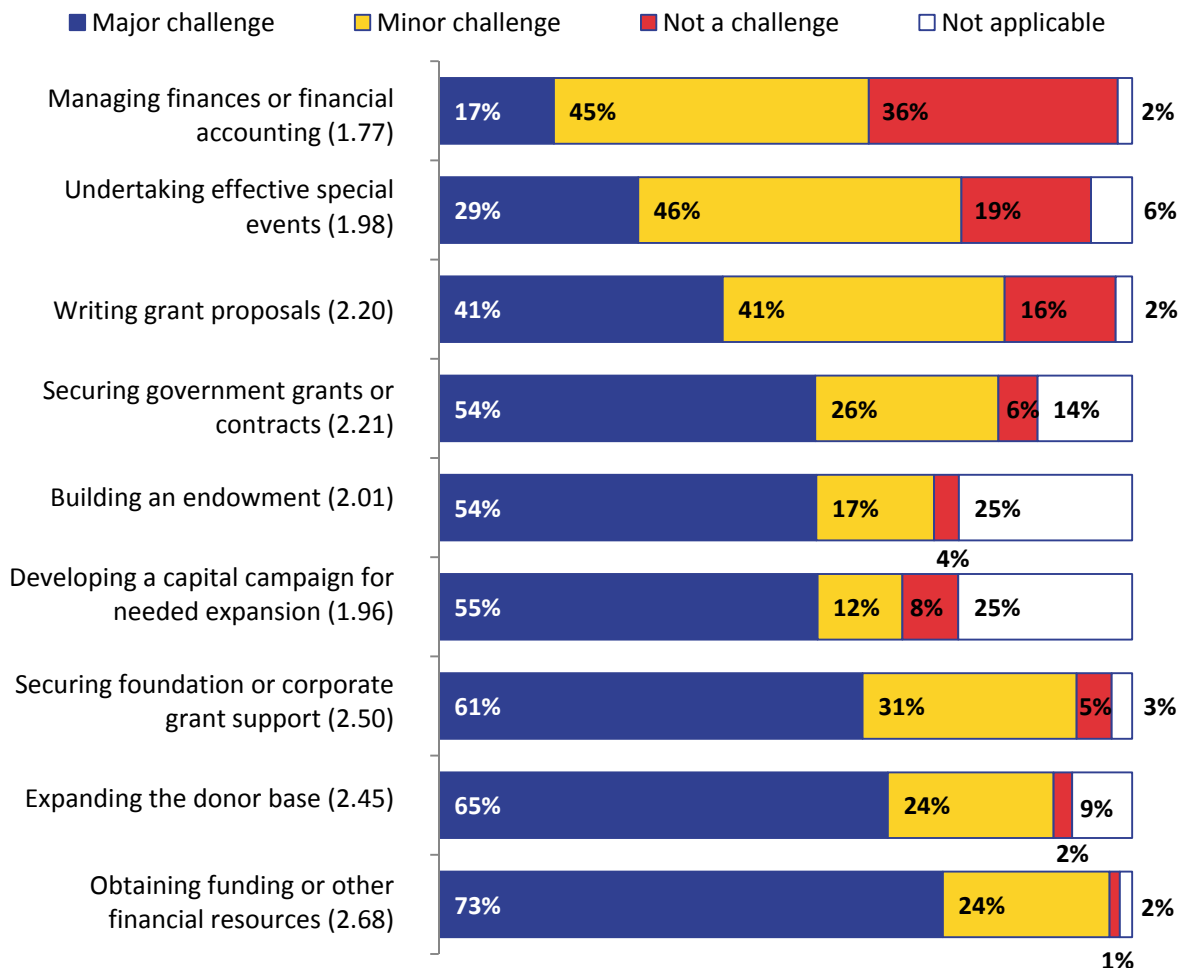
As noted earlier, financial resources rank as the most challenging of the seven broad categories of capacity building needs. Indeed, as Figure 2 shows, all aspects of securing financial resources present at least a minor

capacity building challenge to more than 60 percent of our respondents. Moreover, six of these dimensions — **obtaining funding** or other financial resources in general, **expanding the donor base, securing foundation or corporate grant support, developing a capital campaign for needed expansion, building an endowment, and securing government grants or contracts** — are viewed as a major challenge by 54 percent or more. The first three of these activities are viewed as at least a minor challenge by about 90 percent or more. About a quarter say that building an endowment or developing a capital campaign is not relevant to them and 14 percent say that about government grants or contracts.

Slightly less pervasive, but still significant challenges, include **writing grant proposals** (identified as a major challenge by 41 percent and as a minor challenge by another 41 percent), while **managing finances or financial accounting** is viewed as a major challenge by only 17 percent, although 45 percent say it is at least a minor challenge.

When asked whether involvement in collaborations or networking makes it easier or more difficult to obtain funding, about 52 percent said these relationships made obtaining funding easier (while about 33 percent reported no impact and only 8 percent said these relationship made obtaining funding more difficult). Probing a bit further into different types of collaborations and

**Figure 2: Financial Resources Challenges (n=335-337)**



specific financial resource challenges, we find that organizations report less of a challenge in writing grant proposals or securing government grants or contracts if they are involved in collaborations (particularly if they are involved in both informal and formal networks).

## **Refining Operations and Governance Challenges**

Many activities fall under the umbrella of financial resources, and we undertook a factor analysis procedure to see whether our indicators grouped into coherent clusters.<sup>7</sup> We found two related groups. The first cluster includes more fundamental challenges: managing finances or financial accounting, writing grant proposals, obtaining funding or other financial resources, and securing foundation or corporate grant support. The second cluster includes more advanced techniques: building an endowment, expanding the donor base, developing a capital campaign, securing government grants or contracts, and undertaking effective special events. The average challenge score for the fundamental tasks group is 2.29 compared to 2.12 for the advanced techniques group.

We find that the two clusters have divergent relationships with some organizational characteristics and behaviors. For example, an organization's annual revenue is related to the advanced cluster, but not the fundamental cluster.<sup>8</sup>

## **Multivariate Analysis**

As noted earlier, multivariate analysis is a statistical technique that helps us look at the

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<sup>7</sup> Please see the methodology section for more details about the factor analysis process.

<sup>8</sup> Details of these differences are included in Appendix D, which is available on the *Indiana Nonprofit Sector: Scope and Community Dimensions* website: [www.indiana.edu/~nonprof/results/npcapacity.html](http://www.indiana.edu/~nonprof/results/npcapacity.html).

pattern of simultaneous relationships among several variables.

We explored financial resource challenges using several combinations of variables. As observed with other challenges, organizations with board vacancies or that tend to focus more on the arts tend to have more severe challenges. This holds for basic as well as advanced financial resource challenges. Perhaps a bit counterintuitively, organizations with more annual revenue also tend to have more basic financial resource challenges. Greater challenges with advanced financial resources appear to be related to involvement in formal collaboration or a greater reliance on volunteers. Relying on primarily government funding seems to be related to fewer challenges, but just having any government funding is not significant. Additional findings from this multivariate analysis are available in Appendix D.2.

We turn now to a closer look at specific types of financial challenges included in this cluster, focusing on those that present the most severe challenge to the largest number of organizations. For each challenge, we examine whether it is related to the type of organization involved, changes in demands for programs or services, various activities, policies and procedures, and such basic organizational characteristics as size, funding profile, and age.

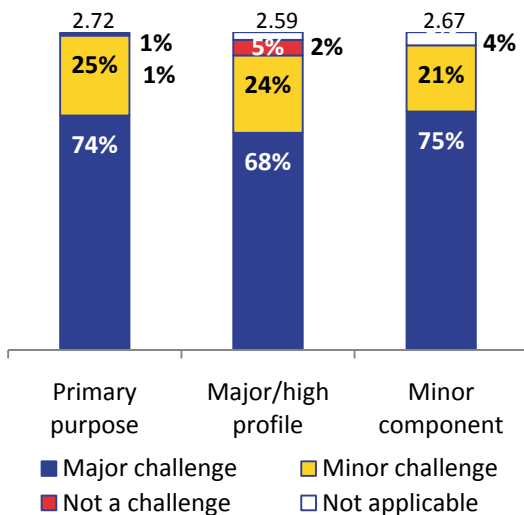
## **Obtaining Funding or Other Financial Resources**

As Figure 2 shows, 97 percent of respondents identified obtaining funding or other financial resources as at least a minor challenge. Compared to other questions, this received the highest challenge score. Since the majority of organizations reported major challenges in this area, we find relatively few substantive distinctions due to organizational characteristics or policies. The relationships that do exist follow in this section.

### Types of Organizations

While an organization’s focus on art/culture programs has a statistically significant relationship with challenges in obtaining funding and other financial resources, the distinction between groups is relatively minor (See Figure 3). About three-fourths of organizations primarily focusing on arts and culture report major challenges in this area – a proportion also shared by those that only have a minor focus on such activities, compared to 68 percent of providers in which arts/culture is a major component. One possible explanation for these differences is for “major component” organizations might just mean reducing programs, while funding troubles might threaten the viability of “primary purpose” organizations and sustainability of programs in “minor component” providers. This challenge neither varies according to sector (public or nonprofit) nor mission, so we cannot explain these distinctions in more detail.

**Figure 3: Obtaining Funding Among Organizations with Different Focuses on Arts/ Culture (n=337)**



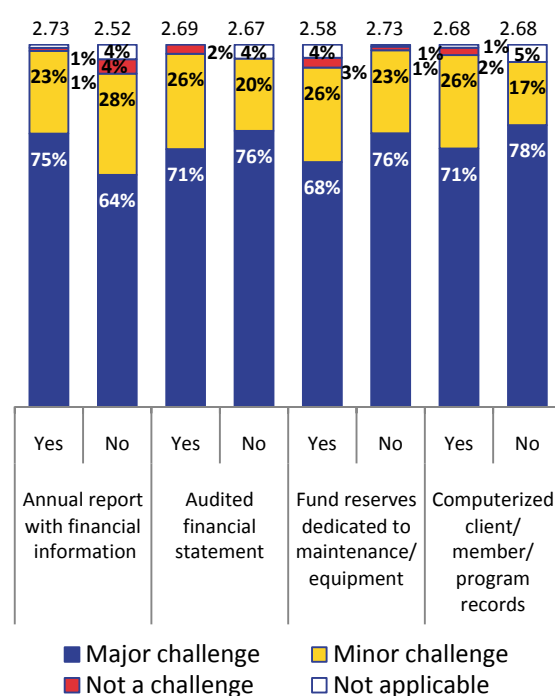
### Changes in Demand for Programs and Services

Changes in demands for services and programs over the past three years have no relationship with the challenges organizations face in obtaining funding.

### Activities, Policies, and Procedures

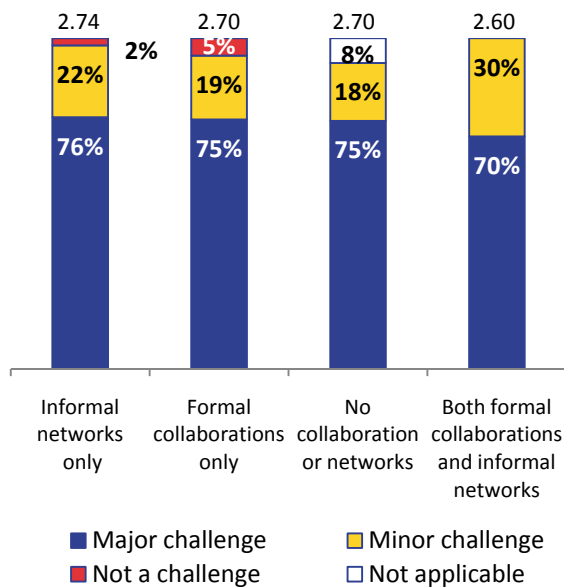
We asked organizations about certain key components associated with formality and capacity. While the total count of these elements was not significant for this challenge, four specific components were: having a recent annual report, an audited financial statement, fund reserves for maintenance/equipment, and computerized records (See Figure 4). In most cases, organizations with a given component reported fewer challenges than those without. That is as we would expect on the assumption that those with such components are larger and have greater overall capacity. However, the opposite pattern holds for annual reports with financial information. In this case, organizations that produced such reports were more likely to report major challenges than those that did not; possibly providers produced these reports specifically in order address this challenge and raise funds.

**Figure 4: Obtaining Funding Among Organizations with Certain Components (n=307)**



While collaboration and networking have a statistically significant relationship with challenges in obtaining funding, again we see very little substantial variation among these groups (See Figure 5). Approximately, three-fourths of organizations report major challenges, except for those in both formal and informal relationships that report 70 percent. Only organizations uninvolved in any relationships note that obtaining funding is inapplicable (8 percent).

**Figure 5: Obtaining Funding among Organizations with Levels of Collaboration**  
(n=290)



Interestingly, when we specifically asked organizations involved in collaborations and networks if these relationships make it easier or harder to obtain funding, a little over half of organizations (51 percent) said these relationships make it easier, while 33 percent say they have no impact

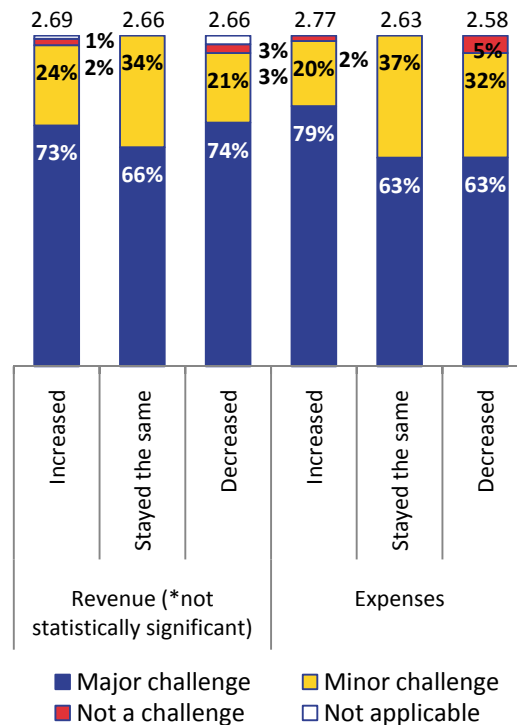
We also asked organizations if they were uninvolved in collaborations/ networks due to greater needs for capacity building or technical assistance. As expected, almost all (95 percent) organizations that answered yes to this question also say obtaining funding is a

major challenge, in contrast to only about half (56 percent) of organizations answering no. Considering the prominence of financial challenges in our results, it makes sense that organizations limited by capacity building needs would also cite financial challenges.

*Organizational Characteristics*

For the most part, organizational characteristics such as size and funding base have no impact on challenges in obtaining funding. We do, however, find that organizations are more likely to report major challenges when expenses have increased over the past three years - 79 percent compared to 63 percent (See Figure 6). Logically, organizations facing increase expenses would be more concerned about obtaining funding and thus be more likely to see it as a major challenge. Decreases in revenue, however, lack a statistically significant relationship with this challenge.

**Figure 6: Obtaining Funding and Changes in Revenue and Expenses Over the Past Three Years**  
(n=218/206)



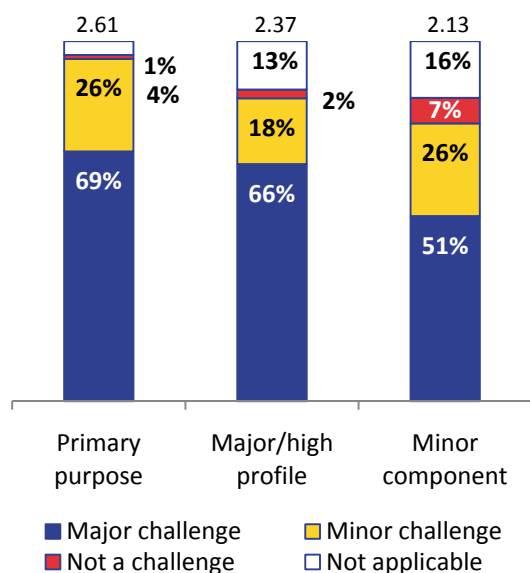
## Expanding the Donor Base

Expanding the donor base is the second most reported challenge after obtaining funding. Approximately 65 percent of organizations report no major challenges in this area, with another 24 percent reporting minor challenges.

### Types of Organizations

As illustrated in Figure 7, almost all (95 percent) organizations that primarily focus on arts/culture report challenges with donor base development, (69 percent reporting major and 26 percent reporting minor). In comparison, a little more than 80 percent of organizations with a major focus report challenges (66 and 18 percent saying major and minor respectively) and over 75 percent of organizations with a minor focus (51 percent saying major, and 26 percent minor) report challenges.

**Figure 7: Expanding Donor Bases Among Organizations with Different Focuses on Arts/Culture (n=335)**

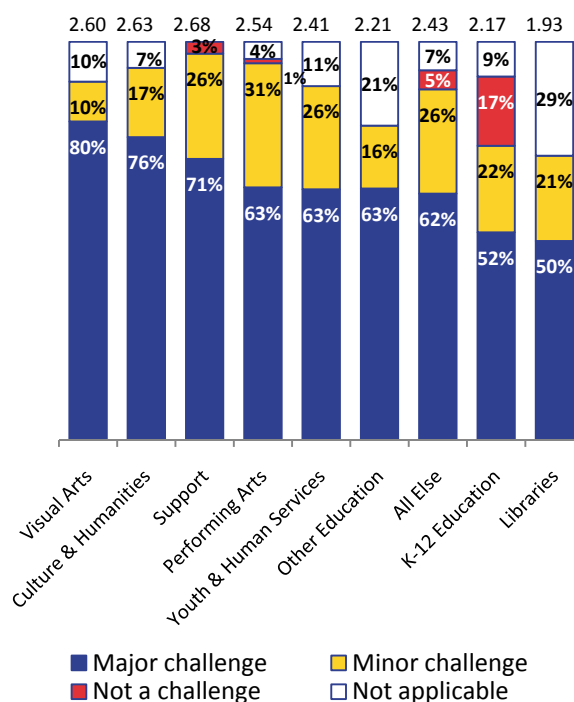


Notice that organizations that do not have primary focus on arts/culture are more likely to report this challenge as not applicable. We

suspect that organizations that primarily focus on the arts fund themselves through multiple revenue sources, while “major or minor” focus organizations might be more likely to rely on a single source (e.g., a state grant) to fund these activities and programs.

Analyzing challenges among organizations with different missions, we again see that primarily arts/culture organizations report more challenges (See Figure 8). Over 70 percent of visual arts, culture and humanities, and arts/culture support agencies report major challenges, in comparison to approximately 50 percent of libraries and K-12 organizations. Unlike other primarily arts/culture organizations, only about 60 percent of performing arts organizations report major challenges in expanded the donor base, but this might be because they rely more on ticket and other sales fees than their peers.

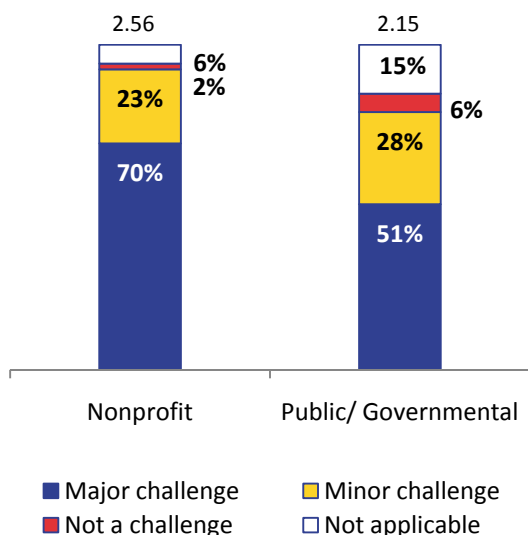
**Figure 8: Challenges In Expanding Donor Bases Among Organizations With Different Missions (n=318)**





Not surprisingly, expanding the donor base appears to be a greater challenge for nonprofit organizations than public/governmental organizations - 93 percent reporting challenges compared to 79 percent respectively (See Figure 9). What is particularly interesting is the number of public and governmental organizations noting challenges with their donor bases, indicating arts/culture programs in these organizations might not primarily rely on government support.

**Figure 9: Expanding Donor Bases Between Public and Nonprofit Organizations (n=277)**



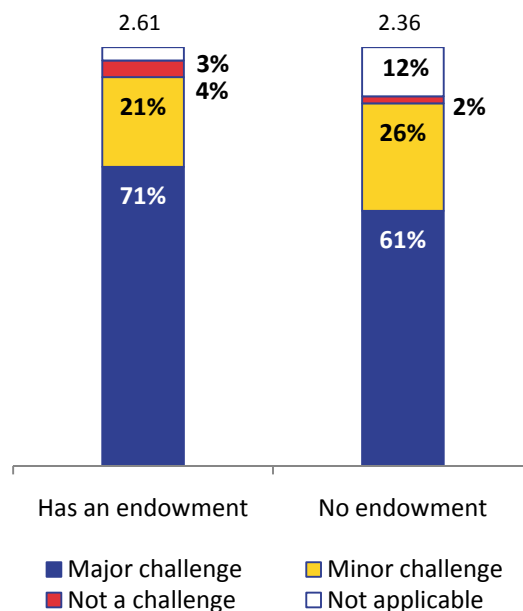
*Changes in Demand for Programs and Services*  
Changes in demands for services and programs over the past three years have no statistically significant relationship with the challenges organizations face in donor base development.

*Activities, Policies, and Procedures*

Whether or not an organization has an endowment is related to challenges with donor base development (See Figure 10). Approximately 70 percent of organizations with endowments report major challenges compared to the approximate 60 percent of those that do not. Additionally, 14 percent of

organizations without endowments say donor base development is either not a challenge or inapplicable to them – twice the percentage of organization with endowments. We suspect these differences are because organizations with endowments engage in more intensive and expansive fund development.

**Figure 10: Expanding Donor Bases and Impact of Having an Endowment (n=305)**

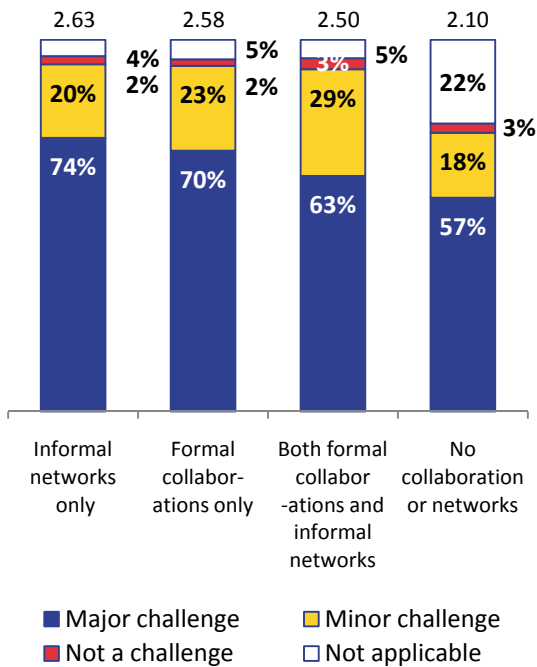


Additionally, relationships with other organizations are related to donor base challenges. Over 90 percent of organizations engaged in some collaboration or networking report challenges, compared to about 75 percent of those uninvolved in such activities (See Figure 11). Many fund developers talk about raising revenue as a relationship-building activity. We speculate that organizations concerned about developing their donor base are more likely to explore networking opportunities as part of their efforts to build relationships.

Looking at organizations with boards, we find a relationship between board vacancies and donor base challenges. All organizations with some board vacancy report at least a minor

challenge (73 percent major and 27 percent minor), while 14 percent of those with full boards say that they have no such challenges or that these challenges do not apply to them.

**Figure 11: Expanding Donor Bases and Organizational Networking and Collaboration (n=289)**



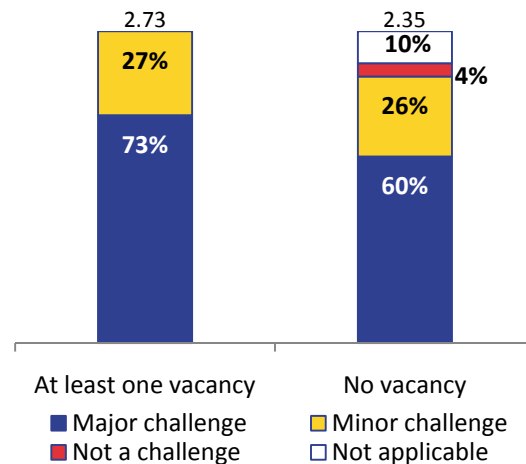
Normally, board members play a major role in cultivating prospective donors and organizations with board vacancies may find it difficult to carry out such activities (See Figure 12). Alternatively, prospective board members may be reluctant to join boards if they anticipate that donor development will be a major responsibility for them.

*Organizational Characteristics*

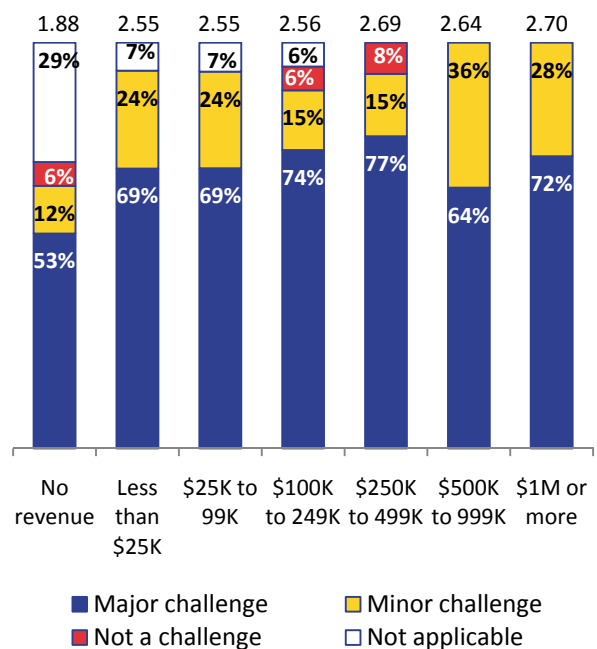
Donor base challenges do vary with an organizations size, as defined by annual revenue (See Figure 13). In organizations without revenue, about 50 percent report major challenges, while 29 percent say this challenge is inapplicable. In organizations with revenue under \$100,000, 69 and 24 percent note major and minor challenges respectively. Approximately three-fourths with revenue

between \$100,000 and \$500,000 say they have major challenges with another 15 percent noting minor ones. All organizations with revenue above \$500,000 report challenges, with 64 to 72 percent of these being major. We suspect organizations with more revenue generally report more challenges because they need a larger donor base to maintain revenue streams.

**Figure 12: Expanding Donor Bases and Board Vacancies (n=195)**

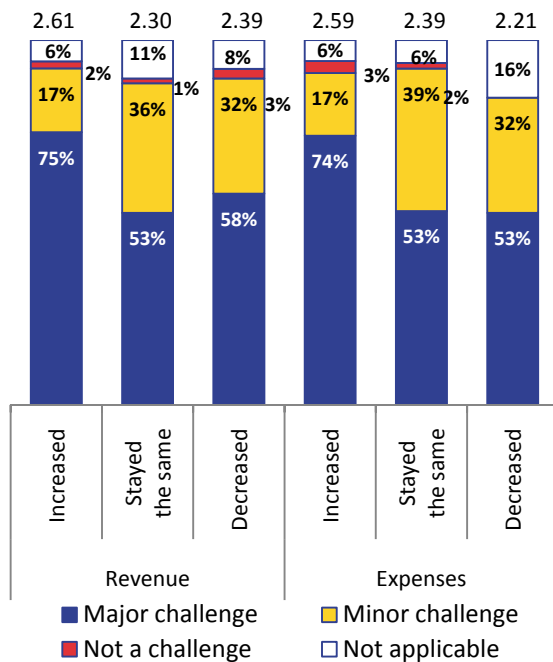


**Figure 13: Expanding Donor Bases and Annual Organizational Revenue (n=203)**



Changes in revenue and expenses also impact donor base challenges. As seen in Figure 14, approximately three-fourths of organizations report major challenges when their income or expenses increase, compared to only about 50 percent of others that did not experience such changes. Challenges associated with increased revenues might be related to managing multiple sources, while challenges related to increased expenses might be due to the need to expand and maintain donor sources.

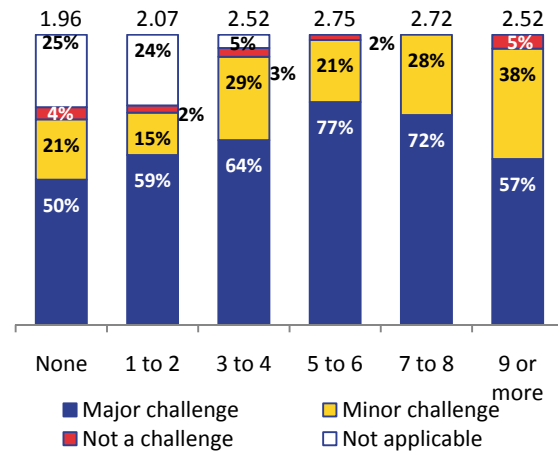
**Figure 14: Expanding Donor Bases and Changes in Revenue/Expenses Over the Past Three Years (n=217/205)**



Donor base challenges also vary by the number of income sources an organization uses (See Figure 15). Major challenges begin at 50 percent for organizations with no revenue, rise to over 75 percent for those with five to six, but then decrease to 57 percent for those with over 9 sources. About a quarter of organizations with two or fewer sources say donor base challenges are inapplicable. The pattern of these challenges suggests some economies of scale. In other words, challenges in expanding the donor base increases as

organizations reach a critical threshold of diverse revenue streams and then decline

**Figure 15: Expanding Donor Bases and Number of Income Sources (n=255)**



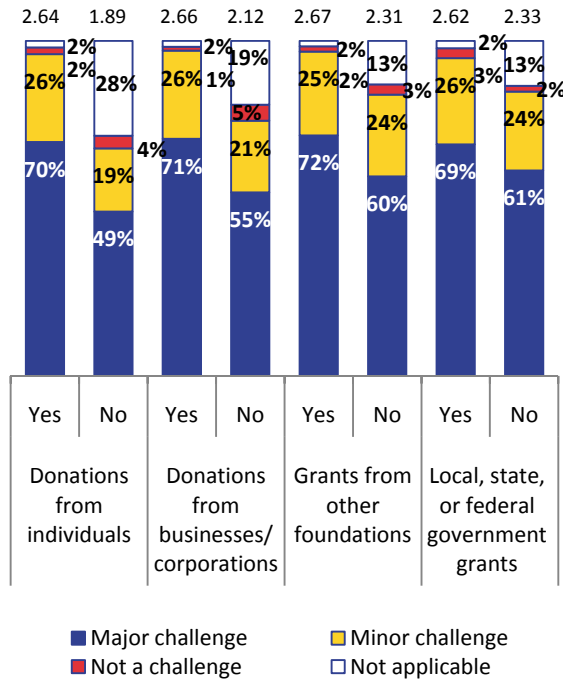
We also find that certain types of revenue are related to donor base challenges. Some of the most distinctive appear in Figure 16. Organizations that receive support from individual donations or from businesses/corporations, government grants, or grants from other (non community) foundations have more challenges than their counterparts (although the difference is mainly a function of the number of organizations that say this challenge doesn't apply to them). Looking particularly at individual donations, almost all organizations using this source have challenges (70 percent major and 26 percent minor), compared to two-thirds of those that do not (49 percent major and 19 percent minor). As noted with previous relationships, these data indicate that challenges generally increase with revenue complexity.

### Securing Foundation or Corporate Grant Support

The third most prevalent financial resource challenge is securing foundation or corporate grant support. Almost 90 percent of organizations reported some challenge, 61 percent being major and 31 percent being minor, with this item. We find this challenge

is related to focus on arts/culture activities, collaboration and networking, importance of volunteers, staff size, and revenue.

**Figure 16: Expanding Donor Bases and Particular Types of Income (n=255)**



*Types of Organizations*

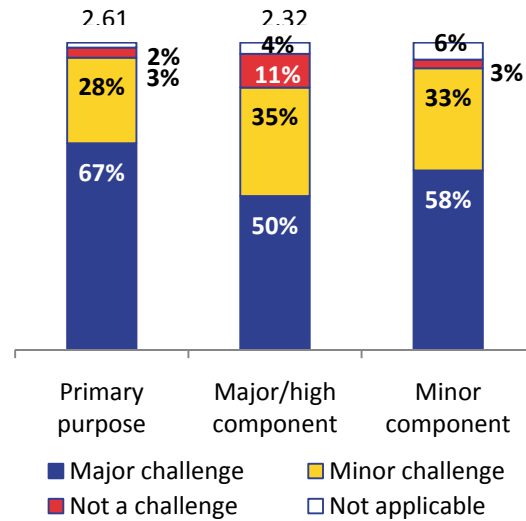
Organizations that primarily focus on arts/culture programs and activities appear to experience the most challenges with securing foundation or grant support, with 67 percent reporting major challenges and 28 percent noting minor (See Figure 17). This might be partially attributable to the need for these organizations to support not just their programs but their entire organization. In contrast, providers with major or minor arts programs might be able to sustain these activities with fewer sources of support, although not if their challenges are still relatively high (approximately 54 with major challenges and 34 with minor).

*Changes in Demand for Programs and Services*

Changes in demands for services and programs over the past three years have no statistically significant relationship with the

challenges organizations face in securing corporate or grant support.

**Figure 17: Securing Foundation or Corporate Grant Support Among Organizations with Different Focuses on Arts/Culture (n=337)**

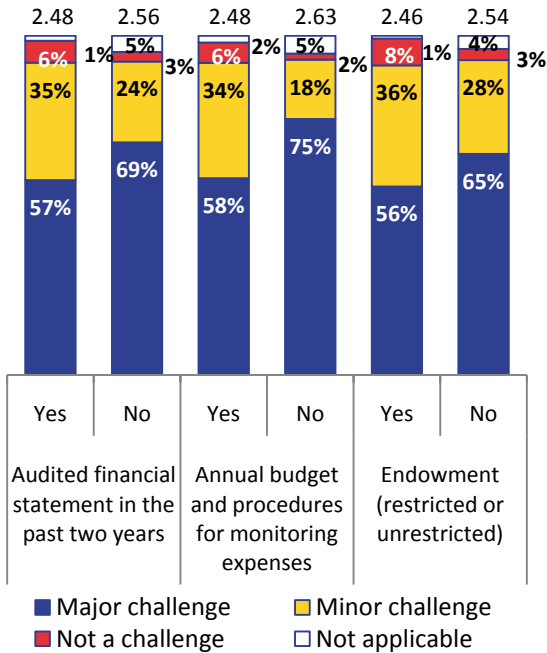


*Activities, Policies, and Procedures*

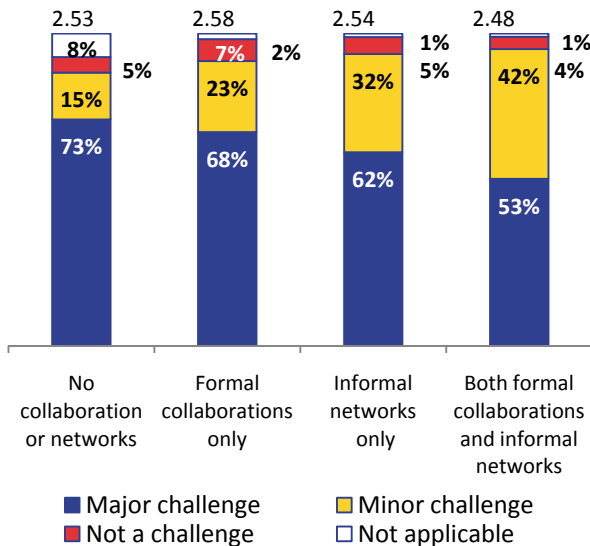
Among organizational features we find a relationship between financial components and grant challenges (See Figure 18). Approximately 57 percent of organizations report major challenges with grants when they have audited financial statements, annual budgets, or endowments, compared to approximately 68 percent of organizations without these elements. Audited financial statements and annual budgets with procedures for monitoring expenses indicate a financial sophistication that might make it easier for these organizations to win grant money. Additionally, organizations with endowments likely have more sophisticated fund development skills and experience than their peers.

Interorganizational relationships also play a role in grant-related challenges. In Figure 19, we see organizations without these ties report the most major challenges (73 percent), while organizations with both formal and informal relationships report the fewest (53 percent).

**Figure 18: Securing Foundation or Corporate Grant Support among Organizations with Different Components (n=307)**



**Figure 19: Securing Foundation or Corporate Grant and Relationships with Other Organizations (n=290)**

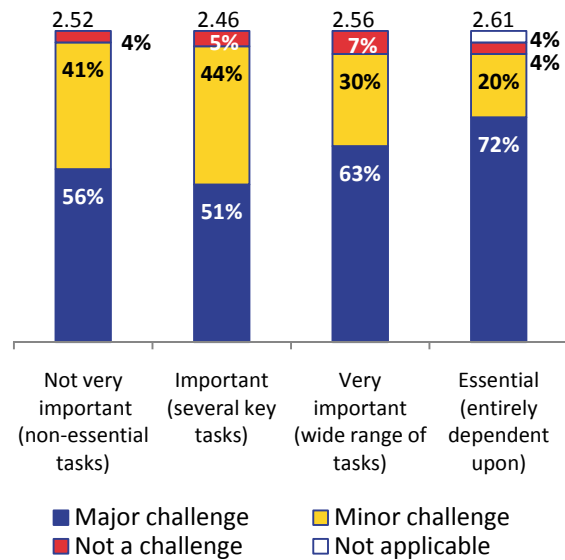


Interestingly, however, organizations with purely formal relationships note more challenges than groups only involved in

informal networks (68 and 62 percent respectively), although the difference is not large. Moreover, note that as major challenges decrease, minor challenges correspondingly increase. This suggests that participating in certain types of interorganizational relationships may reduce, but not eliminate, major challenges.

We also find that major challenges generally increase the more important volunteers are to operations (See Figure 20), while minor challenges decrease. This suggests that increased reliance on paid staff makes it easier for organizations to obtain such grants, whether because they prepare more effective grant proposals or because funders are more willing to support staffed organizations than those relying mainly on volunteers.

**Figure 20: Securing Foundation or Corporate Grant Support and the Importance Of Volunteers (n=248)**

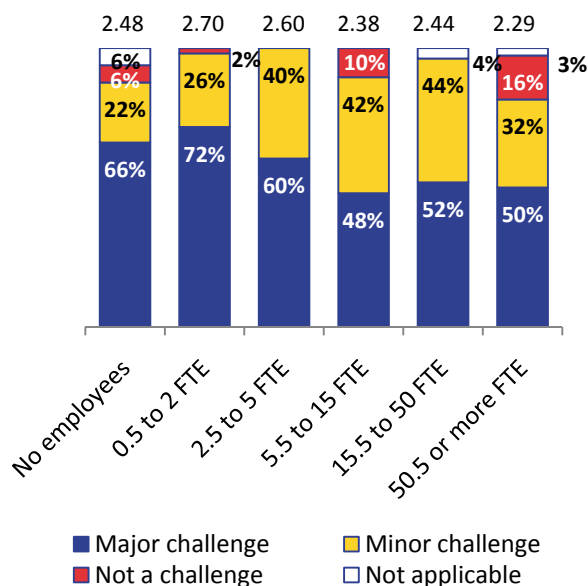


*Organizational Characteristics*

Figure 21 provides further support for the argument that paid staff facilitates the process of securing foundation or corporate grants. Organizations with 0.5 to 2 fulltime employees are most likely to report major challenges (72 percent), followed by those with no employees (66 percent) and 2.5 to 5

FTE (60 percent). Only about half of organizations with more than 5 employees note major challenges, and 16 percent of providers with more than 50 employees say they have no challenges at all. This suggests that reaching a critical staff size – more than five employees – reduces some of the more prominent challenges associated with securing corporate and foundation grants.

**Figure 21: Securing Foundation or Corporate Grant Support and Number of Paid Employees**  
(n=279)

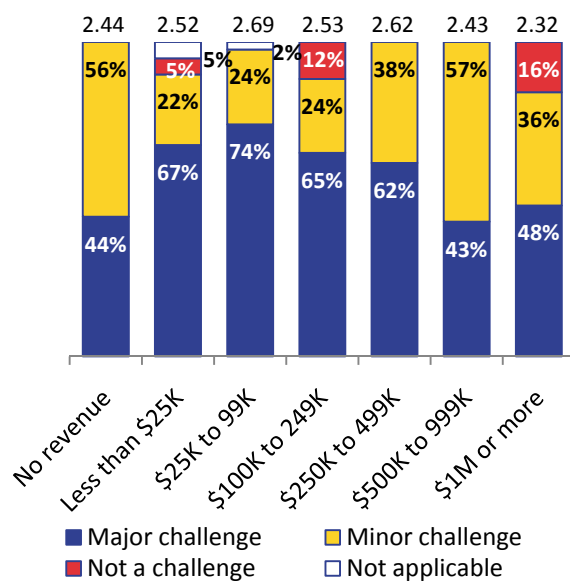


A related factor, total annual revenues, is also related to these challenges (See Figure 22). Organizations with no revenue or revenue in excess of \$500,000 say they have the fewest major challenges (between 43 and 48 percent). Major challenges peak at 74 percent for organizations with revenue between \$25,000 and \$99,999. This pattern shows that moderately-sized organizations likely encounter the most challenges, compared to very large organizations or those with no revenue. Most likely the latter rarely seek foundation or corporate grants.

Looking at grant-related challenges in relation to surpluses and deficits in Figure 23, we

unexpectedly find that organizations with more revenue than expenses (i.e., a surplus) report the highest level of major challenges (67 percent), compared to organizations with expenses exceeding revenues (55 percent). Organizations running deficits, however, report almost twice as many minor challenges (43 vs. 23 percent). We suspect arts and culture providers with surpluses are actively pursuing many revenue sources, thus they are encountering more challenges. In contrast, organizations running deficits might be more inclined to re-trench and focus on core sources of support.

**Figure 22: Securing Foundation or Corporate Grant Support and Annual Organization**

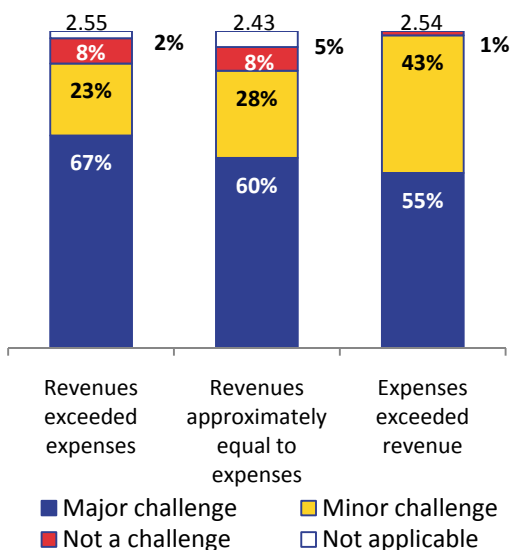


The number of income sources an organization uses also correlates with challenges in securing foundation or corporate grant support (See Figure 24). Similar to the pattern we observed with annual revenue, about 40 percent of organizations with no revenue sources note major challenges; similarly, major challenges are reported by about 47 percent of those with 7 or more sources. Providers with 1 to 6 sources have the highest incidence of major challenges (59

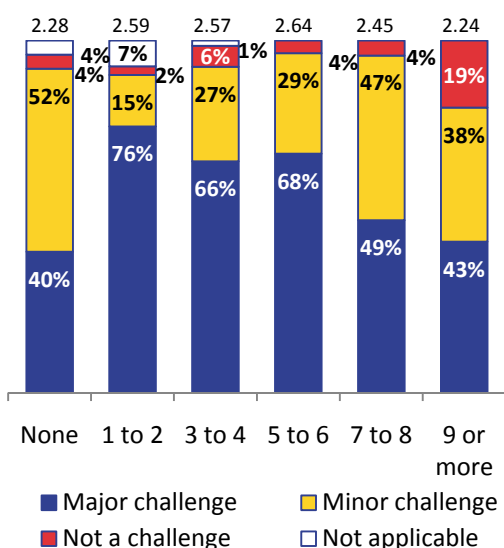


percent on average). This again indicates economies of scale, in that managing financial resources becomes less of a challenge after a critical threshold is reached. Interestingly, however, organizations currently receiving corporate or foundation grants did not report challenges any more frequently than those that did not.

**Figure 23: Securing Foundation or Corporate Grant Support and Relationship of Expenses to Revenues (n=204)**



**Figure 24: Securing Foundation or Corporate Grant Support and Number of Different Income Sources (n=257)**



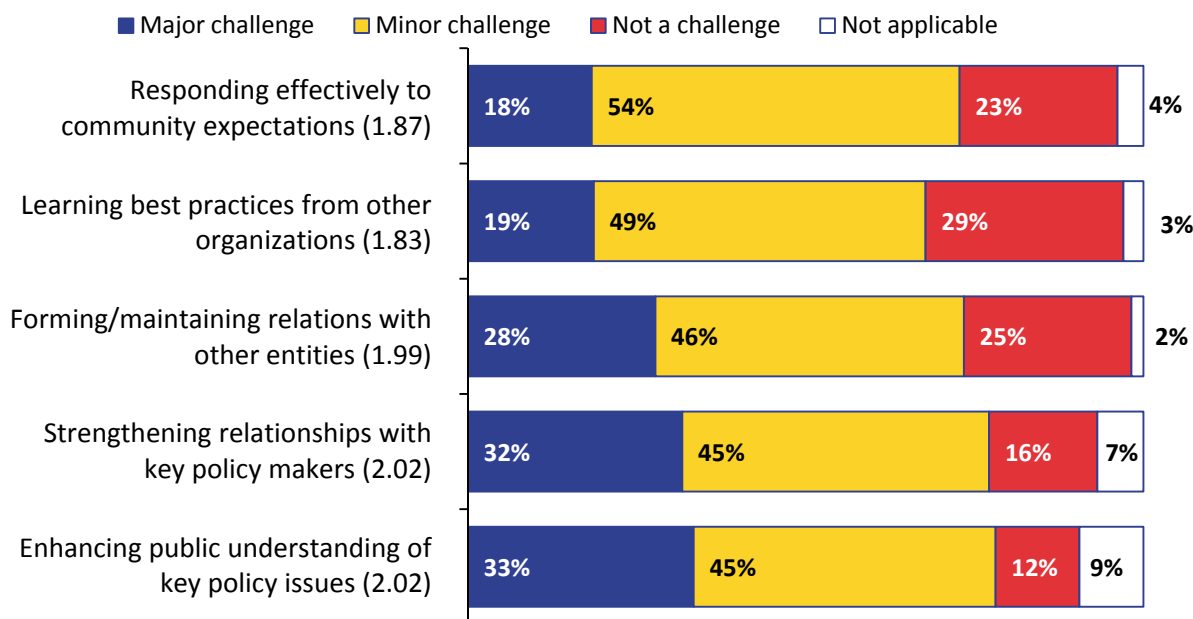
## 2. NETWORKING AND ADVOCACY

Challenges related to networking and advocacy activities scored second overall in terms of average challenges (see Figure 1), but as Figure 25 shows, none of the five items included in this category are considered a major challenge by more than one-third of respondents. The two most pervasive challenges are both related to advocacy activities: **enhancing public understanding of key policy issues** and **strengthening relationships with key policy makers**. They are considered major challenges by about one-third (32-33 percent) and at least a minor challenge by more than three-fourths (77-78 percent). **Forming and maintaining relationships with other entities** are also considered at least a minor challenge by roughly three-fourths (74 percent) and a major challenge by 28 percent. The last two items in this category: **learning best practices from other organizations** and **responding effectively to community expectations** are considered major challenges by less than one-fifth but at least minor challenges by more than two-thirds. Here, we focus on the two most severe challenges in this category.

### Multivariate Analysis

As noted earlier, multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. We explored a variety of factors to determine the combination that best predict overall challenges in networking and advocacy. As for other challenges, organizations that have a stronger focus on their arts/cultural programs and activities also tend to report higher networking and advocacy challenges. Board vacancies and involvement in collaborations are also associated with higher challenge scores, depending on what other factors are considered in the model.

**Figure 25: Networking and Advocacy Challenges (n=335-338)**



Additional findings from this multivariate analysis are available in Appendix D.2.

### Enhancing Public Understanding of Key Policy Issues

As noted in Figure 25 enhancing public understanding of key policy issues was the most challenging networking and advocacy activity. However, challenge levels reported by survey respondents varied considerably. We find that the extent of challenge is related to the organization’s primary activities, changes in demand for programs/services, certain kinds of organizational activities and procedures (related to collaboration, policy promotion, information technology, and human resources), as well as basic characteristics, such as age, size (number of employees), and funding profile.

#### *Types of Organizations*

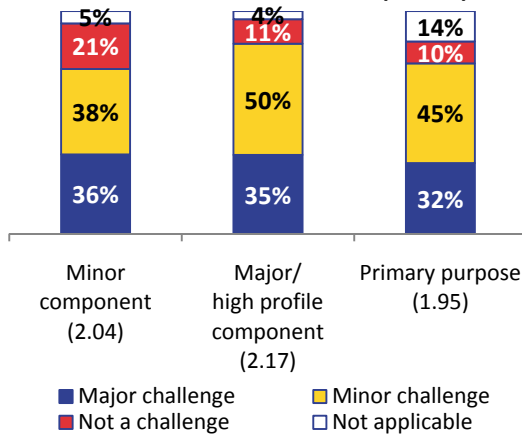
While organizational artistic focus has a statistically significant impact on the level of challenge reported about enhancing public understanding, the differences are driven by those who view this as not relevant or not a challenge at all. Regardless of the role of arts

programming within an organization, about one-third of all types of respondents report a major challenge with this activity (32-36 percent), see Figure 26. However, 14 percent of organizations where the arts are their primary purpose feel that enhancing public understanding of key policy issues does not apply to their groups, compared to 4-5 percent for those where arts/culture is not a primary focus. Additionally, groups where arts/culture is a minor focus are twice as likely to say that enhancing public understanding is not a challenge as those with a primary or major artistic focus (21 percent vs. 10-11 percent).

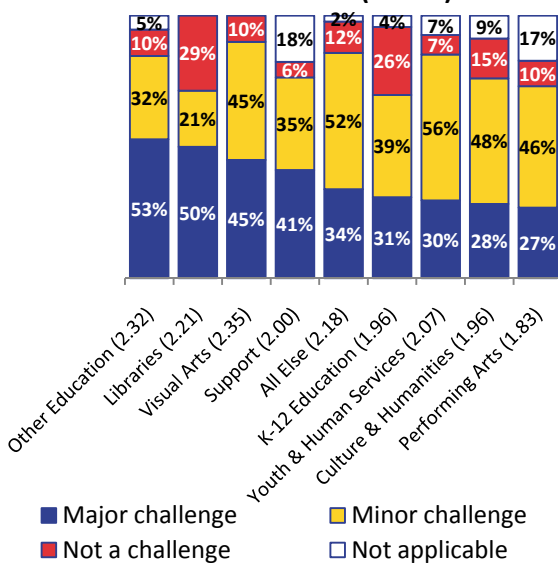
Organizations are also likely to report different levels of challenges in enhancing public understanding of key policy issues depending on their mission, see Figure 27. For example, more than half (53 percent) of all respondents in the “other education” category report major challenges in this area. This category includes higher education institutions, which offer a variety of services and are intensely affected by the current policy environment. Thus, they may struggle with informing their own university

community, as well as the larger public, about a range of policy issues that reflect the diverse services they provide. However, libraries, visual art and support organizations are also disproportionately likely to report major challenges. For the most part, this is also the case with marketing activities, such as enhancing the visibility/reputation of an organization's arts and culture activities and developing targeted communications to the community.

**Figure 26: Challenges Enhancing Public Understanding of Key Policy Issues and the Role of Arts (n=338)**



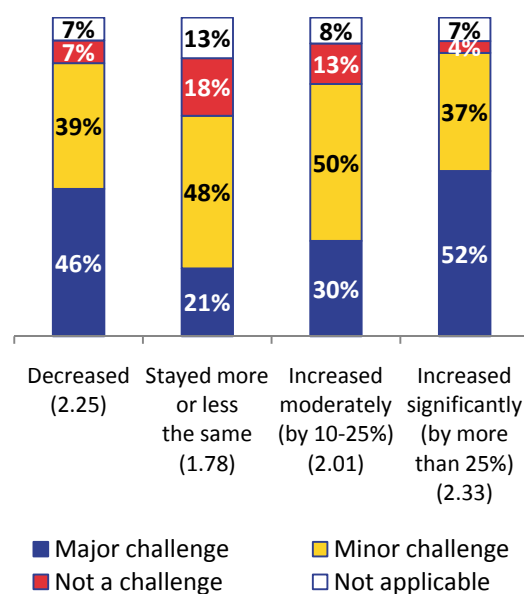
**Figure 27: Challenges Enhancing Public Understanding of Key Policy Issues and Mission (n=320)**



*Changes in Demand for Programs and Services*

We asked survey respondents to consider if demands for their organizations' arts and culture services or programs changed over the last three years. We find that a significant relationship exists between such changes and the level of challenge in enhancing public understanding of key policy issues, see Figure 28. Over half (52 percent) of organizations that experienced more than a 25 percent increase in demand reported a major challenge with this activity compared to 46, 21, and 30 percent, respectively, for organizations where demand decreased, stayed about the same or increased only moderately. We suspect that once demand increases above the 25 percent threshold, organizations may be so consumed by meeting this demand that resources are reallocated away from policy education and/or non-essential education activities are halted, or, they fear that the general public won't understand and appreciate the significance of such growth. Thus, it becomes more challenging to enhance public understanding.

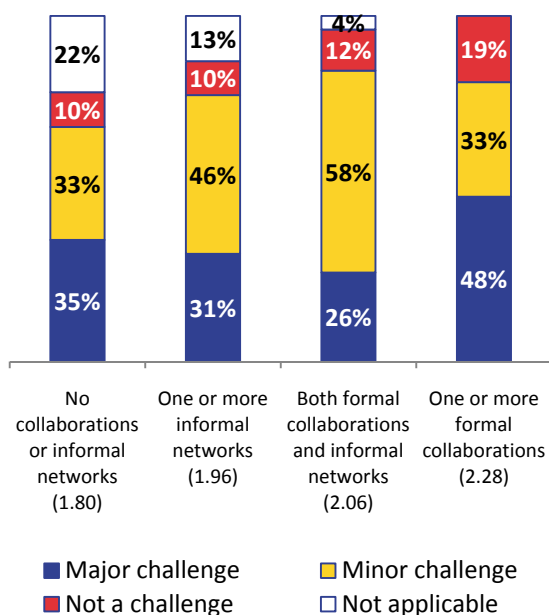
**Figure 28: Challenges Enhancing Public Understanding of Key Policy Issues and Change in Demand (n=287)**



### Activities, Policies and Procedures

We find that interactions with other organizations are related to challenges in enhancing the public’s understanding of key policy issues. As collaborations become more formalized, the organizations that participate in them are more likely to report higher than the average challenge score. We expect that a formal rather than informal partnership structure, with clear member roles and responsibilities and accountability measures will result in more successful outcomes. However, as Figure 29 shows, formality may introduce new issues for partners to overcome. Respondents that indicated they participate in a combination of formal and informal collaborations, or one or more formal collaborations, have higher than average challenge scores of 2.06 and 2.28, respectively.

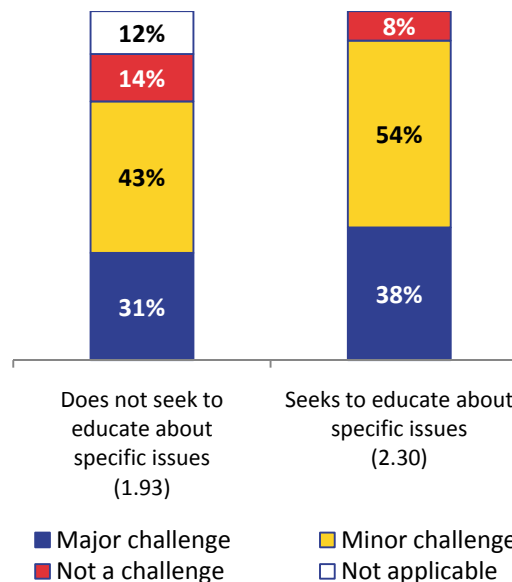
**Figure 29: Challenges Enhancing Public Understanding of Key Policy Issues and Collaboration (n=290)**



We asked respondents to comment on whether their organizations seek to educate the general public about certain arts and culture policy issues. Not surprisingly, the groups that do are more likely to report at

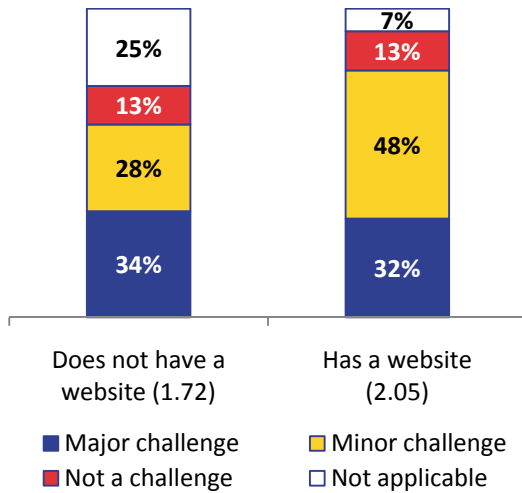
least a minor challenge enhancing the public’s understanding of key issues (92 percent vs. 74 percent), see Figure 30. As organizations become more involved in educating the public, they will also become more conscious of challenges yet to be overcome.

**Figure 30: Challenges Enhancing Public Understanding of Key Policy Issues and Educates about Specific Issues (n=299)**



Possession of certain information technology (IT) tools, which respondents may use to disseminate information to the public about key policy issues, also appears to be related to the challenge level they report. Those with an organizational website seem to be more likely to report enhancing public understanding as at least a minor challenge (80 percent vs. 62 percent), see Figure 31. While it might seem counterintuitive that possession rather than lack of a website is associated with more challenges, organizations that have websites are likely to be more interested or involved in enhancing the public’s understanding. We speculate that they struggle to use their sites most effectively to disseminate information and their position on key policy issues. It should also be noted that less than 10 percent of the 307 respondents to this question lack a web site, so this finding may not be robust.

**Figure 31: Challenges Enhancing Public Understanding of Key Policy Issues and Has a Website (n=307)**

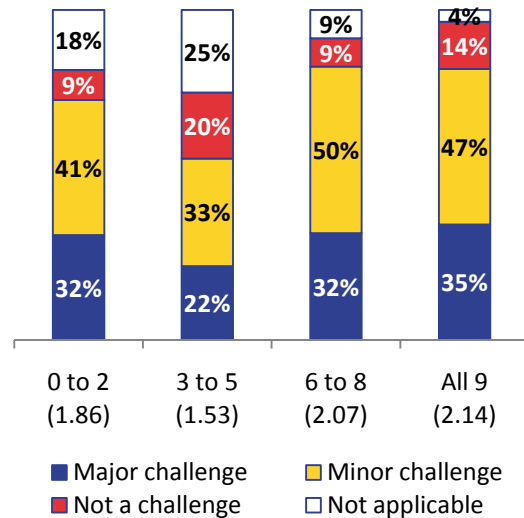


The total number of IT tools respondents have at their disposal also impacts the level of challenge they report, see Figure 32. Organizations possessing six to eight or all nine of the tools mentioned in survey have higher than average challenge scores — 2.07 and 2.14, respectively. Although these groups may have the technical tools readily available, they may not have adequate staff expertise or other resources to use these tools as effectively as they might wish. Moreover, securing these tools may signal an organization’s interest in using IT to inform the public. Again, however, as organizations do more work to educate the public, they also grow more aware of their own limitations, and thus report more challenges.

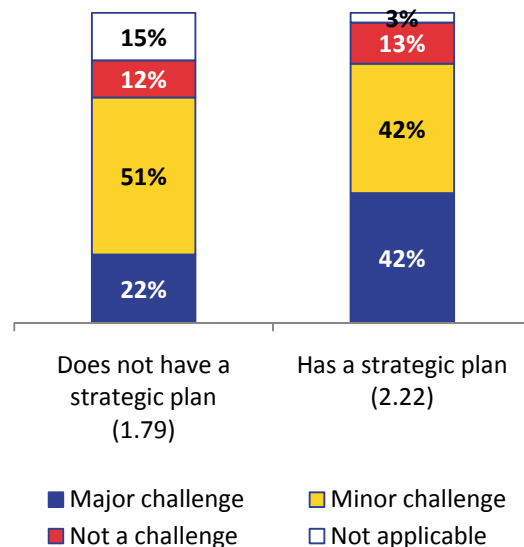
We find similar results with regard to developing or updating a strategic plan, which we consider a proxy for organizational capacity and sophistication. Although Figure 33 suggests that possession of a strategic plan is associated with more challenges in enhancing the public’s understanding, there may be more complexity behind this finding. As was the case with IT tools, simply having the component does not guarantee sufficient human or financial resources to do the work

effectively. Developing a strategic plan is a decision-making tool. Therefore, after an organization identifies its priorities, such as policy education, it may recognize the shortcomings that stand in the way of meeting goals, and thus report more challenges.

**Figure 32: Challenges Enhancing Public Understanding of Key Policy Issues and Count of IT Tools (n=307)**

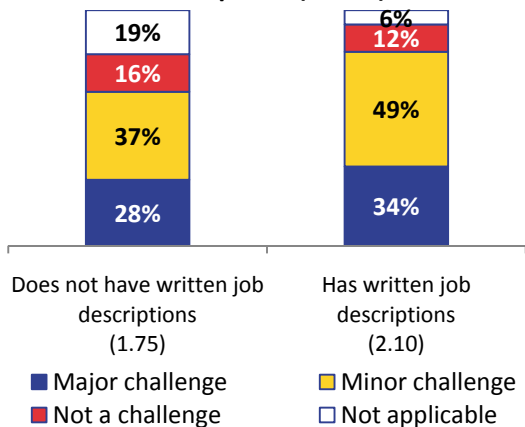


**Figure 33: Challenges Enhancing Public Understanding of Key Policy Issues and Has a Strategic Plan (n=307)**

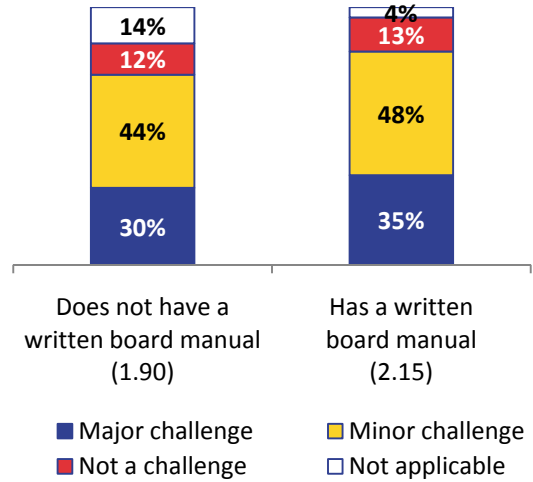


When we look at activities, policies and procedures surrounding staff and board development, we find that several are associated with challenges enhancing the public’s understanding of key issues, but not in a straightforward way. Organizations with written job descriptions and a manual for the Board of Directors, as well as those that conduct a staff/board orientation, appear more likely to report major challenges, see Figures 34 through 36. However, what is more interesting to note is the sizeable percentage of respondents to each of these three questions that answered not applicable and also do not have the particular component (between 13 and 19 percent), which means that neither having the these specific elements nor trying to enhance the public’s understanding applies to them. We speculate that these organization are mostly volunteer run or still in nascent stages of development, and thus unable to engage in policy outreach and education because they have more pressing operations and governance challenges to address. Further, it is not that having these components makes it harder to enhance the public’s understanding. Instead, organizations with such tools may be more aware of and likely to report challenges, or may be occupied with managing the tools rather than these more external challenges.

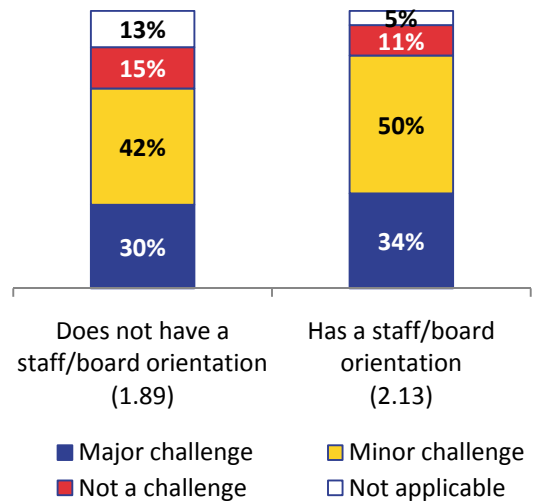
**Figure 34: Challenges Enhancing Public Understanding of Key Policy Issues and Has Written Job Descriptions (n=307)**



**Figure 35: Challenges Enhancing Public Understanding of Key Policy Issues and Has Written Board Manual (n=307)**



**Figure 36: Challenges Enhancing Public Understanding of Key Policy Issues and Has Staff/Board Orientation (n=307)**

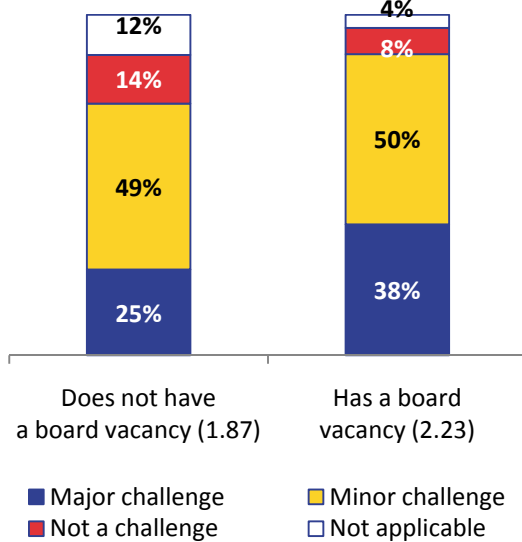


Vacancies on an organization’s Board of Directors is also associated with the likelihood of reporting a major challenge enhancing the public’s understanding of key policy issues, see Figure 37. The board is often responsible for liaising with the community, which includes articulating the organization’s mission and policy position to the public in order to



garner support. Consequently, being short on members may complicate the board’s fulfillment of its duties, which in turn may make it harder for the organization as whole to increase the public’s comprehension of important policy issues. Alternatively, organizations with major challenges may find it difficult to recruit board members.

**Figure 37: Challenges Enhancing Public Understanding of Key Policy Issues and Has Board Vacancies (n=197)**



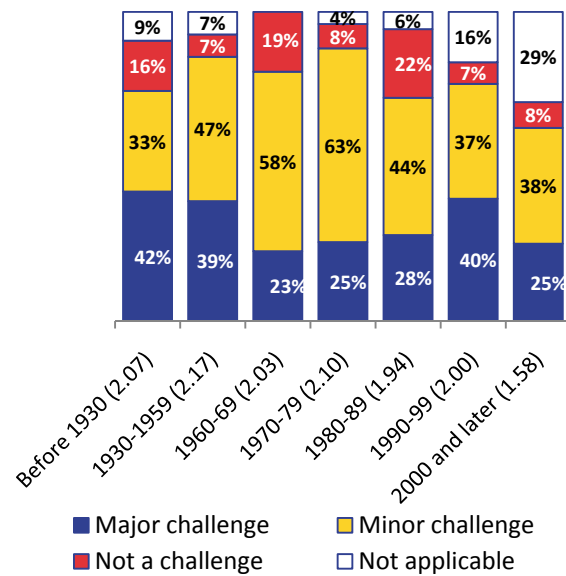
*Organizational Characteristics*

Figure 38 shows a complex relationship between challenges in enhancing the public’s understanding of key policy issues and organization age. Providers founded before 1959 or from 1990-99 are more likely to report a major challenge than those founded during the 1960s, 70s, or since 2000. Moreover, the two youngest cohorts (those founded after 1990) are most likely to say this challenge does not apply to them. Clearly, greater age does not by itself increase organizations’ abilities to manage this type of challenge.

Similarly, as Figure 39 shows, there is no clear cut relationship with size (number of employees) except to note that the three

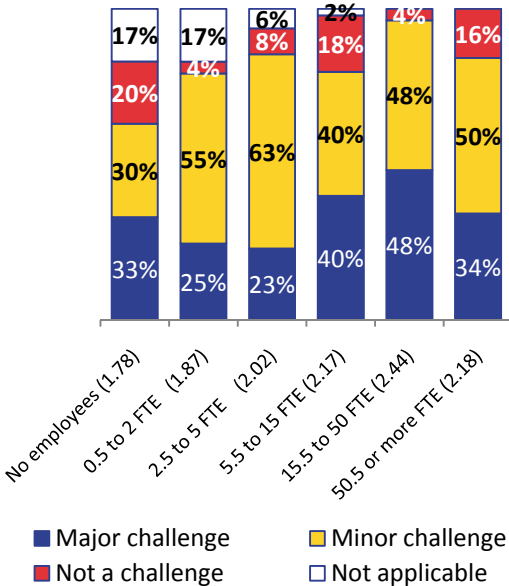
largest categories of organizations report the highest average challenge scores (2.17, 2.44, and 2.18). Organizations with zero to two employees also stand out, but mainly because 17 percent say this challenge does not apply to them (perhaps because they have not reached the operating capacity to consider public policy education and outreach). In contrast, we speculate the larger groups may assign staff to these tasks and thus they encounter more challenges carrying out this work.

**Figure 38: Challenges Enhancing Public Understanding of Key Policy Issues and Age (n=269)**

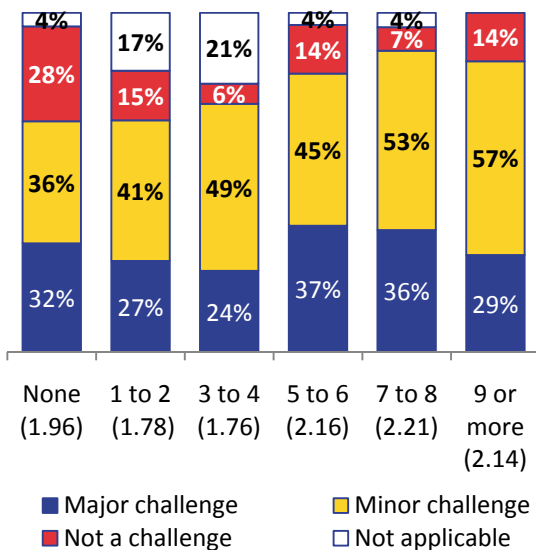


We see the same ambiguous relationship between enhancing the public’s understanding of key policy issues and the number of income sources an organization receives, see Figure 40. Respondents that receive five to six, seven to eight, or no income sources are all about as likely to report major challenges. As was the case with age, this variability suggests that the count of income sources, while statistically significant, is not in practice a strong protection against these challenges.

**Figure 39: Challenges Enhancing Public Understanding of Key Policy Issues and FTE Size (n=279)**



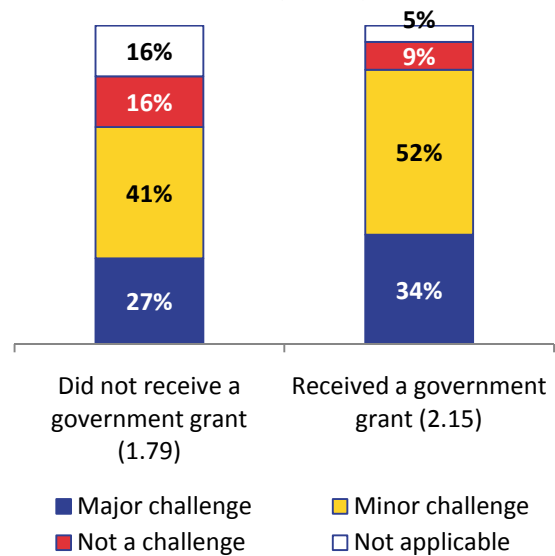
**Figure 40: Challenges Enhancing Public Understanding of Key Policy Issues and Count of Income Sources (n=257)**



Finally, looking closely at one specific source of revenue, government grants, we find a relationship between receipt of this income type and challenges associated with enhancing the public's understanding of key policy

issues. Groups that receive government grants report a higher than average challenge score than those do not (2.15 vs. 1.79), see Figure 41. Having financial ties to government could make organizations more cautious in how they approach efforts to enhance public understanding so as to not jeopardize the funding. Additionally, government grants may contain stringent activity restrictions, so confusion around what is permissible may explain the challenges respondents report.

**Figure 41: Challenges Enhancing Public Understanding of Key Policy Issues and Receives Government Grants (n=257)**



### Strengthening Relationships with Key Policy Makers

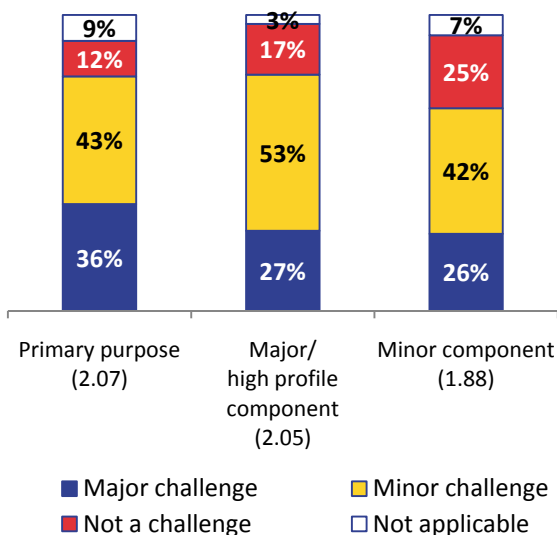
As seen in Figure 25, the next most pervasive networking and advocacy challenge was strengthening relationships with key policy makers. However, as was the case with enhancing public understanding of key policy issues, not all arts and culture groups struggle to the same degree with this activity. We find that the extent of challenge is related to the type and artistic focus of the organization, changes in demand for services, involvement in collaboration, possession of specific information technology tools, certain official

documents and operating practices, as well as board turnover and funding profile, but not age, size, or location.

### Types of Organizations

Organizations that focus on arts and culture programs and services report more difficulties strengthening their relationships with key policy makers, see Figure 42. For example, 36 percent of organizations whose primary focus is arts/culture report a major challenge strengthening relationships, compared to 27 percent that place a major (not primary) focus on arts/culture and 26 percent with a minor focus. Most likely, the latter organizations see strengthening relationships with key policy makers about their arts and culture programs as less of a priority, and thus less of a challenge, since such programs are not the primary focus of their operations.

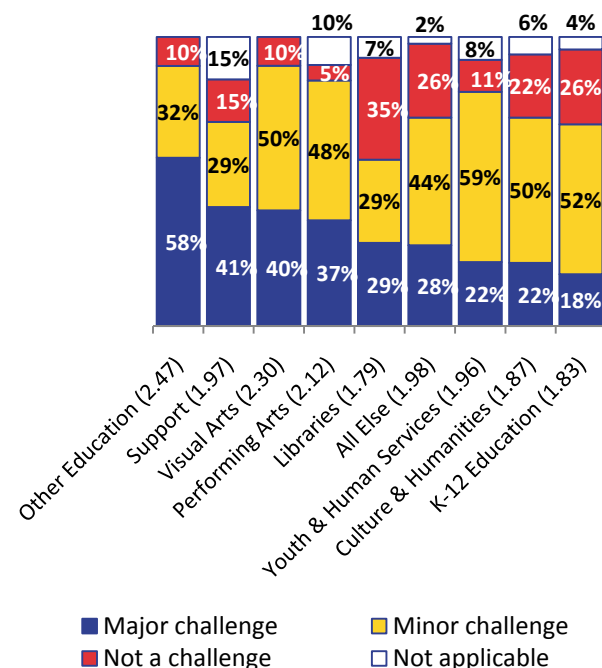
**Figure 42: Challenges Strengthening Relationships with Policy Makers and Role of Arts (n=337)**



When we consider more detailed missions (see Figure 43), we find that K-12 education, culture and humanities, and youth and human services organizations are least likely to report strengthening their relationships with policy makers to be a major challenge. We speculate

that while arts/ culture is at best a minor component for these organizations, they are also in close and regular contact with policy makers because they either provide public instruction or contract with the government to deliver social services. Thus, these relationships are strong and enduring.

**Figure 43: Challenges Strengthening Relationships with Policy Makers and Mission (n=319)**



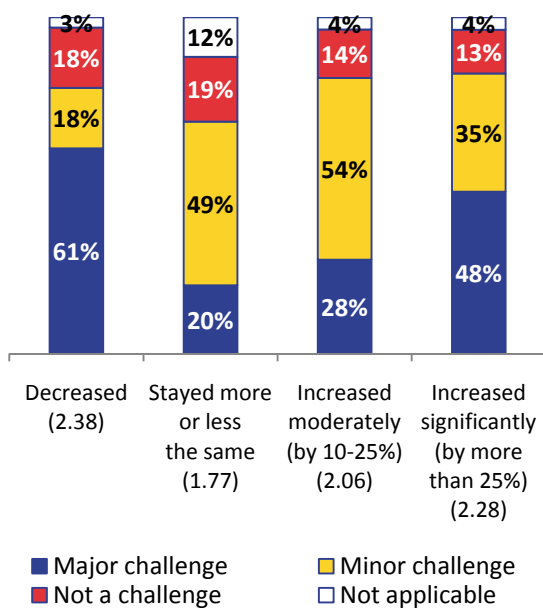
At the other extreme, the organizations that most frequently reporting major challenges are visual arts, arts support, and other education organizations, which includes college/university museums, lecture series, as well as dance, theater, music and art departments. Here too, we see a trend where organizations that generally focus more on arts/culture face more challenges.

### Changes in Demand for Programs and Services

We asked organizations if they experienced any changes in demand for their arts and culture programs and services over the past three years. We find a statistically significant relationship between such changes and an

organization's difficulty in strengthening relationships with key policy makers, see Figure 44. While organizations that experienced a decrease in demand were most likely report a major challenge with this activity (61 percent), relatively few (10 percent of the 286 respondents) encountered a decrease.

