



CAPACITY BUILDING FOR FAITH-BASED SOCIAL SERVICE ORGANIZATIONS

A project of The Forbes Funds www.forbesfunds.org

“We don’t really know whether these faith-based programs, or others like them, out perform their secular counterparts, how they compare to one another, or whether, in any case, it is the “faith” in “faith-based” that mainly determines any observed difference.”¹

— J. J. DiIulio, Professor, University of Pennsylvania, and Former Director, White House Office of Faith-Based & Community Initiatives

THE LOCAL CONTEXT

Fall 2003

In 2001, The Forbes Funds embarked on a three-year initiative to assess the management capacity of Allegheny County’s faith-based social service agencies and congregations. As part of this effort, The Forbes Funds commissioned research designed to inform local decision-makers, as well as the community at large, about the existing level and future potential of these entities to provide human services. If, indeed, congregations and faith-based social service agencies are called upon (by their missions, by their communities, or by the President) to provide human services, what can this community do to ensure that these entities maintain an infrastructure to provide high quality services? How should we invest in the management capacity of these organizations to respond best to the human condition?

The findings of two research projects are summarized here.

STUDY 1

Gregg S. Behr
Melanie DiPietro
2002

Social Services in Faith-Based Organizations: Pittsburgh Congregations and the Services They Provide

Key Research Questions:

1. In what ways are Pittsburgh’s congregations contributing to the social welfare of those in need within the metropolitan area?
2. How are congregations contributing to Pittsburgh’s social service infrastructure?

Methodology: Congregations operating in Allegheny County were identified using lists purchased from American Church Lists, which were cross-referenced against local church and parish directories, as well as against the Yellow Pages. Accordingly, 1133 surveys were distributed to local congregations. A total of 276 congregations responded, yielding a response rate of 24.4%.

Findings: The survey results identify that congregations in Allegheny County are generally comparable to congregations nationally. They tend to provide similar social services and anticipate similar future needs.

Years in Operation: Allegheny County’s congregations have, for the most part, been around for some time. Of the respondents, 64% have operated for 75 years or more. They maintain established presences within their communities.

Sizes of Congregations: Most congregations in Allegheny County are fairly small. About half have less than 200 members; only 25% have more than 500 members. This corresponds with national figures, as about 25% of congregations nationally have more than 400 members.²

Populations Served: In Allegheny County, services provided by congregations typically go to the neediest in the community. Ninety-seven percent of respondents report that they serve low-income families and individuals; twenty-five percent of these congregations serve primarily low-income families and individuals. Most congregations (2/3rds of respondents) offer their social programs to all who may seek them. Twenty-percent mandate that clients meet certain requirements (financial or otherwise) and only 13% limit services to their own members.

Services Provided: Most common among the services offered by congregations are emergency services (e.g., food, cash, clothing, and counseling) and nurturing services (e.g., mentoring, parenting support, and parenting education). Rare is the congregation that provides complex social services.

Capacity to Deliver Services: Nearly all congregations surveyed reported that they anticipate providing social services to at least as many people in the current year as in prior years. Further, a majority of congregations reported that they anticipate an increase in demand for at least some of their services. As the perceived demand increases, are congregations equipped to deliver the needed services?

¹ J.J. DiIulio, Jr. “Godly people in the Public Square.” Review, *The Public Interest* (Fall 2000): 110-115.

² Hodgkinson, Virginia A., and Murry S. Weitzman. (1993). *From Belief to Commitment: The Activities and Finances of Religious Congregations in the United States*, 1993 ed. Washington, DC: Independent Sector.

STUDY 2

Kevin P. Kearns
Chisung Park
2003

• While half of the congregations report having the facilities to accommodate additional clients, more than half report not having enough staff to serve any additional clients. • Nationally, congregations typically have an average of 1.2 full-time clergy and 1.8 additional full-time staff.³ Local congregations are no different. Most congregations do not have large staffs to dedicate to full-

time, social service programming. • To carry out their programs and services, most congregations thus tend to have a large volunteer base. In Allegheny County, more than two-thirds of congregations rely upon 20 or more volunteers. • Despite being rich with volunteers, 67% of congregations do not expect to be able to raise additional funds to serve additional clients.

Comparing Faith-Based and Secular Human Service Corporations in Allegheny County

Key Research Questions:

1. To what extent are human services in Allegheny County delivered by faith-based nonprofit corporations?
2. How do secular and faith-based human services corporations compare with respect to organizational characteristics and inter-organizational relationships?
3. Do faith-based organizations have significantly different levels of organizational capacity than their secular counterparts?

