INDIANA NONPROFITS

Scope and Community Dimensions

Nonprofit Survey Series

Report #6

INDIANA NONPROFITS: A PROFILE OF MEMBERSHIP ORGANIZATIONS

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KIRSTEN A.GRØNBJERG
AND
PATRICIA BORNTRAGER

veterans organizations have distinctive profiles. Among occupation/industry groups, labor unions and chambers of commerce/business leagues tend to stand out in terms of profiles, as do amateur sports teams among recreation groups and youth development organizations among other member organizations (followed by counseling and support groups, volunteer fire departments and related organizations and community improvement organizations.

II. CHANGES AFFECTING MEMBERSHIP ORGANIZATIONS

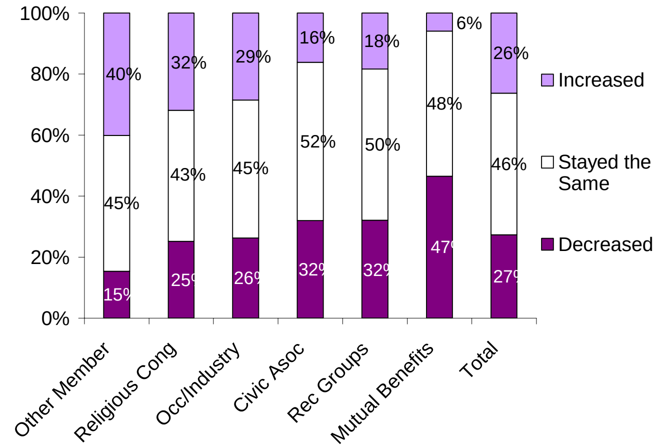
Are membership organizations in decline as Putnam claims in "Bowling Alone"?[20] We look at whether Indiana nonprofits report growth or decline in the number of members and in demand for their programs or services over the previous three years. We find that some membership organizations are indeed experiencing decline, but others are growing and facing increasing demands for their programs or services. Membership organizations differ in whether they observe shifts in community conditions or in government policies and in whether they are affected by such changes. However, relatively few engage in advocacy and or other efforts to promote particular issues or the interests of special groups.

Vitality of Membership Organizations: One way to measure vitality in membership organizations is to determine whether the number of members is increasing or decreasing. We expect that organizations with a growing number of members would have healthier financial conditions than those with declining membership. Certainly growth of members by itself suggests that the organization is visible and attractive to more people or organizations. We also asked our respondents to indicate whether demand for the organization's services or programs has changed over the previous three years.

- **Change in Members:** We asked Indiana nonprofits that have individual members how the number of members has changed over the previous three years. We report here on whether the membership count decreased, stayed the same or increased.[21]
  - *Overall:* Almost half (46 percent) of membership organizations say that the number of members had stayed more or less the same over the prior three years. The rest split almost evenly between those that reported increases (26 percent) and those that reported decreases (27 percent). See the total bar in Figure 24.

[20] *Bowling Alone: The Collapse and Revival of American Community* by Robert D. Putnam (New York: *Simon & Schuster*, 2000).
[21] We gave respondents five choices: decreased significantly (by more than 25 percent), decreased somewhat (by 10-25 percent), stayed more or less the same, increased somewhat (by 10-25 percent), or increased significantly (by more than 25 percent). In this report we collapse the responses into the three categories named above.

Figure 24: Change in membership by type of membership organization (n=1,366)



– However, as Figure 24 shows, there are notable differences among the various types of membership organizations in whether memberships have increased or decreased over the last three years. Those of greatest concern to the followers of the "Bowling Alone" argument – fraternal organizations and civic associations – are likely to have seen stagnating or declining membership. Those most likely to include public charities ("other" membership groups and congregations) are more likely to have seen increasing membership.

– *Mutual benefits* saw the biggest decreases in membership, with 47 percent reporting a decline, compared to 27 percent overall, consistent with Putnam's argument in "Bowling Alone." Only 6 percent of mutual benefits reported an increase in the number of members.

- Three-fourths (73 percent) of fraternal beneficiary societies report declines in membership, while only 3 percent report an increase.

- Two-thirds of veterans' organizations (64 percent) reports a stable membership roll; however, they report no growth (only 1 percent reports an increase in membership), while 36 percent report a decrease in number of members.

– Half (52 percent) of *civic associations* report that their membership rolls stayed the same. Most of the rest (32 percent overall) say membership numbers decreased, while less than one-fifth (16 percent) report increases. Sub-groups vary notably:

- Somewhat akin to fraternal beneficiary societies, community service clubs are much more likely to report a decrease in membership (50 percent) than an increase (7 percent).

- Almost three-quarters (72 percent) of homeowners' and neighborhood associations report stable membership numbers, and only 7 percent report a decrease in membership.

– *Recreation groups* are also quite likely to report stable membership roles (50 percent); among those that report changes, almost twice as many report decreases (32 percent overall) as increases (18 percent).

– *Other member groups* are the most likely to have seen an *increase* in membership (40 percent), with only 15 percent reporting a decrease.

- The great majority (77 percent) of youth development programs, (such as Boys' and Girls' Clubs), have seen an increase in membership over the past three years.

- Volunteer fire departments and related groups as well as community improvement and philanthropy groups stand out because of the large percentages reporting that membership stayed the same (69 and 77 percent respectively, compared to 45 percent of other member groups overall). Additionally, extremely small percentages of these groups report decreases (1 and 3 percent respectively, as opposed to 15 percent of other member groups overall).

– There was no significant variation among subgroups of religious congregations, occupation/industry groups, or recreation groups regarding change in membership.

- **Demand for services:** In addition to changes in membership we asked Indiana membership organizations how demand for their services or programs changed over the last three years. Responses vary according to whether or not organizations have members and by type of membership organization.

– *Members vs. No Members:* The majority of membership organizations (52 percent) say that demand for services or programs stayed the same, compared to only one-third (33 percent) of organizations without members. See Figure 25.

Figure 25: Change in demand for services or programs by member status (n=2,088)

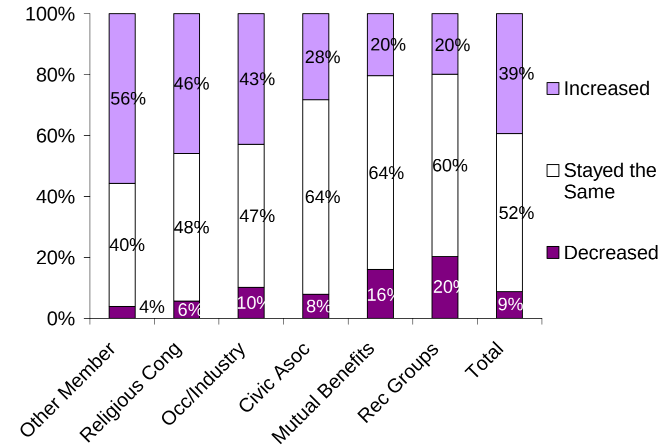
– In contrast, the majority of nonprofits without members (63 percent) report an increase in demand for services or programs, compared to only two-fifths (39 percent) of membership organizations.

– *By Type of Membership Organization:* Mutual benefits and recreation groups were most likely to see a decrease in demand for services or programs, while other member groups saw a more pervasive increase in demand.

– For the majority of *recreation groups* and *mutual benefits*, demand stayed the same (60 and 64 percent respectively), and increased for only 20 percent (vs. 39 percent of membership organizations overall). Both were more likely to see declines in demand for services or programs (recreation groups, 20 percent; mutual benefits, 16 percent) than membership organizations overall (9 percent). See Figure 26.

– The majority (64 percent) of *civic associations* report that demand stayed the same. They are also less likely than the average membership organization to report an increase in demand (28 vs. 39 percent).

Figure 26: Changes in demand for services or programs by type of membership organization (n=1619)



– The majority of *occupation/industry groups* report changes in demand for services or programs, with more than four times as many (43 percent) reporting increases rather than decreases (10 percent).

– Over half (52 percent) of *religious congregations* report that demand for services or programs changed, almost all of which (46 percent overall) saying it increased and only 6 percent saying it decreased. There was variation in response to demand for services or programs by religious affiliation.

  - Catholic congregations were more inclined to report an increase in demand for services or programs (69 percent vs. 46 percent overall).

  - Mainline Protestant congregations stand out as more likely to say that demand for services or programs stayed the same (66 percent vs. 48 percent overall).

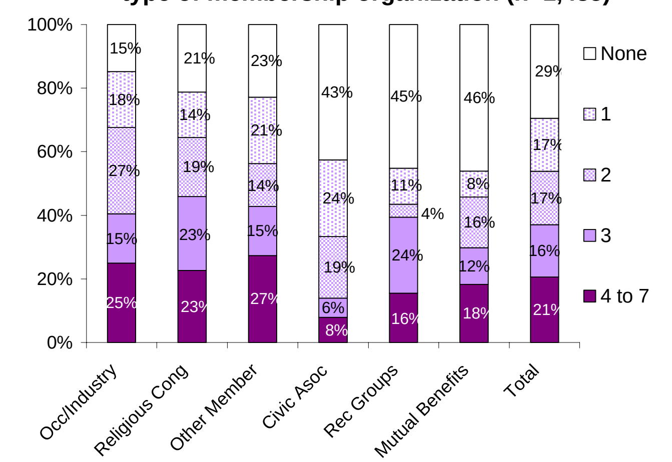
– The majority of *other member groups* (56 percent) report an increase in demand for services or programs compared to 39 percent of membership organizations overall.

Community Conditions and Changes: We asked respondents to indicate whether certain community indicators had increased, decreased, or stayed the same over a three year period in order to ascertain their perceptions of community conditions.[22] Our key indicators include: employment opportunities, household income, population size, ethnic or racial diversity, crime and violence, and tension between community groups. We also asked whether or not these conditions had an impact on their organization, although we did not ask how. We found that organizations with and without members have similar perceptions of changes in community conditions and of the impact of these changes. Notable variations exist, however, among types of membership organizations.

- **Scope of Changes:** To get an overall idea of the scope of changes in community conditions, we counted the number of changes reported.

  – *Overall:* Over two-thirds (71 percent) of membership organizations report at least one change in community conditions. Overall, a fifth (21 percent) reported between four and seven changes, with nearly equal percentages reporting one, two, or three changes in community conditions (17 percent, 17 percent, and 16 percent respectively). See total bar in Figure 27.

Figure 27: Number of changes in community conditions by type of membership organization (n=1,485)



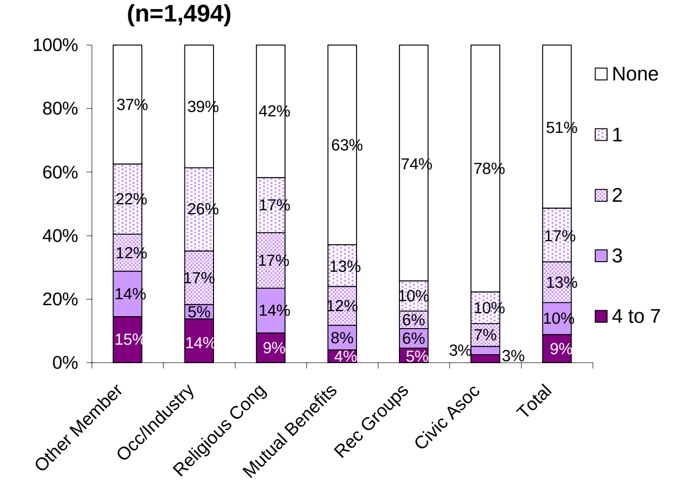
  – *By Type of Membership Organization: Occupation/industry groups*, *religious congregations*, and *other member groups* are more likely to report some changes in community conditions. The vast majority (85 percent) of occupation/industry groups report at least one change in community conditions, compared to 54 percent of mutual benefits and 55 percent of recreation groups.

    ▪ Among other member groups, educational institutions and fundraising groups are far more likely to report many changes in community conditions, with over half (52 percent) reporting four to seven changes (compared to 27 percent of other member groups overall).

- **Scope of Impacts:** Not all changes in community conditions may actually impact organizations. We summed the number of impacts from changes in community conditions reported by membership organizations to ascertain the scope of impacts of community changes.

  – *Overall*: Half (51 percent) of membership organizations report no impacts from changes in community conditions, while 17 percent report one impact, 13 percent report two impacts, and 10 percent report three impacts. Only 9 percent of membership organizations report 4 or more impacts from changes in community conditions. See total bar in Figure 28.

Figure 28: Number of impact from changes in community conditions by type of membership organization (n=1,494)



[22] In an earlier report we looked at changing community conditions and government policies in more detail. We draw on that analysis here but focus exclusively on membership organizations. See Kirsten A. Grønbjerg & Curtis Child, Indiana Nonprofits: Impact of Community and Policy Changes. July 2004.

– *By Type of Membership Organization*: Just as they were more likely to report at least one community change, *other member groups* (63 percent), *occupation/industry groups* (61 percent), and *religious congregations* (58 percent) were more likely to report impacts from at least one of those changes.

  - Among other member groups, 88 percent of youth development organizations report being impacted by at least one change, including 62 percent that report impacts from three or more changes. At the other extreme, only 37 percent of community improvement and philanthropy groups report any impacts from changes in community conditions.

  - Catholic congregations are more likely than all other religious congregations to report impacts from changes in community conditions, with the majority (56 percent) of catholic congregations reporting impacts from three or more changes, compared to 23 percent of religious congregations overall.

- **Specific Community Conditions:** We now look at specific community conditions in more detail and the changes and impacts perceived by membership organizations.