**Figure 44: Challenges Strengthening Relationships with Policy Makers and Change in Demand for (n=286)**



However, for that small percentage, decreasing demand might signal declining relevance to policy makers, and thus complicate the message these organizations need to convey. At the other extreme, almost half (48 percent) of organizations that experienced more than a 25 percent increase in demand reported a major challenge with strengthening relationships with policy makers, compared to 28 and 20 percent, respectively for organizations where demand increased moderately or stayed more or less constant.

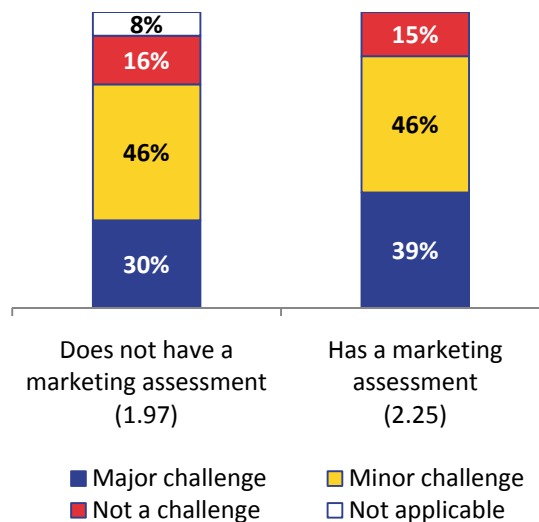
As was the case with enhancing the public's understanding of key policy issues, we suspect that once demand increases above a certain threshold, organizations are so consumed by

meeting this excess demand that resources are reallocated away from engaging with policy maker and/or unessential activities halt. Thus, it becomes more challenging to improve relationships.

*Activities, Policies, and Procedures*

As was the case with enhancing the public's understanding, a variety of activities, policies, and procedures are related to the challenges organizations encountered strengthening relationships with key policy makers. For example, having a written marketing assessment is related to the prevalence of this challenge, see Figure 45. Just under one-quarter of responding organizations (22 percent) report that they have a written marketing assessment (updated or developed within the past two years). However, organizations with such a plan are more likely to report a major challenge, compared to those without (39 percent vs. 30 percent).

**Figure 45: Challenges Strengthening Relationships with Policy Makers and Has a Marketing Assessment (n=306)**

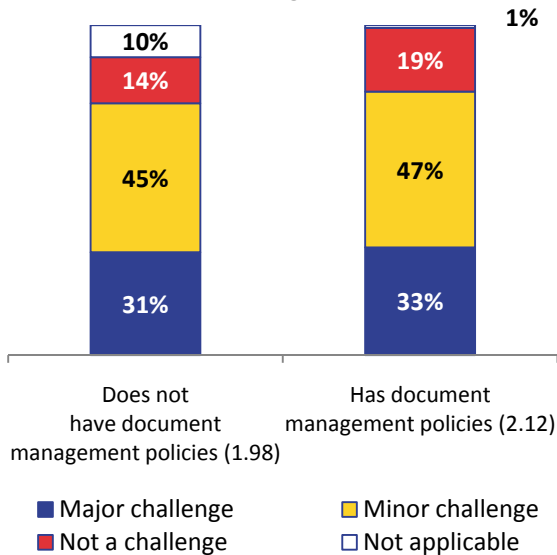


While developing a marketing plan and/or assessing the current marketing strategy should help organizations improve their outreach and strengthen relationships with policy makers, simply having a written

document does not mean that best practices have been implemented or that the organizations have adequate staff expertise or other resources to liaise with policy makers. The marketing assessment process may also serve to make groups more aware of their limitations, and thus drive them to report more challenges.

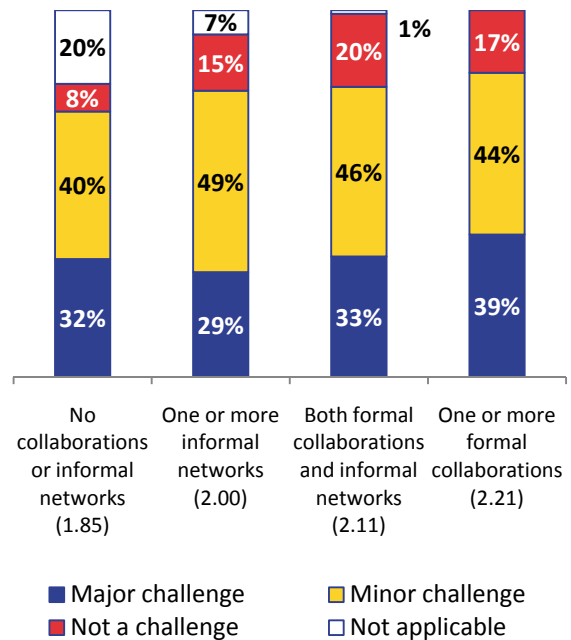
We see a similar pattern with the development of some additional documents and operating procedures. Organizations that have a written policy for managing important documents and records, have written job descriptions, and carry out staff/board orientation, tend to be slightly more likely to report at least a minor challenge in strengthening relationships with key policy makers than groups that do not have these components, see Figure 46 for one example. However, the differences are relatively minor. Additionally, in all three instances, between 9 to 13 percent of organizations that do not have the specific component report that strengthening relationships is simply not applicable to them. Therefore, they are less likely to report challenges because they do not perform the activity at all.

**Figure 46: Challenges Strengthening Relationships with Policy Makers and Has Written Document Management Policies (n=306)**



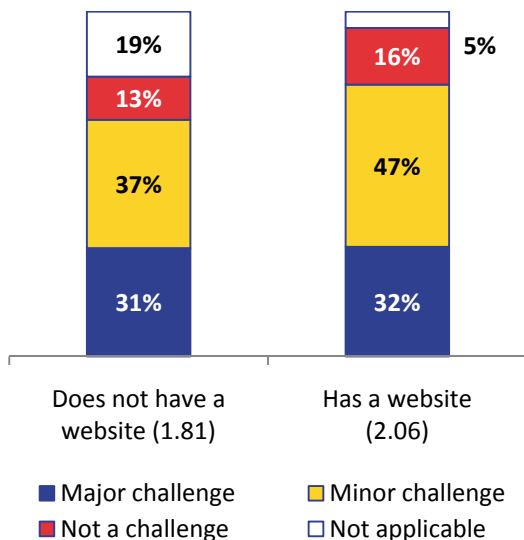
We find also that collaboration and networking with other organizations appears to be related to challenges in strengthening relationships with key policy makers, see Figure 47, but not in a straightforward pattern. Organizations which are involved in formal collaborations are most likely to report major challenges (39 percent), but not much more so than the other three groups. As has been the case with most of the activities, policies, and procedures discussed in this section, a significant percentage of organizations that don't perform the activity (i.e., collaborate) or possess particular components, report that the strengthening relationships with policy makers does not apply to them. In Figure 47 we see that one-fifth (20 percent) of non-collaborators said "not applicable." We speculate that these are small, volunteer-run or nascent groups that neither have the capacity or reason to interact with other organizations, nor the need or ability to engage with policy makers, which drives down the percentage reporting major challenges.

**Figure 47: Challenges Strengthening Relationships with Policy Makers and Collaboration (n=289)**



Turning our attention to information technology (IT) components, we find that respondents with an organizational website seem to be slightly more likely to report strengthening relationships with policy makers as at least a minor challenge (79 percent vs. 68 percent), see Figure 48. While it might seem counterintuitive that possession rather than lack of a website is associated with more challenges, organizations that actually have websites are likely to be groups that are more interested in connecting with and/or informing policy makers, and thus encounter more challenges in deciding how to use these types of tools most effectively. This would also explain the 19 percent of organizations without a website that say this activity is not applicable to them. It should also be noted that 10 percent of the 306 respondents to this question lack a web site, so this finding may not be robust.

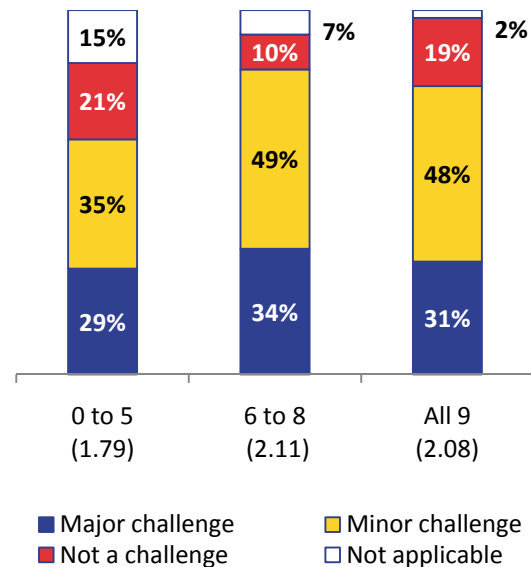
**Figure 48: Challenges Strengthening Relationships with Policy Makers and Has a Website (n=306)**



We see similar findings when we look at the total number of IT tools an organization has at its disposal, see Figure 49. While we find that groups with six to eight or all nine tools have higher average challenge scores (2.11 and 2.08) than groups with 5 or fewer tools (1.79),

this is probably because having tools does not guarantee knowledge of how to utilize them effectively in order to strengthen relationships with policy makers. Therefore, challenges persist.

**Figure 49: Challenges Strengthening Relationships with Policy Makers and Count of IT Tools (n=306)**



*Organizational Characteristics*

We find that board turnover is also related to challenges in strengthening relationships with key policy makers, see Figure 50.

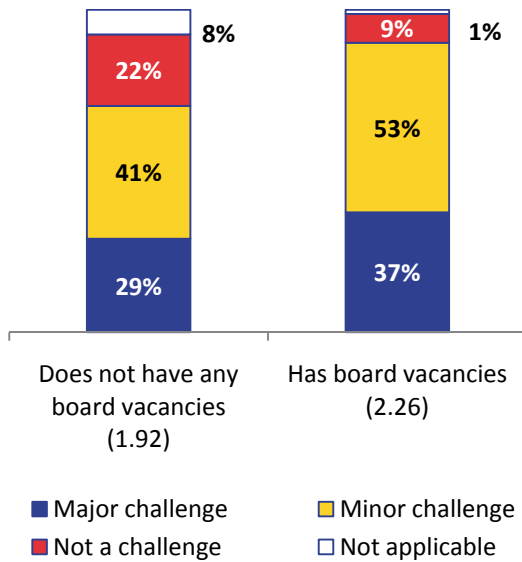
Organizations that have any level of board vacancies are more likely to report major challenges, and thus have an average challenge score of 2.26, compared to 1.92 for groups with a full board in place. As we noted earlier, members of a nonprofit’s Board of Directors often serve as spokespeople and interact with government officials and the local community to build support for the organization. We speculate that board vacancies may not only reduce the number of directors available to do public relations work, but may also signal broader fundamental challenges.

Finally, we turn our attention to respondents’ funding profiles. As was the case with enhancing the public’s understanding of



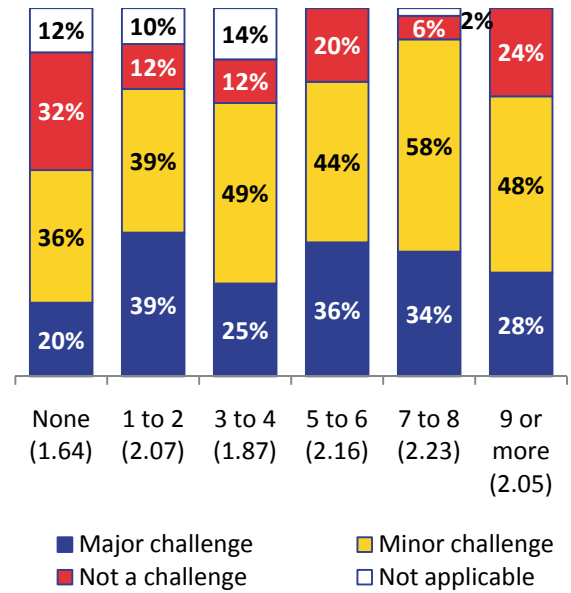
policy issues, the likelihood of reporting major challenges in strengthening relationships with key policy makers varies by the number of income sources an organization receives, but the relationship is not straightforward, see Figure 51. This variation might reflect other unmeasured, underlying factors.

**Figure 50: Challenges Strengthening Relationships with Policy Makers and Has Board Vacancies (n=196)**

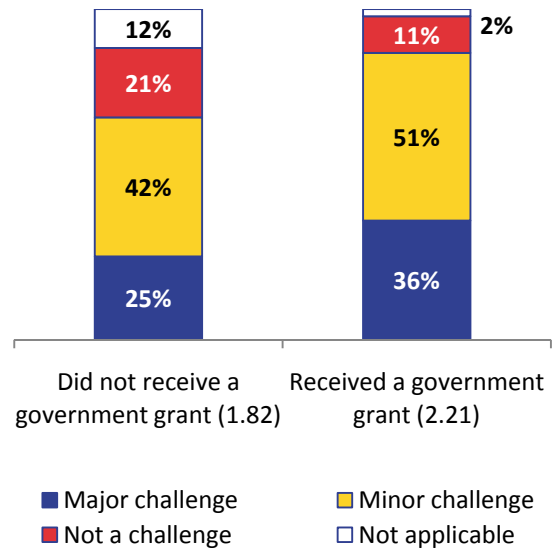


It is worth noting that one income type in particular, government grants, is related to strengthening relationships with policy makers just as it was to enhancing the public's understanding of policy issues, see Figure 52. Respondents that receive government grants report a higher than average challenge score (2.21) than those that rely on other income sources (1.82). It is likely that receipt of government funding makes organizations more cautious in how they approach efforts to build relationships with government officials and/or grant makers, since the wrong approach might jeopardize future funding.

**Figure 51: Challenges Strengthening Relationships with Policy Makers and Count of Income Sources (n=256)**



**Figure 52: Challenges Strengthening Relationships with Policy Makers and Receives Government Grants (n=256)**



### 3. MARKETING

Marketing activities had the third highest overall challenge score (1.94) out of the seven broad capacity building dimensions (see Figure 1). As Figure 53 shows, two marketing components are seen as at least minor challenges by more than 80 percent of respondents: **enhancing the visibility and reputation** of the organization’s arts and culture activities (viewed as a major challenge by almost half, 49 percent) and **developing targeted communications to the community** (viewed as a major challenge by more than one-third, 37 percent). Out of all the challenges considered in this study, organizations ranked enhancing visibility and developing targeted communication to the community as 7<sup>th</sup> and 8<sup>th</sup> place, respectively (Figure 247).

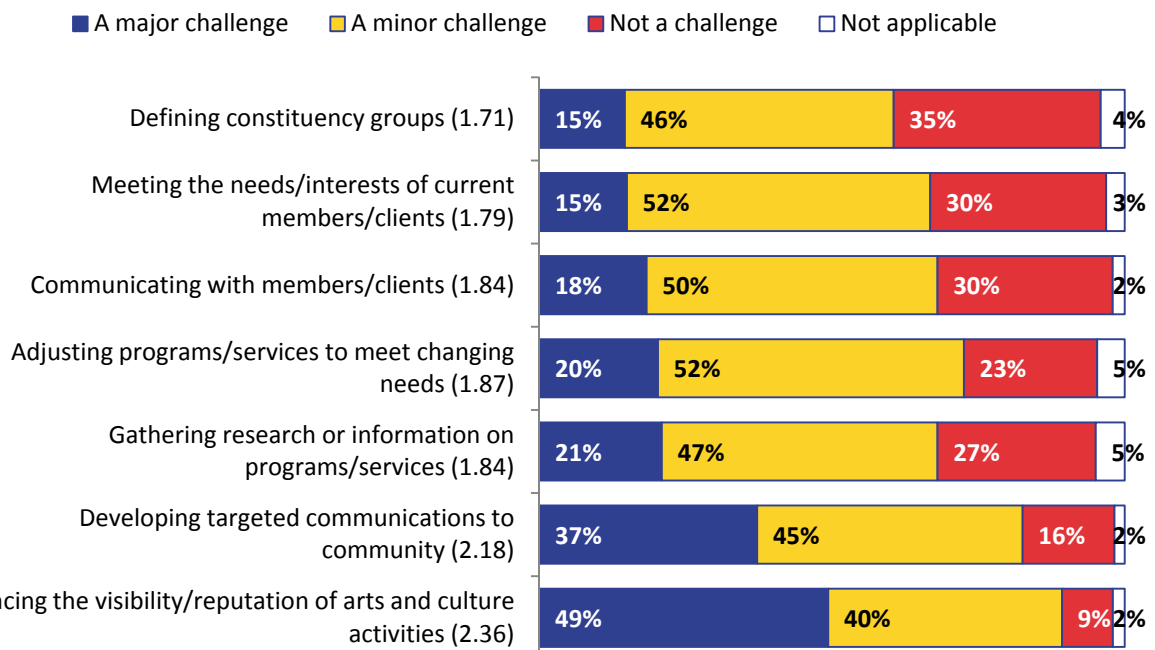
Four other items in this category, **gathering research or information on programs/services, adjusting programs/services to meet changing needs, communicating with members/clients, and meeting the needs/interests of current member/**

**clients**, are seen as at least minor challenges by about 70 percent of respondents and as a major challenge by 15-21 percent. The last item, **defining our constituency groups** is only slightly behind, with 61 percent considering it at least a minor challenge and 15 percent a major challenge.

### Multivariate Analysis

As noted earlier, multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. We explored overall marketing challenges using several combinations of variables. As we have seen with other challenges, organizations that focus more on their arts/culture programs and activities tend to have greater challenges with marketing. We also find that collaboration is related to higher challenges, depending on the presence of other factors. Additional findings from this multivariate analysis are available in Appendix D.2.

Figure 53: Marketing Challenges (n=342-344)

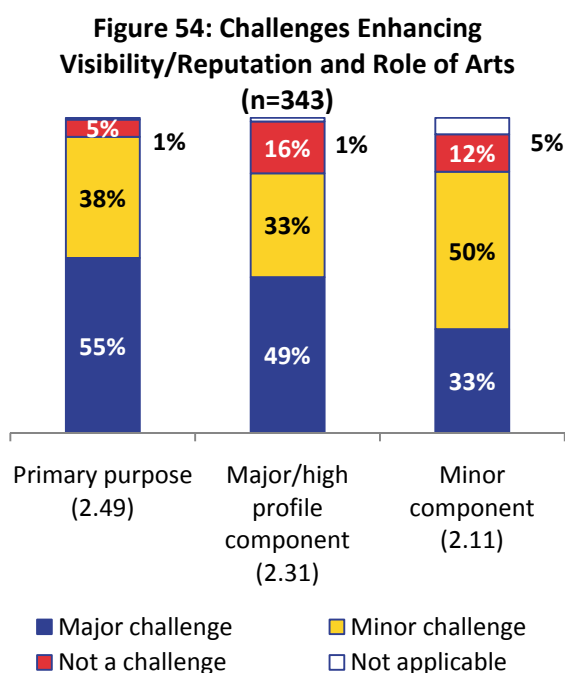


## Enhancing the Visibility/Reputation of Your Organization's Arts and Culture Activities

As noted above, more than 80 percent of respondents identified enhancing their organization's visibility and reputation as at least a minor challenge (n=342-344). However, not all groups struggle to the same degree in this area. We find that the extent of challenge is related to type of organization, involvement in collaborations, some types of organizational activities, funding profile, and location, but not demand for services or other basic characteristics, such as age or size.

### Types of Organizations

We find that organizational focus has a statistically significant impact on the level of visibility challenge reported, see Figure 54. Organizations where the arts are either a primary or major component of a respondent's programming experience greater challenges than those where the arts are only a minor component of their activities (average challenge scores of 2.49 and 2.31, compared to 2.11).



Similarly, respondents experience significantly different levels of visibility challenge depending on their mission. Thus visual arts organizations appear to experience more sizeable challenges (2.70) compared to the overall average (2.36), while K-12 educational institutions (2.04) and youth and human service organizations (2.07) experience the lowest challenge levels, see Figure 55. This does not necessarily mean that educational organizations do not struggle to enhance their reputations, but perhaps they are more concerned with how the public views overall student achievement outcomes than the reputation of their arts programs. We speculate that visual arts groups, especially small museums or exhibition spaces, cannot afford to host highly visible, traveling exhibitions and may focus on building robust permanent collections. Thus, they may not change displays as frequently as theaters, musical groups and dance troupes that rotate performances. If true, visual arts organizations may find it harder to maintain the visibility of long-lasting or permanent exhibits and/or attract repeat visitors.

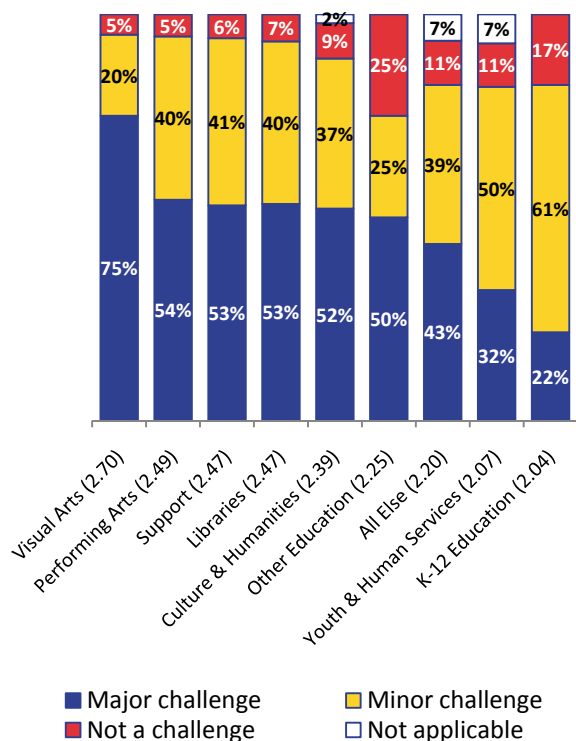
### Changes in Demand for Programs and Services

Changes in demand for services and programs over the past three years have no relationship with the challenges arts and culture providers face in enhancing their visibility.

### Activities, Policies, and Procedures

We find that interactions with other organizations are related to challenges in enhancing the organization's visibility. Almost nine in ten (86 percent) survey respondents reported involvement in collaborations and network relationships (n=293). Of those involved in some form of collaboration, 86 percent said that collaboration makes enhancing organizational visibility easier. However, organizations involved in collaborative efforts are about as likely to report challenges in enhancing organizational visibility as those not involved in such efforts.

**Figure 55: Challenges Enhancing Visibility/Reputation and Mission (n=324)**

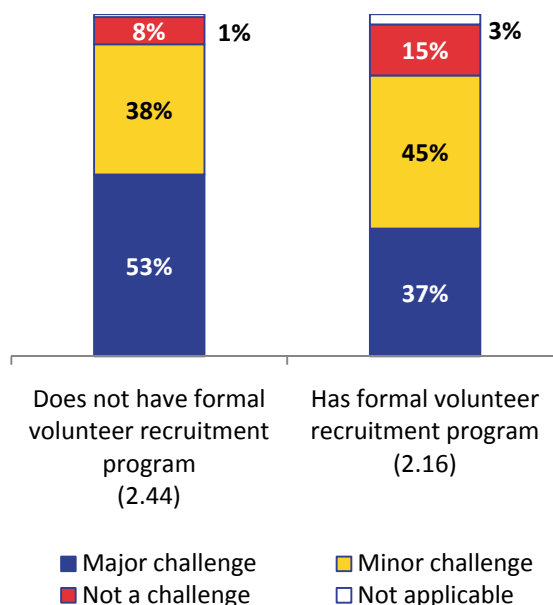


Engagement with prospective volunteers is also associated with visibility and reputation challenges see Figure 56. Respondents that do not conduct a formal volunteer recruitment program experience higher than average challenge scores (2.44), compared to the organizations with formal recruitment activities (2.16). We speculate that organizations that actively seek to recruit volunteers benefit from heightened name recognition and overall visibility.

Surprisingly, possession of certain information technology tools, which respondents might use in promotion and outreach activities, made little difference to their level of visibility challenges. Neither computers for key staff and volunteers, broadband internet access, a web site, or an organizational email address are related to enhancing an organization’s visibility and reputation. Similarly, developing

or updating a written strategic plan, program outcome evaluation, or marketing assessment in the past two years are not related to visibility challenges. However, organizations with a written whistle-blower policy are less likely to report major challenges enhancing their visibility/reputation, see Figure 57. More than half (52 percent) of the respondents without a whistleblower policy report major challenges, compared to only 42 percent of groups with such a policy in place.

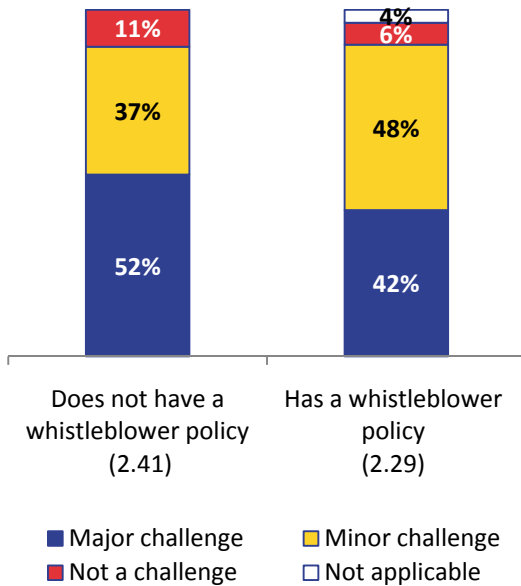
**Figure 56: Challenges Enhancing Visibility/Reputation and Has a Formal Volunteer Recruitment Program (n=306)**



Following the passage of the Sarbanes-Oxley Act of 2002, which contains some regulations that apply to nonprofit as well as for-profit corporations, many organizations adopted whistle-blower policies to protect workers that expose or raise concerns about ethical violations. Whistle-blower protection policy helps organizations address and/or try to resolve staff grievances and ethical lapses before the issue becomes public and dampens the group’s reputation. Having such policies in place may also signal that the organization

is concerned about and actively seeks to protect its visibility and reputation.

**Figure 57: Challenges Enhancing Visibility/Reputation and Whistleblower Policy (n=306)**



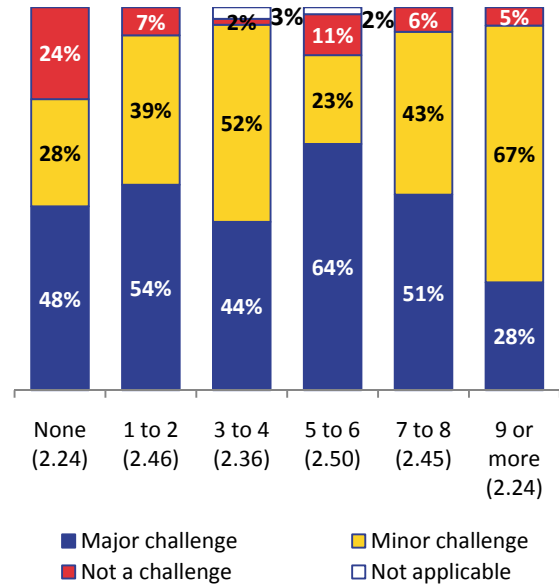
*Organizational Characteristics*

We find that that an organization’s funding profile is also associated with challenges in enhancing visibility/reputation. However, the relationship is not straightforward. Those with the most diversified funding streams (9 or more income sources) are least likely to report major challenges with this activity (28 percent), but most likely to report at least a minor challenge (95 percent), see Figure 58. We speculate that these groups have the resources to devote to boosting their image and name recognition, and are thus driven to report minor challenges simply because of their involvement in this activity.

Additionally, organizations in the midrange (5-6 income sources) are most likely to report a major challenge enhancing their visibility/reputation. Possibly, these groups may have financial resources but not enough staff expertise to raise public awareness and

opinions. Thus, the challenges they encounter are great.

**Figure 58: Challenges Enhancing Visibility/Reputation and Count of Income Sources (n=256)**

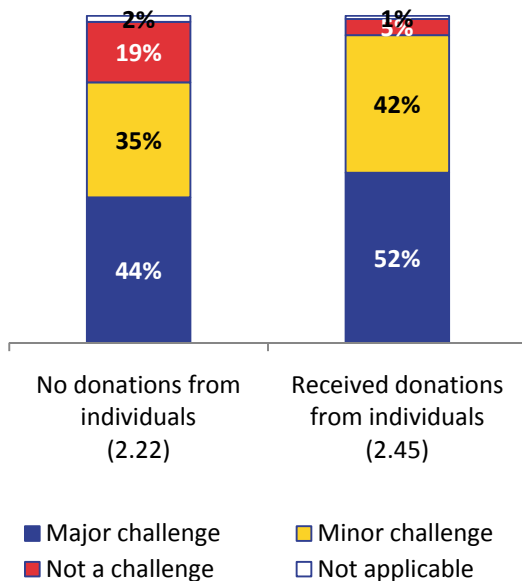


Looking more closely at one type of income, donations from individuals, we see that respondents that receive this funding source experience higher average challenges scores (2.45), compared to groups that do not (2.22), see Figure 59. We speculate that soliciting and accepting contributions from individuals expand the pool of stakeholders to whom an organization is accountable, which puts more pressure on an organization to maintain a strong reputation and a certain level of visibility.

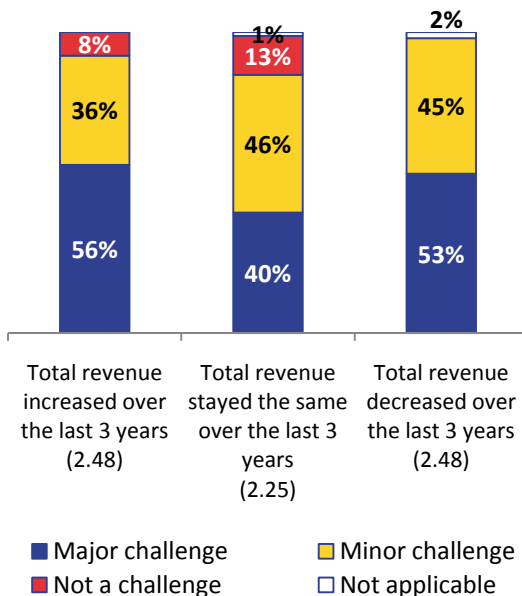
We also find that overarching revenue trends are related to visibility/reputation challenges. As Figure 60 shows, respondents that experienced either revenue growth or loss over the past three years were almost equally likely to report a major challenge (56 percent vs. 53 percent). They also face a higher average challenge score (2.48), compared to organizations where revenue remained constant (2.25). This suggests that the amount

and direction of growth is less meaningful than the fact that a change occurred.

**Figure 59: Enhancing Visibility/Reputation and Receipt of Donations From Individuals (N=256)**



**Figure 60: Challenges Enhancing Visibility/Reputation and Total Revenue Change Over the Past Three Years (n=217)**



None of the other dimensions we considered — age, size (total revenues or FTEs), or use of an endowment — seem to be related to the level of challenge reported in enhancing the visibility of an organization or its or reputation.

### Developing Targeted Communications to the Community

Developing targeted communications to the community was the second most challenging marketing activity. As noted previously, more than one-third (37 percent) of respondents identified it as a major challenge, while 46 percent said it was a minor challenge. More detailed analysis shows that the extent of challenge is related to type of organization, some types of organizational activities and IT components, and board vacancies, but not demand for services, involvement in collaborations, or other basic characteristics, such as age, size or location.

#### Types of Organizations

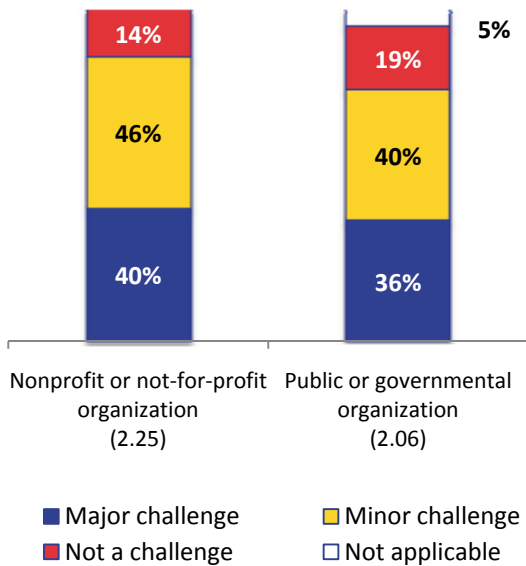
Challenges developing targeted communications seem to be somewhat more prevalent in nonprofit sector groups than their public sector counterparts, with 86 percent reporting this to be at least a minor challenge, compared to 76 percent of public agencies, see Figure 61.

More detailed analysis shows that more than half (60 percent) of visual arts organizations appear to face major challenges developing targeted communications to the community compared to only 17 percent of K-12 education institutions, see Figure 62. The low level of challenges for K-12 education organizations is perhaps not surprising since schools are preoccupied with curriculum development, instruction, budget constraints, etc., rather than arts and culture programming. In addition, most schools have established methods for communicating with their students and parents. Although these constituencies are different from the



community at large, school administrators may feel their targeted messages spill over to the general public through these pre-existing channels, or that there is no need to develop separate arts communications aimed at the broader community.

**Figure 61: Challenges Developing Targeted Communications and Sector (n=279)**



*Changes in Demand for Programs and Services*

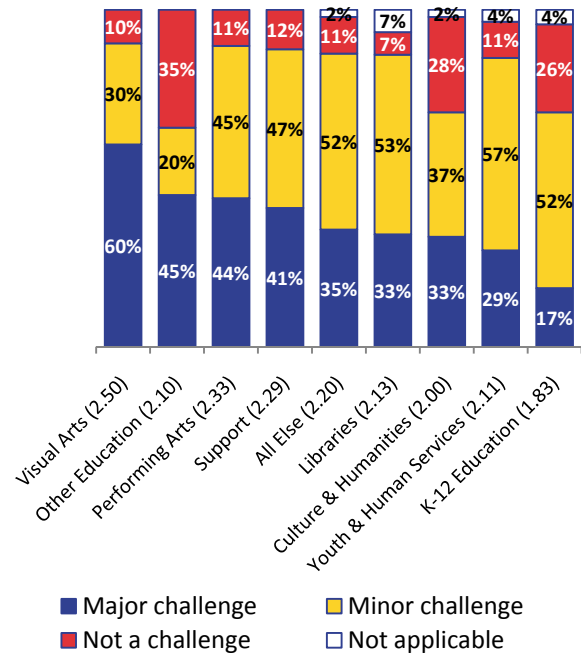
Changes in demands for services and programs over the past three years have no relationship with the challenges arts and culture providers face in developing targeted communications to the community.

*Activities, Policies, and Procedures*

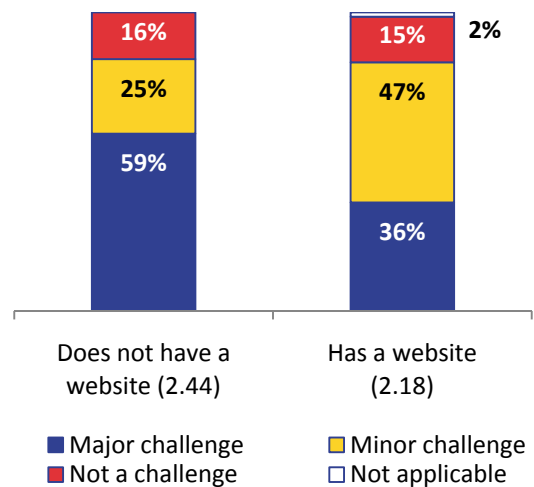
When it comes to the challenge of developing targeted communications to the community, organizations with a website have a lower than average challenge score of 2.18 compared to organizations without a website with a score of 2.44 — a small but a statistically significant difference. This is because organizations without a website more frequently report major challenges with targeted communication development, see Figure 63. However, possession of most other information technology tools, including computers for key staff/volunteers,

Broadband internet access, and an email address for the organization had no relationship to challenges developing targeted communications.

**Figure 62: Challenges Developing Targeted Communications and Mission (n=325)**



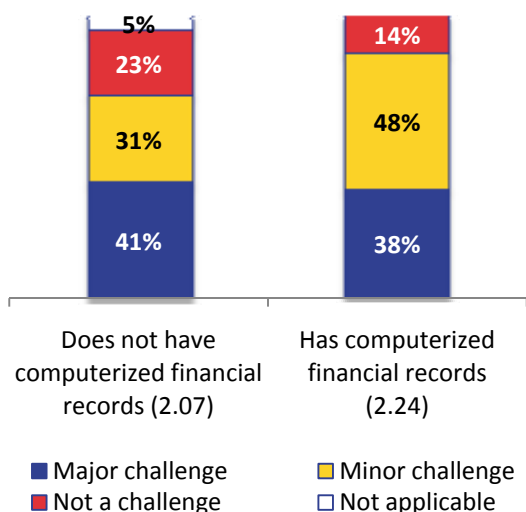
**Figure 63: Challenges Developing Targeted Communications and Has a Website (n=307)**



One interesting exception is computerized financial records, which may be especially

useful if organizations are developing fundraising solicitations. Respondents that do not have access to electronic financial reporting systems are only somewhat more likely to report a major challenge (41 percent) than groups with such records (38 percent), see Figure 64. Yet, groups that have computerized records are more likely to report at least a minor challenge developing targeted communications. We speculate that the records are a proxy for organizational sophistication. Therefore, the groups with computerized records actually have more capacity to develop communications pieces, and thus they encounter challenges — albeit mostly minor ones — carrying out this work.

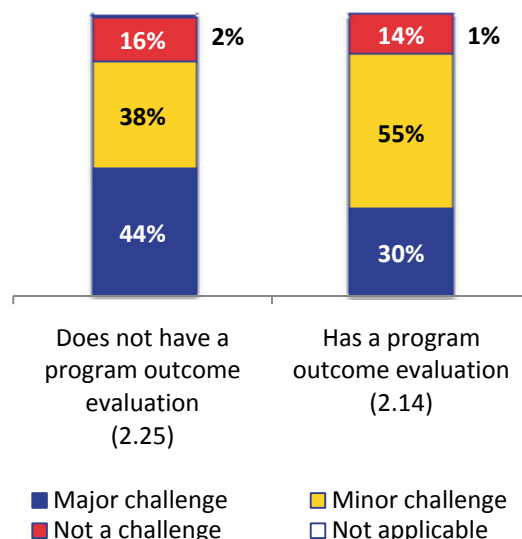
**Figure 64: Challenges Developing Targeted Communications and Has Computerized Financial Records (n=307)**



Unexpectedly, whether or not an organization completed or updated a strategic plan or a marketing assessment within the past two years has no relationship to finding development of targeted communications to be a challenge. In theory, a strategic plan and marketing assessment should help an organization develop an overall communications strategy, including specific messages to target constituencies. Although, we find that completion of a program

evaluation within the past two years does seem to be associated with fewer challenges developing targeted communications to the community, see, Figure 65. Only 30 percent of organizations with such a document report major challenges, compared to 44 percent of groups that have not undertaken the evaluation process. We speculate that a program evaluation would illustrate the impact of an organization’s activities, and thus the results would be useful if an organization wanted to promote its competencies to distinct audiences.

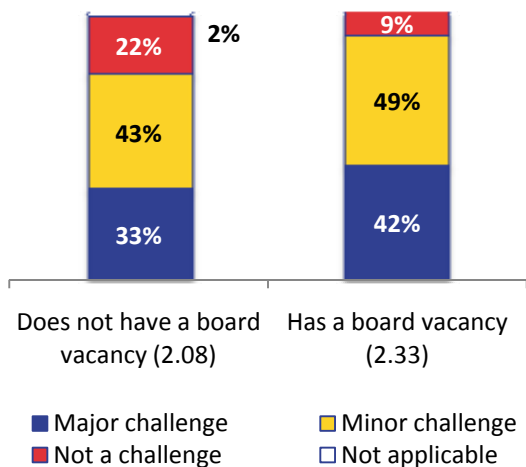
**Figure 65: Challenges Developing Targeted Communications and Has a Program Outcome Evaluation (n=307)**



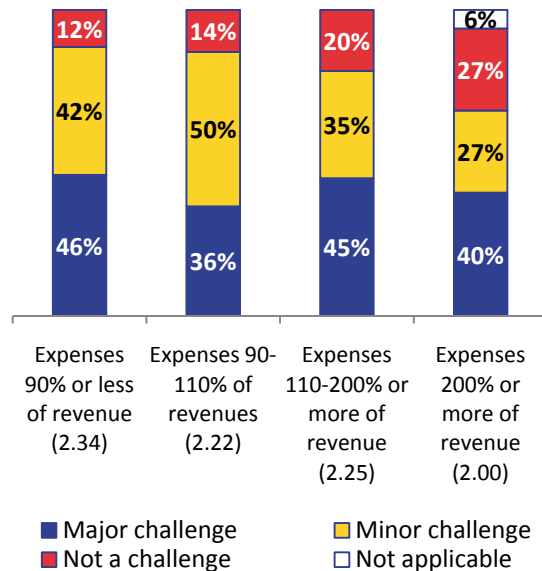
We also find that vacancies on an organization’s Board of Directors is associated with the likelihood of reporting a major challenge developing targeted communications, see Figure 66. Respondents with any vacancies experience a higher average challenge score (2.33) than those with full boards (2.08). The board is often responsible for liaising with the community, which includes articulating the organization's mission and policy position to the public in order to garner support. Consequently, being short on members may complicate the board’s

fulfillment of its duties, which in turn may make it harder for the organization as a whole to communicate with the public. Alternatively, this may also indicate that organizations with major challenges find it difficult to recruit board members.

**Figure 66: Challenges Developing Targeted Communications and Has Board Vacancies (n=197)**



**Figure 67: Challenges Developing Targeted Communications and Expenses as a Percent of Revenue (n=185)**



*Organizational Characteristics*

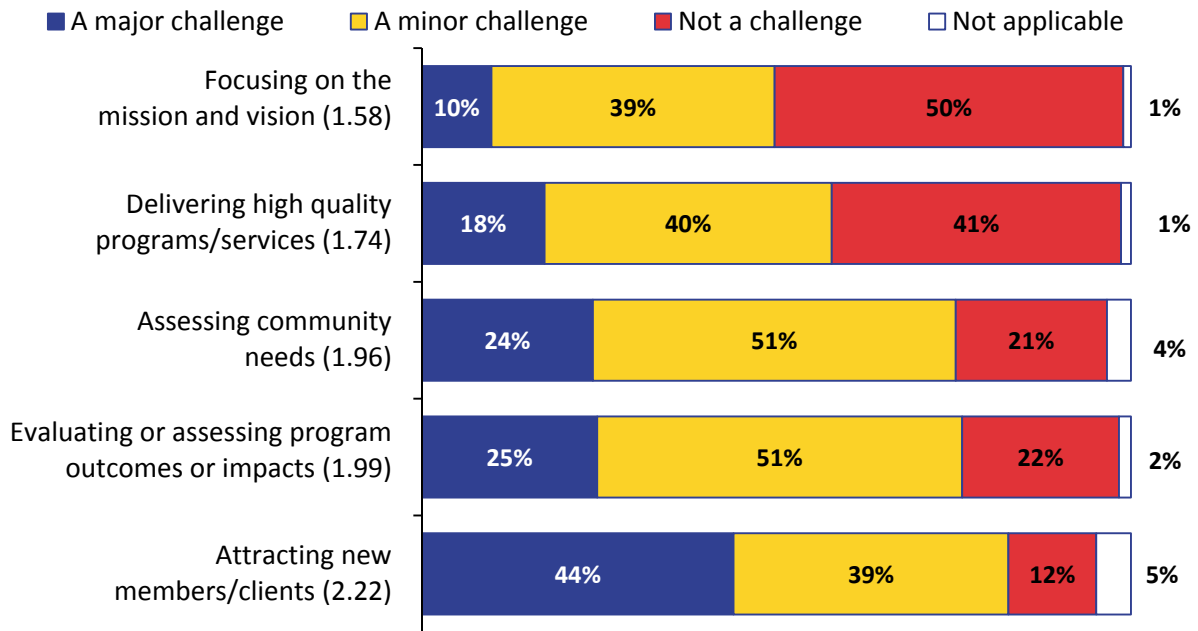
The extent of annual surplus or deficit appears to be related to communications challenges. Although, we’d typically expect groups that run a deficit to have a harder time and fewer resources to allocate to developing targeted communications, Figure 67 suggests the opposite. The frequency of organizations reporting “not a challenge” for this activity increases as organizational expenses reach and increasingly exceed revenue. However, this finding comprises all survey respondents. Different types of organizations may be more or less likely to run a deficit, thus, it is important to bear in mind that mission, sector or artistic focus may have more of an impact.

None of the other dimensions we considered – age, size (total revenues or FTEs), location, use of an endowment, or involvement in collaborations seem to be related to the level of challenge reported in developing targeted communications to the community.

**4. PROGRAMS AND PLANNING**

Figure 68 shows challenges related to programs and planning. The most pervasive challenge is associated with **attracting new members or clients**, which is considered a major challenge by 44 percent and at least a minor challenge by 83 percent. Arguably, this could also be considered under the marketing category, in which case it would approximate challenges associated with enhancing the visibility and reputation of the organization’s arts and culture activities. Two other activities are considered major challenges by about one-fourth (24-25 percent) and minor challenges by another 51 percent: **evaluating or assessing program outcomes or impacts** and **assessing community needs**. **Delivering high quality programs/services** is considered at least a minor challenge by 58 percent but a major challenge by only 18 percent. Finally, only 10 percent viewed **focusing on the mission and vision** to be a major challenge, although it was considered at

**Figure 68: Programs and Planning Challenges (n=342-344)**



least a minor challenge by almost half (49 percent). Here we focus on the three most severe challenges in this category.

### Multivariate Analysis

Multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. We explored overall challenges in programs and planning using several combinations of variables.

Overall older organizations or those that focus more on their arts and culture programs report greater programs and planning challenges. At times, larger staff sizes also appear to have a relationship – albeit marginal – with greater challenges. Furthermore, organizations relying primarily on government, charitable, or sales revenue tend to experience fewer programs and planning challenges, compared to organizations with more diversified revenue profiles. Additional

findings from this multivariate analysis are available in Appendix D.2.

### Attracting New Members or Clients

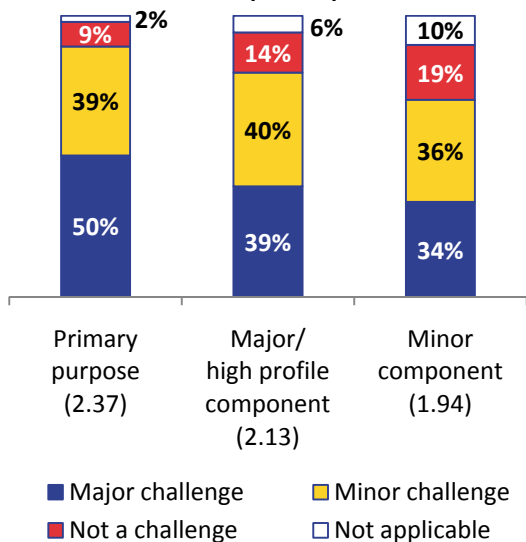
As noted above, more than 80 percent of respondents identified attracting new members or clients as at least a minor challenge (n=342-344). However, not all types of arts and culture groups struggle to the same degree in this area. We find that the extent of challenge is related to the type of organization, involvement in collaborations, and certain kinds of organizational activities and characteristics, but not demand for services or location.

#### Types of Organizations

We find that organizational artistic focus is related to the level of challenge respondents report attracting new members/clients, even when controlling for mission and other factors. Half of respondents that indicated arts are their primary purpose reported major challenges, while organizations where arts comprise only a major or minor component

of programming report major challenges less often, see Figure 69.

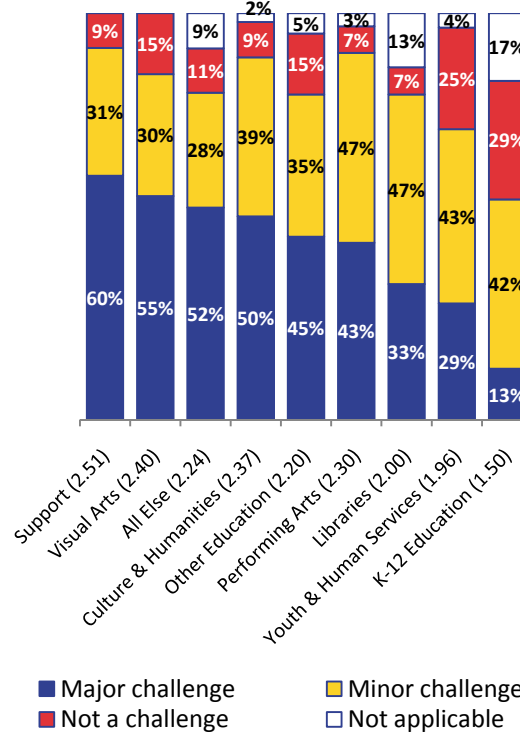
**Figure 69: Challenges Attracting New Members/Clients and Roles of Arts (n=344)**



Looking more closely at specific types of organizations, we also find that organizational mission has a statistically significant impact on the level of challenge reported attracting new member/clients, see Figure 70. Although the average challenge score for all respondents was 2.22, supporting (2.51), visual arts (2.40), and culture and humanities organizations (2.37) experienced higher than average challenge levels. In contrast, K-12 educational institutions and libraries, not surprisingly because of their fairly stable client base, reported considerably lower than average challenge scores (1.50 and 2.00, respectively). Related to this, organizations such as youth and human services groups, which provide arts activities among many program offerings, also face less of a challenge attracting new constituents (1.96). We speculate that the lower scores for libraries, youth and human services, and K-12 education groups may be because these organizations may be able to use their other programs to recruit participants to their arts and culture programs. Or, they may simply underreport their true

challenge because arts and culture programs are less critical to achieving the overall mission of the organization.

**Figure 70: Challenges Attracting New Members/Clients and Mission (n=326)**



*Changes in Demand for Programs and Services*

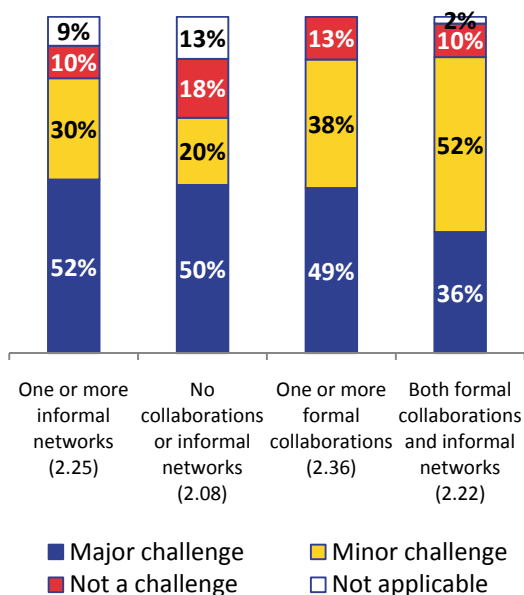
We asked survey respondents to consider if demands for their organizations' services or programs changed over the last three years. We found no relationship between such changes and the level of challenges they reported attracting new members or clients.

*Activities, Policies, and Procedures*

As mentioned previously in this report, almost nine in ten (86 percent) survey respondents reported involvement in collaborations and network relationships (n=293). We find that involvement has a significant impact on challenges attracting new members/clients. Organizations that only participate in one type of collaboration, such as formal or informal networks, or do not get involved in any networks are more likely to report major

challenges attracting new members/clients than their peer groups that join a combination of informal and formal networks, see Figure 71. However, only 70 percent of organizations that do not collaborate say it is at least a major challenge to attract new members/clients, compared to upwards of 82 percent of organizations involved in any type of collaboration.

**Figure 71: Challenges Attracting New Members/Clients and Collaboration (n=288)**

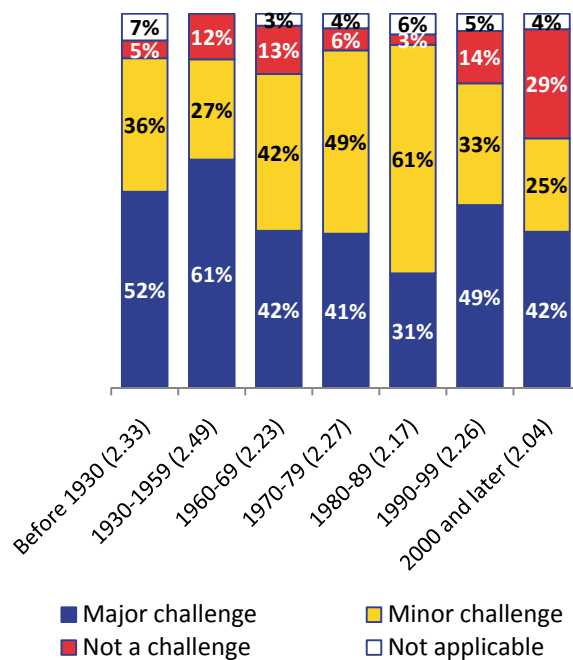


Unexpectedly, having a website for the organization makes little difference to respondents' challenge level. In addition, whether or not the organization developed or updated a marketing assessment or program evaluation in the past two years appears to have no impact on the difficulties it might encounter trying to recruit new members/clients. We expected groups that had completed one or both of these assessments to experience fewer challenges, but perhaps some undertook an assessment precisely because they found it difficult to attract new members/clients.

*Organizational Characteristics*

Although we hypothesized that older organizations would have an easier time attracting new members/clients because of their long-standing presence in a community, our findings suggest more complex patterns. As Figure 72 shows, organizations founded before 1960 and those in the 1990s are more likely to report major challenges with this activity than those established during other periods.

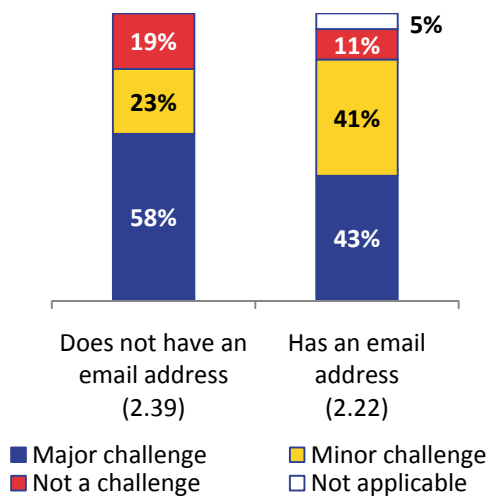
**Figure 72: Challenges Attracting New Members/Clients and Age (n=268)**



Possession of certain information technology tools, which respondents may use to attract new members/clients, also appears to be related to the challenge level they report. Thus those with an organizational email address seem to be less likely to report this to be a major challenge than those without an email address (58 percent vs. 43 percent), see Figure 73. However, less than 10 percent of the 305 respondents to this question lack email addresses, so this is at best only a contributing factor.

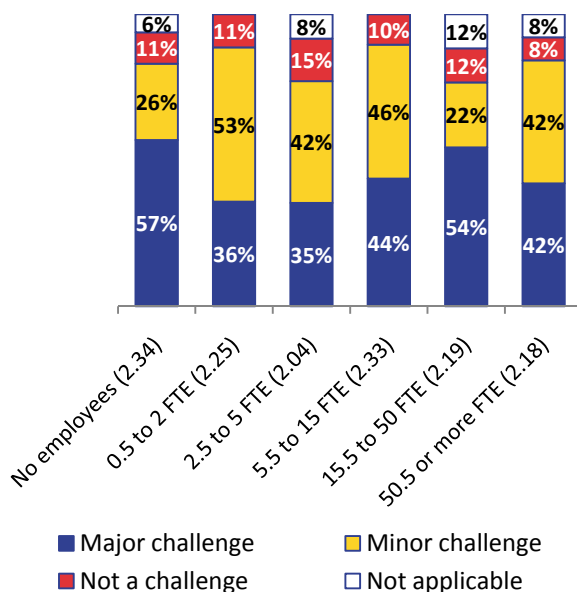


**Figure 73: Challenges Attracting New Members/Clients and Has an Email Address (n=305)**



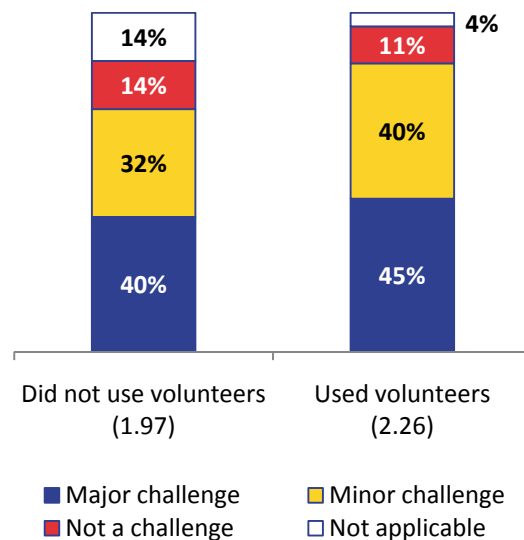
We see a similar pattern with the number of people an organization employs on a full-time basis. Groups that only utilize volunteers (i.e., have no employees), as well as mid-size and large organizations, with 15.5 to 50 and 50.5 or more employees, respectively, seem more likely to experience major challenges attracting new members/clients than organizations which employ only 0.5 to 15 full-time employees, see Figure 74.

**Figure 74: Challenges Attracting Members/Clients and FTE Size (n=278)**



The average challenge score associated with attracting new members/clients for organizations that used volunteers was 2.26, compared to 1.97 for groups that did not use volunteers, see Figure 75. When reviewed in tandem, perhaps one takeaway from Figures 74 and 75 is that simply using volunteers to complement staff recruitment efforts is not the problem. Rather, sole reliance on volunteers to carry out all activities creates more challenges for an organization.

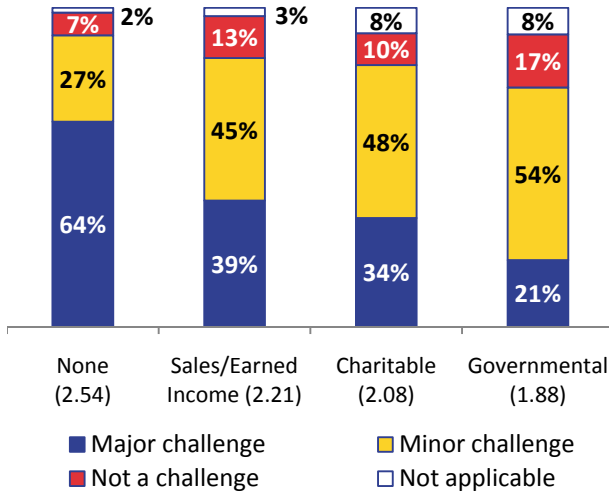
**Figure 75: Challenges Attracting New Members/Clients and Use of Volunteers (n=283)**



Respondents' primary source of revenue also had a significant impact on the degree of challenge they reported in attracting new members/clients, see Figure 76.

Organizations that are funded primarily through government grants and contracts reported a major challenge considerably less often than those supported by charitable contributions or earned income. However, organizations that receive the bulk of their support from the government may predominately be K-12 education and/or library organizations. Thus, this finding may be a function of organization type (i.e., public vs. nonprofit) or mission (i.e., K-12 education, visual arts, performing arts, etc.).

**Figure 76: Challenges Attracting New Members/Clients and Primary Source of Revenue (n=182)**

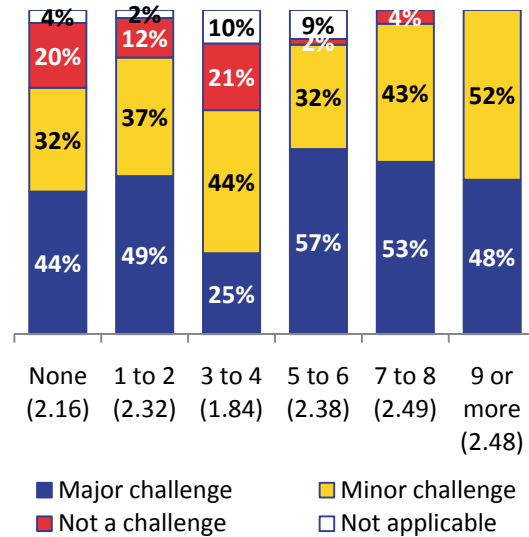


In addition to looking at organizations' predominant source of revenue, we also assessed the impact of the diversity of revenue sources on challenges related to attracting new members/clients. Greater revenue diversification may serve as a proxy for organizational sophistication and financial stability and should therefore make it easier to attract new members/clients. However, as Figure 77 shows, this doesn't seem to be the case. Respondents that have three or four income sources reported notably lower challenges (mean score of only 1.84) recruiting new members or clients, compared to organizations with either fewer or more sources.

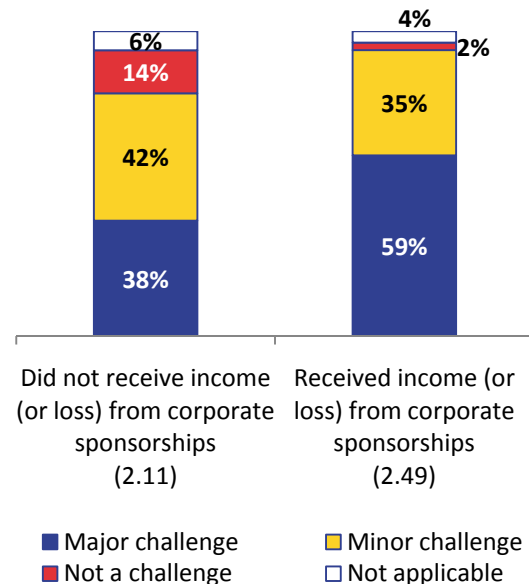
In terms of specific types of revenue sources, we find that entering into sponsorship or marketing deals with corporations appears associated with more severe challenges in attracting new members/clients, see Figure 78. More than half (59 percent) of those with such income (or loss) reported a major recruitment challenge, compared to only 38 percent of those without such relationships. We expected corporate sponsorship to provide arts and culture organizations with

visibility and marketing resources that would help them attract new members/clients. That may still be the case, but our findings suggest that arts and culture organizations may seek out these types of corporate sponsorships precisely because they find it difficult to attract new participants.

**Figure 77: Challenges Attracting New Members/Clients and Count of Income Sources (n=258)**

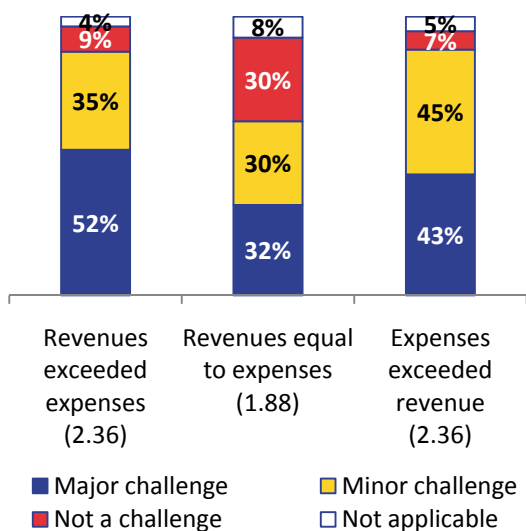


**Figure 78: Challenges Attracting New Members/Clients and Income(Loss) from Corporate Sponsorships (n=258)**



Finally, the relationship between expenses and revenues within organizations also appears related — albeit not straightforwardly — to the level of challenge they report attracting new members/clients. Organizations that appear to keep their expenses and revenues essentially in balance report fewer challenges than those with a non-trivial budget surplus or deficit for the year (see Figure 79).

**Figure 79: Challenges Attracting New Members/Clients and Relationship of Expenses to Revenues (n=204)**



### Evaluating or Assessing Program Outcomes or Impact

The next most pervasive challenge among programs and planning activities was evaluating or assessing program outcomes or impact. As shown in Figure 68, 76 percent of respondents identified this activity as at least a minor challenge. However, as was the case with attracting new members/clients, not all types of arts and culture groups struggle to the same degree in this area. We find that the extent of challenge is related to involvement in collaborations, use of volunteers, volunteer management, and certain kinds of organizational activities, but not the type or mission of the organization, demand for

services, or basic characteristics, such as size, age, funding profile or location.

#### *Types of Organizations*

Challenges in evaluating or assessing program outcomes or impacts do not have a systematic relationship with an organization’s focus on arts and culture activities, mission, or whether it is public or nonprofit.

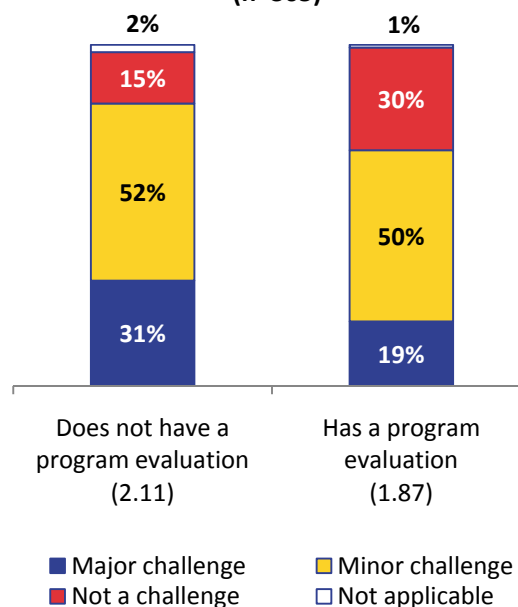
#### *Changes in Demand for Programs and Services*

Changes in demands for services and programs over the past three years have no relationship with the challenges arts and culture providers face in evaluating or assessing program impacts or outcomes.

#### *Activities, Policies and Procedures*

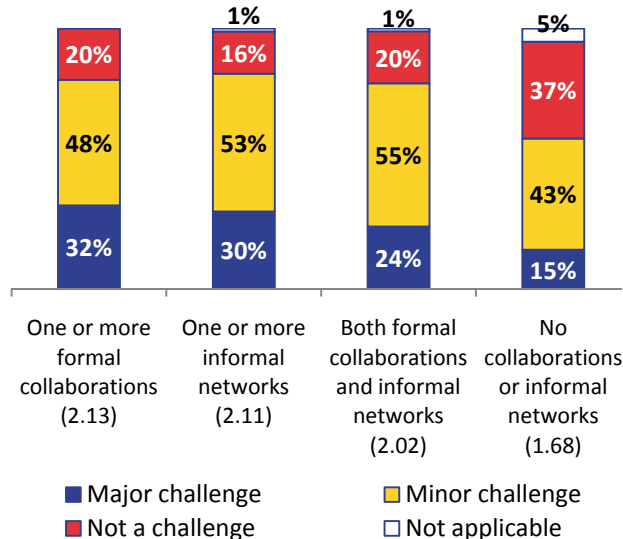
As expected, we find that organizations that have not undertaken a prior evaluation within the past two years, or revised a past assessment, are more likely to report major challenges assessing program outcomes than those without such prior efforts (average challenge score of 2.11 vs. 1.87), see Figure 80.

**Figure 80: Challenges Evaluating Program Outcomes and Has a Program Outcome/Impact Evaluation (n=305)**



Involvement in collaborations also has a marginally significant impact on challenges evaluating program outcomes or impact, see Figure 81. Thus, respondents that do not participate in any collaborative efforts have a mean challenge score of only 1.68, compared to 2.11 and 2.13, respectively for those that have engaged in at least one or more informal or formal collaborations. We speculate that organizations which partner with other groups have a harder time isolating and evaluating the impact of their own specific contribution toward achieving a desired program outcome.

**Figure 81: Challenges Evaluating Program Outcomes and Collaboration (n=288)**

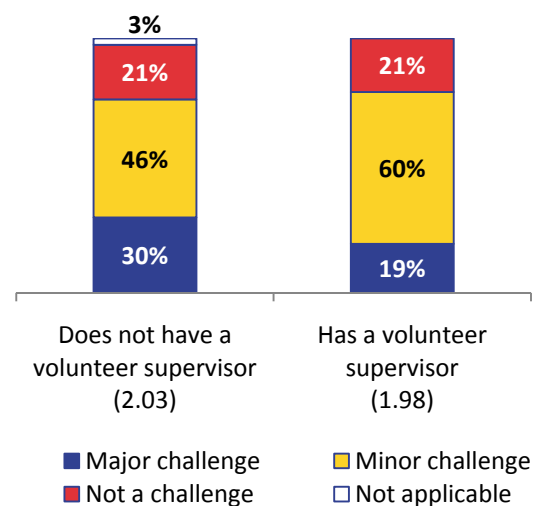


We also explored whether the use or degree of reliance on volunteers might make a difference, but relatively few make no use of volunteers at all (35 out of 283) — even excluding board members — that the results have little policy relevance.

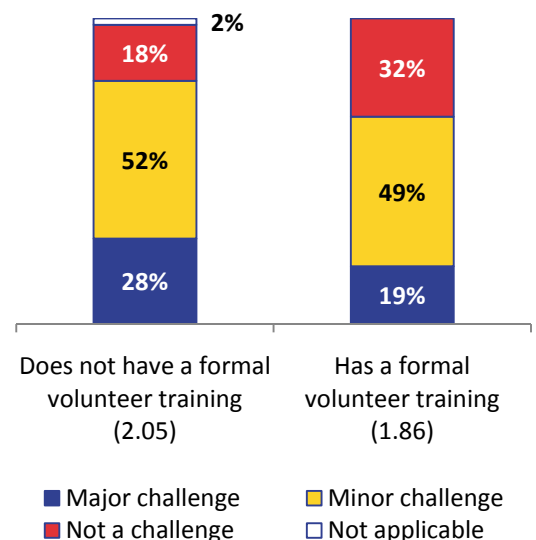
On the other hand, relatively few (29 percent) arts and culture organizations make use of volunteer supervisors or have formal volunteer training programs (18 percent) (n=375). These are practices we associate with more developed organizations, and we expect organizations with these practices to report fewer challenges associated with

organizational outcome evaluations. Indeed, only 19 percent of organizations with a designated coordinator/supervisor for volunteers (see Figure 82) or with a formal volunteer training program (see Figure 83) report major challenges with outcome/impact evaluations, compared to 30 percent of those without volunteer supervisors and 28 percent of those without a formal volunteer training program.

**Figure 82: Challenges Evaluating Program Outcomes and Has a Volunteer Supervisor (n=305)**

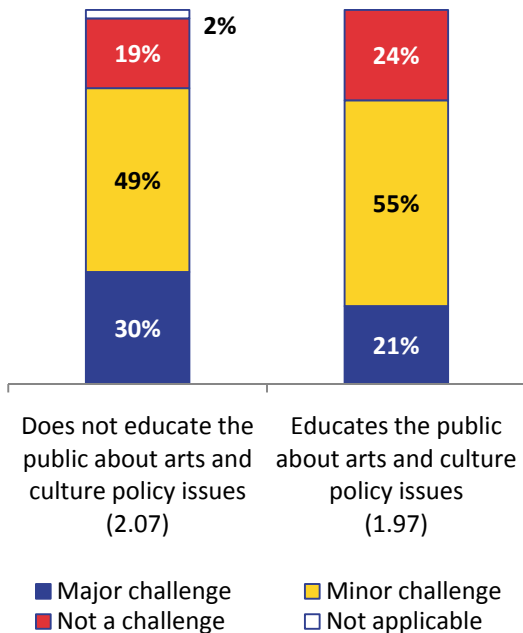


**Figure 83: Challenges Evaluating Program Outcomes and Has a Formal Volunteer Training (n=305)**



We also find that engagement in activities intended to educate the general public about certain arts and culture policy issues has a marginally significant impact on challenges evaluating program outcomes. We expected organizations that conduct policy education to be more likely to report major challenges, because it is hard to measure the impact of a campaign on public behavior and awareness. However, Figure 84 suggests the opposite. Just under one-third (30 percent) of respondents not involved in arts policy education activities report major challenges evaluating the impact of their programs compared to only 21 percent of groups that try to educate the public about arts and culture policies.

**Figure 84: Challenges Evaluating Program Outcomes and Educates the Public About Policy Issues (n=297)**

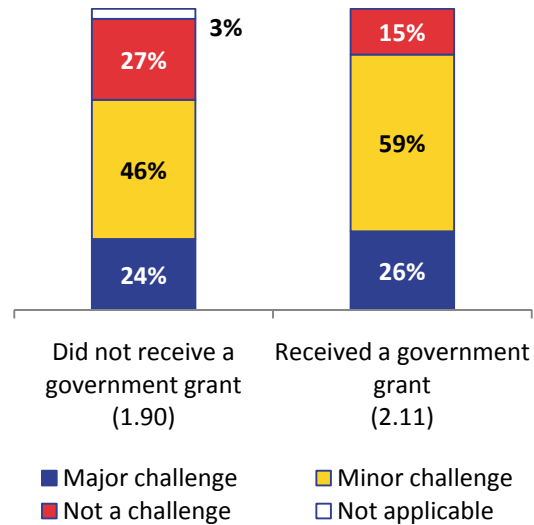


*Organizational Characteristics*

Although challenges evaluating or assessing program outcomes or impacts do not have a systematic relationship with most basic organizational characteristics, such as size, age, or location, we do find an association

between this challenge and receipt of local, state, or federal government grants. As Figure 85 shows, 85 percent of respondents that received a government grant report at least a minor challenge evaluating program outcomes or impacts, compared to 70 percent of non-grantees. Government grants often require the recipient to measure the funded program’s impact and submit regular performance reports. Because of this mandate, grantees are more likely to complete evaluations, and thus encounter more challenges in the process.

**Figure 85: Challenges Evaluating Program Outcomes and Receives Government Grants (n=257)**



**Assessing Community Needs**

Undertaking activities to assess the community’s needs was the third most difficult programs and planning activity for survey respondents. Three-fourths of the organizations in the sample reported at least a minor challenge in this area. However, as was the case with attracting new members/clients and evaluating program outcomes, the likelihood of reporting challenges with this activity was not spread evenly amongst all organizations. We find that the extent of challenge is related to involvement in

collaborations, having certain kinds of information technology (IT) tools, size, and funding profile, but not the type or mission of the organization or demand for services.

*Types of Organizations*

Challenges assessing community needs have no systematic relationship with an organization’s focus on arts and culture activities, mission, or whether it is public or nonprofit.

*Changes in Demand for Programs and Services*

Changes in demands for services and programs over the past three years have no relationship with the challenges arts and culture providers face in assessing community needs.

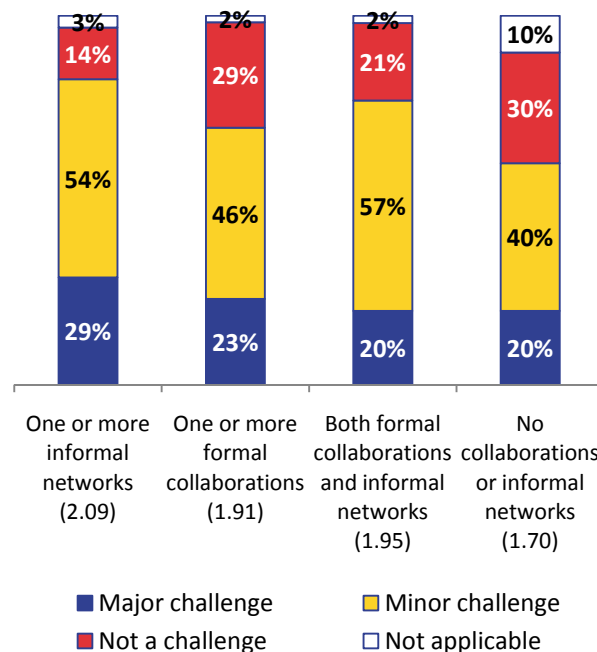
*Activities, Policies, and Procedures*

We find that involvement in collaborations has a marginally significant impact on challenges assessing community needs, see Figure 86. While the overall average challenge score for this activity is 1.95, organizations that do not collaborate with other groups have a considerably lower mean score of 1.70, mainly because 10 percent of respondents that abstain from collaboration indicated that assessing community needs was simply not applicable to their organizations. A closer look suggests that some of these organizations provide arts services to a finite member/client base rather than the general public, so understanding community-level needs is less critical to their work.

Organizations involved in just informal networks have a higher than average challenge score (2.09). We suspect that organizations that informally partner with other groups, or participate in multiple loose networks, find it more difficult to assess needs and/or gaps in services because of the casual or vague nature of these collaborations. Organizations involved in both formal collaborations and informal networks, or one or more formal collaborations, have an average challenge

score closer to the overall mean, 1.95 and 1.91, respectively.

**Figure 86: Challenges Assessing Community Needs and Collaboration (n=289)**

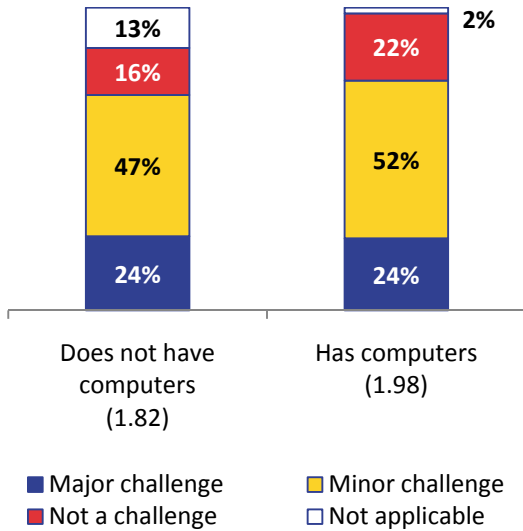


As was the case with attracting new members/clients, possession of certain information technology (IT) tools, which respondents could use while conducting a needs assessment, also appears to be related to the challenge level they report. But unexpectedly, the IT tools seem associated with greater rather than fewer challenges see Figures 87 and 88. In particular, having a computer for key staff/volunteers and/or computerized client, member, or program records appear to be related to an increase in the likelihood of reporting at least a minor challenge assessing community needs.

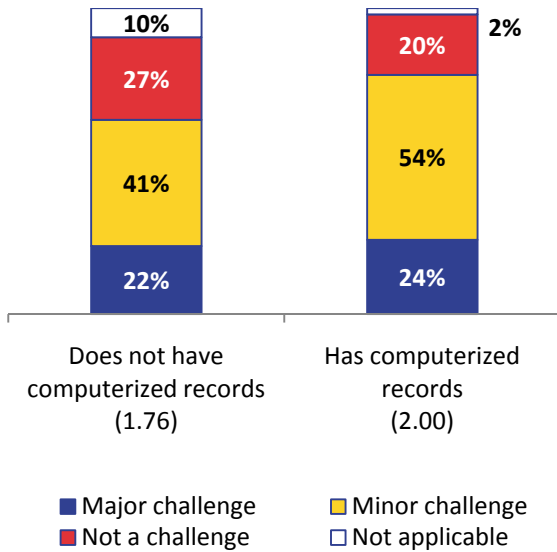
It should also be noted that only a small number of the 306 respondents to the two questions said they did not have these two specific IT tools — 45 for computers and 63 for computerized records, respectively. Thus, our findings may not be very robust.



