Westpac Community Confidence Index

October 2011

Supported by: ourcommunity.com.au

Foreword.

Julienne Price,
Head of Westpac Social Sector Banking

I am very proud to launch the first Westpac Community Confidence Index (CCI) and pleased to announce these findings which give us further insight into the Social Sector – an important part of the Australian heritage of giving and caring for those in need.

Westpac has been working with community organisations of all sizes for many years and recognises that the demands and opportunities of the not-for-profit sector are both unique and diverse. The Westpac Social Sector Banking team has built up a strong reputation in the sector and we are continually looking for ways to better service our customers. The CCI will provide those working in the sector a 'voice' to highlight the areas where they need further assistance from the community, government and financial institutions.

I'd like to thank all the community groups who participated in this research and look forward to working with them in the future to ensure the CCI and its findings are used to enrich the sector further.

For more information visit www.westpac.com.au/socialsectorbanking

Denis Moriarty,
Managing Director of Our Community

Our Community is honoured to be a part of the Westpac Community Confidence Index and supports the findings which provide valuable insights into the Social Sector.

More than 65% of Australians belong to one or more of the 600,000 community groups that exist in this country. These organisations are absolutely vital for the development of a thriving and vibrant Australia and Our Community assists these organisations to meet the challenges they face by providing practical advice, tools and training.

For more information visit www.ourcommunity.com.au

Steve Nuttall,
Managing Director of Colmar Brunton

Surveys which measure the degree of optimism of consumers and organisations on the state of the economy play a key role in economic and business forecasting. Until now, sentiment in the not-for-profit sector has been overlooked.

Colmar Brunton's brief was to build a meaningful and robust barometer of confidence that can be tracked on an ongoing basis. We are proud to have collaborated with Westpac and Our Community on this – a thorough, comprehensive and authoritative account of Australia's not-for-profit sector.

The building blocks of The Index are trends and expectations in funding, staffing and volunteering and confidence in meeting objectives. Taken together, they show a positive outlook, demonstrate the challenges the sector faces and how these are being tackled.

We are already planning future waves of this survey, the results of which will provide an important and much anticipated commentary on the health of the sector.

For more information visit www.cbr.com.au

Contents.

What is the Community Confidence Index?

The Westpac Community Confidence Index is a robust research paper that examines the level of confidence the community sector is feeling about their financial security, workplace operations and the future. The research was commissioned by Westpac Social Sector Banking, in partnership with Our Community, to provide a benchmark to measure the health and optimism of the community sector – a sector that plays a crucial role in the economy and the building of social capital but has previously largely been ignored. 977 Not-for-Profits (NFPs) participated in the online survey, making it one of the largest research pieces ever conducted in Australia on the NFP sector.

The Westpac Community Confidence Index will be an ongoing survey of the NFP sector to establish industry sentiment - measured on a quarterly basis with findings released annually.

The findings will provide valuable insights into the state of the sector, highlighting areas of concern, opportunities and confidence levels.

The Westpac Community Confidence Index is made up of six key elements which impact the industry:

Each of these elements is measured through a question or combination of questions in the survey:

Recognition – "How well do you feel your organisation is recognised by the Media, Community, Government, and Corporate Business?"

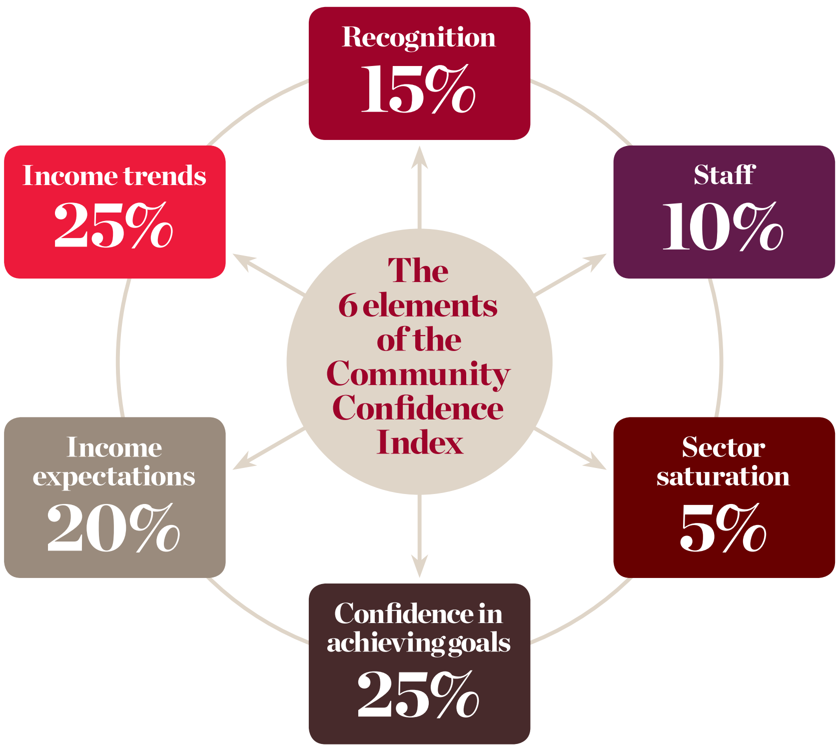
Staff – "Does your organisation have adequate staff (including volunteers) and confidence in your ability to retain your staff?"