– *Overall:* Membership organizations are most likely to perceive changes (increases or decreases) in population size and employment opportunities (48 percent each). Two-fifths (40 percent) report changes in household income, 36 percent in racial diversity, 23 percent in crime and violence, and 10 percent in tension between community groups. See Figure 29.

– However, notably fewer membership organizations say that these changes impacted them. They are most likely to report impacts from changes in employment opportunities (32 percent), followed by impacts from changes in population size (28 percent) and household income (27 percent). Some 17 percent report impacts from changes in racial diversity, while one-tenth report impacts from increases or decreases in crime and violence (11 percent) as well as from changes in tension between community groups (10 percent). See Figure 30.

Figure 29: Percent of membership organizations reporting changes in community conditions by type of community condition (n=1,291-1,397)

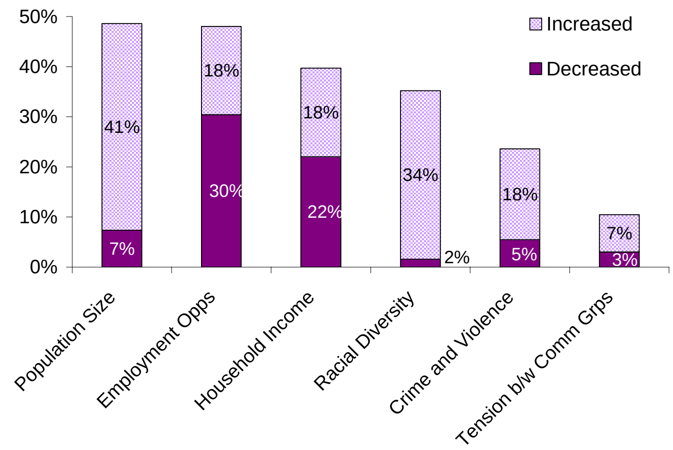
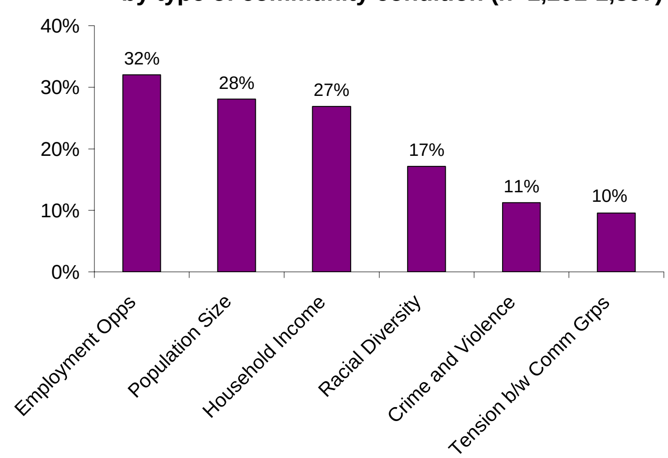


Figure 30: Percent of membership organizations reporting impacts from changes in community conditions by type of community condition (n=1,291-1,397)



– *Employment Opportunities:* almost one-third (30 percent) of membership organizations say that employment opportunities decreased over a three-year period, while 18 percent say that they increased. The majority (52 percent) of membership organizations report no change in employment opportunities. Occupation/industry groups, religious congregations, and other member groups are more likely to report changes in employment opportunities as well as impacts from those changes.

– The majority (63 percent) of *occupation/industry groups* report changes in employment opportunities (with most reporting a decrease, see Figure 31) and that they are impacted by employment opportunities (54 percent, see Figure 32).

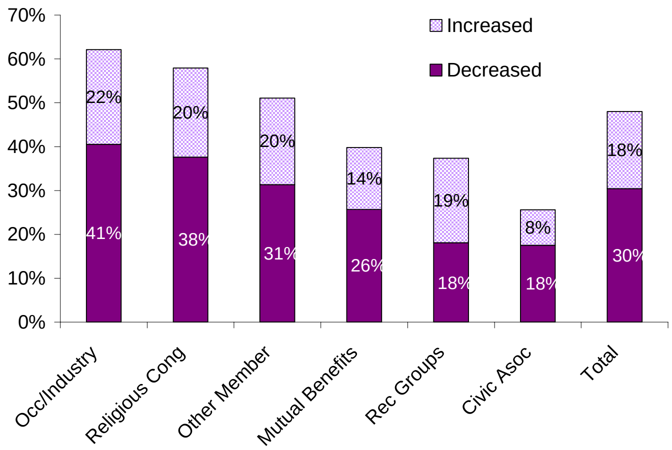


Figure 31: Percent reporting changes in employment opportunities by type of membership organization (n=1,397)

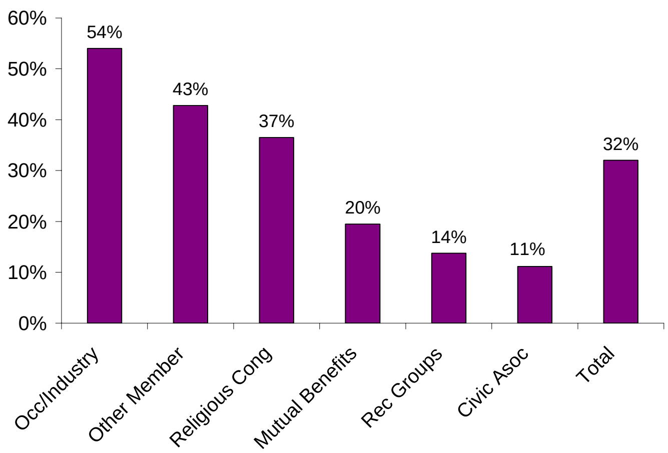


Figure 32: Percent impacted by employment opportunities by type of membership organization (n=1,406)

– Overall, 51 percent of *other member groups* perceive changes in employment opportunities and 43 percent say they are impacted; however, there is notable variation among sub-types:

  ▪ Over three-fourths (76 percent) of youth development organizations say they are impacted by employment opportunities.

– Somewhat fewer *civic associations*, *mutual benefits*, or *recreation groups* report changes in employment opportunities (26 percent, 40 percent, and 37 percent respectively) or any impact from these changes (11 percent, 20 percent, and 14 percent respectively).

– *Population Size:* Almost half (48 percent) of membership organizations report a change in population size over a three-year period. Two-fifths (41 percent) say it increased while 7 percent say it decreased. See total bar in Figure 33. Only 28 percent said they were impacted by these changes (see total bar in Figure 34).

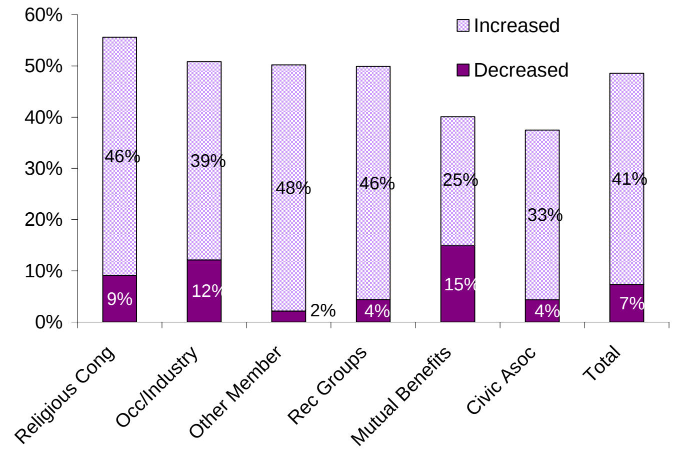


Figure 33: Percent reporting changes in population size by type of membership organization (n=1,366)

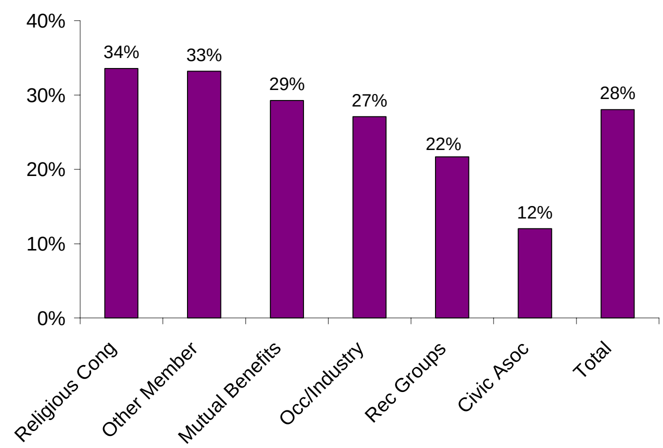


Figure 34: Percent impacted by changes in population size by type of membership organization (n=1,375)

– As Figure 33 shows, across the board most of the membership organizations that report a change in population size say that it increased, however, *mutual benefits* and *occupation/industry groups* stand out as having relatively high percentages that report a decrease in population size (15 percent and 12 percent respectively, vs. 7 percent of membership organizations overall).

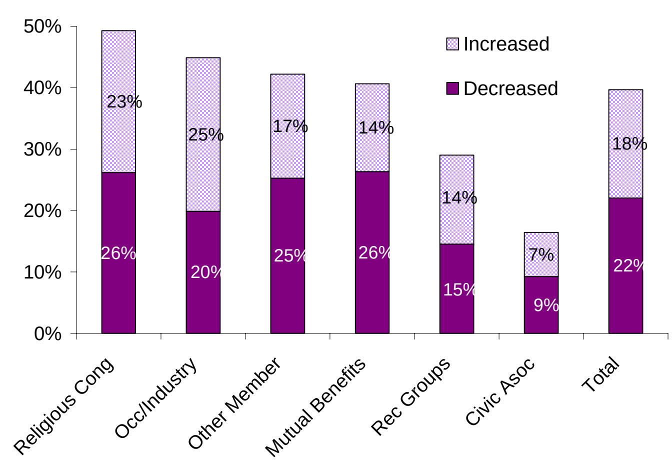
– While *civic associations* are the least likely of all membership organizations to report a change in population size and least likely to report being impacted, there is notable variation within the group:

  - Some 44 percent of community service clubs report an increase in population size, compared to only 20 percent of homeowners' associations and 33 percent of civic associations overall.

  - The great majority (79 percent) of homeowners' and neighborhood associations report no change (compared to 63 percent of civic associations overall).

– *Household Income*: Two-fifths (40 percent) of membership organizations report a change in household income in their community over a three-year period, split fairly evenly between those that say it decreased (22 percent) and those that say it increased (18 percent). See final bar in Figure 35. Membership organizations vary notably in their perceptions that household income changed and in whether those changes in household income impacts them.

Figure 35: Percent reporting changes in household income by type of membership organization (n=1,361)



– Almost half (49 percent) of *religious congregations* report a change in household income, compared to on 16 percent of *civic associations*.

– *Occupation/industry groups* are more likely to report that household income increased (25 percent) than membership organizations overall (18 percent). There is interesting variation among sub-groups:

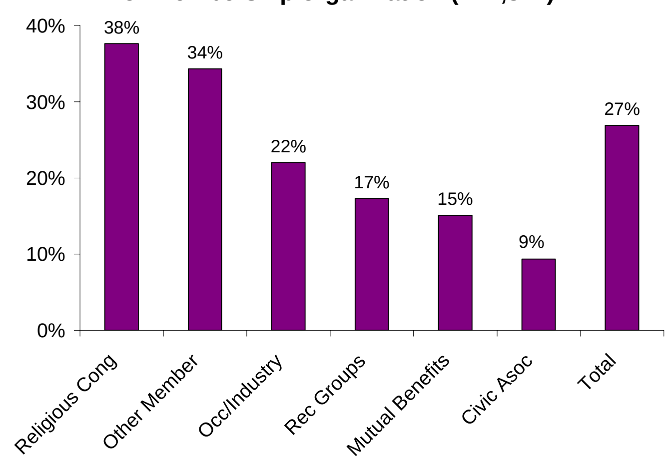
  - Some 73 percent of labor unions report a change in household income, compared to 45 percent of occupation/industry groups overall, and almost half (49 percent) report that income decreased (vs. 25 percent of occupation/industry groups overall.)

  - On the other hand, one-third (33 percent) of chambers of commerce report that household income decreased (compared to 20 percent of occupation/industry groups overall).

  - In contrast, the great majority (88 percent) of professional associations say that household income stayed the same.

– Less than a third (27 percent) of membership organizations report that household income impacts them. *Religious congregations* (38 percent) and *other member groups* (34 percent) are the most likely to say they are impacted. See Figure 36.

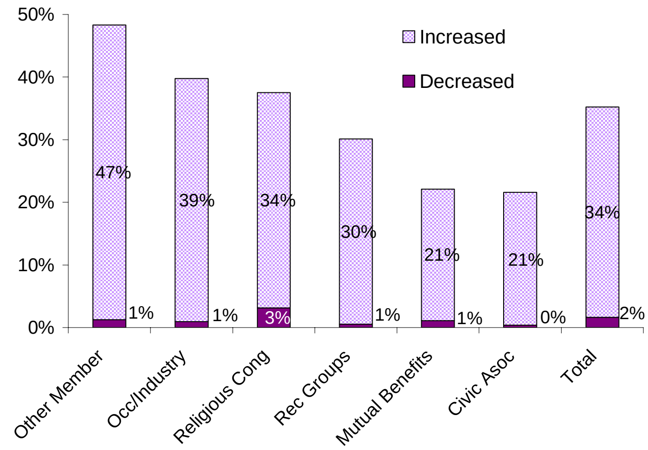
Figure 36: Percent impacted by household income by type of membership organization (n=1,371)



– In contrast, only one in ten *civic associations* (9 percent) say that they are impacted by changes in household income.