**Figure 87: Challenges Assessing Community Needs and Computers (n=306)**

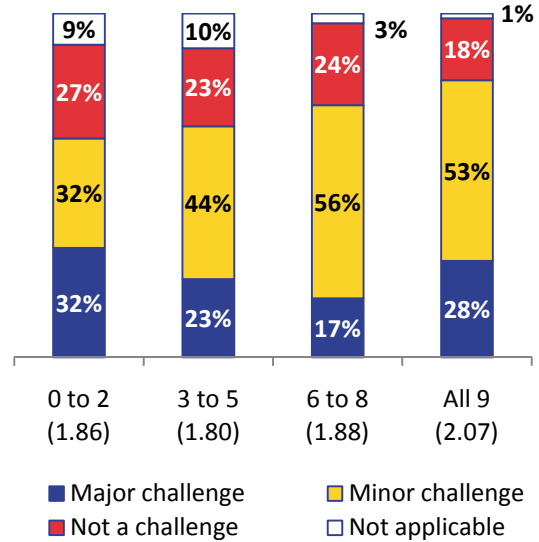


**Figure 88: Challenges Assessing Community Needs Computerized Records (n=306)**



organizations with the fewest (0 to 2) and the greatest number (9) of tools are about equally likely to report a major challenge assessing community needs. Possibly, the organizations with few tools are so young, small, and/or inexperienced that they are not even at the point of recognizing whether something is a challenge or not. In contrast, the groups with the most tools are more likely to undertake more sophisticated and thus more challenging needs assessments.

**Figure 89: Challenges Assessing Community Needs and Count IT Components (n=306)**



In addition to looking at specific IT tools, we also examined the relationship between the total number of IT tools respondents have at their disposal and the challenges that they report. Figure 89 shows, there is no clear cut relationship. However, it seems that

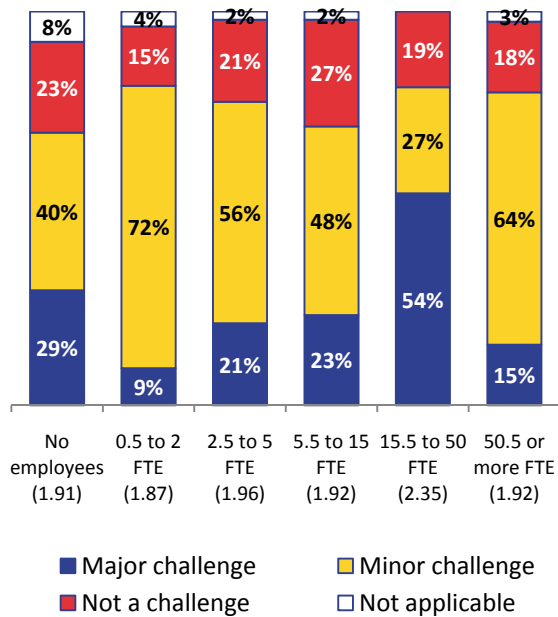
*Organizational Characteristics*

We find the number of people organizations employ is significantly related to the level of challenge they reported about assessing community needs, see Figure 90.

Organizations with 15.5 to 50 full-time employees more often responded that assessing community needs was a major challenge (average challenge score of 2.35), while both larger and smaller organizations reported average challenges scores of only 1.92. We speculate that smaller organizations do not consider a community needs assessment a feasible task because their staff are already stretched too thin, so the lower challenge responses is more reflective of

priorities rather than legitimate challenges. In contrast, larger organizations have the necessary human capital to carry out an assessment. Mid-sized organizations in the 15.5 – 50 FTE range are caught somewhere in between.

**Figure 90: Challenges Assessing Community Needs and FTE (n=279)**

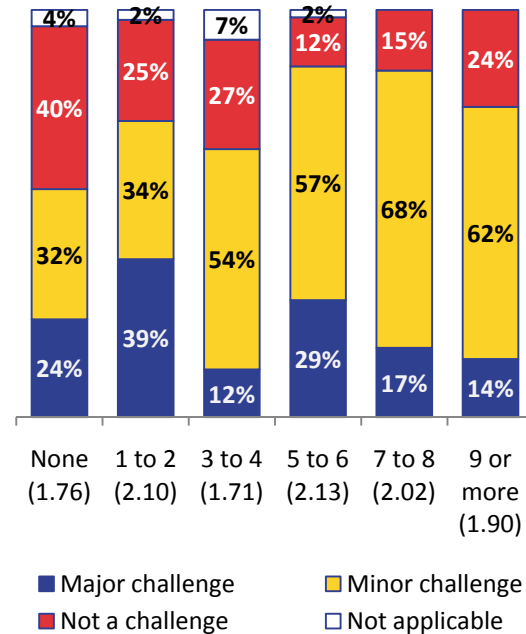


The lower than average challenge score (1.91) for organizations that are entirely volunteer-run (i.e., no employees) is also interesting. Almost 30 percent of these organizations report a major challenge assessing community needs, yet this percentage declines dramatically with the arrival of the first paid employee. However, as we noted above, after this initial drop, the frequency of reporting major challenges continues to rise as an organization hires more staff, but then drops again after surpassing the 50 person staff threshold.

Finally, respondents' revenue stream is related to challenges assessing community need. The numbers of sources, as well as specific kinds of support are all significant. Excluding groups with zero sources of revenue, we find

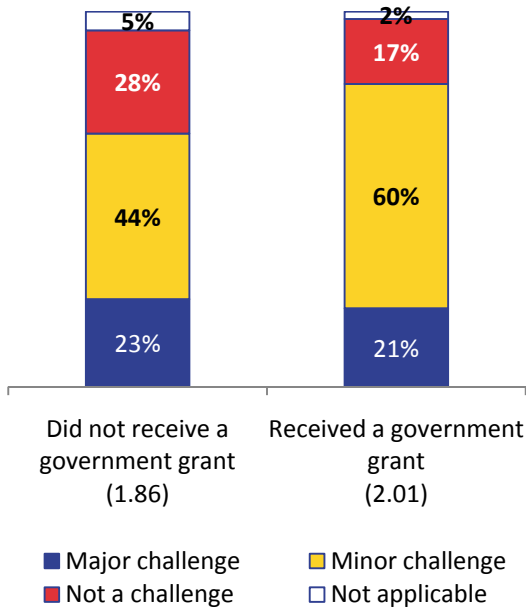
organizations that rely on relatively few funding streams (1 to 2) are most likely to report major challenges, see Figure 91. But beyond this, the pattern is not very straightforward.

**Figure 91: Challenges Assessing Community Needs and Number of Income Sources (n=258)**

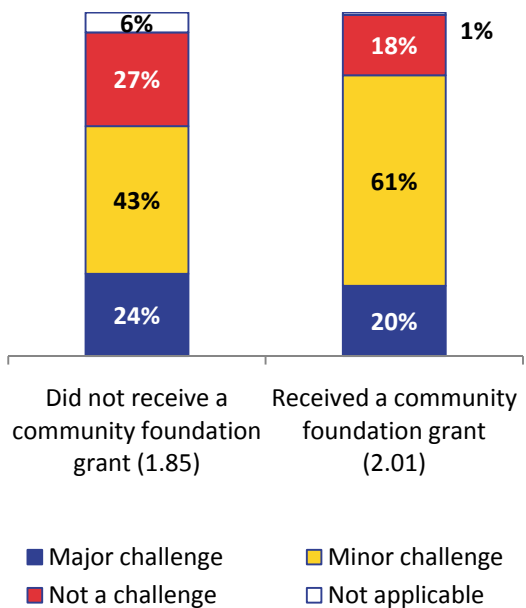


Additionally, receipt of government and community foundation grants, as well as donations from individuals, seems to be related to challenges with this activity. With regard to grants from community foundations and government, organizations that receive this type of support are slightly less likely to report major challenges but considerably more likely to report at least a minor challenge, see Figure 92 and 93. Governments and community foundations often produce information about community needs as part of prioritizing their own funding allocations. Organizations receiving funding from these sources may thus benefit from the available analysis, but will need to document how their own activities align with funding priorities.

**Figure 92: Challenges Assessing Community Needs and Receives Government Grants (n=258)**

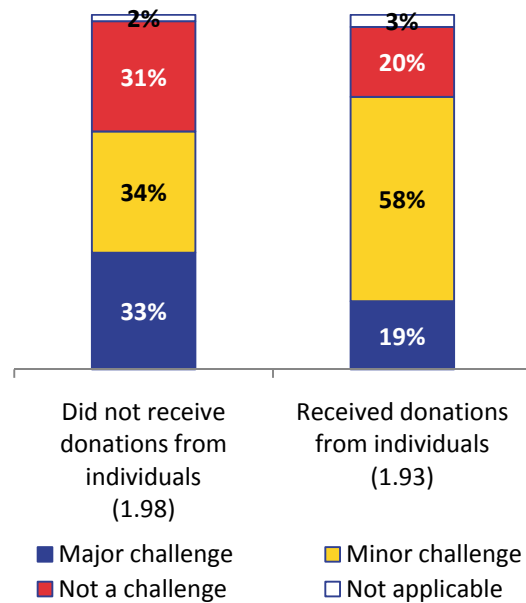


**Figure 93: Challenges Assessing Community Needs and Receives Community Foundation Grants (n=258)**



Turning to individual giving, organizations that receive donations from individuals are less likely to report major challenges (19 percent vs. 33 percent), see Figure 94. We speculate that most organizations that seek individual donations have had to articulate community needs as part of their fund-raising appeals.

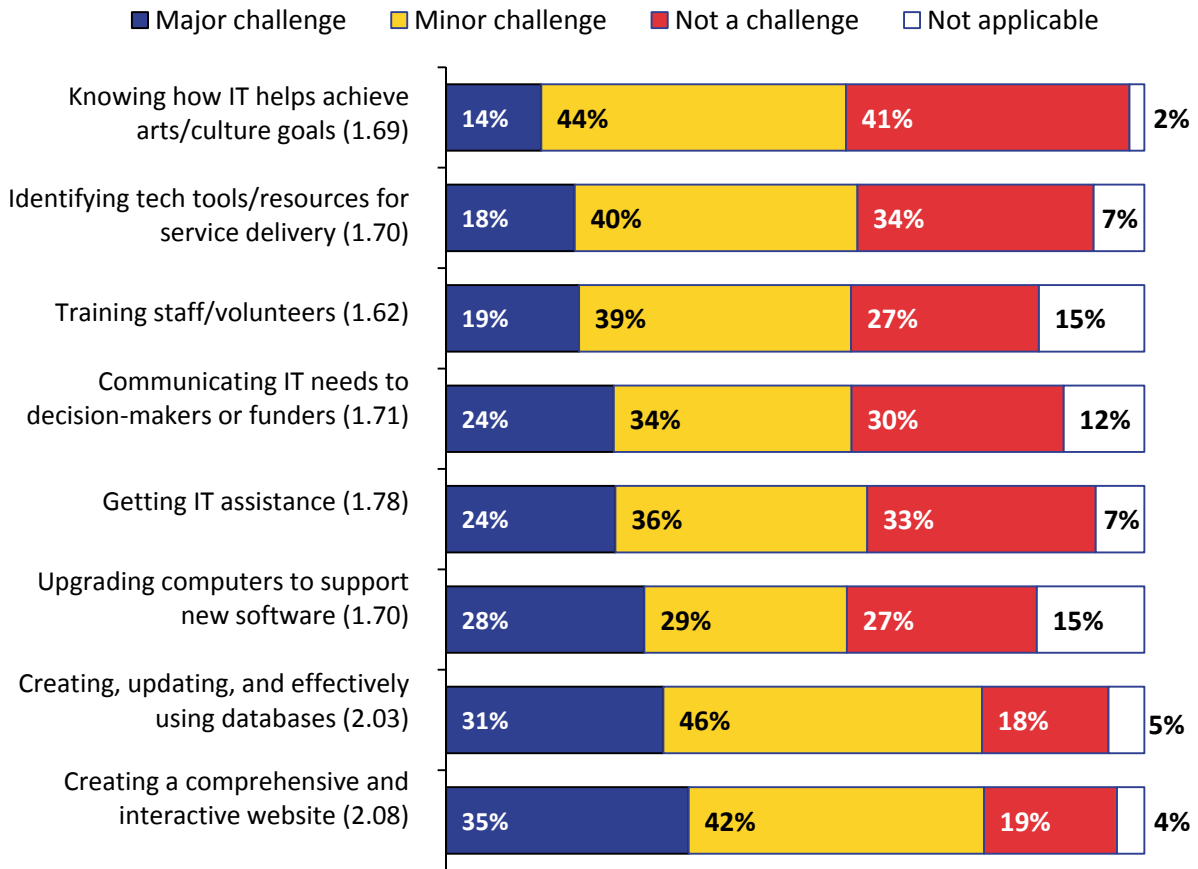
**Figure 94: Challenges Assessing Community Needs and Receives Donations from Individuals (n=258)**



## 5. INFORMATION TECHNOLOGY (IT)

Challenges related to information technology had lower overall average challenge scores than those related to programs and planning or marketing. As Figure 95 shows, none of the items included in this category were considered a major challenge by more than 35 percent, although two of these, **creating a comprehensive and interactive website** and **creating, updating, and effectively using databases** were considered at least minor challenges by more than three-fourths.

**Figure 95: Information Technology (IT) Challenges (n=329-331)**



The remaining six items were considered at least minor challenges by close to 60 percent of respondents. Three of these, **upgrading computers to support new software**, **getting IT assistance**, and **communicating IT needs to decision-makers or funders** were considered major challenges by about a quarter. Just below a fifth say that **training staff/volunteers in software/applications** or **identifying technology tools/resources for service delivery** are major challenges, while only 14 percent say that about **knowing how technology helps achieve organization’s arts and culture mission/goals**.

Here we focus on the two most severe challenges in this category. Additionally, we consider the impact of IT infrastructure in other capacity building and technical assistance challenges.

### Multivariate Analysis

Multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. We explored information technology challenges using several combinations of variables. In contrast to other types of challenges, the amount of focus an organization places on its arts/culture activities appears to have no statistically significant relationship with the level of IT challenges it faces. Challenges are higher with increased reliance on volunteers or board vacancies. Reliance on primarily governmental revenue sources is associated with less challenges, but simply having a government grant (regardless of amount) tends to be related to greater challenges. Additional findings from this multivariate analysis are available in Appendix D.2.

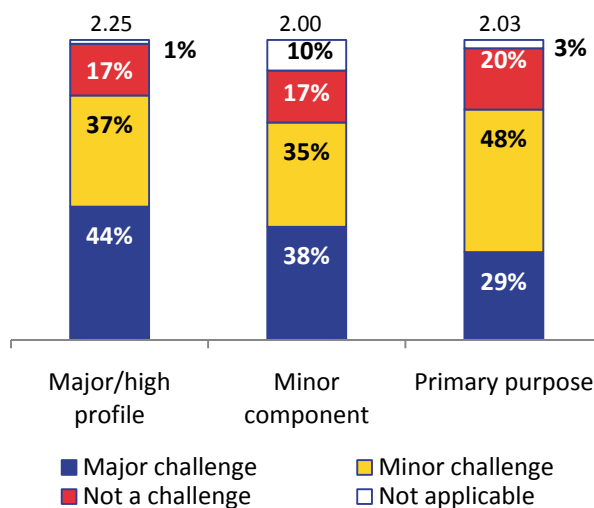
## Building a Comprehensive Website

Creating a comprehensive and interactive website posed the most challenge compared to other IT challenges, with an overall challenge score of 2.08. Looking at these challenges in the context of the larger organization, we find these challenges mostly relate to an organization’s overall IT structure, as well as factors related to revenue and other organizational characteristics. This section explores those connections more in depth.

### Types of Organizations

The extent to which organizations focus on arts and culture activities is related to challenges in building a comprehensive and interactive website, but the relationship is not linear (See Figure 96). About 44 percent of organizations that place a high priority on their arts and culture programs, but do not consider them their primary purpose, report major challenges in designing a comprehensive and interactive website for their arts and culture programs. This compares to only 29 percent of organizations that place a primary focus on such programs, and 38 percent with a minor focus.

**Figure 96: Creating a Comprehensive and Interactive Website in Organizations with Different Focuses on Arts/Culture Activities (n=331)**



These differences might reflect organizational priorities. Almost 90 percent organizations participating in this project report having organizational websites. It would make sense that groups primarily focusing on arts and culture activities focus their energies on a website reflecting these activities; thus, they may report fewer challenges, because they have already tackled such difficulties. In contrast, a comprehensive and interactive website for arts and culture activities is likely less of a priority for groups that place only a minor focus on the arts, and so website development is less of a challenge. Groups with a major focus on arts/culture, however, likely perceive the importance of a comprehensive and interactive website for their arts/culture programs and services, but must balance this need with other organizational priorities. Thus, website development poses the greatest challenges for these organizations.

An organization’s primary mission has no general bearing on challenges in building a comprehensive and interactive website. Similarly, organizational sector (nonprofit or public/governmental) has no systematic impact.

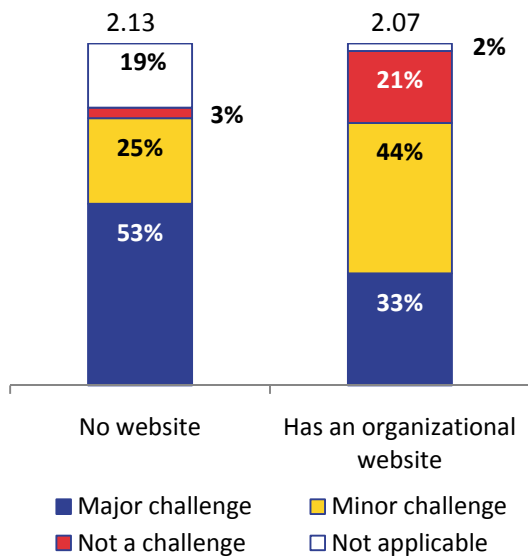
### Changes in Demand for Programs and Services

Changes in demands for services and programs over the past three years have no relationship with the challenges organizations face in developing a comprehensive and interactive website for their arts and culture programs.

The robustness of an organization’s IT structure is – not surprisingly – related to web development challenges. For example, Figure 97 shows that organizations that do not currently have a website are much more likely to say this is a major challenge compared to those that have one (53 vs. 33 percent) or to say it does not apply to them (19 vs. 2 percent). However, those with a current site are notably more likely to consider this a

minor challenge (44 vs. 25 percent) or to say it is not a challenge at all (21 vs. 3 percent). When we combine these responses, we find that the average challenge score for building a comprehensive website is only slightly higher for those without a current website than those with a site (2.13 vs. 2.07) and the difference is not statistically significant.

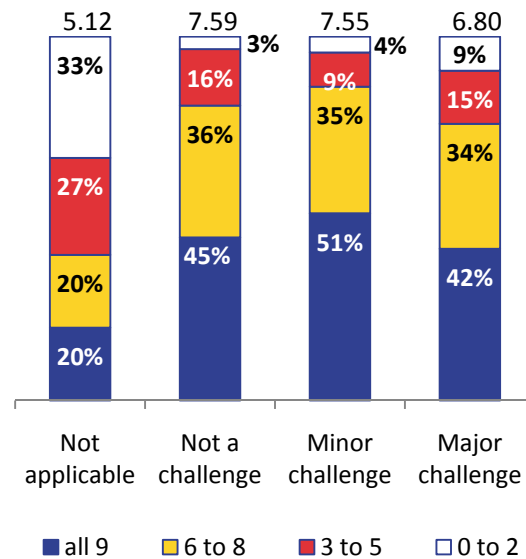
**Figure 97: Effect of Having a Website on Creating a Comprehensive and Interactive Website (n=307)**



*Activities, Policies, and Procedures*

We also find that organizations experiencing major challenges in their website development have fewer IT-related organizational components (e.g., an organization email address, computers for staff, etc). Of the 9 components the survey asked about, those reporting no challenge or just minor challenges with website development had an average of 7.6 components, while those encountering major challenges on average had only 6.8 (See Figure 98). We also expected having a recent written technology plan would relate to website development challenges. The data, however, showed no relationship.

**Figure 98: Number of IT Components and Challenges Associated with Creating, Updating, and Effectively Using Databases (n=307)**



We also asked organizations whether they had a variety of other policies, procedures and components, such as a recent strategic plan, conflict of interest policies, a volunteer training plan, etc. Figure 99 shows that organizations with very few of these components (only 1 to 5) report challenges very differently from organizations with more of these elements. Over 50 percent of these arts and culture providers say creating a comprehensive and interactive website is a major challenge, but almost 30 percent it would not be applicable to their organizations. In contrast, only about a third of those with more organizational components say website development is a major challenge and very few note it is not applicable.

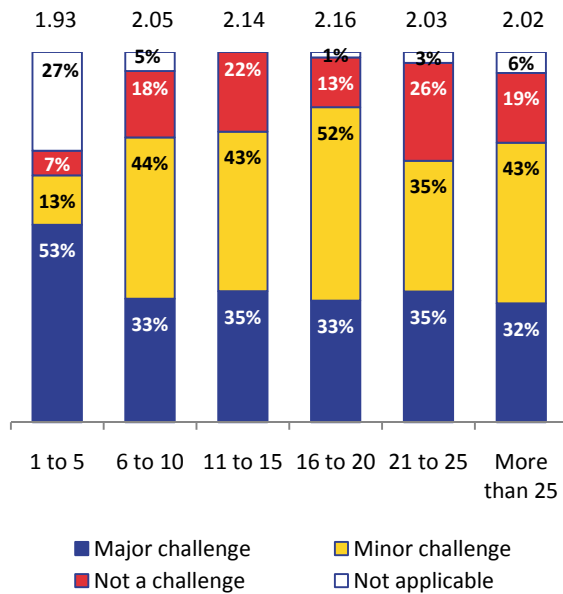
*Organizational Characteristics*

We also explore whether basic organizational characteristics are related to challenges in website development. We find this challenge has neither a relationship with organizational size nor age. Revenue diversification, however, does appear to be relevant. As Figure 100 shows, only about five percent of

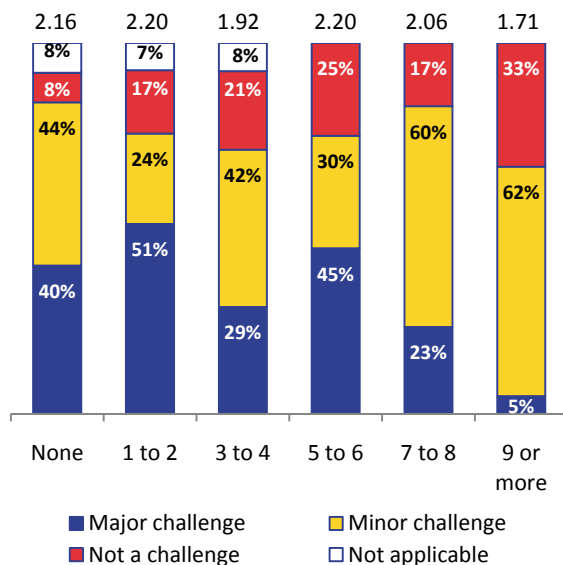


organizations with nine or more income sources report web development as a major challenge. We speculate this is because having a comprehensive and interactive website may facilitate raising funds from so many sources.

**Figure 99: Creating a Comprehensive and Interactive Website and Number of Organizational Components (n=307)**

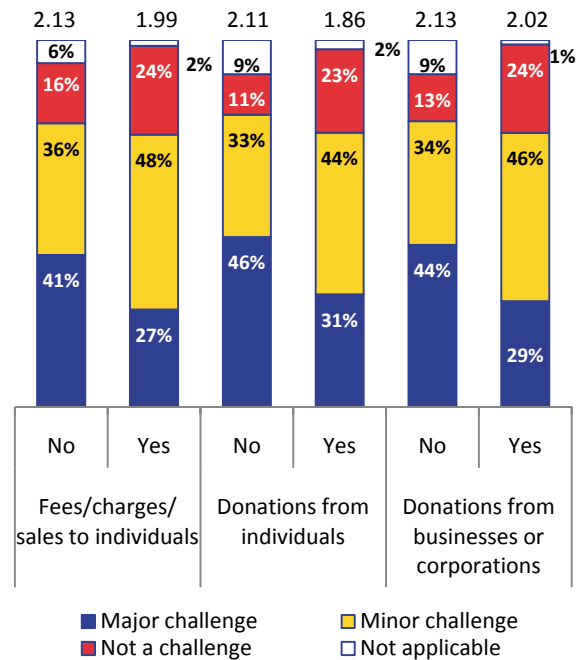


**Figure 100: Creating a Comprehensive and Interactive Website and Number of Revenue Sources (n=256)**



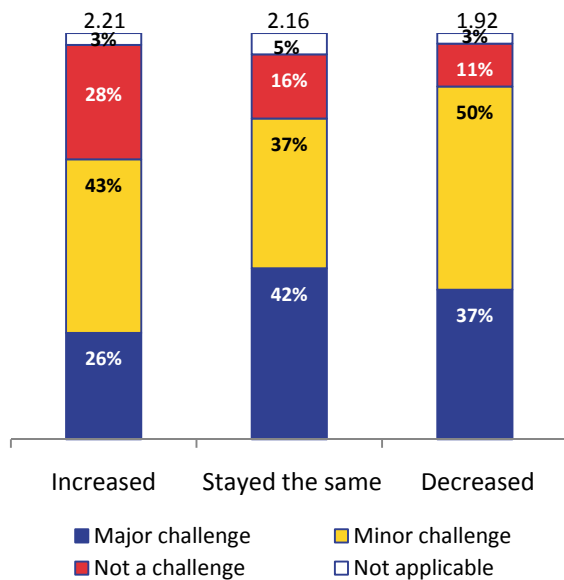
We find also that reliance on certain types of revenue sources appear to be more significant than others. Figure 101 shows that organizations which receive funding from sales to individuals, individual donations, and business donations find web development to be less of a challenge than organizations which lack these revenue streams. Again, we speculate that having a comprehensive and interactive website helps these organizations gain support from individuals and businesses.

**Figure 101: Creating a Comprehensive and Interactive Website and Different Revenue Sources (n=256)**



In addition to income sources, changes in overall revenue over the past three years also are marginally significant (See Figure 102). Organizations that experienced a decrease in revenues gave higher challenge scores (2.21), compared to those where revenue stayed the same (2.16), and those that experienced an increase (1.92). Organizations that saw a decrease in their revenues were more likely to report both minor and major challenges than those with increased revenues.

**Figure 102: Creating a Comprehensive and Interactive Website and Changes in Revenue Over The Past 3 Years (n=217)**



**Creating, updating, and effectively using databases**

Overall, the average challenge score for creating, updating and effectively using databases was 2.03. Again, the most notable relationships with these challenges appear to be with other elements of an organization’s IT structure, but other factors, most notably age, are significant as well.

*Types of Organization*

Challenges maintaining and using databases has no systematic relationship with an organization’s focus on arts and culture activities, mission, or whether it is public or nonprofit.

*Changes in Demand for Programs and Services*

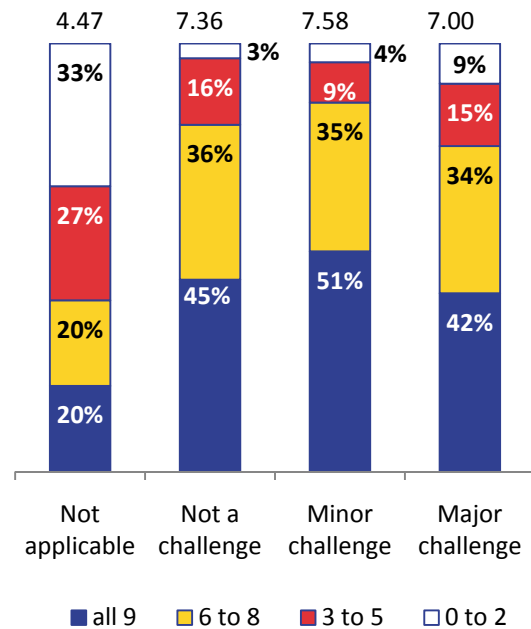
Generally speaking, changes in demand for arts and culture programs and services have no relationship with database challenges.

*Activities, Policies, and Procedures*

Our analysis shows that database challenges are related to the number of IT components the organization has. But, as Figure 103

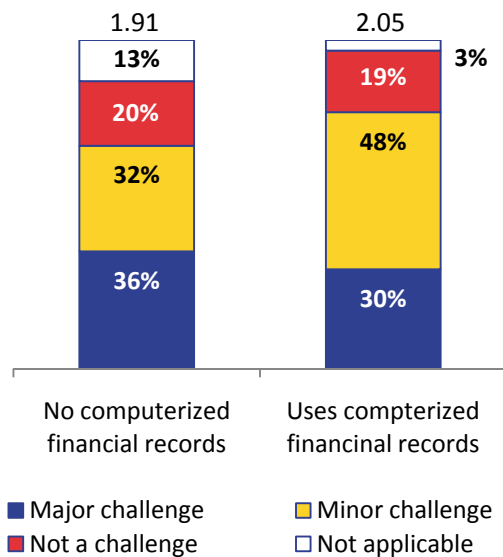
shows, the relationship is not straightforward. Those experiencing minor challenges tend to have the largest number of components (7.6 on average), followed by those that say it is not a challenge (7.4) and then those that say it is a major challenge (7.0), perhaps indicating that those with more IT tools undertake more IT-related projects that present at least some minor challenges. Not surprisingly, those who say database work is not applicable have by far the fewest number of IT tools (only 4.5 on average), accounting for most of the variation observed in Figure 103.

**Figure 103: Number of IT Components and Challenges Associated with Creating, Updating, and Effectively Using Databases**



Looking at specific components, we find that organizations that have computerized financial records have an average database challenge score of 2.05, while those without such a component had an average challenge score of 1.91 (See Figure 104). Most of this difference comes from higher reports of minor challenges among organizations using computerized financial records, suggesting the challenges mainly involve fine-tuning of these types of database systems.

**Figure 104: Database Challenges and Organization use of Computerized Financial Records (n=307)**



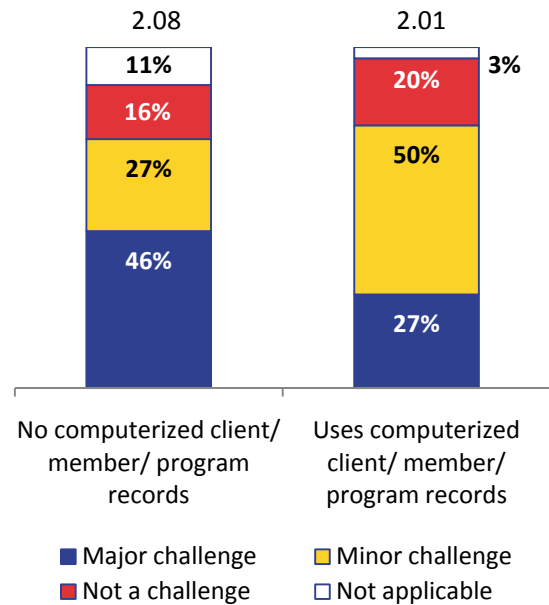
We find a similar but more pronounced relationship when it comes to computerized client/member/program records (See Figure 105). Organizations without such records are much more likely to report that creating, updating and effectively using databases present major challenges (46 vs. 27 percent), although the overall average challenge score is only slightly higher (2.08 vs. 2.01) and not statistically significant. We speculate that program records are sufficiently complex to make it difficult for many organizations to use “off-the-shelf” software programs (in contrast to financial records) or to maintain them manually.

*Organizational Characteristics*

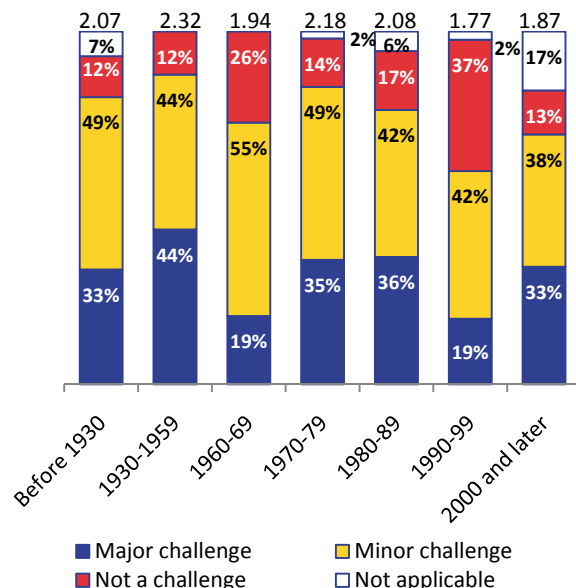
Finally, among the basic organizational characteristic we considered, we find that an organization’s age has a statistically significant connection with the organization’s database challenges, but the relationship appears to be a complicated (nonlinear) one (See Figure 106). Organizations founded in the 1990s report the fewest challenges (1.77), while those founded between 1930 and 1959 have the most (2.32), with other age cohorts fluctuating between these two values. As

Figure 106 also shows, almost a fifth of very young organizations (founded in 2000 or later) report that database challenges do not apply to them, suggesting that their needs for tracking information have not yet reached the level to warrant creating a database.

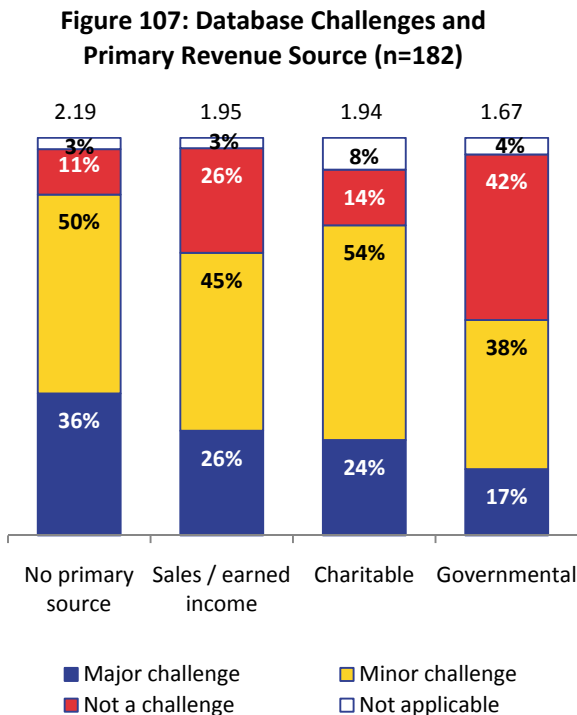
**Figure 105: Database Challenges and Organization Use of Computerized Client/Member/Program Records (n=307)**



**Figure 106: Database Challenges and Organization Age (n=269)**



We suspect these patterns illustrate a process of technological growth and expansion over an organization’s lifespan. Organizations rarely adopt and maintain one database structure throughout their existence. Rather, organizations adopt new methods or systems as their needs grow and change. Thus, challenges take on a cyclic effect. While an organization’s size or annual revenue has no general relationship with its database challenges, we do observe a marginally significant relationship with primary revenue source (See Figure 107). Organizations that rely on government funding for over fifty percent of their revenue report the fewest challenges with databases (1.67). We suspect challenges are low for these organizations, because gaining and maintaining government funding requires meticulous data tracking and management. In contrast, organizations with no dominant revenue source display the most challenges (2.19), suggesting that managing diverse revenue imposes more complex demands on database development.



## Organizational IT Components

Because of the importance of IT components for several types of capacity-building challenges, we look more closely at which types of organizations employ such IT-related components as keeping computerized records, performing routine data backups, or maintaining an organizational website or email address.

As Table 1 shows, the great majority of arts and culture organizations have basic IT components, such as organizational websites or email addresses (90 percent) and computers for key staff members and volunteers (85 percent). About 80 percent also have computerized financial, program records, anti-virus or related programs, and broadband internet access. However, less than three fourths routinely back up their data, although almost two-thirds maintain internal computer networks.

**Table 1: Use of various IT organizational components**

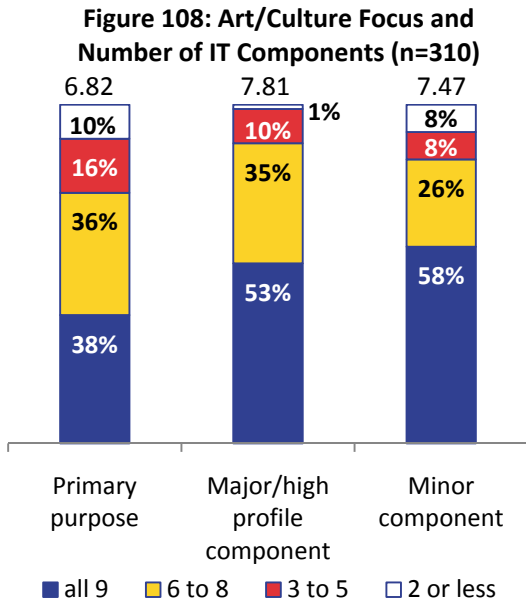
IT organizational components	% orgs (n=310)
Email address for your organization	90.0
Website for your organization	89.7
Computers available for key staff/volunteers	85.2
Computerized financial records	81.6
Anti-virus / anti-spyware / anti-spam programs	80.3
Computerized client/member/program records	79.4
Broadband internet access	78.7
Routine backups of your data	71.0
Internal computer network	64.2

Some 45 percent of organizations employed all nine IT elements mentioned in the survey (Table 2). Only 2 percent have none of these IT components, and less than one in ten (7 percent) have two or fewer components.

**Table .2: Number of IT elements organizations use**

# of IT components	% of organizations (n=310)
2 or less	7.4
3 to 5	12.9
6 to 8	33.9
All 9	45.8

Figure 108 shows that organizations which focus primarily on arts and culture activities generally have fewer IT components (average of 6.8) than those where arts and culture is a high profile (7.8) or just a minor component (7.5).

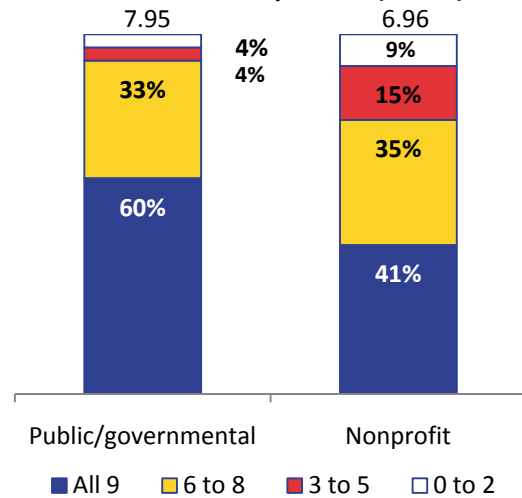


Additionally, public or governmental arts and culture providers appear more technologically robust than their nonprofit peers (See Figure 109). They are more likely to have all nine components (60 vs. 41 percent).

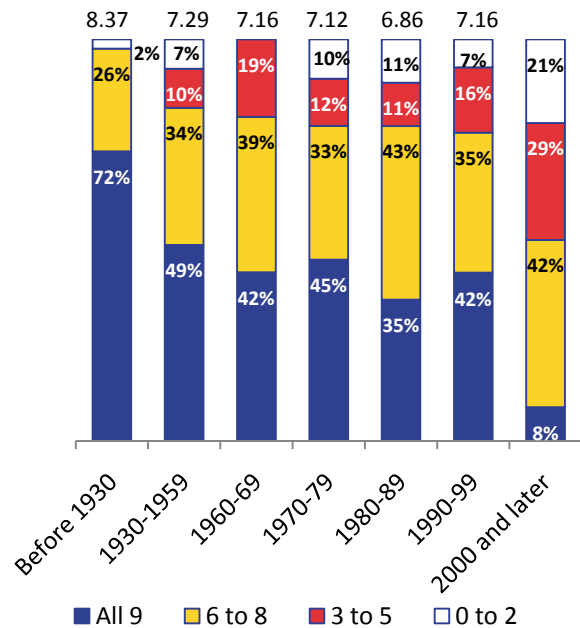
There are also notable relationships with age and size. Very young organizations generally have fewer IT components than very old organizations (See Figure 110) and larger organizations have more IT elements than smaller ones (Table 3)

Overall, and as expected, we find that organizations with fewer IT components are more likely to report specific IT challenges. For example, organizations reporting major challenges in developing a comprehensive organization website tend to have fewer IT components than those reporting only minor or no challenges, suggesting that there are systemic problems in augmenting IT capacity.

**Figure 109: Organization Sector and Number of IT Components (n=282)**



**Figure 110: Organization Age and Number of IT Components (n=270)**



The presence of IT components also seems to be related to specific organizational activities that require organizations to interact with the broader environment. For example, those involved in some level of formal networking or collaboration tend to have more IT components (See Figure 111) than those involved only in informal networking or not involved at all in such activities, suggesting that email, internet access and the like (e.g., social networking sites) help organizations establish and maintain formal collaborations.<sup>9</sup>

**Table 3: Organization Size and IT components**

Size (FTE)	# IT components
No employees	4.53
0.5 to 2 FTE	6.77
2.5 to 5 FTE	8.00
5.5 to 15 FTE	8.35
15.5 to 50 FTE	8.41
50.5 or more FTE	8.56

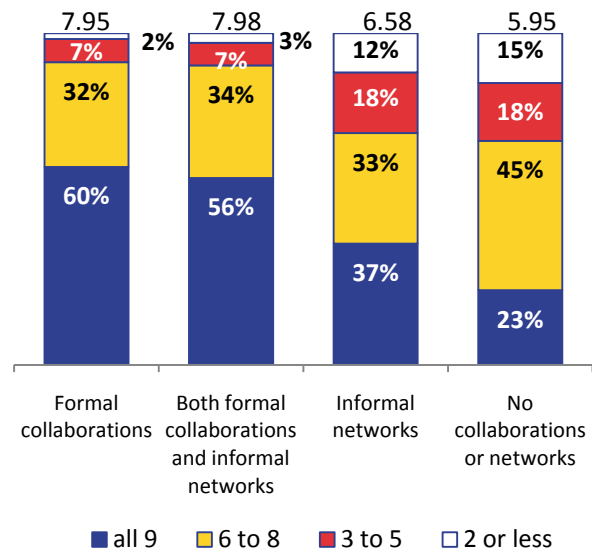
Size (Annual Revenue)	# IT components
No revenue	6.89
Less than \$25K	6.07
\$25K to 99K	6.45
\$100K to 249K	7.65
\$250K to 499K	7.92
\$500K to 999K	8.71
\$1M to 9.9M	8.91
\$10M or more	9.00

The number of organizational IT components also appears to have some relationship with other challenges arts and culture organizations must manage. For example, organizations with more IT components report less challenge with grant proposal writing (see Figure 112). We speculate that IT competence

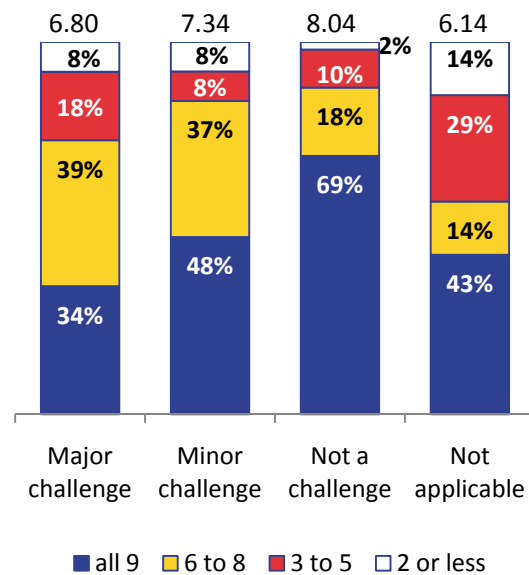
<sup>9</sup>Those engaged in one or more policy promotion activities, e.g., promoting certain political groups or educating the public and policy makers on specific issues, also tend to have slightly more IT components than those not involved in any policy or advocacy activities, but the relationship is not statistically significant.

in designing templates or developing reports and the like help organizations craft grant proposals.

**Figure 111: Collaboration and Number of IT Components (n=293)**



**Figure 112: Grant Writing Challenges and Number of IT Components (n=306)**



However, our analysis suggests that Indiana arts and cultural organizations may encounter significant risks in how they employ their IT resources. Thus, while about 80 percent keep computerized records of clients, members, and/or programs or computerized financial



data, only 70 percent make routine backups of data. In fact, about a fifth of those that maintain computerized program or financial do not make routine backups (21 and 19 percent respectively). Such figures are a point of concern, because loss of such data can have a substantially negative impact on an organization and its overall capacity.

Finally, we find that whether or not an organization has a recent written technology assessment is related to certain types of management challenges. For example, those with a technology assessment report more challenge in training staff compared to organizations without such an assessment. Similarly, those with a recent assessment report more challenges upgrading computers to support new software.

Obviously, undertaking a technology assessment does not create such challenges; more likely, undertaking an assessment may reveal challenges that organizations might be unaware of otherwise. Alternatively, those that have challenges may undertake assessments in order to manage these issues. This makes sense particularly when we consider that organizations with recent technology assessments report fewer challenges in knowing how technology helps accomplish the organizational mission and also report somewhat less challenge in identifying tools/resources for service delivery.

In summary, we find that many organizations have basic IT components, such as organizational websites and email addresses. The largest challenges include creating a comprehensive website as well as database design and maintenance. These challenges vary depending on presence or absence of key IT organizational components. While organizations might not report information technology challenges as frequently as they do in such areas as financial resource, networking and advocacy, marketing, or programs and planning, our analysis shows that information

technology challenges are related to variety of organizational capacities, (e.g., grant writing or collaboration and networking). Consequently, organizations (and their funders) might consider how challenges in one area may affect those in another, even if the connection may not be self-evident.

## **6. HUMAN RESOURCES**

The average challenge scores for the human resource category was the second to lowest for the seven broad categories considered; however, as Figure 113 shows, all seven items included in this category are considered at least a minor challenge by more than half.

**Recruiting and keeping qualified volunteers** was the most pervasive challenge, considered a major challenge by about a third (32 percent) and at least a minor challenge by almost three fourths (73 percent).

**Recruiting and keeping effective board members** and **board training**, however, were only slightly behind: considered a major challenge by respectively 31 and 29 percent and at least a minor challenge by respectively 64 percent and 65 percent. **Recruiting and keeping qualified staff** is a major challenge for 24 percent and at least a minor challenge for 57 percent.

**Managing human resources** (staff and volunteers) and **volunteer training** are considered major challenges by about one-fifth and minor challenges by another 43-45 percent. The least challenging item is **staff training**, considered a major challenge by only 16 percent, but at minor challenge by another 41 percent.

### **Refining Human Resource Challenges**

A wide variety of activities and policies comprise Human Resources, and we undertook a factor analysis procedure to see if the challenge indicators we used grouped into

coherent clusters.<sup>10</sup> We found two related groups – a “board and volunteer” cluster and a “staff” cluster. The former includes activities such as recruiting and training board members and volunteers, while the latter includes staff recruitment and training, as well as overall management of human resources. The average score for all human resource challenges is 1.75. Organizations report a higher score (1.82) for board/volunteer challenges than for staffing challenges (1.67).

We find that the two clusters have divergent relationships with some organizational characteristics and behaviors. For example, the existence of any board vacancies is strongly related to “board and volunteer” challenges while it is entirely unrelated to staffing challenges.<sup>11</sup>

### Multivariate Analysis

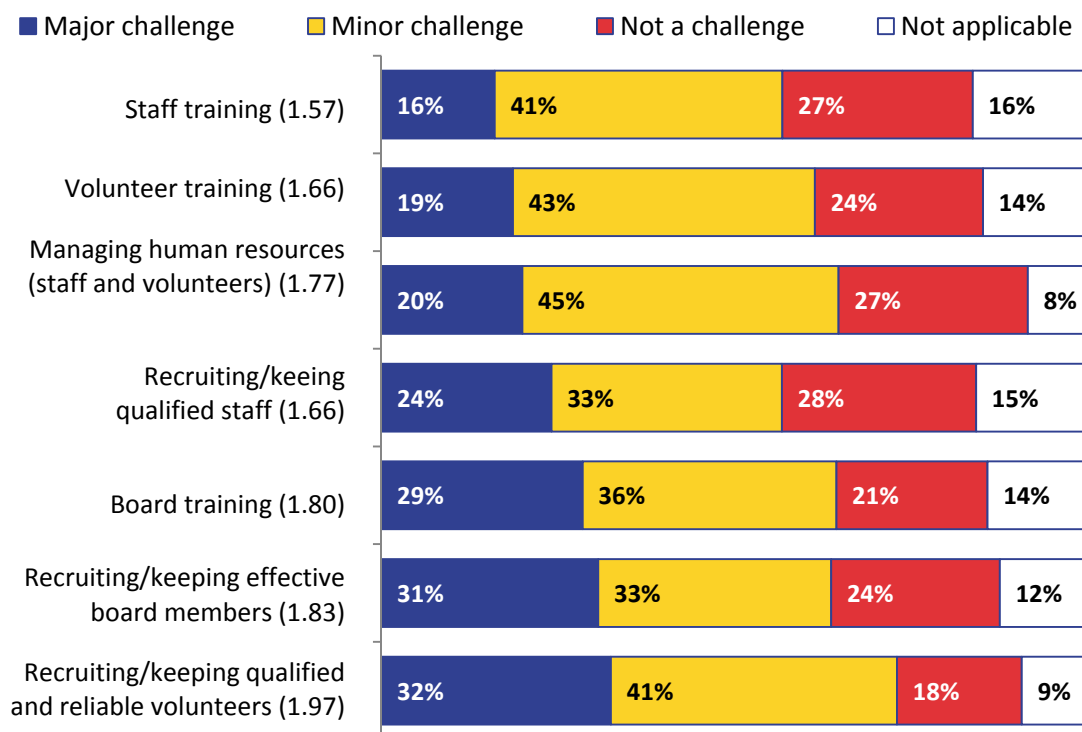
As noted earlier, multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several

variables. We explored how several combinations of variables jointly help explain the severity of challenges in each of the two groupings of human resource challenges. We find that organizations that are more reliant on volunteers report greater challenges (regardless of age, staff size, annual revenue, level of focus on art/culture activities, innate capacity, and collaboration with other groups). Additionally, organizations that have any vacant board seats also tend to report greater challenges. These and other findings indicate that volunteer and board management is a prominent human resource challenge for a wide variety of organizations. Further findings from this multivariate analysis are in Appendix D.2.

### *Recruiting and Keeping Qualified and Reliable Volunteers*

As Figure 113 shows, almost three-fourths of respondents identified recruiting and keeping qualified and reliable volunteers as at least a minor challenge. We find that the extent of this challenge is related to some organizational

**Figure 113: Human Resources Challenges (n=347-351)**



activities, polices, procedures, as well as organizational characteristics, but not type of organization or changes in demand for programs and services.

*Types of Organizations*

Volunteers are crucial to the health and welfare of many organizations. It is therefore not surprising that the extent of challenge in recruiting/keeping qualified and reliable volunteers is not related to organizational type, artistic focus, or mission.

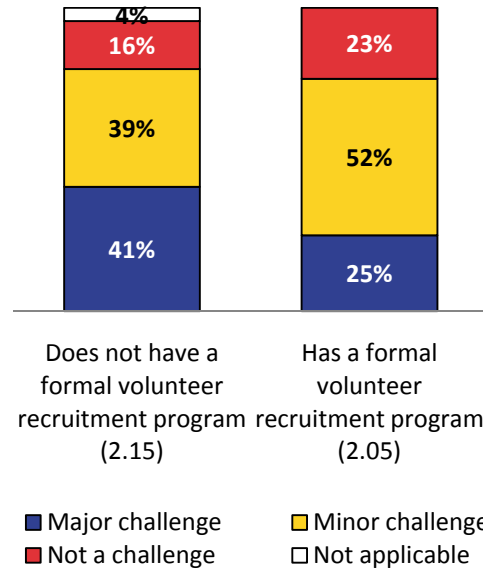
*Changes in Demands for Programs and Services*

Changes in demands for services and programs over the past three years also have no relationship with the challenges arts and culture providers have in recruiting/keeping qualified and reliable volunteers.

*Activities, Polices, Procedures*

Not surprisingly, we do find that whether or not an organization has a formal volunteer recruitment program is related to the challenge of recruiting and keeping qualified and reliable volunteers (see Figure 114). As expected, a larger portion (41 percent) of organizations without a formal volunteer recruitment program report that recruiting/keeping qualified and reliable volunteers is a major challenge compared to organizations with a formal volunteer recruitment program (25 percent). However, almost 80 percent of all organizations report this to be at least a minor challenge, regardless of whether or not they have a formal volunteer recruitment program. Since recruiting/retaining volunteers is an on-going need for most organizations, especially as they expand services, we speculate that even organizations with programs dedicated to handling volunteer needs still face challenges, though less pervasive.

**Figure 114: Recruiting/Keeping Volunteers and Formal Volunteer Program (n=247)**



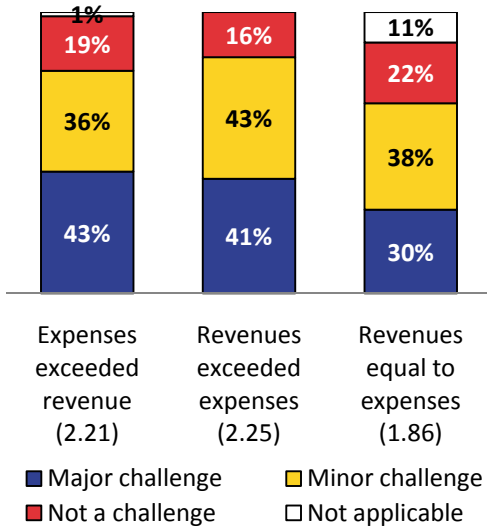
*Organizational Characteristics*

In looking at the relationship between expenses, revenues, and recruiting/keeping volunteers, organizations with expenses exceeding revenues report a major challenge in an almost equal manner to organizations that report revenue exceeded expenses (see Figure 115). However, organizations whose revenue more or less *equals* expenses are less likely to say recruiting/keeping volunteers is at least a major challenge (30 percent vs. 41-43 percent) than those with excess revenues or excess expenses. Similarly, the average challenge scores for organizations with excess revenues or excess expenses are higher (2.21 and 2.25 respectively) than for those with equal expenses and revenues (1.86). This difference is probably reflective of the general challenges organizations face when they need to expand or contract operations.

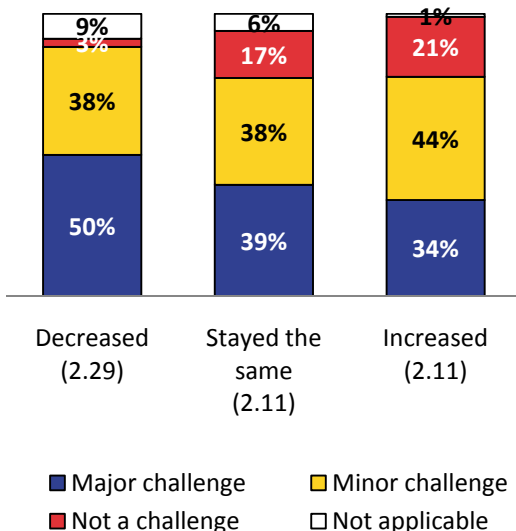
In terms of changes in total organizational revenue, we find that organizations with decreased revenues appear more likely to have more severe challenges in recruiting/keeping volunteers (see Figure 116). Half of those

with decreased revenues reported a major challenge in recruiting/keeping volunteers, compared to 34-39 percent of those whose revenue increased or stayed the same. These findings suggest that organizations may expand their reliance on volunteers in order to maintain program (or fundraising) activities when revenues decline.

**Figure 115: Recruiting/Keeping Volunteers and Expenses Exceeded Revenues (n=185)**



**Figure 116: Recruiting/Keeping Volunteers and Total Revenue Change (n=194)**



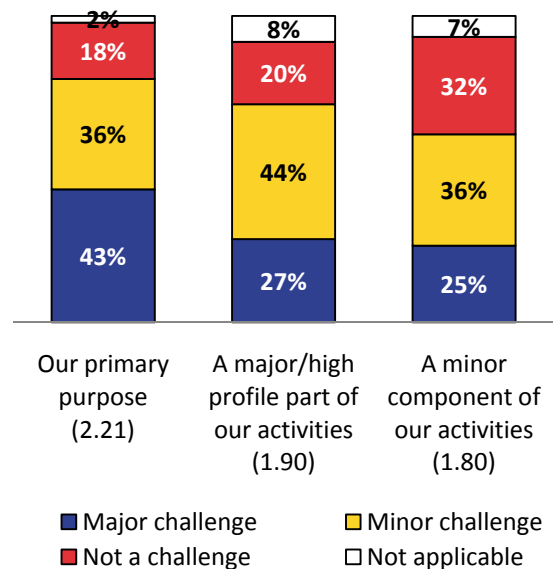
### Recruiting and Keeping Effective Board Members

The next item also involves recruiting/keeping volunteers, but this time we focus on board members, rather than regular volunteers. We find significant differences in the challenge of recruiting/keeping board members and the type of organization, along with some activities and organizational characteristics.

#### Types of Organizations

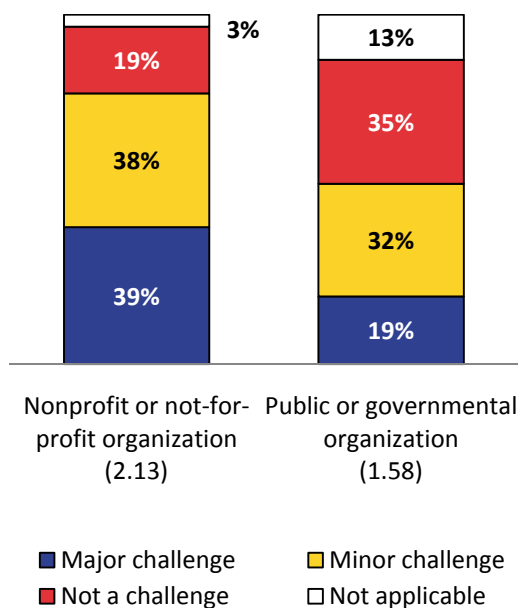
About 40 percent of respondents whose primary purpose is arts/culture reported a major challenge with recruiting/keeping effective board members (see Figure 117). This is nearly double the percentage of respondents who consider arts/culture to be a major/high but not primary or minor component of their activities. Similarly, organizations with arts and culture as their primary purpose report a significantly higher average challenge score in recruiting/keeping effective board members (2.21) than organizations that consider arts and culture a major or minor component of their activities (1.90 and 1.80 respectively).

**Figure 117: Recruiting/Keeping Board Members and Role of Arts (n=239)**



As seen in Figure 118, we find that nonprofit organizations consider recruiting/keeping effective board members a greater challenge (average challenge score 2.13) than public or governmental organizations (average challenge score 1.58) do. Nearly 40 percent of nonprofit organizations report a major challenge in this item, and this portion nearly doubles if minor challenge responses are included. On the other hand, less than 20 percent of public or governmental organizations consider recruiting/keeping effective board members a major challenge. While this analysis only includes organizations that have a Board of Directors, these differences may reflect the varying duties of board members who serve nonprofit versus public organizations.

**Figure 118: Recruiting/Keeping Board Members and Organization Type (n=235)**



*Changes in Demands for Programs and Services*  
Changes in demands for services and programs over the past three years have no relationship with the challenges arts and culture providers have in recruiting/keeping effective board members.

*Activities, Policies, Procedures*

We find that organizations with computerized financial records and computerized client/member/program records are slightly more likely to report that recruiting/keeping effective board members is a major challenge than those that do not have these components. We speculate that organizations with these components are more sophisticated and therefore more likely to acknowledge challenges associated with their board members.

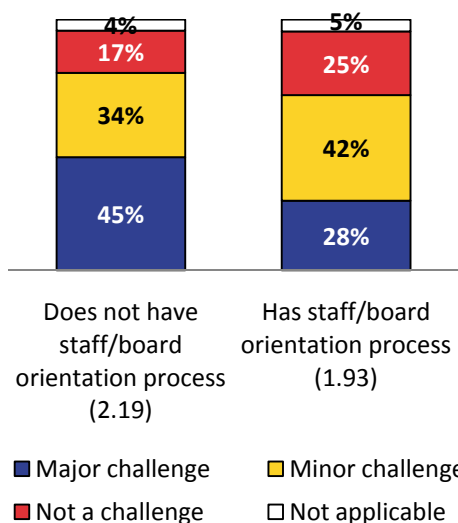
On the other hand, organizations with conflict of interest policies, written policies for managing important organizational documents and records, and written job descriptions are slightly less likely to report that recruiting/keeping board members is a major challenge. We speculate that organizations with these components in place may convey stronger, more sophisticated management practices to prospective board members, who therefore may be more willing to accept invitations to join the board. Similar reasons may encourage board members to stay more involved.

Looking next at whether or not organizations have a staff/board orientation process, it is no surprise that organizations with this process face a lesser challenge in recruiting/keeping effective board members. In fact, only about a quarter (28 percent) with such a process reports this to be a major challenge, while almost half (45 percent) of organizations without an orientation report this to be a major challenge (see Figure 119). Board orientation serves to integrate new board members and to clarify their roles, which in turn may help with retention.

Possession of certain key components—a formal volunteer recruitment program, a designated coordinator/supervisor for volunteers, an annual report, and an evaluation or assessment of program outcomes/impact—also proves to be related

to the level of challenge organizations report in recruiting/keeping effective board members. Organizations with these components most likely have less difficulty with this challenge because of the extra support these items add to the organization as a whole.

**Figure 119: Recruiting/Keeping Board Members and Staff/Board Orientation Process (n=239)**



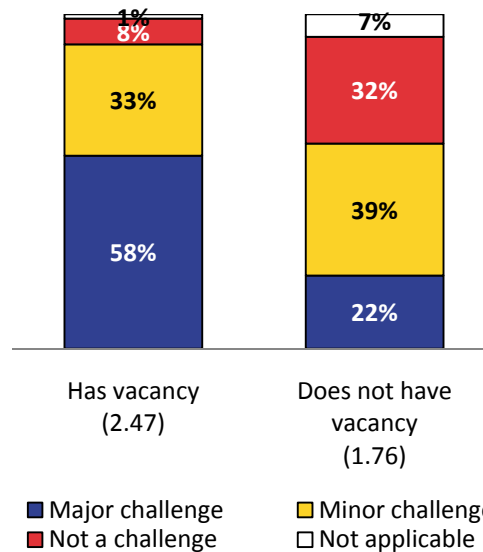
A full Board of Directors is an important resource for arts and culture organizations, and it is not surprising to find a relationship between recruiting/keeping effective board members and board vacancy. As seen in Figure 120, organizations with a board vacancy are much more likely to report recruiting/keeping board members be a challenge (2.47 average challenge score) than those without any vacancy (average challenge score of 1.76). Only about a quarter (22 percent) of the latter report this item to be a major challenge, compared to well over half (58 percent) of those with a vacancy.

*Organizational Characteristics*

Among the basic organizational characteristics we considered, we find that change in total revenue has a significant connection with the challenge of recruiting/ keeping effective

board members. As expected, 45 percent of organizations whose revenue decreased responded that this was a major challenge (see Figure 121). About 10 percentage points less of organizations whose revenue increased or stayed the same reported that this was a major challenge. It is difficult to determine cause and effect here. Possibly those with full boards are better able to maintain or grow revenues because board members contribute to these efforts. Alternatively, board members may be reluctant to stay involved with an organization that is facing declining revenues because of expectations that board intensify fundraising activities.

**Figure 120: Recruiting/Keeping Board Members and Vacant Board Seats (n=197)**

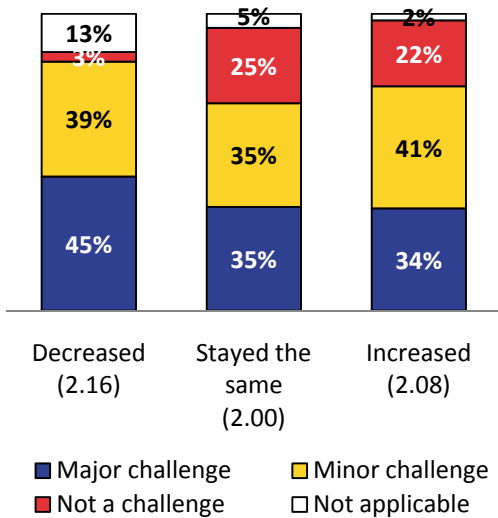


**Board Training**

Among other human resources issues, board training also ranked relatively high (1.80) in terms of average challenge score. While we do not find any significant differences in the challenge of board training and the type of organization, we do find a relationship between this challenge and certain types of organizational activities and characteristics.



**Figure 121: Recruiting/Keeping Board Members and Total Revenue Change (n=184)**



*Types of Organizations*

Whether or not an organization is public or nonprofit is not related to the pervasiveness of challenge of board training, nor does arts focus or an organization’s mission.

*Changes in Demands for Programs and Services*

Changes in demands for services and programs over the past three years also have no relationship with the challenges arts and culture providers have in board training.

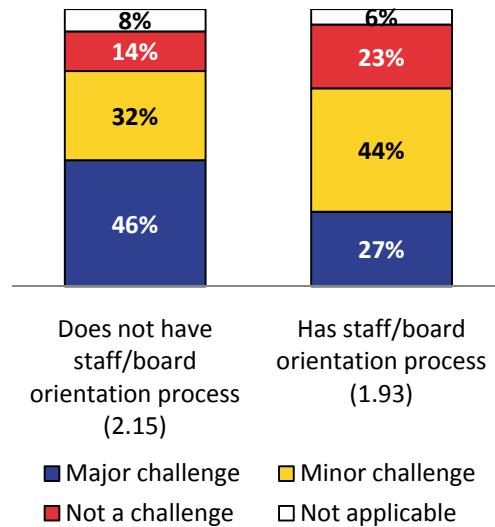
*Activities, Policies, Procedures*

Like the other two previous human resources challenges, we find that some organizational components—computerized financial records, strategic plan, and job descriptions—impact respondents’ board training challenge level. Slightly smaller portions of organizations with these components report board training to be a major challenge compared to organizations without these components.

We also find a relationship between the challenge of board training and having staff/board orientation process (see Figure 122). Those with an orientation process have an average challenge score of 1.93, with about

a quarter (27 percent) reporting this as a major challenge. Those without an orientation process have a higher average challenge score (2.15), with almost half (46 percent) reporting board training as a major challenge. This is as expected, since an orientation process should alleviate (but not necessarily eliminate) challenges associated with board training.

**Figure 122: Board Training and Staff/Board Orientation Process (n=238)**

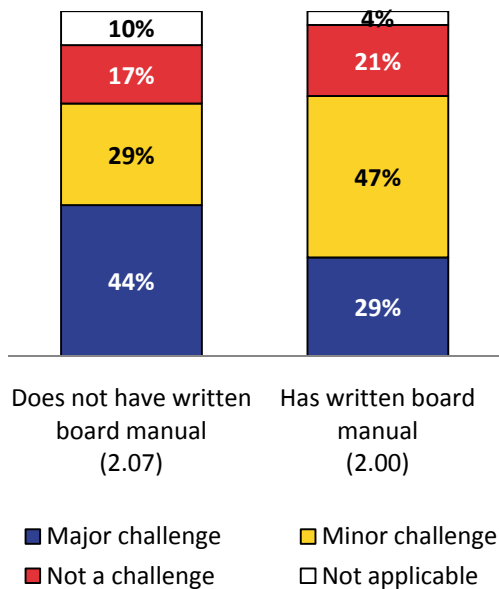


As expected, having a written board manual contributes to its ease in board training. Almost half (44 percent) of organizations that do not have a written board manual report that board training is a major challenge, compared to 29 percent of organizations with board manual (see Figure 123).

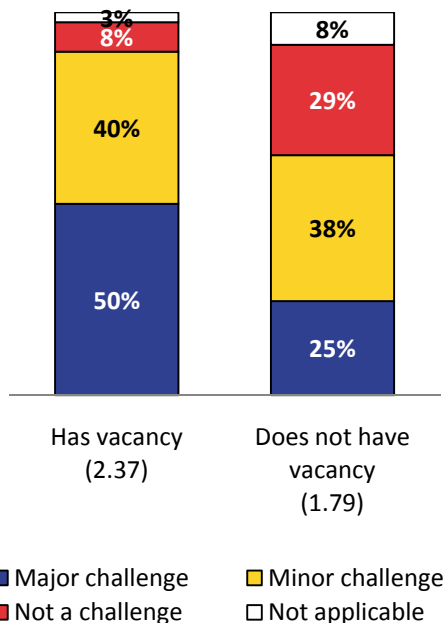
Nine in ten organizations with a board vacancy report board training to be at least a minor challenge (see Figure 124), including half that say it is a major challenge, and the overall challenge score of 2.37 for these organizations is significantly higher than for those without any board vacancy (average challenge score 1.79). Only a quarter of the latter consider board training to be a major challenge, although another 40 percent say it is a minor challenge. We speculate that the

absence of board training may contribute to lack of clarity about roles and responsibilities for board members and spark resignations or reluctance to join a board in the first place.

**Figure 123: Board Training and Written Board Manual (n=238)**



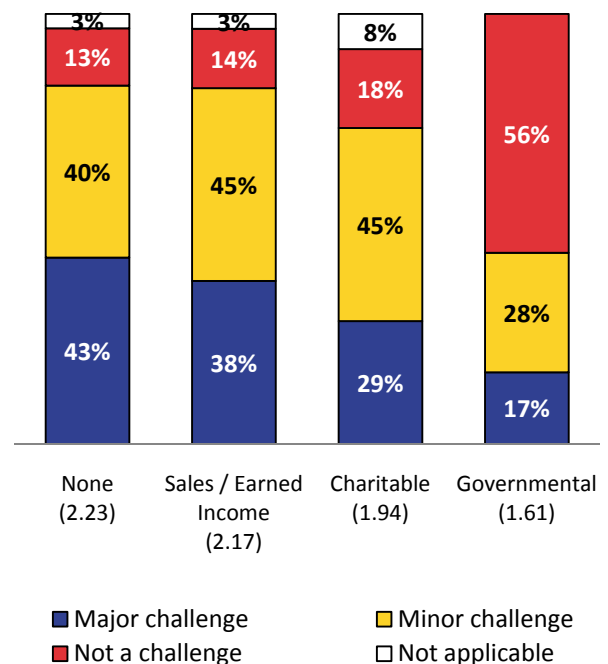
**Figure 124: Board Training and Board Vacancy (n=196)**



*Organizational Characteristics*

Primary revenue source is another organizational characteristic that is related to whether board training is a challenge (see Figure 125). Not surprisingly, those without revenues exhibit by far the highest average challenge score (2.23) and more than two-fifths (43 percent) of these organizations consider board training to be a major challenge, most likely because these boards are responsible for day-to-day operations. However, those that rely on sales/earned income as their primary revenue source are almost as likely (40 percent) to report board training to be a major challenge, followed by about 30 percent of those rely on charitable contributions. Only about 20 percent that rely on the government for revenue say that board training is a major challenge.

**Figure 125: Board Training and Primary Revenue Source (n=156)**

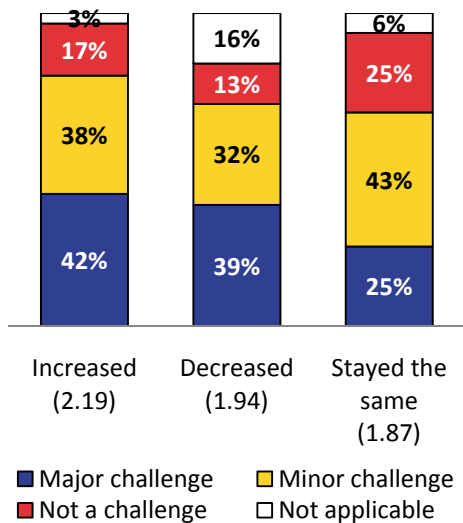


In terms of receiving income from grants from federated foundations (not community foundations, United Way, or religious foundations, etc.), or income from local, state,

or federal government grants, we find significant differences in level of board training challenge reported. Organizations with these types of income report higher percentages of major challenge in board training. This is probably because these organizations have higher expectations for board involvement.

We find that changes in total revenue affect the reported level of challenge in board training. Contrary to what we would expect, organizations with increased revenues report the highest average challenge score (2.19), with 80 percent considering board training at least a minor challenge and 42 percent a major challenge (see Figure 126). By contrast, organizations whose revenues stayed the same report the lowest (1.87) challenge score, and those whose revenue decreased report an average challenge score in between (1.94).

**Figure 126: Board Training and Total Revenue Change (n=184)**



Since changes in revenue may create more work and responsibility for a Board of Directors, it is understandable that these organizations consider this item a greater challenge.

## 7. OPERATIONS AND GOVERNANCE

The average challenge score for operations and governance was the lowest for the seven categories considered. As Figure 127 shows, while between half and close to 80 percent of our respondents report at least minor challenges in undertaking any of the activities included in this category, no more than a third consider any of these to be major challenges.

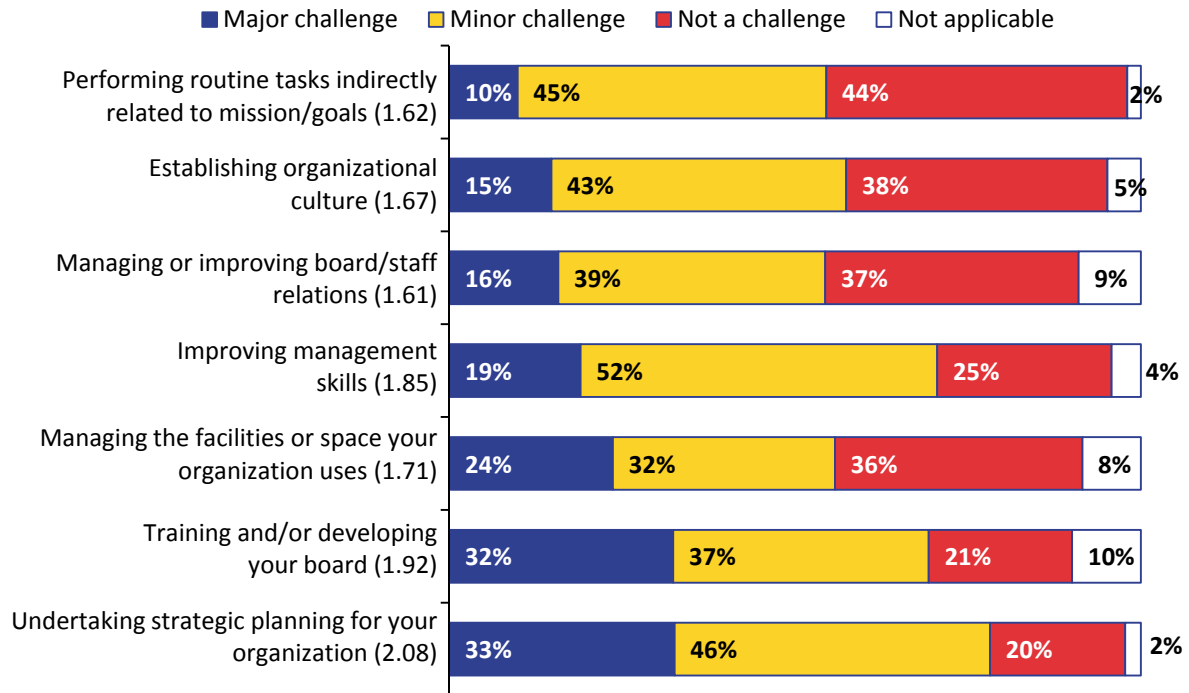
The most prominent challenges are **undertaking strategic planning** and **board training and development**. Approximately one in three organizations say these two activities pose a major challenge. Respectively, another 46 and 27 percent of organizations say these are minor challenges.

**Managing facilities or space** is considered a major challenge by 24 percent and a minor challenge by another 32 percent; this is perhaps not surprising since many arts and culture organizations need particular types of facilities or space to carry out their activities. Just under a fifth (19 percent) considers it a major challenge to **improve management skills** and another 52 percent consider it a minor challenge. Two other items, **managing or improving board/staff relations** and **establishing organizational culture** are considered major challenges by 15-16 percent and at least minor challenges by more than half (55 and 58 percent respectively). More than half also report challenges with **performing routine tasks indirectly related to mission or goals**, although only 10 percent say this is a major challenge. Here we focus on the two most severe challenges in this category. We also consider the prevalence of key components related to governance, operations, and accountability.

### Refining Operations and Governance Challenges

Many activities fall under the umbrella of operations and governance, and we undertook

**Figure 127: Operations and Governance Challenges (n=352-355)**



a factor analysis procedure to see whether our indicators grouped into coherent clusters.<sup>12</sup>

We found two related groups – an “operations” cluster (which includes performing routine tasks and managing facilities) and a “governance” cluster. The latter includes all other challenges in this category: strategic planning, board-staff relations, board training and development, management skills and establishing organizational culture. The average challenge score for the operations group is 1.67 compared to 1.83 for the governance and management group.

We find that the two clusters have divergent relationships with some organizational characteristics and behaviors. For example, an organization’s mission or focus on the arts is related to challenges in the governance cluster, but not those of the operations cluster.<sup>13</sup>

<sup>12</sup> Please see the methodology section for more details about the factor analysis process.

<sup>13</sup> Details of these differences are available on our project website - [www.indiana.edu/~nonprof/results/npcapacity.html](http://www.indiana.edu/~nonprof/results/npcapacity.html).

### Multivariate Analysis

Multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. For each of the two operations and governance clusters, we explored the joint effects of several combinations of variables. Operational challenges for the most part are unrelated to organizational characteristics, such as size, volunteer use, focus on the arts, etc. We do, however, observe that having any board vacancies tends to increase operational challenges. Such vacancies all are related to higher governance challenges. Additionally, higher governance challenges scores are generally associated with larger staff sizes and a greater focus on the arts. Organizations relying primarily on government revenue have a marginally lower governance challenge scores. Receiving government grants of any kind also has a negative relationship with these challenges, but is not statistically significant. Additional findings from this analysis are available on our project website - [www.indiana.edu/~nonprof/results/npcapacity.html](http://www.indiana.edu/~nonprof/results/npcapacity.html).