Sector Saturation – "Do you thing there are too many organisations doing what you do?"

Confidence in achieving goals – "Is your organisation confident that you will be successful in achieving your goals in the next 12 months?"

Income expectations – "Will your income increase or decrease in the next 12 months?"

Income trends – "Has your organisations income increased or decreased compared with 6 months ago?"



Executive Summary.

In this first study we have found that overall sentiment in the NFP sector is positive, with 47% of NFPs stating that they experienced an increase in overall income in the past 6 months, and even more are expecting a revenue increase over the next 12 months.

There are however some concerns in the sector, with 7% not confident they can achieve their goals next year - mainly for financial reasons – and one third of NFPs say that their organisation does not attract enough skilled staff which puts a strain on already stretched resources.

On top of that, 82% are actively exploring additional sources of income and 1 in 4 NFPs are considering partnering or merging for growth.

Staffing was pulled out as a significant concern with one third of NFPs saying they do not attract enough skilled staff, however 3 in 4 are confident of retaining their staff over the next year.

The 'new world' issue of how to embrace social media was highlighted with many indicating they do not have the expertise and time to tackle this issue.

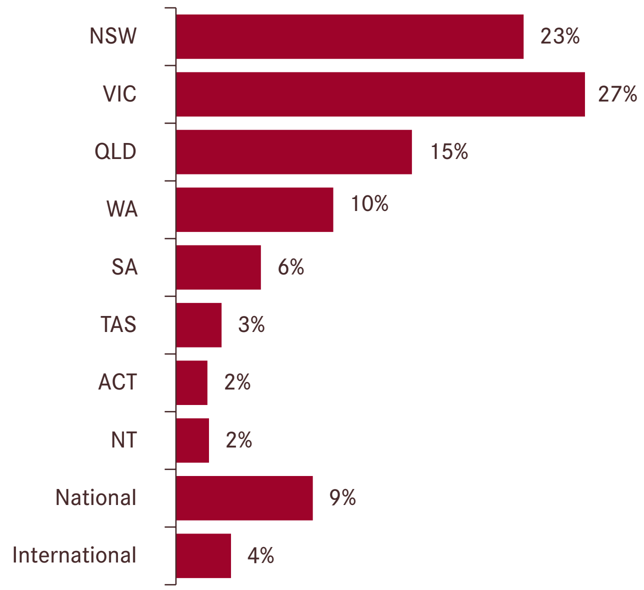
These insights are explored in further detail throughout the report, along with state specific findings which highlight the differences each region is facing today.

Methodology.