– *Ethnic or Racial Diversity*: Some 36 percent of membership organizations overall report that ethnic or racial diversity changed in their community—34 percent say it increased while only 2 percent say it decreased. See total bar in Figure 37.

Figure 37: Percent reporting changes in ethnic or racial diversity by type of membership organization (n=1,361)



– *Other member groups* are much more likely to report increases in racial diversity than all other membership organizations (47 percent vs. 34 percent), especially more than civic associations (21 percent) and mutual benefits (21 percent).

– Less than a fifth (17 percent) of membership organizations say that ethnic or racial diversity impacts them. *Other member groups* are most likely to do so (27 percent) while *mutual benefits* (7 percent), *civic associations* (7 percent) and *recreation groups* (5 percent) are least likely to do so. See Figure 38.

  - Among other member groups, youth development organizations stand out, with 63 percent reporting that changes in racial or ethnic diversity impacts them, compared to only 27 percent of other member groups overall.

– *Crime and Violence*: Almost a quarter (23 percent) of membership organizations say that crime and violence in their communities changed, mainly that it increased (18 percent) rather than decreased (5 percent). See total bar in Figure 39.

Figure 38: Percent impacted by ethnic or racial diversity by type of membership organization (n=1,371)

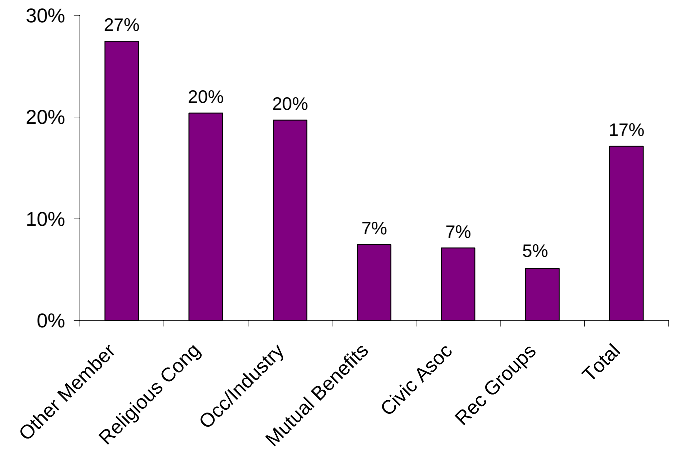
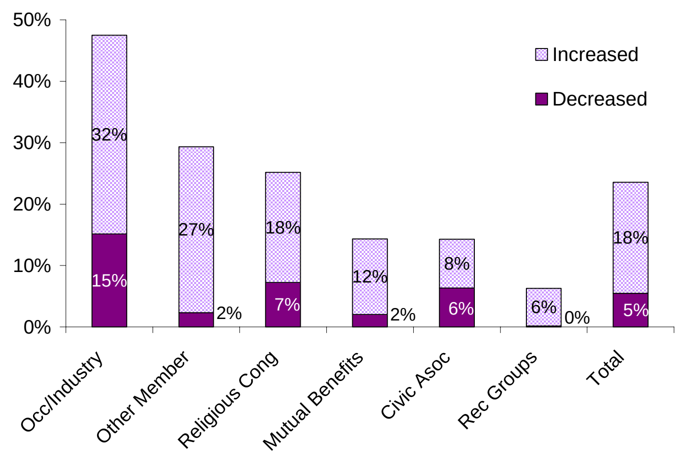


Figure 39: Percent reporting changes in crime and violence by type of membership organization (n=1,326)



– *Occupation/industry groups* are the most likely to report that crime and violence increased (32 percent). *Recreation groups* are the least likely to report any change—only 6 percent say that crime and violence changed.

  - Sub-groups of *occupation/industry groups* vary greatly in their perceptions of crime. The majority (53 percent) of chambers of commerce say that it decreased, while the majority of (53 percent) of labor unions say it increased and the majority (82 percent) of professional associations says that it stayed the same.

- Among *religious congregations* there is notable variation. Affiliations other than mainline and evangelical Protestants or Catholics (such as Buddhist, Jewish, etc.) are more likely to report that crime and violence decreased—37 percent of "other" religious affiliations report so, compared to 7 percent of religious congregations overall.

- Among *civic associations*, homeowners' and neighborhood associations are more likely to report changes in crime and violence. Some 15 percent say it increased (compared to 8 percent of civic associations overall), while 13 percent say it decreased (compared to 6 percent overall).

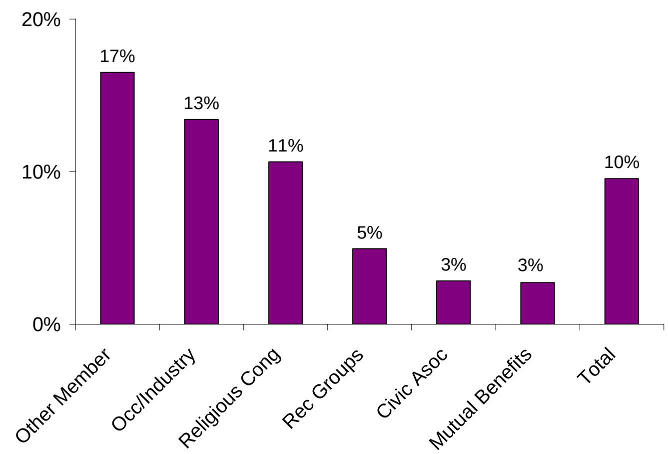
- The great majority (86 percent) of *mutual benefits* report no change in crime and violence. However, fraternal beneficiary societies are somewhat more likely to perceive increases in crime and violence, with a quarter (24 percent) saying that it has increased (compared to 12 percent of mutual benefits overall).

– There was no significant variation among types of membership organizations regarding whether or not crime and violence impacts them. Overall, only 11 percent of membership organizations report such an impact.

– *Tension or Conflict among Community Groups*: Only 10 percent of membership organizations report perceptions of change in tension or conflict among community groups. There is no significant variation among types of membership organizations in regards to this perception. One-tenth also reports that tension or conflict among community groups impacts them. See total bar in Figure 40. Whether or not they are impacted by tension among community groups varies notably by type of membership organization.

– As much as 17 percent of *other member groups* say that conflict among community groups impacts them, compared to only 3 percent each of *mutual benefits* and *civic associations*.

Figure 40: Percent impacted by tension or conflict among community groups by type of membership organization (n=1,296)



- Chambers of commerce stand out from other *occupation/industry groups* as more likely to report impacts from tension or conflict—two-fifths (41 percent) report so, compared to 13 percent of occupation/industry groups overall.

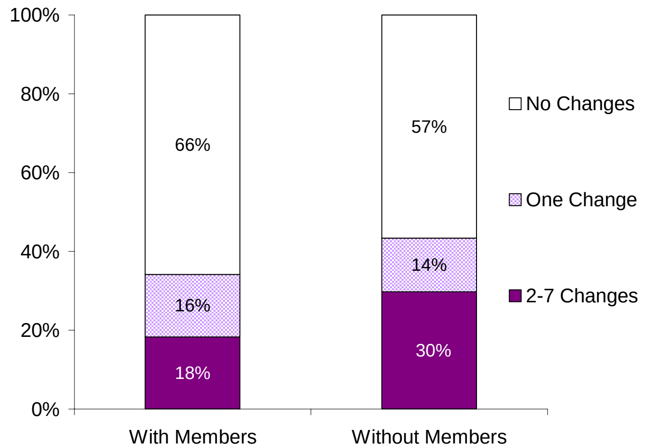
- Veterans' organizations are more likely than other *mutual benefits* to say that they are impacted by tensions among community groups (10 percent vs. 3 percent overall).

Policy Changes and Impacts: Government policy changes are also among external factors that may have impacted membership organizations. We asked Indiana nonprofits about their perceptions of six specific policy changes: government contract procurement policies, client eligibility for government programs, professional licensing requirements, health and safety regulations, personnel/legal regulations, and any other policy changes. We asked whether each specific policy became more relaxed, didn't change, or became stricter. Additionally, we asked whether or not the policy change impacted their particular organizations.

- **Number of Policy Changes:** The majority of Indiana nonprofits report no changes, regardless of whether they have members. However, the number of changes reported is related to whether or not the organization has members and varies by type of membership organization.

– *Members vs. No Members*: Membership organizations report fewer policy changes than organizations without members. Less than one-fifth (18 percent) of membership organizations report two or more policy changes, compared to almost one-third of organizations without members (30 percent). See Figure 41.

Figure 41: Number of policy changes by member status (n= 1,647)



– *By Type of Membership Organization*: Occupation/industry groups are much more likely to report policy changes than any other type of membership organization, with the majority (61 percent) reporting at least one policy change, compared to only one-third (34 percent) of membership organizations overall. See Figure 42.

- Among occupation/industry groups, chambers of commerce are much more likely to report multiple policy changes: 59 percent report 2 to 7 policy changes, compared to only 6 percent of professional associations and 35 percent of occupation/industry groups overall.

– The majority of all other types of membership organizations report no policy changes.

• **Policies Became Stricter:** Among those that say policies changed, the great majority say that they became stricter. Of the five policies examined, membership organizations are most likely to report that health and safety regulations became stricter (21 percent), with notably fewer saying that licensing requirements (13 percent), personnel and legal regulations (12 percent), client eligibility standards (10 percent), and government contract procurement policies (6 percent) became stricter. See Figure 43.

Figure 42: Number of policy changes by type of membership organization (n=1,261)

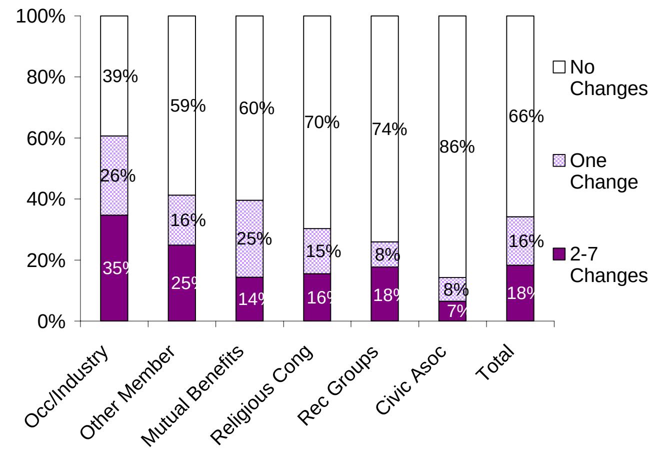
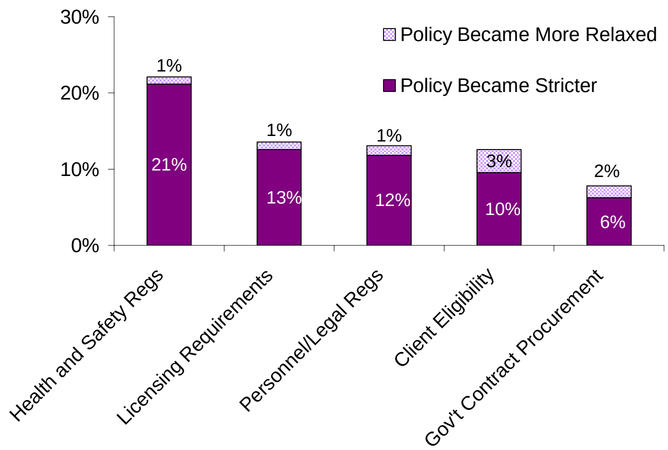


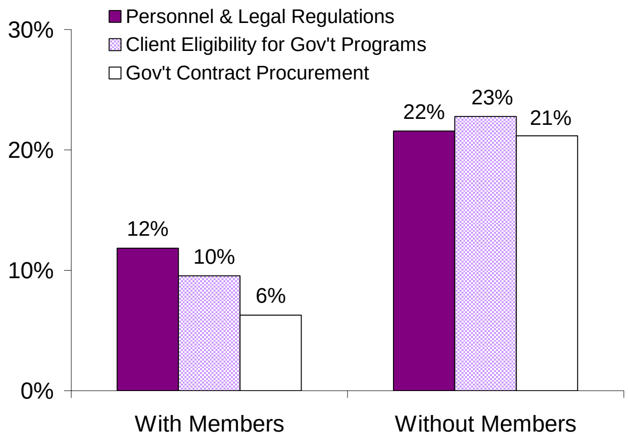
Figure 43: Percent of membership organizations that reported policies changed (n=1120-1167)



– *Members vs. No Members:* When we look at specific policies and perceptions that they say became stricter, we find that membership organizations are less likely to report that certain policies became stricter than organizations without members.

– Only 12 percent of membership organizations (and 14 percent of Indiana nonprofits overall) report that personnel and legal regulations became stricter, compared to over one-fifth (22 percent) of organizations without members. See Figure 44.

Figure 44: Policies became stricter by member status (n=1,449-1504)



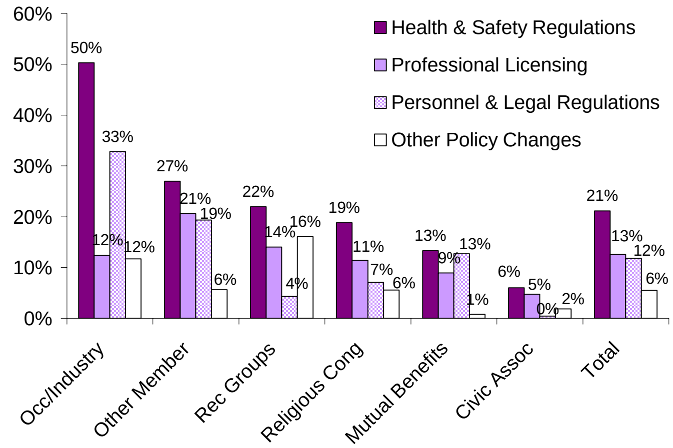
– Similarly, membership organizations are much less likely to report increased strictness in client eligibility for government programs (10 percent) and government contract procurement (6 percent) than organizations without members (23 percent and 21 percent respectively).