## Undertaking Strategic Planning

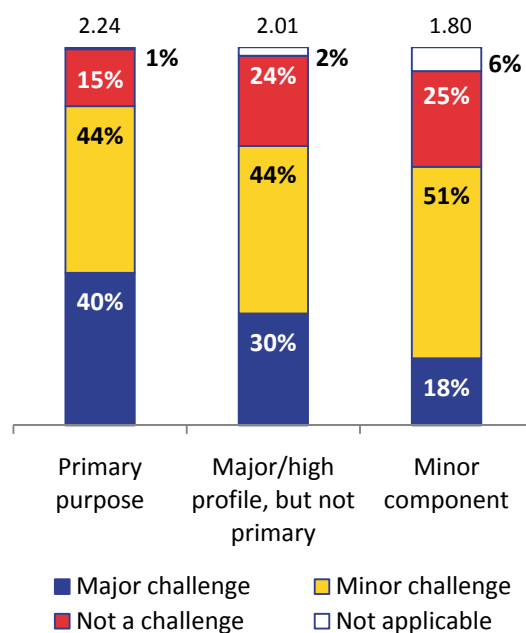
Undertaking strategic planning stands out as the most significant challenge among the seven indicators considered in this operations and governance category – it is viewed as a major challenge by about a third organizations and as a minor challenge another 46 percent. Looking more closely we find relationships with some key features, but not demand for services, or size and age.

### *Types of Organizations*

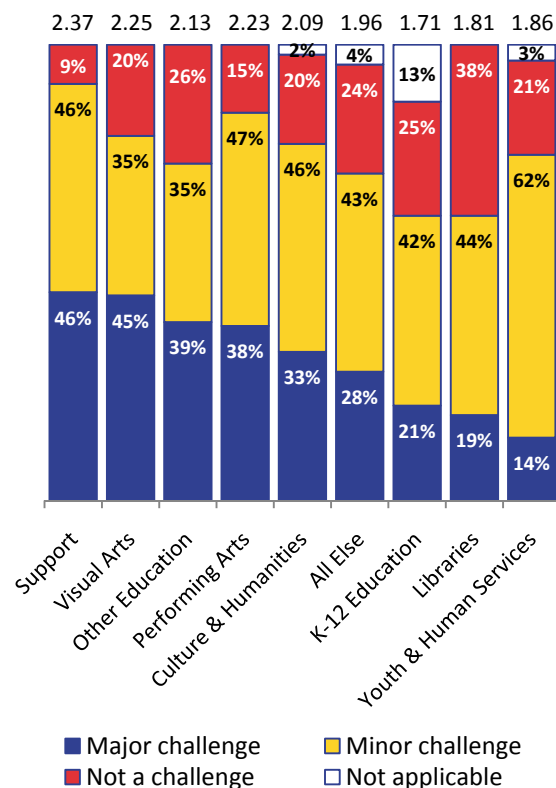
Organizations that focus more on their arts and culture programs and services report more difficulties with strategic planning (See Figure 128). Thus 40 percent of those that primarily focus on arts/culture say strategic planning is a major challenge, compared to 30 percent that place a major (not primary) focus on arts/culture and 18 percent that just have a minor focus. Possibly the latter organizations see strategic planning for their arts and culture programs as less of a priority (and thus less of a challenge) since such programs are not the primary focus of their operations. That would also explain the 6 percent of “minor focus” organizations that say strategic planning is not applicable to them.

When we consider more detailed arts and culture missions (See Figure 129), we find that arts support organizations report the highest average challenge scores (2.37) followed by visual arts (2.25). Youth and human services organizations (1.86) and libraries (1.81) are at the other extreme with the lowest scores. Here too, we see a trend where organizations that generally focus more on arts/culture face more strategic planning challenges. Also notably, 13 percent of K-12 educational institutions say strategic planning is not applicable to their arts and culture programs.

**Figure 128: Undertaking Strategic Planning and Organization Focus on Arts/Culture Programs and Services (n=353)**



**Figure 129: Undertaking Strategic Planning and Organization Primary Mission (n=333)**



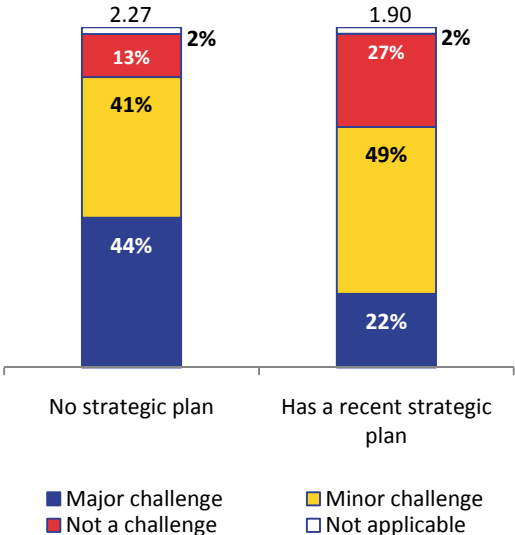
*Changes in Demand for Programs and Services*

We asked organizations if they experienced any changes in demand for their arts and culture programs and services over the past three years. We found no relationship between such changes and the challenges of strategic planning.

*Activities, Policies, and Procedures*

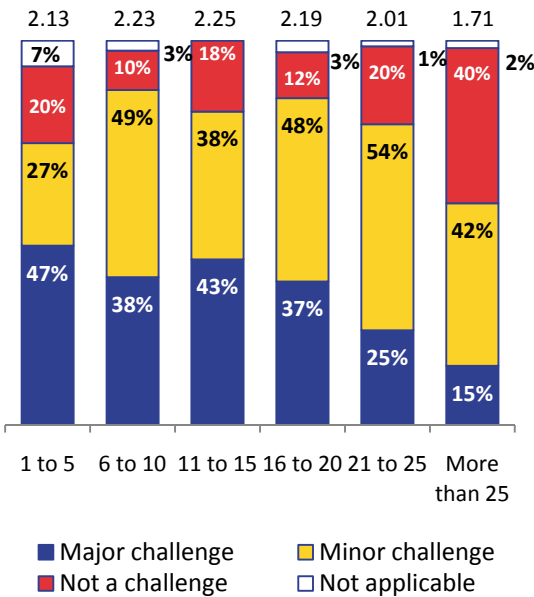
A variety of activities, policies, and procedures are related to the challenges organizations encounter with strategic planning. For example and not surprisingly, having a written strategic plan is related to the prevalence of this challenge (See Figure 130). About half of responding organizations (51 percent) report that they have updated or developed a written strategic plan within the past two years. Those without such a written document are about twice as likely to report a major challenge as those that have a developed plan (44 vs. 22 percent). Similarly, those that have a written plan report strategic planning is not a challenge almost twice as often as those that lacked such a document (27 vs. 13 percent). Interestingly, a little less than half of organizations report a minor challenge with strategic planning, regardless of whether they have a recent written plan or not.

**Figure 130: Undertaking Strategic Planning and Having a Strategic Plan (n=307)**



We note, however, that while having more specific types of plans or assessments (e.g., fund development, marketing, information technology) has no relationship with strategic planning challenges, the presence of a variety of organizational tools or components does. As Figure 131 shows, the relationship is not precisely linear, but overall organizations with fewer components tend to report more challenges than those with more components. We suspect this pattern occurs because more complex and structured organizations have more experience with such planning processes than those with simpler operations.

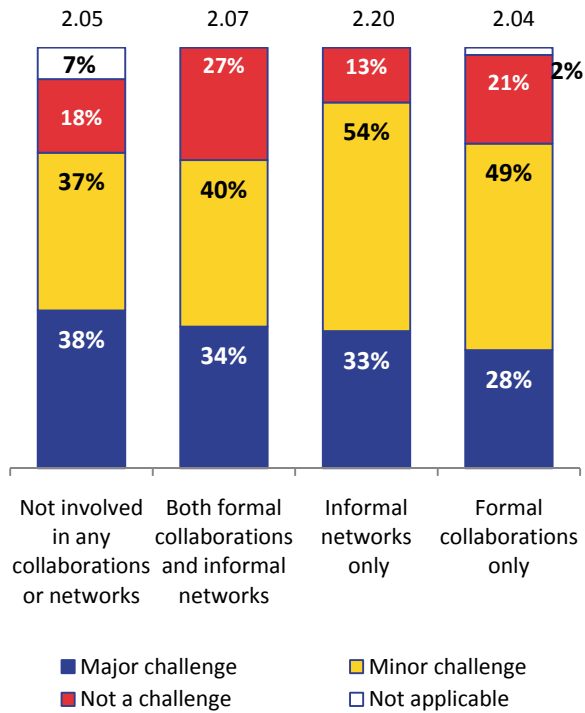
**Figure 131: Undertaking Strategic Planning and Number of Organizational Components (n=307)**



We find also that interaction with other organizations appears to be related to strategic planning challenges (See Figure 132), but this relationship is not straightforward. Those involved in only formal collaborations report major challenges least frequently (28 percent) while organizations uninvolved in any formal or informal relationships are most likely (38 percent) to report challenges with strategic planning for their arts and culture programs.



**Figure 132: Undertaking Strategic Planning and Collaboration and Networking (n=290)**



Organization governance also appears to be relevant to strategic planning challenges, but again these differences are subtle, albeit statistically significant (See Figure 133). About a third of organizations with boards of directors report strategic planning challenges, compared to only a quarter of providers governed by other organizations.

*Organizational Characteristics*

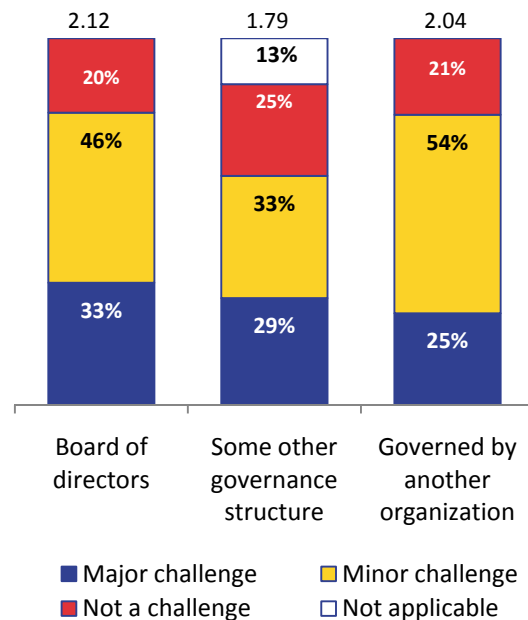
While we expected younger or smaller organizations (either defined by number of employees or annual revenue) to have more challenges with strategic planning, this is not the case. We find no relationship between challenges in strategic planning and an organization’s size or age.

**Training and Developing the Board**

Training/developing a board of directors is the second most pressing operations and governance challenge. Because this challenge is most relevant to organizations that have

their own board of directors, we exclude those relying on other governance structures. Generally, we find that this challenge relates to an organization’s mission and focus, board vacancy, and whether an organization has a board manual or board training process. To a lesser degree, there an organization’s staff size and age also appear to be a factor.

**Figure 133: Undertaking Strategic Planning and Governance Structure (n=286)**



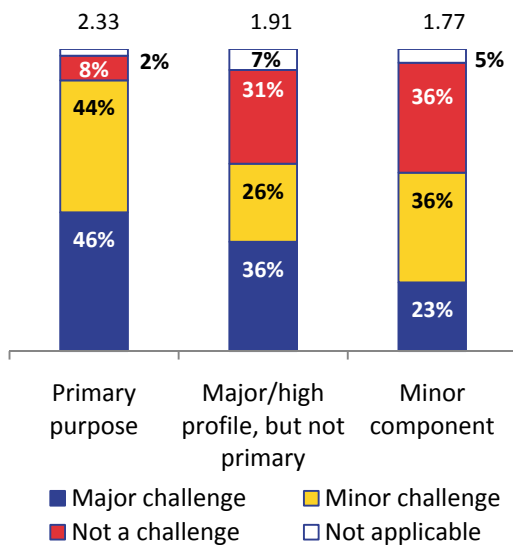
*Types of Organizations*

Just as we observed with strategic planning challenges, organizations that have a primary focus on arts and culture activities report more challenges (average score of 2.33) with training and developing their boards (See Figure 134). In comparison, organizations with a major (not primary) or a minor focus report scores of 1.91 and 1.77 respectively, suggesting that the more specialized arts and culture organizations have more governance challenges than more diversified organizations.

When we look at the primary mission of these organizations, the pattern is roughly consistent with what we saw with strategic

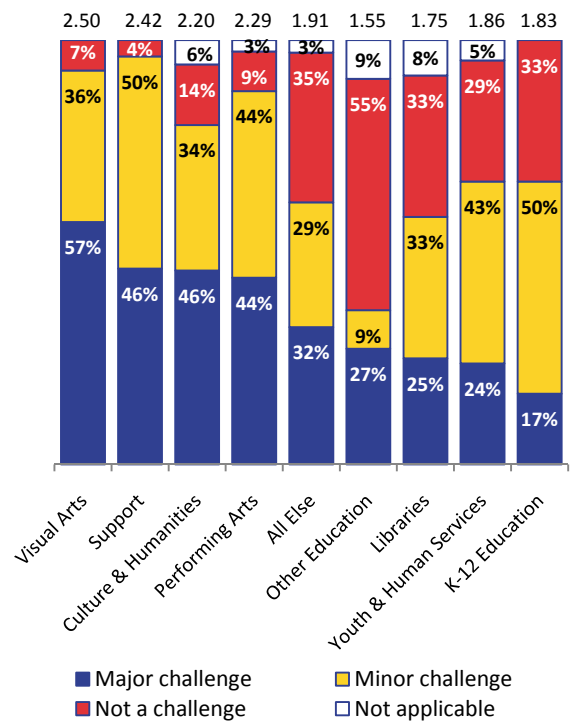
planning challenges (See Figure 135). Over half of visual arts (57 percent) organizations report major challenges with developing and training their board, followed by support, culture and humanities, and performing arts organizations (44 to 46 percent. In comparison, only 12 percent of K-12 educational institutions say board training/development is a challenge.

**Figure 134: Organizational Focus on Arts/Culture and Challenges in Training/Developing the Board (n=237)**

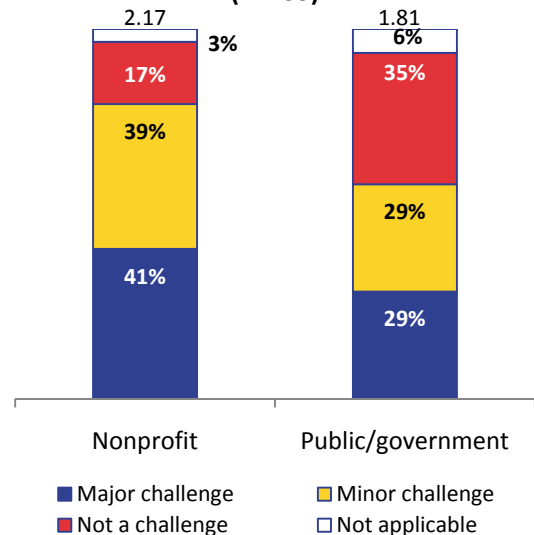


We also find that sector (nonprofit of governmental/public) is marginally related to challenge in board training/development (See Figure 136). Overall, nonprofits gave this challenge an average score of 2.17, while public sector organizations gave it 1.81. Correspondingly, while 35 percent of governmental/public agencies report no problems with board development and training, only 17 percent of nonprofits report no challenge. We suspect this difference may reflect the greater variety of responsibilities that boards of directors have in nonprofit organizations. Also, perhaps only large and sophisticated public agencies adopt boards, and then mainly in an advisory capacity.

**Figure 135: Organizational Mission and Challenges in Training/Developing the Board (n=234)**



**Figure 136: Organization Sector and Challenges in Training/Developing the Board (n=233)**



*Changes in Demand for Programs and Services*  
We asked organizations if they experienced any changes in demand for their arts and culture programs and services over the past

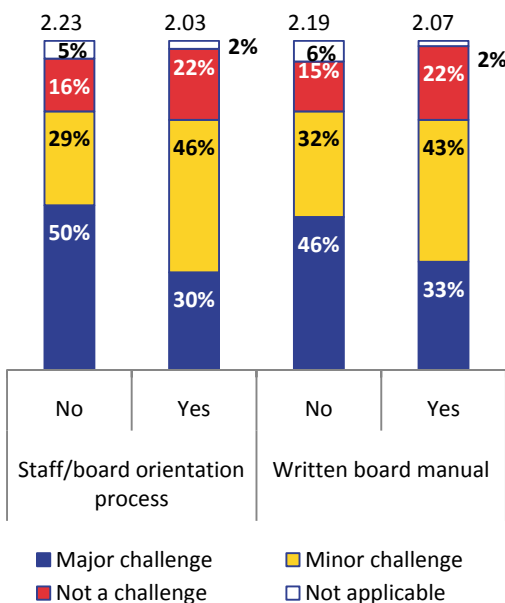
three years. We found no relationship between such changes and the challenges of board training and development.

When we look just at organizations that did experience a change, some reported these changes resulted in increased need for capacity building and technical assistance. For these organizations only, we find this increase in need relates to challenges in board training and development.

### Activities, Policies, and Procedures

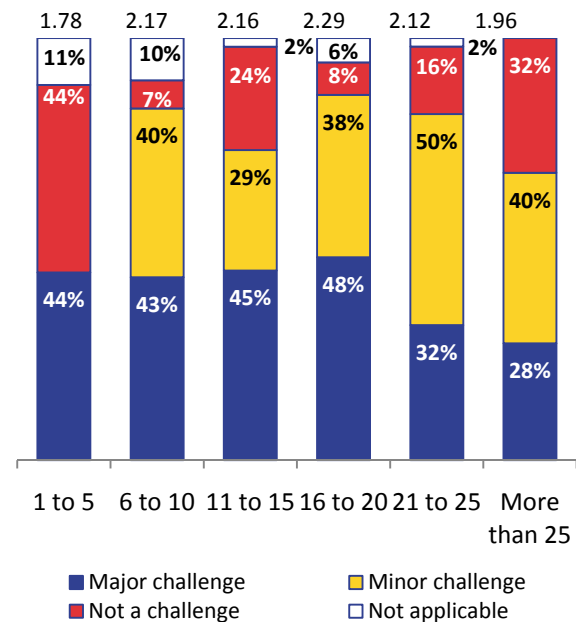
Certain organizational procedures, policies and activities are related to board training/development challenges. As expected, we find that having written board manuals or an orientations process is associated with fewer challenges (See Figure 137). Thus half of organizations without a board orientation process report major challenges compared to less than a third of their peers. Similarly, 46 percent of providers with a written board manual say they have major challenges, while only a third of organizations with manuals report such troubles.

**Figure 137: Staff/Board Orientation, Written Board Manual, and Challenges in Training/ Developing the Board (n=237)**



The overall number of these policies and procedures in place is also related to board training/development challenges, but the relationship is complex (See Figure 138). For organizations with up to 20 components in place, about 45 percent report major challenges in board training and development. Those with five or fewer components have actually the lowest average challenge score (1.78), but mainly because 44 percent also say that it presents no challenge at all.

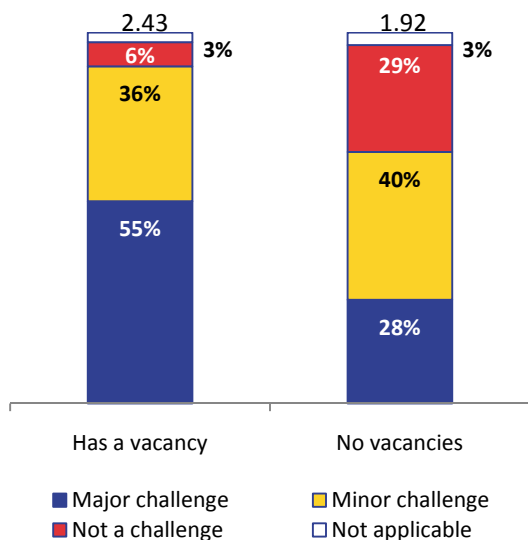
**Figure 138: Organization Components and Challenges in Training/Developing the Board (n=237)**



We speculate that arts and culture organizations with low board (or staff) turnover may *both* be able to operate informally (e.g., have few components in place) *and* have little need for board training and development – at least from their perspective. We note that those with more than 20 components in place are the least likely to report major challenges in board training and development (only about three in ten) and that about one-third of those with more than 25 components say this is not a challenge to them.

That board turnover may be an important factor here is also suggested by our finding that those with any board vacancies are twice as likely to report major challenges with board training and development (See Figure 139) as those with full boards. Possibly organizations that struggle with board training/development also have more difficulties in maintaining a full board.

**Figure 139: Board Vacancies and Challenges in Training/Developing the Board (n=195)**



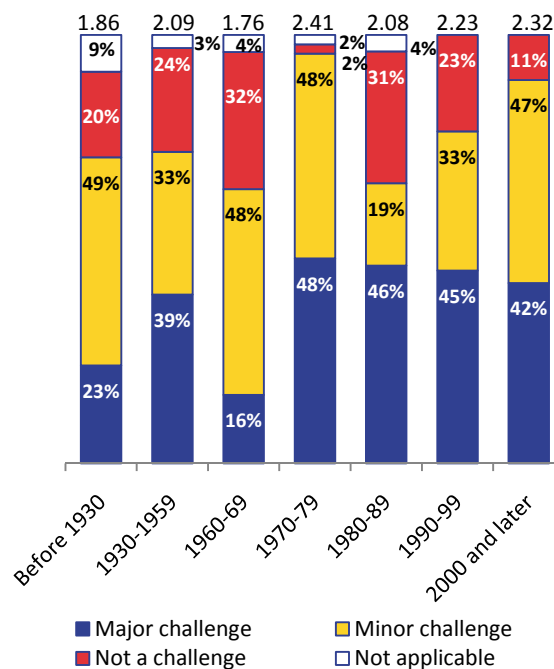
*Organizational Characteristics*

Figure 140 shows a nonlinear relationship between board training/development challenges and organization age. Providers founded before 1930 or between 1960-69 give the lowest average challenge score, 1.86 and 1.76 respectively. Those with the most challenges were founded during the 1970s or 2000 and later (scores 2.41 and 2.32). While older organizations do tend to show lower average scores, the variability suggests that age and experience is not a strong protection against these challenges.

Similarly, as Figure 141 shows, there is no clear cut relationship with size except to note that the very largest organizations report the lowest average challenge score (1.91). Only 28 percent report major challenges in training

and developing the board (compared to more than 40 percent for all but one of the other size categories) and 38 percent report no challenges (more than any other size category). Organizations with no employees also stand out, but mainly because almost 10 percent say these board challenges do not apply to them (perhaps because they have not reached the capacity to consider board training/development).

**Figure 140: Organization Age and Challenges in Training/Developing the Board (n=224)**

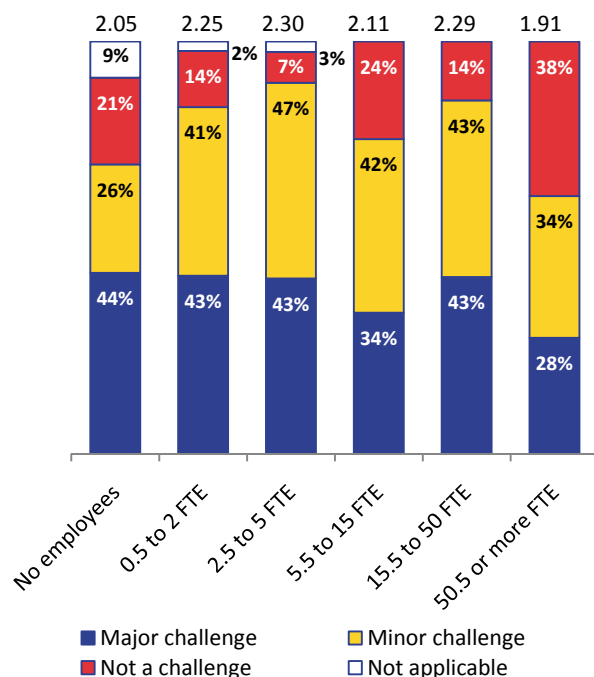


**Key Organizational Components for Operations and Governance**

Finally, we consider the extent to which Indiana arts and culture organizations have key components related to governance, operations, and accountability. We also look at which factors appear to explain the presence (or absence) of these components. We focus on written policies regarding conflicts of interest, whistleblower protection, and document management; the new IRS Form 990 asks directly about these policies. We also consider written governance policies

or bylaws, a written code of ethics, and a written strategic plan developed or updated within the past two years.

**Figure 141: Organization Size and Challenges in Training/Developing the Board (n=232)**



Most organizations (88 percent) have written bylaws or governance policies, while only about half of organizations have a written conflict of interest policy or a recently developed or updated strategic plan (See Table 4). A little more than half (53 percent) of organizations have a written code of ethics. These and the other four elements are essential to accountability in both nonprofit and public organizations and it is worrisome so few arts and culture providers have adopted these policies.

The absence of two particular policies in nonprofits is particularly noteworthy. The American Competitiveness and Corporate Accountability Act of 2002, better known as Sarbanes-Oxley, included many provisions that only apply to publicly traded companies; however, two of these requirements also apply to nonprofit organizations - document

retention and destruction policies, and whistleblower protection. Despite this, many organizations lack these policies. Indeed, only 23 percent of arts and culture nonprofits have whistleblower protection policies, and 34 percent have document destruction policies. Over half the nonprofits (62 percent) lack both policies, while less than one-fifth of (19 percent) have both policies in place.

**Table 4: Proportion of Organizations with Key Operations & Governance Components**

Component type	All orgs	Non-profits	Gov't /public
Written governance policies or by-laws	88%	92%	87%
Written conflict of interest policy	53%	52%	62%
Written strategic plan developed or updated in the past two years	51%	49%	71%
Written code of ethics	44%	40%	69%
Written policies for managing important organizational documents and records (e.g., length of time documents must be retained)	39%	34%	32%
Written whistleblower policy	26%	23%	40%

For a point of comparison, the Urban Institute, using data from its 2005 National Survey of Nonprofit Governance,<sup>14</sup> found that 52 percent on nonprofits had a whistleblower policy and 30 percent had a document retention/destruction policy. Indiana's arts and culture providers fall far shorter on whistleblower policies, but do about as well in regards to document destruction polices.

Looking at the six key governance components, only 16 percent of arts and culture organizations have all these elements in place (Table 5). Over half (58 percent) have three or fewer operations and governance components.

<sup>14</sup> Ostrower, F., and Bobowick, M. J. (2006). *Nonprofit Governance and the Sarbanes-Oxley Act*. Retrieved DATE from <http://www.urban.org/url.cfm?ID=311363>

**Table 5: Proportion of Organizations with Key Operation & Governance Components in Place**

Number of components	% of orgs
None	8%
1	21%
2	18%
3	11%
4	13%
5	13%
All 6	16%

When we compare different types of organizations, we find organizations that primarily focus on arts/culture have an average of 2.6 components, compared 3.4 in organizations where arts and culture activities are a major (but not primary) focus, and 3.7 in organizations with a minor focus on the arts. Public organizations have 3.9 components on average, while nonprofits have 2.9. Moreover, organizations with missions closely aligned with arts and culture tend to have fewer of these governance and accountability components. For example, performing arts organizations only have 2.3 while youth and human services have 4.8 (Table 6).

Staff size also has a clear positive relationship with the number of operations and governance components an organization has in place. But, this relationship is not as distinctly linear when we look at organization size as defined by annual revenue (Table 6). For example, organizations with no revenue as well as organizations with more than \$500,000 in revenue have 3 or more components on average, while other revenue size categories have fewer.

In summary, we find many organizations lack basic accountability policies, such as those related to conflicts of interest or ethics. Notably, a large proportion of nonprofits are noncompliant with Sarbanes-Oxley, since many lack whistleblower and document destruction policies.

**Table 6: Average Number of Operation & Governance Components in Different Organization Characteristics**

<i>Organization type</i>	<i>Avg. #</i>
Youth & Human Services	4.8
Libraries	3.8
Visual Arts	3.6
All Else	3.5
Education (other than K-12)	3.3
K-12 Education	3.0
Support	2.8
Culture & Humanities	2.7
Performing Arts	2.3
<i>Organization size (FTE)</i>	<i>Avg. #</i>
No employees	1.6
0.5 to 2 FTE	2.6
2.5 to 5 FTE	3.0
5.5 to 15 FTE	3.7
15.5 to 50 FTE	3.8
50.5 or more FTE	4.6
<i>Organization size (FTE)</i>	<i>Avg. #</i>
No revenue	3.4
Less than \$25K	2.5
\$25K to 99K	2.6
\$100K to 249K	3.0
\$250K to 499K	2.4
\$500K to 999K	3.9
\$1M or more	4.2

When we look at all operations and governance challenges, we find that strategic planning poses the most challenge, followed by difficulties in board training and development. These challenges are evidently substantial, even though participants in this survey generally noted operations and governance in general constituted the least of their challenges. Furthermore, operations and governance challenges can adversely affect other organizational competencies, such as fund development or networking, without respondents recognizing the underlying relationship. In short, we should not misinterpret fewer challenges as unimportant challenges. Therefore, organizations, funders, and policy makers should consider these challenges in the context of the larger organization's abilities and difficulties.



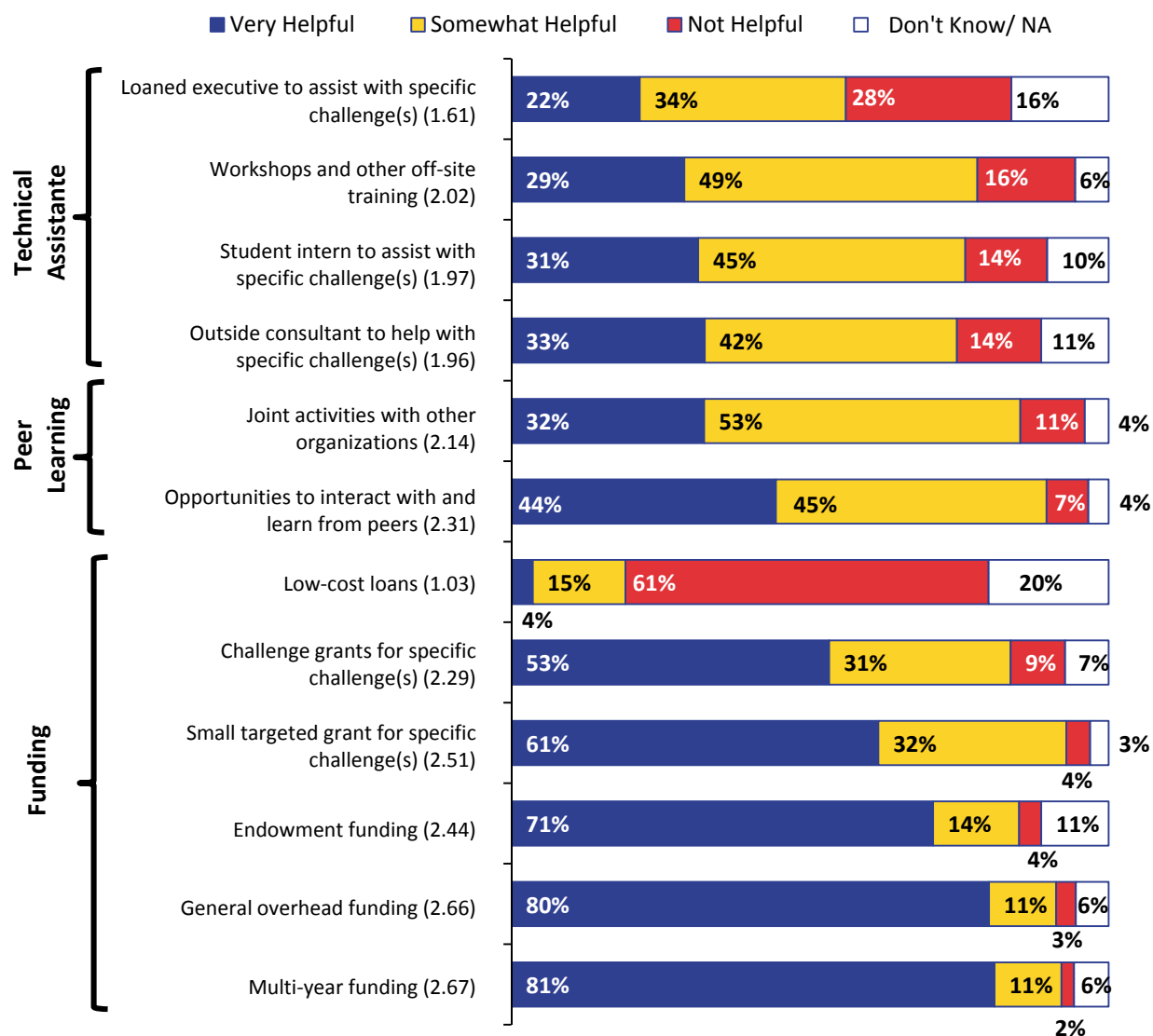
## B. ASSISTANCE FOR CAPACITY BUILDING AND TECHNICAL ASSISTANCE CHALLENGES

We also asked respondents to consider if particular types of assistance (e.g., funding, peer assistance, technical) would be **very**, **somewhat**, or **not helpful** in addressing these challenges as a whole. (Respondents could also indicate whether a particular type of assistance was not applicable to their situation or if they did not know how to assess its helpfulness.) We recoded these responses to a four-point scale, with 3

indicating that a particular type of assistance would be “very helpful,” 2 indicating “somewhat helpful,” 1 indicating “not helpful,” and 0 indicating “don’t know/not applicable,” so that we could compute an average helpfulness score for each of the types of assistance.

Figure 142 shows the average helpfulness score for various types of assistance grouped into three broad categories: six types of funding, two types of peer learning, and four types of technical. Overall, funding assistance appears to be the most helpful way to address

**Figure 142: Average Helpfulness of Various Types of Assistance in Capacity Building (n=324-329)**



the challenges, followed by peer learning support and technical assistance. Among the specific types of funding assistance we examined, **multi-year funding** and **general overhead** funding are ranked as most helpful overall with average helpfulness scores of respectively 2.67 and 2.66 and more than 80 percent of respondents considering these as “very helpful” (see Figure 143). This is not surprising since the former allows the organization to plan and implement capacity-building efforts in stages, and the latter provides nonprofits with flexible funding that can be used as capacity building needs are recognized or change.

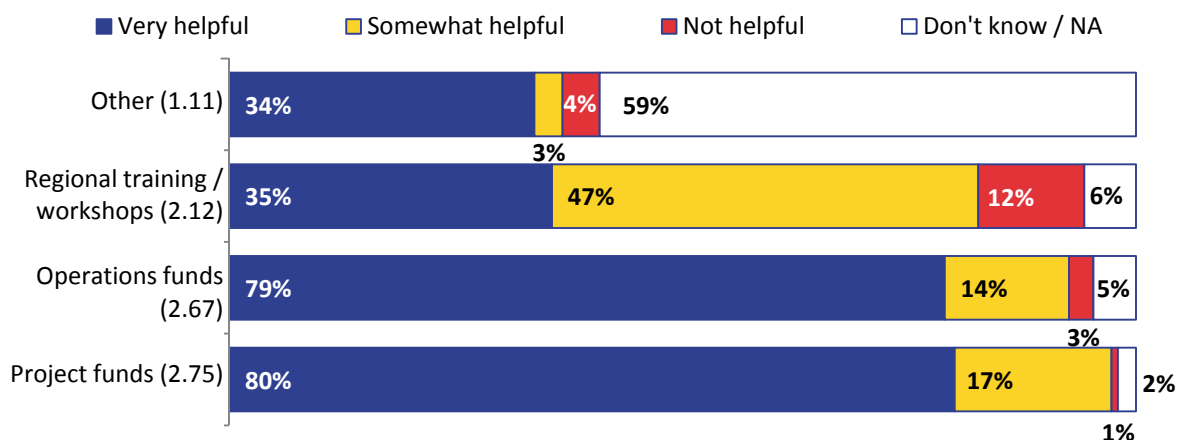
**Endowment funding** and **small, targeted grants** for the specific capacity building issue are rated very helpful by respectively 71 and 61 percent of respondents. The average helpfulness score is actually larger for small targeted grants (2.51) than for endowment funding (2.44) because more than twice as many see the former as somewhat helpful (32 vs. 14 percent), perhaps reflecting concerns about managing endowments during turbulent economic conditions, as was the case when this survey was conducted. More than half the respondents rated **challenge grants** for a specific capacity building need as very helpful with an average score of 2.29. Very few thought **low-cost loans** were helpful and the average helpful score was only 1.03.

Of the two indicators of peer learning, opportunities to **interact with and learn from peers** scored the highest (average score of 2.31). This is on par with challenge grants in terms of average helpfulness, although a smaller percent thought peer learning was very helpful (44 vs. 53 percent), but more thought it was at least somewhat helpful (45 vs. 31 percent). **Joint activities** with other organizations scored somewhat lower overall (2.14), with 32 percent considering it very helpful and 53 percent somewhat helpful.

Finally, among the four types of technical assistance, **workshops** and other off-site training programs scored the highest overall (average of 2.02), followed next by **outside consultants** or **student interns** to assist with specific challenges (average scores of 1.96 and 1.97). In each case roughly one-third thought this type of assistance is very helpful and about 40 percent or more thought it somewhat helpful. The possibility of **loaned executives** to assist with specific challenges was considered very helpful by only 22 percent and somewhat helpful by another 34 percent, for an average helpfulness score of only 1.61.

At the request of the Indiana Arts Commission, we also asked respondents to give us their assessment of how helpful they consider three types of assistance available

**Figure 143: Helpfulness of IAC Assistance (n=98-301)**



from IAC to be. Figure 143 shows the results and reveals broad consistency with the analysis shown in Figure 142.

**Project funding** and **operations funding** are both seen as very helpful by about 80 percent of respondents and somewhat helpful by another 17 and 14 percent, with average helpful scores of 2.75 and 2.67, respectively. The average score for IAC project funding (2.75) is notably higher than the highest scoring item (multi-year funding, 2.67) in the assessment of more generic types of assistance shown in Figure 143. **Regional training and workshops** provided by the IAC are seen as very helpful by 35 percent and somewhat helpful by another 47 percent for an average helpful score of 2.12, which is also notably higher than the 2.02 average score for the more generic workshops included in Figure 142.

We also gave respondents the option to list other types of assistance from IAC that they thought would be helpful. As Figure 143 shows, about a third (34 percent) identified something else/other that they thought would be very helpful. This includes such items as on-site training sessions, assistance with public awareness and publicity, and challenge grants to help build endowments.

### ***1. RELATIONSHIPS AMONG DIFFERENT FORMS OF ASSISTANCE***

Many different activities and resources fall under the umbrella of capacity building assistance, and we undertook a factor analysis procedure to see whether our indicators grouped into coherent clusters.<sup>15</sup> We found four related groups. Two of these groups are related to financial assistance – a “general funding” cluster (which includes multiyear and overhead funding) and a “targeted funding” cluster (which includes challenge

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<sup>15</sup> Please see the methodology section for more details about the factor analysis process.

and small targeted grants for specific challenges, as well as endowment funding). Organizations gave the general funding group an average helpfulness score of 2.66 and the targeted funding group an average score of 2.42. A third “learning” cluster has an average score of 2.15 and includes joint activities and opportunities to interact and learn from peers, as well as workshops and other offsite training.

The fourth cluster is interesting in that it includes “staff-related” assistance elements (i.e., a loaned executive, student intern, and an outside consultant), as well as low cost loans. While this last indicator might seem out of place, we speculate its relationship has to do with current organizational capacity. Organizations might believe they need a certain level of formalization or complexity to fully benefit from staff-related assistance; these same organizations might also feel more confident about their ability to manage and benefit from low cost loans. However, it is important to note that very few organizations thought low cost loans were helpful.

## ***2. FINANCIAL ASSISTANCE***

We find that several factors persistently relate to how helpful organizations see various types of financial assistance (e.g., count of organizational components associated with capacity, size, and number of income sources). These relationships, however, are not always straightforward. We will look at each of these forms of funding assistance in turn.

### **Multivariate Analysis**

Multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. Organizations with a greater focus on the arts, with board vacancies, or that rely more on volunteers tend to think financial assistance would be more helpful in meeting their

capacity building and technical assistance challenges. These were also the types of organizations that reported higher average challenge scores. Furthermore, organizations that are more formalized (as indicated by the presence of certain key organizational components) say financial assistance would be more helpful; organizations with more human resource capacity are particularly likely to hold this opinion. Additional findings from this multivariate analysis are available in Appendix D.3.

### Multiyear Funding

The majority of organizations (81 percent) reported that multiyear funding would be very helpful. This perspective is relatively consistent and high for organizations regardless of many of their characteristics. Notably, an organization’s mission or focus does not significantly factor into its opinion of multiyear funding assistance. Similarly, collaboration with other organizations and age had no relationship with attitudes toward multiyear funding. We do, however, see relationships with various policies, activities, procedures, size, and revenue changes.

#### Types of Organizations

Different types of organizations do not see multiyear funding as more helpful than other types of organizations, regardless of their mission, focus on the arts, or sector (public or nonprofit).

#### Changes in Demand for Programs and Services

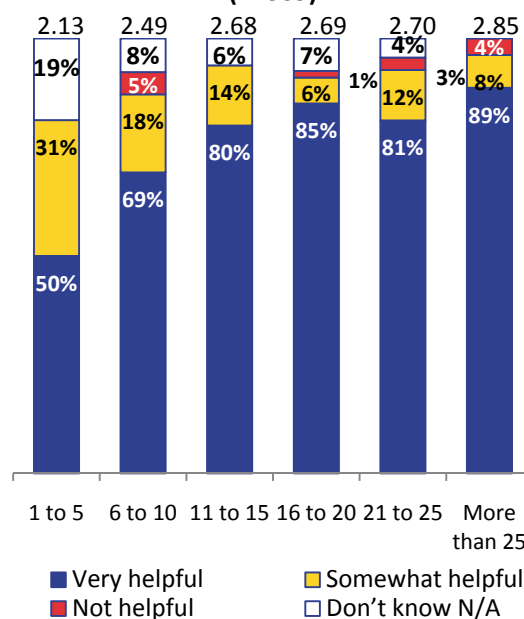
The survey asked organizations if demands for arts/culture programs and services had changed over the past three years. Such changes have no effect on how helpful organizations judge multiyear funding.

#### Activities, Policies, and Procedures

As noted previously, the survey asked organizations if they had certain components related to organizational capacity (e.g., whether or not they have broadband internet

access, a recent marketing plan, conflict of interest policies, fund reserves for capital projects, etc.). In general, we find that organizations with more of these components judge multiyear funding to be more helpful in meeting their capacity building and technical assistance challenges (See Figure 144); although, this trend appears to “flatten out” for organizations with more than 16 of these components.

**Figure 144: Helpfulness of multiyear funding and number of organizational components (n=309)**

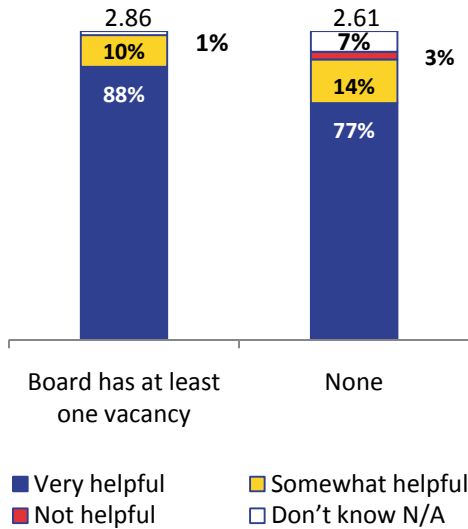


Notice also that the proportion of organizations that say they do not know how multiyear funding would help them (or that multiyear funding would not apply to them) decreases as the number of components increase. If, as we suspect, the number of capacity components proxies organizational complexity, this observation suggests that multiyear funding might be less valuable to less formal organizations.

We also asked whether or not organizations currently had vacancies in their boards. As Figure 145 illustrates, organizations with board vacancies are marginally more likely to

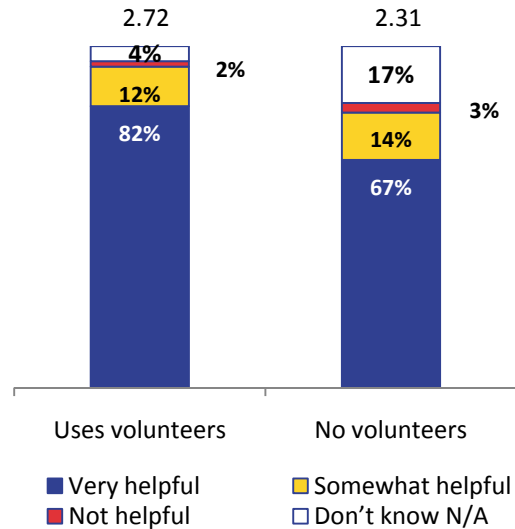
report that multiyear funding would be helpful than those with no vacancies (88 vs. 77 percent respectively).

**Figure 145: Helpfulness of multiyear funding and board vacancies (n=198)**



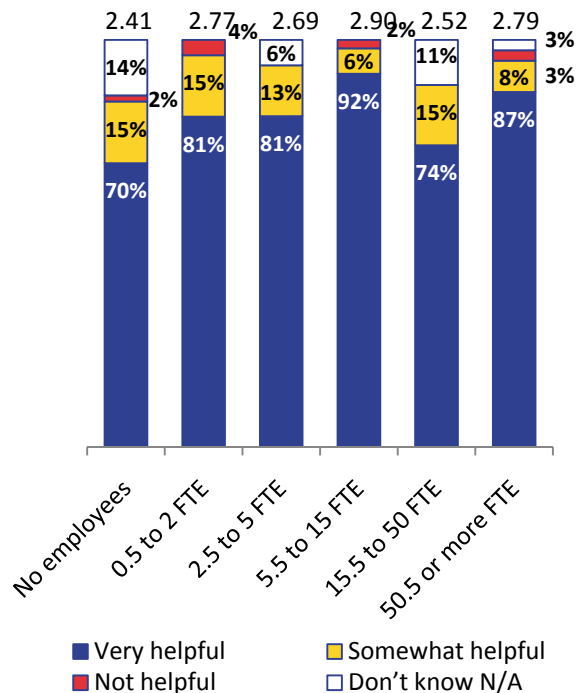
with 50.5 employees or more. These “peaks and valleys” indicate diverse organizational dynamics related to staff size.

**Figure 146: Helpfulness of multiyear funding and volunteers (n=286)**



Whether or not organizations use volunteers (other than board members) also has a relationship with how helpful they judge multiyear funding (See Figure 146). A little over 80 percent of organizations that use volunteers report multiyear funding would be very helpful, as compared to 67 percent of organizations that do not use volunteers. Also, almost 20 percent of organizations that do not use volunteers report they do not know if multiyear funding would be helpful or that it would not be applicable to their organization.

**Figure 147: Helpfulness of multiyear funding and organization size (n=281)**



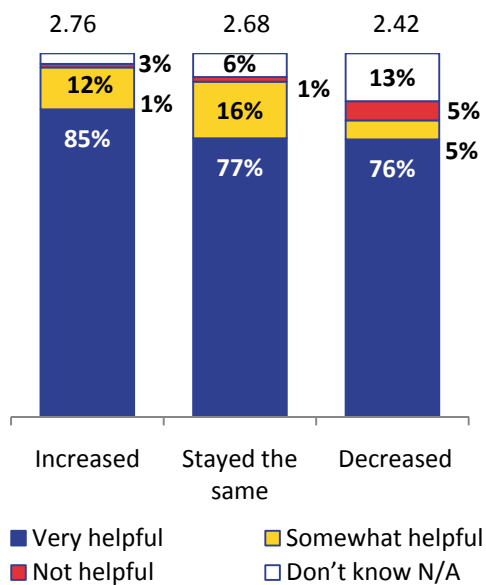
*Organizational Characteristics*

We do find that the helpfulness of multiyear funding does vary slightly (but significantly) by organization size, as defined by the number of FTE employees. As Figure 147 illustrates, this marginal relationship is not linear; having more employees does not necessarily mean an organization will find multiyear funding more helpful. For example, organizations that have 5.5 to 15 employees see multiyear funding as the most helpful, followed by organizations

Surprisingly, the amount of annual revenue has no relationship with how helpful

organizations judge multiyear funding. Furthermore, income sources appear to have sporadic relationships. However, we do see a marginal relationship between changes in revenue and the helpfulness of multiyear funding (See Figure 148). A large majority (85 percent) of organizations reporting an increase in revenue say multiyear funding would be very helpful, compared to 77 percent of organizations that experienced no change and 76 that experienced decreases. These organizations might be more concerned about assistance for immediate challenges, rather than thinking several years into the future.

**Figure 148: Helpfulness of multiyear funding and changes in revenue (n=219)**



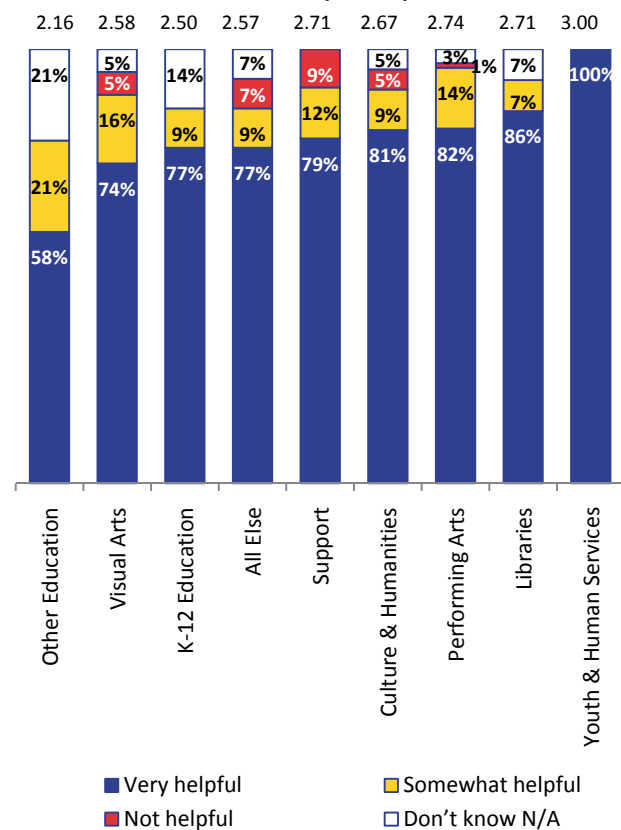
### General Overhead Funding

Overall, attitudes toward general overhead funding are very similar to those observed with multiyear funding. With overhead funding, however, an organization's mission is significantly related to its attitudes toward this type of assistance.

#### *Types of Organization*

In contrast to the findings for the helpfulness of multiyear funding, we find that an organization's mission appears to be related to how helpful it would find overhead funding (See Figure 149).

**Figure 149: Helpfulness of overhead funding and mission (n=313)**



All youth and human services organizations participating in this study report that overhead funding would be very helpful for their arts and culture programs. Libraries and performing arts organizations follow with respectively 86 and 82 percent of organizations finding overhead funding very helpful. However, only a little more than half of other educational organizations (a group including colleges and universities) think overhead funding would be very helpful in meeting their capacity building and technical assistance challenges. Moreover, about a fifth of these organizations indicate that they do not know how helpful overhead funding would be or that it would not apply



to their situation. We also see that 14 percent of K-12 organizations answer the same way. This could reflect budgetary processes in educational institutions that make it more challenging to allocate overhead funding specifically to arts and culture programs.

*Changes in Demand for Programs and Services*

Whether or not an organization has experienced increased demand for services over the past three years seems not to have a relationship with how organizations see overhead funding.

*Activities, Policies, and Procedures*

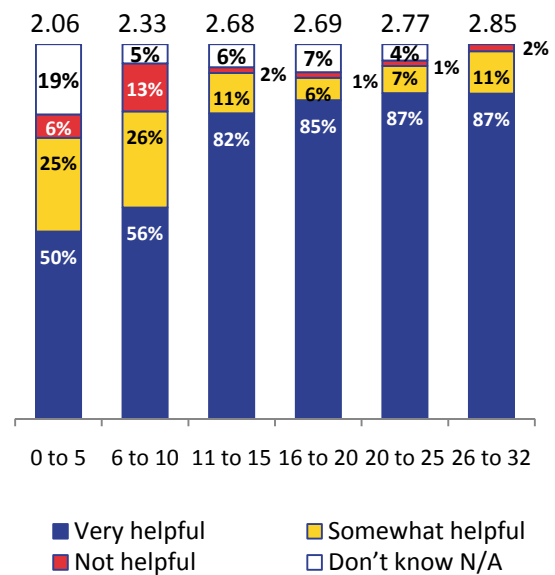
We find that several organizational activities, policies, and procedures factor into how helpful organizations see overhead funding for overcoming their capacity building and technical assistance challenges.

For example, Figure 150 illustrates that the more organizational components an organization has, the more helpful they find overhead funding. Whereas with multiyear funding this trend seemed to flatten off at 16 components or more, here we see a “break point” at ten or more components. Of those with ten or fewer organizational components, only about half of report overhead funding would be very helpful; about another quarter report it would be somewhat helpful. In contrast, 85 percent of organizations with eleven or more components on average report overhead funding would be very helpful and another 9 percent find it somewhat helpful. Compared to providers with eleven or more components, those with ten or fewer components tend to primarily lack: written personnel policies, written job descriptions, a staff/board orientation process, audited financial statements, and written codes of ethics.

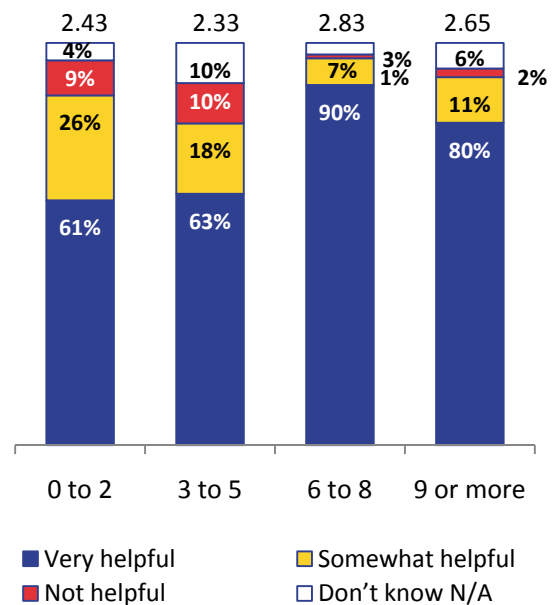
Looking specifically at IT components, we see a similar break point at five components (See Figure 151). The key elements here appear to be: routine data backups, anti-virus software,

internal computer networks, and computers available to key staff/volunteers.

**Figure 150: Helpfulness of overhead funding and number of organizational components (n=309)**



**Figure 151: Helpfulness of overhead funding and number of IT components (n=309)**

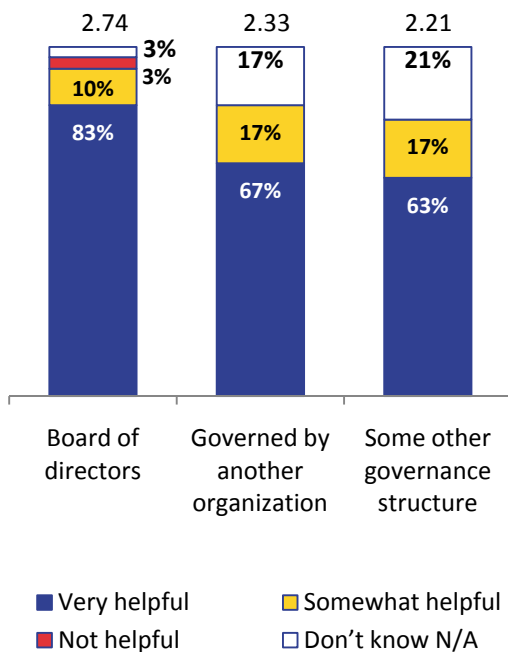


Several individual components have interesting relationships with how helpful organizations see overhead funding. On average, around 85 percent organizations with

a recent strategic plan, fundraising plan, or annual budget with monitoring procedures say such assistance would be helpful, compared to only 72 percent for organizations that lack such components. Furthermore, organizations with endowments (restricted or unrestricted) also find overhead funding more helpful than their counterparts without such resources.

Governance structure also appears to be related to how helpful organizations judge overhead funding in meeting their capacity building or technical assistance difficulties. As illustrated by Figure 152, over 80 percent of organizations governed by a board of directors say that overhead funding would be very helpful, compared to only 67 percent of those governed by some other organization or 63 percent of organizations employing some other governance structure.<sup>16</sup>

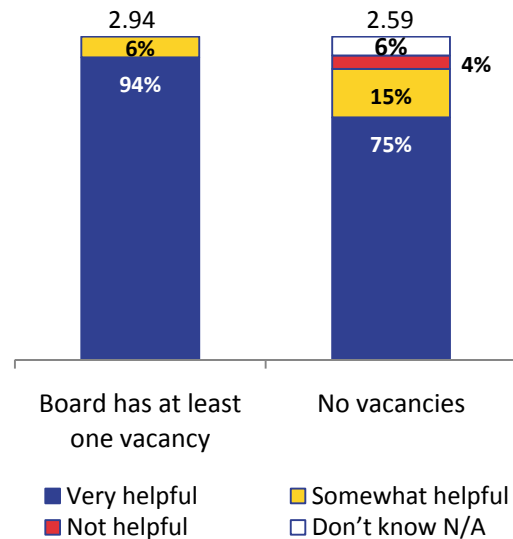
**Figure 152: Helpfulness of overhead funding and governance structure (n=288)**



<sup>16</sup> While initially we might appear that this related to the organization's sector – public or private – remember that sector had no statistically significant relationship with this type of assistance.

Looking at just organizations with boards of directors, we find that three-quarters of organizations that have full (i.e., no vacancy) boards report overhead funding would be very helpful (See Figure 153). For those with one or more vacant seats, this figure jumps to 94 percent. If board vacancies indicate weaknesses in governance, this could indicate that funding needs might coincide with larger organizational challenges.

**Figure 153: Helpfulness of overhead funding and board vacancies (n=198)**



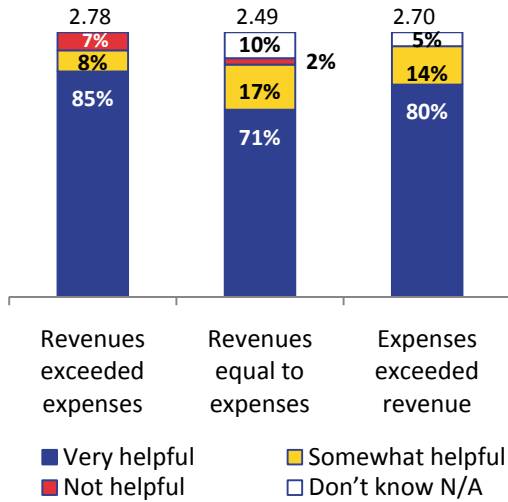
Just like with the helpfulness of multiyear funding, we see that organizations with volunteers (other than board members) tend to find overhead funding more helpful (average helpfulness score of 2.74) than organizations without volunteers (2.11).

### Organizational Characteristics

The size of annual revenues and expenses appears to have no relationship with how helpful organizations find overhead funding. Interestingly, whether or not an organization is running a surplus or deficit does seem to be a factor but not quite as we might expect (See Figure 154). Organizations with surpluses generally find overhead funding the most helpful (2.78), followed by organizations with deficits (2.70), and final organizations more or

less breaking even (2.49). This suggests that an imbalance between expenses and revenues create a greater need for overhead funding.

**Figure 154: Helpfulness of overhead funding and relationship between revenues and expenses (n=205)**

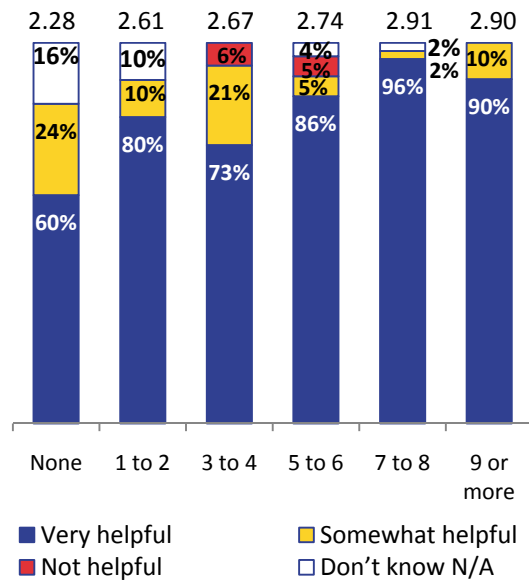


Finally, we find a relationship between the helpfulness of overhead funding and the complexity of an organization's revenue stream. Figure 155 shows that organizations that rely on a greater variety of income sources generally find overhead funding more helpful than those with fewer sources of income. In the case of organizations with no revenues (and hence no revenue streams) for their arts and culture activities, only 60 percent reported overhead funding would be very helpful, compared to 90 percent of those relying on 9 or more sources. As the number of revenue sources increase, so does the complexity of managing organizational finances, thus putting a premium on access to overhead funding.

## Endowment Funding

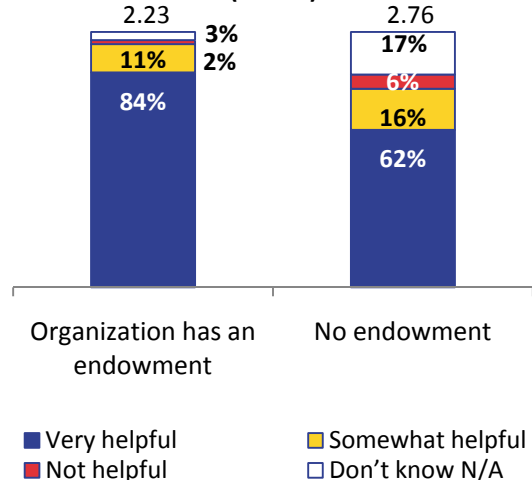
When we asked about the helpfulness of endowment funding, about 70 percent of organizations say such funding would be very helpful in meeting their capacity building and technical assistance challenges.

**Figure 155: Helpfulness of overhead funding and number of funding sources (n=258)**



As expected, whether or not an organization has an endowment is related to its appreciation for this type of financial support. Over 80 percent of organizations with endowments say they would find endowment funding assistance very helpful, in comparison to only about 60 percent of organizations without endowments (See Figure 156). Additionally, 17 percent of organizations without endowments say they are not sure how such assistance would be helpful.

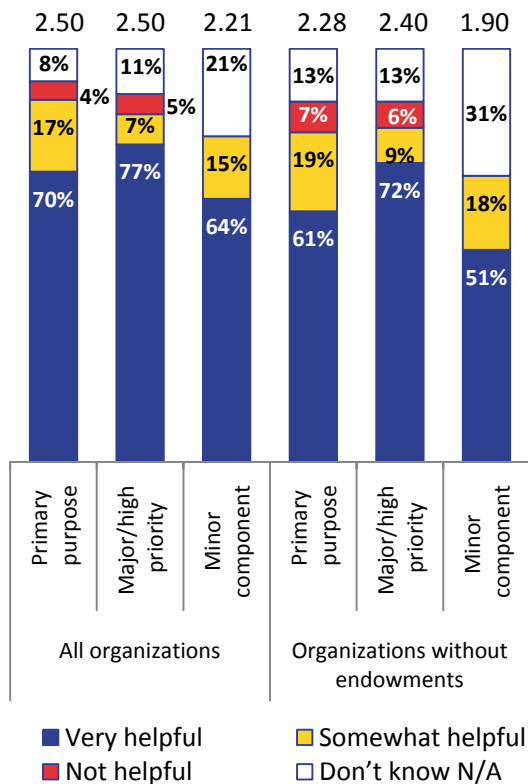
**Figure 156: Helpfulness of endowment funding and already having an endowment (n=306)**



### Types of Organizations

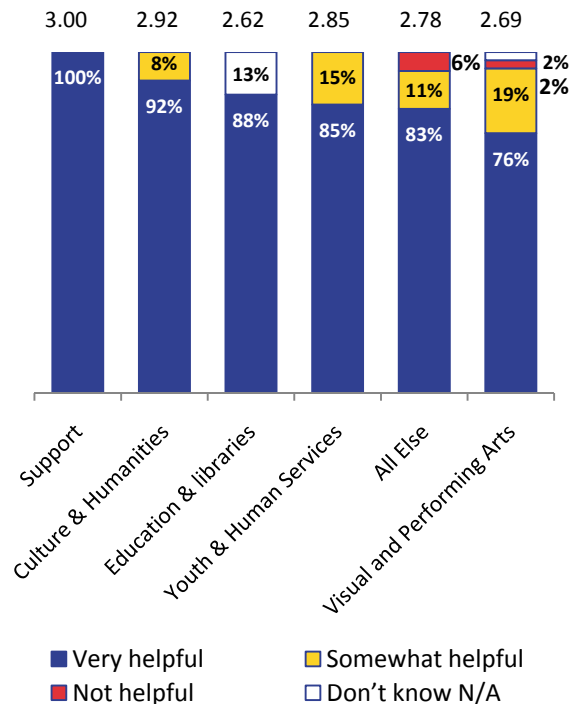
While an organization’s mission or sector (nonprofit or public) generally has no relationship with the helpfulness of endowment funding, our results show that focus on the arts is a significant factor. When looking at all organizations (See Figure 157, first three columns), the differences between “not applicable” or “don’t know” responses stand out. Generally, the less organizations focus on arts/culture, the more they are unsure about how endowment funding could help their arts/culture programs. Looking at organizations with no endowments (the second three columns of Figure 157), these distinctions are even more prominent. Almost a third of “minor focus” organizations are unsure about endowment funding. For organizations with endowments, we find no significant differences between organizations with different focuses on arts/culture.

**Figure 157: Helpfulness of endowment funding and art focus (n=326, 180)**



In organizations with pre-existing endowments, we see that the perceived helpfulness of endowment funding varies across organizations with different missions (See Figure 158). (Mission is not significant when looking at organizations as a whole, or organizations without endowments.) All support organizations see endowment funding as very helpful; many of these organizations likely rely heavily on their endowments to support other arts/culture organizations. In comparison, only about three-quarters of visual and performing arts organizations say they would find such funding very helpful. This difference might reflect access to other funding sources; thus, visual and performing arts organizations have easier access to potential sales revenue than support organizations.

**Figure 158: Helpfulness of endowment funding and mission(n=313)**



### Changes in Demand for Programs and Services

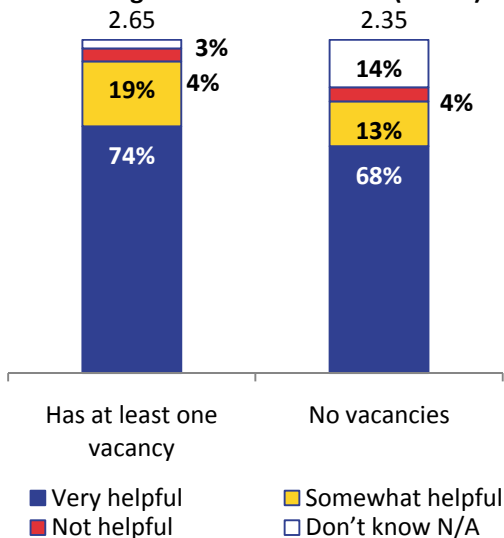
Changes in demands for services or programs over the last three years have no significant

relationship with how helpful organizations see endowment funding.

*Activities, Policies, and Procedures*

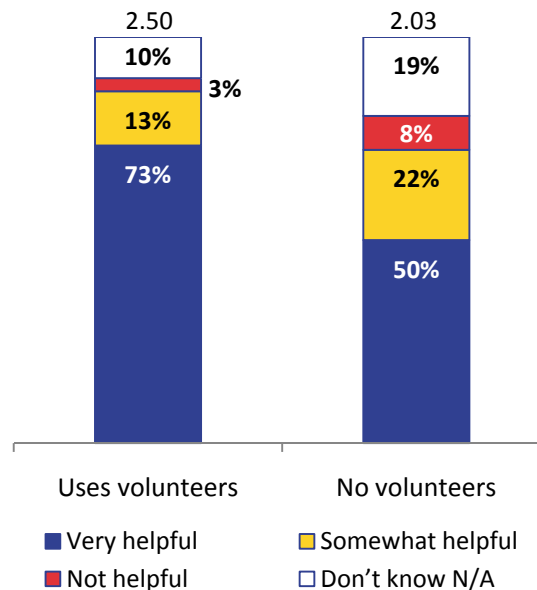
While the structure of the organization’s governance has no relationship with the helpfulness of endowment funding, board vacancy does appear to be a factor in organizations governed by boards. As we have seen before with other forms of assistance, organizations with vacant board seats see endowment funding as more helpful than organization’s with full boards – an average helpfulness score of 2.65 compared to 2.35 (See Figure 159).

**Figure 159: Helpfulness of endowment funding and board vacancies (n=196)**



Similar to our findings with regard to overhead funding, we also see that organizations that use volunteers (other than board members) find endowment funding assistance more helpful in meeting their capacity building and technical assistance challenges than organizations without volunteers – average helpfulness scores of 2.50 compared to 2.03 (See Figure 160).

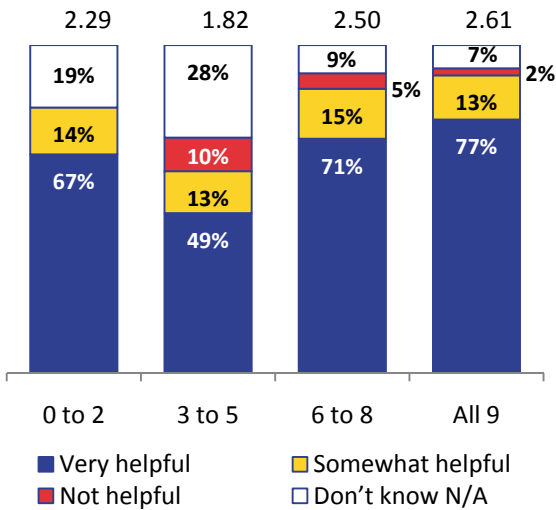
**Figure 160: Helpfulness of endowment funding and volunteers (n=283)**



We find also that the helpfulness of endowment funding increases steadily with the number of organizational components an organization possesses (e.g., a staff orientation process, computerized records, funding for maintenance projects). Furthermore, the number of organizations that are unsure about the utility of endowment funding decreases with the number of components. As noted before, this suggests more sophisticated organizations (as defined by the presence of these components) have more capacity to manage endowment funds and thus find them more helpful.

A more complex relationship appears if we just look at the number of IT components (See Figure 161). The lowest helpfulness score (1.82) is for organizations with three to five IT components. For this group, over a quarter (28 percent) said they were unsure about the helpfulness and applicability for this type of assistance. This suggests that IT sophistication might not be the best predictor of an organization’s interest in and attitudes toward endowment funding assistance.

**Figure 161: Helpfulness of endowment funding and number of IT components**



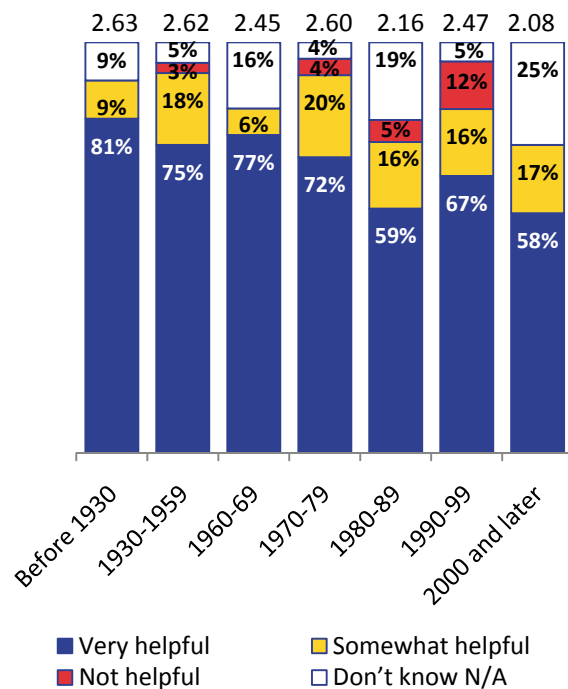
*Organizational Characteristics*

Older organizations, such as those founded before 1930, tend to see endowment funding more helpful than younger organizations, such as those founded in 2000 or later – average helpfulness scores of 2.63 compared to 2.08 (See Figure 162). Most likely older organizations have more experience with endowment management than younger groups. This relationship, however, does not hold if we split organizations into those with and those without endowments.

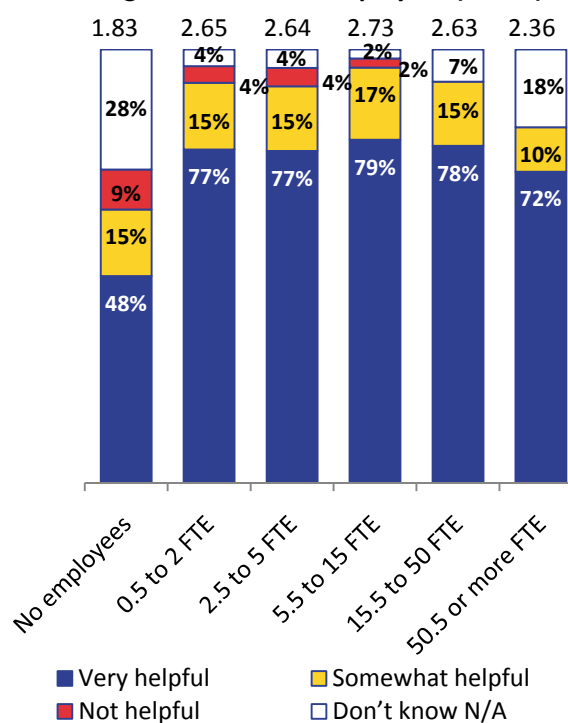
Organization size, whether defined by the number of staff members or annual revenue, also has a significant relationship with the helpfulness of endowment funding. There is a stark distinction between organizations with and without employees (See Figure 163). About three-quarters of organizations with employees report endowment assistance would be very helpful, compared to a little less than fifty percent of organizations without employees. Additionally, over a quarter of organizations without employees are unsure about the helpfulness of endowment funding. For the most part, this concern is minimal for larger organizations except those with 50.5 or more employees. Comparing organizations with or without

endowments does not change this picture much.

**Figure 162: Helpfulness of endowment funding and age (n=268)**

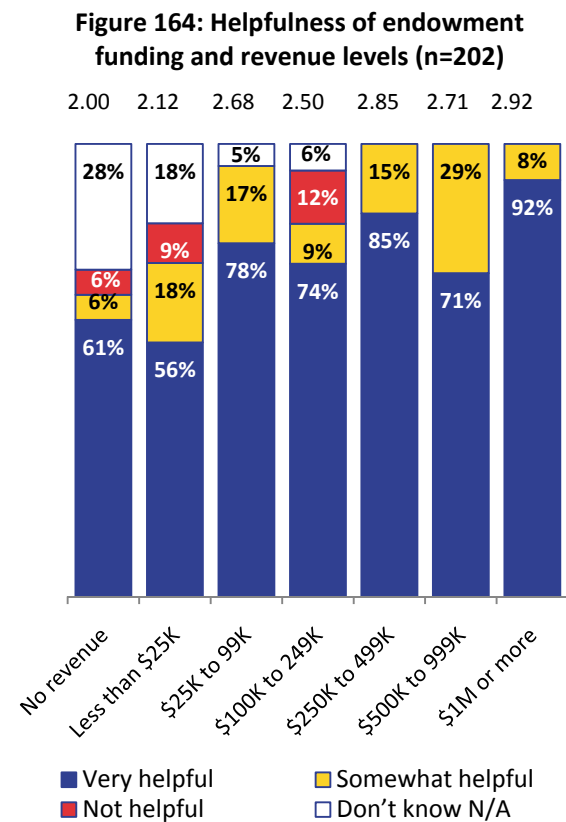


**Figure 163: Helpfulness of endowment funding and number of employees (n=278)**





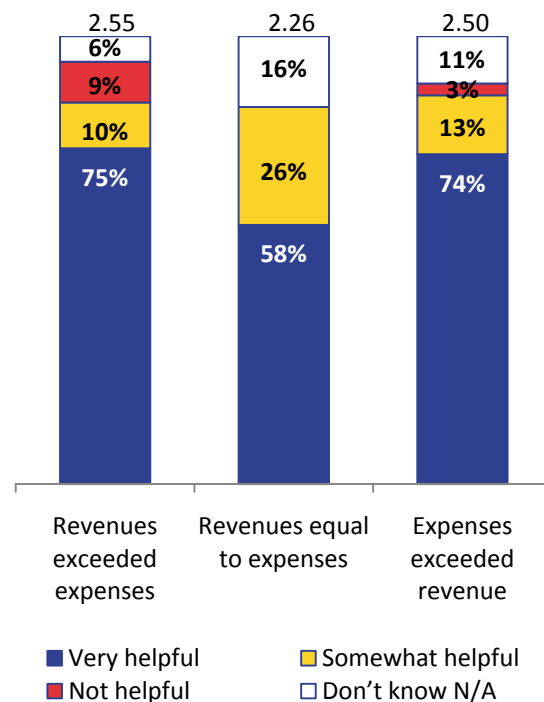
The relationship between the helpfulness of endowment funding and organization size as defined by annual revenue, while statistically significant, is less clear (See Figure 164). Whether or not an organization has an endowment currently does help explain this relationship. Generally, we see the helpfulness of endowment funding increases with larger annual revenue size. Looking at the extremes, organizations with no revenue only report a helpfulness score of 2.00. Over a quarter of these organizations do not know how helpful endowment funding would be or see it as inapplicable to their organizations. In comparison, organizations with revenue of a million or more give endowment funding a score of 2.92, and over 90 percent see it as very helpful.