Methodology: Approximately 1,600 nonprofit 501(c)(3) corporations in Allegheny County were identified by cross-referencing a variety of master lists.⁴ These organizations represent the full range of charitable activity as defined by the National Taxonomy of Exempt Entities.⁵ Questionnaires were mailed to each of these nonprofit corporations and nearly 450 responded. Some of the returned questionnaires were not usable. The final data set includes 403 corporations, approximately 25% of the total population of nonprofits in Allegheny County.

Findings: The survey results demonstrate that faith-based human service corporations are, on the whole, comparable to their secular counterparts in many respects, such as: size; funding; organizational capacity; and management sophistication. Faith-based and secular agencies differ in that the former concentrate in certain human service niches, such as food and shelter programs, which fill basic human needs.

Services Provided: *To what extent are human services in Allegheny County delivered by faith-based nonprofit corporations?* • Faith-based nonprofits comprise a significant component of the human service delivery system in Allegheny County. They account for almost 30% of the total number of nonprofit human service agencies in Allegheny County. • Faith-based corporations account for 49% of the total number of persons directly served by the human service system in Allegheny County.⁶ • In comparison with secular organizations, faith-based corporations serve relatively high percentages of women, youth, minorities, and low income clients, particularly with respect to basic human services such as shelter, food, and essential human services.

Organizational Characteristics: *How do secular and faith-based human service corporations compare with respect to basic organizational characteristics?* • Faith-based human service corporations are comparable to secular organizations with respect to years in operation and are slightly larger than secular organizations (as measured by annual revenues, annual expenditures, and numbers of paid full-time employees). • Faith-based human service corporations differ from their secular counterparts in that they tend to rely upon larger numbers of part-time employees and volunteers.

Anticipated Growth: *How do secular and faith-based human service corporations compare with respect to anticipated changes in demand for services?* • Faith-based organizations report that demand for their services has increased over the past three years; the rate of increase is reported to be higher than among secular nonprofits. Faith-based agencies also project larger growth in their budgets during the next three years than that projected by their secular counterparts.

Organizational Capacity: *Do faith-based organizations have significantly different levels of organizational capacity than their secular counterparts?* • Ten areas of organizational capacity were measured.⁷ Although there are some differences, the differences in the capacity of faith-based human services corporations, compared to their secular counterparts, are found to be statistically insignificant.

Organizational Characteristics: The findings suggest that faith-based organizations are, at least, comparable to their secular counterparts in most dimensions of organizational capacity, and seemingly more sophisticated than secular organizations in some respects. These findings further highlight important reasons for the philanthropic and governmental sector to pay close attention to faith-based organizations:

First, the scope of faith-based involvement in human service delivery is significant, comprising nearly 30% of the organizations and a proportionally larger percentage of expenditures and clients.

Second, the delivery focus of faith-based corporations is significant, concentrating on core needs, such as food and shelter for the region's most at-risk populations.

Third, there are some nuances in organizational structure, design, and capacity that would suggest the need for some tailored technical assistance to faith-based organizations (e.g., financial management), as well as the opportunity for some joint-programming involving both faith-based and secular agencies.

³ Hodgkinson, Virginia A., and Murry S. Weitzman. (1993). *From Belief to Commitment: The Activities and Finances of Religious Congregations in the United States*, 1993 ed. Washington, DC: Independent Sector.

⁴ A variety of master lists were cross referenced from the Internal Revenue Service Publication 78, the Pennsylvania Department of State Office of Charitable Organizations, the Bureau of Charitable Statistics, on-line data sources, and telephone directories.

⁵ Full classification can be found at: <http://nccsdataweb.urban.org/FAQ/index.php?category=65#324>

⁶ Note that a higher proportion of faith-based corporations in the survey report that they provide direct service to individuals, which explains why the total number of people served by faith-based agencies is proportionally large. Ninety-seven percent (62 of 64) of the faith-based agencies provide services directly to individuals, whereas only 85% (136 of 160) of the secular agencies provide direct services. It must be noted, however, that some organizations, both secular and faith-based, may have overstated the number of people they serve. Therefore, these figures should be interpreted with caution.

⁷ The ten areas of organizational capacity measured include: program capacity; decision analysis; retention of personnel; professional development for staff; strategic planning; salary comparability; effectiveness of board; physical plant; advocacy and lobbying; and technical assistance priorities.