– By Type of Membership Organization: Changes in health and safety, professional licensing requirements, and personnel and legal regulations are perceived differently by the various types of membership organizations, especially occupation/industry groups.

▪ *Health and Safety Regulations*. Half of *occupation/industry groups* perceived health and safety regulations as getting stricter, compared to only 6 percent of civic associations and 21 percent of membership organizations overall. See Figure 45.

▪ *Professional Licensing Requirements*. Over one-fifth (21 percent) of *other member groups* say that professional licensing requirements became stricter, compared to only 5 percent of civic associations and 13 percent of membership organizations overall.

Figure 45: Policies became stricter by type of membership organization (n=799-1,164)



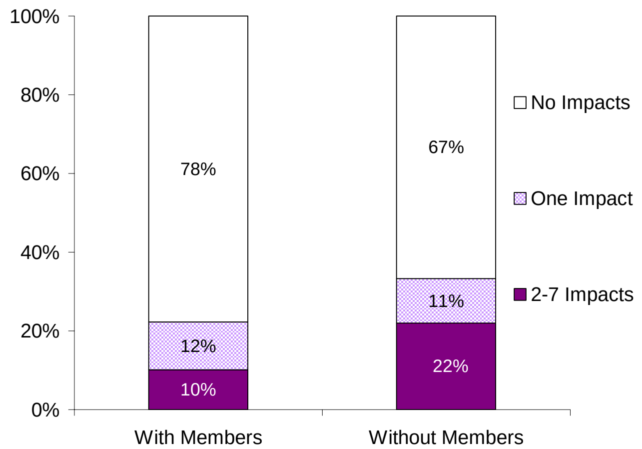
▪ This high percentage for other member groups is driven by volunteer fire departments and related groups, 73 percent of which report that professional licensing requirements became stricter.

▪ *Personnel and Legal Regulations.* Personnel and legal regulations are also disproportionately perceived as stricter by *occupation/industry groups* (33 percent), while only 4 percent of recreation groups and none of the civic associations (0 percent) perceive them as having become stricter.

- **Number of Policy Impacts:** When looking at the impacts of changes in policy, we find that membership organizations are overall more likely to say that a policy changed than that it impacted them. However, the majority of respondents who say that a policy has become stricter also say that it has impacted them (ranging from 55 percent to 72 percent).

  – Members vs. No Members: Given the previous finding that organizations with members perceive fewer policy changes than those without, it is not surprising that they are also less likely to report that policy changes impacted them. Only one in ten membership organizations say they are impacted by two or more policy changes compared to almost one in four (22 percent) of those without members. See Figure 46.

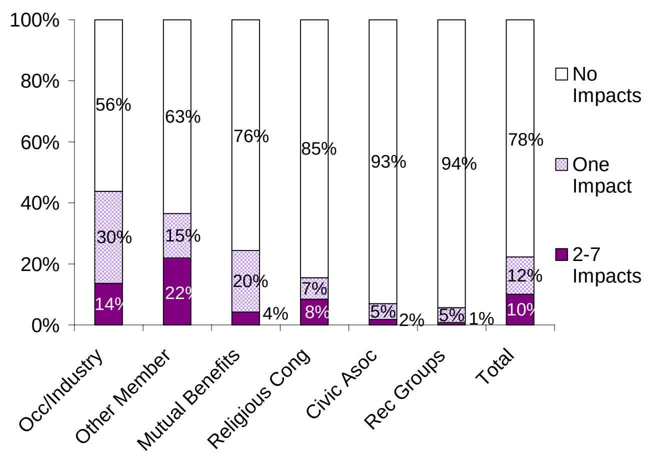
Figure 46: Number of impacts from policy changes by member status (n=1,654)



– The majority of organizations both with members (78 percent) and without members (67 percent) report no impacts from policy changes.

– *By Type of Membership Organization:* Occupation/industry and other member groups report more impacts from policy changes than other membership organizations. Over two-fifths (44 percent) of *occupation/industry groups* and 37 percent of *other member groups* report impacts from 1 or more policy changes, compared to 22 percent of membership organizations overall. See Figure 47.

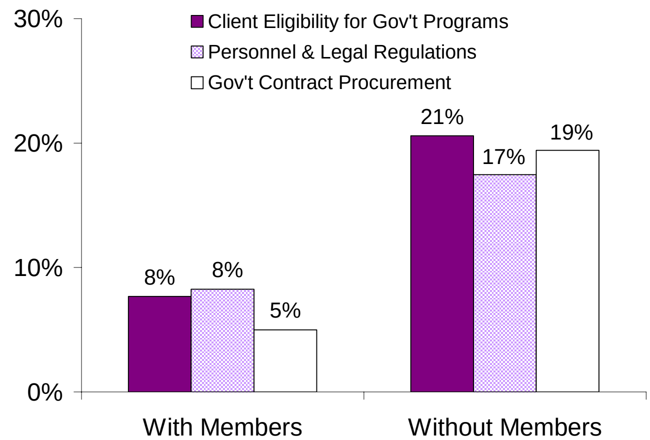
Figure 47: Number of impacts from policy changes by type of membership organization (1,264)



– *Civic associations* and *recreation groups*, on the other hand, are relatively unaffected by policy changes, with only 7 percent and 6 percent (respectively) reporting any impacts.

– *Members vs. No Members*: Organizations with members are less likely to report impacts from changes in policy related to client eligibility (8 percent), personnel and legal regulations (8 percent), or government contract procurement (5 percent), than those without members (21, 17, and 19 percent respectively). See Figure 48.

Figure 48: Percent reporting impacts from specific policies by member status (n=1457-1513)



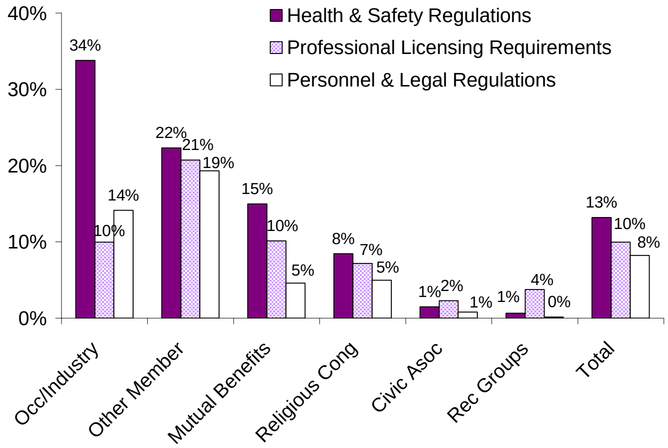
- **Types of Policy Impacts:** When we look at the five specific types of policy impacts, we again find variation among types of membership organizations, but only for certain policy changes.

  – *By Type of Membership Organization*: In general, *other member* and *occupation/industry groups* are more likely to report impacts from policy changes, while *civic associations* and *recreation groups* are least likely to report any impacts.

  - *Health and Safety Regulations.* Changes in health and safety regulations impact more membership organizations overall (13 percent) than other types of policy changes examined, but are especially likely to impact *occupation/industry groups* (34 percent). See solid bars in Figure 49.

  - *Professional License Requirements. Other member groups* are twice as likely to report impacts from changes in professional license requirement policies (21 percent) than membership organizations overall (10 percent). See lightly shaded bars in Figure 49.

Figure 49: Percent reporting impacts from policies by type of membership organization (n=1124-1167)



- *Personnel and Legal Regulations. Other member groups* (19 percent) are more than twice as likely to report being impacted by changes in personnel and legal regulations than membership organizations overall (8 percent). See white bars in Figure 49.

- *Client Eligibility for Government Programs. Other member groups* are also more than twice as likely to report impacts from changes in policies regarding client eligibility (18 percent) than all other membership organizations (8 percent). See solid bars in Figure 50.

- *Government Contract Procurement.* Only 5 percent of membership organizations report being impacted by government contract procurement policies. However, *other member groups* are again more than twice as likely to be impacted (12 percent). See lightly shaded bars in Figure 50.

- **Advocacy and Political Activities:** One important function of membership organizations is to promote the interests of its members. We asked Indiana nonprofits whether they are involved in efforts to promote positions on certain policy issues, group interests, or political groups.

  – *Overall:* Membership organizations do not differ from other Indiana nonprofits in how likely they are to participate in advocacy and political activities. Just over one-quarter (28 percent) of membership organizations report that they are involved in some form of advocacy. See total bar in Figure 51.

Figure 50: Percent reporting impacts from policies by type of membership organization (n=1132-1148)

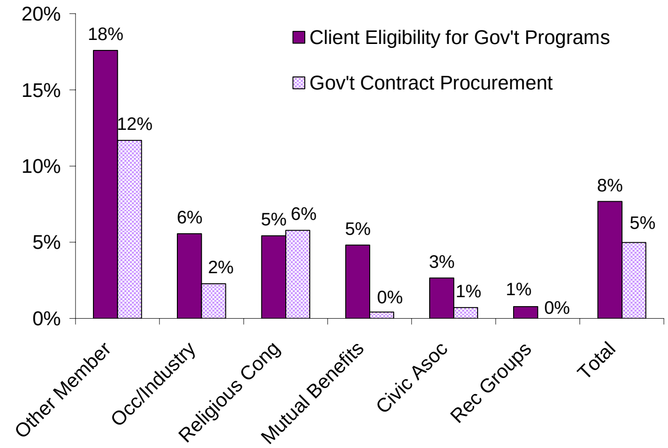
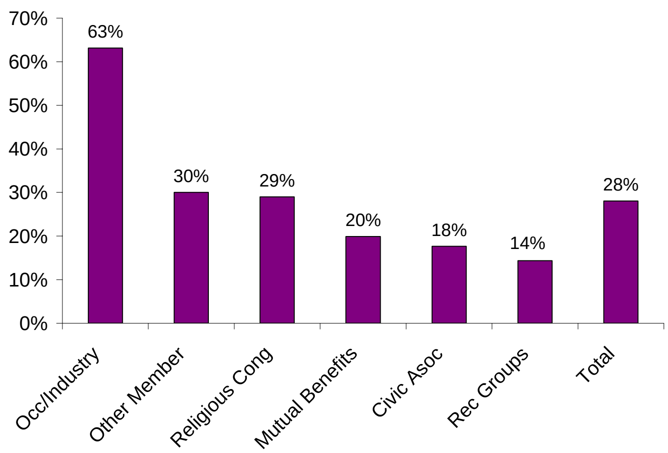


Figure 51: Percent involved in advocacy by type of membership organization (n=1124-1167)



  – *By Type of Membership Organization:* Occupation/industry groups are far more likely to be involved in advocacy than all others types of membership organizations, with almost two-thirds (63 percent) saying they are involved, compared to only 14 percent of recreation groups and 28 percent of membership organizations overall.

  – A little less than a third (30 percent) of *other member groups* and *religious congregations* (29 percent) are involved in advocacy efforts; however, there is notable variation among sub-types of other member groups:

- Three-fourths (74 percent) of animal, environmental and civil rights groups are involved in advocacy activities. To a lesser degree, counseling and support groups (48 percent) and community improvement and philanthropy groups (42 percent) are also more likely to be involved in advocacy than other member groups overall (30 percent).

– One-fifth of *mutual benefits* (20 percent) and *civic associations* (18 percent) are involved in advocacy and political activities, again with notable variation among sub-types:

- Over two-fifths (44 percent) of other civic associations such as conservation clubs, parent/teacher organizations, or 4-H clubs are involved in advocacy, compared to relatively few community service clubs (3 percent) or homeowners' associations (16 percent).

- While only one-fifth of mutual benefits say they are involved in advocacy, 68 percent of veterans' organizations are, compared to only 2 percent of fraternal beneficiary societies.

– *Recreation groups* are the least likely to be involved in advocacy or political efforts (14 percent).

Conclusions and Implications: We draw several conclusions and implications from these findings.

- ***Membership rolls are dynamic:*** The majority of membership organizations report changes in the number of members over a three-year period. Mutual benefits, particularly fraternal beneficiary societies, are the most likely to report decreases, but recreation groups and civic associations (particularly community service clubs) are also more likely to report decreases than increases.

- ***Less growth in demand for services or programs:*** Most membership organizations say that demand for programs or services stayed the same, in contrast to organizations without members, who saw pervasive increases. The types of membership organizations that report declining or stagnating numbers of members – mutual benefits, recreation groups, and civic associations – are also less likely to report growth in demand for services or programs.

- ***Perceptions of community conditions vary:*** Membership organizations vary in their perceptions of whether particular community conditions have changed and whether they are impacted by the changes. A clear pattern emerges in which the types of membership organizations that saw declines in numbers of members and stagnation in demand for services – mutual benefits and recreation groups – are less aware of changes in community conditions and government policies.

  In contrast, groups that saw growth in members and in demand for services, (other member groups, occupation/industry groups and religious congregations), are more likely to report changes and more likely to say that they are impacted by the changes.[23]

- ***Perceptions of policy changes:*** Occupation/ industry groups and other member groups stand out from other types of membership organizations as more likely to report that policies changed and that they were impacted by those changes.