As we saw with overhead funding, the association between the helpfulness of endowment funding and surpluses/deficits does not follow an expected pattern (See

Figure 165). We might expect that organizations with deficits would find endowment funding much more helpful than groups with surpluses; however, about three-fourths of organizations with deficits and organizations with surpluses see endowment funding as very helpful, while only 58 percent of organizations with revenues commensurate to expenses see such assistance as very helpful (See Figure 165).

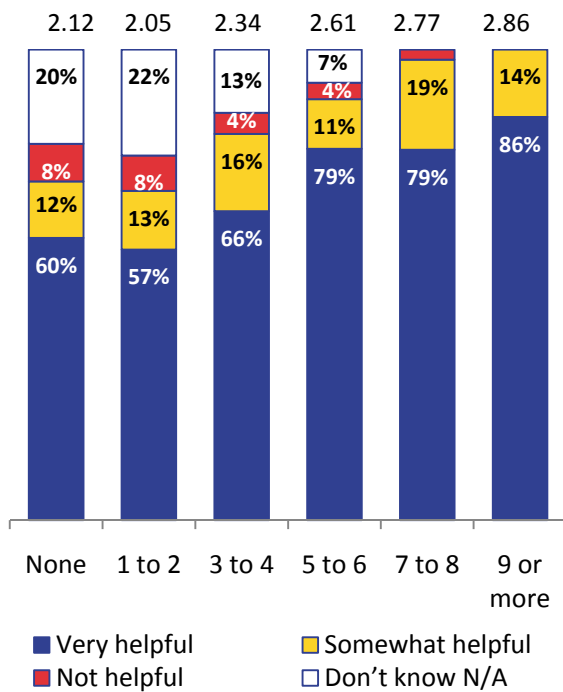
**Figure 165: Helpfulness of endowment funding and expenses and revenues (n=202)**



Also, we see an expected relationship between helpfulness of endowment funding and the number of funding sources an organization has (See Figure 166). Arts and culture providers with more income sources see endowment funding as more helpful than organizations with fewer sources. Thus, groups with nine or more sources give a helpfulness score of 2.86, compared to 2.12 for organizations with no revenue. If the number of income sources is a proxy for the sophistication of an organization's fund development capabilities, it makes sense that

groups with more aptitude find endowment funding more useful.

**Figure 166: Helpfulness of endowment funding and number of revenue sources (n=257)**

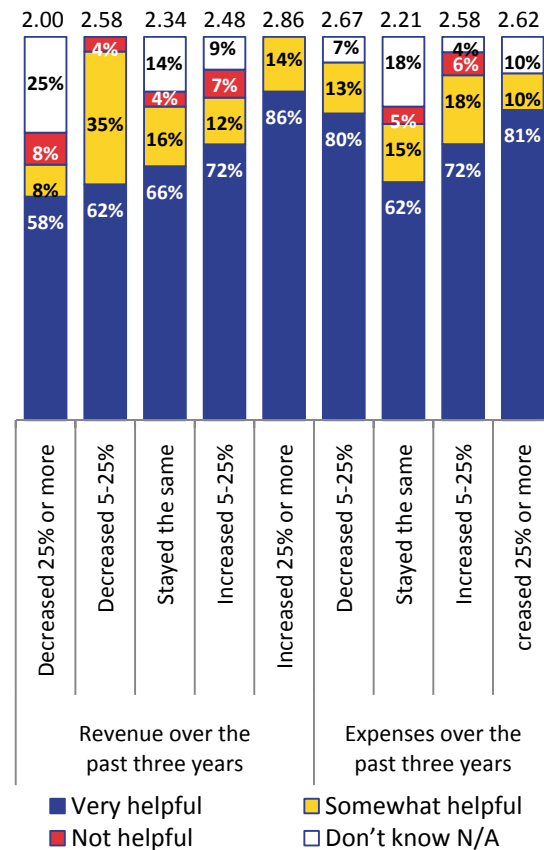


Finally, there are marginally significant relationships between changes in expenses and revenues over the past three years and the helpfulness of endowment funding (See Figure 167). Organizations that experienced decreases in revenue find endowment funding less helpful than organizations that had increases in revenue.

The pattern for changes in expenses is more complicated. (Please note that only a few organizations experienced expense decreases of more than 25 percent – too few from which to draw conclusions, and therefore the category is not included here.) We see that organizations that experienced no change in expenses over the past three years see endowment funding as the least helpful (2.21). In comparison, organizations that experienced decreases of 5 to 25 percent report a score of 2.67, as do groups with increases of 25

percent or more (2.62). It might be that the volatility of expenses is the factor here, rather than particular changes.

**Figure 167: Helpfulness of endowment funding and changes in expenses and revenues (n=202-218)**



### Small targeted grant for specific challenge(s)

Almost two-thirds of organizations say they would find small targeted grants very helpful in meeting their capacity building and technical assistance challenges; another third say this would be somewhat helpful. It appears that only a limited number of factors contribute to how organizations view this type of assistance; but, interestingly we do observe that some forms of interorganizational relationships (collaboration and networks) are relevant.

### Types of Organizations

There is no statistically significant relationship between an organization’s mission, sector, or focus on the arts and the helpfulness of small targeted grants for specific challenges.

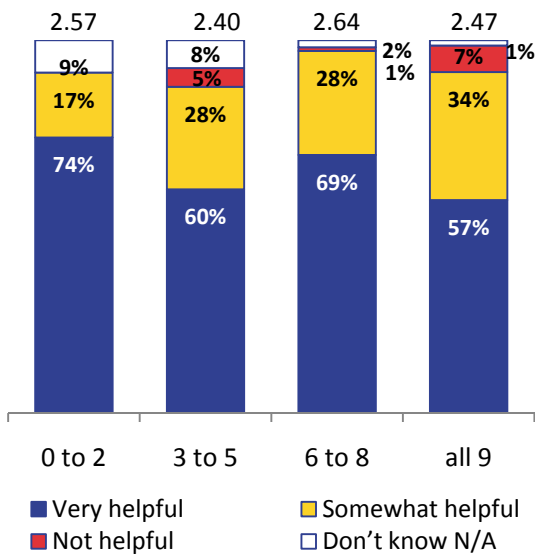
### Changes in Demand for Programs and Services

Changes in demand for services over the past few years do not have a statistically significant relationship with the helpfulness of small targeted grants for specific capacity building and technical assistance challenges.

### Activities, Policies, and Procedures

There is a statistically significant relationship between the number of IT components an organization has and how helpful it generally finds small targeted challenge grants; however, this relationship is not linear, as Figure 168 illustrates.

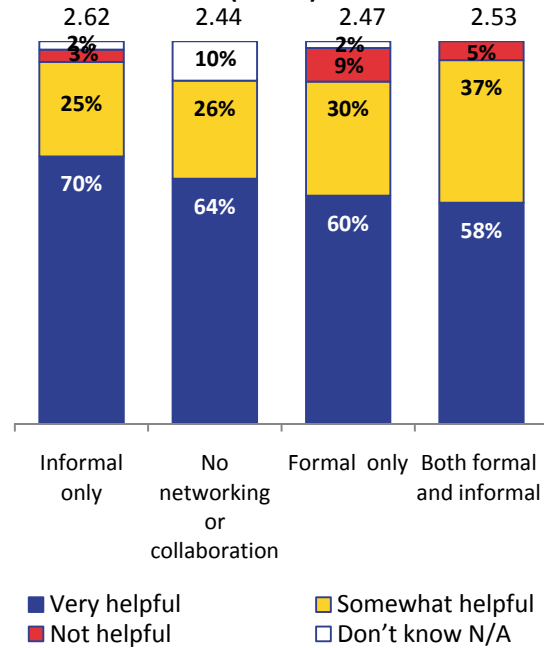
**Figure 168: Helpfulness of small targeted challenge grants for organizations and number of IT components (n=307)**



Additionally, we find a relationship between the level of collaboration/networking and the helpfulness of targeted grants. Contrary to expectations, organizations with more limited relationships (informal networks only or no relationships at all) appear to see these grants as slightly more helpful than organizations

engaged in more substantial collaboration (See Figure 169). Perhaps organizations more intensely involved in collaborations and networking can ask their peers for assistance.

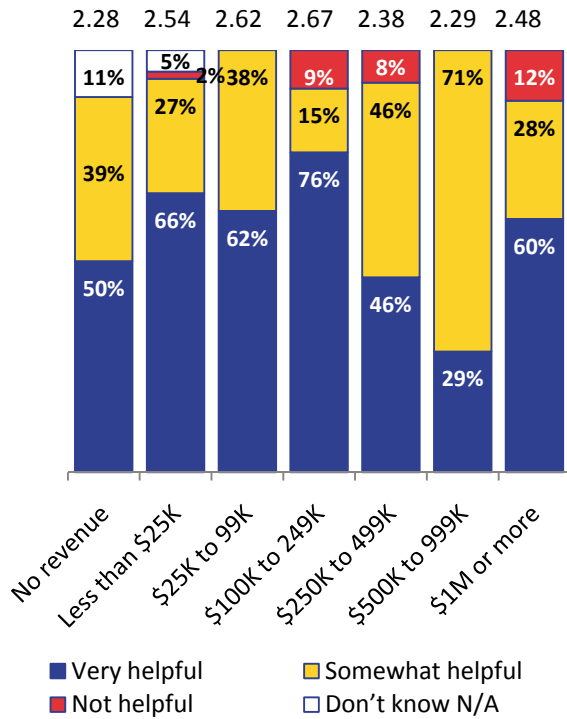
**Figure 169: Helpfulness of small targeted challenge grants and level of collaboration (n=291)**



### Organizational Characteristics

Differently sized organizations (as defined by annual revenue) vary in their attitudes towards small targeted challenge grants (See Figure 170). Interestingly, we see that the helpfulness of this assistance increases to a point (organizations with revenues of \$100 - \$250 thousand), but then decreases for larger organizations. This could indicate that as organizations reach a certain size, they begin to choose grant applications that provide larger returns for the work put into the application process (“bigger bang for the buck,” one might say). But when an organization reaches a rather large size, it might have systems in place to apply efficiently to any number of grants, and thus, small grants become a valuable form of assistance again.

**Figure 170: Helpfulness of small targeted challenge grants and revenue levels (n=204)**

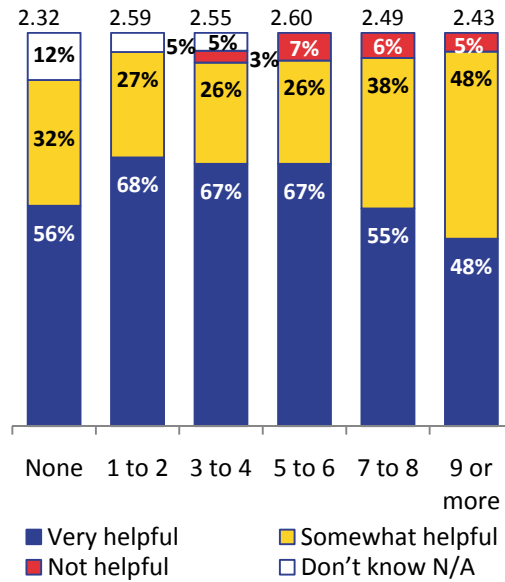


The number of income sources an organization has is also related to the helpfulness of small targeted challenge grants (See Figure 171). Regardless of the number of income sources, almost 90 percent of all organizations see this type of assistance as helpful, but the proportion thinking this assistance is very helpful versus somewhat helpful differs. A little over two-thirds of organizations with one to six sources say small targeted grants would be very helpful, but this percentage falls to 55 percent for those with seven to eight sources and to 48 percent for organizations with nine or more sources. This may indicate that organizations with diverse income sources might opt for types of funding other than small grants (e.g., grants with larger payouts).

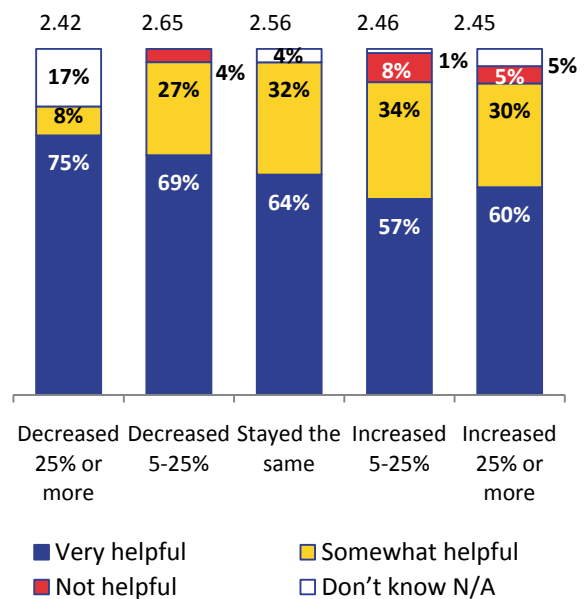
Finally, Figure 172 illustrates the relationship between changes in revenue over the past three years and how helpful organizations see small targeted grants. Generally speaking, organizations that have experienced a

decrease in revenue say this type of assistance would be very helpful more frequently than organizations that experienced no change or an increase in revenue. Changes in expenses, however, are not related to attitudes toward the helpfulness of small targeted challenge grants.

**Figure 171: Helpfulness of small targeted challenge grants and number of income sources (n=257)**



**Figure 172: Helpfulness of small targeted challenge grants for organizations and changes in revenue (n=218)**



## Challenge Grants for Specific Challenge(s)

A variety of factors contribute to how organizations perceive challenge grant assistance, including organizational capacity components and number of employees. We also find that changes in revenue over recent years are related to an organization's attitude toward this form of assistance.

### *Types of Organization*

There is no statistically significant relationship between an organization's mission, sector, or focus on the arts and the helpfulness of challenge grants.

### *Changes in Demand for Programs and Services*

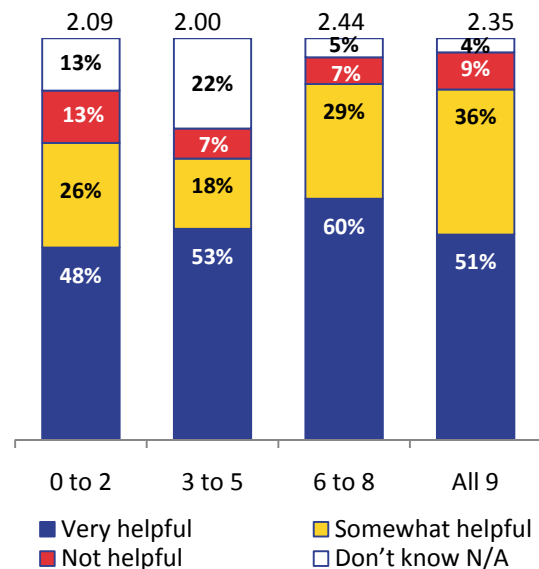
Changes in demand for services over the past few years do not have a statistically significant relationship with the helpfulness of challenge grants for specific capacity building or technical assistance challenges.

### *Activities, Policies, and Procedures*

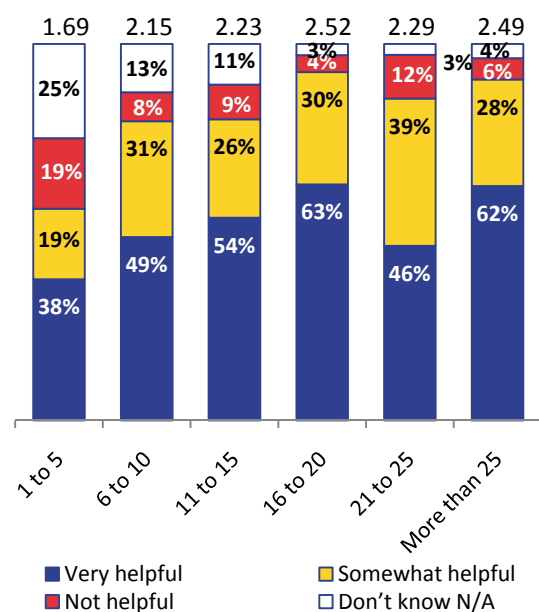
Looking at organizational components, we see a familiar nonlinear relationship with this type of assistance. The helpfulness of challenge grants increases until a certain threshold of components is achieved, and then decreases or oscillates with additional components (See Figures 173 and 174). In Figure 174, which looks at all organizational components, we also see that as organizations have more components, they are less likely to say they are unsure about the helpfulness of challenge grants.

In addition to organizational components, board vacancies also have a marginal relationship with how helpful organizations see challenge grants. As observed previously with other forms of assistance, organizations with board vacancies generally find challenge grants more helpful than organizations with full boards. Additionally, organizations that use volunteers (other than board members) also find this type of assistance more helpful.

**Figure 173: Helpfulness of challenge grants for specific challenges and number of IT components (n=309)**



**Figure 174: Helpfulness of challenge grants and number of organizational components (n=309)**

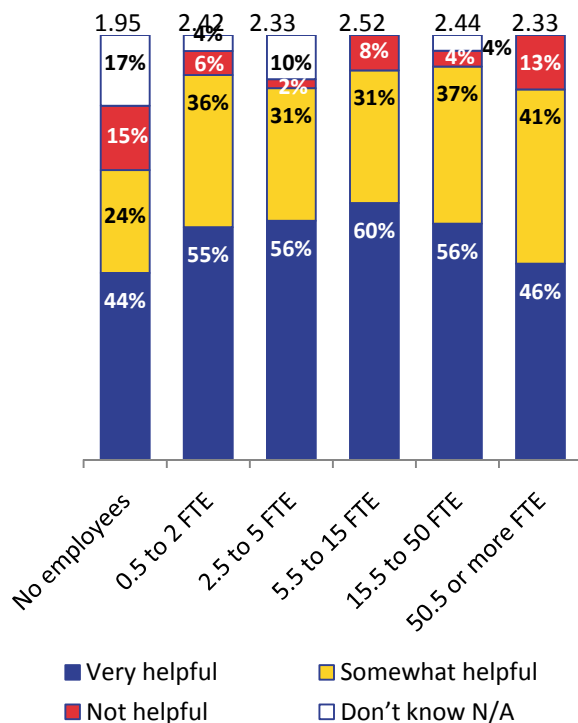


### *Organizational Characteristics*

Size (as measured by the number of paid employees) is a factor in how helpful organizations see challenge grants. Figure 175 shows a pattern similar to the one observed for endowment funding. The primary

differences are in magnitude – fewer organizations report this type of assistance is very helpful and more report it is somewhat helpful – and the fact that none of the very large organizations (50.5 or more employees) say they are unsure about the helpfulness of this funding assistance.

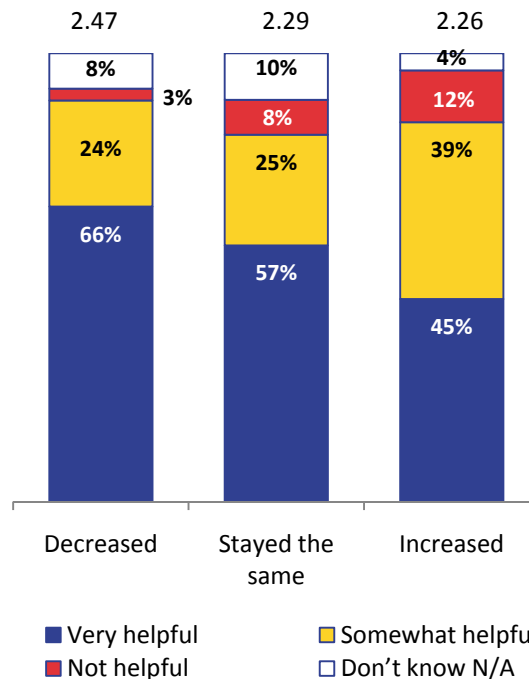
**Figure 175: Helpfulness of challenge grants and organization size (n=281)**



The size of annual revenue also is related to the helpfulness of challenges grants; this relationship is almost identical to that observed with small targeted grants.

Additionally, changes in revenue over the past three years also have a significant relationship with how helpful organizations see challenge grant assistance (See Figure 176). The relationship follows a generally predictable pattern in which organizations with decreases in revenue see challenge grants as more helpful than organizations that experienced no change or increases.

**Figure 176: Helpfulness of challenge grants and changes in revenue (n=219)**



### Low-cost Loans

Overall, organizations saw low-cost loans as the least helpful type of assistance. Only four percent report such loans would be very helpful and only 15 percent somewhat helpful. By contrast, 60 percent say such loans would not help at all, and another 20 say they are unsure of the effects or that such loans would not apply to their circumstances.

#### Types of Organization

There is no statistically significant relationship between an organization’s mission, sector, or focus on the arts and the helpfulness of low-cost loans.

#### Changes in Demand for Programs and Services

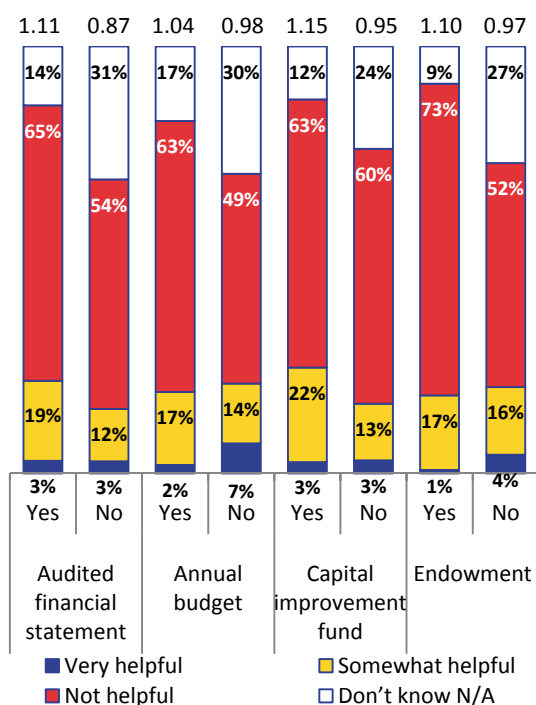
Changes in demand for services over the past few years do not have a statistically significant relationship with the helpfulness of low-cost loans for specific capacity building or technical assistance challenges.



### Activities, Policies, and Procedures

Count of organizational components, as well as of just IT related components have no relationship with how helpful organizations see low cost loans. However, organizations with a recent financial report, annual budgets, capital improvement funds, or an endowment do find this form of assistance more helpful than other organizations (See Figure 177). Also, they are less likely to say they are unsure how helpful such loans would be or that use of low cost loans does not apply to their organizations, but more likely to say such assistance would not be helpful. This suggests that organizations with more financial sophistication (as illustrated by these components) are better able to judge the helpfulness of such loans than their peers.

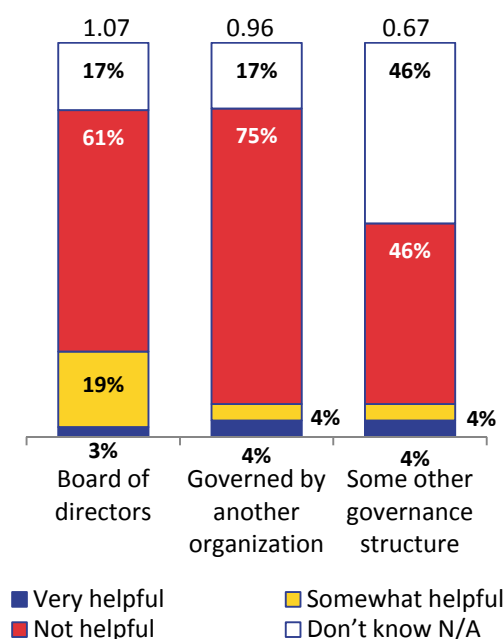
**Figure 177: Helpfulness of low costs loans and financially related organizational components (n=309)**



Additionally, whether the organization is governed by a board of directors is related to attitudes to low cost loans (See Figure 178). Organizations with boards of directors are

more likely to report loans would be somewhat helpful than other organizations (16 percent vs. 4 percent). This could be because organizations governed by some other form, such as by another organization, have additional sources of funding (e.g., loans from related organizations). Similarly, almost 50 percent of organizations not governed by a board or another organization, say that low cost loans would not apply to them.

**Figure 178: Helpfulness of low costs loans and governance structure (n=288)**



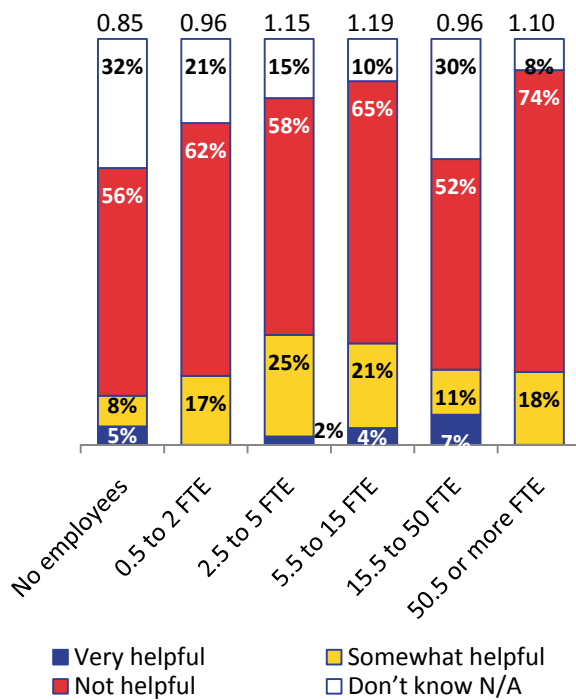
### Organizational Characteristics

Size (as defined by number of employees) is a significant factor in how helpful organizations see low cost loans. Figure 179 illustrates a familiar pattern, in that organizations of moderate size (5.5 to 15 FTE) are most likely to find this type of assistance helpful and also least likely to say they unsure or that low cost loans would not apply to them.

Perhaps the most interesting factor associated with the helpfulness of low-cost loans is the number of revenue sources an organization has (See Figure 180). Generally, helpfulness (and non-applicability) of this type of

assistance remains steady until an organization has 5 to 6 sources of revenue; at this point, over a quarter of organizations see low-cost loans as at least somewhat helpful. At nine or more sources, over a third of organizations express such opinions. If revenue sources indicate the fiscal sophistication of an organization, this pattern indicates that arts and culture providers see low-cost loans as more helpful the more fiscally savvy they are; furthermore, they become more sure about the applicability of such assistance to their organization.

**Figure 179: Helpfulness of low costs loans and organization size (n=281)**

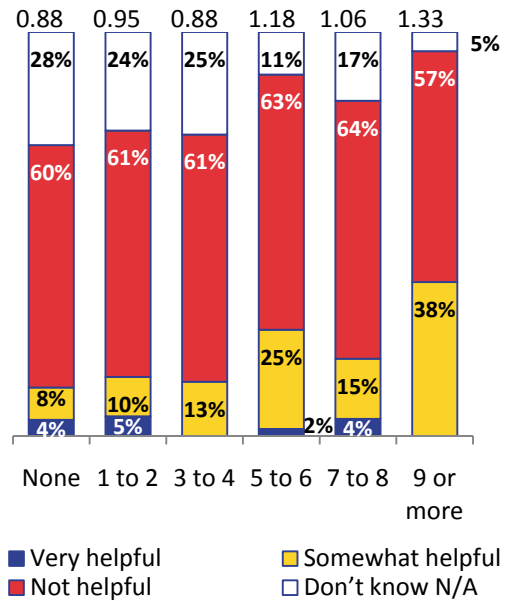


### 3. PEER LEARNING ASSISTANCE

We asked respondents to rate the helpfulness of two different types of peer learning assistance: opportunities to interact with and learn from peers and joint activities with other organizations. Often, we find that one factor relates to one form of assistance, but not the other (e.g., the number of organizational components). In several cases, we find key

organizational characteristics (e.g., mission) are unrelated to both. We look at these two forms of peer learning assistance in turn.

**Figure 180: Helpfulness of low costs loans and number of revenue sources (n=258)**



### Multivariate Analysis

As noted earlier, multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. The analysis suggests that all other factors equal, organizations that are currently involved in some formal collaboration tend to say peer learning would be more helpful than other organizations. Those with a greater focus on their arts and culture activities also view peer learning as being more helpful. Additional findings from this multivariate analysis are available in Appendix D.3.

### Opportunities to Interact With and Learn From Peers

As Figure 142 shows, almost 90 percent of organizations said this type of assistance would be helpful, including 44 percent saying very helpful. A variety of components are

related to how helpful organizations see opportunities to learn from peers, including the presence of certain organizational components, relationships with other organizations, the number of employees, use of volunteers, and the presence of budget surpluses or deficits.

*Types of Organizations*

There is no statistically significant relationship between an organization’s mission, sector, or focus on the arts and the helpfulness of this type of assistance.

*Changes in Demand for Programs and Services*

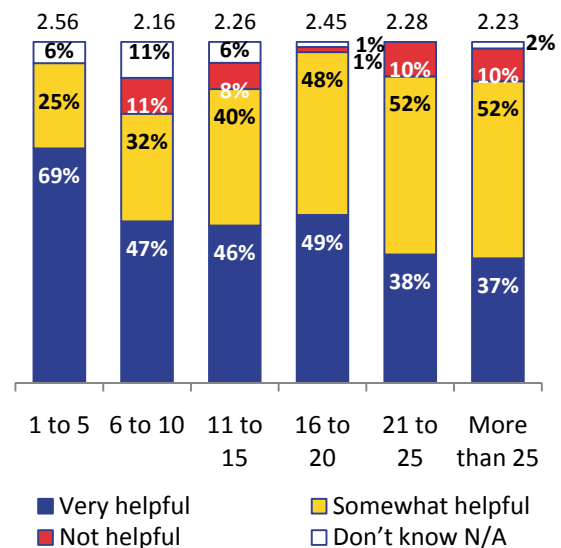
Changes in demand for services over the past few years are not related to the helpfulness of opportunities to learn from peers.

*Activities, Policies, and Procedures*

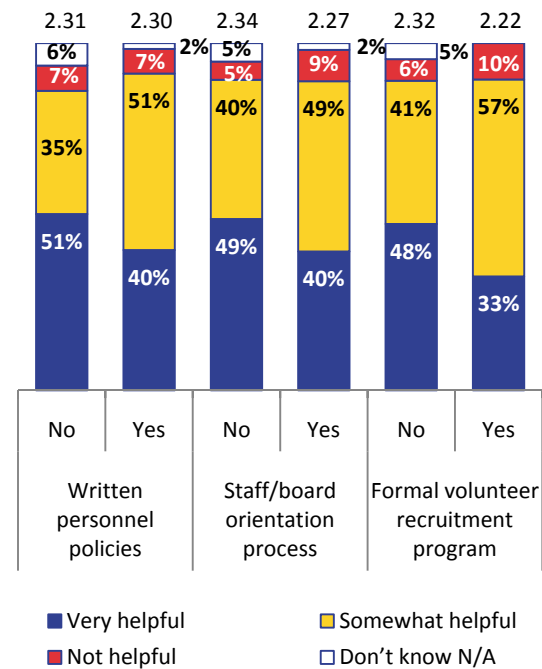
Regardless of the number of capacity-related components they have, most organizations (79 to 98 percent) say opportunities to learn from peers would be helpful (see Figure 181). As the number of organizational components organizations have in their possession increases, the percent saying such assistance would be very helpful decreases (from 69 percent for organization with the fewest components to 37 percent for those with the most), while the percent saying somewhat helpful increases (from 25 percent to 52 percent). This indicates that less formalized organizations might be more eager for opportunities to interact with peers than more formalized organizations.

The presence of certain human resource related components (e.g., personnel policies, staff orientation, and volunteer recruitment programs) is also related to finding interactions with peers more helpful. Organizations without these elements are more likely to find peer learning very helpful, while those with these elements are more likely to say somewhat helpful (see Figure 182).

**Figure 181: Helpfulness of Peer Learning and Number of Organizational Components (n=307)**



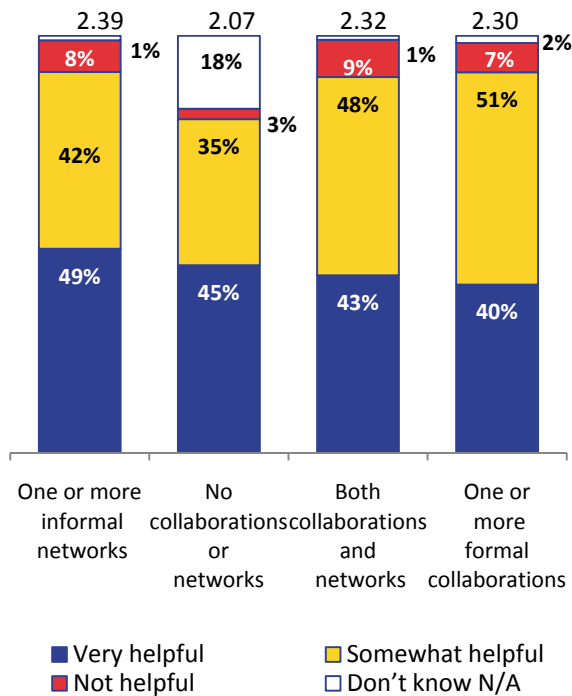
**Figure 182: Helpfulness of Peer Learning and Human Resource Related Components (n=307)**



Interorganizational relationships are also a factor (see Figure 183). We see that nearly one-fifth (18 percent) of organizations uninvolved in any collaborations seem unsure about the helpfulness of peer learning.

When we asked organizations uninvolved in collaborations/networks if they would be interested in such relationships, about half said they were. Almost all of this latter group (95 percent) said peer learning would be at least somewhat helpful; in contrast, only about two-thirds of organizations disinterested in collaborations/networks said peer learning would be helpful.

**Figure 183: Helpfulness of Peer Learning and Collaboration and Networks (n=290)**

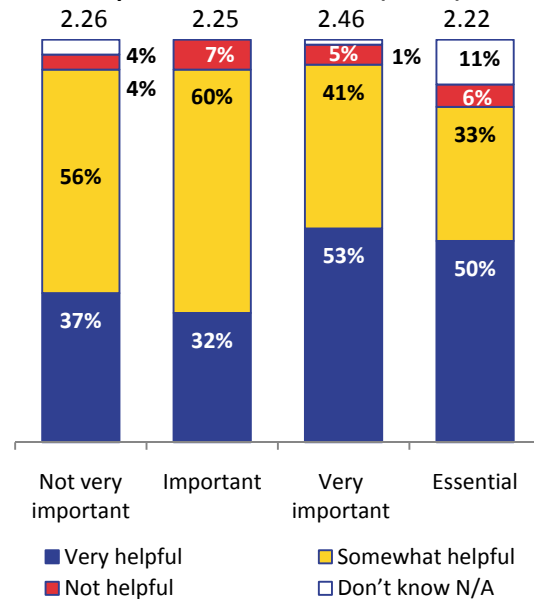


This figure also illustrates the importance of informal ties. Organizations involved in informal networks are most likely to see peer learning as helpful, with 49 percent seeing it as very helpful and another 42 percent as somewhat helpful. Organizations involved solely in formal collaborations are least likely to say this assistance would be very helpful, but more likely to say it would be somewhat helpful. We speculate that being involved in formal collaborations allows organizations to recognize some of the challenges and limitations to peer learning.

### Organizational Characteristics

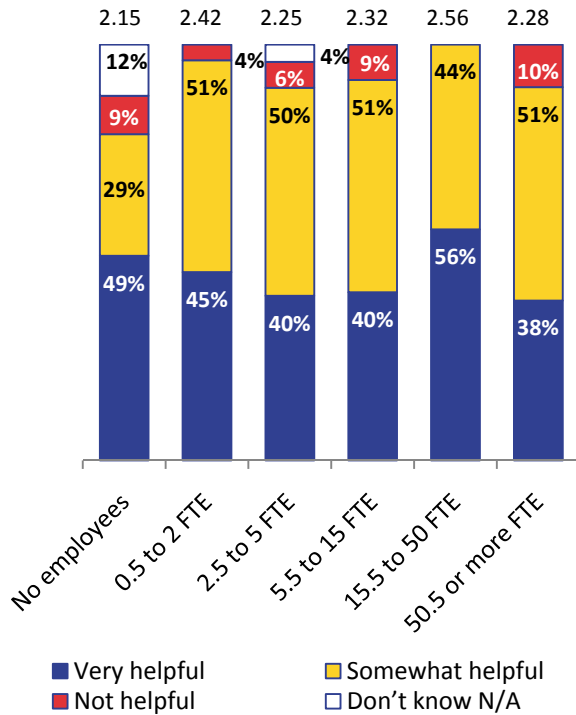
The importance of volunteers to an organization is a factor in how helpful it finds peer learning (see Figure 184). Over 50 percent of organizations that say volunteers are very important or essential to their operations also say that peer learning would be very helpful, compared to one-third of other organizations. The latter are more inclined to report peer learning would be somewhat helpful.

**Figure 184: Helpfulness of Peer Learning and Importance of Volunteers (n=248)**



A significant relationship exists between the helpfulness of peer learning and the size of an organization's paid staff (see Figure 185). Looking across the different sizes, we can see that over 90 percent of organizations with at least one part-time paid (i.e., 0.5 FTE) employee see peer learning as at least somewhat helpful. A little over 20 percent of organizations without employees say peer learning would not be helpful, would not apply, or are unsure how helpful it would be. It could be that these organizations lack the human resources to engage in such activities.

**Figure 185: Helpfulness of Peer Learning and Organization Size (n=279)**

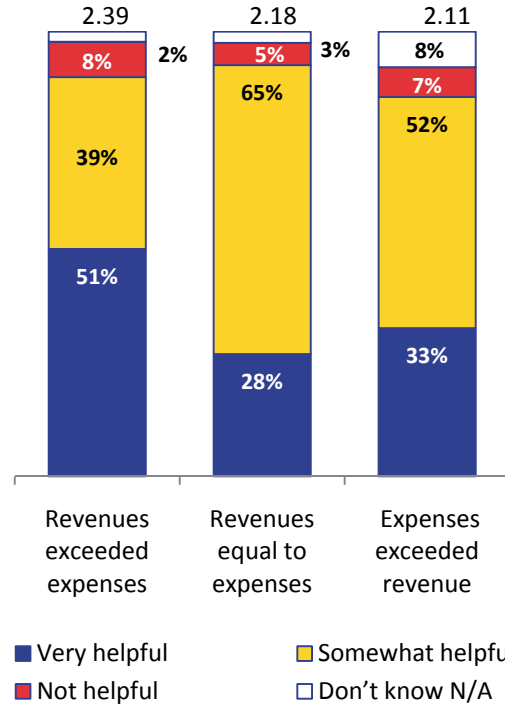


While annual revenue is not a significant factor, a relationship does exist between the helpfulness of peer learning and budget surpluses/deficits (see Figure 186). Surprisingly, organizations running surpluses report the highest average helpfulness score (2.39), followed by those that broke even (2.18), then those running deficits (2.11). Overall, it seems that most organizations find peer learning at least somewhat helpful regardless of their financial situation; it is just that organizations running deficits might be more interested in other forms of assistance.

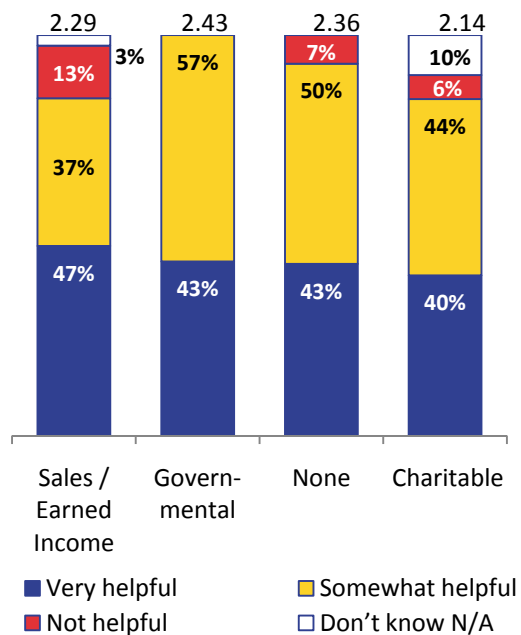
There is also a marginal relationship between an organization's primary revenue source and the helpfulness of peer learning (see Figure 187). Organizations receiving more than half of their funding from governmental sources view peer learning the most favorably; this could be due to government grants/contracts encouraging interorganizational activities. But regardless of the principal funding source, at

least 84 percent of all organizations see peer learning as helpful.

**Figure 186: Helpfulness of Peer Learning and Surpluses /Deficits (n=203)**



**Figure 187: Helpfulness of Peer Learning and Primary Funding Sources (n=181)**



## Joint Activities with Other Organizations

As depicted in Figure 142, about one-third (32 percent) of organizations say joint activities with other organizations would be very helpful, while another half (53 percent) say somewhat helpful. While some of the factors that relate to peer learning also relate to joint activities (e.g., collaborations and the importance of volunteers), elements like the total number of organizational components do not. We also find that changes in revenue are related to this form of assistance.

### Types of Organizations

There is no statistically significant relationship between an organization’s mission, sector, or focus on the arts and the helpfulness of joint activities.

### Changes in Demand for Programs and Services

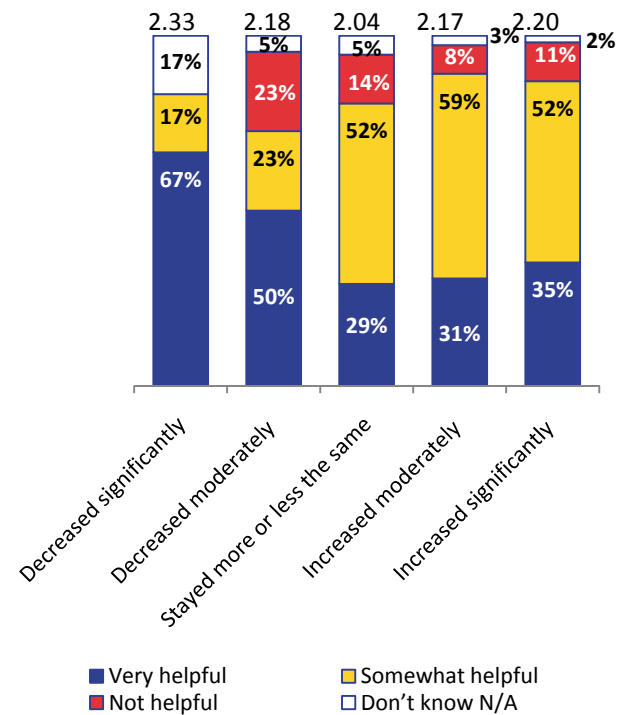
Changes in demand for arts/culture services and programs have a marginal relationship with how helpful organizations see joint activities. Half of the organizations that experienced a moderate decrease in demand say joint activities would be very helpful, as do 67 percent of those which suffered a significant decline (see Figure 188). By comparison, only about one-third (29 percent to 35 percent) of those with stable and increasing demands say joint activities would be very helpful. Possibly, organizations experiencing decreases in demand hope that joint activities with other arts and culture providers might boost interest in their services, and thus remedy this challenge.

### Activities, Policies, and Procedures

Interorganizational relationships also have a marginal relationship with how helpful organizations see joint activities (see Figure 189). Over one-third (38 percent) of organizations involved in informal networks see joint activities as very helpful, compared to just over a quarter (26 to 27 percent) of those involved in only formal collaborations or not involved in any relationships. It could

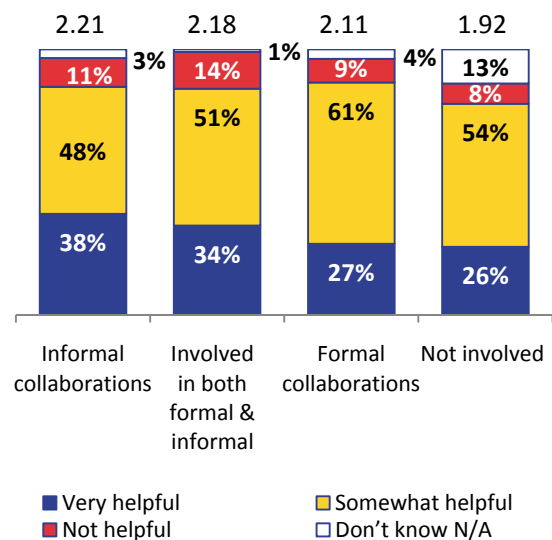
be that organizations involved in more informal relationships would like to capitalize on these connections more by engaging in joint activities.

**Figure 188: Helpfulness of Joint Activities and Changes in Demand for Services (n=286)**



Note: We cannot draw substantial conclusions from organizations that experienced a significant decrease, because only six organizations experienced such a change.

**Figure 189: Helpfulness of Joint Activities and Collaboration and Networks (n=288)**

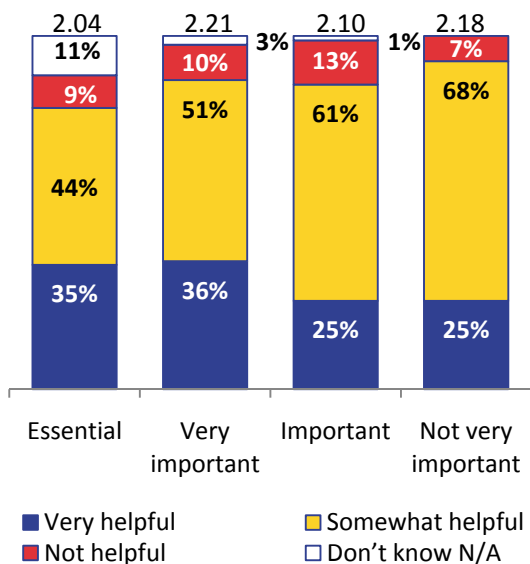




### Organizational Characteristics

The importance of volunteers also is a marginal factor in how helpful organizations judge joint activities (see Figure 190). As was the case with peer learning, organizations that see volunteers as essential or very important are more inclined to see joint activities as very helpful. Those that see volunteers as just important or not very important tend to see this form of assistance as only somewhat helpful.

**Figure 190: Helpfulness of Joint Activities and Importance of Volunteers (n=247)**

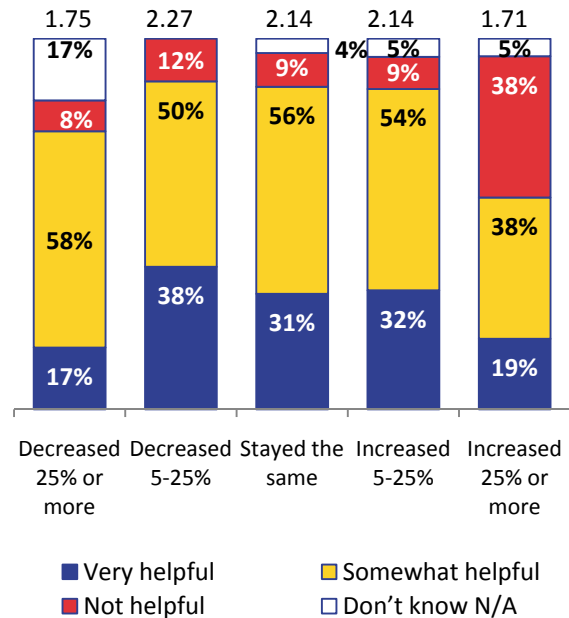


Looking at possible financial factors, we find that total revenue has no relationship with the helpfulness of joint activities; but, we do find changes in revenue over the past three years are a factor (see Figure 191). Almost two-fifths (38 percent) of organizations that experienced a 25 percent or more increase in revenue say they would not find joint activities helpful, while another one-fifth (19 percent) say it would be very helpful, resulting in an overall helpfulness score of 1.71.

This is approximately the same score as organizations that experienced a decrease of 25 percent or more; but for these organiza-

tions, the score reflects more that they are unsure about the helpfulness and/or applicability of joint activities. There were relatively few organizations in this latter category, so we are hesitant to make much of these similarities; however, the number of organizations reporting they are unsure about the helpfulness of joint learning is interesting. These organizations are likely most concerned about financial issues, and their ambivalence may reflect a realistic assessment that joint activities might not have a direct impact on these challenges.

**Figure 191: Helpfulness of Joint Activities and Revenue Changes Over the Past Three Years (n=217)**



## 4. TECHNICAL ASSISTANCE

We asked arts and culture providers how helpful they would find four types of technical assistance: outside consultants, student interns, workshops and offsite training, and loaned executives. We find at these types of assistance are related to certain human resources policies and procedures (e.g., personnel policies, written job descriptions), as well as the number of IT components and

components overall. While the size of annual revenue is not generally significant, the number of paid staff is a factor. Other elements and characteristics like mission or changes in demand are significant for some types of assistance but not others. We will look at each of these forms of technical assistance in turn.

## Multivariate Analysis

Multivariate analysis is a technique that helps us look at the pattern of simultaneous relationships among several variables. For this analyses, we find that organizations with a greater focus on their arts and culture programs/activities find technical assistance more helpful in meeting their capacity building and technical assistance challenges, controlling for all other factors. Additionally, more formalized organizations (as indicated by the presence of certain key organizational components) or organizations with board vacancies also believe technical assistance would be helpful, controlling for other factors. Detailed findings from this multivariate analysis are available in Appendix D.3.

## Outside Consultant

Three-quarters of organizations say an outside consultant to help with specific challenges would be helpful, including 33 percent saying very helpful. The presence and importance of volunteers and the size of paid staff are related to this form of assistance, as well as the size of annual revenue and the number of income sources.

### *Types of Organizations*

An organization’s mission, sector (public or nonprofit), and focus on arts/culture activities do not impact how helpful an organization sees an outside consultant.

### *Changes in Demand for Programs and Services*

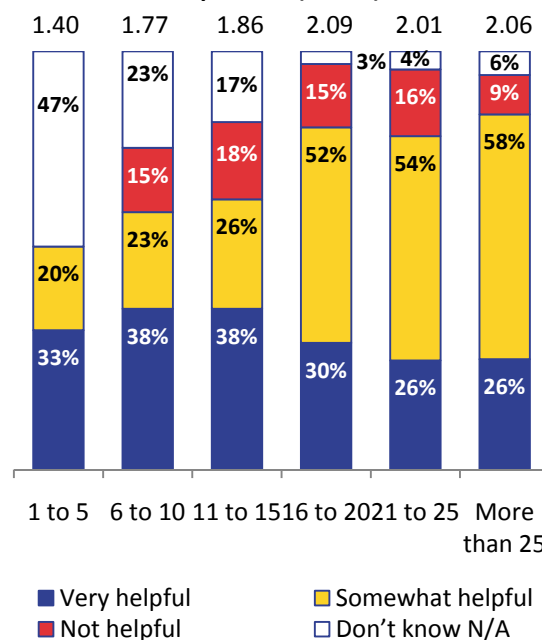
Changes in demand for arts/culture programs and services over the past three years do not

affect organizational attitudes regarding the potential helpfulness of outside consultants.

### *Activities, Policies, and Procedures*

As illustrated by Figure 192, the number of organizational components is related to how helpful an organization sees outside consultants. Over 80 percent organizations with sixteen or more components say an outside consultant would be helpful (including over a quarter saying very helpful). These results indicate that while the majority of more formalized or higher capacity organizations would find a consultant useful, other forms of assistance might be preferred instead.

**Figure 192: Helpfulness of consultant assistance and number of organizational components (n=307)**

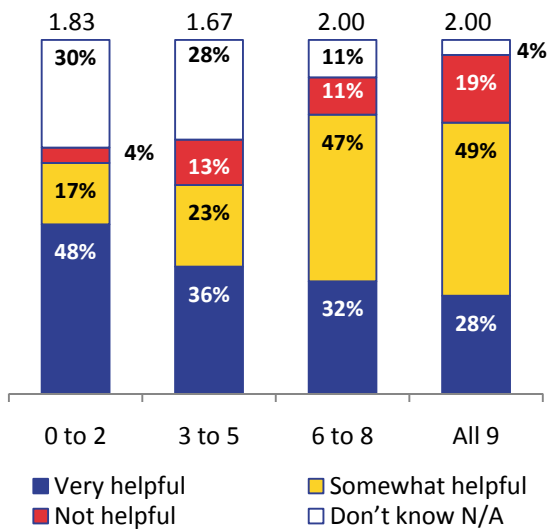


Strikingly, almost half of organizations with five or fewer components are unsure how helpful this type of assistance would be or judge it to be inapplicable to their situation. This same attitude is shared by 23 percent of organizations with six to ten components and 17 percent of organizations with eleven to fifteen components. At the same time, over a third of organizations in these categories

would see a consultant as very helpful. This mix of responses could indicate that less formalized organizations might benefit from more information on how this type of assistance could be useful in meeting capacity challenges. It might also indicate that many might not be ready to work effectively with a consultant.

We see a very similar pattern if we just look at IT components (See Figure 193). More than a quarter of organizations with simpler IT infrastructures (five or fewer components) are unsure about the helpfulness of an outside consultant; at the same time, over a third would see such assistance as very helpful. At the other end of the distribution of IT components (9 or more), only about a quarter say a consultant would be very helpful and another half say somewhat helpful.

**Figure 193: Helpfulness of consultant assistance and number of IT components (n=307)**

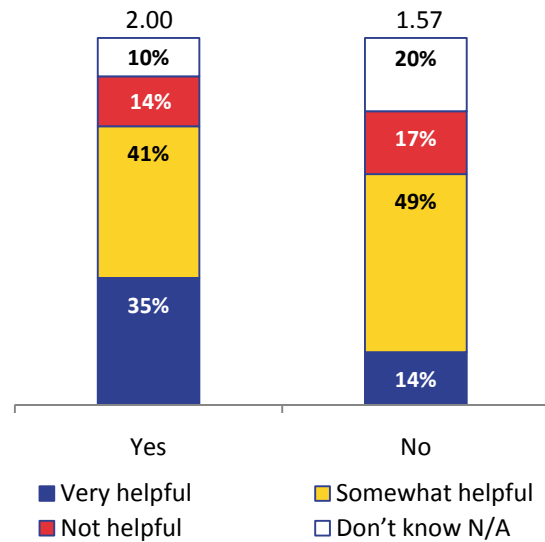


The presence of certain specific components (e.g., written personnel policies and job descriptions, a recent strategic plan, staff/board orientation, etc.) also impact how helpful organizations see outside consultants. Generally speaking, organizations without these elements are more likely to say such assistance would be very helpful or might not

apply to their circumstances. Providers with these elements are more likely to say such assistance would be somewhat helpful.

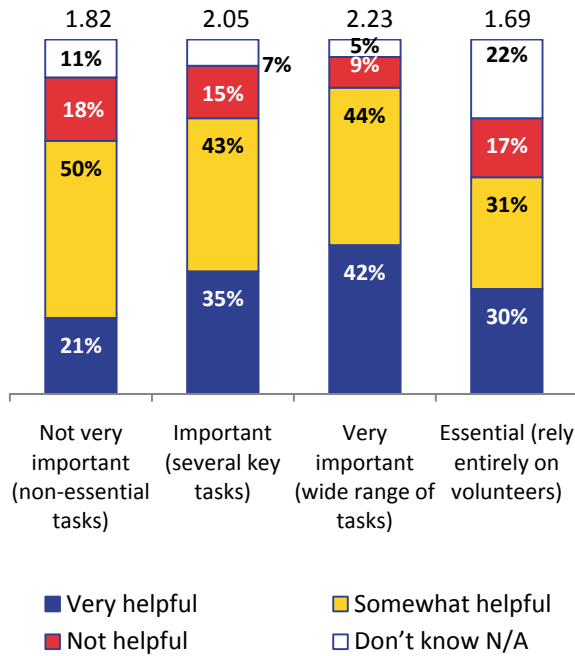
Additionally, an organization's use of volunteers is related to how helpful it sees outside consultants (See Figure 194). Over 75 percent of organizations that use volunteers say a consultant would be helpful, compared to 63 percent of organizations that do not. A fifth of organizations that do not have volunteers say they are unsure about the helpfulness of an outside consultant.

**Figure 194: Helpfulness of consultant assistance and use of volunteers (n=284)**

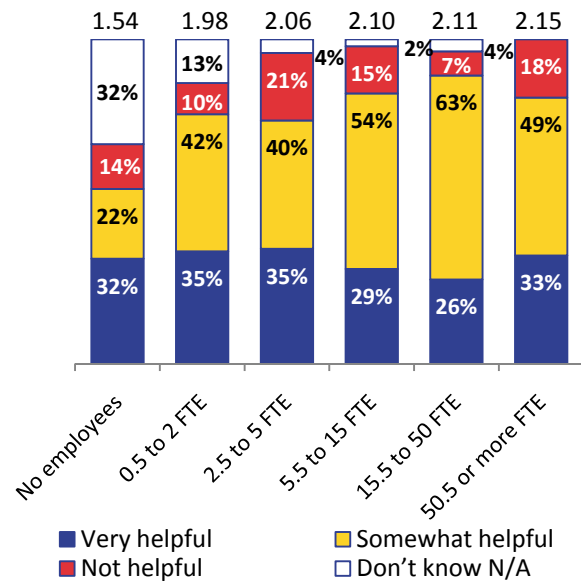


In turn, as illustrated in Figure 195, we see that two-fifths of organizations that rely entirely on volunteers indicate a consultant would not be helpful (17 percent) or uncertainty about how helpful such assistance would be (22 percent). It could be that these organizations do not believe they have the capacity to effectively manage such assistance. Except for this group of organizations that relies entirely on volunteers, the helpfulness of a consultant generally increases with the importance of volunteers in the organization.

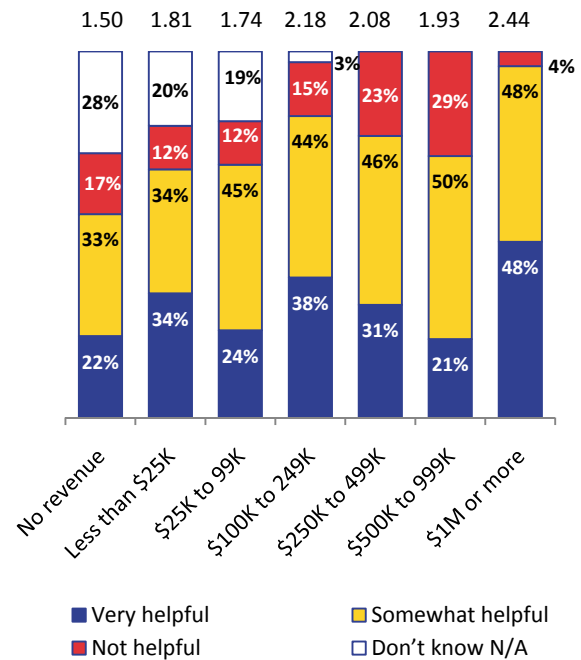
**Figure 195: Helpfulness of consultant assistance and importance of volunteers**



**Figure 196: Helpfulness of consultant assistance and organization size (n=279)**



**Figure 197: Helpfulness of consultant assistance and annual revenue (n=205)**



*Organizational Characteristics*

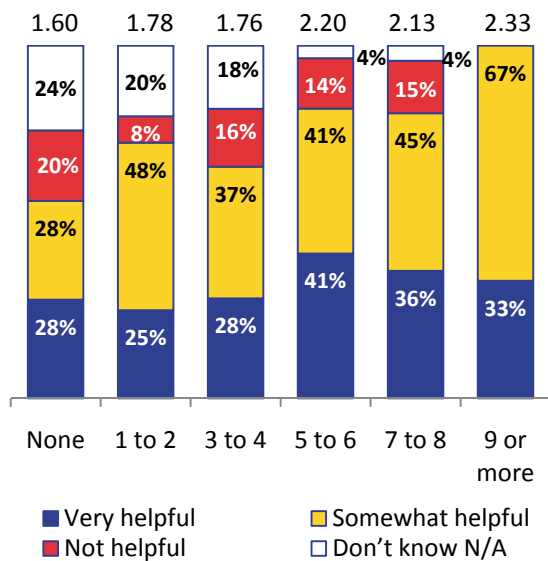
The number of paid employees factors into how helpful an organization judges an outside consultant. As we observed with the volunteer factors, Figure 196 shows that organizations with no employees (thus likely relying heavily on volunteers) are more uncertain about the helpfulness of an outside consultant than those with employees. In organizations with 2.5 or more employees, at least 75 percent say a consultant would be helpful, with a quarter to a third saying such assistance would be very helpful.

When we measure organization size by annual revenue, we see a very similar (albeit marginal) relationship (See Figure 197). A fifth to a quarter smaller organizations (annual revenue less than \$100 thousand) are unsure about the applicability or helpfulness of an outside consultant. This makes sense, because these organizations are likely to have few or no paid staff. Additionally, these organizations might be more concerned about the potential cost of outside consultation.

We see this pattern also reappears when we look at the number of income sources (See Figure 198). On average, a little over a fifth of organizations with four or fewer income sources say they are unsure how helpful or how applicable this type of assistance would

be for their organizations, while more than a quarter say such assistance would be very helpful. These responses again illustrate that less complex organizations demonstrate a greater diversity of opinion about what assistance would be most helpful to their organizations.

**Figure 198: Helpfulness of consultant assistance and number of income sources (n=256)**



### Student Intern

Opinions about the helpfulness of a student intern are very similar to those regarding an outside consultant, with 31 percent saying such assistance would be very helpful and 45 percent saying somewhat helpful. Once again, we see an organization’s mission or focus on the arts has little or no bearing on how helpful it sees student interns. Changes in demand, expenses, and revenue, as well as human resource related components, governance, use of volunteers, and size of paid staff all are factors.

#### Types of Organization

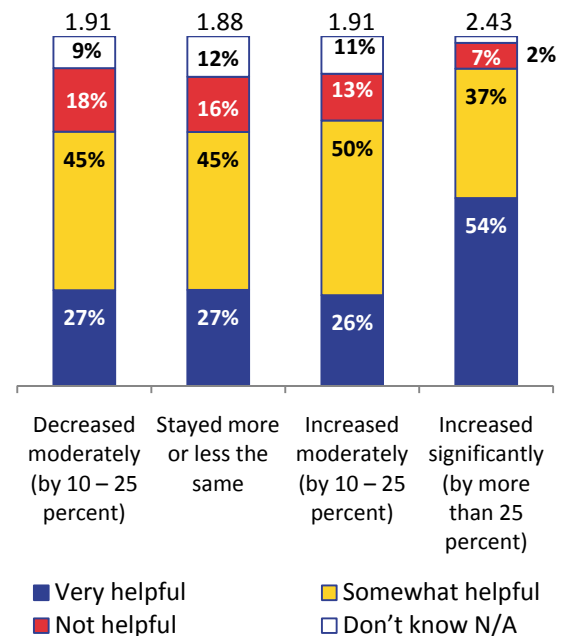
An organization’s mission, sector (public or nonprofit), and focus on arts/culture activities

do not impact how helpful an organization finds a student intern when trying to overcome their capacity building and technical assistance challenges.

#### Changes in Demand for Programs and Services

Changes in demand for arts/culture activities and services over the past three years are related to how helpful organizations think student interns would be in helping them meet their capacity building and technical assistance challenges (See Figure 199). Those where demand increased more than 25 percent are twice as likely to say a student intern would be very helpful (54 percent vs. 26-27 percent) than their counterparts. Possibly these organizations are more open to the new ideas and skills a student intern might bring to their organization given their increase in demands.

**Figure 199: Helpfulness of a student intern and changes in demands for arts/culture programs and services (n=283)**

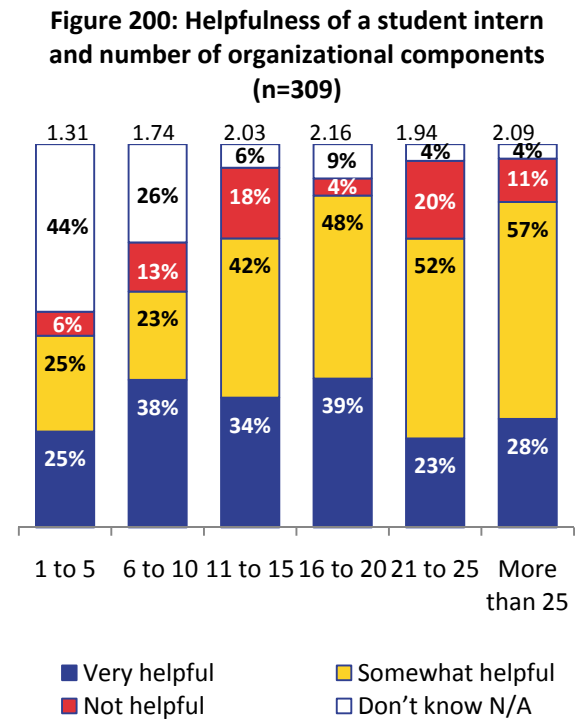


We also asked organizations if changes in demand affected their need for capacity building assistance. As we have seen with other types of assistance, increases in need are

positively associated with the helpfulness of a potential student intern.

*Activities, Policies, and Procedures*

The potential helpfulness of a student intern is also related to organizational formality (as measured by the number of capacity components). As we saw when looking at the helpfulness of an outside consultant, a larger proportion (44 percent) of organizations with very few components (five or fewer) are unsure about the helpfulness of a student intern or believe such assistance would not apply to their organizations (See Figure 200).

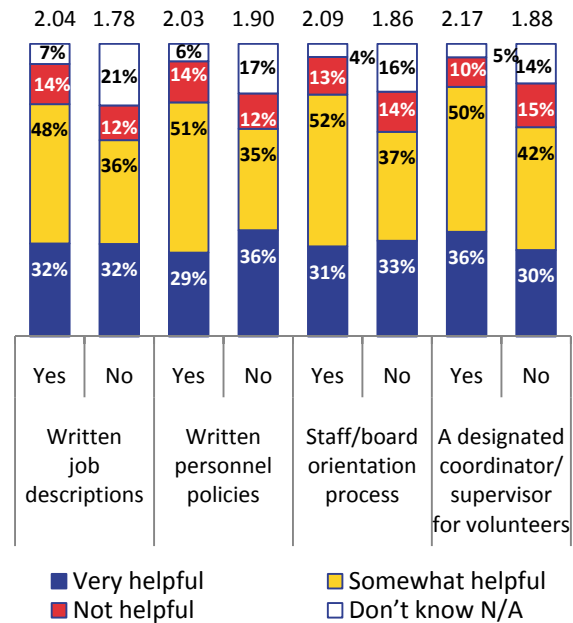


This frequency drops to 26 percent in organizations with six to ten components, and then to single digits for organizations with more than ten. When eleven or more components are present, at least three-quarters of organizations see a student intern as being helpful. These trends suggest that less formalized organizations have a greater diversity of opinion than their peers and might benefit from information on how a

student intern could potentially assist them with their challenges.

We also examined if certain human resource components – written job descriptions and personnel policy, a staff/board orientation process, and a designated supervisor for volunteers – might be relevant to how helpful organizations judge student interns (See Figure 201).

**Figure 201: Helpfulness of a student intern and number of human resource related components (n=309)**



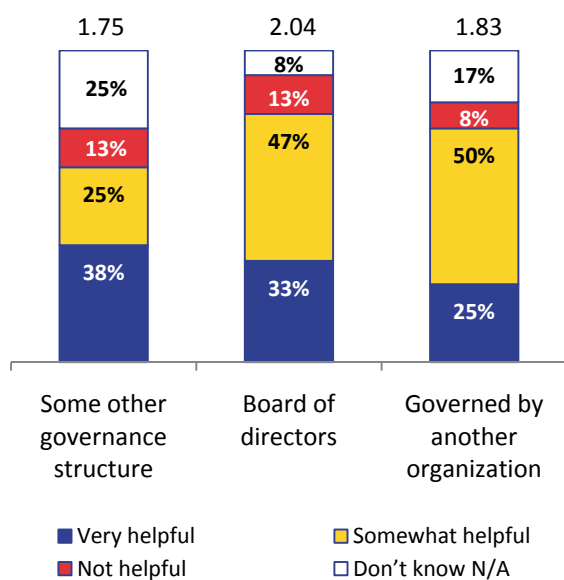
Generally speaking, about a third of organizations say a student intern would be very helpful regardless of these components; additionally, about 10 to 15 percent say an intern would not be helpful. However, organizations with these elements in place are more likely to say an intern would be somewhat helpful (an average of 50 percent compared to 39 percent). Furthermore, organizations without these elements are more than twice as likely to be unsure about an intern’s helpfulness (an average of 6 percent compared to 16 percent). Overall, these results indicate that organizations with



these human resource elements in place are surer about the helpfulness of this type of assistance and are more inclined to see it as somewhat helpful in meeting their capacity building challenges.

The helpfulness of an intern also tends to be associated with an organization’s governance structure (See Figure 202). Organizations governed by a board of directors are the most likely to see interns as being helpful (80 percent), followed by organizations governed by another organization (75 percent). Those using some other governance structure have a greater diversity of opinion. About two-thirds say an intern would be helpful, while a quarter say they are unsure. Additionally as we have seen before with other forms of assistance, organizations with board vacancies are more likely to see an intern as being helpful.

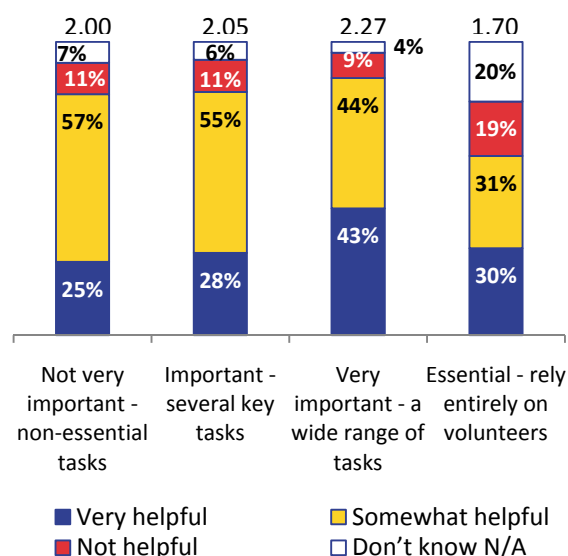
**Figure 202: Helpfulness of a student intern and organization governance (n=288)**



As expected, organizations that have volunteers (other than board members) see a student intern as more helpful than other organizations. In most cases, approximately 85 percent of organizations say a student intern would be helpful (See Figure 203). However, only 61 percent of organizations

which say volunteers are essential report a student intern would be helpful with the remaining portion split saying an intern would not be helpful, or they are unsure about an intern’s helpfulness. We speculate that many of these organizations might lack the capacity to effectively use an intern’s skills, because they operate with a minimal paid staff at best.

**Figure 203: Helpfulness of a student intern and importance of volunteers (n=245)**



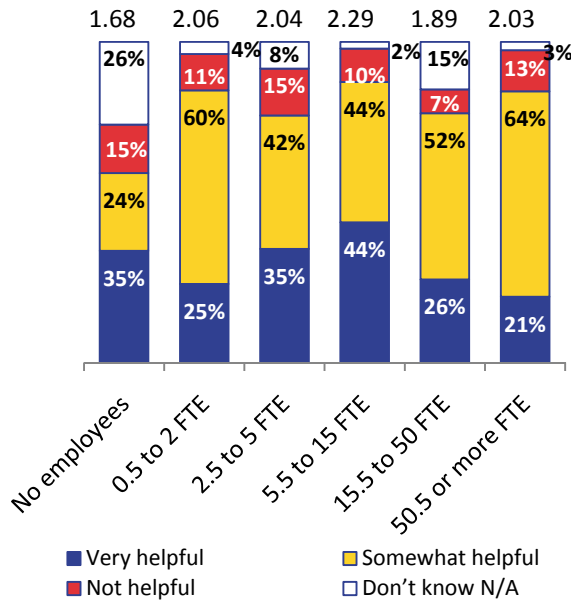
### Organizational Characteristics

When we look at organization size (as defined by full time staff members) in Figure 204, we do indeed see that organizations with no employees are more likely to be unsure about interns (26 percent) and less likely to find them helpful (59 percent). Furthermore, midsized organizations (5.5 to 15 FTE) overall find interns more helpful than other organizations.

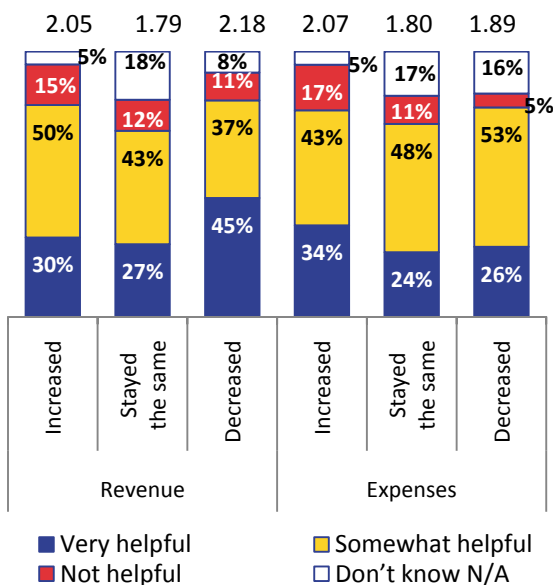
While an organization’s annual revenue is not a factor in how helpful it sees student interns, recent changes in revenues and expenses are (See Figure 205). As we might expect, organizations that have seen decreases in revenues and/or increases in expenses are most likely to say a student intern would be very helpful (revenue – 45 percent compared

to 27-30 percent, expenses – 34 percent compared to 24-26 percent). But overall, about three-quarters of organizations see a student intern as helpful, regardless of changes. This indicates that organizations under fiscal stress might find interns slightly more helpful than their peers.

**Figure 204: Helpfulness of a student intern and organization size (n=281)**



**Figure 205: Helpfulness of a student intern and changes in revenue/expenses (n=219,207)**



## Workshops

When asked about workshops or other offsite training, 29 percent of organizations say such assistance would be very helpful and an additional 49 percent say somewhat helpful. Many factors relating to this type of assistance (e.g., changes in demand, IT infrastructure) show a pattern similar to other forms of assistance previously discussed. Additionally, organization mission, staff size, and various human resource related policies are also related to the helpfulness of workshops.

### Types of Organizations

An organization’s mission has a marginal effect on how helpful it sees workshops and other off-site training (See Figure 206). Over 90 percent of youth and human service organizations, K-12 educational institutions, and libraries think that workshops would be helpful, with 21 to 28 percent saying they would be very helpful. This compares to around three-fourths of visual arts, culture and humanities, performing arts, and support organizations. While an organization’s focus on the arts was not a significant factor, it does seem that organizations focused on art/culture see workshops as slightly less helpful than their multipurpose peers.

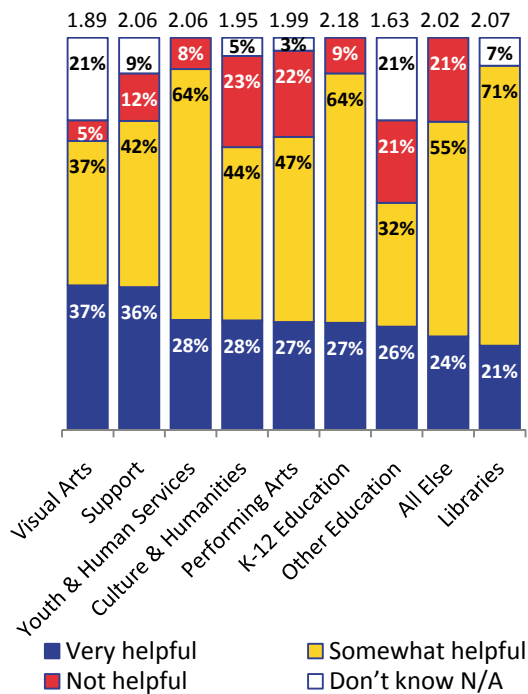
### Changes in Demand for Programs and Services

Changes in demand for arts/culture programs and services over the past three years are also related to how helpful an organization sees workshops. As seen with previous types of assistance, organizations are more likely to find workshops very helpful if they have experienced a significant (more than 25 percent) increase in demand. In every other regard, attitudes are relatively similar.

The helpfulness of workshops is related to the organization’s formality or complexity (as defined by the presence of certain policies, mechanisms, and procedures). Figure 207 illustrates a pattern similar to those observed with other forms of assistance. As formality

increases, organizations are less likely to say they are unsure about the helpfulness or applicability of workshops; they are also more likely to see such assistance as somewhat helpful. Furthermore, organizations with the least formality tend to have a greater diversity of opinions (i.e., a wider distribution of responses) than their more formal peers.

**Figure 206: Helpfulness of workshops and other off-site training for different types of organizations (n=308)**



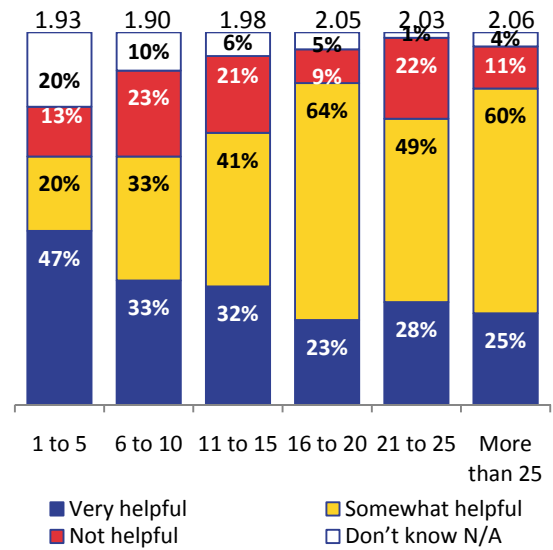
*Activities, Policies, and Procedures*

Certain organizational components seem particularly related to how helpful organizations see workshops. For example, organizations with more IT components tend to rank workshops more helpful on average.

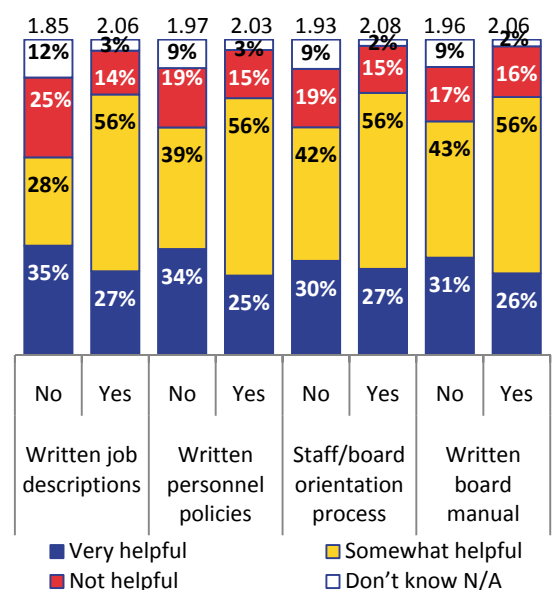
Additionally, we speculated that human resource policies and procedures (e.g., written job descriptions and personnel policies, orientation processes, board manuals) might be related to the helpfulness of workshops, as this form of assistance requires an investment of staff time and energy (See Figure 208). Indeed, when any of these elements is in

place, more organizations say workshops would be at least somewhat helpful (83 vs. 71 percent on average). Organizations without these components are slightly more likely to report workshops would be very helpful (32 vs. 26 percent on average) or not helpful (19 vs. 15 percent on average).