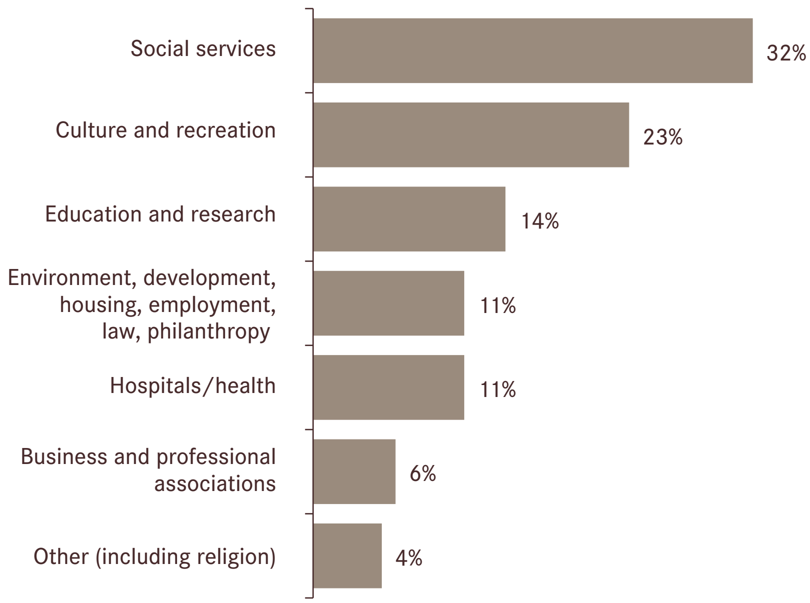
The research was conducted via an online survey with Our Community members and Westpac customers in July 2011. A total of 977 organisations across Australia participated, with distribution of industries and geographic location representative of the Australian Bureau of Statistics (ABS) data. The research was also successful in reaching the full width of sector by size; starting from smaller community organisations right through to large international organisations. Seventy percent (70%) of organisation representatives surveyed had a management or executive role. A detailed breakdown of the sample distribution is provided to the right.

Note: For ease of interpretation, numbers throughout the report have been rounded up to a whole number which can result in totals being slightly above or below 100. DK refers to "Don't know".

Location of organisations surveyed



Industry distribution

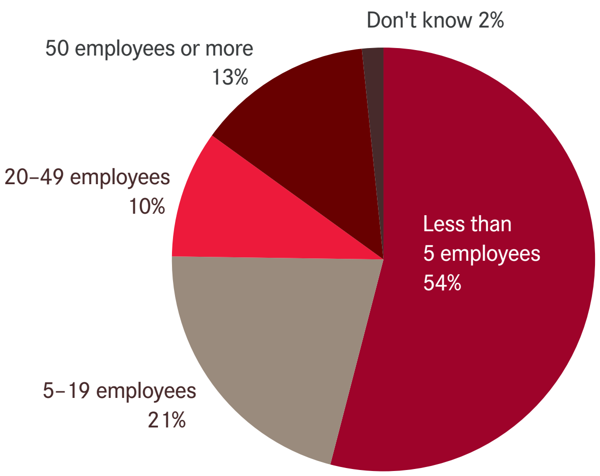


Methodology cont.

Organisation size

Turnover		
$0 - $50,000	22%	Community based 50%
$50,001 - $100,000	8%	
$100,001 - $200,000	9%	
$200,001 - $500,000	10%	
$500,001 - $1,000,000	11%	SME 30%
$1,000,001 - $2,000,000	8%	
$2,000,001 - $5,000,000	10%	
$5,000,001 - $10,000,000	5%	Commercial 9%
$10,000,001 - $50,000,000	5%	
$50,000,001 +	5%	Top Tier 5%
Don't know / refused	7%	

Number of employees



Key National Insights.

Insight 1:
Overall sentiment in the NFP sector is positive.

- 47% of NFPs have experienced an increase in overall income and even more are expecting a revenue increase over the next year.
- More than 8 in 10 stated that they are confident in achieving their objectives in the next 12 months.

Insight 2:
Additional sources of income are being explored by majority of NFPs.

- 82% are actively exploring additional sources of income.
- 7% are not confident in achieving their goals, mainly for financial reasons.

Insight 3:
Attracting skilled staff is a significant concern.

- One third of NFP's say that their organisation does not attract enough skilled staff.
- 3 in 4 are confident of retaining staff over the next year.

Insight 4:
Partnering or merging is seriously considered by a quarter of NFPs.

- 1 in 4 NFPs are considering partnering or merging for growth.

Insight 5:
NFPs are keen to embrace social media, but lack expertise and time.

Perceived benefits are:

- Raising awareness.
- Connecting with a wider audience.
- Attracting volunteers.

Insight 1:
Overall, NFP sentiment is positive.

NFP income has increased and continued increases are expected.

Nearly half of NFPs have experienced an increase in overall income in the last 6 months.

The majority are optimistic about the future, with 61% expecting an overall increase in income in the next 12 months.

The most significant income sources have increased.

The sources that tend to make up a larger proportion of NFP income are State Government Funding, Sales of Goods & Services, Federal Government Funding and Membership.