- ***Involvement in advocacy:*** Occupation/industry groups are also much more likely to be involved in advocacy or political activities—not surprising considering that they report such high levels of sensitivity and vulnerability to policy changes.

- ***Sub-groups vary notably in the changes they face:*** Certain subgroups stand out in whether they report being impacted by community or policy changes: community service clubs and homeowners and neighborhood associations among civic groups, veterans organizations among mutual benefit groups, chambers of commerce among occupation/industry groups, and youth development organizations among other member organizations.

[23] In this case we cannot determine cause and effect—whether those least aware of community and policy changes are more insular and/or less active in recruiting members or whether the process of seeking new members or integrating new members increases the organization's awareness of changes in the environment.

III. INTERACTIONS WITH OTHER ORGANIZATIONS

Nonprofits interact with other organizations in a variety of ways. Many are formally affiliated with other nonprofits as headquarters or subsidiaries. Some also participate in informal networks or formal collaborations. However, nonprofits also compete with other organizations for access to a variety of resources. In the following section we look specifically at membership organizations and the ways they interact[24]with other organizations, including other nonprofits.

Formal Affiliations: We asked Indiana nonprofits whether or not they are formally affiliated with or a subsidiary of any other organizations. We found that the majority of membership organizations are affiliated with other organizations, but that this varies among types of membership organizations; so does the types of entities membership organizations are likely to be formally affiliated with.

- **Nature of Formal Affiliations:** The great majority (62 percent) of membership organizations report formal affiliations with other organizations.

  – *Members vs. No Members*: Membership organizations are notably more likely (62 percent) to be formally affiliated with other organizations than nonprofits without members (36 percent). See Figure 52.

    - Over one-third (36 percent) of membership organizations are local affiliates or subsidiaries of another larger organization (compared to only 13 percent of organizations without members), while 7 percent are headquarter organizations and 19 percent have some other affiliation.

  – *By Type of Membership Organization:* More than three-fourths of religious congregations (78 percent) and occupation/industry groups (72 percent) are formally affiliated with other organizations, more than any other type of membership organization. See Figure 53.

[24] In an earlier report, *Indiana Nonprofits: Affiliations, Collaborations, and Competition* by Grønbjerg and Childs, 2004, we looked at interactions in greater detail. We draw directly from that analysis here, but direct our focus to membership organizations. See.

Figure 52: Percent reporting any affiliations by member status (n=2,081)

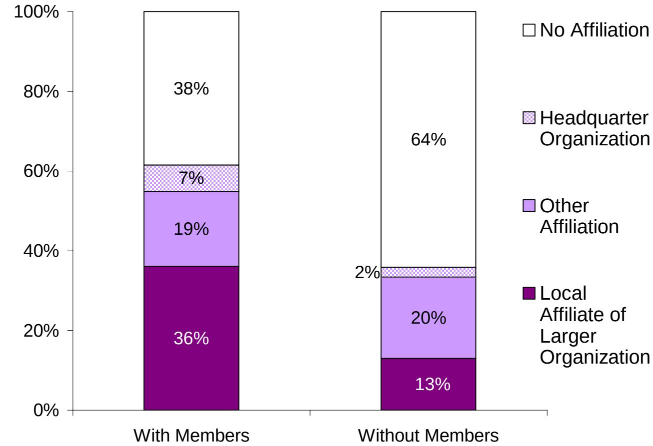
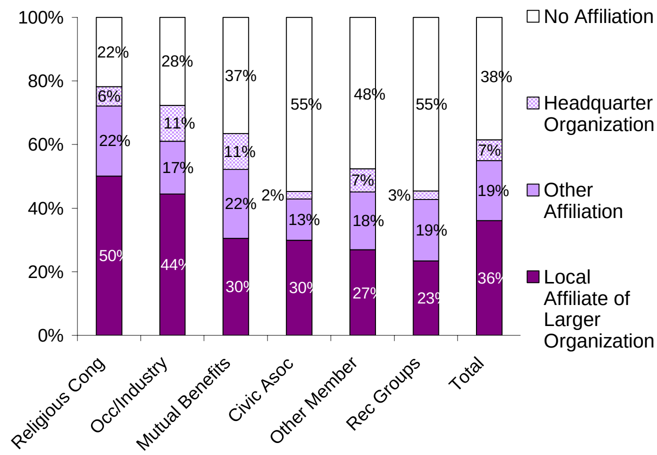


Figure 53: Percent reporting any affiliations by type of membership organization (n=1,598)



  – Half (50 percent) of *religious congregations* are local affiliates of other organizations, while 6 percent are headquarters with local affiliates and another 22 percent have some other type of affiliation.

    - Virtually all Catholic congregations are formally affiliated (99 percent); this includes 38 percent that report some other affiliations (compared to 22 percent of religious congregations overall).

    - Likewise, 95 percent of mainline Protestant congregations are formally affiliated in some way, including 63 percent that are local affiliates of larger organizations (compared to 50 percent of religious congregations overall).

- In contrast, only 71 percent of evangelical Protestant groups and 50 percent of all other types of religious congregations report any formal affiliations (compared to 78 percent of religious congregations overall).

– Less than half (45 percent) of *civic associations* are formally affiliated in some way; however, there is great variation among sub-types:

- Some 77 percent of community service clubs are formally affiliated, including 57 percent that are local affiliates of larger organizations (compared to 30 percent of civic associations overall).

- In contrast, only 4 percent of homeowners' and neighborhood associations report any formal affiliations, while 96 percent say that they are not affiliated with other organizations in any way.

– A slim majority (52 percent) of *other member groups* is formally affiliated with other organizations, but this varies considerably by sub-group.

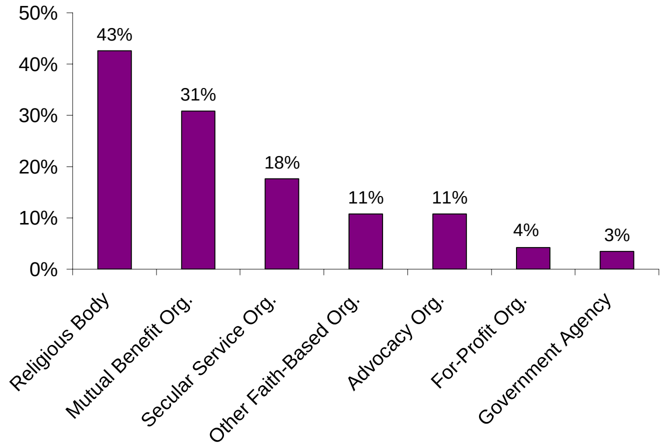
- Some 90 percent of youth development organizations are affiliated, including 52 percent that are local affiliates (compared to 27 percent of other member groups overall).

- In contrast, only 13 percent of volunteer fire departments and related groups report any formal affiliation.

- **Types of Affiliated Organizations**: We asked Indiana nonprofits about the types of entities with which they are affiliated. We gave seven possible options: religious bodies, other faith-based organizations, secular nonprofit service organizations, nonprofit advocacy organizations, mutual benefit organizations, government agencies, or for-profit organizations.

– *Overall:* We found no notable difference in formal affiliations according to whether or not organizations have members. Like Indiana nonprofits overall, membership organizations are most likely to report affiliations with religious bodies (43 percent) and mutual benefit organizations (31 percent). See Figure 54.

Figure 54: Percent of membership organizations reporting affiliations by type of affiliated entity (n=1154-1169)



– One-fifth of membership organizations report formal affiliations with secular service nonprofits (18 percent), while a tenth report affiliations with other faith-based organizations (11 percent) or advocacy organizations (11 percent).

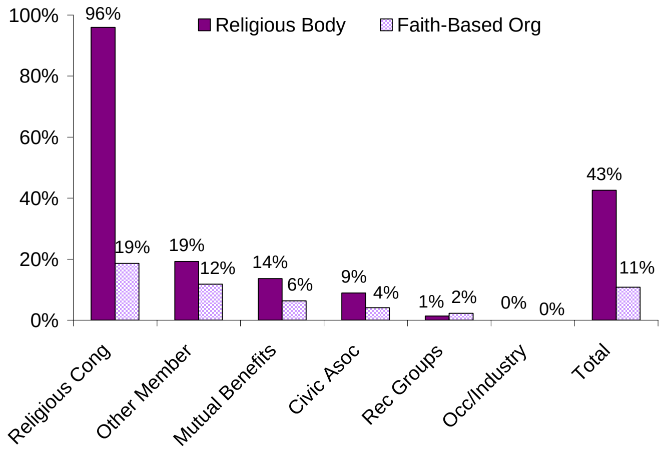
– Only 4 percent report formal affiliation with a business or for-profit organization and 3 percent with a government agency.

– *By Type of Membership Organization*: Membership organizations differ notably in the types of entities with which they are affiliated.

– *Affiliations with Religious Bodies and Faith-Based Organizations.* As shown above, religious bodies[25] are the most commonly cited entity with which to be affiliated. As expected, religious congregations are much more likely to report affiliation with other religious bodies or faith-based organizations than membership organizations overall. Virtually all *religious congregations* (96 percent) report formal affiliations with religious bodies, while one-fifth (19 percent) report formal affiliations with other religious or faith-based organizations. See Figure 55.

[25] Religious bodies are defined as congregations, denominations, or similar entities.

Figure 55: Percent reporting affiliations with religious bodies and faith-based organizations by type of membership organization (n=976-979)



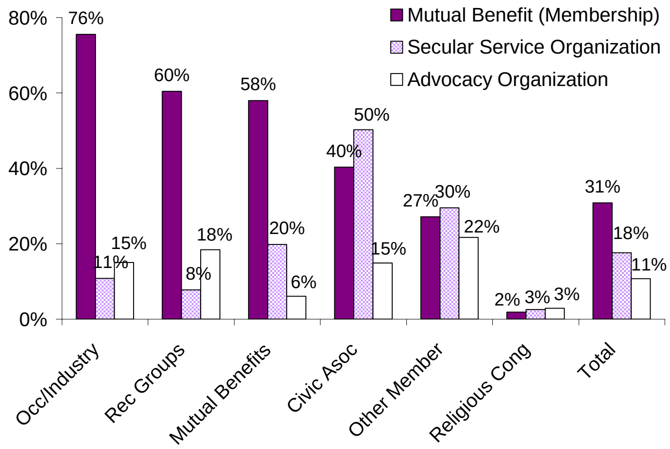
– *Affiliations with Mutual Benefit (Membership) Organizations.*[26] While overall fewer membership organizations are formally affiliated with mutual benefit (membership) organizations than with religious bodies (31 percent vs. 43 percent), most types of membership organizations are more likely to be formally affiliated with mutual benefit organizations than with religious bodies.

– Indeed, the majority of o*ccupation/industry groups* (76 percent), *recreation groups* (60 percent), and *mutual benefits* (58 percent) report formal affiliations with mutual benefit (membership) organizations. See solid/dark bars in Figure 56. In contrast, very few religious congregations (2 percent) do so.

– *Affiliations with Secular Nonprofit Service Organizations.* Civic associations are the most likely to be formally affiliated with secular nonprofit service organizations. Half of *civic associations* report affiliation with such entities, as opposed to 18 percent of membership organizations overall. See light colored bars in Figure 56.

– *Other member groups* (30 percent) are also more likely to report formal affiliation with secular service nonprofits than membership organizations overall, while *religious congregations* (3 percent) and *recreation groups* (8 percent), are less likely to do so.

Figure 56: Percent reporting affiliations by type of membership organization (n=969-974)



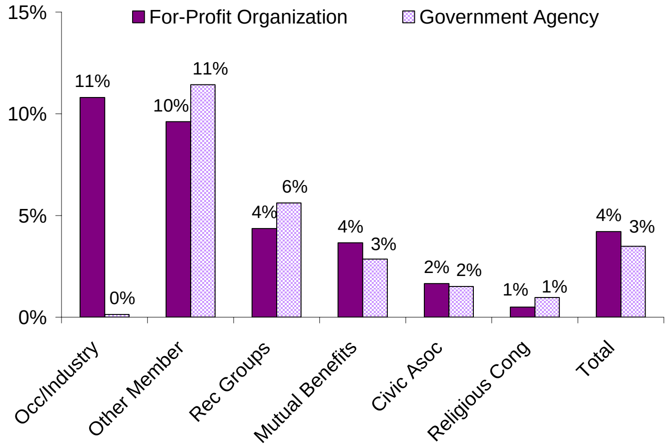
– *Affiliations with Advocacy Organizations. Other member groups* are the most likely to be affiliated with advocacy organizations, with over one-fifth (22 percent) reporting so (compared to only 3 percent of religious congregations and 11 percent of membership organizations overall). See white bars in Figure 56.

– *Affiliations with Government Agencies and For-Profit Organizations.* Very few membership organizations are likely to be affiliated with government agencies or private businesses, but ot*her member groups* are somewhat more likely to have these affiliations – 11 percent report government agency affiliations and 10 percent affiliations with for-profit organizations. See Figure 57.

- *Occupation/industry groups* are almost never affiliated with government agencies (0 percent), but they are more likely to be affiliated with for-profit organizations (11 percent) than other membership organizations overall (4 percent).

[26] Our survey did not define mutual benefit organizations for respondents but did include “membership” in parentheses as explanation. Therefore, this usage entails a much broader meaning than our narrowly defined mutual benefit category.