**Figure 207: Helpfulness of workshops and whether organizations have certain policies and procedures (n=305)**



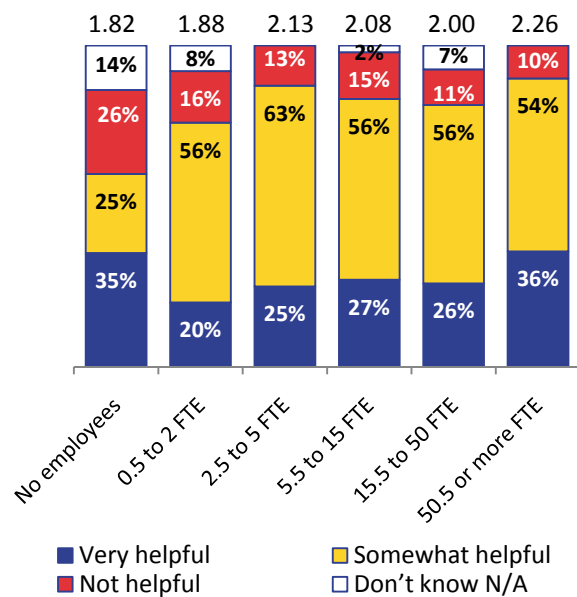
**Figure 208: Helpfulness of workshops and whether organizations have certain human resource policies (n=305)**



### Organizational Characteristics

Generally organizations with more staff members see workshops as being more helpful (See Figure 209). Thus, organizations with 0.5 to 2 full time staff members give workshops an average helpfulness score of 1.88, compared to 2.26 for organizations with 50.5 or more paid staff members. This in part might be because larger organizations have more staff members that they can send to workshops. But also notice that over a third of organizations with 50.5 or more employees and organizations with no employees say such assistance would be very helpful, compared to about 25 percent of other organizations.

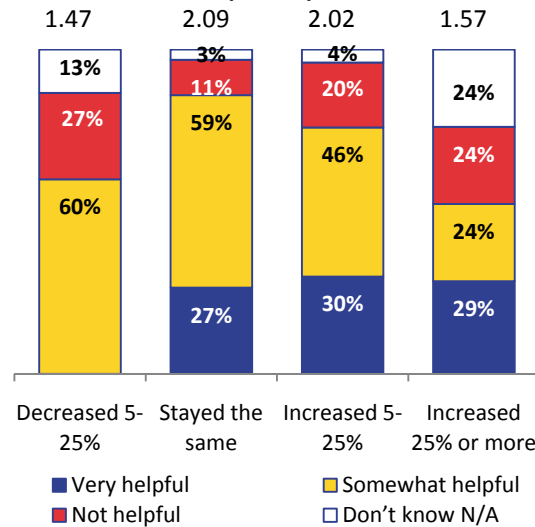
**Figure 209: Helpfulness of workshops for organization size (n=277)**



Changes in expenses over the last three years are also related to how helpful organizations see this form of assistance (See Figure 210). Organizations that experienced no changes were the most likely to say workshops would be helpful. In cases where expenses increased more than 25 percent, we see a quarter of organizations are unsure about the helpfulness of such assistance. This suggests organizations experiencing volatility in their expenses might not have the capacity to send staff to training

or are interested in more fundamental forms of assistance (e.g., direct financial support).

**Figure 210: Helpfulness of workshops for organizations and changes in expenses (n=200)**



Note: Due to the small number of responses (n=4) frequencies of organizations experiencing decreases of more than 25% have been suppressed.

### Loaned Executive

A little more than half the responding organizations say a loaned executive would be helpful when trying to address their capacity building and technical assistance challenges. This is significantly lower than other types of technical assistance. The factors related to the helpfulness of a loaned executive include changes in demand for services, organizational formality/complexity, governance, and staff size; but, these relationships are more driven by the uncertainty about the helpfulness or applicability of this type of assistance.

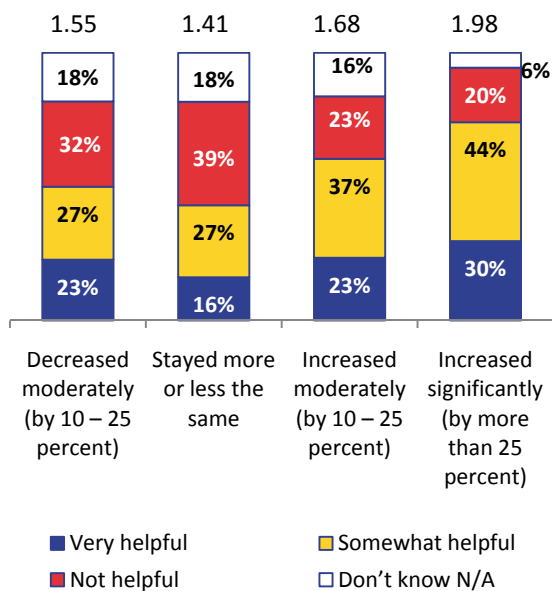
### Types of Organization

An organization's mission, sector (public or nonprofit), and focus on arts/culture activities do not impact how helpful an organization would find a loaned executive when trying to overcome their capacity building and technical assistance challenges.

### Changes in Demand for Programs and Services

Changes in demand for programs and services over the past three years have a marginal relationship with the helpfulness of a loaned executive (See Figure 211). Organizations which experienced significant increases in demand are more likely to report that such assistance would be very helpful (30 percent) and were less unsure about the helpfulness of a loaned executive (6 percent). This could be because such organizations are seeking expertise, or are looking for any and all ways to meet these increases. In comparison, only 43 percent of organizations that experienced no change and 50 percent of organizations that experienced a moderate decrease say a loaned executive would be at all helpful.

**Figure 211: Helpfulness of a loaned executive and recent changes in demand for programs/services (n=280)**



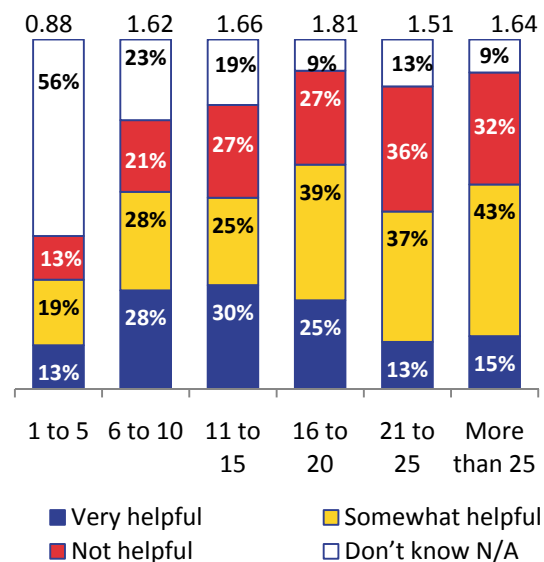
Note: Due to the small number of responses (n=4) frequencies of organizations experiencing decreases of more than 25% have been suppressed.

### Activities, Policies, and Procedures

The presence of certain organizational components (policies, training programs, IT resources, etc.) is also related to how helpful

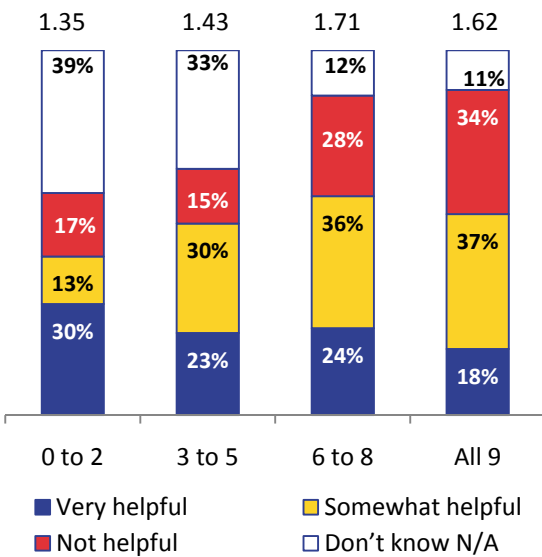
organizations see a loaned executive (See Figure 212). Over half of the least formalized organizations (those with only 1 to 5 components) think such assistance would not apply to their organization or they are unsure about the helpfulness of a loaned executive. Generally, organizations with more components also are less likely to report that a loaned executive would be very helpful, but more likely to say such help would be somewhat helpful. This suggests that organizations of moderate formalization might benefit most from this type of assistance.

**Figure 212: Helpfulness of a loaned executive and number of organizational components (n=306)**

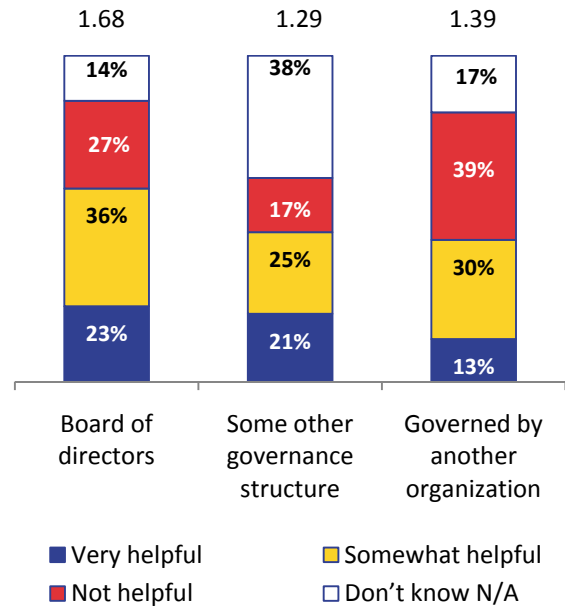


Certain components are notably related to how organizations view the helpfulness of a loaned executive. For example, over a third organizations with limited IT resources (five or fewer) say they are unsure about the helpfulness of a loaned executive, compared to 11 to 12 percent for organizations with 6 or more components (See Figure 213). While IT is not a likely to be direct factor in how an organization judges the helpfulness of this type of assistance, it does indicate the robustness of organizational infrastructure.

**Figure 213: Helpfulness of a loaned executive and number of IT organizational components (n=306)**



**Figure 214: Helpfulness of a loaned executive and governance structure (n=285)**

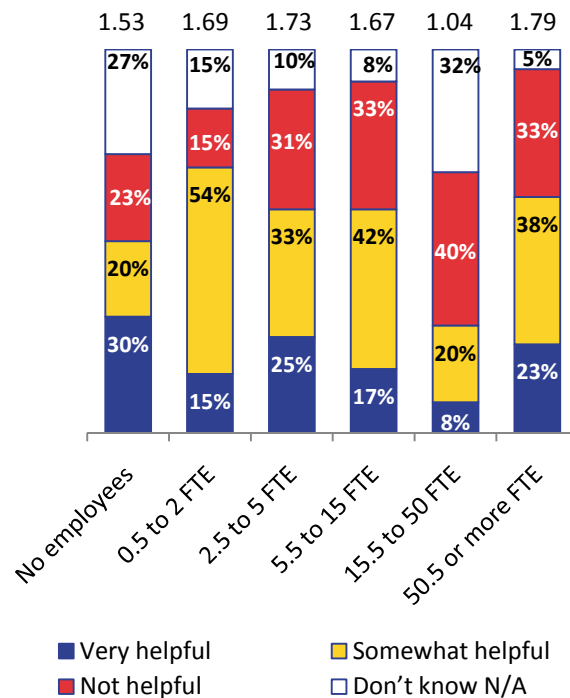


Additionally, the governance structure of the organization is a marginal factor in how helpful an organization judges this form of assistance (See Figure 214). Organizations governed by a board of directors generally think a loaned executive would be more helpful than their peers governed by another organization or some other structure. Also, as we have seen with other forms of assistance, organizations that have board vacancies also tend to find this assistance more helpful than their peers with full boards (helpfulness scores of 1.94 versus 1.51).

*Organizational Characteristics*

In Figure 215, we can see a complex relationship between an organization’s size (as defined by the number of paid staff) and how helpful it sees the assistance of a loaned executive. There are no clear or obvious trends, which leads us to believe another factor (e.g., employee skill level) might underlie these differences.

**Figure 215: Helpfulness of a loaned executive and organization size (n=278)**





The presence of surpluses/deficits and changes in revenue also have marginal relationships with the helpfulness of a loaned executive. As observed with other forms of assistance, organizations that “break even” see this form of assistance as less helpful than organizations that have surpluses or deficits. Similarly, organizations that experienced increases or decreases in revenue find this form of assistance more helpful than organizations that experienced no change. These findings indicate interest in this type of assistance is driven by volatility or instability in finances.

## **5. ASSISTANCE FROM THE IAC**

In addition to asking about a variety of potential types of assistance, we also asked specifically about the helpfulness of potential forms of assistance from the IAC. We find that certain financial characteristics and the use of volunteers have relationships with all types of IAC assistance. For the most part, relationships vary for each question perhaps suggesting respondents answered more in regards to the type of assistance, rather than the role of the IAC in providing it. Most respondents say project and operation funds would be very helpful. While organizations did not rate workshops as high as funding assistance, when they described other forms of assistance that would be helpful, they emphasized the helpfulness of convenient and affordable training options.

### **Project Funds**

Nearly all organizations say that project funds from the IAC would be helpful in meeting capacity building and technical assistance challenges (80 percent saying very helpful, and 17 percent saying somewhat helpful). Due in part to this near universality of opinion, we find very few meaningful relationships between these opinions and organizational characteristics.

### *Types of Organization*

Different types of organizations do not see project funds as more helpful than other types of organizations, regardless of their mission, focus on the arts, or sector (public or private).

### *Changes in Demand for Programs and Services*

We asked organizations if demands for arts/culture programs and services had changed over the past three years. Such changes have no effect on how helpful organizations judge project funding.

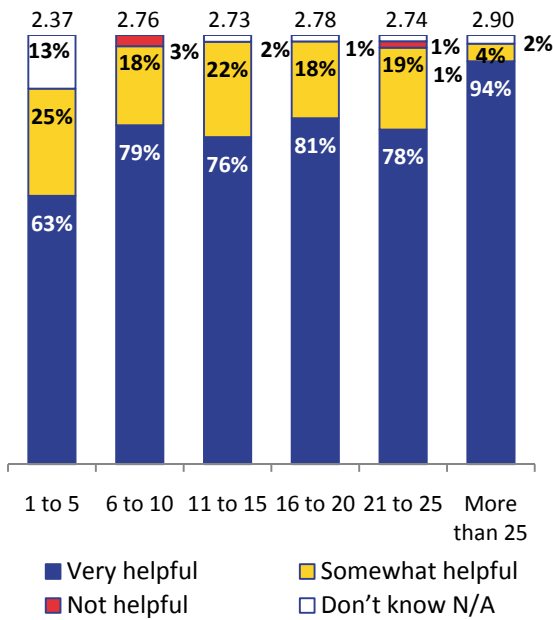
### *Activities, Policies, and Procedures*

We do observe a marginally significant relationship between formality/complexity (as measured by the presence of key components) and this type of assistance (Figure 216). Generally, we find that organizations with very few components are the least likely to see project funding as very helpful (63 percent), compared to nearly all (94 percent) of those with 25 or more components. Organizations falling in between have very similar opinions with 78 percent on average saying such assistance would be very helpful and another 19 percent saying it would be somewhat helpful. While project funding overall is very popular, these findings could indicate more formal organizations might find project funding more valuable than their peers.

### *Organizational Characteristics*

Additionally, whether an organization uses volunteers also is related to how helpful it judges IAC project funding. Three-quarters of organizations without volunteers see this type of assistance as very helpful, compared to 82 percent of those with volunteers. In both cases, 17 percent of organizations see project funding as somewhat helpful. We suspect organizations with volunteers have more projects, which thus leads to a greater demand for this type of funding.

**Figure 216: Helpfulness of IAC project funding and number of organizational components (n=301)**



### Operation Funds

As we saw with project funds, nearly all organizations say operation funds would be helpful (79 percent saying very helpful and 14 percent saying somewhat helpful). Here, however, we see a few more relationships with organizational characteristics, including governance and changes in revenue/expenses.

#### Types of Organizations

Different types of organizations do not see operation funding as more helpful than other types of organizations, regardless of their mission, focus on the arts, or sector (public or private).

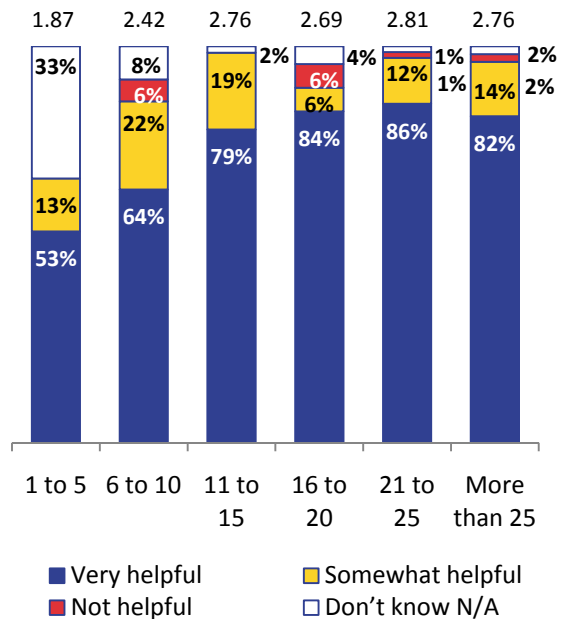
#### Changes in Demand for Programs and Services

We asked organizations if demands for arts/culture programs and services had changed over the past three years. Such changes have no effect on how helpful organizations judge operation funding.

### Activities, Policies, and Procedures

We asked organizations about a variety of components (e.g., IT elements, personnel policies, governance procedures, etc.) that are associated with formality or current capacity. In Figure 217, we see that only about one-half of organizations with five or fewer components see this type of assistance as very helpful. When organizations have at least 16 components, over 80 percent see this assistance as very helpful. Specifically looking at IT components, about 63 percent of organizations see operation funds as very helpful when they have five or fewer IT components, compared to 83 percent with six to nine. As with other types of assistance, this relationship indicates that organizations with more formality have generally more extensive operations tasks and procedures. Thus, the might find operation funding more helpful than their less formalized peers.

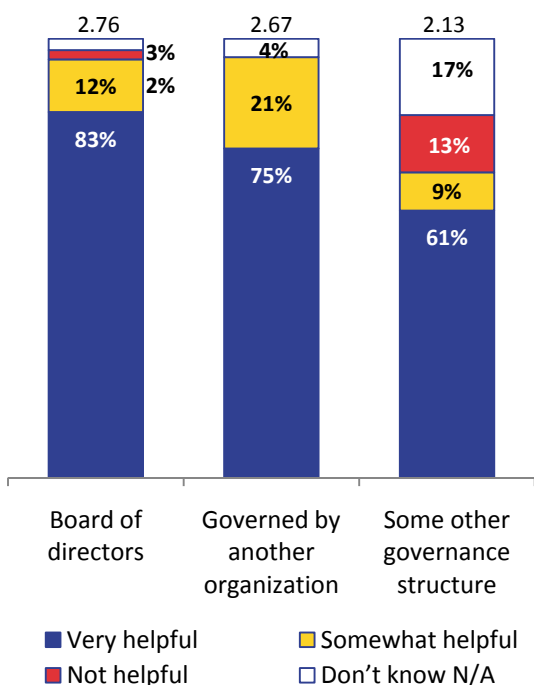
**Figure 217: Helpfulness of IAC operations funding and organizational components (n=300)**



Governance also relates to the helpfulness of project funding (Figure 218). Organizations governed by a board of directors most frequently report operation funding would be very helpful (83 percent), compared to 75

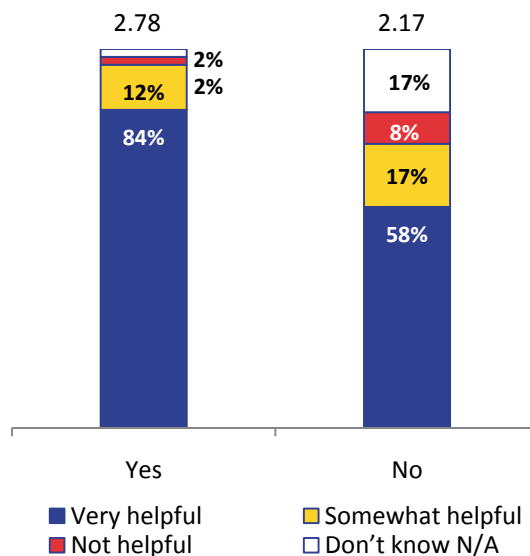
percent of providers governed by another organization, or 61 percent of organizations using some other structure. Note that the type of sector involved (public or nonprofit) is not related to the helpfulness of operation funding, so sector is not the likely explanation for this finding. Rather, we speculate those governed by another organization or by some other structure might have stronger ties to other organizations that could assist them with operations.

**Figure 218: Helpfulness of IAC operations funding and governance structure (n=281)**



We also find that organizations that use volunteers (other than board members) also say operations assistance would be more helpful than their peers – a helpfulness score of 2.78 compared to 2.17 (Figure 219). Approximately 25 percent of organizations without volunteers say operation funding would not be helpful or they are unsure about its helpfulness. Possibly, organizations with volunteers have more extensive operations, thus impacting how helpful they see related assistance.

**Figure 219: Helpfulness of IAC operations funding and use of volunteers (n=279)**



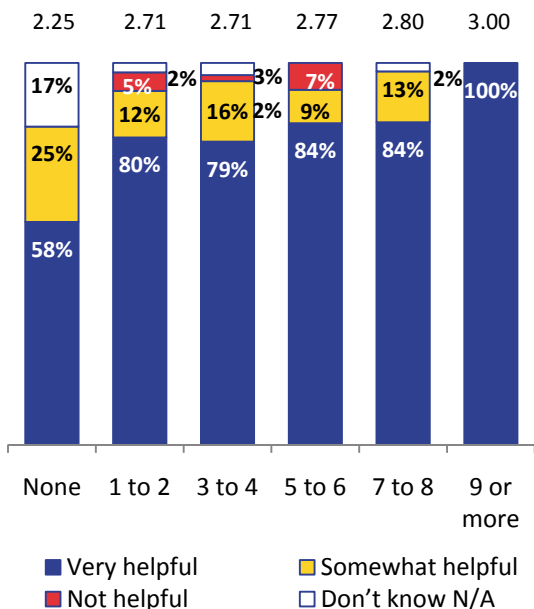
We see another familiar pattern when we look at the relationship between the helpfulness of operation funding and number of revenue sources. Figure 220 illustrates that all organizations with nine or more income sources say such assistance would be very helpful, compared to only 58 percent of organizations with no sources. In between these extremes, about 80 percent with one to four sources and about 84 percent with five to eight sources say it would be very helpful. Interestingly, the presence of government funding is also significant; organizations receiving such help report see IAC operation funds as more helpful compared to organization that do not.

### *Organizational Characteristics*

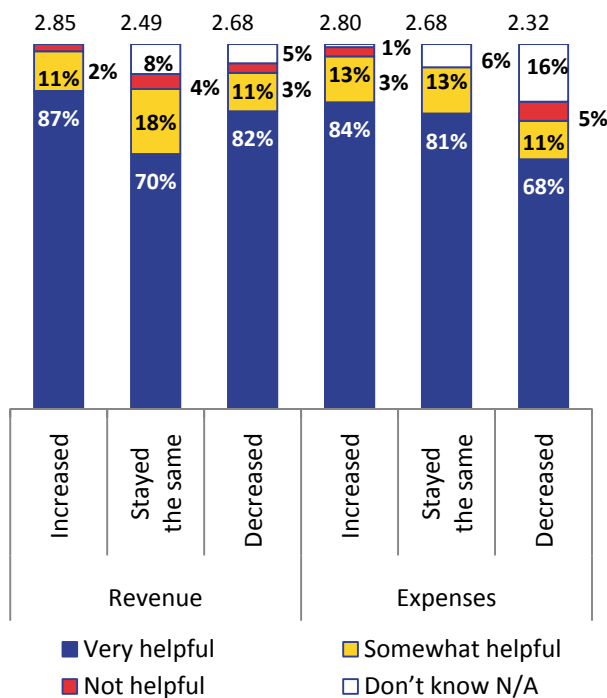
Changes in revenue and expenses over the past three years also relate to the helpfulness of operation funding from the IAC (Figure 221). With revenue changes, we can see organizations find this form of assistance the least helpful when there has been relatively no change. We suspect organizations going through a growth phase or suffering shortfalls would both be very interested in this type of assistance. Looking at expenses, organizations experiencing a decrease in expenses see

operation funding as least helpful. This might be because such organizations might have a surplus in operational funds.

**Figure 220: Helpfulness of IAC operations funding and number of income sources**



**Figure 221: Helpfulness of IAC operations funding and changes in revenue/expenses (n=201)**



## Regional Training/Workshops

Over 80 percent of respondents say regional training and workshops would be helpful, with 35 percent saying they would be very helpful in meeting their capacity building and technical assistance challenges. The diversity of opinion for this type of assistance is much wider than either form of fund assistance. Characteristics like mission, advocacy activities, the role of volunteers, and size are related to the helpfulness of this type of assistance.

### Types of Organization

Unlike other forms of potential IAC assistance, an organization's mission is related to how helpful it sees regional training and assistance (Figure 222). For all mission categories, at least three-fourths of organizations see workshops and training as at least somewhat helpful. All visual arts organizations and libraries see such assistance as at least somewhat helpful, while one-fifth of culture and humanities, youth and human service, and performing arts organizations say such assistance would be inapplicable, uncertain, or not helpful in facing their challenges.

### Changes in Demand for Programs and Services

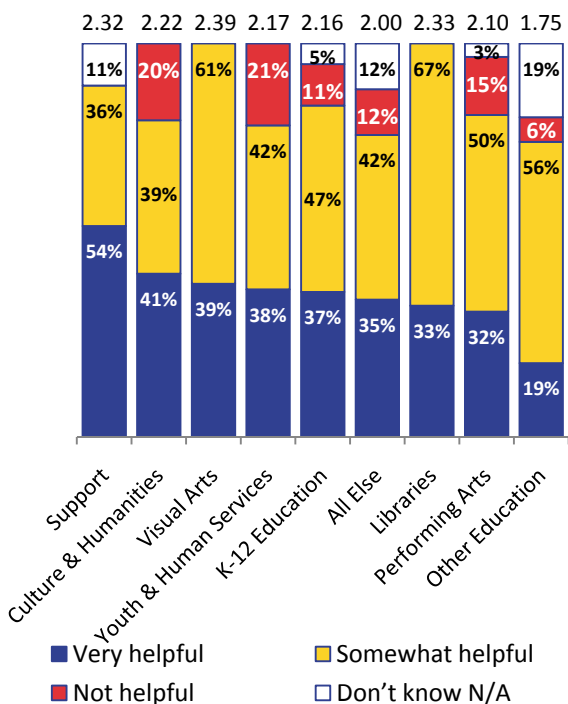
The survey asked organizations if demands for arts/culture programs and services had changed over the past three years. Such changes are not related to how helpful organizations judge workshops and training.

### Activities, Policies, and Procedures

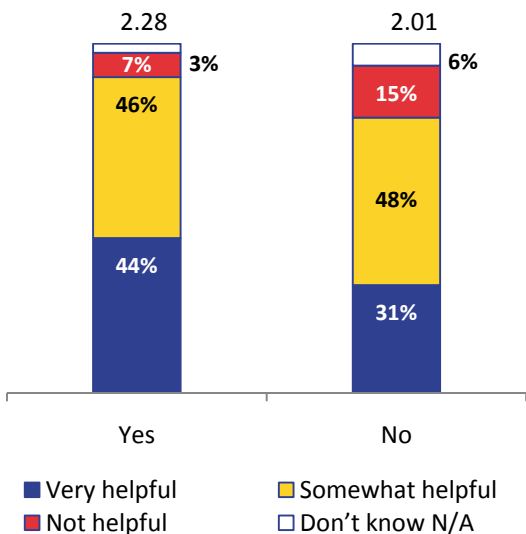
An organization's policy and advocacy activities relate in a limited way to the helpfulness of IAC workshops and training (Figure 223). Organizations involved in any advocacy activity – particularly educating the general public about certain arts and culture policy issues – tend to see workshops and training as more helpful than organizations uninvolved in such activities (a helpfulness score of 2.28 vs. 2.01). We suspect

organizations engaged in such outreach would similarly appreciate the IAC reaching out to them in the form of these workshops.

**Figure 222: Helpfulness of IAC regional training/ workshops for different types of organizations (n=289)**

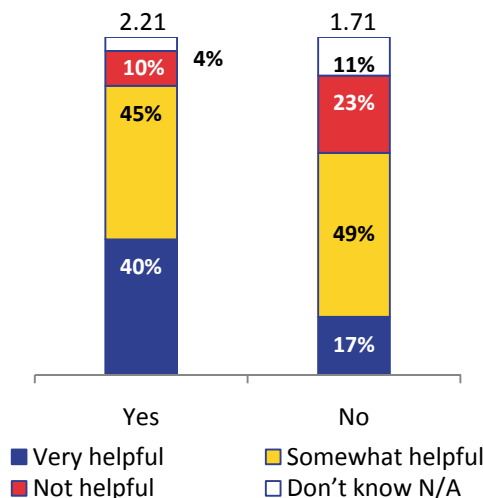


**Figure 223: Helpfulness of IAC regional training / workshops and whether the organization seeks to advocate any public policy (n=290)**



The presence and importance of volunteers in organizations is also related to the helpfulness of IAC workshops and training (Figure 224). For example, about 40 percent of organizations with volunteers see workshops and training as very helpful, compared to 17 percent of other organizations. Only 70 percent of organizations, where volunteers are not very important and only perform non-essential tasks, see workshops and training as helpful, in contrast to at least 79 percent of organizations in other categories (Figure 225). Almost half see this form of assistance as very helpful when volunteers are essential or important (performing at least some key organizational tasks), in contrast to about a third of other organizations. Generally, this indicates that organizations relying more on volunteers see workshops and training as more helpful.

**Figure 224: Helpfulness of IAC regional training/ workshops and whether the organization has volunteers (n=277)**

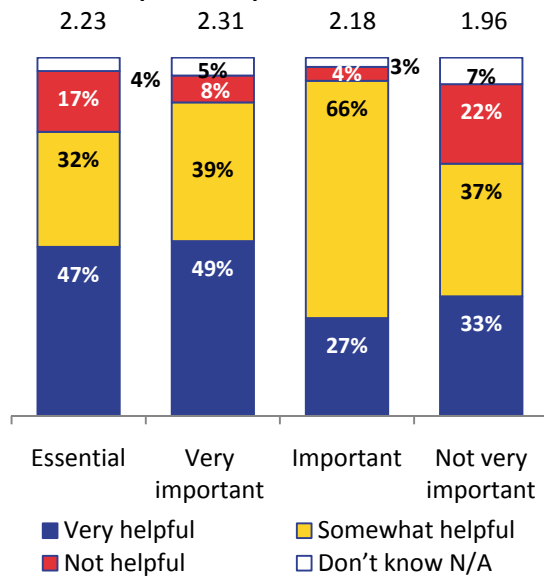


*Organizational Characteristics*

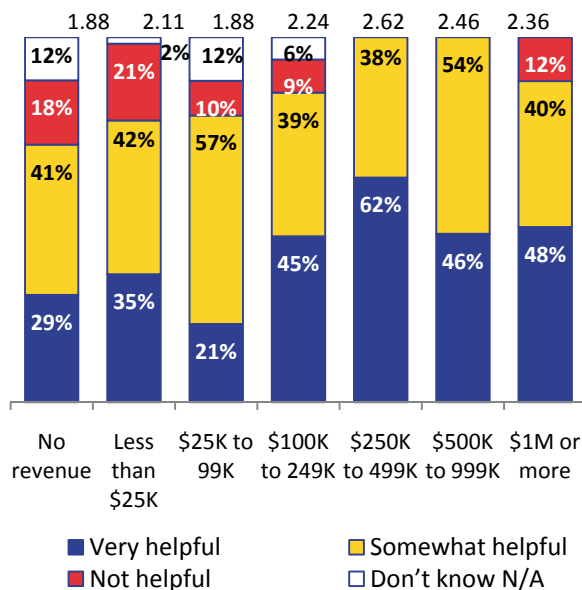
Several financial characteristics are associated with the helpfulness of workshops and training. Figure 226 shows that organizations with \$250 to \$499 thousand in annual revenue find this type of assistance most helpful (average score 2.62). A greater frequency of organizations (15 to 30 percent) below this

level report such assistance would not be helpful or does not apply. We suspect some of these organizations might not be able to afford workshop fees or be able to adjust staff responsibilities to allow participation in training. Also, organizations with revenues greater than \$500 thousand might have their own training regimes.

**Figure 225: Helpfulness of IAC regional training/workshops and importance of volunteers**

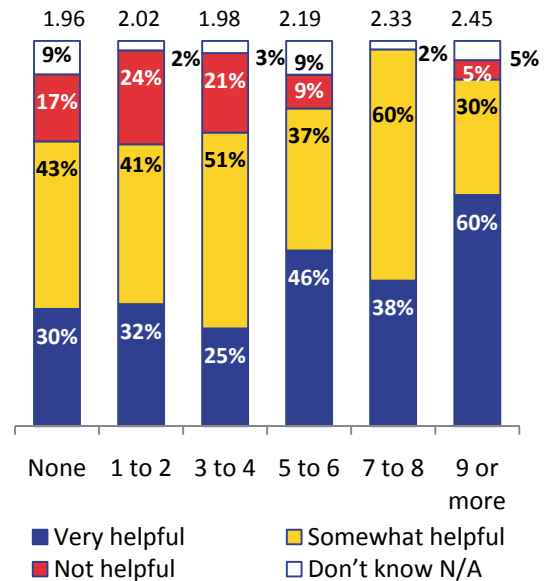


**Figure 226: Helpfulness of IAC regional training/workshops and annual revenue (n=200)**



Similarly, the average helpfulness score increases as organization have more income sources (Figure 227). About a quarter of organizations say such assistance would be unhelpful or inapplicable when they have fewer than five income sources. These organizations might be more interested in financial assistance, rather than training. Additionally, organizations receiving grants from government, community, or other foundations tend to see workshops/training as slightly more helpful than their peers. It could be that groups engaged in grant writing activities are more interested in training to enhance their skills in this area and others.

**Figure 227: Helpfulness of IAC regional training/workshops and number of income sources (n=249)**



### Other Types of IAC Assistance

We additionally asked organizations if the IAC could provide any other type of assistance would be helpful in meeting capacity building and technical assistance challenges. Of organizations that answered this question, about one-third (34 percent) say some other type of IAC assistance would be very helpful. (A handful (3 percent) say it



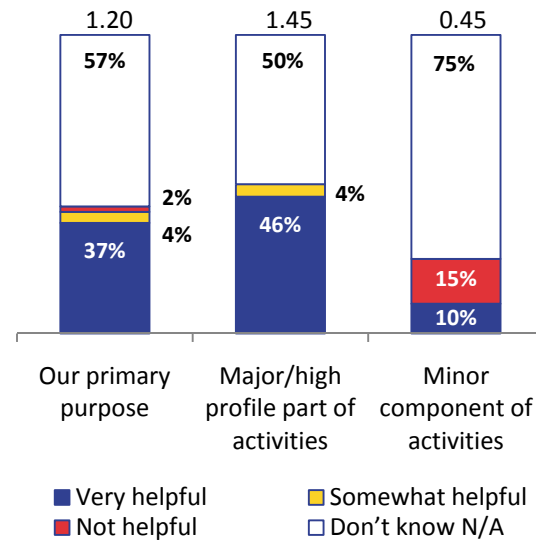
would be somewhat helpful.) Over half (59 percent) of respondents say that they are not sure how helpful other types of assistance would be or if they would be applicable to their organizations. Additionally, over two-thirds (68 percent) of organizations left this question unanswered. Such non-responses might also indicate organizations are unsure about any other particular type of assistance the IAC could offer.

For the most part, there are no substantial relationships between other forms of assistance and organizational qualities. The one salient exception is an organization’s focus on their arts and culture activities (Figure 228). Over a third of organizations that see arts and culture activities as their primary purpose say some other type of assistance would be very helpful, as well as almost half (46 percent) of providers with a major focus on arts/culture. By comparison, 90 percent of organizations with only a minor focus on arts/culture say another type of assistance would either not be helpful or not applicable. This could indicate that organizations with a greater arts and culture focus are more likely to see the IAC as a broad source of assistance. Organizations primarily focusing on other activities might be more likely to seek additional support from a non-arts provider.

We invited respondents to elaborate on the forms of assistance the IAC might offer, and over 50 organizations left comments. About a quarter of these comments refer to training activities and in particular making training more convenient. Some organizations mentioned onsite training/assistance would help avoid the costs of traveling or staffing difficulties during the sessions; other organizations mentioned reduced-cost workshops would be helpful. Several organizations say they could use assistance with public relations and publicity. Many other comments reemphasize the helpfulness of financial assistance, including endowment

funding, challenge grants, and operations funding.

**Figure 228: Helpfulness of any other IAC activities for organizations with different focuses on the arts (n=98)**



## C. REGIONAL COMPARISONS

To explore whether there are regional differences in capacity building challenges or helpfulness of various types of assistance we grouped survey respondents into three broad regions: (1) the Northern region (IAC regions 1 through 5, north and east of Indianapolis), (2) the Indianapolis region (IAC region 7), and (3) the Southern region (IAC regions 6 and 8 through 12, south and west of Indianapolis), see Figure 229. We were unable to determine the location of four respondents.

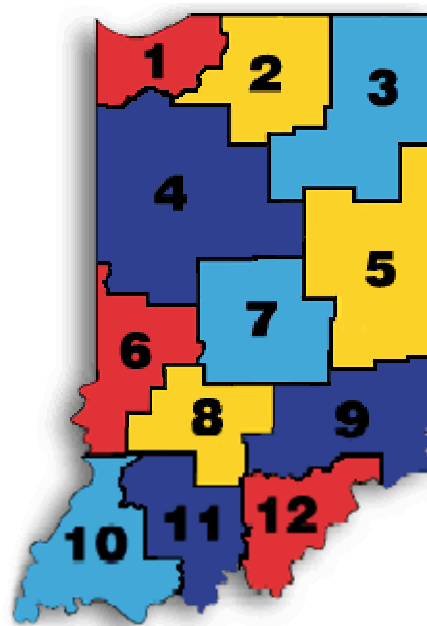
The three regions contain roughly the same number of respondents (140 in the northern region, 102 in the Indianapolis region, 129 in the southern region), thus allowing us to do some more detailed comparisons for both average capacity building challenge scores and average scores for helpfulness of assistance scores.

### *Organizational Characteristics*

Overall there are very few differences in organizational characteristics among regions. When we compared the size of organizations — measured by number of employees and annual revenue/expenses — we initially found some differences. However, these variations become statistically insignificant when we excluded a couple of extraordinarily large organizations in the Indianapolis area from the analysis.

We do find some significant differences among the regions when we look at income sources. Organizations in the northern region have the most income sources on average (5.11), compared to the southern region (4.12) and Indianapolis area (4.07). Table 7 illustrates that the northern region also receives significantly more support from trusts/bequests, federated funders, and corporations and corporate foundations. Other than these few distinctions, there is no statistically significant variation in or organizational characteristics when we compare all three

**Figure 229: IAC Regions**



regions or simply the Indianapolis area to the rest of the state. For complete details, see Appendix D.1.

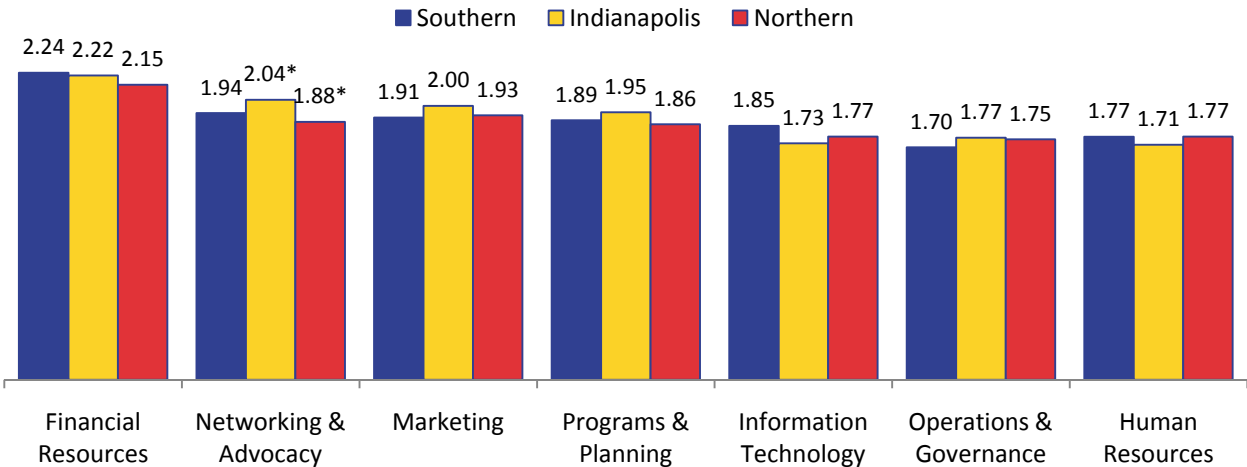
**Table 7: Regional Variation in Income Sources**

<i>Receives income from:</i>	Northern region	Indianapolis	Southern region
Trusts and bequests	37%	17%	9%
Support from federated funders	13%	4%	5%
Donations from corporations & corporate foundations	74%	63%	60%

### *Capacity Building and Technical Assistance Challenges*

There are also very few regional differences in capacity building and technical assistance challenges. As Figure 230 shows, most of the average challenge scores for the seven areas of capacity building differ only slightly among the three regions and only one of the differences are statistically (albeit marginally) significant. To explore regional differences in

**Figure 230: Average Capacity Challenges by Region (n=328-352)**



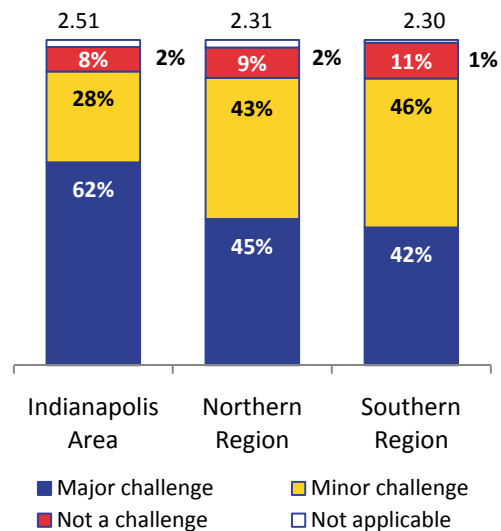
more detail we also compared all possible pairs of regions. We find that Indianapolis organizations report greater challenges in networking and advocacy activities than northern region organizations (2.04 vs. 1.88 on the zero to three point scale). This appears to be mainly because Indianapolis organizations report more severe challenges enhancing their visibility and reputation (2.51) than those in either the northern tier (2.31) or southern tier (2.30) (See Figure 231). Most likely, this reflects the higher density of organizations in Indianapolis and the greater difficulty of standing out in the crowd.

Additionally, we found regional differences related to one of the composite scores created through our factor analysis of challenges. As described previously in our closer look at human resource challenges, the factor analysis procedure helped us construct an average score for “staff management” challenges based on challenges in staff training, recruitment, and managing human resources. This composite score reveals a marginal relationship. On average, the average composite score on this dimension for Indianapolis organizations is 1.55, compared to 1.71 for the rest of the state.

This difference likely reflects the access to a larger pool of potential candidates in the

Indianapolis region. Indeed, if we look specifically at challenges in recruiting and keeping qualified staff (See Figure 232), we find that only 44 percent of Indianapolis organizations report this to be at least a minor challenge, compared to 59 percent of northern and 64 percent of southern organizations.

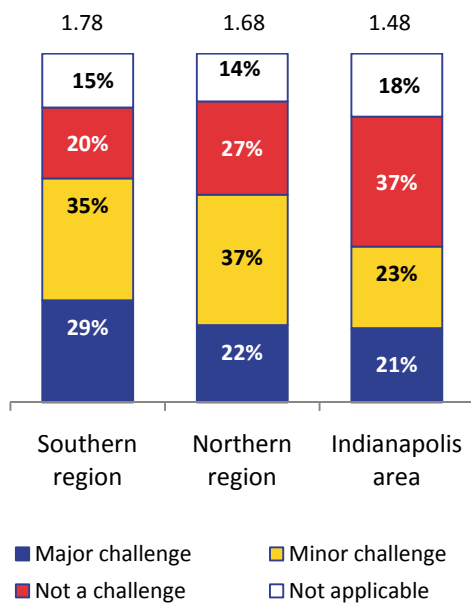
**Figure 231: Challenges enhancing visibility/reputation in different regions of the state (n=340)**



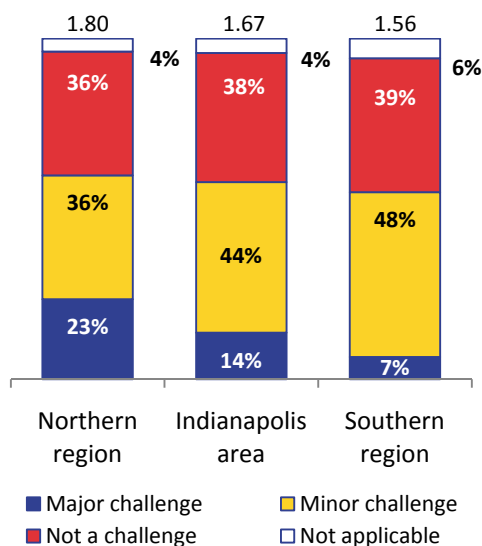
Detailed analysis of other specific challenge items reveals some other regional differences. For example, Figure 233 illustrates that overall, between 55 and 59 percent of

organizations report some challenges in establishing organizational culture regardless of region. However, Northern organizations are more likely to report major challenges in establishing organizational culture, compared to those in the Indianapolis or the southern region (23 vs. 14 and 7 percent, respectively).

**Figure 232: Challenges recruiting and keeping qualified staff in different regions of the state (n=348)**

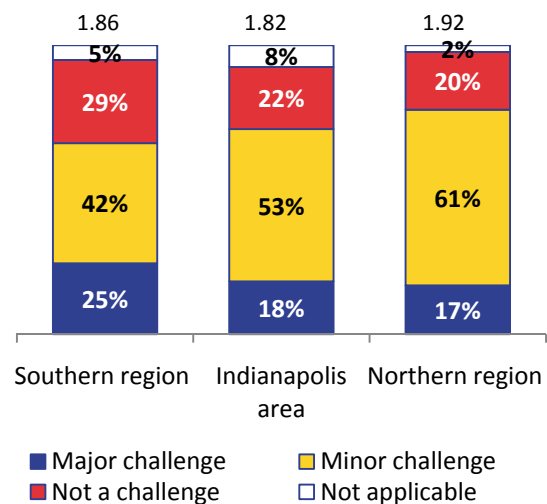


**Figure 233: Challenges establishing organizational culture in different regions of the state (n=349)**



Additionally, we observe regional differences with the challenge of adjusting programs and services to meet changing needs (See Figure 234). Northern region organizations report the most challenges, 17 percent of these being major and 61 percent minor. Organizations in Indianapolis and the southern region more frequently report major challenges, but are less likely to report minor challenges.

**Figure 234: Challenges adjusting programs and services to meet changing needs in different regions of the state (n=341)**

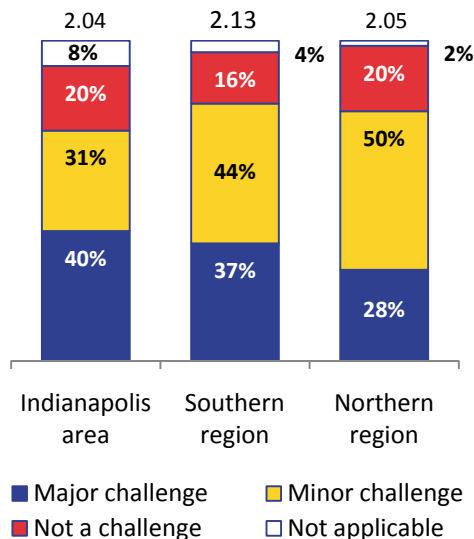


Furthermore, two information technology (IT) related challenges also differ by region — creating a comprehensive and interactive website and getting IT assistance (See Figures 235 and 236). Indianapolis-area organizations more frequently report major challenges with website design. However, southern and northern organizations say they have more minor challenges. Regardless of region, about 60 percent of organizations say they have challenges with getting IT assistance; but southern organizations are more likely to report major challenges (30 percent), compared to their Indianapolis (25 percent) or northern peers (19 percent).

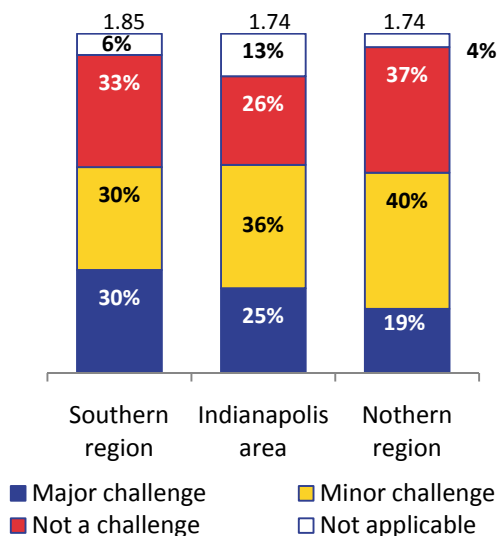
Finally, Figure 237 illustrates that Indianapolis organizations report significantly greater challenges in securing foundation and corporate support than those in the northern

end of the state (2.61 vs. 2.41), mainly because they more frequently report major challenges (68 compared to 52 percent) in this area.

**Figure 235: Challenges creating a comprehensive and interactive website in different regions of the state (n=328)**



**Figure 236: Challenges getting IT assistance in different regions of the state (n=327)**

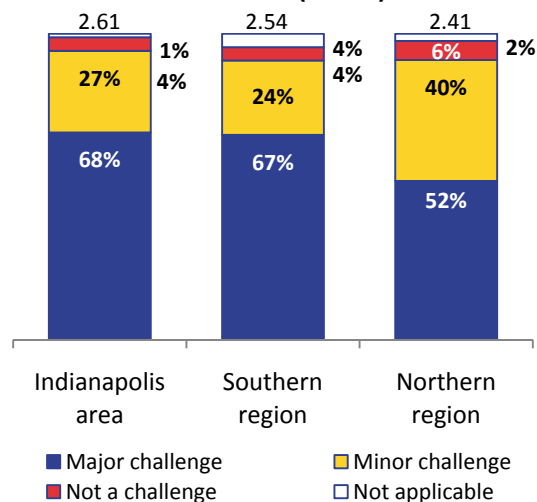


*Assistance for Capacity Building and Technical Assistance Challenges*

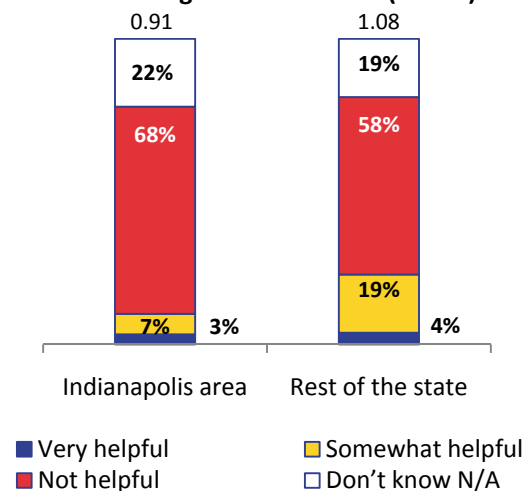
Figure 238 (next page) illustrates how organizations in different areas of the state judge various forms of assistance that might help them in meeting their capacity building

and technical assistance challenges. In almost all cases, the differences in helpfulness among regions are not statistically significant. The exception is assistance in the form of low-cost loans (See Figure 239). When we compare the answers of Indianapolis organizations to those in the rest of the state, the former see low-cost loans as less helpful overall (10 percent compared to 23 percent). Indianapolis organizations are also slightly more likely to say they are unsure about the helpfulness of applicability of such assistance to their situation.

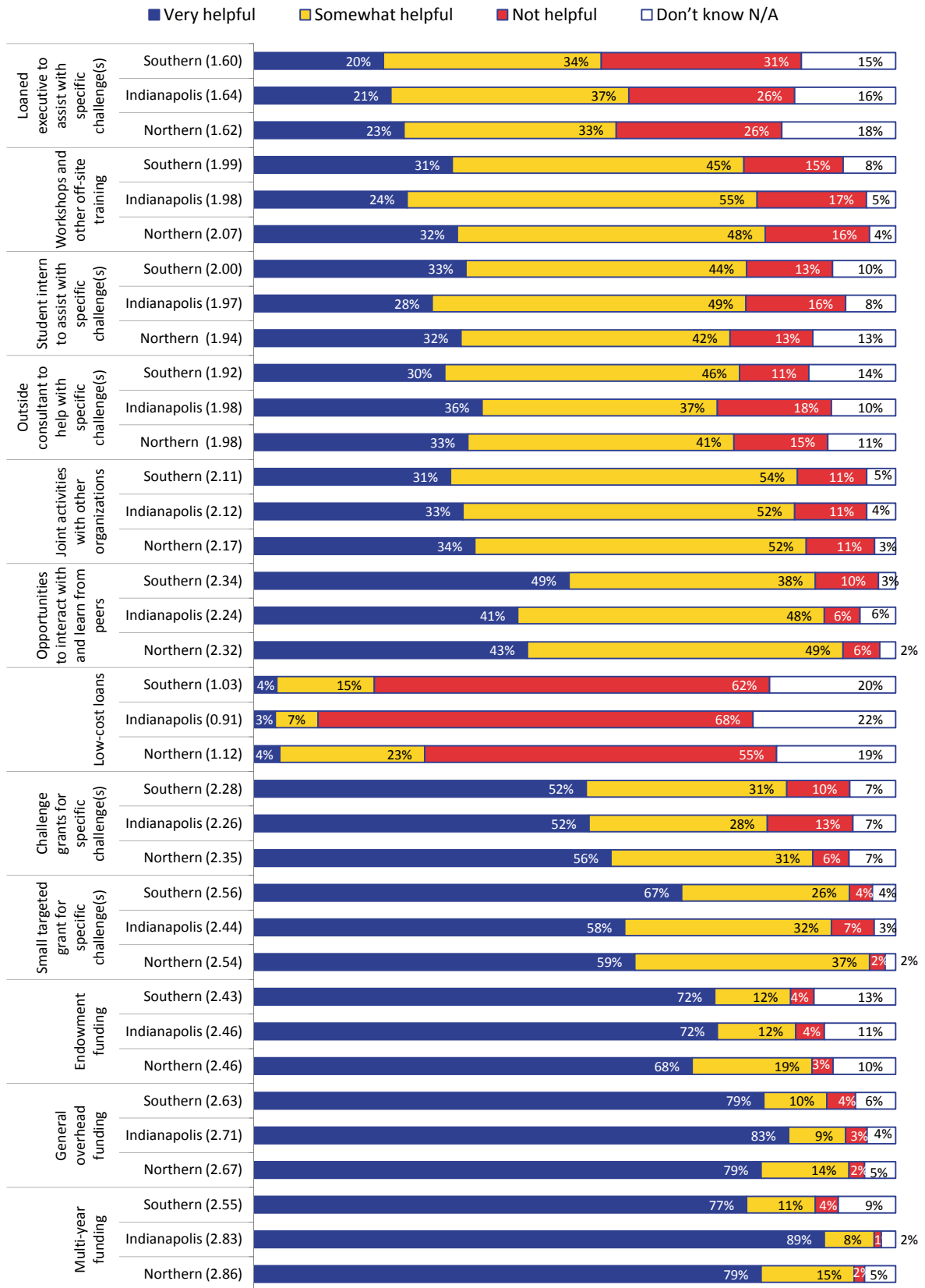
**Figure 237: Challenges securing foundation or corporate grant support in different regions of the state (n=341)**



**Figure 239: Helpfulness of low-cost loans in different regions of the state (n=326)**



**Figure 238: Helpfulness of various forms of assistance in different regions of the state (n=321-326)**





## D. BROADER CONTEXT

Taking a broader look at the specific types of tasks and forms of assistance to address them, we note (where comparisons are possible) that average challenge scores and average help scores for respondents to this survey are roughly on par with those we found for our first capacity building survey in 2007 (some capacity tasks and forms of assistance were not included in the 2007 survey). However, there are some differences for particular types of challenges and specific forms of assistance, which we summarize below. We note, however, that it is very difficult to interpret these differences, because we cannot determine which of three potential explanations, perhaps in combination, may account for the differences: (1) different types of organizations responding to the surveys, (2) their size and sophistication, or (3) the severe recession that has emerged since April 2007 when our first survey was completed.<sup>17</sup>

We find that the arts and culture organizations responding to our 2008 survey report lower overall average levels of challenges in managing human resources (1.75) and information and technology (1.79) compared to the charities responding to our 2007 survey (1.90 and 1.92, respectively). For the human resources category, more detailed analysis of the specific items shows that arts and culture organizations have lower challenge scores for

just three items: recruiting and keeping qualified staff (1.66 vs. 1.89), staff training (1.57 vs. 1.91) and board training (1.80 vs. 2.04). For the information technology category, only two items are significantly different and lower for arts and culture organizations: training staff or volunteers in software or applications (1.62 vs. 1.93) and upgrading computers to support new software (1.70 vs. 2.09).

Although there were no significant differences in overall averages for any of the remaining five major categories, some individual items were different. In the financial resources category, which had the highest overall challenge scores in both surveys, the 2008 arts and culture survey revealed higher challenge scores than the 2007 survey of charities for obtaining funding or other financial resources (2.68 vs. 2.47) and for managing finances or financial reporting, (1.77 vs. 1.59), but a lower average challenge score for building an endowment (2.01 vs. 2.45).

In the networking and advocacy category, arts and culture organizations reported lower average challenge scores for enhancing public understanding of key policy issues (2.02 vs. 2.25) and responding effectively to community expectations (1.87 vs. 2.07). In the programs and planning category, arts and culture organizations reported higher average challenge scores for attracting new members or clients (2.22 vs. 1.87 for the 2007 survey of charities). They also show higher challenge scores for two items in the operations and governance area: undertaking strategic planning (2.08 vs. 1.82) and performing routing tasks related to the organization's mission (1.62 vs. 1.40), but a significantly lower score for training and developing the board (1.92 vs. 2.13).

When assessing types of assistance, we find that the arts and culture organizations in 2008 reported higher average scores on the helpful scale for most of the types of assistance considered compared to the 2007 survey of

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<sup>17</sup> Respondents to the 2007 survey were all *grant recipients* of the Lumina Foundation for Education or *affiliated members* of the Indiana Grantmakers Alliance (IGA) while respondents to this survey are all *grant applicants* to the Indiana Arts Commission.

Consequently, the 2007 survey focused on charities in general with a disproportionate number of education charities, while this 2008 survey focused on arts and culture organizations (including some government entities). The 2007 respondents included charities that had secured grants or could afford IGA membership, while this 2008 survey included both successful and unsuccessful grant applicants. Finally, the 2007 survey was completed before the current recession began, while this survey was in the field at a time when the recession was gaining speed rapidly.

charities. This includes four of the five types of funding assistance: multi-year funding (2.67 vs. 2.41), general operating funding (2.66 vs. 2.38), small targeted grants for specific needs (2.51 vs. 2.13), and challenge grants for specific needs (2.29 vs. 1.71). Only low-cost loans do not differ significantly – neither group of respondents found these helpful at all (1.03 and 1.02 respectively). The 2008 arts and culture organizations were noticeably more likely to consider joint activities with other organizations to be helpful (2.14 vs. 1.16 for the 2007 charities survey), and reported higher helpfulness scores for student interns and outside consultants (1.97 vs. 1.66 and 1.96 vs. 1.73 respectively).

Note, however, that for this latter analysis, the questions are not directly comparable between the two surveys. For the 2008 arts and culture survey, we asked about the helpfulness of different types of assistance only once, after questions about how challenging specific management activities were for each of the seven major categories. In the 2007 survey, we asked about the helpfulness of the eleven types of assistance after each of the seven challenge categories. We computed the average helpfulness score for each type of assistance across the seven challenge categories for the 2007 survey in order to compare results for the two surveys, but caution that there were some differences in how helpful particular types of assistance were in the 2007 survey depending which challenge category was being considered.

We warn again that comparisons between the two surveys are tentative at best. Any observed differences or similarities may be artifacts of differences in the timing of the surveys, the types of organizations included in the two samples, their success in securing grant support, or – in the case of helpfulness of different types of assistance – in the context in which the questions were asked.

## VI. CAPACITY BUILDING AND TECHNICAL ASSISTANCE: ARTS AND CULTURE AGENCY VIEWS

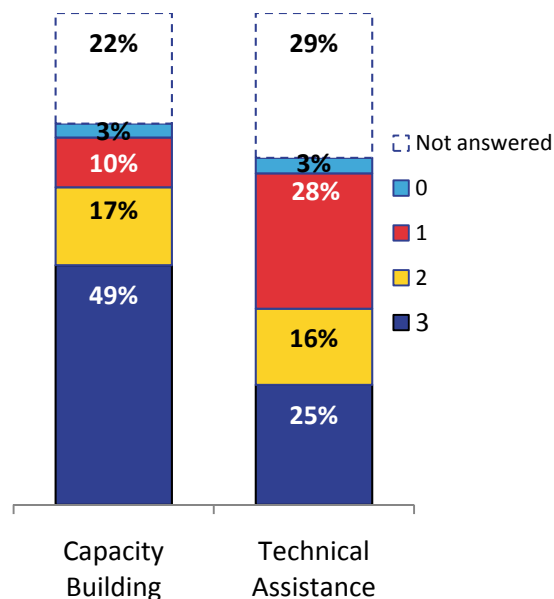
We asked respondents to describe (1) their three most significant **capacity building** challenges and the best ways to address each of these, as well as (2) their three most significant **technical assistance** needs and the best ways to address these. We used the responses to these two open-ended questions to assess how Indiana arts and culture organizations themselves define these two key concepts.

### A. EXTENT OF CAPACITY BUILDING AND TECHNICAL ASSISTANCE NEEDS

As Figure 240 shows, almost half of the organizations (49 percent) described three capacity-building challenges when given the opportunity to do so, 17 percent described two, and 10 percent described just one. The rest includes 3 percent that said they had no such challenges and another 22 percent that did not answer this question, but did answer later questions in the survey. Since they saw the question (or they would not have answered subsequent questions), we assume their capacity-building challenges, if any, were not serious enough to encourage respondents to describe the challenges.

By comparison, many fewer organizations (only 25 percent) used the opportunity to describe three technical assistance needs, another 16 percent described two, and 28 percent just one. Overall, 69 percent described at least one technical assistance need, while 76 percent described at least one capacity-building challenge.

Figure 240: Number of Challenges Reported by Each Organization (N=316)



### B. CAPACITY BUILDING

#### 1. Three Most Significant Capacity Building Needs

We turn next to the descriptions our respondents provided about their three most significant capacity building needs and the best ways to address them. We consider first the type and degree of details provided in these descriptions before examining the specific types of needs involved. Finally, we look at how respondents think these needs can be addressed most effectively.

**Comprehensiveness of Views.** Capacity building generally involves specific efforts to strengthen various organizational components. We therefore examined the extent to which our respondents include any references to **organizational changes** or need for **resources** when describing their three most significant capacity building needs and the best ways to address them. We coded every set of descriptions (a specific need and the best way(s) to address it) in terms of how

much detail was included with regard to these two dimensions.<sup>18</sup>

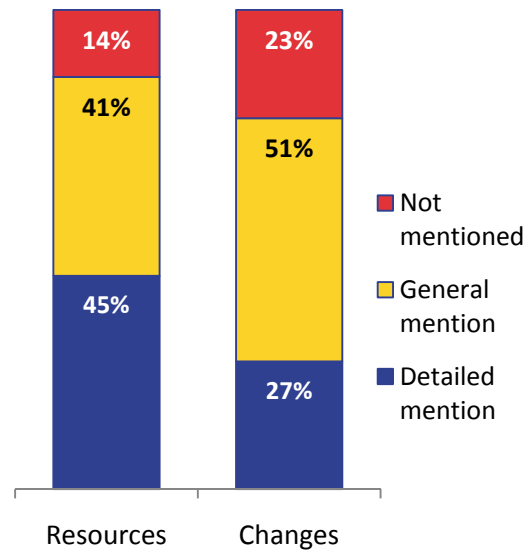
Altogether, our respondents describe 592 major capacity building needs (recall that each respondent could describe up to three needs). As Figure 241 shows, the respondents provided greater detail on the types of resources needed than on the organizational changes that might be involved. In fact, while almost half (45 percent) of the descriptions include at least some detail on the type of resources needed (e.g., computing, or marketing, or facilities/venues), only 27 percent have a reasonably well articulated understanding of capacity building as involving organizational activities or changes (e.g., *create* interactive website, *research* potential audience interests, or *secure* funds for specific equipment or building repairs).

Most of the rest provided only general descriptions. Thus, 41 percent of the descriptions included some general type of resource, such as staff or funding, with no specific indication of what type of staff or funding. Approximately half (51 percent) of the descriptions included some general reference to organizational components, such as marketing or a website, but with no indication of how this particular component needed to change. The rest provided so few details that we were unable to code the responses on these two dimensions. It is perhaps not surprising that respondents found it easier to describe the specific types of resources they need than the specific changes their organization should make, but this discrepancy is consistent with the lower

<sup>18</sup> For the first 41 respondents, two coders independently coded responses to all opened-end questions about capacity building and technical assistance needs and helpful way to address those needs in order to confirm that we have well-established criteria for coding these questions. Agreement between the coders meet accepted standards of inter-coder reliability (Cohen's Kappa = 0.61 or higher using SPSS 14.0 statistical software).

priority given to operations and governance challenges in the analysis presented in Chapter III above.

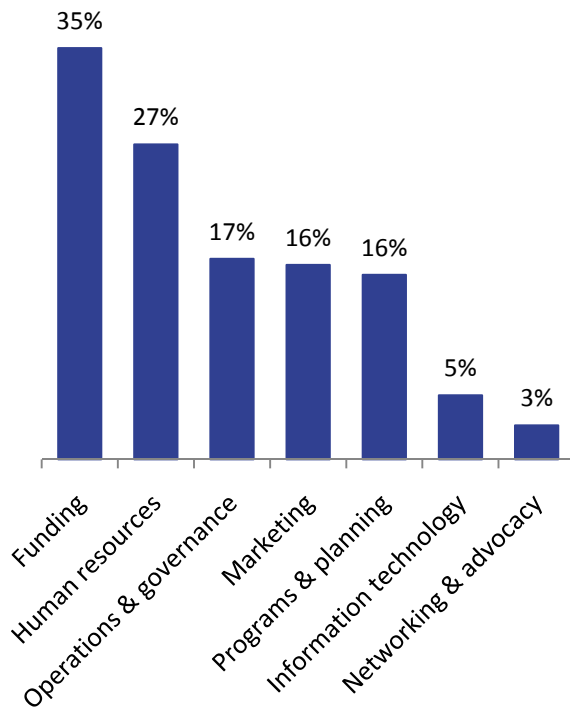
**Figure 241: Detail Level of Capacity Building Responses Resources and Changes (N=592)**



## 2. Specific High Priority Capacity Building Needs

To examine which specific needs our respondents identify as their own three most significant capacity building needs, we used an expanded list of the items included in the closed-ended questions used for our analysis in Chapter V, where we asked whether specific organizational activities presented major, minor, or no challenge. Here, however, we simply consider whether a particular need or activity is included in the three most important capacity building needs described by the respondent and then compute the percent of all descriptions that contain a reference to a given need. Figure 242 shows how these descriptions align with the seven broad categories considered earlier (Appendix C shows the detailed categories captured in these descriptions). Note that a given description might include references to several needs, so these percentages add up to more than 100 percent.

**Figure 242: Descriptions of capacity building challenges (n=592)**



As Figure 242 shows, over one-third of the descriptions included references to some form of funding as one of the three most important capacity-building needs, more than any other category (this was also the category that had the highest average challenge score in the analysis in Chapter V above, see Figure 1).

However compared to our earlier analysis, the rank order changes significantly for the remaining categories. For example, in Figure 242 we see that operations and governance challenges rank as the third most prominent when we asked organizations to write down the challenges they faced. In contrast, when we provided organizations a series of options, they ranked operation and governance challenges last (See Figure 1 in Chapter V). Similarly, marketing challenges rank as third when we asked organizations to answer specific questions, but they rank as fourth when we asked organizations to describe their own most significant challenges. Additionally, while networking and advocacy challenges

appear to be the least concern when we asked organizations to write in responses (See Figure 242), they were a top concern (second following financial resource challenges) when organizations answered specific challenge questions (See Figure 1 in Chapter V).

### 3. Helpful Ways to Address Capacity Building Needs

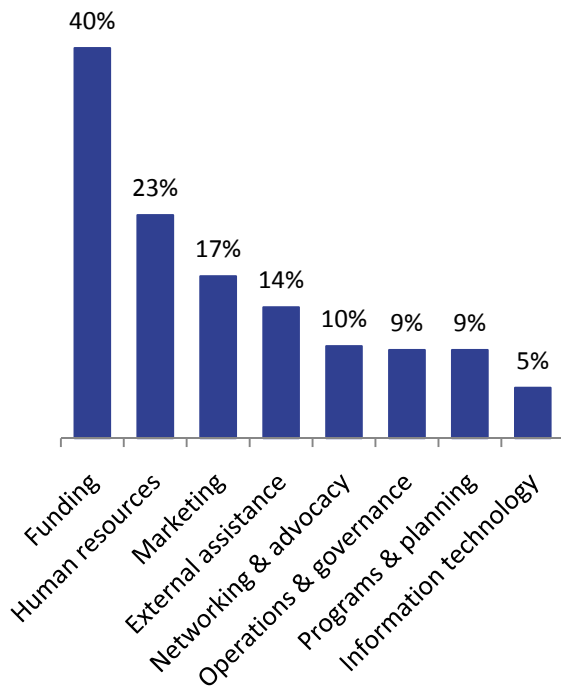
We also asked our respondents to describe the most helpful ways to address each of their three most significant capacity building needs. To do so, we relied mainly on the coding categories we developed for our 2007 report, although we added a new code to capture challenges in getting Boards of Directors to maximize their potentials that were not articulated in the 2007 survey. As in 2007, many descriptions of what would be helpful included references to specific types of capacity building efforts so we use a modified version of the seven categories derived from our capacity building inventory. We included the five types of funding assistance with other financial resources and combine references to consultants, student interns, workshops, or loan executives into a category of “external assistance.” This last category also included references to joint activities, although this is not really external assistance.

Figure 243 shows the result (the detailed codes are available in Appendix C). Because a given description might include references to several types of help, these percentages add up to more than 100 percent. Not surprisingly, given the results summarized above, some reference to funding was mentioned in 40 percent of all descriptions of what would be most helpful to address capacity challenges, more than any other category of assistance. Some form of human resources help (e.g., staff with specific types of skills) was next, included in 23 percent of all descriptions. Marketing and some form of external assistance (consultants, workshops, interns, and the like) were each included in



more than one-tenth of the descriptions (17 and 14 percent, respectively). References to networking and advocacy, operations and governance, or program and planning forms of assistance were included in 10 to 9 percent of all descriptions, while only 5 percent of the descriptions included any references to information technology.

**Figure 243: Types of assistance to meet capacity building needs (n=592)**



## C. TECHNICAL ASSISTANCE

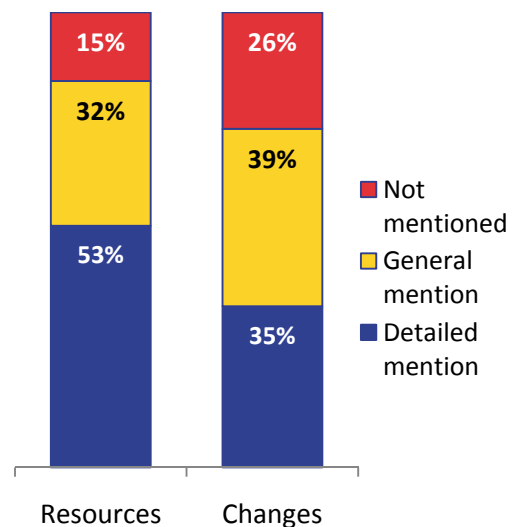
### 1. Three Most Significant Technical Assistance Needs

We turn next to the descriptions our respondents provided about their most significant technical assistance needs and the best ways to address them. We again consider first the type and degree of details provided in these descriptions before examining the specific types of needs involved. Finally, we look at how respondents think these needs can be addressed most effectively.

As before, we consider whether survey respondents include any references to **organizational changes** and need for **resources** when describing their three most significant technical assistance needs and the best ways to address a given need. We coded every set of descriptions (a specific need and the best ways to address it) in terms of the level of detail that was included with regard to these two dimensions.

Figure 244 shows the results. As in the case of capacity building needs, the descriptions are more likely to include details on the resources than on the organizational changes needed. Over half (53 percent) included details on the types of resources needed to address the technical assistance need, while only a little over a third (35 percent) included details on changes the organization might need to make. We found general references to resources in 32 percent of the descriptions and general references to organizational changes in 39 percent. The rest of the descriptions included so few details that we could not determine whether resources or organizational changes were considered at all (15 percent for resources and 26 percent for changes).

**Figure 244: Detail Level of Technical Assistance Responses Resources and Changes (n=418)**





## 2. Specific High Priority Technical Assistance Needs

To examine the specific needs identified by our respondents as their three most significant technical assistance needs, we again used the expanded list of closed-ended questions used in our analysis in Chapter V. As in the case of our analysis of capacity building, we simply indicated whether a particular need or activity was included in descriptions of the three most important technical assistance needs and then computed the percent of all descriptions that contained a reference to a given need. As before, a given description might include references to several needs, so the percentages add to more than 100 percent.

Figure 245 shows the results. Clearly, respondents think mainly in terms of information technology when asked to describe their three most significant technical assistance needs. Over half (56 percent) of the descriptions included references to some type of IT needs, more than three times as many reference some type of operations and governance assistance needs, the second most frequent type of need mentioned (15 percent). Human resources, funding, or marketing related technical assistance needs were included respectively in a little more than one tenth of the descriptions (10 to 14 percent). Only 4 percent of the descriptions included references to various types of program and planning technical assistance needs while 3 percent had references to networking and advocacy needs.

## 3. Helpful Ways to Address Technical Assistance Needs

As in the case of the three most important capacity-building needs, we also asked our respondents to describe the most helpful ways to address each of their three most significant technical assistance needs. As before, we combined our inventories for types of assistance and types of capacity since the help descriptions included both types of

information. We again simply indicated whether a given item is included in the most helpful way to address the needs and computes the percentage of all descriptions that contained a reference to that type of help. Because any one description might include references to several types of help, these percentages add to more than 100 percent.

**Figure 245: Technical Assistance Challenge Descriptions (n=418)**

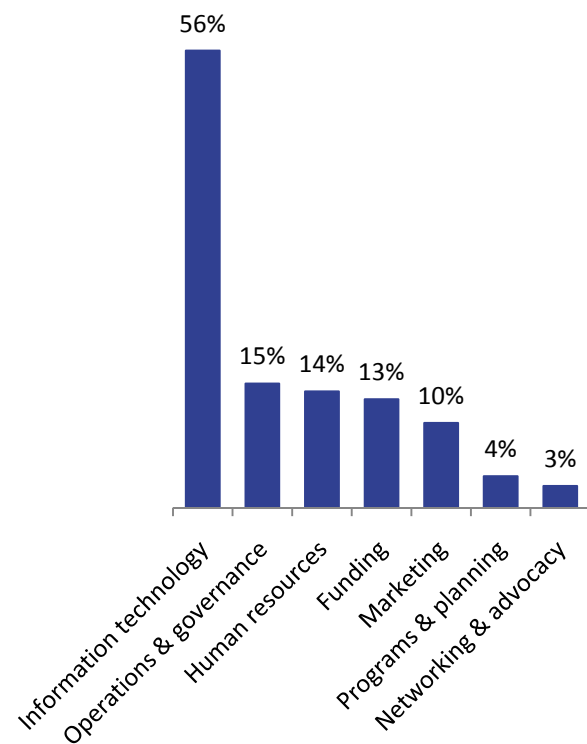
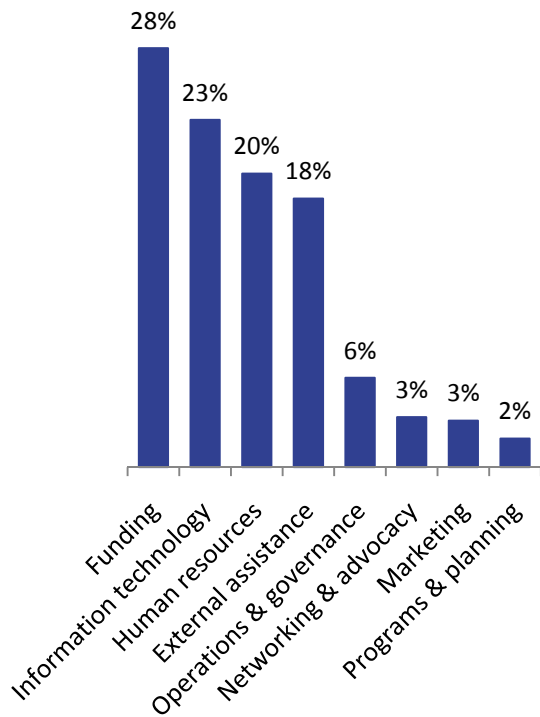


Figure 246 shows the results of this analysis. Various types of funding are again the most pervasive type of assistance identified as helpful in the descriptions — referenced by more than one quarter (28 percent), although that is a smaller share than the 40 percent we found for descriptions of helpful assistance for the most important capacity-building needs. This is followed by references to information technology assistance (included in 23 percent of the descriptions); this is as we would expect, since information technology is included in more than half of all descriptions

of the three most important technical assistance needs. Almost as many (20 percent) of the descriptions include some references to human resources assistance (about on par with what we found in descriptions of help to address capacity building needs — 23 percent), while 18 percent include references to some external assistance, such as consultants or workshops (compared to 14 percent for descriptions of helpful assistance to address capacity building needs). The remaining four types of assistance for technical assistance (operations and governance, networking and advocacy, marketing, and programs and planning) are included in no more than 6 percent of all the descriptions.