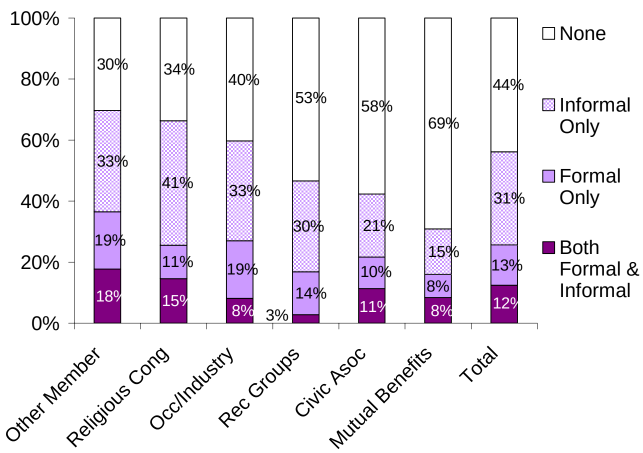
Figure 57: Percent reporting affiliations with government agencies or for-profit organizations by type of membership organization (n=977)



Collaborations and Networks: Indiana nonprofits are also involved in formal collaborations or informal networks with other entities. The likelihood of having such a relationship is no greater for organizations with members than for those without, but does vary among types of membership organizations.

- **Involvement in Collaborations or Networks:** The majority of membership organizations (56 percent) are involved in formal collaborations, informal networks or both. They are more likely to participate in an informal network (31 percent) than a formal collaboration (13 percent). See total bar in Figure 58.

Figure 58: Percent with formal collaborations, informal networks, or both by type of membership organization (n=1,557)



– Three-fifths or more of o*ther member groups* (70 percent), *religious congregations* (67 percent), and *occupation/industry groups* (60 percent) report some type of collaboration or network, compared to less than one-third (31 percent) of *mutual benefits*.

– *Religious congregations* are more likely to have informal relationships (41 percent vs. 31 percent of membership organizations overall).

– *Other member groups* and *occupation/industry groups* stand out as more likely to have formal relationships (19 percent each) than other types of membership organizations.

– For *civic associations* and *recreation groups*, there are notable variations among sub-groups:

  - Among civic associations, over half (53 percent) of community service clubs report collaborations or networks, including 20 percent with only formal relationships (compared to 10 percent of civic associations with only formal relationships overall).

  - In contrast, only one-quarter (25 percent) of homeowners' and neighborhood associations are involved in any collaborations or networks.

  - Among recreation groups, the majority (68 percent) of fraternities/sororities, animal clubs, and related groups are involved in some type of collaboration or network.

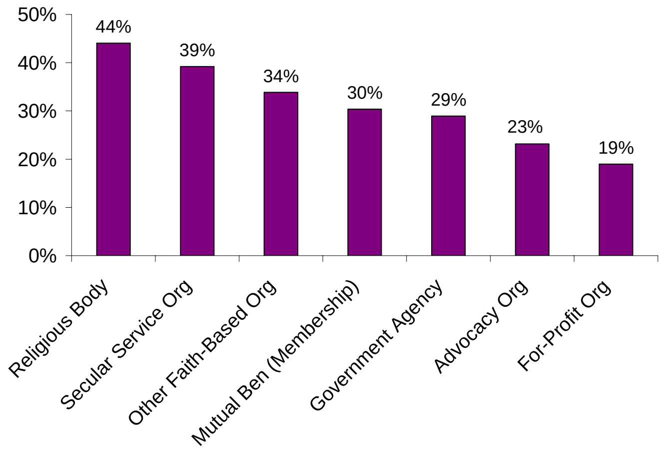
  - In contrast, the majority of hobby clubs (57 percent) and amateur sports teams (68 percent) report no collaborations or networks.

- **Types of Collaborations and Network Partners:**[27] Membership organizations are more likely to say that congregations are included in their most important collaboration or network (44 percent). Two-fifths (39 percent) report that these include secular service organizations, while one-third (34 percent) indicate that other faith-based organizations participate in their most important network or collabora-

[27] We only asked about the type of organizations involved in the respondent's most important collaboration or network.

tion, followed by mutual benefit (membership) organizations (30 percent) and government agencies (29 percent). Less than a quarter of membership organizations include advocacy (23 percent) or for-profit (19 percent) organizations in their most important network or collaboration. See Figure 59.

Figure 59: Percent with most important networks by type of collaborating entity (n=803-820)



– While there was no significant difference between organizations with members and those without in whether they participate in collaborations or networks, they do differ in the types of organizations with which they collaborate or network.

– *Members vs. No Members*: Membership organizations are more likely to have collaborations or networks that include religious bodies or other faith-based organizations than organizations without members. See Figure 60.

– On the other hand, membership organizations are less likely to collaborate or network with advocacy organizations, government agencies, and for-profit organizations than organizations without members. See Figure 61.

– *By Type of Membership Organization*: As expected, different types of membership organizations vary in the types of organizations with which they collaborate or network.

Figure 60: Types of most important collaborations or networks by member status (n=1115)

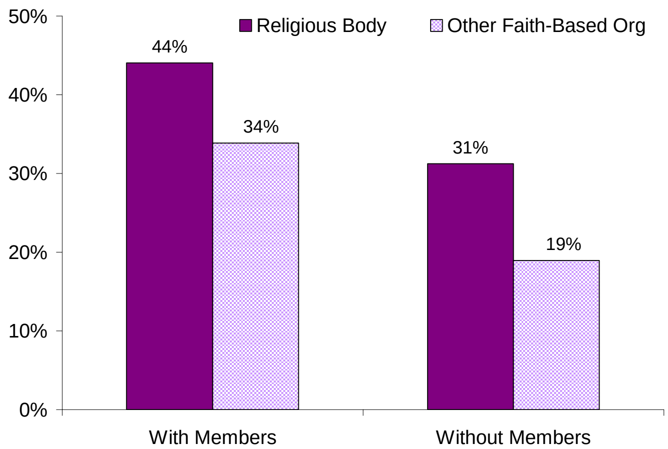
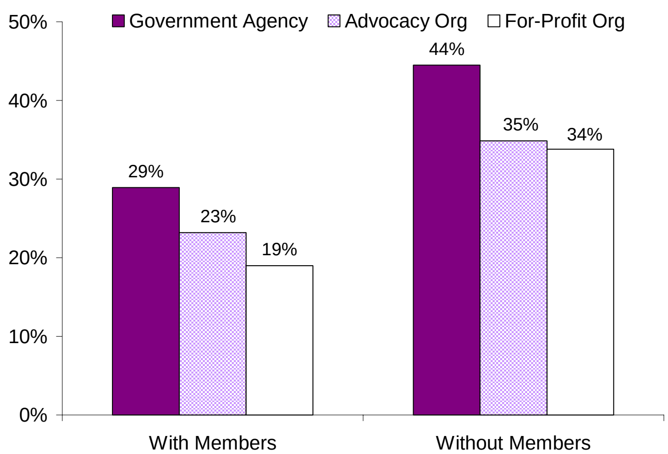


Figure 61: Types of most important collaborations or networks by member status (n=1102-1108)



– *Collaboration/Networking with Religious Bodies and Faith-Based Organizations. Religious congregations* are by far the most likely to include religious bodies (93 percent) and other faith-based organizations (70 percent) in their most important collaboration or network. See Figure 62.

– *Collaboration/Networking with Secular Service Organizations.* Nearly two-fifths (39 percent) of membership organizations include secular service nonprofits in their most important collaboration or network. *Other member* (53 percent) and *recreation* (50 percent) *groups* are most likely to do so. See solid/dark bars in Figure 63.

Figure 62: Type of most important collaboration or network by type of membership organization (n=818)[28]

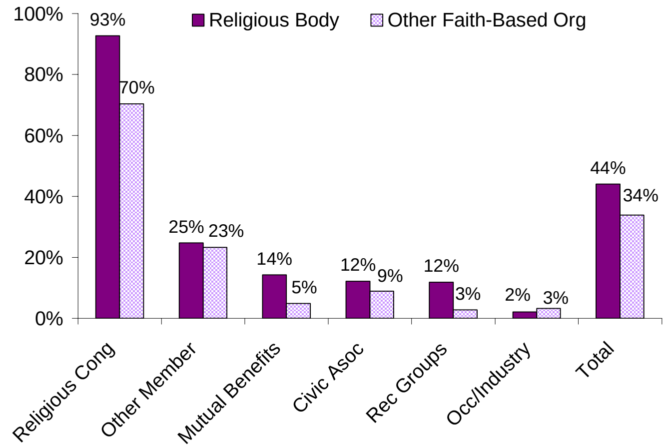
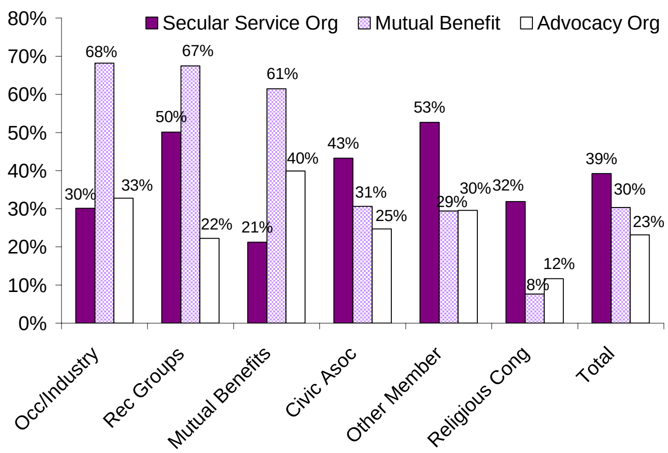


Figure 63: Type of most important collaboration or network by type of membership organization (n=803-820)



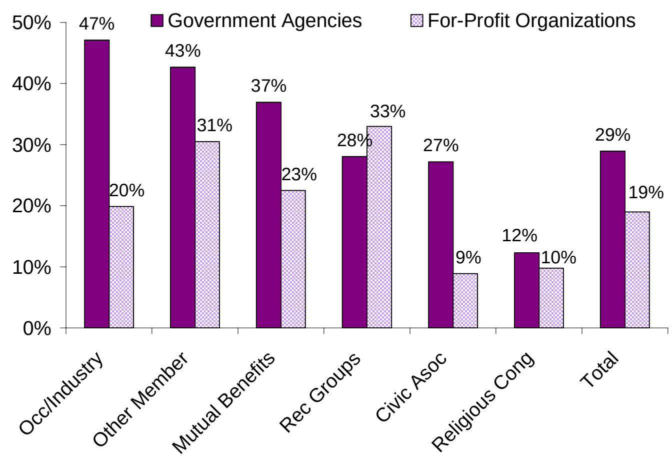
– *Collaboration/Networking with Mutual Benefit (Membership) Organizations.* Three in ten membership organizations overall include mutual benefit (membership) organizations in their most important informal networks or formal collaborations.[29] This is especially prominent among *occupation/industry groups* (68 percent), *recreation groups* (67 percent), and *mutual benefits* (61 percent). See light colored bars in Figure 63.

[28] These percentages are based only on organizations that say they participate in some type of collaboration.
[29] See Footnote 28.

– *Collaboration/Networking with Advocacy Organizations.* About one-quarter (23 percent) of membership organizations include advocacy organizations in their most important collaboration or network. *Mutual benefits* (40 percent) and *occupation/industry groups* (33 percent) are more likely to do so than other membership organizations. See white bars in Figure 63.

– *Collaboration/Networking with Government Agencies.* While membership organizations are not likely to be formally affiliated with government agencies, they are somewhat more likely to collaborate or network with them. Some 29 percent of membership organizations include government agencies in their most important collaboration or network. O*ccupation/industry* (47 percent) and *other member* (43 percent) groups are most likely to do so. See solid/dark bars in Figure 64.

Figure 64: Type of most important collaboration or network by type of membership organization (n=808-814)

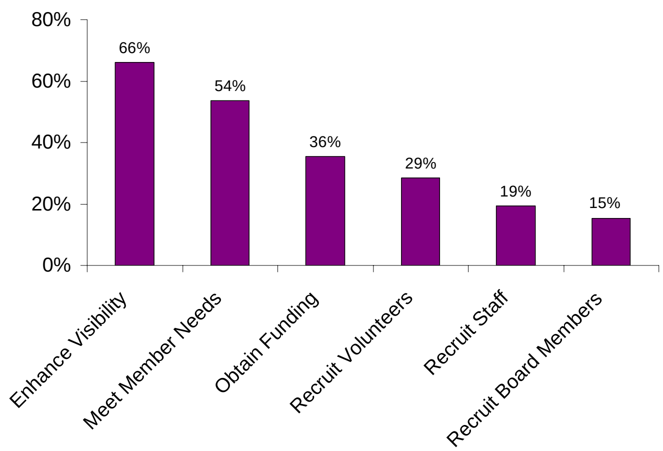


– *Collaboration/Networking with For-profit Organizations.* About one-fifth (19 percent) of membership organizations include for-profit organizations in their most important collaboration or network. *Recreation groups* (33 percent) and *other member groups* (31 percent) are more likely to do so than other types of membership organizations. See light colored bars in Figure 64.

- **Benefits of Collaborations or Networks:** We asked Indiana nonprofits that participated in formal collaborations or informal networks whether these relationships made it easier or more difficult for them to obtain each of six important organizational resources or capacities. As expected, networks are more useful for some capacities than others and this varies significantly by whether or not the organization has members and by type of membership organization.

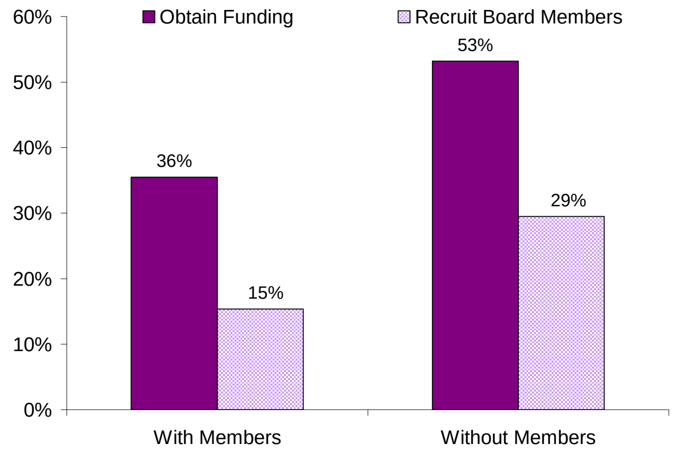
– *Overall*: Membership organizations that collaborate or network with other organizations are most likely to report that these relationships are useful to them in enhancing their visibility or reputation (66 percent) and meeting member or client needs (54 percent). Some 36 percent say that these relationships make it easier to obtain funding, while 29 percent say it helps in recruiting volunteers, one-fifth (19 percent) say that it aids in recruiting staff, and 15 percent say that it helps in recruiting board members. See Figure 65.

Figure 65: Collaborations or networks make capacities easier for membership organizations by type of capacity (n=753-760)



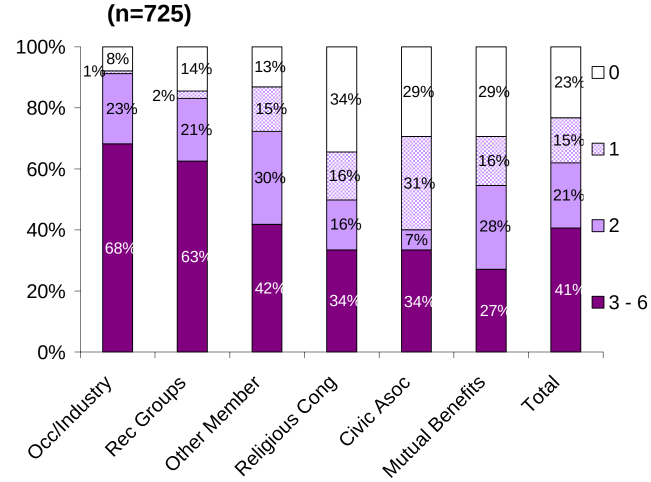
– *Members vs. No Members*: Membership organizations are less likely to find collaborations or networks useful for obtaining funding (36 percent) or recruiting board members (15 percent) than nonprofits without members (53 percent and 29 percent respectively). See Figure 66. There are no differences between membership organizations and those without members in whether collaborations or networks help develop any of the other four organizational capacities we explored.

Figure 66: Collaborations or networks make obtaining funding or recruiting/keeping board members easier by member status (n=1,032-1,041)



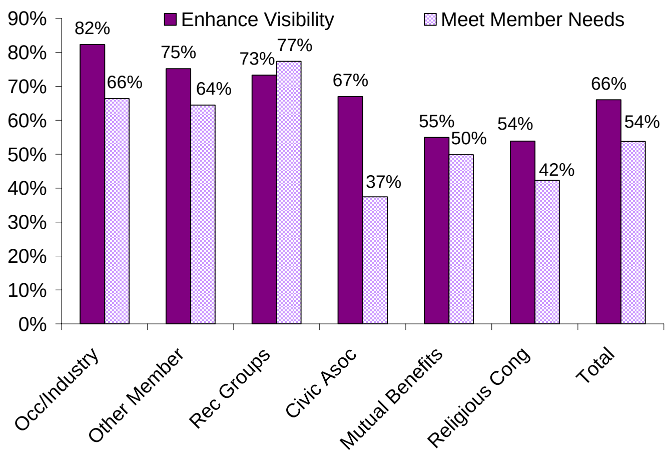
– *By Type of Membership Organization*: The utility of collaborations or networks vary by type of membership organization. Overall, more than three-fourths (77 percent) of membership organizations report at least one type of benefit from networks or collaborations, including two-fifths (41 percent) that report three or more types. *Occupation/industry groups* and *recreation groups* report a broader scope of benefits from collaborations, with 68 percent and 63 percent respectively reporting three or more types of benefits. In comparison, only 27 percent of mutual benefits report that networks or collaborations benefit them in equally many ways. See Figure 67.

Figure 67: Number of benefits from collaborations or networks by type of membership organization (n=725)



– *Enhance Visibility or Reputation. Occupation/industry groups* are the most likely to find networks or collaborations useful in enhancing their visibility (82 percent), followed by three-fourths of *other member* (75 percent) and *recreation* (73 percent) groups. See dark/solid bars in Figure 68.

Figure 68: Collaborations or networks make enhancing visibility or meeting member needs easier by type of membership organization (n=758-760)



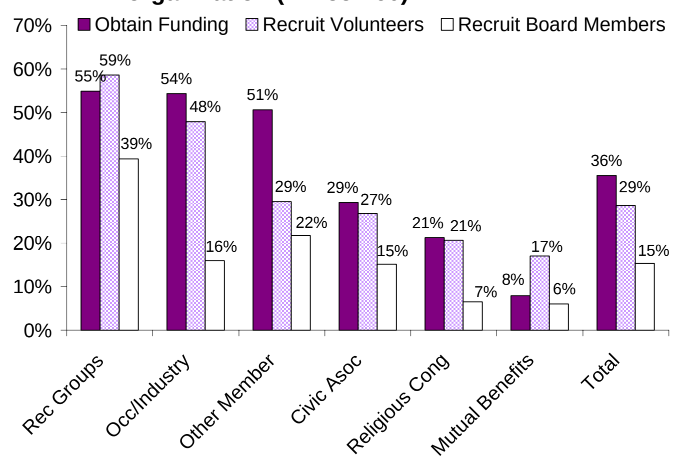
– *Meet Member Needs.* Over three-fourths (77 percent) of *recreation groups* that collaborate say these relationships help them to meet member (or client) needs. The majority of *occupation/industry* (66 percent) and *other member* groups (64 percent) report the same. See light colored bars in Figure 68.

– *Obtain Funding.* Of membership organizations that collaborate, a majority of *recreation* (55 percent), *occupation/industry* (54 percent), and *other member* (51 percent) groups report that networks make it easier for them to obtain funding. See solid/dark bars in Figure 69.

– *Recruit/Keep Volunteers.* A majority of *recreation groups* that collaborate (59 percent) report that networks make recruitment of volunteers easier, as do nearly half (48 percent) of *occupation/industry groups*. See light colored bars in Figure 69.

– *Recruit/Keep Board Members.* Once again, *recreation groups* stand out in the percent that value their collaborations, with two-fifths (39 percent) saying that networks or collaborations make recruiting/keeping board members easier, compared to only 7 percent of religious congregations and 6 percent of mutual benefits. See white bars in Figure 69.

Figure 69: Collaborations or networks make obtaining funding, recruiting volunteers, or recruiting board members easier by type of membership organization (n=755-760)



Competition and Membership Organizations: In addition to collaborating, nonprofits may also compete with other organizations in a variety of arenas. We asked nonprofits whether or not they compete with several types of nonprofits, with for-profits, or with government agencies for the purpose of obtaining financial resources, recruiting staff or volunteers, recruiting board members, attracting clients or members, or delivering programs and services.

- **Scope of competition:** We first look at the likelihood that nonprofits compete at all—in any arena and with any entity. We find that membership organizations differ from organizations without members and that notable differences exist among types of membership organizations.

  – *Members vs. No Members:* Organizations with members are less likely to report that they compete than organizations without members (40 vs. 50 percent). See Figure 70.

  – *By Type of Membership Organization*: Other member groups are the most likely to report facing competition, with the majority (57 percent) saying they compete with other organizations in at least one arena, compared to 40 percent overall. See Figure 71.

Figure 70: Percent of nonprofits that compete by member status (n=2,206)

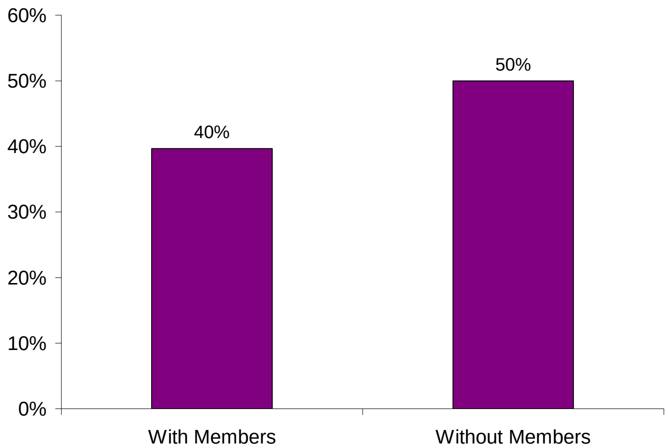
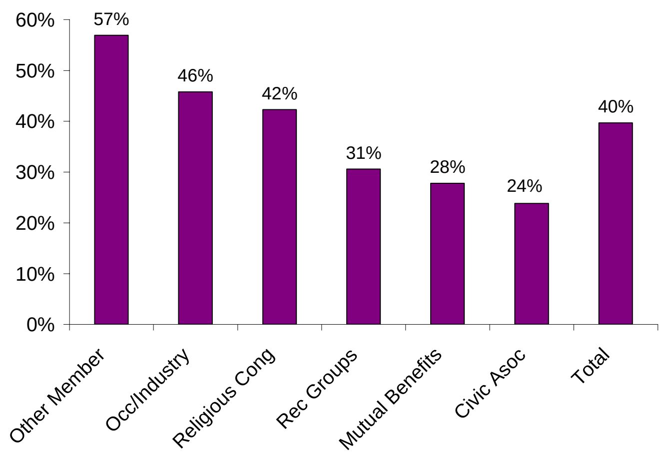


Figure 71: Percent that compete by type of membership organization (n=1,682)

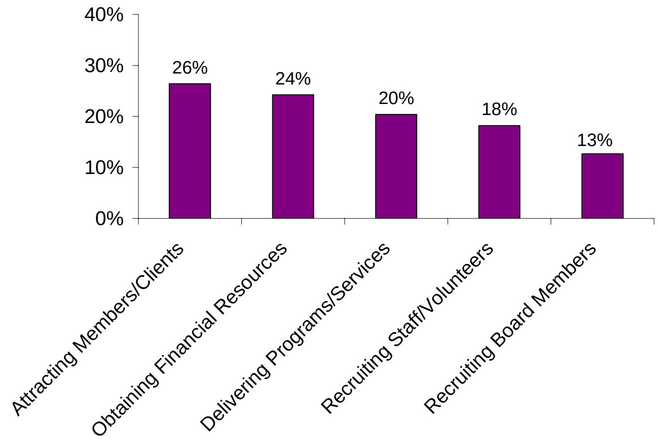


– Over two-fifths of *occupation/industry groups* (46 percent) and *religious congregations* (42 percent) compete, compared to less than a third of all other types of membership organizations.

- **Competitive Arenas:** We asked nonprofits about five specific competitive arenas and find that nonprofits differ in what they compete for by whether or not they have members and by types of membership organization. We also see notable variations among sub-types of membership organizations.

– Overall, a quarter of membership organizations compete for members or clients (26 percent) and for financial resources (24 percent). About one-fifth of membership organizations also face competition in delivering programs/services (20 percent) and recruiting staff/volunteers (18 percent), while 13 percent say they compete in recruiting board members. See Figure 72.

Figure 72: Percent of membership organizations in competitive arenas (n=1,682)



– *Members vs. No Members:* Membership organizations are less likely to report that they compete for financial resources (24 percent), staff or volunteers (18 percent), or board members (13 percent) than organizations without members (44 percent, 29 percent, and 25 percent respectively). See Figure 73. There are no significant differences between organizations with or without members as to whether they compete for members/clients or in delivering programs/services.

– *By Type of Membership Organization*: When we look at specific arenas of competition, we find that *other member groups* stand out in each case as more likely to face competition. Among subgroups of types of membership organizations, we find added variation, with chambers of commerce in particular reporting extensive competition in each arena.

– *Attracting Clients or Members***.** Over a third (36 percent) of *other member groups* compete in attracting members or clients, compared to one-quarter (26 percent) of membership organizations overall. See solid/dark bars in Figure 74.