**Figure 246: Types of assistance to meet technical assistance challenges (n=418)**



## VII. SUMMARY AND RECOMMENDATIONS

In this section, we first briefly summarize our key findings about the extent to which responding organizations report major challenges across all categories of capacity building. We then turn to a more explicit consideration of what nonprofits said would be most helpful to them and highlight those we believe are of particular relevance to funders.

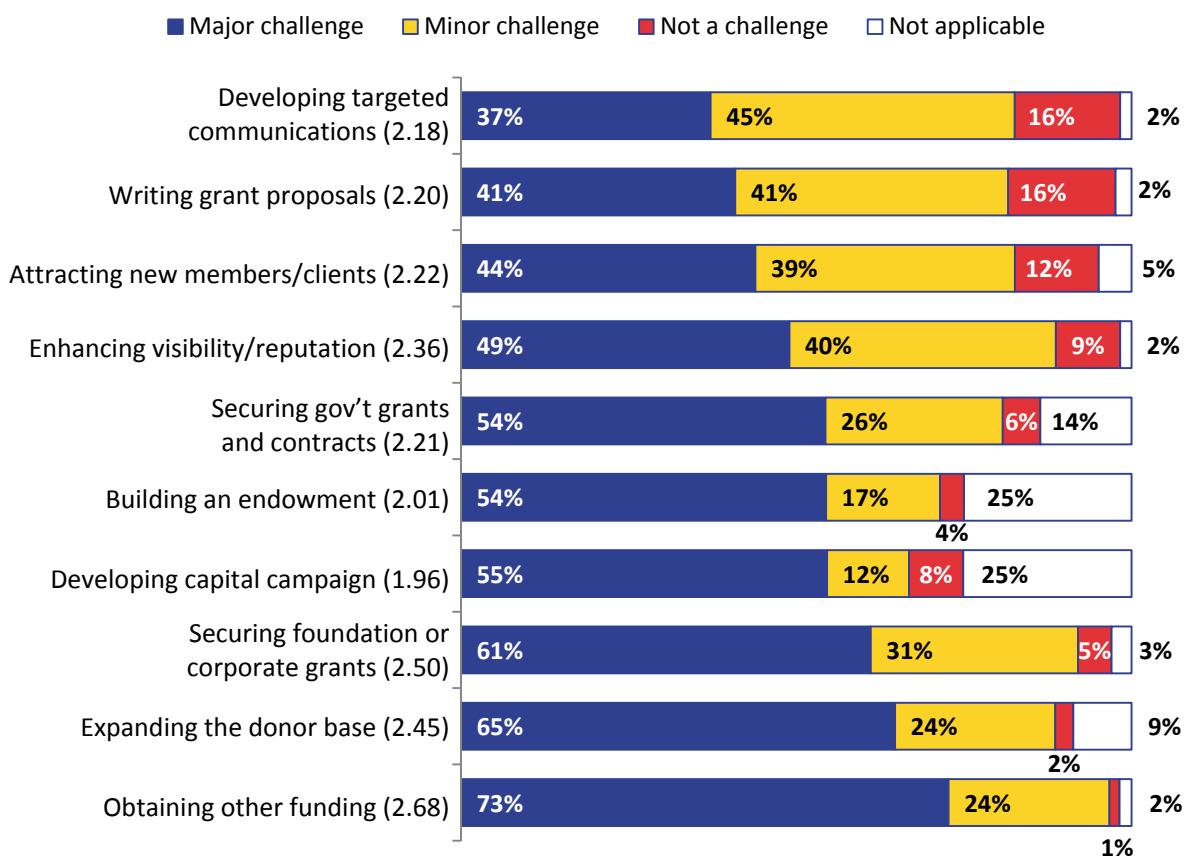
### A. MAJOR CAPACITY BUILDING CHALLENGES

Focusing on the extent to which particular types of capacity building present major challenges, we find that seven of the top ten challenges all relate to securing various forms

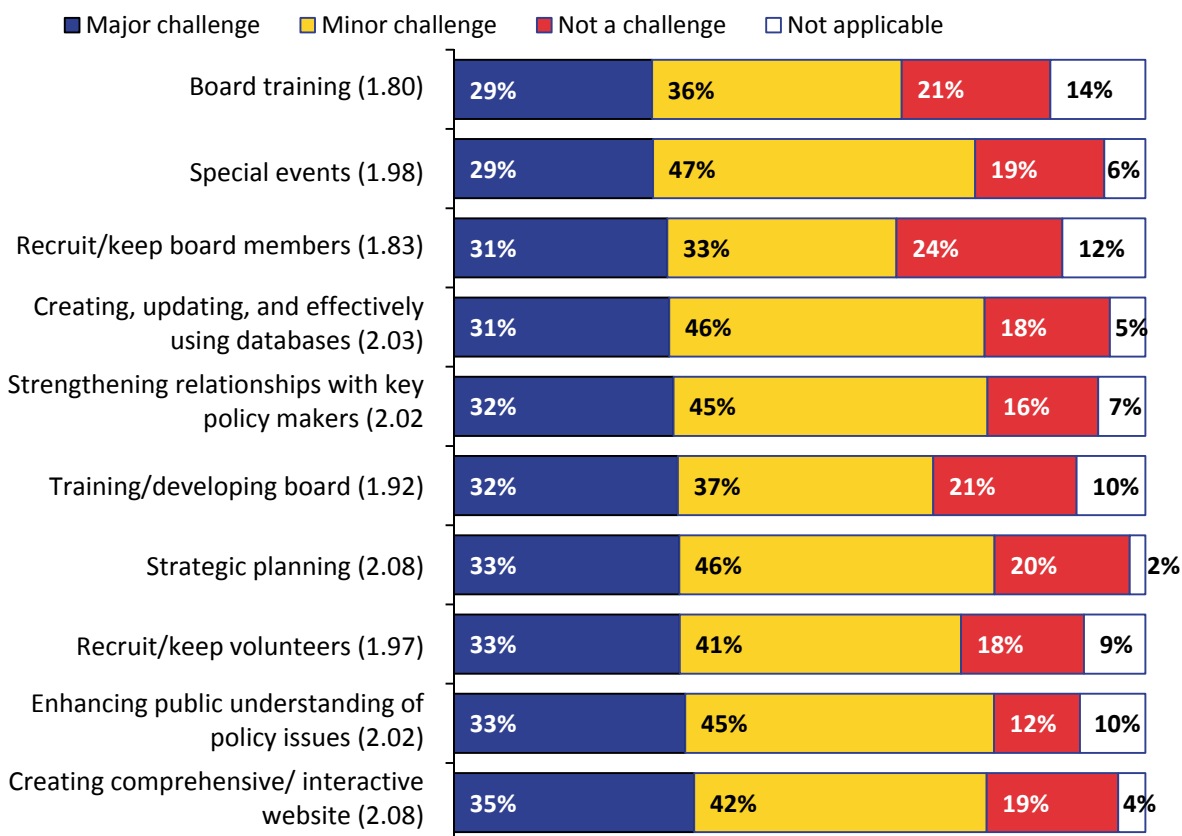
of funding (including the top six) with the remaining three indirectly related to funding. As Figure 247 shows, obtaining other funding is a major challenge for 73 percent, followed by expanding the donor base (65 percent), securing foundation or corporate grants (61 percent), and developing a capital campaign, building an endowment, or securing government grants and contracts (all 54 to 55 percent). Writing grant proposals is a major challenge to 41 percent.

The other three items in the top ten are at least indirectly related to securing financial resources: enhancing the visibility or reputation of the organization (a major challenge for 49 percent), attracting new members or clients (44 percent) and developing targeted community communications (37 percent).

**Figure 247: Ten Top Major Challenges (n=335-344)**



**Figure 248: Top Ten to Twenty Major Challenges**



A review of the next ten major challenges (identified by 29-35 percent of the respondents) shows greater spread among the seven broad capacity building categories (see Figure 248). These include two information technology related tasks: creating comprehensive and interactive websites (a major challenge for 35 percent) and creating, updating, and effectively using databases (31 percent), as well as three items related to board issues: training and developing the board (32 percent), recruiting and keeping board members (31 percent) and board training (29 percent). Two networking and advocacy issues are also included: strengthening relationships with key policy makers (32 percent) and enhancing public understanding of policy issues (33 percent), as are strategic planning (a major challenge for 33 percent), recruiting and keeping volunteers (33 percent) and conducting effective special events (29 percent).

## **B. MAJOR TYPES OF ASSISTANCE IN MEETING CAPACITY BUILDING NEEDS**

As we noted earlier (see Figure 142 in Section V.), there is widespread agreement that funding assistance appears to be the most helpful way to address the challenges, followed by peer learning support and technical assistance. Among the specific types of funding assistance we examined, multi-year funding and general overhead funding are ranked as most helpful overall with more than 80 percent of respondents considering these as “very helpful” when asked for an overall assessment of specific types of assistance. When asked about helpful assistance from IAC, operations and project funding were both considered very helpful by about the same percentages. Finally, when asked to describe what type of assistance would be most helpful in addressing the organization’s own top three capacity building or technical

assistance challenges, some reference to funding was included in respectively 40 and 28 percent of the descriptions. Peer learning is considered very helpful by 44 percent when asked about their general assessment of this type of assistance but is rarely included in descriptions of the most effective ways to address their own top capacity building or technical assistance challenges. Finally, workshops and training opportunities and access to outside consultants are considered very helpful by respectively 29 and 33 percent of respondents when asked for a general assessment, and by 35 percent when asked about workshops and training opportunities provided by the IAC.

However, all types of external assistance, including consultants, student interns, loaned executives, and workshops or training, were included in only 14 percent of descriptions of what would be helpful to address the organizations own top three capacity building challenges and in 18 percent of descriptions for addressing technical assistance challenges (many of which relate to information technology).

Based on our analysis of what respondents view as the most helpful types of assistance to meet various types of capacity building and technical assistance needs, we identify four priorities for the IAC and other funders in the arts and culture field.

***Top Priority – Funding Assistance.*** More than 80 percent see multi-year funding and general overhead as very helpful. We recommend that Indiana funders give serious consideration to providing this type of support to arts and culture organizations seeking assistance with capacity building needs. Such funding provides maximum flexibility for arts and culture organizations and allows them to shift focus as new challenges emerge. Endowment funding, small grants and challenge grants targeted at particular areas of capacity building are also

likely to be quite useful. We suspect, based on results from our 2007 survey, that some of these types of funding support may be more helpful for capacity building challenges that are more clearly defined, such as marketing, as opposed to operations and governance.

***Second Priority – Peer Learning.*** The opportunity to interact with and learn from peer organizations is seen as very helpful by 44 percent of respondents. Thus, we recommend that arts and culture funders give serious consideration to creating structured opportunities for peer interactions and information sharing among executives and others in key arts and culture management positions, such as marketing directors, volunteer managers, special event coordinators, grant writers, and the like.

***Third Priority – Joint activities with other organizations.*** More than 32 percent indicate that joint activities with other organizations are very helpful, with 85 percent finding it at least somewhat helpful. We therefore recommend that funders and other community leaders explore ways to facilitate collaborative activities among arts and culture organizations, while also recognizing that there are potential costs and constraints associated with such efforts.

***Fourth Priority: Support for Technical Assistance.*** Outside consultants, student interns, and workshops and other off-site trainings are viewed as very helpful by about three in ten or more of respondents and at least somewhat helpful by three-fourths or more. Workshops and trainings provided by the IAC were also seen as very helpful for more than a third. Thus, we recommend that funders give particular attention to identifying and supporting high quality consultants, student internship programs, and training opportunities for arts and culture organizations.

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## APPENDIX B: SAMPLING AND SURVEY PROCEDURES

Because the IAC is primarily interested in knowing more about Indiana arts and culture organizations that look to it for support, our original sample consisted of all 1,792 organizations that have sought funding from the IAC or any of its regional partners since 2003. This approach excludes organizations that have not sought such funding, but includes those that provide arts and culture programming as part of their activities, although not necessarily as their primary purpose (e.g., public schools or churches). We included the latter, since the IAC is interested in knowing how capacity-building challenges for them may differ from “true” arts and culture organizations.

To administer the survey, we used a web-based format hosted by Vovici.com and made use of the company’s feedback tools. To maximize response rates, we provided several incentives. We offered to provide a summary of our final report to all those that completed the survey and expressed an interest in receiving the summary. We also offered 12 organizations, selected at random from those completing the survey, the opportunity to have their organization featured for one month on the IAC’s website. Finally, we experimented with an additional incentive by randomly selecting one-half of the organizations to receive a customized report that would allow each organization to compare its own “challenge scores” to other similar organizations. We thought this extra incentive would increase response rates; it did not. We will provide customized reports to all organizations that completed the survey, regardless of whether the respondent was part of the special incentive segment.

We also promised full confidentiality to all respondents and assured them that IU’s SPEA has sole responsibility for the survey,

that no one at the IAC or any other organization will have access to the responses or raw data, and that no survey respondent will ever be identified by name. Consequently, we report only aggregate responses and then only if there are enough answers to a given question that no one can identify which organizations may have provided the answers

We employed a so-called “multi-mode administration” of the survey. In late July 2008, the IAC sent letters to all respondents with valid postal addresses to announce the survey and alert organizations to a forthcoming email message from our project team about how to complete the survey. The IAC also asked organizations to alert the IAC staff to changes in their contact information. In early August 2008, we began inviting potential respondents to participate in the survey by sending emails to successive waves of organizations for whom we obtained and verified contact information.

Each wave received up to four email messages with information on how to access the survey, as well as a phone call to remind respondents about the project and offer any help they might need in completing the questionnaire. Most contacts were spaced one to three weeks apart.

In all, the IAC sent: 1,355 letters; in turn, we sent 945 invitation email messages, 838 follow-up email messages, and 741 first reminder email messages. We followed these with 762 phone calls and 621 final reminder email messages. We ceased contacting any organization that completed the survey, refused to participate, or indicated its ineligibility to participate (e.g., the organization is a for-profit organization, is located outside of Indiana, or has dissolved its arts and culture programs). Also, because some organizations did not register their full contact information with the IAC, not all organizations received all types of contacts. For example, we only called organizations for

which we had phone numbers. In cases where contact information was missing or invalid (e.g., wrong phone numbers or outdated email addresses), we sought to obtain as much contact information as possible in order to invite organizations to respond to the survey or encourage them to complete it. After the study concluded, we also sent additional follow-up emails to approximately 160 organizations that had left out answers to a few critical questions so we could include them in the full analysis.

By the time we terminated data collection in July 2009, 279 organizations had completed the survey, 96 had completed portions of the survey, while 22 organizations refused to

participate and 980 had not responded, despite repeated invitations, for an overall response rate of 27 percent. The remaining 415 organizations in the original sample consist of 42 that are duplicates of other organizations, 70 that are ineligible for the survey, and 303 for which no valid contact information could be located. The latter includes arts and culture organizations that may no longer exist as well as a number of public schools, churches, public libraries, foundations, senior citizens centers, city halls, and fraternal organizations where we were unable to find anyone that knew about any arts and culture programs. We therefore consider these organizations as likely to be ineligible for the survey.

## APPENDIX C: DETAILED CODING CATEGORIES FOR OPEN-ENDED QUESTIONS

**TABLE C.1**

Specific Items Included in Descriptions of Most Significant Capacity Building Needs or Most Significant Technical Assistance Needs

<b>Included in Descriptions of Three Most Important Needs</b>	<b>% of Capacity Building Need Descriptions</b> (n=592)	<b>% of Technical Assistance Need Descriptions</b> (n=418)
<b>Financial Resources</b>		
Obtaining funding or other financial resources	9.5%	1.2%
Funding for programs	7.3%	0.7%
Funding for operations	5.7%	4.3%
Donations from individuals	4.9%	1.0%
Funding for an endowment	3.7%	-
Foundation and/or corporate grants	3.2%	0.2%
Expanding fundraising	2.4%	0.7%
Developing a capital campaign	2.4%	1.0%
Increasing funding sources	2.0%	-
Grant (not specified)	1.4%	2.6%
Managing finances or financial accounting	0.7%	1.9%
Government grants and/or contracts	0.5%	0.2%
Undertaking special events	0.5%	-
<b>Any financial resources needs</b>	34.6%	13.2%
<b>Human Resources</b>		
Adding/increasing staff	6.3%	1.4%
Recruiting/keeping qualified staff	5.7%	6.5%
Recruiting/keeping qualified and reliable volunteers	5.2%	1.0%
Board training	4.2%	1.4%
Staff training	3.9%	2.6%
Recruiting/keeping effective board members	3.4%	0.2%
Managing human resources (staff and volunteers)	2.4%	2.2%
Volunteer training	1.2%	-
Helping the board achieve their full potential	0.8%	-
<b>Any human resources needs</b>	26.5%	14.1%

<b>Included in Descriptions of Three Most Important Needs</b>	<b>% of Capacity Building Need Descriptions</b> (n=592)	<b>% of Technical Assistance Need Descriptions</b> (n=418)
<b>Operations and Governance</b>		
Managing facilities or space organization uses	<u>13.2%</u>	3.3%
Securing/repairing equipment	2.7%	<u>10.8%</u>
Performing routine tasks indirectly related to the mission	0.8%	0.7%
Managing or improving board/staff relations	0.7%	0.2%
Improving management skills	0.3%	0.5%
Establishing organizational culture	-	-
<b>Any operations and governance needs</b>	16.9%	15.1%
<b>Marketing</b>		
Targeted communications with the community	<u>7.9%</u>	<u>5.7%</u>
Enhancing the reputation and visibility of your organization	<u>7.1%</u>	4.1%
Defining constituency groups	3.0%	1.0%
Communicating with members or clients	2.9%	2.9%
Accessing research or information on programs and services	1.4%	0.5%
Assessing community needs	0.3%	-
Adjusting programs or services to meet changing needs	0.3%	0.2%
<b>Any marketing needs</b>	16.4%	10.3%
<b>Programs and Planning</b>		
Attracting new members or clients	<u>5.7%</u>	-
Expanding programs/services	3.4%	0.2%
Undertaking strategic planning	3.0%	1.4%
Delivering high quality programs/services	2.5%	1.4%
Developing a mission and vision	0.8%	0.2%
Meeting the needs/interests of current members/clients	0.5%	0.2%
Implementing strategic plan	0.3%	-
Focusing on mission and vision	0.2%	0.2%
Evaluating or assessing program outcomes or impact	0.3%	0.2%
<b>Any programs and planning needs</b>	15.5%	3.8%

<b>Included in Descriptions of Three Most Important Needs</b>	<b>% of Capacity Building Need Descriptions</b> (n=592)	<b>% of Technical Assistance Need Descriptions</b> (n=418)
<b>Information Technology (IT)</b>		
Knowing how technology helps achieve your mission	1.4%	<u>6.5%</u>
Identifying tech tools/resources for service delivery	1.2%	<u>12.2%</u>
Creating a comprehensive and interactive website	1.2%	<u>15.8%</u>
Upgrading computers to support new software	0.8%	2.9%
Creating, updating, and effectively using databases	0.7%	<u>9.3%</u>
Getting IT assistance	0.3%	<u>5.5%</u>
Training staff/volunteers in software/applications	0.3%	<u>6.9%</u>
Communicating IT needs to decision-makers or funders	-	-
<b>Any information technology needs</b>	5.4%	55.5%
<b>Networking and Advocacy</b>		
Forming or maintaining relations with other entities	2.2%	0.7%
Learning best practices from other organizations	0.2%	1.7%
Enhancing public understanding of key policy issues	0.2%	0.0%
Strengthening relationships with key policy makers	0.2%	0.2%
Responding effectively to community expectations	0.2%	0.0%
<b>Any networking and advocacy needs</b>	2.9%	2.6%

Note: Any percent value that is underlined was included in at least 5 percent of all descriptions.

**TABLE C.2**

Specific Items Included in Descriptions of Most Effective Ways to Address Needs

<b>Included in Descriptions of Most Effective Ways to Address Needs</b>	<b>% of Capacity Building Help Descriptions</b> (n=592)	<b>% of Technical Assistance Help Descriptions</b> (n=418)
<b>Financial Resources</b>		
Funding for operations	<u>8.6%</u>	<u>6.2%</u>
Obtaining funding or other financial resources	<u>8.4%</u>	<u>9.3%</u>
Assistance writing grant proposals	6.3%	4.8%
Donations from individuals	<u>5.9%</u>	1.2%
Funding for an endowment	4.6%	1.0%
Funding specified for programs or program development	3.5%	0.5%
Developing a capital campaign	2.9%	1.7%
Multi-year funding	2.9%	0.2%
Foundation and/or corporate grants	2.5%	-
Expanding fundraising	1.9%	-
Grant (not specified)	1.9%	1.0%
Government grants and/or contracts	0.8%	-
Small grants	0.7%	2.9%
Undertaking special events	0.7%	-
Managing finances or financial accounting	0.5%	1.4%
Increasing funding sources	0.5%	0.2%
Challenge grants	0.3%	1.0%
Low-cost loans	0.2%	-
<b>Any financial resources assistance</b>	40.2%	28.0%
<b>Human Resources</b>		
Recruiting/keeping qualified staff	<u>6.1%</u>	<u>5.0%</u>
Recruiting/keeping qualified and reliable volunteers	4.4%	<u>5.0%</u>
Recruiting/keeping effective board members	4.1%	1.0%
Board training	3.7%	1.7%
Staff training	3.7%	3.6%
Adding/increasing staff	3.4%	3.1%
Managing human resources (staff and volunteers)	1.7%	1.0%
Volunteer training	1.7%	1.2%
Improving management skills	0.3%	0.2%
<b>Any human resources assistance</b>	23.0%	19.6%



<b>Included in Descriptions of Most Effective Ways to Address Needs</b>	<b>% of Capacity Building Help Descriptions</b> (n=592)	<b>% of Technical Assistance Help Descriptions</b> (n=418)
<b>Marketing</b>		
Targeted communications with the community	<u>8.1%</u>	1.9%
Enhancing the reputation and visibility of your organization	<u>7.6%</u>	1.9%
Communicating with members or clients	3.0%	0.2%
Defining constituency groups	2.2%	-
Accessing research / information on programs and services	1.9%	-
Meeting the needs/interests of current members/clients	0.3%	-
Adjusting programs or services to meet changing needs	0.3%	-
<b>Any marketing assistance</b>	16.7%	3.1%
<b>External Assistance</b>		
Joint activities	<u>6.3%</u>	2.4%
Outside consultant	3.7%	4.1%
Training or other workshops	3.2%	<u>7.4%</u>
Loaned executive	1.4%	<u>3.6%</u>
Student intern	0.5%	1.7%
<b>Any external assistance</b>	13.5%	17.9%
<b>Networking and Advocacy</b>		
Forming or maintaining relations with other entities	<u>6.3%</u>	2.2%
Strengthening relationships with key policy makers	1.2%	-
Learning best practices from other organizations	1.0%	1.0%
Enhancing public understanding of key policy issues	0.8%	0.2%
Responding effectively to community expectations	0.3%	-
<b>Any networking and advocacy assistance</b>	9.5%	3.3%
<b>Operations and Governance</b>		
Managing facilities or space organization uses	<u>5.4%</u>	1.4%
Securing/repairing equipment	1.4%	3.3%
Establishing organizational culture	0.7%	0.2%
Managing or improving board/staff relations	0.7%	0.2%
Performing routine tasks indirectly related to the mission	0.7%	0.7%
<b>Any operations and governance assistance</b>	9.1%	6.0%

<b>Included in Descriptions of Most Effective Ways to Address Needs</b>	<b>% of Capacity Building Help Descriptions</b> (n=592)	<b>% of Technical Assistance Help Descriptions</b> (n=418)
<b>Programs and Planning</b>		
Attracting new members or clients	2.9%	0.2%
Undertaking strategic planning	2.4%	1.4%
Delivering high quality programs/services	1.5%	-
Expanding programs/services	0.8%	-
Evaluating or assessing program outcomes or impact	0.7%	-
Assessing community needs	0.7%	0.2%
Developing a mission and vision	0.5%	-
Focusing on mission and vision	0.3%	-
Implementing strategic plan	0.2%	0.2%
<b>Any programs and planning assistance</b>	9.1%	1.9%
<b>Information Technology (IT)</b>		
Creating a comprehensive and interactive website	2.0%	<u>7.2%</u>
Creating, updating, and effectively using databases	1.5%	1.2%
Upgrading computers to support new software	0.7%	1.7%
Knowing how technology helps achieve your mission effectively	0.7%	1.4%
Identifying tech tools/resources for service delivery	0.5%	<u>5.0%</u>
Getting IT assistance	0.3%	<u>6.5%</u>
Communicating IT needs to decision-makers or funders	-	0.2%
Training staff/volunteers in software/applications	-	4.1%
<b>Any information technology assistance</b>	5.2%	23.2%

Note: Any percent value that is underlined was included in at least 5 percent of all descriptions.

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## APPENDIX D: DESCRIPTIVE STATISTICS AND MULTIVARIATE ANALYSIS

### APPENDIX D-1: FREQUENCIES AND DESCRIPTIVE STATISTICS

**Note:** Only where indicated with asterisk(s), is the relationship (1) \* = Marginally significant ( $P \leq 0.10$ ), or (2) \*\* = Statistically significant ( $P \leq 0.05$ ). All variables are presented for the state as a whole as well as for three broad regions as defined in Chapter V, Part C in the final report.

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**Table D-1.1: Role of Arts and Culture Activities within the Organization by Region (n=371)**

	Percent					Count				
	Our primary purpose	A major/high profile part of our activities, but not the primary purpose	A minor component of our activities	Not a component of our activities in any way	All	Our primary purpose	A major/high profile part of our activities, but not the primary purpose	A minor component of our activities	Not a component of our activities in any way	All
Indianapolis	54.9%	24.5%	19.6%	1.0%	100%	56	25	20	1	102
Northern tier	54.3%	23.6%	22.1%	0.0%	100%	76	33	31	0	140
Southern tier	48.1%	24.0%	27.1%	0.8%	100%	62	31	35	1	129
State	52.3%	24.0%	23.2%	0.5%	100%	194	89	86	2	371

**Table D-1.2: Operations and Governance Challenges by Region (n=349-352)**

**Undertaking strategic planning for your organization**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	39.6%	39.6%	18.8%	2.1%	100%	38	38	18	2	96
Northern tier	32.8%	42.0%	22.9%	2.3%	100%	43	55	30	3	131
Southern tier	27.6%	52.8%	17.1%	2.4%	100%	34	65	21	3	123
State	32.9%	45.1%	19.7%	2.3%	100%	115	158	69	8	350

**Improving management skills**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	21.9%	51.0%	20.8%	6.3%	100%	21	49	20	6	96
Northern tier	19.1%	48.1%	30.5%	2.3%	100%	25	63	40	3	131
Southern tier	17.1%	55.3%	22.8%	4.9%	100%	21	68	28	6	123
State	19.1%	51.4%	25.1%	4.3%	100%	67	180	88	15	350

**Managing or improving board/staff relations**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	19.8%	37.5%	34.4%	8.3%	100%	19	36	33	8	96
Northern tier	15.2%	40.2%	38.6%	6.1%	100%	20	53	51	8	132
Southern tier	13.7%	37.9%	35.5%	12.9%	100%	17	47	44	16	124
State	15.9%	38.6%	36.4%	9.1%	100%	56	136	128	32	352

**Establishing organizational culture (e.g., team work, conflict resolution, etc.) (P=0.018)\*\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	13.7%	44.2%	37.9%	4.2%	100%	13	42	36	4	95
Northern tier	23.5%	36.4%	36.4%	3.8%	100%	31	48	48	5	132
Southern tier	6.6%	48.4%	39.3%	5.7%	100%	8	59	48	7	122
State	14.9%	42.7%	37.8%	4.6%	100%	52	149	132	16	349

**Table D-1.2 Continued: Operations and Governance Challenges by Region (n=349-352)**

**Training and/or developing your board**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	35.8%	36.8%	17.9%	9.5%	100%	34	35	17	9	95
Northern tier	37.9%	34.1%	21.2%	6.8%	100%	50	45	28	9	132
Southern tier	24.6%	39.3%	22.1%	13.9%	100%	30	48	27	17	122
State	32.7%	36.7%	20.6%	10.0%	100%	114	128	72	35	349

**Performing routine tasks indirectly related to mission or goals**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	9.5%	48.4%	38.9%	3.2%	100%	9	46	37	3	95
Northern tier	9.8%	41.4%	47.4%	1.5%	100%	13	55	63	2	133
Southern tier	10.6%	46.3%	41.5%	1.6%	100%	13	57	51	2	123
State	10.0%	45.0%	43.0%	2.0%	100%	35	158	151	7	351

**Managing the facilities or space your organization uses**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	22.9%	34.4%	35.4%	7.3%	100%	22	33	34	7	96
Northern tier	19.5%	29.3%	42.9%	8.3%	100%	26	39	57	11	133
Southern tier	29.3%	34.1%	27.6%	8.9%	100%	36	42	34	11	123
State	23.9%	32.4%	35.5%	8.2%	100%	84	114	125	29	352



**Table D-1.3: Human Resources Challenges by Region (n=344-348)**

**Managing human resources (staff and volunteers)**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	21.3%	35.1%	33.0%	10.6%	100%	20	33	31	10	94
Northern tier	17.7%	47.7%	25.4%	9.2%	100%	23	62	33	12	130
Southern tier	22.1%	49.2%	23.8%	4.9%	100%	27	60	29	6	122
State	20.2%	44.8%	26.9%	8.1%	100%	70	155	93	28	346

**Recruiting/keeping qualified staff (P=0.070)\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	21.3%	23.4%	37.2%	18.1%	100%	20	22	35	17	94
Northern tier	22.1%	37.4%	26.7%	13.7%	100%	29	49	35	18	131
Southern tier	29.3%	35.0%	20.3%	15.4%	100%	36	43	25	19	123
State	24.4%	32.8%	27.3%	15.5%	100%	85	114	95	54	348

**Staff training**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	9.7%	47.3%	25.8%	17.2%	100%	9	44	24	16	93
Northern tier	17.7%	39.2%	27.7%	15.4%	100%	23	51	36	20	130
Southern tier	19.8%	38.0%	26.4%	15.7%	100%	24	46	32	19	121
State	16.3%	41.0%	26.7%	16.0%	100%	56	141	92	55	344

**Table D-1.3 Continued: Human Resources Challenges by Region (n=344-348)**

**Recruiting/keeping qualified and reliable volunteers**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	31.9%	39.4%	21.3%	7.4%	100%	30	37	20	7	94
Northern tier	30.8%	43.8%	15.4%	10.0%	100%	40	57	20	13	130
Southern tier	36.1%	39.3%	16.4%	8.2%	100%	44	48	20	10	122
State	32.9%	41.0%	17.3%	8.7%	100%	114	142	60	30	346

**Volunteer training**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	15.2%	44.6%	27.2%	13.0%	100%	14	41	25	12	92
Northern tier	20.8%	38.5%	26.2%	14.6%	100%	27	50	34	19	130
Southern tier	19.7%	47.5%	18.0%	14.8%	100%	24	58	22	18	122
State	18.9%	43.3%	23.5%	14.2%	100%	65	149	81	49	344

**Recruiting/keeping effective board members**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	35.1%	33.0%	20.2%	11.7%	100%	33	31	19	11	94
Northern tier	35.1%	29.0%	27.5%	8.4%	100%	46	38	36	11	131
Southern tier	23.8%	37.7%	23.0%	15.6%	100%	29	46	28	19	122
State	31.1%	33.1%	23.9%	11.8%	100%	108	115	83	41	347

**Table D-1.3 Continued: Human Resources Challenges by Region (n=344-348)**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	29.8%	38.3%	18.1%	13.8%	100%	28	36	17	13	94
Northern tier	32.3%	33.1%	26.2%	8.5%	100%	42	43	34	11	130
Southern tier	24.6%	36.9%	19.7%	18.9%	100%	30	45	24	23	122
State	28.9%	35.8%	21.7%	13.6%	100%	100	124	75	47	346

**Table D-1.4: Programs and Planning Challenges by Region (n=339-341)**

**Focusing on the mission and vision**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	10.8%	37.6%	51.6%	.0%	100%	10	35	48	0	93
Northern tier	10.0%	35.4%	52.3%	2.3%	100%	13	46	68	3	130
Southern tier	8.5%	45.8%	44.9%	.8%	100%	10	54	53	1	118
State	9.7%	39.6%	49.6%	1.2%	100%	33	135	169	4	341

**Delivering high quality programs/services**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	18.5%	46.7%	32.6%	2.2%	100%	17	43	30	2	92
Northern tier	14.6%	38.5%	44.6%	2.3%	100%	19	50	58	3	130
Southern tier	20.5%	37.6%	41.9%	.0%	100%	24	44	49	0	117
State	17.7%	40.4%	40.4%	1.5%	100%	60	137	137	5	339

**Assessing community needs**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	26.9%	51.6%	17.2%	4.3%	100%	25	48	16	4	93
Northern tier	24.6%	54.6%	18.5%	2.3%	100%	32	71	24	3	130
Southern tier	22.0%	46.6%	28.0%	3.4%	100%	26	55	33	4	118
State	24.3%	51.0%	21.4%	3.2%	100%	83	174	73	11	341

**Attracting new members/clients**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	46.2%	41.9%	8.6%	3.2%	100%	43	39	8	3	93
Northern tier	45.8%	35.1%	13.0%	6.1%	100%	60	46	17	8	131
Southern tier	40.2%	39.3%	15.4%	5.1%	100%	47	46	18	6	117
State	44.0%	38.4%	12.6%	5.0%	100%	150	131	43	17	341

**Table D-1.4 *Continued*: Programs and Planning Challenges by Region (n=339-341)**

Evaluating or assessing program outcomes or impact										
	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	27.2%	53.3%	16.3%	3.3%	100%	25	49	15	3	92
Northern tier	20.6%	50.4%	26.7%	2.3%	100%	27	66	35	3	131
Southern tier	26.3%	52.5%	21.2%	.0%	100%	31	62	25	0	118
State	24.3%	51.9%	22.0%	1.8%	100%	83	177	75	6	341

**Table D-1.5: Marketing Challenges by Region (n=339-341)**

**Defining our constituency groups**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	13.0%	52.2%	31.5%	3.3%	100%	12	48	29	3	92
Northern tier	17.8%	41.9%	36.4%	3.9%	100%	23	54	47	5	129
Southern tier	12.7%	44.1%	38.1%	5.1%	100%	15	52	45	6	118
State	14.7%	45.4%	35.7%	4.1%	100%	50	154	121	14	339

**Meeting the needs/interests of current members/clients**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	15.1%	55.9%	25.8%	3.2%	100%	14	52	24	3	93
Northern tier	16.2%	54.6%	25.4%	3.8%	100%	21	71	33	5	130
Southern tier	14.4%	46.6%	36.4%	2.5%	100%	17	55	43	3	118
State	15.2%	52.2%	29.3%	3.2%	100%	52	178	100	11	341

**Gathering research or information on programs/services**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	22.6%	47.3%	23.7%	6.5%	100%	21	44	22	6	93
Northern tier	20.0%	45.4%	30.0%	4.6%	100%	26	59	39	6	130
Southern tier	20.3%	49.2%	26.3%	4.2%	100%	24	58	31	5	118
State	20.8%	47.2%	27.0%	5.0%	100%	71	161	92	17	341



**Table D-1.5 Continued: Marketing Challenges by Region (n=339-341)**

**Developing targeted communications to community**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	44.1%	41.9%	14.0%	.0%	100%	41	39	13	0	93
Northern tier	35.4%	43.8%	18.5%	2.3%	100%	46	57	24	3	130
Southern tier	33.9%	49.2%	14.4%	2.5%	100%	40	58	17	3	118
State	37.2%	45.2%	15.8%	1.8%	100%	127	154	54	6	341

**Adjusting programs/services to meet changing needs (P=0.065)\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	18.3%	52.7%	21.5%	7.5%	100%	17	49	20	7	93
Northern tier	16.9%	60.8%	20.0%	2.3%	100%	22	79	26	3	130
Southern tier	24.6%	41.5%	28.8%	5.1%	100%	29	49	34	6	118
State	19.9%	51.9%	23.5%	4.7%	100%	68	177	80	16	341

**Communicating with members/clients**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	21.5%	50.5%	25.8%	2.2%	100%	20	47	24	2	93
Northern tier	13.8%	52.3%	31.5%	2.3%	100%	18	68	41	3	130
Southern tier	20.3%	47.5%	30.5%	1.7%	100%	24	56	36	2	118
State	18.2%	50.1%	29.6%	2.1%	100%	62	171	101	7	341

**Enhancing the visibility/reputation of your organization's arts and culture activities (P=0.083)\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	62.4%	28.0%	7.5%	2.2%	100%	58	26	7	2	93
Northern tier	45.0%	43.4%	9.3%	2.3%	100%	58	56	12	3	129
Southern tier	42.4%	45.8%	11.0%	.8%	100%	50	54	13	1	118
State	48.8%	40.0%	9.4%	1.8%	100%	166	136	32	6	340

**Table D-1.6: Networking and Advocacy Challenges by Region (n=333-335)**

**Forming/maintaining relations with other entities (including other nonprofit organizations, private firms such as local businesses, philanthropic organizations, and educational or political officials)**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	36.7%	38.9%	23.3%	1.1%	100%	33	35	21	1	90
Northern tier	23.6%	49.6%	25.2%	1.6%	100%	30	63	32	2	127
Southern tier	25.0%	46.6%	25.9%	2.6%	100%	29	54	30	3	116
State	27.6%	45.6%	24.9%	1.8%	100%	92	152	83	6	333

**Learning best practices from other organizations**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	21.1%	51.1%	27.8%	.0%	100%	19	46	25	0	90
Northern tier	16.3%	48.1%	31.0%	4.7%	100%	21	62	40	6	129
Southern tier	19.8%	48.3%	28.4%	3.4%	100%	23	56	33	4	116
State	18.8%	49.0%	29.3%	3.0%	100%	63	164	98	10	335

**Strengthening relationships with key policy makers**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	41.1%	38.9%	13.3%	6.7%	100%	37	35	12	6	90
Northern tier	30.5%	43.0%	20.3%	6.3%	100%	39	55	26	8	128
Southern tier	25.9%	52.6%	13.8%	7.8%	100%	30	61	16	9	116
State	31.7%	45.2%	16.2%	6.9%	100%	106	151	54	23	334

**Enhancing public understanding of key policy issues**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	35.6%	45.6%	11.1%	7.8%	100%	32	41	10	7	90
Northern tier	29.5%	45.0%	14.0%	11.6%	100%	38	58	18	15	129
Southern tier	36.2%	43.1%	12.1%	8.6%	100%	42	50	14	10	116
State	33.4%	44.5%	12.5%	9.6%	100%	112	149	42	32	335

**Table D-1.6 Continued: Networking and Advocacy Challenges by Region (n=333-335)**

Responding effectively to community expectations										
	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	18.9%	57.8%	21.1%	2.2%	100%	17	52	19	2	90
Northern tier	16.3%	52.7%	25.6%	5.4%	100%	21	68	33	7	129
Southern tier	19.8%	54.3%	22.4%	3.4%	100%	23	63	26	4	116
State	18.2%	54.6%	23.3%	3.9%	100%	61	183	78	13	335

**Table D-1.7: Resources Challenges by Region (n=332-334)**

**Managing finances or financial accounting**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	20.0%	40.0%	38.9%	1.1%	100%	18	36	35	1	90
Northern tier	13.2%	45.7%	38.8%	2.3%	100%	17	59	50	3	129
Southern tier	18.3%	50.4%	28.7%	2.6%	100%	21	58	33	3	115
State	16.8%	45.8%	35.3%	2.1%	100%	56	153	118	7	334

**Obtaining funding or other financial resources**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	74.4%	24.4%	1.1%	.0%	100%	67	22	1	0	90
Northern tier	67.4%	29.5%	.8%	2.3%	100%	87	38	1	3	129
Southern tier	78.3%	16.5%	2.6%	2.6%	100%	90	19	3	3	115
State	73.1%	23.7%	1.5%	1.8%	100%	244	79	5	6	334

**Writing grant proposals**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	40.0%	43.3%	14.4%	2.2%	100%	36	39	13	2	90
Northern tier	36.4%	41.9%	20.2%	1.6%	100%	47	54	26	2	129
Southern tier	47.0%	38.3%	11.3%	3.5%	100%	54	44	13	4	115
State	41.0%	41.0%	15.6%	2.4%	100%	137	137	52	8	334

**Securing foundation or corporate grant support (P=0.092)\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	67.8%	26.7%	4.4%	1.1%	100%	61	24	4	1	90
Northern tier	51.9%	39.5%	6.2%	2.3%	100%	67	51	8	3	129
Southern tier	67.0%	24.3%	4.3%	4.3%	100%	77	28	5	5	115
State	61.4%	30.8%	5.1%	2.7%	100%	205	103	17	9	334

**Table D-1.7 Continued: Resources Challenges by Region (n=332-334)**

**Securing government grants or contracts**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	56.7%	22.2%	3.3%	17.8%	100%	51	20	3	16	90
Northern tier	53.5%	27.9%	7.8%	10.9%	100%	69	36	10	14	129
Southern tier	53.9%	27.8%	5.2%	13.0%	100%	62	32	6	15	115
State	54.5%	26.3%	5.7%	13.5%	100%	182	88	19	45	334

**Developing a capital campaign for needed expansion**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	54.4%	12.2%	8.9%	24.4%	100%	49	11	8	22	90
Northern tier	51.6%	14.1%	6.3%	28.1%	100%	66	18	8	36	128
Southern tier	58.8%	10.5%	9.6%	21.1%	100%	67	12	11	24	114
State	54.8%	12.3%	8.1%	24.7%	100%	182	41	27	82	332

**Undertaking effective special events**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	34.4%	41.1%	16.7%	7.8%	100%	31	37	15	7	90
Northern tier	22.5%	50.4%	20.2%	7.0%	100%	29	65	26	9	129
Southern tier	32.2%	46.1%	19.1%	2.6%	100%	37	53	22	3	115
State	29.0%	46.4%	18.9%	5.7%	100%	97	155	63	19	334

**Expanding the donor base**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	73.0%	21.3%	1.1%	4.5%	100%	65	19	1	4	89
Northern tier	60.5%	27.1%	3.9%	8.5%	100%	78	35	5	11	129
Southern tier	63.2%	22.8%	2.6%	11.4%	100%	72	26	3	13	114
State	64.8%	24.1%	2.7%	8.4%	100%	215	80	9	28	332

**Table D-1.7 Continued: Resources Challenges by Region (n=332-334)**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	50.0%	16.7%	2.2%	31.1%	100%	45	15	2	28	90
Northern tier	54.3%	20.9%	4.7%	20.2%	100%	70	27	6	26	129
Southern tier	57.9%	13.2%	3.5%	25.4%	100%	66	15	4	29	114
State	54.4%	17.1%	3.6%	24.9%	100%	181	57	12	83	333



**Table D-1.8: Information and Technology Challenges by Region (n=326-328)**

**Knowing how technology helps achieve your arts and culture mission/goals**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	14.6%	40.4%	42.7%	2.2%	100%	13	36	38	2	89
Northern tier	11.9%	43.7%	41.3%	3.2%	100%	15	55	52	4	126
Southern tier	15.2%	46.4%	37.5%	.9%	100%	17	52	42	1	112
State	13.8%	43.7%	40.4%	2.1%	100%	45	143	132	7	327

**Identifying tech tools/resources for service delivery**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	15.7%	43.8%	31.5%	9.0%	100%	14	39	28	8	89
Northern tier	14.2%	43.3%	35.4%	7.1%	100%	18	55	45	9	127
Southern tier	25.0%	34.8%	33.9%	6.3%	100%	28	39	38	7	112
State	18.3%	40.5%	33.8%	7.3%	100%	60	133	111	24	328

**Communicating IT needs to decision-makers or funders**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	18.0%	34.8%	31.5%	15.7%	100%	16	31	28	14	89
Northern tier	24.0%	33.6%	33.6%	8.8%	100%	30	42	42	11	125
Southern tier	28.6%	33.0%	26.8%	11.6%	100%	32	37	30	13	112
State	23.9%	33.7%	30.7%	11.7%	100%	78	110	100	38	326

**Training staff/volunteers in software/applications**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	18.0%	33.7%	29.2%	19.1%	100%	16	30	26	17	89
Northern tier	15.0%	46.5%	27.6%	11.0%	100%	19	59	35	14	127
Southern tier	25.0%	34.8%	23.2%	17.0%	100%	28	39	26	19	112
State	19.2%	39.0%	26.5%	15.2%	100%	63	128	87	50	328

**Table D-1.8 Continued: Information and Technology Challenges by Region (n=326-328)**

**Upgrading computers to support new software**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	25.8%	27.0%	27.0%	20.2%	100%	23	24	24	18	89
Northern tier	28.3%	29.1%	29.9%	12.6%	100%	36	37	38	16	127
Southern tier	31.3%	30.4%	23.2%	15.2%	100%	35	34	26	17	112
State	28.7%	29.0%	26.8%	15.5%	100%	94	95	88	51	328

**Creating a comprehensive and interactive website (P=0.051)\*\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	40.4%	31.5%	20.2%	7.9%	100%	36	28	18	7	89
Northern tier	28.3%	49.6%	20.5%	1.6%	100%	36	63	26	2	127
Southern tier	36.6%	43.8%	16.1%	3.6%	100%	41	49	18	4	112
State	34.5%	42.7%	18.9%	4.0%	100%	113	140	62	13	328

**Creating, updating, and effectively using databases**

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	32.6%	46.1%	13.5%	7.9%	100%	29	41	12	7	89
Northern tier	26.0%	52.0%	18.1%	3.9%	100%	33	66	23	5	127
Southern tier	35.7%	37.5%	22.3%	4.5%	100%	40	42	25	5	112
State	31.1%	45.4%	18.3%	5.2%	100%	102	149	60	17	328

**Getting IT assistance (P=0.056)\***

	Percent					Count				
	Major challenge	Minor challenge	Not a challenge	Not applicable	All	Major challenge	Minor challenge	Not a challenge	Not applicable	All
Indianapolis	25.0%	36.4%	26.1%	12.5%	100%	22	32	23	11	88
Northern tier	18.9%	40.2%	37.0%	3.9%	100%	24	51	47	5	127
Southern tier	30.4%	30.4%	33.0%	6.3%	100%	34	34	37	7	112
State	24.5%	35.8%	32.7%	7.0%	100%	80	117	107	23	327

**Table D-1.9: Helpfulness of Resource Assistance by Region (n=321-326)**

<b>Multi-year funding</b>										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	88.9%	7.8%	1.1%	2.2%	100%	80	7	1	2	90
Northern tier	79.0%	14.5%	1.6%	4.8%	100%	98	18	2	6	124
Southern tier	76.8%	10.7%	3.6%	8.9%	100%	86	12	4	10	112
State	81.0%	11.3%	2.1%	5.5%	100%	264	37	7	18	326

<b>General overhead funding</b>										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	83.3%	8.9%	3.3%	4.4%	100%	75	8	3	4	90
Northern tier	79.0%	13.7%	2.4%	4.8%	100%	98	17	3	6	124
Southern tier	79.5%	9.8%	4.5%	6.3%	100%	89	11	5	7	112
State	80.4%	11.0%	3.4%	5.2%	100%	262	36	11	17	326

<b>Endowment funding</b>										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	72.2%	12.2%	4.4%	11.1%	100%	65	11	4	10	90
Northern tier	68.3%	18.7%	3.3%	9.8%	100%	84	23	4	12	123
Southern tier	71.8%	11.8%	3.6%	12.7%	100%	79	13	4	14	110
State	70.6%	14.6%	3.7%	11.1%	100%	228	47	12	36	323

<b>Small targeted grant for specific challenge(s)</b>										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	57.8%	32.2%	6.7%	3.3%	100%	52	29	6	3	90
Northern tier	59.3%	36.6%	2.4%	1.6%	100%	73	45	3	2	123
Southern tier	66.7%	26.1%	3.6%	3.6%	100%	74	29	4	4	111
State	61.4%	31.8%	4.0%	2.8%	100%	199	103	13	9	324

**Table D-1.9 Continued: Helpfulness of Resource Assistance by Region (n=321-326)**

**Challenge grants for specific challenge(s)**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	52.2%	27.8%	13.3%	6.7%	100%	47	25	12	6	90
Northern tier	55.6%	31.5%	5.6%	7.3%	100%	69	39	7	9	124
Southern tier	51.8%	31.3%	9.8%	7.1%	100%	58	35	11	8	112
State	53.4%	30.4%	9.2%	7.1%	100%	174	99	30	23	326

**Low-cost loans**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	3.3%	6.7%	67.8%	22.2%	100%	3	6	61	20	90
Northern tier	4.0%	22.6%	54.8%	18.5%	100%	5	28	68	23	124
Southern tier	3.6%	15.2%	61.6%	19.6%	100%	4	17	69	22	112
State	3.7%	15.6%	60.7%	19.9%	100%	12	51	198	65	326

**Loaned executive to assist with specific challenge(s)**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	21.3%	37.1%	25.8%	15.7%	100%	19	33	23	14	89
Northern tier	23.4%	33.1%	25.8%	17.7%	100%	29	41	32	22	124
Southern tier	20.2%	33.9%	31.2%	14.7%	100%	22	37	34	16	109
State	21.7%	34.5%	27.6%	16.1%	100%	70	111	89	52	322

**Student intern to assist with specific challenge(s)**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	27.8%	48.9%	15.6%	7.8%	100%	25	44	14	7	90
Northern tier	32.3%	41.9%	12.9%	12.9%	100%	40	52	16	16	124
Southern tier	33.0%	43.8%	13.4%	9.8%	100%	37	49	15	11	112
State	31.3%	44.5%	13.8%	10.4%	100%	102	145	45	34	326

**Table D-1.9 Continued: Helpfulness of Resource Assistance by Region (n=321-326)**

**Outside consultant to help with specific challenge(s)**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	35.6%	36.7%	17.8%	10.0%	100%	32	33	16	9	90
Northern tier	33.3%	41.5%	14.6%	10.6%	100%	41	51	18	13	123
Southern tier	29.7%	45.9%	10.8%	13.5%	100%	33	51	12	15	111
State	32.7%	41.7%	14.2%	11.4%	100%	106	135	46	37	324

**Workshops and other off-site training**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	23.9%	54.5%	17.0%	4.5%	100%	21	48	15	4	88
Northern tier	31.7%	48.0%	16.3%	4.1%	100%	39	59	20	5	123
Southern tier	30.9%	45.5%	15.5%	8.2%	100%	34	50	17	9	110
State	29.3%	48.9%	16.2%	5.6%	100%	94	157	52	18	321

**Joint activities with other organizations**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	32.6%	51.7%	11.2%	4.5%	100%	29	46	10	4	89
Northern tier	34.4%	51.6%	10.7%	3.3%	100%	42	63	13	4	122
Southern tier	30.6%	54.1%	10.8%	4.5%	100%	34	60	12	5	111
State	32.6%	52.5%	10.9%	4.0%	100%	105	169	35	13	322

**Opportunities to interact with and learn from peers**

	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	41.1%	47.8%	5.6%	5.6%	100%	37	43	5	5	90
Northern tier	42.6%	49.2%	5.7%	2.5%	100%	52	60	7	3	122
Southern tier	49.1%	38.4%	9.8%	2.7%	100%	55	43	11	3	112
State	44.4%	45.1%	7.1%	3.4%	100%	144	146	23	11	324

**Table D-1.9: Helpfulness of IAC Assistance by Region (n=98-299)**

Operations funds										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	81.0%	11.9%	2.4%	4.8%	100%	68	10	2	4	84
Northern tier	76.1%	16.8%	3.5%	3.5%	100%	86	19	4	4	113
Southern tier	80.2%	11.9%	2.0%	5.9%	100%	81	12	2	6	101
State	78.9%	13.8%	2.7%	4.7%	100%	235	41	8	14	298

Project funds										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	78.6%	16.7%	.0%	4.8%	100%	66	14	0	4	84
Northern tier	78.8%	19.5%	1.8%	.0%	100%	89	22	2	0	113
Southern tier	82.4%	15.7%	.0%	2.0%	100%	84	16	0	2	102
State	79.9%	17.4%	.7%	2.0%	100%	239	52	2	6	299

Regional training/workshops										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	32.9%	43.5%	16.5%	7.1%	100%	28	37	14	6	85
Northern tier	35.7%	49.1%	11.6%	3.6%	100%	40	55	13	4	112
Southern tier	37.4%	47.5%	8.1%	7.1%	100%	37	47	8	7	99
State	35.5%	47.0%	11.8%	5.7%	100%	105	139	35	17	296

Other (please explain in comments)										
	Percent					Count				
	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All	Very helpful	Somewhat helpful	Not helpful	Don't know N/A	All
Indianapolis	34.3%	.0%	5.7%	60.0%	100%	12	0	2	21	35
Northern tier	39.3%	.0%	3.6%	57.1%	100%	11	0	1	16	28
Southern tier	28.6%	8.6%	2.9%	60.0%	100%	10	3	1	21	35
State	33.7%	3.1%	4.1%	59.2%	100%	33	3	4	58	98

**Table D-1.101: Organizational IT Components by Region (n=371)**

**Organization currently has: Computers available for key staff/volunteers**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	70.6%	29.4%	100%	72	30	102
Northern tier	72.1%	27.9%	100%	101	39	140
Southern tier	69.0%	31.0%	100%	89	40	129
State	70.6%	29.4%	100%	262	109	371

**Organization currently has: Broadband internet access**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	66.7%	33.3%	100%	68	34	102
Northern tier	64.3%	35.7%	100%	90	50	140
Southern tier	65.1%	34.9%	100%	84	45	129
State	65.2%	34.8%	100%	242	129	371

**Organization currently has: Internal computer network**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	53.9%	46.1%	100%	55	47	102
Northern tier	56.4%	43.6%	100%	79	61	140
Southern tier	48.8%	51.2%	100%	63	66	129
State	53.1%	46.9%	100%	197	174	371

**Organization currently has: Website for your organization**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	76.5%	23.5%	100%	78	24	102
Northern tier	74.3%	25.7%	100%	104	36	140
Southern tier	72.9%	27.1%	100%	94	35	129
State	74.4%	25.6%	100%	276	95	371

**Organization currently has: Computerized financial records**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	67.6%	32.4%	100%	69	33	102
Northern tier	70.7%	29.3%	100%	99	41	140
Southern tier	64.3%	35.7%	100%	83	46	129
State	67.7%	32.3%	100%	251	120	371

**Organization currently has: Email address for your organization**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	76.5%	23.5%	100%	78	24	102
Northern tier	75.0%	25.0%	100%	105	35	140
Southern tier	72.9%	27.1%	100%	94	35	129
State	74.7%	25.3%	100%	277	94	371



**Table D-1.11 Continued: Organizational IT Components by Region (n=371)**

**Organization currently has: Computerized client/member/program records**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	68.6%	31.4%	100%	70	32	102
Northern tier	69.3%	30.7%	100%	97	43	140
Southern tier	59.7%	40.3%	100%	77	52	129
State	65.8%	34.2%	100%	244	127	371

**Organization currently has: Anti-virus / anti-spyware / anti-spam programs**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	66.7%	33.3%	100%	68	34	102
Northern tier	65.7%	34.3%	100%	92	48	140
Southern tier	67.4%	32.6%	100%	87	42	129
State	66.6%	33.4%	100%	247	124	371

**Organization currently has: Routine backups of your data**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	57.8%	42.2%	100%	59	43	102
Northern tier	62.9%	37.1%	100%	88	52	140
Southern tier	55.0%	45.0%	100%	71	58	129
State	58.8%	41.2%	100%	218	153	371

**Table D-1.112: Organizational Governance Components by Region (n=371)**

**Organization currently has: Written governance policies or by-laws**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	69.6%	30.4%	100%	71	31	102
Northern tier	74.3%	25.7%	100%	104	36	140
Southern tier	75.2%	24.8%	100%	97	32	129
State	73.3%	26.7%	100%	272	99	371

**Organization currently has: Written strategic plan developed or updated in the past two years**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	44.1%	55.9%	100%	45	57	102
Northern tier	35.7%	64.3%	100%	50	90	140
Southern tier	47.3%	52.7%	100%	61	68	129
State	42.0%	58.0%	100%	156	215	371

**Organization currently has: Written conflict of interest policy**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	43.1%	56.9%	100%	44	58	102
Northern tier	42.9%	57.1%	100%	60	80	140
Southern tier	45.0%	55.0%	100%	58	71	129
State	43.7%	56.3%	100%	162	209	371

**Organization currently has: Written fundraising plan developed or updated in the past two years**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	29.4%	70.6%	100%	30	72	102
Northern tier	25.7%	74.3%	100%	36	104	140
Southern tier	21.7%	78.3%	100%	28	101	129
State	25.3%	74.7%	100%	94	277	371

**Organization currently has: Written "whistleblower" policy**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	18.6%	81.4%	100%	19	83	102
Northern tier	22.1%	77.9%	100%	31	109	140
Southern tier	21.7%	78.3%	100%	28	101	129
State	21.0%	79.0%	100%	78	293	371

**Organization currently has: Written marketing assessment developed or updated in the past two years**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	19.6%	80.4%	100%	20	82	102
Northern tier	17.9%	82.1%	100%	25	115	140
Southern tier	17.8%	82.2%	100%	23	106	129
State	18.3%	81.7%	100%	68	303	371

**Table D-1.12 Continued: Organizational Governance Components by Region (n=371)**

**Organization currently has: Written policies for managing important organizational documents and records (e.g., length of time documents must be retained)**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	28.4%	71.6%	100%	29	73	102
Northern tier	34.3%	65.7%	100%	48	92	140
Southern tier	32.6%	67.4%	100%	42	87	129
State	32.1%	67.9%	100%	119	252	371

**Organization currently has: Written technology assessment developed or updated in the past two years**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	20.6%	79.4%	100%	21	81	102
Northern tier	16.4%	83.6%	100%	23	117	140
Southern tier	17.1%	82.9%	100%	22	107	129
State	17.8%	82.2%	100%	66	305	371

**Organization currently has: Written code of ethics**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	35.3%	64.7%	100%	36	66	102
Northern tier	37.1%	62.9%	100%	52	88	140
Southern tier	36.4%	63.6%	100%	47	82	129
State	36.4%	63.6%	100%	135	236	371

**Table D-1.123: Human Resource Components by Region (n=371)**

**Organization currently has: Written job descriptions**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	58.8%	41.2%	100%	60	42	102
Northern tier	66.4%	33.6%	100%	93	47	140
Southern tier	61.2%	38.8%	100%	79	50	129
State	62.5%	37.5%	100%	232	139	371

**Organization currently has: Formal volunteer recruitment program**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	20.6%	79.4%	100%	21	81	102
Northern tier	18.6%	81.4%	100%	26	114	140
Southern tier	15.5%	84.5%	100%	20	109	129
State	18.1%	81.9%	100%	67	304	371

**Organization currently has: Written personnel policies**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	47.1%	52.9%	100%	48	54	102
Northern tier	55.0%	45.0%	100%	77	63	140
Southern tier	45.7%	54.3%	100%	59	70	129
State	49.6%	50.4%	100%	184	187	371

**Organization currently has: Formal volunteer training program**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	17.6%	82.4%	100%	18	84	102
Northern tier	20.0%	80.0%	100%	28	112	140
Southern tier	14.7%	85.3%	100%	19	110	129
State	17.5%	82.5%	100%	65	306	371

**Table D-1.13 Continued: Human Resources Components by Region (n=371)**

**Organization currently has: Staff/board orientation process**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	37.3%	62.7%	100%	38	64	102
Northern tier	41.4%	58.6%	100%	58	82	140
Southern tier	45.7%	54.3%	100%	59	70	129
State	41.8%	58.2%	100%	155	216	371

**Organization currently has: A designated coordinator/supervisor for volunteers**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	32.4%	67.6%	100%	33	69	102
Northern tier	30.0%	70.0%	100%	42	98	140
Southern tier	26.4%	73.6%	100%	34	95	129
State	29.4%	70.6%	100%	109	262	371

**Organization currently has: Written board manual**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	39.2%	60.8%	100%	40	62	102
Northern tier	39.3%	60.7%	100%	55	85	140
Southern tier	38.0%	62.0%	100%	49	80	129
State	38.8%	61.2%	100%	144	227	371

**Table D-1.134: Programs and Planning and Resource Components by Region (n=371)**

**Organization currently has: Annual report with financial information produced within the**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	60.8%	39.2%	100%	62	40	102
Northern tier	65.0%	35.0%	100%	91	49	140
Southern tier	61.2%	38.8%	100%	79	50	129
State	62.5%	37.5%	100%	232	139	371

**Organization currently has: Fund reserves dedicated to capital improvement (P=0.066)\***

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	25.5%	74.5%	100%	26	76	102
Northern tier	37.9%	62.1%	100%	53	87	140
Southern tier	27.1%	72.9%	100%	35	94	129
State	30.7%	69.3%	100%	114	257	371

**Organization currently has: Evaluation or assessment of program outcomes/impact within the past two**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	35.3%	64.7%	100%	36	66	102
Northern tier	31.4%	68.6%	100%	44	96	140
Southern tier	31.0%	69.0%	100%	40	89	129
State	32.3%	67.7%	100%	120	251	371

**Organization currently has: Fund reserves dedicated to maintenance/equipment**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	24.5%	75.5%	100%	25	77	102
Northern tier	33.6%	66.4%	100%	47	93	140
Southern tier	31.0%	69.0%	100%	40	89	129
State	30.2%	69.8%	100%	112	259	371

**Organization currently has: Audited financial statement in the past two years**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	53.9%	46.1%	100%	55	47	102
Northern tier	60.7%	39.3%	100%	85	55	140
Southern tier	48.1%	51.9%	100%	62	67	129
State	54.4%	45.6%	100%	202	169	371

**Table D-1.14 Continued: Programs and Planning and Resources Components by Region (n=371)**

**Organization currently has: Annual budget and procedures for monitoring expenses**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	69.6%	30.4%	100%	71	31	102
Northern tier	70.0%	30.0%	100%	98	42	140
Southern tier	63.6%	36.4%	100%	82	47	129
State	67.7%	32.3%	100%	251	120	371

**Organization currently has: Endowment (restricted or unrestricted)**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	31.4%	68.6%	100%	32	70	102
Northern tier	39.3%	60.7%	100%	55	85	140
Southern tier	28.7%	71.3%	100%	37	92	129
State	33.4%	66.6%	100%	124	247	371

**Table D-1.15: Descriptive Statistics for Approximate Size of Organization's Endowment Size**

N	Valid*	178
	Missing	197
Mean		\$9,127,349.44
Median		\$21,000.00
Std. Deviation		76,758,350.31
Variance		5,891,844,342,006,360.00
Minimum		\$0.00
Maximum		\$1,000,000,000.00

*Note: Some respondents did not indicate that they had an endowment, but they provided an endowment size (\$), which is why the valid (n) is different for this question than it is for "Organization currently has: Endowment (yes/no)."*



**Table D-1.16: Demand Change by Region (n=288)**

How have demands for your organizations services or programs changed over the last three years?						
	Percent					
	Decreased significantly (by more than 25 percent)	Decreased moderately (by 10-25 percent)	Stayed more or less the same	Increased moderately (by 10-25 percent)	Increased significantly (by more than 25 percent)	All
Indianapolis	3.7%	9.8%	31%	42.70%	13.40%	100%
Northern tier	1.8%	9.1%	36%	33.60%	20.00%	100%
Southern tier	1.0%	4.2%	33%	40.60%	20.80%	100%
State	2.1%	7.6%	33%	38.50%	18.40%	100%
	Count					
	Decreased significantly (by more than 25 percent)	Decreased moderately (by 10-25 percent)	Stayed more or less the same	Increased moderately (by 10-25 percent)	Increased significantly (by more than 25 percent)	All
Indianapolis	3	8	25	35	11	82
Northern tier	2	10	39	37	22	110
Southern tier	1	4	32	39	20	96
State	6	22	96	111	53	288

**Table D-1.16 Continued: Impact of Demand Change by Region (n=196)**

**Did this change in demand for services impact your organization's need for capacity building and/or technical assistance?**

	Percent			
	Yes, need for capacity building and technical assistance increased	Yes, need for capacity building and technical assistance decreased	No, the change in demand did not impact need for capacity building and technical assistance	All
Indianapolis	74.1%	1.7%	24.1%	100%
Northern tier	69.4%	1.4%	29.2%	100%
Southern tier	78.8%	1.5%	19.7%	100%
State	74.0%	1.5%	24.5%	100%
	Count			
	Yes, need for capacity building and technical assistance increased	Yes, need for capacity building and technical assistance decreased	No, the change in demand did not impact need for capacity building and technical assistance	All
Indianapolis	43	1	14	58
Northern tier	50	1	21	72
Southern tier	52	1	13	66
State	145	3	48	196

**Table D-1.17: Is your organization currently involved in formal collaborations (legal, fiscal, administrative, or programmatic exchanges) or in informal networks (cooperating, coordinating, or working together in other ways?) (n=291)**

	Percent				
	No, not involved in any collaborations or informal networks	Yes, involved in both formal collaborations and informal networks	Yes, involved in one or more informal networks	Yes, involved in one or more formal collaborations	All
Indianapolis	12.5%	41.3%	23.8%	22.5%	100%
Northern tier	11.6%	34.8%	36.6%	17%	100%
Southern tier	17.2%	30.3%	33.3%	19.2%	100%
State	13.7%	35.1%	32.0%	19%	100%
	Count				
	No, not involved in any collaborations or informal networks	Yes, involved in both formal collaborations and informal networks	Yes, involved in one or more informal networks	Yes, involved in one or more formal collaborations	All
Indianapolis	10	33	19	18	80
Northern tier	13	39	41	19	112
Southern tier	17	30	33	19	99
State	40	102	93	56	291

**Table D-1.18: Result of Collaborations and Network Relationships by Region (n=249-253)**

<b>Collaboration makes it easier/harder to: Obtain funding</b>					
	Percent				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	56.2%	26.0%	8.2%	10%	100%
Northern tier	50.0%	36.7%	8.2%	5%	100%
Southern tier	48.8%	32.9%	8.5%	10%	100%
State	51.4%	32.4%	8.3%	8%	100%
	Count				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	41	19	6	7	73
Northern tier	49	36	8	5	98
Southern tier	40	27	7	8	82
State	130	82	21	20	253

<b>Collaboration makes it easier/harder to: Recruit/keep staff</b>					
	Percent				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	17.1%	45.7%	4.3%	33%	100%
Northern tier	16.5%	56.7%	5.2%	22%	100%
Southern tier	25.0%	45.0%	5.0%	25%	100%
State	19.4%	49.8%	4.9%	26%	100%
	Count				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	12	32	3	23	70
Northern tier	16	55	5	21	97
Southern tier	20	36	4	20	80
State	48	123	12	64	247

**Table D-1.18 Continued: Result of Collaborations and Network Relationships by Region (n=249-253)**

**Collaboration makes it easier/harder to: Recruit/keep board members**

	Percent				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	25.4%	46.5%	1.4%	27%	100%
Northern tier	21.9%	55.2%	3.1%	20%	100%
Southern tier	24.7%	46.9%	3.7%	25%	100%
State	23.8%	50.0%	2.8%	23%	100%
	Count				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	18	33	1	19	71
Northern tier	21	53	3	19	96
Southern tier	20	38	3	20	81
State	59	124	7	58	248

**Collaboration makes it easier/harder to: Recruit/keep volunteers**

	Percent				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	27.5%	44.9%	2.9%	25%	100%
Northern tier	29.2%	51.0%	2.1%	18%	100%
Southern tier	37.5%	40.0%	7.5%	15%	100%
State	31.4%	45.7%	4.1%	19%	100%
	Count				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	19	31	2	17	69
Northern tier	28	49	2	17	96
Southern tier	30	32	6	12	80
State	77	112	10	46	245

**Table D-1.18 Continued: Result of Collaborations and Network Relationships by Region (n=249-253)**

**Collaboration makes it easier/harder to: Meet client/member needs**

	Percent				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	67.6%	12.7%	4.2%	16%	100%
Northern tier	63.9%	24.7%	2.1%	9%	100%
Southern tier	60.5%	22.2%	7.4%	10%	100%
State	63.9%	20.5%	4.4%	11%	100%
	Count				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	48	9	3	11	71
Northern tier	62	24	2	9	97
Southern tier	49	18	6	8	81
State	159	51	11	28	249

**Collaboration makes it easier/harder to: Enhance your visibility/reputation**

	Percent				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	84.7%	8.3%	5.6%	1%	100%
Northern tier	83.7%	12.2%	2.0%	2%	100%
Southern tier	86.4%	4.9%	6.2%	3%	100%
State	84.9%	8.8%	4.4%	2%	100%
	Count				
	Easier	No impact	Harder	Not applicable	All
Indianapolis	61	6	4	1	72
Northern tier	82	12	2	2	98
Southern tier	70	4	5	2	81
State	213	22	11	5	251

**Table D-1.19: No collaboration: Is your organization not involved in collaborations or networks due to a need for greater capacity or technical assistance? (n=38)**

	Percent		
	Yes, your organization would network and/or collaborate with other entities if it had the capacity and/or technical assistance to do so	No, your organization has the capacity and technical know-how to network and/or collaborate with other entities, but chooses not to do so for other reasons	All
Indianapolis	60.0%	40.0%	100%
Northern tier	38.5%	61.5%	100%
Southern tier	60.0%	40.0%	100%
State	52.6%	47.4%	100%
	Count		
	Yes, your organization would network and/or collaborate with other entities if it had the capacity and/or technical assistance to do so	No, your organization has the capacity and technical know-how to network and/or collaborate with other entities, but chooses not to do so for other reasons	All
Indianapolis	6	4	10
Northern tier	5	8	13
Southern tier	9	6	15
State	20	18	38



**Table D-1.20: Policy Promotion by Region (n=371)**

**Does organization promote policy: Yes, you seek to educate the the general public about certain arts and culture policy issues**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	31.4%	68.6%	100%	32	70	102
Northern tier	32.1%	67.9%	100%	45	95	140
Southern tier	33.3%	66.7%	100%	43	86	129
State	32.3%	67.7%	100%	120	251	371

**Does organization promote policy: Yes, you seek to educate public and/or policy makers about specific issues**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	17.6%	82.4%	100%	18	84	102
Northern tier	16.4%	83.6%	100%	23	117	140
Southern tier	23.3%	76.7%	100%	30	99	129
State	19.1%	80.9%	100%	71	300	371

**Does organization promote policy: Yes, you seek to promote positions relevant to interests of certain groups**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	10.8%	89.2%	100%	11	91	102
Northern tier	12.1%	87.9%	100%	17	123	140
Southern tier	15.5%	84.5%	100%	20	109	129
State	12.9%	87.1%	100%	48	323	371

**Does organization promote policy: No, you are not involved in any of those activities**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	43.1%	56.9%	100%	44	58	102
Northern tier	41.4%	58.6%	100%	58	82	140
Southern tier	33.3%	66.7%	100%	43	86	129
State	39.1%	60.9%	100%	145	226	371

**Does organization promote policy: Yes, you seek to promote certain political groups (P=0.055)\***

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	.0%	100.0%	100%	0	102	102
Northern tier	.0%	100.0%	100%	0	140	140
Southern tier	2.3%	97.7%	100%	3	126	129
State	.8%	99.2%	100%	3	368	371

**Table D-1.21: Year Founded (Categorical) by Region (n=269)**

	Percent							
	Before 1930	1930-1959	1960-69	1970-79	1980-89	1990-99	2000 and later	All
Indianapolis	15.4%	10.3%	10.3%	18%	17.9%	17.9%	10.3%	100%
Northern tier	16.5%	20.4%	12.6%	19%	10.7%	14.6%	5.8%	100%
Southern tier	15.9%	13.6%	11.4%	18%	13.6%	15.9%	11.4%	100%
State	16.0%	15.2%	11.5%	19%	13.8%	16.0%	8.9%	100%

	Count							
	Before 1930	1930-1959	1960-69	1970-79	1980-89	1990-99	2000 and later	All
Indianapolis	12	8	8	14	14	14	8	78
Northern tier	17	21	13	20	11	15	6	103
Southern tier	14	12	10	16	12	14	10	88
State	43	41	31	50	37	43	24	269

**Table D-1.22: Sector (Nonprofit or Public) by Region (P=0.012)\*\* (n=281)**

	Percent			Count		
	Nonprofit or not-for-profit organization	Public or governmental organization	All	Nonprofit or not-for-profit organization	Public or governmental organization	All
Indianapolis	88.2%	11.8%	100%	67	9	76
Northern tier	83.3%	16.7%	100%	90	18	108
Southern tier	71.1%	28.9%	100%	69	28	97
State	80.4%	19.6%	100%	226	55	281

**Table D-1.23: Art Classification (Categorical) by Region (n=347)**

	Percent									
	Support	Culture & Humanities	Visual Arts	Performing Arts	All Else	K-12 Education	Libraries	Other Education	Youth & Human Services	All
Indianapolis	9.5%	13.7%	6.3%	30.5%	15.8%	5.3%	5.3%	8.4%	5.3%	100%
Northern tier	11.5%	13.8%	3.8%	30.8%	16.9%	6.2%	5.4%	4.6%	6.9%	100%
Southern tier	8.2%	12.3%	9.0%	23.0%	9.8%	12.3%	4.9%	8.2%	12.3%	100%
State	9.8%	13.3%	6.3%	28.0%	14.1%	8.1%	5.2%	6.9%	8.4%	100%

	Count									
	Support	Culture & Humanities	Visual Arts	Performing Arts	All Else	K-12 Education	Libraries	Other Education	Youth & Human Services	All
Indianapolis	9	13	6	29	15	5	5	8	5	95
Northern tier	15	18	5	40	22	8	7	6	9	130
Southern tier	10	15	11	28	12	15	6	10	15	122
State	34	46	22	97	49	28	18	24	29	347

**Table D-1.24: Paid Employees by Region (n=289)**

	Does your organization currently have any paid employees?					
	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	70.4%	29.6%	100%	57	24	81
Northern tier	83.3%	16.7%	100%	90	18	108
Southern tier	78.0%	22.0%	100%	78	22	100
State	77.9%	22.1%	100%	225	64	289

**Table D-1.25: Number of Full-Time Paid Employees (Categorical) by Region (P=0.084)\* (n=281)**

How many people were employed at your organization on June 1, 2008?							
	Percent						
	No employees	0.5 to 2 FTE	2.5 to 5 FTE	5.5 to 15 FTE	15.5 to 50 FTE	50.5 or more FTE	All
Indianapolis	29.6%	16.0%	8.6%	22%	7.4%	16.0%	100%
Northern tier	17.1%	16.2%	22.9%	19%	12.4%	12.4%	100%
Southern tier	25.3%	24.2%	17.9%	11%	8.4%	13.7%	100%
State	23.5%	18.9%	17.1%	17%	9.6%	13.9%	100%

	Count						
	No employees	0.5 to 2 FTE	2.5 to 5 FTE	5.5 to 15 FTE	15.5 to 50 FTE	50.5 or more FTE	All
Indianapolis	24	13	7	18	6	13	81
Northern tier	18	17	24	20	13	13	105
Southern tier	24	23	17	10	8	13	95
State	66	53	48	48	27	39	281

**Descriptive Statistics for the Number of Employees**

		Number of full-time employees	Number of part-time employees
N	Valid	200	199
	Missing	175	176
Mean		25.70	21.51
Median		4.00	4.00
Std. Deviation		53.82	79.90
Variance		2896.56	6383.28
Minimum		0	0
Maximum		302	1000

**Descriptive Statistics for the Number of Paid Employees Working in Arts and Culture Programs**

		Number of arts/culture full-time employees	Number of arts/culture part-time employees
N	Valid	90	82
	Missing	285	293
Mean		2.93	2.44
Median		1.00	1.00
Std. Deviation		6.41	5.53
Variance		41.14	30.60
Minimum		0	0
Maximum		40	30

**Table D-1.26: Board of Directors by Region (n=127)**

Does your organization have its own Board of Directors?								
	Percent				Count			
	Yes, you have your own Board of Directors	No, you are governed by another organization	No, you have some other governance structure	All	Yes, you have your own Board of Directors	No, you are governed by another organization	No, you have some other governance structure	All
Indianapolis	82.7%	8.6%	8.6%	100%	67	7	7	81
Northern tier	89.7%	3.7%	6.5%	100%	96	4	7	107
Southern tier	77.0%	13.0%	10.0%	100%	77	13	10	100
State	83.3%	8.3%	8.3%	100%	240	24	24	288

**Table D-1.27: Board of Directors Vacancies by Region (n=197)**

	Whether there are any vacant board seats?					
	Percent			Count		
	Yes, board has a vacancy	No board vacancy	All	Yes, board has a vacancy	No board vacancy	All
Indianapolis	37.5%	62.5%	100%	21	35	56
Northern tier	41.0%	59.0%	100%	34	49	83
Southern tier	37.9%	62.1%	100%	22	36	58
State	39.1%	60.9%	100%	77	120	197

**Descriptive Statistics for the Number of Board Members as of June 1, 2008**

N	Valid	229
	Missing	146
Mean		15.01
Median		13.00
Std. Deviation		9.61
Variance		92.29
Minimum		0
Maximum		69

**Descriptive Statistics for the Number of Vacant Board Positions as of June 1, 2008**

N	Valid	198
	Missing	177
Mean		2
Median		0
Std. Deviation		3
Variance		11.64
Minimum		0
Maximum		24

**Descriptive Statistics for Percent of Board Seats**

N	Valid	198
	Missing	177
Mean		9.04%
Median		0.00%
Std. Deviation		16.26%
Variance		2.64%
Minimum		0.00%
Maximum		100.00%

*Note: It is impossible to know if the maximum number of vacant board positions (24) is a valid response or the result of survey data entry error because some respondents reported a larger number of vacant board positions than active board members.*

**Table D-1.28: Use of Volunteers by Region (n=286)**

During the most recently completed fiscal year, did your organization use any volunteers for your arts and culture programs, other than those that serve on the board of directors?

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	87.7%	12.3%	100%	71	10	81
Northern tier	84.0%	16.0%	100%	89	17	106
Southern tier	89.9%	10.1%	100%	89	10	99
State	87.1%	12.9%	100%	249	37	286

**Table D-1.29: Importance of Volunteers by Region (n=249)**

How important are volunteers — other than board members — to the work of your organization?

	Percent					
	Not at all important, you could carry out your mission and goals with using volunteers	Not very important, you depend on volunteers for only non-essential tasks	Important, you depend on volunteers for several key tasks	Very important, you depend on volunteers for a wide range of tasks, but not for all	Essential, you depend entirely on volunteers to carry out your mission and goals	All
Indianapolis	.0%	8.5%	42.3%	28%	21.1%	100%
Northern tier	4.5%	11.2%	29.2%	33%	22.5%	100%
Southern tier	1.1%	13.5%	29.2%	36%	20.2%	100%
State	2.0%	11.2%	32.9%	33%	21.3%	100%
	Count					
	Not at all important, you could carry out your mission and goals with using volunteers	Not very important, you depend on volunteers for only non-essential tasks	Important, you depend on volunteers for several key tasks	Very important, you depend on volunteers for a wide range of tasks, but not for all	Essential, you depend entirely on volunteers to carry out your mission and goals	All
Indianapolis	0	6	30	20	15	71
Northern tier	4	10	26	29	20	89
Southern tier	1	12	26	32	18	89
State	5	28	82	81	53	249

**Table D-1.30: Arts and Culture Revenue and/or expenses by Region (n=286)**

During the most recently completed fiscal year, did your organization have any revenue or expenses?						
	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	93.8%	6.2%	100%	76	5	81
Northern tier	94.3%	5.7%	100%	100	6	106
Southern tier	92.9%	7.1%	100%	92	7	99
State	93.7%	6.3%	100%	268	18	286

**Table D-1.31: Total Organization Revenue by Region (n=204)**

Revenue Categorical Variable									
	Percent								
	No revenue	Less than \$25K	\$25K to 99K	\$100K to 249K	\$250K to 499K	\$500K to 999K	\$1M to 9.9M	\$10M or more	All
Indianapolis	12.1%	25.9%	22.4%	10.3%	8.6%	3.4%	13.8%	3.4%	100%
Northern tier	4.8%	27.7%	18.1%	19.3%	7.2%	10.8%	10.8%	1.2%	100%
Southern tier	11.1%	33.3%	22.2%	19.0%	3.2%	4.8%	6.3%	.0%	100%
State	8.8%	28.9%	20.6%	16.7%	6.4%	6.9%	10.3%	1.5%	100%
	Count								
	No revenue	Less than \$25K	\$25K to 99K	\$100K to 249K	\$250K to 499K	\$500K to 999K	\$1M to 9.9M	\$10M or more	All
Indianapolis	7	15	13	6	5	2	8	2	58
Northern tier	4	23	15	16	6	9	9	1	83
Southern tier	7	21	14	12	2	3	4	0	63
State	18	59	42	34	13	14	21	3	204



**Table D-1.32: Primary Revenue Source by Region (n=182)**

Primary revenue source					
	Percent				
	Charitable	Governmental	Sales / Earned Income	None	All
Indianapolis	37.0%	5.6%	18.5%	38.9%	100%
Northern tier	23.3%	13.7%	20.5%	42.5%	100%
Southern tier	25.5%	20.0%	21.8%	32.7%	100%
State	28.0%	13.2%	20.3%	38.5%	100%
	Count				
	Charitable	Governmental	Sales / Earned Income	None	All
Indianapolis	20	3	10	21	54
Northern tier	17	10	15	31	73
Southern tier	14	11	12	18	55
State	51	24	37	70	182

**Descriptive Statistics for Total Arts and Culture Programs Budget During the Most Recently Completed Fiscal Year**

		Estimated total expenses during most recently completed fiscal year	Estimated total revenue during most recently completed fiscal year	Estimated total liabilities at the end of most recently completed fiscal year	Estimated total net assets at the end of most recently completed fiscal year
N	Valid	203	204	162	162
	Missing	1	0	42	42
Mean		\$726,537.95	\$722,972.82	\$162,680.37	\$1,882,505.80
Median		\$60,000.00	\$52,382.50	\$0.00	\$14,566.50
Std. Deviation		2,837,957.08	2,864,636.11	919,958.99	10,471,479.31
Variance		8,054,000,385,083.62	8,206,140,046,489.56	846,324,534,721.87	109,651,878,914,110.00
Minimum		\$0.00	\$0.00	\$0.00	\$0.00
Maximum		\$28,489,000.00	\$28,196,000.00	\$11,151,000.00	\$116,433,000.00

**Table D-1.33: Funding Profile by Region (n=259)**

**Organization received income from: Donations from individuals**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	74.7%	25.3%	100%	56	19	75
Northern tier	83.7%	16.3%	100%	82	16	98
Southern tier	75.6%	24.4%	100%	65	21	86
State	78.4%	21.6%	100%	203	56	259

**Organization received income from: Local, state, or federal government grants (e.g., IAC, NEA)**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	45.3%	54.7%	100%	34	41	75
Northern tier	59.2%	40.8%	100%	58	40	98
Southern tier	53.5%	46.5%	100%	46	40	86
State	53.3%	46.7%	100%	138	121	259

**Organization received income from: Trusts or bequests from individuals (P=0.000)\*\***

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	17.3%	82.7%	100%	13	62	75
Northern tier	36.7%	63.3%	100%	36	62	98
Southern tier	9.3%	90.7%	100%	8	78	86
State	22.0%	78.0%	100%	57	202	259

**Organization received income from: Government contracts or fee for service payments**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	5.3%	94.7%	100%	4	71	75
Northern tier	8.2%	91.8%	100%	8	90	98
Southern tier	8.1%	91.9%	100%	7	79	86
State	7.3%	92.7%	100%	19	240	259

**Organization received income from: Donations from businesses, corporations, or corporate foundations (not including corporate sponsorships) (P=0.095)\***

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	62.7%	37.3%	100%	47	28	75
Northern tier	74.5%	25.5%	100%	73	25	98
Southern tier	60.5%	39.5%	100%	52	34	86
State	66.4%	33.6%	100%	172	87	259

**Organization received income from: Fees/charges/sales (from individuals or non-governmental entities)**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	45.3%	54.7%	100%	34	41	75
Northern tier	57.1%	42.9%	100%	56	42	98
Southern tier	46.5%	53.5%	100%	40	46	86
State	50.2%	49.8%	100%	130	129	259

**Table D-1.33 Continued: Funding Profile by Region (n=259)**

**Organization received income from: Grants from community foundations**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	49.3%	50.7%	100%	37	38	75
Northern tier	61.2%	38.8%	100%	60	38	98
Southern tier	46.5%	53.5%	100%	40	46	86
State	52.9%	47.1%	100%	137	122	259

**Organization received income from: Fees/charges from private third parties (e.g., insurance programs)**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	1.3%	98.7%	100%	1	74	75
Northern tier	2.0%	98.0%	100%	2	96	98
Southern tier	2.3%	97.7%	100%	2	84	86
State	1.9%	98.1%	100%	5	254	259

**Organization received income from: Grants from other foundations**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	48.0%	52.0%	100%	36	39	75
Northern tier	53.1%	46.9%	100%	52	46	98
Southern tier	43.0%	57.0%	100%	37	49	86
State	48.3%	51.7%	100%	125	134	259

**Organization received income from: Income (or loss) from joint ventures**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	5.3%	94.7%	100%	4	71	75
Northern tier	5.1%	94.9%	100%	5	93	98
Southern tier	11.6%	88.4%	100%	10	76	86
State	7.3%	92.7%	100%	19	240	259

**Organization received income from: Grants/support from United Way organizations**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	5.3%	94.7%	100%	4	71	75
Northern tier	7.1%	92.9%	100%	7	91	98
Southern tier	7.0%	93.0%	100%	6	80	86
State	6.6%	93.4%	100%	17	242	259

**Organization received income from: Income (or loss) from for-profit subsidiary**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	1.3%	98.7%	100%	1	74	75
Northern tier	1.0%	99.0%	100%	1	97	98
Southern tier	1.2%	98.8%	100%	1	85	86
State	1.2%	98.8%	100%	3	256	259

**Table D-1.33 Continued: Funding Profile by Region (n=259)**

**Organization received income from:  
Grants/support from religious organizations**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	4.0%	96.0%	100%	3	72	75
Northern tier	5.1%	94.9%	100%	5	93	98
Southern tier	7.0%	93.0%	100%	6	80	86
State	5.4%	94.6%	100%	14	245	259

**Organization received income from: Income  
(or loss) from corporate sponsorships or  
marketing fees**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	32.0%	68.0%	100%	24	51	75
Northern tier	35.7%	64.3%	100%	35	63	98
Southern tier	24.4%	75.6%	100%	21	65	86
State	30.9%	69.1%	100%	80	179	259

**Organization received income from:  
Grants/support from religious federated funders  
(e.g., Catholic Charities)**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	1.3%	98.7%	100%	1	74	75
Northern tier	1.0%	99.0%	100%	1	97	98
Southern tier	.0%	100.0%	100%	0	86	86
State	.8%	99.2%	100%	2	257	259

**Organization received income from: Income  
(or loss) from any unrelated  
business activities**

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	4.0%	96.0%	100%	3	72	75
Northern tier	7.1%	92.9%	100%	7	91	98
Southern tier	10.5%	89.5%	100%	9	77	86
State	7.3%	92.7%	100%	19	240	259

**Organization received income from:  
Grants/support from other federated funders  
(e.g., united arts funds) (P=0.033)\*\***

	Percent			Count		
	Yes	No	All	Yes	No	All
Indianapolis	4.0%	96.0%	100%	3	72	75
Northern tier	13.3%	86.7%	100%	13	85	98
Southern tier	4.7%	95.3%	100%	4	82	86
State	7.7%	92.3%	100%	20	239	259

**Table D-1.34: Gift and Donation Revenue by Region (n=162 to 203)**

**Gifts and donations came from: Individuals  
(direct gifts from individuals or families, does not include businesses)**

	Percent							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	41.8%	16.4%	10.9%	10.9%	7.3%	7.3%	5.5%	100%
Northern tier	36.9%	23.8%	6.0%	14.3%	4.8%	7.1%	7.1%	100%
Southern tier	42.2%	9.4%	15.6%	14.1%	4.7%	6.3%	7.8%	100%
State	39.9%	17.2%	10.3%	13.3%	5.4%	6.9%	6.9%	100%
	Count							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	23	9	6	6	4	4	3	55
Northern tier	31	20	5	12	4	6	6	84
Southern tier	27	6	10	9	3	4	5	64
State	81	35	21	27	11	14	14	203

**Gifts and donations came from: Community support organizations or foundations(indirect gifts via united arts funds, community foundations, United Way)**

	Percent							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	37.0%	19.6%	4.3%	4.3%	2.2%	23.9%	8.7%	100%
Northern tier	41.9%	21.6%	6.8%	4.1%	.0%	14.9%	10.8%	100%
Southern tier	42.6%	14.8%	4.9%	3.3%	4.9%	18.0%	11.5%	100%
State	40.9%	18.8%	5.5%	3.9%	2.2%	18.2%	10.5%	100%
	Count							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	17	9	2	2	1	11	4	46
Northern tier	31	16	5	3	0	11	8	74
Southern tier	26	9	3	2	3	11	7	61
State	74	34	10	7	4	33	19	181

**Table D-1.34 Continued: Gift and Donation Revenue by Region (n=162 to 203)**

**Gifts and donations came from: Private/family foundations  
(does not include corporate foundations)**

	Percent							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	34.8%	13.0%	4.3%	.0%	.0%	37.0%	10.9%	100%
Northern tier	38.9%	13.9%	4.2%	1.4%	.0%	26.4%	15.3%	100%
Southern tier	28.8%	1.9%	.0%	1.9%	1.9%	48.1%	17.3%	100%
State	34.7%	10.0%	2.9%	1.2%	.6%	35.9%	14.7%	100%
	Count							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	16	6	2	0	0	17	5	46
Northern tier	28	10	3	1	0	19	11	72
Southern tier	15	1	0	1	1	25	9	52
State	59	17	5	2	1	61	25	170

**Gifts and donations came from: Businesses, corporations, or corporate foundations**

	Percent							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	54.0%	16.0%	4.0%	4.0%	.0%	14.0%	8.0%	100%
Northern tier	47.9%	19.2%	6.8%	1.4%	.0%	12.3%	12.3%	100%
Southern tier	49.2%	14.3%	4.8%	1.6%	3.2%	14.3%	12.7%	100%
State	50.0%	16.7%	5.4%	2.2%	1.1%	13.4%	11.3%	100%
	Count							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	27	8	2	2	0	7	4	50
Northern tier	35	14	5	1	0	9	9	73
Southern tier	31	9	3	1	2	9	8	63
State	93	31	10	4	2	25	21	186

**Table D-1.34 Continued: Gift and Donation Revenue by Region (n=162 to 203)**

**Gifts and donations came from: Other nonprofits  
(e.g., churches, community groups, student associations)**

	Percent							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	27.9%	.0%	.0%	.0%	.0%	46.5%	25.6%	100%
Northern tier	21.5%	3.1%	.0%	.0%	1.5%	52.3%	21.5%	100%
Southern tier	27.8%	5.6%	1.9%	1.9%	.0%	44.4%	18.5%	100%
State	25.3%	3.1%	.6%	.6%	.6%	48.1%	21.6%	100%
	Count							
	Less than 25%	About 25% to 50%	About 50% to 75%	More than 75%	100% of all gifts & donations	Not a source of gifts & donations	Don't know / NA	All
Indianapolis	12	0	0	0	0	20	11	43
Northern tier	14	2	0	0	1	34	14	65
Southern tier	15	3	1	1	0	24	10	54
State	41	5	1	1	1	78	35	162



**Table D-1.35: Change in Organization's Total Expenses Over the Last Three Years by Region (n=208)**

	Percent						Count					
	Decreased 25% or more	Decreased 5-25%	Stayed the same	Increased 5-25%	Increased 25% or more	All	Decreased 25% or more	Decreased 5-25%	Stayed the same	Increased 5-25%	Increased 25% or more	All
Indianapolis	1.5%	10.8%	26.2%	52.3%	9.2%	100%	1	7	17	34	6	65
Northern tier	1.3%	5.3%	38.2%	44.7%	10.5%	100%	1	4	29	34	8	76
Southern tier	3.0%	6.0%	31.3%	49.3%	10.4%	100%	2	4	21	33	7	67
State	1.9%	7.2%	32.2%	48.6%	10.1%	100%	4	15	67	101	21	208

**Table D-1.36: Change in Organization's Total Revenue Over the Last Three Years by Region (n=220)**

	Percent						Count					
	Decreased 25% or more	Decreased 5-25%	Stayed the same	Increased 5-25%	Increased 25% or more	All	Decreased 25% or more	Decreased 5-25%	Stayed the same	Increased 5-25%	Increased 25% or more	All
Indianapolis	4.4%	8.8%	30.9%	50.0%	5.9%	100%	3	6	21	34	4	68
Northern tier	3.8%	15.4%	37.2%	34.6%	9.0%	100%	3	12	29	27	7	78
Southern tier	8.1%	10.8%	37.8%	29.7%	13.5%	100%	6	8	28	22	10	74
State	5.5%	11.8%	35.5%	37.7%	9.5%	100%	12	26	78	83	21	220

**Table D-1.37: Approximately how much of your organization's budget is dedicated to arts and culture activities?**

N	Valid	98
	Missing	277
Mean		26.24%
Median		7.50%
Std. Deviation		35.219
Variance		1240.369
Minimum		0%
Maximum		100%

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## APPENDIX D-2: MULTIVARIATE ANALYSIS OF CHALLENGE VARIABLES

### *How to Read these Tables*

This appendix is a supplement to ***Capacity Assessment: Indiana's Arts and Culture Organizations, 2010*** Nonprofit Capacity Assessment Survey Series, Report #3, Final Report. Kirsten A. Grønbjerg and Kellie L. McGiverin-Bohan with Jenna Cluver, Suzzy Mangas, and Jessica Wechter (Bloomington, IN: Indiana University School of Public and Environmental Affairs, June, 2010). It contains the results of a multivariate analysis of average challenge scores discussed in Chapter V, Section A of the final report.

The average challenge scores appear in the left column, and variables of interest appear across the column tops. The (+) and (-) indicate the effect (positive or negative) a variable has on a challenge score, holding everything else constant.

The presence of one or more asterisks (\*) by some of these indicates the level of statistical significance of the relationship. For example in Table 1, the (+)\*\* for staff size and staffing challenges indicates: (1) that staff challenges increase with staff size, holding age and annual revenue constant, and (2) that the relationship is statistically significant. We use the standard criteria of .05 or less for determining significance, meaning that there is a less than 5 percent change the results are due simply to chance. These relationships are flagged with two or more asterisks. However, we report also relationships that are significant at only the .10 level (denoted with one asterisk). A (-) or (+) without any asterisks shows the direction of the relationship, but also indicates that it is not statistically significant.

If there are asterisks next to the average challenge scores, this indicates that the combination of variables is statistically significant in explaining the degree of challenge for that particular dimension. For example, the combination of age, staff size, and annual revenue has a statistically significant relationship with human resource challenges, in Table 1.

### *Notes of Interest about the Overall Findings*

- The most influential variables in these models are: organizational focus on arts/culture, the importance of volunteers, and board vacancies.
- Focus on arts/culture programs and activities plays a prominent role. Organizations with a stronger focus on arts and culture tend to have more challenges in almost every area.
- Organizations that rely extensively on volunteers or that have any board vacancies generally also tend to have more challenges in almost every area.
- Overall, organizational age lacks a statistically significant relationship with most challenges. In some models, we observe that older organizations have more challenges in the areas of marketing and programs and planning.
- Heavily focusing on one type of revenue is generally associated with fewer challenges. For example, organizations that rely on the government for over 50 percent of their total revenue report fewer challenges with information technology, advanced financial resource development, and programs and planning, holding all other factors constant.
- We also considered a model for organizations that had any government grants, but found these grants were unrelated to organizational challenges.

**TABLE D-2.1 – BASIC CONTROL VARIABLES**

Average Challenge Score	Age	Staff Size	Annual Revenue
Operations & Governance	(-)	(-)	(+)
Operations	(+)	(-)	(-)
Governance	(-)	(+)	(+)*
Human Resources **	(+)	(+)	(+)*
Board & Volunteers	(+)	(-)	(+)
Staff ***	(+)	(+)**	(+)*
Programs & Planning *	(+)	(+)	(+)
Marketing	(+)	(+)	(+)
Networking & Advocacy	(+)	(+)	(+)
Financial Resources	(-)	(+)	(+)
Basic Financial Resources	(-)	(-)	(-)
Advanced Financial Resources	(-)	(+)	(+)*
Information Technology	(+)	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

***Notes of Interest for Model D-2.1***

- This basic model, which includes only basic control variables of age, staff size, and annual revenue, is statistically significant for human resource and staff average challenge scores; it is marginally significant for programs and planning.
- As staff size increases so too do staffing challenges.
- Annual revenue is marginally associated with increased challenges in the areas of governance, human resources (particularly staffing), and advanced financial resource challenges (e.g., obtaining multiyear funding versus preparing for capital campaigns).

**TABLE D-2.2 – BASIC CONTROL VARIABLES AND ORGANIZATIONAL ART/CULTURE FOCUS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus	
				Primary	Major
Operations & Governance ***	(-)	(+)*	(-)	(+)**	(+)**
Operations	(+)	(-)	(-)	(+)*	(+)
Governance ***	(-)	(+)**	(-)	(+)**	(+)**
Human Resources **	(+)	(+)*	(+)	(+)**	(+)*
Board & Volunteers **	(+)	(+)	(-)	(+)**	(+)**
Staff ***	(+)	(+)**	(+)	(+)	(+)
Programs & Planning **	(+)*	(+)	(+)	(+)**	(+)**
Marketing **	(+)	(+)	(+)	(+)**	(+)**
Networking & Advocacy	(+)	(+)	(+)	(+)**	(+)*
Financial Resources ***	(-)	(+)**	(-)	(+)**	(+)
Basic Financial Resources **	(-)	(+)	(-)**	(+)**	(+)
Advanced Financial Resources ***	(-)	(+)**	(+)	(+)**	(+)
Information Technology	(+)	(+)	(+)	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.2**

- This model includes the basic control variables considered in Model D-2.1, but adds how much an organization focuses on arts and culture activities. The model is statistically significant for ten challenges, but not operations, networking and advocacy, and information technology.
- This model indicates that organizations with a stronger focus on arts and culture also tend to have more challenges in almost every area, except for information technology and staffing.
- Most notably, an organization’s level of focus on arts/culture programs and activities is related to its level of challenge, even when we hold constant the effects of age, staff size, and annual revenue. Organizations with a minor arts/culture focus form the basis for this comparison. This indicates organizations with a stronger focus on arts/culture also experience more challenges than organizations with only a minor focus on these activities and programs.
- Increases in operations and governance challenges – particularly governance challenges – are related to larger in staff size. Staff size is also related to greater challenges in the areas of: advanced financial resources, financial resources in general, and staffing.
- Generally speaking age and annual revenue have a limited effect on challenges. Only for basic financial challenges is annual revenue important, showing that larger organizations tend to have lower average challenges in this one area.

**TABLE D-2.3 – COUNT OF ORGANIZATIONAL COMPONENTS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components
				Primary	Major	
Operations & Governance ***	(-)	(+)*	(-)	(+)**	(+)**	(+)
Operations	(+)	(+)	(+)	(+)	(+)	(-)
Governance ***	(-)	(+)**	(-)	(+)**	(+)**	(+)
Human Resources **	(+)	(+)	(+)	(+)**	(+)*	(+)
Board & Volunteers **	(+)	(+)	(-)	(+)**	(+)**	(+)
Staff ***	(+)	(+)	(+)	(+)	(+)	(+)**
Programs & Planning **	(+)**	(+)*	(+)	(+)**	(+)**	(-)
Marketing *	(+)*	(+)	(+)	(+)**	(+)**	(-)
Networking & Advocacy	(+)	(+)	(+)	(+)*	(+)*	(-)
Financial Resources ***	(-)	(+)*	(-)	(+)**	(+)	(+)*
Basic Financial Resources **	(-)	(+)*	(-)*	(+)**	(+)	(-)
Advanced Financial Resources ***	(-)	(+)	(-)	(+)**	(+)	(+)**
Information Technology	(+)	(+)	(-)	(+)	(+)	(+)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.3**

- This model includes the variables considered in Model D-2.2, but adds the number of organizational components (such as computerized records, conflict of interest policy). The model is statistically significant for nine challenges, but not operations, networking and advocacy, or information technology, and is only marginally significant for marketing.
- Overall, the relationships observed in Model D-2.2 for primary and major arts focus still hold in this model, suggesting that they are robust to the type of model considered. However, staff size is only significant for governance challenges, while age reaches statistical significance for program and planning challenges (older organizations have higher challenge scores).
- Generally speaking, most challenges appear unrelated to the number of components an organization has.
- However, the more organizational components an organization has the more likely it will have higher challenge scores in the areas of financial resources (particularly advanced resources) and staffing.

**TABLE D-2.3A – EFFECTS OF POSSESSING ORGANIZATIONAL COMPONENTS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Organizational Components				Endow.
				Primary	Major	IT	Op&Gov	HR	Financial	
Operations & Governance **	(+)	(+)*	(+)	(-)**	(+)**	(+)	(+)	(-)	(-)	(+)
Operations	(+)	(+)	(+)	(+)	(+)	(+)	(-)	(+)	(-)	(+)
Governance **	(-)	(+)**	(-)	(+)**	(+)**	(+)	(+)	(-)	(-)	(+)
Human Resources **	(+)	(+)	(-)	(+)**	(+)*	(-)	(+)	(+)	(+)	(+)
Board & Volunteers **	(+)	(+)	(-)	(+)**	(+)**	(-)	(+)	(+)	(-)	(+)**
Staff ***	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)
Programs & Planning *	(+)*	(+)*	(+)	(+)**	(+)**	(-)	(-)	(-)	(+)	(+)
Marketing *	(+)*	(+)	(+)	(+)**	(+)**	(+)	(+)	(-)	(-)	(+)
Networking & Advocacy	(+)	(+)	(+)	(+)*	(+)*	(-)	(+)	(-)	(-)	(+)
Financial Resources **	(-)	(+)*	(-)	(+)**	(+)	(+)	(-)	(+)	(+)	(+)
Basic Financial Resources **	(+)	(+)	(+)*	(+)**	(+)	(-)	(+)	(-)	(+)	(-)
Advanced Financial Resources ***	(-)	(+)	(-)	(+)**	(+)	(+)	(-)	(+)	(+)	(+)
Information Technology	(+)	(+)	(-)	(+)	(+)	(-)	(+)	(+)	(-)	(+)**

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.3A**

- This model is a variation on Model D-2.3, in that it includes separate counts of organizational components in the areas of IT, operations and governance, human resources, and financial planning and management (the first four new variables in this model). The last new variable reflects whether or not organizations reported having an endowment.
- Overall, the relationships observed in Model D-2.3 still hold in this model, suggesting that the relationships are robust across models.
- The number of components in each category are not statistically related to any of the average challenge scores when we control for the effects of age, staff size, annual revenue, and art focus.
- Having an endowment is associated with increased challenges in the areas of board and volunteer management as well as information technology.

**TABLE D-2.4 – VOLUNTEER IMPORTANCE**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Vol Importance
				Primary	Major		
Operations & Governance	(-)	(+)	(-)	(+)	(+)	(+)	(+)
Operations	(+)	(+)	(+)	(+)	(+)	(-)	(+)
Governance ***	(-)	(+)**	(-)	(+)**	(+)**	(+)	(+)
Human Resources ***	(+)	(+)	(-)	(+)**	(+)	(+)*	(+)**
Board & Volunteers ***	(+)	(+)	(-)	(+)**	(+)*	(+)	(+)**
Staff ***	(+)	(+)*	(+)	(+)	(-)	(+)**	(+)*
Programs & Planning **	(+)**	(+)	(+)	(+)**	(+)**	(-)	(-)
Marketing *	(+)*	(+)	(+)	(+)**	(+)**	(-)	(+)
Networking & Advocacy	(+)	(+)	(+)	(+)*	(+)*	(+)	(+)
Financial Resources ***	(-)	(+)**	(+)*	(+)**	(+)	(+)**	(+)**
Basic Financial Resources **	(-)	(+)*	(+)**	(+)**	(+)	(-)	(+)
Advanced Financial Resources ***	(-)	(+)*	(-)	(+)**	(+)	(+)**	(+)**
Information Technology *	(+)	(+)	(-)	(+)	(-)	(+)	(+)**

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.4**

- This model includes the standard control variables (age, staff size, and annual revenue) as well as art/culture focus, and overall number of organization components (most of the variables included in Model D-2.3), but adds a variable measuring the importance of volunteers in the organization.
- Overall, the relationships observed for Model D-2.3 still hold in this model, suggesting that the relationships are robust across models.
- As volunteers become more essential to organizational operations, challenges in human resources (particularly board and volunteer management) increase, as do challenges in financial resources (particularly advanced financial resources) and information technology.



**TABLE D-2.5 – COLLABORATION**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration	
				Primary	Major			Any Formal	Just Informal
Operations & Governance **	(-)	(+)*	(-)	(+)**	(+)*	(-)	(+)	(+)	(+)
Operations	(+)	(+)	(+)	(+)	(+)	(-)	(+)	(+)	(+)
Governance **	(-)	(+)*	(-)	(+)**	(+)	(-)	(+)	(+)	(-)
Human Resources ***	(+)	(+)	(-)	(+)*	(+)	(+)	(+)**	(+)*	(+)
Board & Volunteers ***	(+)	(+)	(-)	(+)**	(+)	(-)	(+)**	(+)	(-)
Staff ***	(+)	(+)	(+)	(-)	(-)	(+)**	(+)*	(+)*	(+)*
Programs & Planning **	(+)**	(+)	(+)	(+)**	(+)*	(-)	(-)	(+)	(+)*
Marketing	(+)	(+)	(+)	(+)*	(+)	(-)	(-)	(+)	(+)
Networking & Advocacy	(+)	(+)	(+)	(+)	(+)	(-)	(+)	(+)	(+)
Financial Resources ***	(-)	(+)*	(+)*	(+)**	(+)	(+)*	(+)**	(+)*	(+)
Basic Financial Resources **	(+)	(+)*	(+)**	(+)**	(-)	(-)	(+)	(+)	(+)
Advanced Financial Resources ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**	(+)*	(+)
Information Technology	(+)	(+)	(-)	(-)	(-)	(+)	(+)**	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.5**

- This model includes all variables considered in Model D-2.4, but also includes information on whether organizations participated in any formal collaborations or informal networks (those not participating in any collaboration or networks are the comparison group).
- Overall, the relationships observed for Model D-2.4 still hold in this model, suggesting that the relationships are robust across models.
- Formal collaboration is marginally related to higher challenge scores in human resources (particularly staffing) and financial resources (particularly advance sources), holding all other factors constant.
- Being involved in informal networks only is marginally associated with higher challenge scores in the areas of staffing and programs/planning, holding all other factors constant.

**TABLE D-2.6 – NONPROFIT/PUBLIC**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration		Nonprofit Org
				Primary	Major			Any Formal	Just Informal	
Operations & Governance **	(-)	(+)	(-)	(+)**	(+)*	(-)	(+)	(+)	(+)	(-)
Operations	(+)	(+)	(-)	(+)	(+)	(-)	(+)	(+)	(+)*	(-)
Governance **	(-)	(+)*	(+)	(+)**	(+)	(-)	(+)	(+)	(-)	(-)
Human Resources **	(+)	(+)	(-)	(+)*	(+)	(+)	(+)**	(+)	(+)	(+)
Board & Volunteers ***	(+)	(+)	(-)**	(+)	(+)*	(-)	(+)**	(+)	(-)	(+)
Staff ***	(+)	(+)	(+)	(+)	(-)	(+)**	(+)	(+)*	(+)*	(-)
Programs & Planning **	(+)	(+)	(+)	(+)**	(+)*	(-)	(-)	(+)*	(+)*	(-)*
Marketing	(+)	(+)	(+)	(+)*	(+)	(-)	(+)	(+)	(+)	(-)
Networking & Advocacy	(+)	(+)	(+)	(+)	(+)	(-)	(+)	(+)*	(+)*	(-)
Financial Resources ***	(-)	(+)*	(+)*	(+)**	(+)	(+)*	(+)**	(+)**	(+)*	(-)
Basic Financial Resources **	(-)	(+)	(+)**	(+)**	(-)	(-)	(+)*	(+)	(+)	(-)
Advanced Financial Resources ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**	(+)**	(+)	(+)
Information Technology *	(+)	(+)	(-)	(-)	(-)	(+)*	(+)**	(+)	(+)*	(+)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.6**

- This model includes all variables considered in Model D-2.5, but also includes information on whether the organization is nonprofit (government organizations are the comparison group).
- Overall, the relationships observed for Model D-2.5 still hold in this model, suggesting that the relationships are robust across models.
- Generally speaking, nonprofit (versus governmental) organizations do not have any additional challenges, holding everything else constant.
- Being a nonprofit organization is marginally associated with lower challenge scores in the area of planning and programs.

**TABLE D-2.7 – BOARD VACANCIES**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration		Any Board Vacancy
				Primary	Major			Any Formal	Just Informal	
Operations & Governance ***	(-)	(+)*	(-)	(+)**	(+)**	(-)	(+)	(-)	(+)	(+)**
Operations	(+)	(+)	(+)	(+)	(+)	(-)	(+)	(+)	(+)*	(+)**
Governance **	(-)	(+)*	(+)	(+)**	(+)*	(-)	(+)	(-)	(-)	(+)**
Human Resources ***	(+)	(+)**	(-)	(+)*	(+)	(+)	(+)**	(+)	(+)	(+)**
Board & Volunteers ***	(+)	(+)	(-)	(+)**	(+)*	(-)	(+)**	(+)	(-)	(+)**
Staff **	(+)	(+)**	(+)	(+)	(-)	(+)**	(+)	(+)	(+)	(+)
Programs & Planning **	(+)**	(+)	(+)	(+)**	(+)*	(-)	(+)	(+)	(+)	(+)*
Marketing *	(+)*	(+)	(+)	(+)**	(+)	(-)	(+)	(+)	(+)	(+)*
Networking & Advocacy **	(+)	(+)	(-)	(+)	(+)	(-)	(+)**	(+)*	(+)**	(+)**
Financial Resources ***	(-)	(+)*	(-)	(+)**	(+)	(+)	(+)**	(+)	(+)	(+)**
Basic Financial Resources **	(+)	(+)*	(+)*	(+)	(-)	(-)	(+)*	(+)	(+)	(+)*
Advanced Financial Resources ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**	(+)**	(+)	(+)**
Information Technology **	(+)	(+)	(-)	(-)	(-)	(+)	(+)**	(+)	(+)	(+)**

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.7**

- This model includes all variables considered in Model D-2.5, but also includes information on whether the organization has any board vacancies. Only organizations with governing boards are considered in this model.
- Clearly having any vacant board seats significantly related to challenges in these organizations. Holding all other factors constant, board vacancies share a statistically significant relationship to higher challenge scores in all areas except for staffing.
- The addition of the board vacancy variable picks up on some of the variation in challenge score explained by primary arts/culture focus. This is because organizations with a greater focus on their arts and culture activities also tend to be more likely to have vacancies in their boards. Except for these changes, the relationships observed for Model D-2.5 still hold in this model, suggesting that the relationships are otherwise robust across models.

**TABLE D-2.8 – NUMBER OF INCOME SOURCES**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration		# of Income Sources
				Primary	Major			Any Formal	Just Informal	
Operations & Governance	(+)	(+)	(-)	(+)**	(+)*	(-)	(-)	(+)	(+)	(+)
Operations	(+)	(-)	(-)	(+)	(+)	(-)	(+)	(+)	(+)*	(-)
Governance **	(-)	(+)	(-)	(+)**	(+)*	(-)	(+)	(+)	(+)	(+)
Human Resources **	(+)	(+)	(-)	(+)	(+)	(+)	(+)**	(+)	(+)	(+)
Board & Volunteers **	(+)	(+)	(+)	(+)*	(+)	(+)	(+)**	(+)	(+)	(+)
Staff ***	(+)	(+)	(+)	(-)	(-)	(+)**	(+)*	(+)	(+)	(+)
Programs & Planning **	(+)**	(+)*	(+)	(+)**	(+)**	(-)	(+)	(+)**	(+)**	(-)
Marketing *	(+)	(+)	(+)	(+)**	(+)*	(+)	(+)	(+)**	(+)*	(-)
Networking & Advocacy **	(+)	(+)	(+)	(+)**	(+)*	(+)	(+)	(+)**	(+)**	(-)
Financial Resources ***	(-)	(+)*	(+)*	(+)**	(+)	(+)	(+)	(+)**	(+)	(-)
Basic Financial Resources **	(+)	(+)	(-)	(+)**	(+)	(-)	(+)	(+)*	(+)	(-)*
Advanced Financial Resources ***	(-)	(+)	(+)	(+)*	(+)	(+)**	(+)	(+)*	(+)	(+)
Information Technology	(+)	(+)	(-)	(+)	(-)	(+)	(+)	(+)	(+)	(+)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.8**

- This model includes all variables considered in Model D-2.5, but also includes a measure of the diversity of income sources. The survey asked organizations if they had a variety of income sources, ranging from corporate sponsorships to bequests. The last variable in the model counts those income sources. Only organizations with revenue are included in this model.
- Overall, the relationships observed for Model D-2.5 still hold in this model, suggesting that the relationships are robust across models.
- The number of income sources an organization has is generally unrelated to the average challenge scores. Only in the case of basic financial resources (e.g., obtaining general and multiyear funding) is more diverse income sources marginally associated with higher challenge scores.

**TABLE D-2.9 – PRIMARY REVENUE SOURCE**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Comp	Impt Vol	Collaboration		Primary Revenue Source		
				Primary	Major			Any Formal	Only Informal	Charitable	Gov't	Fees/Sales
Operations & Governance **	(-)	(+)	(-)	(+)**	(+)	(-)	(+)	(+)**	(+)*	(-)	(-)*	(-)
Operations	(+)	(+)	(+)*	(+)	(+)	(-)	(+)	(+)	(+)*	(-)	(-)	(+)
Governance **	(-)	(+)	(-)	(+)**	(+)	(-)	(+)	(+)*	(+)	(-)	(-)*	(-)
Human Resources ***	(+)	(+)	(-)	(+)	(-)	(+)*	(+)**	(+)**	(+)*	(-)	(-)*	(-)
Board & Volunteers ***	(+)	(+)	(+)	(+)**	(+)	(+)	(+)**	(+)**	(+)	(-)	(-)	(-)**
Staff ***	(+)	(+)*	(-)	(-)	(-)	(+)**	(+)	(+)*	(+)**	(-)*	(-)*	(+)
Programs & Planning ***	(+)	(+)	(+)	(+)	(+)	(-)	(-)	(+)**	(+)**	(-)**	(-)**	(-)**
Marketing	(+)	(+)	(+)	(+)	(+)	(-)	(+)	(+)*	(+)*	(-)	(-)	(-)
Networking & Advocacy **	(+)	(+)	(+)	(+)**	(+)*	(-)	(-)	(+)**	(+)**	(-)	(-)*	(-)
Financial Resources ***	(-)	(+)	(+)*	(+)**	(+)	(+)*	(+)	(+)**	(+)*	(-)*	(-)	(-)
Basic Financial Resources *	(-)	(+)	(-)*	(+)**	(-)	(+)	(+)	(+)	(+)	(-)*	(-)	(-)
Advanced Financial Resources ***	(-)	(+)	(+)	(+)**	(+)	(+)**	(+)*	(+)**	(+)*	(-)	(-)**	(-)*
Information Technology **	(+)	(+)*	(-)	(+)	(+)	(+)	(+)	(+)**	(+)**	(-)	(-)**	(-)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for Model D-2.9**

- This model includes all variables considered in Model D-2.5, but also includes measures to indicate whether charitable contributions, governmental sources, or fees/services account for at least 50 percent of revenues. Only organizations with revenue are included.
- Overall, the relationships observed for Model D-2.5 still hold in this model, suggesting that the relationships are robust across models.
- A heavy reliance on charitable sources is associated with decreased challenges in programs and planning (and marginally with challenges in staffing and financial resources, particularly basic resources). Organizations heavily reliant on government support tend to have fewer challenges in the areas of: programs and planning, advanced financial resources, and information technology (and marginally in operations and governance, particularly governance, human resources, especially staffing, and networking and advocacy). Similarly, we find lower overall challenge scores in board/volunteer management and programs and planning (and marginally in advanced finances) when they rely strongly on fees and sales of services.

**TABLE D-2.10 – USE OF GOVERNMENT GRANTS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Comp	Impt Vol	Collaboration		Gov't Grant
				Primary	Major			Any Formal	Only Informal	
Operations & Governance	(+)	(+)	(-)	(+)**	(+)*	(-)	(-)	(+)	(+)	(-)
Operations	(+)	(-)	(-)	(+)	(+)	(-)	(-)	(+)	(+)*	(-)
Governance **	(+)	(+)	(+)	(+)**	(+)*	(-)	(+)	(+)	(+)	(-)
Human Resources **	(+)	(+)	(-)	(+)	(+)	(+)*	(+)**	(+)	(+)	(+)
Board & Volunteers **	(+)	(+)	(-)	(+)**	(+)	(+)	(+)**	(+)	(+)	(+)
Staff ***	(+)	(+)	(+)	(-)	(-)	(+)**	(+)**	(+)	(+)	(+)
Programs & Planning **	(+)**	(+)	(+)	(+)**	(+)**	(-)	(-)	(+)	(+)*	(+)
Marketing	(+)	(+)	(-)	(+)**	(+)	(+)	(+)	(+)	(+)	(+)
Networking & Advocacy **	(+)	(+)	(-)	(+)**	(+)*	(+)	(+)	(+)**	(+)*	(+)
Financial Resources ***	(-)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)
Basic Financial Resources **	(+)	(+)	(+)	(+)**	(+)	(-)	(+)	(+)	(+)	(-)
Advanced Financial Resources ***	(-)	(+)	(+)	(+)**	(+)	(+)**	(+)*	(+)**	(+)	(+)
Information Technology	(+)	(+)*	(-)	(+)	(-)	(+)	(+)*	(+)	(+)	(+)**

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased challenges, (-) decreased challenges

**Notes of Interest for model D-2.10**

- This model includes all variables considered in Model D-2.5, but also singles out the role of government grants (local, federal, and/or state) and their associations with organizational challenges. This model only includes organizations that reported having revenue.
- Overall, the relationships observed for Model D-2.5 still hold in this model, suggesting that the relationships are robust across models.
- Generally speaking, the use of government grants appears to be unrelated to organizational challenges.
- The exception is with Information Technology. Increased challenges in this area are associated with the use of government grants.

## APPENDIX D-3: MULTIVARIATE ANALYSIS OF ASSISTANCE VARIABLES

### *How to Read these Tables*

This appendix is a supplement to ***Capacity Assessment: Indiana's Arts and Culture Organizations, 2010*** Nonprofit Capacity Assessment Survey Series, Report #3, Final Report. Kirsten A. Grønbjerg and Kellie L. McGiverin-Bohan with Jenna Cluver, Suzzy Mangas, and Jessica Wechter (Bloomington, IN: Indiana University School of Public and Environmental Affairs, June, 2010). It contains the results of a multivariate analysis of average helpfulness scores scores discussed in Chapter V, Section B of the final report.. The average helpfulness scores appear in the left column, and variables of interest (e.g., age, staff size) appear across the column tops.

The average helpfulness scores reflect two different means of construction. **Average assistance scores** include questions based on groupings in the survey itself, while **factor analysis average scores** reflect the clusters revealed during our factor analysis procedure.

	Average Assistance Scores			Factor Analysis Average Scores			
	Financial	Technical	Peer Learning	Basic Financial	Advanced Financial	Loans and Consulting	Joint Activities
Multi-year funding	X			X			
General overhead funding	X			X			
Endowment funding	X				X		
Small targeted grant	X				X		
Challenge grants	X				X		
Low-cost loans	X					X	
Loaned executive		X				X	
Student intern		X				X	
Outside consultant		X				X	
Workshops / off-site training			X				X
Joint activities			X				X
Peer learning opportunities			X				X

In the model tables, the (+) and (-) indicate the effect (an increase or decrease) a variable has on a helpfulness score, holding everything else constant. The presence of one or more asterisks (\*) by these indicates the level of statistical significance of the relationship. For example in Table 1, the (+)\*\* for annual revenue and technical assistance indicates: (1) that technical assistance might be more helpful for organizations with more revenue, holding age and staff size constant, and (2) that the relationship is statistically significant. . We use the standard criteria of .05 or less for determining significance, meaning that there is a less than 5 percent change the results are due simply to chance. These relationships are flagged with two or more asterisks. However, we report also relationships that are significant at only the .10 level (denoted with one asterisk). A (-) or (+) without any asterisks shows the direction of the relationship, but also indicates that it is not statistically significant.

If there are asterisks next to the average helpfulness scores this indicates that the combination of variables is statistically significant in explaining the degree of helpfulness for that particular dimension. For example, the combination of age, staff size, and annual revenue has a statistically significant relationship with technical assistance, in Table D-3.1.



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**TABLE D-3.1 – BASIC CONTROL VARIABLES**

	Age	Staff Size	Annual Revenue
<i>Average Assistance Score</i>			
Financial *	(-)	(+)	(+)*
Technical **	(-)	(+)	(+)**
Peer Learning	(+)	(-)	(+)
<i>Factor Analysis Averages</i>			
Basic Financial	(-)	(+)	(+)
Advanced Financial *	(-)	(+)	(+)*
Loans and Consulting *	(-)	(+)	(+)*
Joint Activities	(+)	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
(+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.1***

- This model includes only basic control variables for size and age.
- Only annual revenue has a significant relationship various forms of assistance overall. Holding age and staff size constant, it appears that the more annual revenue an organization has, the more helpful it would find technical assistance (and marginally also financial assistance). Looking at the factor analysis averages, we also see a marginal positive relationship between annual revenue and advanced financial assistance and loans/consulting assistance.

**TABLE D-3.2 – BASIC CONTROL VARIABLES AND ORGANIZATIONAL ART/CULTURE FOCUS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus	
				Primary	Major
<i>Average Assistance Score</i>					
Financial **	(-)	(+)**	(+)	(+)**	(+)**
Technical **	(-)	(+)*	(+)	(+)**	(+)*
Peer Learning	(+)	(+)	(+)	(+)**	(+)**
<i>Factor Analysis Averages</i>					
Basic Financial	(-)	(+)	(+)	(+)**	(+)
Advanced Financial **	(-)	(+)**	(+)	(+)**	(+)**
Loans and Consulting **	(-)	(+)*	(+)	(+)**	(+)**
Joint Activities	(+)	(+)	(-)	(+)**	(+)*

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.2***

- In this model, we included the level of focus organizations place on arts and culture activities as well as the basic control variables considered in Model D-3.1.
- Generally speaking, all forms of assistance tend to be more helpful the more emphasis an organization places on its arts and culture activities, holding all other factors constant.
- Also notice that including arts focus reveals the significance of staff size for some forms of assistance, but also picks up most of the variation initially captured by revenue.

**TABLE D-3.3 – COUNT OF ORGANIZATIONAL COMPONENTS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus Primary	Major	Org Com- ponents
<i>Average Assistance Score</i>						
Financial ***	(-)	(+)	(-)	(+)***	(+)*	(+)***
Technical **	(-)	(+)	(+)	(+)**	(+)	(+)**
Peer Learning	(+)	(+)	(-)	(+)**	(+)**	(+)
<i>Factor Analysis Averages</i>						
Basic Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)***
Advanced Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)***
Loans and Consulting **	(-)	(+)	(+)	(+)**	(+)*	(+)**
Joint Activities	(-)	(+)*	(-)	(+)**	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.3***

- This model includes the variables considered in Model D-3.2, but adds a total count of the number of organizational components (such as computerized records, conflict of interest policy).
- This model indicates that greater organizational capacity or formality is related to increased helpfulness of a variety of types of assistance, except for joint activities and peer learning assistance, holding all other factors constant.
- Because the number of organizational components is related to focus on arts/culture, it picks up some of the relationships originally associated with that variable. Except for this change, the relationships observed in Model D-3.2 still hold in this model, suggesting that they are generally robust across the two models.

**TABLE D-3.3A – EFFECTS OF POSSESSING ORGANIZATIONAL COMPONENTS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Organizational Components				Endow.
				Primary	Major	IT	Op&Gov	HR	Financial	
<i>Average Assistance Score</i>										
Financial ***	(-)	(+)	(-)	(+)***	(+)*	(+)	(+)	(+)**	(+)	<b>(+)</b>
Technical *	(-)	(+)	(+)	(+)*	(+)	(-)	(+)	(+)	(+)	(+)
Peer Learning	(+)	(+)	(+)	(+)**	(+)**	(-)	(+)	(+)	(+)	(+)
<i>Factor Analysis Averages</i>										
Basic Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)	(+)	(+)**	(-)	(+)*
Advanced Financial **	(-)	(+)	(-)	(+)**	(+)	(+)	(-)	(+)**	(+)	(+)
Loans and Consulting **	(-)	(+)	(+)	(+)**	(+)*	(-)	(+)	(+)	(+)	(+)
Joint Activities	(+)	(+)	(-)	(+)**	(+)	(-)	(-)	(+)	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.3A***

- This model is a variation on Model D-3.3, in that it includes separate counts of organizational components in the areas of IT, operations and governance, human resources, and financial planning/management. The first four new variables in this model count the number of components in each of these categories. The last new variable reflects whether or not organizations reported having an endowment.
- Overall, the relationships observed in Model D-3.3 still hold in this model, suggesting that the relationships are robust across the two models.
- Interestingly, the separate counts of major types of components are not as relevant as the overall count in Model D-3.3.
- Having more human resource related components (e.g., written job descriptions) is related to increased helpfulness of financial assistance, holding all other factors constant. However, note that financial components were not significant in this regard. This could be that staff capacity is essential in fully utilizing such assistance.

**TABLE D-3.4 – VOLUNTEERS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Com-ponents	Vol Im-portance
				Primary	Major		
<i>Average Assistance Score</i>							
Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**
Technical **	(-)	(+)	(+)	(+)*	(+)	(+)**	(+)*
Peer Learning	(+)	(+)	(+)	(+)**	(+)*	(+)	(+)
<i>Factor Analysis Averages</i>							
Basic Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**
Advanced Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**
Loans and Consulting **	(-)	(+)	(+)	(+)**	(+)	(+)**	(+)*
Joint Activities	(-)	(+)*	(-)	(+)**	(+)	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.4***

- This model includes the standard control variables (age, staff size, and annual revenue) as well as art/culture focus, and overall number of organization components (most of the variables included in Model 3), but adds a variable measuring the importance of volunteers in the organization.
- Overall, the relationships observed for Model D-3.3 still hold in this Model, suggesting that the relationships are robust across the two models.
- Holding all other factor constant, organizations that rely more on volunteers also tend to find various forms of assistance (except for joint activities and peer learning) more helpful. Perhaps organizations relying more on volunteers are “developmentally” still rather young; hence they see the benefits in financial and technical assistance (e.g., interns and consultants), but might not believe they have the capacity to benefit from joint activities.

**TABLE D-3.5 – COLLABORATION**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration	
				Primary	Major			Any Formal	Just Informal
<i>Average Assistance Score</i>									
Financial ***	(-)*	(+)	(-)	(+)**	(+)	(+)**	(+)**	(+)	(+)*
Technical *	(-)	(+)	(+)	(+)	(+)	(+)**	(+)*	(+)	(+)
Peer Learning	(+)	(+)	(+)	(+)*	(+)	(-)	(+)	(+)**	(+)
<i>Factor Analysis Averages</i>									
Basic Financial ***	(-)	(+)	(-)	(+)**	(-)	(+)**	(+)**	(+)*	(+)**
Advanced Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**	(-)	(+)
Loans and Consulting **	(-)	(+)	(+)	(+)	(+)	(+)**	(+)	(+)	(+)
Joint Activities	(+)	(+)	(-)	(+)	(+)	(+)	(+)	(+)	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.5***

- This model includes all variables considered in Model D-3.4, but also includes information on whether organizations participated in any formal collaborations or informal networks (those not participating in any collaboration or networks are the comparison group).
- Overall, the relationships observed for Model D-3.4 still hold in this model, suggesting that the relationships are robust across the two models.
- Collaboration and networking are related to only a couple of types of assistance.
- Holding all other factors constant, involvement in formal collaboration is related to finding peer learning more helpful (and marginally basic financial assistance). Informal collaboration is related to finding basic financial assistance helpful and marginally to all forms of financial assistance combined.

**TABLE D-3.6 – NONPROFIT/PUBLIC**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration		Nonprofit Org
				Primary	Major			Any Formal	Just Informal	
<i>Average Assistance Score</i>										
Financial ***	(-)	(+)	(-)	(+)	(+)	(+)	(+)	(+)	(+)	(-)
Technical *	(-)	(+)	(+)	(+)	(+)	(+)**	(+)	(+)	(+)	(+)
Peer Learning	(+)	(+)	(+)	(+)*	(+)	(+)	(+)	(+)**	(+)*	(-)
<i>Factor Analysis Averages</i>										
Basic Financial ***	(-)	(+)	(-)	(+)*	(-)	(+)**	(+)**	(+)*	(+)**	(+)
Advanced Financial ***	(-)*	(+)	(-)	(+)**	(+)	(+)**	(+)**	(-)	(+)	(-)
Loans and Consulting *	(-)	(+)	(+)	(+)	(+)	(+)**	(+)	(+)	(+)	(+)
Joint Activities	(+)	(+)	(-)	(+)	(+)	(+)	(+)	(+)	(+)	(-)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.6***

- This model includes all variables considered in Model D-3.5, but also includes information on whether the organization is nonprofit (government organizations are the comparison group).
- Generally speaking, nonprofit (versus governmental) organizations do not have any additional helpfulness, holding everything else constant.
- Furthermore, including sector detracts from the significance of arts/culture focus and volunteer importance, while simultaneously emphasizing organizational components. This is likely because public organizations have more organizational components than nonprofits (average of 4.5 vs. 3.8), while nonprofit organizations tend to have a stronger focus on arts and culture activities.



**TABLE D-3.7 – BOARD VACANCIES**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration		Any Board Vacancy
				Primary	Major			Any Formal	Just Informal	
<i>Average Assistance Score</i>										
Financial **	(-)*	(+)	(-)	(+)	(-)	(+)**	(+)**	(+)	(+)*	(+)**
Technical *	(-)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)**
Peer Learning	(+)	(+)	(-)	(+)	(+)	(+)	(+)	(+)**	(+)**	(+)
<i>Factor Analysis Averages</i>										
Basic Financial ***	(-)	(+)	(-)	(+)	(-)	(+)**	(+)	(+)*	(+)	(+)**
Advanced Financial ***	(-)	(+)	(+)	(+)	(-)	(+)**	(+)**	(-)	(+)	(+)**
Loans and Consulting **	(-)*	(+)	(+)	(+)	(+)	(+)**	(+)	(+)	(+)	(+)**
Joint Activities	(+)	(+)	(-)	(+)	(-)	(+)	(+)	(+)	(+)	(+)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.7***

- This model includes all variables considered in Model D-3.5, but also includes information on whether the organization has any board vacancies. Only organizations with governing boards are considered in this model.
- Holding all other factors constant, organizations with vacant board seats find most forms of assistance more helpful, except for joint activities and peer learning.
- Organizations with a greater focus on arts/culture activities and programs are more likely to have board vacancies. Thus, the board vacancies variable picks up some of the influence otherwise displayed by the arts/culture focus variable in Model D-3.5.

**TABLE D-3.8 – NUMBER OF INCOME SOURCES**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Components	Volunteer Importance	Collaboration		# of Income Sources
				Primary	Major			Any Formal	Just Informal	
<i>Average Assistance Score</i>										
Financial ***	(-)	(+)	(-)	(+)*	(+)	(+)***	(+)*	(+)	(+)*	(-)
Technical **	(-)	(+)	(-)	(+)	(+)	(+)**	(+)	(-)	(+)	(+)
Peer Learning *	(+)	(+)	(-)*	(+)*	(+)	(+)	(-)	(+)**	(+)**	(+)
<i>Factor Analysis Averages</i>										
Basic Financial **	(-)	(+)	(-)	(+)	(-)	(+)***	(+)	(+)**	(+)**	(-)
Advanced Financial ***	(-)	(+)	(-)	(+)**	(+)**	(+)***	(+)	(+)	(+)	(-)
Loans and Consulting **	(-)	(+)	(-)	(+)	(+)	(+)**	(+)	(-)	(+)	(+)
Joint Activities	(+)	(+)	(-)	(+)*	(+)	(+)	(+)	(+)	(+)*	(+)

\* p < 0.1      \*\* p < 0.05      \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.8***

- This model includes all variables considered in Model D-3.5, but also includes a measure of the diversity of income sources. The survey asked organizations if they had a variety of income sources, ranging from corporate sponsorships to bequests. The last variable in the model counts those income sources. Only organizations with revenue are included in this model.
- Overall, the relationships observed for Model D-3.5 still hold in this Model, suggesting that the relationships are robust across the two models.
- In general, the number of income sources an organization has is unrelated to how helpful it sees various forms of assistance. Organizations with more revenue sources might see financial forms of assistance as less helpful, but these relationships are not statistically significant.

**TABLE D-3.9 – PRIMARY REVENUE SOURCE**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Comp	Impt Vol	Collaboration		Primary Revenue Source		
				Primary	Major			Any Formal	Only Informal	Charitable	Gov't	Fees/Sales
<i>Average Assistance Score</i>												
Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)*	(+)	(+)**	(-)	(-)	(-)
Technical **	(-)	(+)	(+)	(+)*	(+)	(+)**	(+)	(+)	(+)	(+)	(-)	(-)
Peer Learning *	(+)	(+)	(-)*	(+)**	(+)*	(+)	(-)	(+)**	(+)**	(-)	(-)	(-)
<i>Factor Analysis Averages</i>												
Basic Financial **	(-)	(+)	(-)	(+)	(-)	(+)**	(+)	(+)**	(+)**	(-)	(-)	(-)
Advanced Financial ***	(-)	(+)	(-)	(+)**	(+)**	(+)**	(+)	(+)	(+)	(-)	(-)	(+)
Loans and Consulting **	(-)	(+)	(+)	(+)*	(+)	(+)**	(+)	(+)	(+)	(+)	(-)*	(-)
Joint Activities	(-)	(+)	(-)	(+)**	(+)	(+)	(+)	(+)*	(+)**	(-)	(-)	(-)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest for Model D-3.9***

- This model includes all variables considered in Model D-3.5, but also includes measures to indicate whether organizations rely primarily on one source of revenue. In this model, we include three variables which indicate if an organization relied on charitable contributions, governmental sources, or fees/services for over 50 percent of its revenue. Only organizations with revenues are included in this model.
- Overall, the relationships observed for Model D-3.5 still hold in this Model, suggesting that the relationships are robust across the two models.
- In general, strong reliance on one type of revenue has no influence on how helpful organizations judge various forms of assistance. Organizations relying primarily on government funding are marginally more likely to consider loans/consulting assistance less helpful than their counterparts.

**TABLE D-3.10 – USE OF GOVERNMENT GRANTS**

	Age	Staff Size	Annual Revenue	Art/Culture Focus		Org Comp	Impt Vol	Collaboration		Gov't Grant
				Primary	Major			Any Formal	Only Informal	
<i>Average Assistance Score</i>										
Financial ***	(-)	(+)	(-)	(+)**	(+)	(+)***	(+)*	(+)	(+)*	(-)
Technical **	(-)	(+)	(+)	(+)	(+)	(+)**	(+)	(-)	(+)	(+)*
Peer Learning **	(+)	(+)	(-)*	(+)**	(+)	(+)	(-)	(+)**	(+)**	(+)
<i>Factor Analysis Averages</i>										
Basic Financial **	(-)	(+)	(-)	(+)	(-)	(+)***	(+)	(+)*	(+)**	(-)
Advanced Financial ***	(-)	(+)	(-)	(+)**	(+)**	(+)***	(+)	(+)	(+)	(-)
Loans and Consulting **	(-)	(+)	(+)	(+)	(+)	(+)**	(+)	(-)	(-)	(+)*
Joint Activities	(+)	(+)	(-)	(+)**	(+)	(+)	(+)	(+)	(+)*	(+)

\* p < 0.1    \*\* p < 0.05    \*\*\* p < 0.001  
 (+) increased helpfulness, (-) decreased helpfulness

***Notes of Interest***

- This model includes all variables considered in Model D-3.5, but also singles out the role of government grants (local, federal, and/or state) and their associations with organizational assistance. This model only includes organizations that reported having revenue.
- Overall, the relationships observed for Model D-3.5 still hold in this model, suggesting that the relationships are robust across the two models.
- Generally speaking, the use of government grants appears to be unrelated to various forms of assistance, except for some marginally significant relationships with loans/consulting and technical assistance. In both cases, having a government grant is associated with seeing these forms of assistance as more helpful. This could be that the capacity and skills required to apply and to manage government grants also applies to reaping the most benefit from these forms of assistance.

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## APPENDIX E: PROJECT PUBLICATIONS AND REPORTS

Over the last several years a number of reports and articles related to the Indiana Nonprofit Sector Project have been published, in addition to papers presented at various colloquiums and conferences. The following citations include project-related reports and papers as of June 2010. Online reports, as well as summaries of all other items are available on the project web site: [www.indiana.edu/~nonprof](http://www.indiana.edu/~nonprof). To obtain a complete version of an unpublished paper please contact Kirsten Grønbjerg ([kgronbj@indiana.edu](mailto:kgronbj@indiana.edu), (812) 855-5971).

### Indiana Nonprofit Capacity Assessment Analysis

This survey is designed to develop a better understanding of capacity building and technical assistance needs among Indiana nonprofits. For Phase I, the Indiana University School of Public and Environmental Affairs was commissioned by the *Indiana Grantmakers Alliance (IGA)* in collaboration with the Indiana University Center on Philanthropy and Lumina Foundation for Education to conduct a survey of Indiana grantees of Lumina Foundation for Education and/or associated members of IGA. A total of 91 charities completed the Nonprofit Capacity Survey, which asks responding organizations to identify their most significant needs in each of seven broad areas of capacity building area and the best ways to address them. For Phase II, the Indiana University School of Public and Environmental Affairs was commissioned by the Indiana Arts Commission to assess capacity building and technical assistance challenges faced by Indiana arts and culture providers. A total of 385 organizations responded to the survey, which was based on the Phase I questionnaire, but also contained several questions particularly applicable to arts and culture issues.

#### *Online Statewide Reports*

Nonprofit Capacity Assessment: Indiana's Arts and Culture Organizations, Final Report 2010, Nonprofit Capacity Assessment Survey Series, Report #3, by Kirsten A. Grønbjerg and Kellie McGiverin-Bohan with Jenna Cluver, Suzzy Mangas, and Jessica Wechter. Online report. Indiana Nonprofit Capacity Survey Series, Report #3. June 2010  
(<http://www.indiana.edu/~nonprof/results/npcapacity/artsculturefinalcapacityassessment.html>).

Nonprofit Capacity Assessment: Indiana's Arts and Culture Organizations, 2009, Nonprofit Capacity Assessment Survey Series, Report #2, by Kirsten A. Grønbjerg and Kellie McGiverin-Bohan with Jenna Cluver, Suzzy Mangas, and Jessica Wechter. Online report. Indiana Nonprofit Capacity Survey Series, Report #2. March 2009  
(<http://www.indiana.edu/~nonprof/results/npcapacity/artsculturecapacityprelim.pdf>).

Nonprofit Capacity Assessment: Indiana Charities, 2007, by Kirsten A. Grønbjerg and Laney Cheney, with the assistance of Scott Leadingham and Helen Liu. Online report. Indiana Nonprofit Capacity Survey Series, Report #1. May 2007  
(<http://www.indiana.edu/~nonprof/results/npcapacity/charitycapacityassessment.pdf>).

#### *Published Articles and Conference Papers*

"Do Organizational Characteristics and Activities Influence Organizational Capacities: An Analysis of Indiana's Nonprofit Sector," by Li Chuan Liu and Kirsten A. Grønbjerg. Paper presented at the

## **2002 Indiana Nonprofit Survey Analysis**

This survey of 2,206 Indiana nonprofits, completed in spring and early summer of 2002, covered congregations, other charities, advocacy nonprofits, and mutual benefit associations. It used a stratified random sample drawn from our comprehensive Indiana nonprofit database and structured so as to allow for comparisons among (1) different nonprofit source listings (including those identified through the personal affiliation survey) and (2) twelve selected communities around the state. The survey included questions about basic organizational characteristics, programs and target populations, finances and human resources, management tools and challenges, advocacy activities, affiliations, and involvement in networking and collaboration. An almost identical instrument was used to survey Illinois congregations, charities and advocacy nonprofits for the Donors Forum of Chicago (report available Online at [www.donorsforum.org](http://www.donorsforum.org), December, 2003).

### *Online Statewide Reports*

Indiana Nonprofits: A Portrait of Religious Nonprofits and Secular Charities, by Kirsten A. Grønbjerg, Patricia Bortrager Tennen. Online report. Survey Report #7. June 2006 (<http://www.indiana.edu/~nonprof/results/npsurvey/insfaithbased.html>).

Indiana Nonprofits: A Profile of Membership Organizations, by Kirsten A. Grønbjerg and Patricia Bortrager Tennen. Online report. Survey Report #6. September 2005 ([www.indiana.edu/~nonprof/results/npsurvey/insmember.html](http://www.indiana.edu/~nonprof/results/npsurvey/insmember.html)).

Indiana Nonprofits: Affiliation, Collaboration, and Competition, by Kirsten A. Grønbjerg and Curtis Child. Online report. Survey Report #5. November 2004 ([www.indiana.edu/~nonprof/results/npsurvey/insaffil.html](http://www.indiana.edu/~nonprof/results/npsurvey/insaffil.html)).

Indiana Nonprofits: Managing Financial and Human Resources, by Kirsten A. Grønbjerg and Richard M. Clerkin. Online report. Survey Report #4. August 2004 ([www.indiana.edu/~nonprof/results/npsurvey/insman.html](http://www.indiana.edu/~nonprof/results/npsurvey/insman.html)).

Indiana Nonprofits: Impact of Community and Policy Changes, by Kirsten A. Grønbjerg and Curtis Child. Online report. Survey Report #3. June 2004 ([www.indiana.edu/~nonprof/results/npsurvey/inscom.html](http://www.indiana.edu/~nonprof/results/npsurvey/inscom.html)).

The Indiana Nonprofit Sector: A Profile, by Kirsten A. Grønbjerg and Linda Allen. Online report. Survey Report #2. January 2004 ([www.indiana.edu/~nonprof/results/npsurvey/insprofile.html](http://www.indiana.edu/~nonprof/results/npsurvey/insprofile.html)).

### *Online Regional Reports*

Scott Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #12, by Kirsten A. Grønbjerg, Abigail Powell and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006. ([www.indiana.edu/~nonprof/results/npsurvey/inscomscott.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomscott.pdf)).

Miami Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #11, by

Kirsten A. Grønbjerg, Kerry S. Brock and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscommiami.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscommiami.pdf)).

Dubois Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #10, by Kirsten A. Grønbjerg, Abigail Powell and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscomdubois.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomdubois.pdf)).

Cass Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #9, by Kirsten A. Grønbjerg, Andrea Lewis and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscomcass.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomcass.pdf))

Bartholomew Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #8, by Kirsten A. Grønbjerg, Kerry S. Brock and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscombartholomew.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscombartholomew.pdf))

South Bend Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #7, by Kirsten A. Grønbjerg, Kerry S. Brock and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscomsouthbend.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomsouthbend.pdf))

Fort Wayne Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #6, by Kirsten A. Grønbjerg, Abigail Powell, Andrea Lewis and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscomfortwayne.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomfortwayne.pdf))

Indianapolis Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #5, by Kirsten A. Grønbjerg and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscomindianapolis.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomindianapolis.pdf))

Evansville Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #4, by Kirsten A. Grønbjerg, Curtis Child and Patricia Bortrager Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, June 2006 (revised November 2006)).  
([www.indiana.edu/~nonprof/results/npsurvey/inscomevansville.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomevansville.pdf))

Muncie Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #3, by Kirsten A. Grønbjerg and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, June 2006.  
([www.indiana.edu/~nonprof/results/npsurvey/inscommuncie.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscommuncie.pdf))

Northwest Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #2, by Kirsten A. Grønbjerg and Patricia Bortrager Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, February, 2006).  
([www.indiana.edu/~nonprof/results/npsurvey/inscomnorthwest.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscomnorthwest.pdf))



Bloomington Nonprofits: Scope and Dimensions. Nonprofit Survey Series, Community Report #1, by Kirsten A. Grønbjerg and Curtis Child, Patricia Borntreger Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, December, 2005). ([www.indiana.edu/~nonprof/results/npsurvey/inscombloomington.pdf](http://www.indiana.edu/~nonprof/results/npsurvey/inscombloomington.pdf))

The Indianapolis Nonprofit Sector: Management Capacities and Challenges, by Kirsten A. Grønbjerg and Richard Clerkin. Online report. Preliminary Survey Report #1. February 2003 ([www.indiana.edu/~nonprof/results/npsurvey/indymanag.html](http://www.indiana.edu/~nonprof/results/npsurvey/indymanag.html)).

### *Journal Articles and Book Chapters*

"Infrastructure and Activities: Relating IT to the Work of Nonprofit Organizations," by Richard Clerkin and Kirsten A. Grønbjerg. Pp. 3-20 in *Nonprofits and Technology*, edited by Michael Cortés & Kevin Rafter. Chicago: Lyceum Books. 2007.

"Nonprofit Advocacy Organizations: Their Characteristics and Activities," by Curtis Child and Kirsten A. Grønbjerg. *Social Science Quarterly* 88 (1, 2007) 259-81.

"The Capacities and Challenges of Faith-Based Human Service Organizations," by Richard Clerkin and Kirsten Grønbjerg. *Public Administration Review* 67 (1, 2007): 115-126.

"Nonprofits in Context: Assessing the Regional-level Correlates of Nonprofit Capacity Resources," by Curtis D. Child, Kirsten A. Grønbjerg, and Hun Myoung Park. Paper presented at the annual meetings of ARNOVA, Chicago, IL, November 16-18, 2006.

"Researching Collaborative Structures and/or Their Outcomes: Challenges of Measurement and Methodology." Paper presented at the annual meetings of the Academy of Management, Atlanta, GA, August 14-16, 2006.

"Nonprofit Networks and Collaborations: Incidence, Scope and Outcomes," by Kirsten Grønbjerg and Curtis Child. Paper presented at the annual meetings of ARNOVA, Washington, D.C., November 17-19, 2005.

"A Portrait of Membership Associations: The Case of Indiana," by Kirsten Grønbjerg and Patricia Borntreger Tennen. Paper presented at the annual meetings of ARNOVA, Washington, D.C., November 17-19, 2005.

"Examining the Landscape of Indiana's Nonprofit Sector: Does What you Know Depend on Where you Look?" by Kirsten A. Grønbjerg and Richard M. Clerkin. *Nonprofit and Voluntary Sector Quarterly* 34 (June 2005, No. 2): 232-59.

"The Role of Congregations in Delivering Human Services" by Richard M. Clerkin and Kirsten Grønbjerg. Paper presented at the Independent Sector Spring Research Forum, Washington, D.C., March 6-7, 2003.

## **Indiana Nonprofit Employment Analysis**

An analysis, comparing Covered Wages and Employment (ES-202 employment) reports with IRS registered nonprofits under all sub-sections of 501(c), using a methodology developed by the Center for Civil Society Studies at The Johns Hopkins University, to examine nonprofit employment in the state of Indiana. The analysis includes detailed information by county, region, and type of nonprofit as well as industry and sector comparisons.

### *Online Statewide Reports*

Indiana Nonprofit Employment: 2007 Report. Nonprofit Employment Report No. 3 by Kirsten A. Grønbjerg, Andrea Lewis and Pauline Campbell. September 2007.  
([www.indiana.edu/~nonprof/results/innonprofitemploy3.htm](http://www.indiana.edu/~nonprof/results/innonprofitemploy3.htm)).

Indiana Nonprofit Employment, 2005 Report. Nonprofit Employment Report No. 2 by Kirsten A. Grønbjerg and Erich T. Eschmann. May 2005  
([www.indiana.edu/~nonprof/results/innonprofitemploy2.htm](http://www.indiana.edu/~nonprof/results/innonprofitemploy2.htm)).

Indiana Nonprofit Employment, 2001. Nonprofit Employment Report No. 1 by Kirsten A. Grønbjerg and Hun Myoung Park. July 2003  
([www.indiana.edu/~nonprof/results/innonprofitemploy.htm](http://www.indiana.edu/~nonprof/results/innonprofitemploy.htm)).

### *Online Regional Reports*

Evansville Economic Region Nonprofit Employment: 2005 Report. Nonprofit Employment Series No. 2D by Kirsten Grønbjerg and Kerry Brock. May 2006  
([www.indiana.edu/~nonprof/results/inemploy/Evansvilleempl05.pdf](http://www.indiana.edu/~nonprof/results/inemploy/Evansvilleempl05.pdf)).

Muncie Economic Region Nonprofit Employment: 2005 Report. Nonprofit Employment Series No. 2C by Kirsten Grønbjerg and Kerry Brock. May 2006  
([www.indiana.edu/~nonprof/results/inemploy/muncieempl05.pdf](http://www.indiana.edu/~nonprof/results/inemploy/muncieempl05.pdf)).

Northwest Economic Region Nonprofit Employment: 2005 Report. Nonprofit Employment Series No. 2B by Kirsten Grønbjerg and Kerry Brock. February 2006  
([www.indiana.edu/~nonprof/results/inemploy/northwestempl05.pdf](http://www.indiana.edu/~nonprof/results/inemploy/northwestempl05.pdf)).

Bloomington Economic Region Nonprofit Employment: 2005 Report. Nonprofit Employment Series No. 2A by Kirsten Grønbjerg and Erich T. Eschmann with Kerry Brock. January 2006  
([www.indiana.edu/~nonprof/results/inemploy/bloomingtonempl05.pdf](http://www.indiana.edu/~nonprof/results/inemploy/bloomingtonempl05.pdf)).

Bloomington Nonprofit Employment, 2001. Nonprofit Employment Report No. 1, Supplement A, by Kirsten Grønbjerg and Sharon Kioko. August 2003  
([www.indiana.edu/~nonprof/results/inemploy/Bloomingtonempl03.pdf](http://www.indiana.edu/~nonprof/results/inemploy/Bloomingtonempl03.pdf)).

## **Nonprofit Trust Survey Analysis**

We completed a survey of 536 Indiana residents in October 2008, to assess whether they trust nonprofits and charities in their communities more or less than they trust the state government in

Indianapolis, local government, the federal government and businesses and corporations in their community. We also asked respondents about their political orientations and about a broad range of socio-demographic characteristics.

### *Online Report*

"Are Nonprofits Trustworthy?" by Kirsten Grønbjerg. Bloomington, Indiana, School of Public and Environmental Affairs, February 11, 2009.

### **Personal Affiliation Survey Analysis**

We completed a survey of 526 Indiana residents in May 2001, designed to make it possible to evaluate the utility of an alternative approach to sampling Indiana nonprofits (as compared to drawing a sample from a comprehensive nonprofit database). The survey probed for the respondents' personal affiliations with Indiana nonprofits as employees, worshippers, volunteers, or participants in association meetings or events during the previous 12 months. We recorded the names and addresses of the church the respondent had attended most recently, of up to two nonprofit employers, up to five nonprofits for which the respondent had volunteered, and up to five nonprofit associations.

### *Journal Articles and Conference Presentations*

"The Role of Religious Networks and Other Factors in Different Types of Volunteer Work" by Kirsten Grønbjerg and Brent Never. *Nonprofit Management and Leadership* 14 (Winter 2004, No. 3): 263-90. Revised version of paper presented at the Society for the Scientific Study of Religion. Salt Lake City, October 31-November 2, 2002.

"Individual Engagement with Nonprofits: Explaining Participation in Association Meetings and Events" by Kirsten Grønbjerg. Paper presented at the ARNOVA Meetings, Montreal, Canada, November 14-16, 2002.

"Volunteering for Nonprofits: The Role of Religious Engagement" by Kirsten Grønbjerg and Brent Never. Paper presented at the Association for the Study of Religion. Chicago, August 14-16, 2002.

### **Indiana Nonprofit Database Analysis**

We developed a comprehensive database of 59,400 Indiana nonprofits of all types (congregations, other charities, advocacy nonprofits, and mutual benefit associations) using a unique methodology that combines a variety of data sources, most notably the IRS listing of tax-exempt entities, the Indiana Secretary of State's listing of incorporated nonprofits, and the yellow page listing of congregations. We supplemented these listings with a variety of local listings in eleven communities across the state and with nonprofits identified through a survey of Indiana residents about their personal affiliations with nonprofits. The database is available in a searchable format through a link at <http://www.indiana.edu/~nonprof>.

*Journal Articles and Conference Presentations*

“Incorporated but not IRS-Registered: Exploring the (Dark) Grey Fringes of the Nonprofit Universe” by Kirsten A. Grønbjerg, Helen Liu and Thomas Pollak. *Nonprofit and Voluntary Sector Quarterly* (first published online, August 10, 2009). Revised version of paper presented at Academy of Management Annual Conference, Anaheim, CA., August 10-13, 2008 and the Fifth Annual West Coast Nonprofit Data Conference, Phoenix, AZ, April 4- 5, 2008.

“Burrowing Into the Grey Matter of the Nonprofit Universe: Changing Patterns of IRS Registration and State Incorporation, 2001-2005” by Kirsten A. Grønbjerg, Helen Liu, Thomas Pollak and Ginger Elliott-Teague. Revised version of paper presented at the Association of Research on Nonprofit Organizations and Voluntary Action, Atlanta, GA, November 15-17, 2007.

“Extent and Nature of Overlap Between Listings of IRS Tax-Exempt Registrations and Nonprofit Incorporation: The Case of Indiana” by Kirsten Grønbjerg and Laurie Paarlberg. *Nonprofit and Voluntary Sector Quarterly* 31 (No. 4, December, 2002): 565-94. Revised version of paper presented at the Annual Meetings of ARNOVA, Miami, FL., November 29-December 1, 2001.

“Evaluating Nonprofit Databases.” *American Behavioral Scientist* 45 (July, 2002, No. 10): 1741-77. Resources for Scholarship in the Nonprofit Sector: Studies in the Political Economy of Information, Part I: Data on Nonprofit Industries.

“Community Variations in the Size and Composition of the Nonprofit Sector: The Case of Indiana” by Kirsten Grønbjerg and Laurie Paarlberg. Paper presented at the Small Cities Conference, Muncie, IN, September 14-15, 2001. Revised and expanded version of paper presented at the 2000 ARNOVA Conference.

“Community Variations in the Size and Scope of the Nonprofit Sector: Theory and Preliminary Findings” by Kirsten A. Grønbjerg and Laurie Paarlberg. *Nonprofit and Voluntary Sector Quarterly* 30 (No. 4, December, 2001) 684-706.

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