Figure 73: Percent that compete for financial resources, staff or volunteers, and board members by member status (n=2,206)

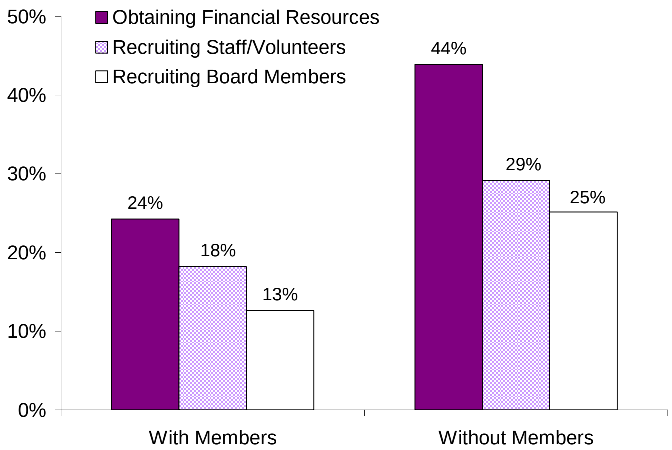
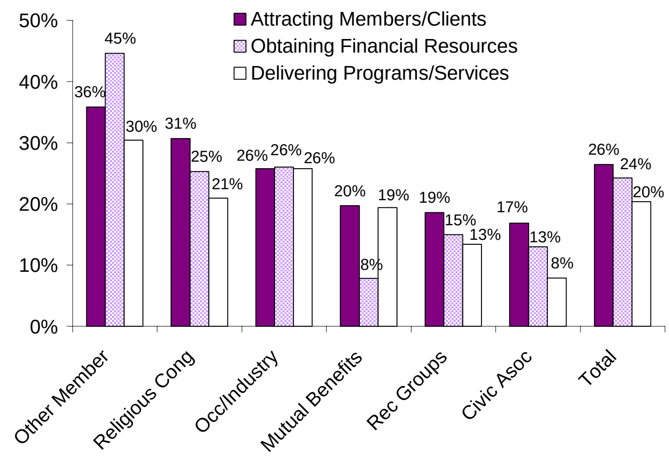


Figure 74: Percent of nonprofits that compete for members or clients, financial resources, and programs or services by type of membership organization (n=1,682)



- Among religious congregations, mainline Protestant congregations are more likely to report competition for members (or clients) (51 percent) than religious congregations overall (31 percent).

- Chambers of commerce (54 percent) are more likely to report competition for members/clients than occupation/industry groups overall (26 percent).

– Financial organizations and related groups stand out from other mutual benefits as more likely to compete for members or clients (33 percent vs. 20 percent overall).

– *Obtaining Financial Resources.* More than two-fifths (45 percent) of *other member groups* compete for financial resources, compared to one-quarter (24 percent) of membership organizations overall. Only 8 percent of mutual benefits report such competition. See light colored bars in Figure 74.

- Among other member groups, youth development organizations (75 percent) and volunteer fire departments and related groups (73 percent) are by far more likely to say they compete for financial resources.

- Chambers of commerce also stand out from other occupation/industry groups—62 percent say they compete for financial resources, compared to 26 percent of occupation/industry groups overall.

– *Delivering Programs or Services.* One-fifth (20 percent) of membership organizations overall compete to deliver programs or services. *Other member groups* are again more likely to report such competition (30 percent). See clear/white bars in Figure 74.

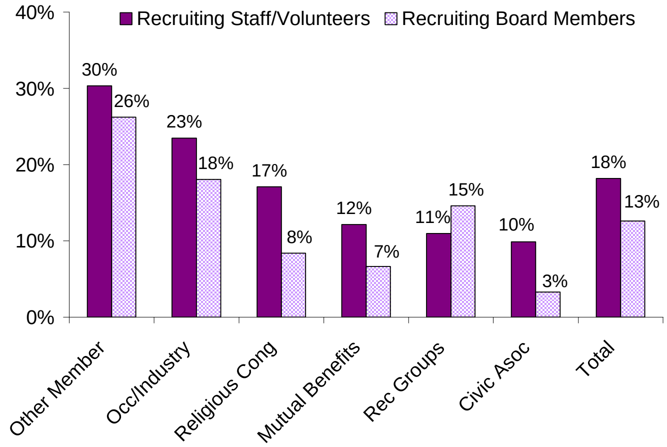
– *Recruiting Staff or Volunteers.* Roughly a third (30 percent) of *other member groups* compete for staff or volunteers, compared to a fifth (18 percent) of membership organizations overall. See solid/dark bars in Figure 75.

- Chambers of commerce again stand out from other occupation/industry groups, with 64 percent reporting such competition (compared to 23 percent of occupation/industry groups overall).

– *Recruiting Board Members.* More than a quarter (26 percent) of *other member groups* compete for board members, as opposed to 13 percent of membership organizations overall. See light colored bars in Figure 75.

- Among religious congregations, mainline Protestant congregations are about twice as likely to compete for board members (15 percent) than all other religious congregations (8 percent).

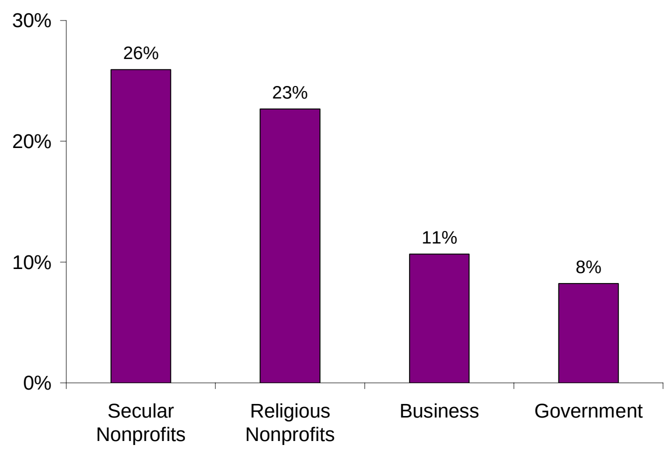
Figure 75: Percent of nonprofits that compete for staff or volunteers and board members by type of membership organization (n=1,682)



- Chambers of commerce stand out from other occupation/industry groups as more likely to compete for board members (47 percent vs. 18 percent of occupation/industry groups overall).

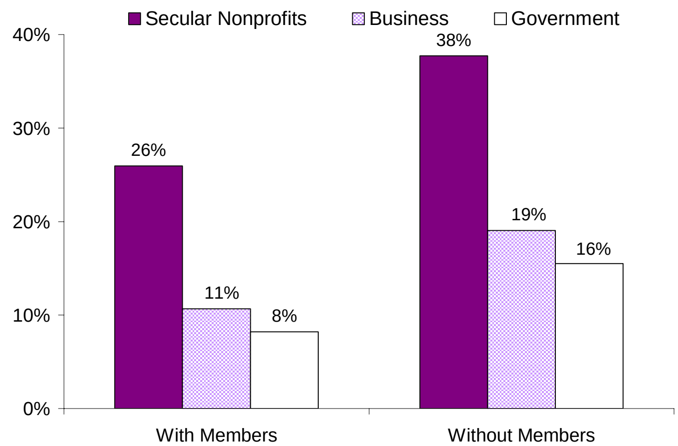
- **Types of Competitors:** Membership organizations compete primarily with other secular nonprofits (26 percent), but they also face competition from religious nonprofits (23 percent) and to a lesser extent from business (11 percent) and government (8 percent) organizations. See Figure 76.

Figure 76: Percent of membership organizations with types of competitors (n=1,682)



– *Members vs. No Members:* Membership organizations are less likely to report certain types of competitors than nonprofits without members. One-quarter (26 percent) of membership organizations report competition with secular nonprofits, compared to two-fifths (38 percent) of organizations without members. Membership organizations are also less likely to report competition with businesses (11 percent) or government (8 percent) than organizations without members (19 percent and 16 percent respectively). See Figure 77.

Figure 77: Percent of nonprofits that compete with secular nonprofits, business, or government by member status (n=2,206)

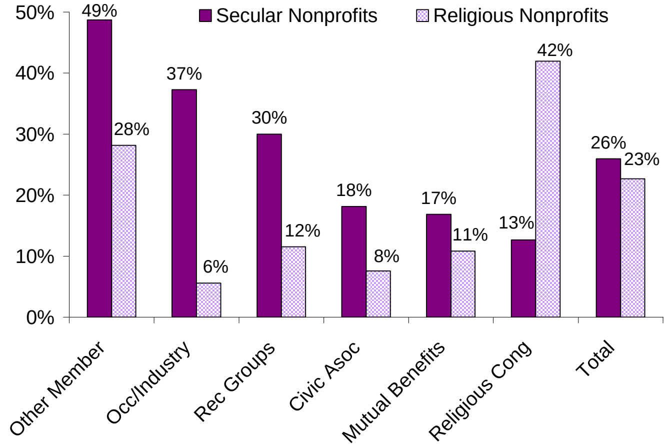


– There is no significant difference between organizations with and without members in their competition with religious nonprofits (22 percent of nonprofits report such competition).

– *By Type of Membership Organization:* Among membership organizations, *other member groups* report the most competition with every type of competitor, except for religious nonprofits.

– *Competition with Secular Nonprofits.* One-quarter (26 percent) of membership organizations report competition with secular nonprofits. *Other member groups* are by far more likely to report such competition, with nearly half (49 percent) doing so. Nearly two-fifths of *occupation/industry* (37 percent) groups also compete with secular nonprofits. By contrast, only 13 percent of religious congregations report such competition. See solid/dark bars in Figure 78.

Figure 78: Percent of nonprofits that compete with secular or religious nonprofits by type of membership organization (n=1,682)



- Among other member groups, youth development and human services organizations are more likely to compete with secular nonprofits (76 percent and 73 percent respectively), vs. 49 percent for other member groups overall.

– *Competition with Religious Nonprofits.* Two-fifths (42 percent) of *religious congregations* compete with religious nonprofits, compared to only 6 percent of occupation/industry groups and a quarter (23 percent) of membership organizations overall. See light colored bars in Figure 78.

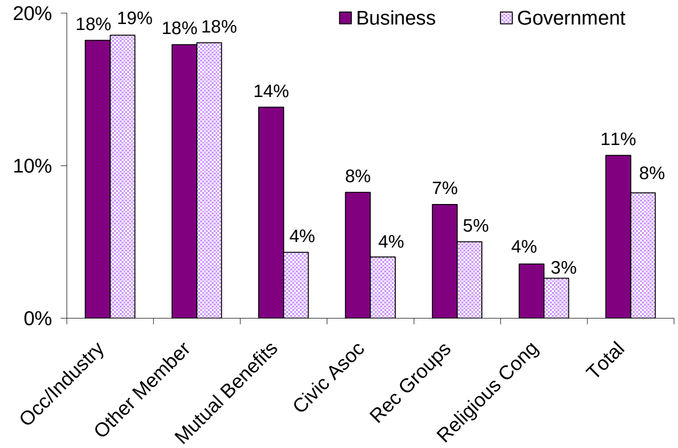
– *Competition with Business.* Almost one-fifth (18 percent each) of *occupation/industry* and *other member groups* compete with for-profit organizations, compared to one-tenth (11 percent) of membership organizations overall. See solid/dark bars in Figure 79.

- Among mutual benefits, financial organizations and related groups are more likely to compete with business (28 percent), compared to mutual benefits overall (14 percent).

- The majority (57 percent) of chambers of commerce compete with business, compared to 18 percent of occupation/industry groups overall.

– *Competition with Government.* About a fifth of *occupation/industry* (19 percent) and *other member groups* (18 percent) report competition with government, compared to less than a tenth (8 percent) of membership organizations overall. See light colored bars in Figure 79.

Figure 79: Percent of nonprofits that compete with business or government by type of membership organization (n=1,682)



- Among other member groups, the vast majority of volunteer fire departments and related groups (64 percent) compete with government, compared to 18 percent of other member groups overall.

- Chambers of commerce are again more likely to report government as a competitor. The majority (55 percent) of chambers of commerce compete with government, compared to only 1 percent of labor unions and 4 percent of occupation/industry groups overall.

Conclusions and Implications: We draw several conclusions and implications from these findings.

- ***Membership organizations are affiliated with similar organizations***. Not surprisingly, religious congregations affiliate with other religious bodies and faith-based organizations, but virtually none affiliate with other types of organizations. On the other hand, occupation/industry groups, the second most highly affiliated type, are most likely to affiliate with mutual benefit (membership) organizations—most likely the category in which they would place themselves—as are recreation groups and mutual benefits. Following a similar pattern, civic associations and other member groups tend to affiliate with secular service nonprofits.

- ***Collaborations are related to awareness***. The types of membership organizations that are most likely to be involved in collaborations or networks—other member groups, occupation/industry groups, and religious congregations—are also the most likely to be aware of and report being impacted by changes in community conditions or government policies (as found in Section II). One possible explanation is that collaborations with other organizations lead to greater awareness. Alternatively, organizations collaborate or network in order to ameliorate the impacts from changing conditions.

- ***Collaborations are especially valuable to occupation/industry and recreation groups***. Collaborations are prevalent (60 percent) among benefit occupation/industry groups and to benefit them in enhancing visibility, meeting member needs and obtaining funding. Although only half of recreation groups are involved in formal collaborations or informal networks, those that are tend to report more benefits from those relationships than other membership organizations. Recreation groups are especially likely to benefit from collaborations or networks in meeting member needs.

- ***Membership organizations face less competition overall, but there are important variations by type.*** Less than half of membership organizations report facing any type of competition and only fairly small minorities say they compete in the five competitive arenas. While other member groups stand out as more likely to face competition, there is interesting variety among sub-groups of membership organizations.

  – ***Mainline Protestant groups:*** Mainline Protestant congregations compete more heavily for members and board members than other types of congregations.

  – ***Chambers of commerce:*** Chambers of commerce report high levels of competition across all five competitive arenas. Unlike most other membership organizations, their competitors are disproportionately government agencies and for-profit organizations.

  – ***Other member sub-types:*** Youth development groups compete with secular service organizations, while public safety organizations compete with government for financial resources. Credit unions and professional associations compete for members with businesses and secular service organizations.

- ***Sub-groups vary notably in dimensions related to interactions with other organizations.*** Chambers of commerce (among occupation/industry groups) appear to be particularly distinctive, followed by mainline Protestant groups among religious congregations, and youth development and volunteer fire departments and related groups among other member organizations.