All these sources had more organisations saying income from the source had increased rather than decreased.

In fact, all but 2 sources of income were more likely to have increased than decreased over the last 6 months and these both contributed a relatively small proportion of total income.

Source of income	n	Average % that comes from this source (%)	NET increase or decrease in last 6 months (%)
State Government funding	528	40	10
Sales of goods and services	381	35	20
Federal Government funding	405	33	3
Membership	452	26	14
Event fundraising	460	21	7
Corporate funding	187	18	10
Local Government funding	245	11	-8
Bequests	143	7	-10

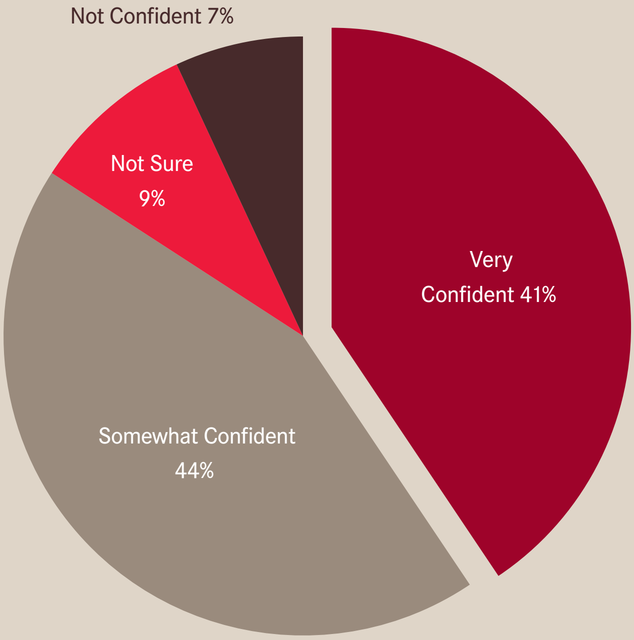
2 out of 4 main sources of income have significantly increased.

Net decrease, but on average, only a small percent of income comes from these sources.

Please note not all sources of income are represented in this table, and only NFPs receiving income from each source were asked the questions.

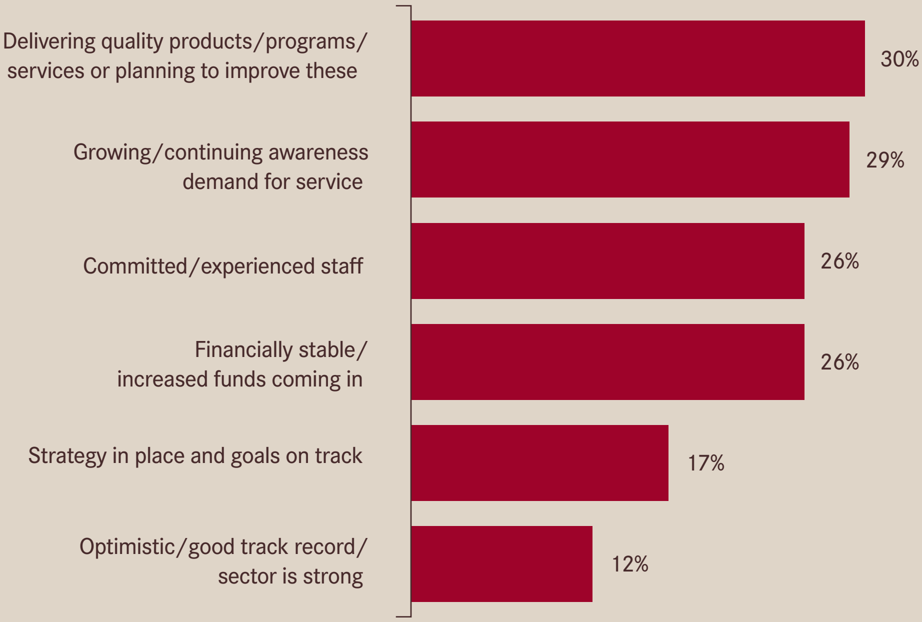
The positive outlook is expected to continue.

85% are confident of achieving their objectives in the next 12 months.



Why? A quality service, growing demand, staff and money are the most cited reasons.

Why would you say you were Very Confident?



n=395

(Multiple response question so total is more than 100)

Why are NFPs very confident?

Delivering quality

"We are constantly looking at ways that we can improve what we do, and implement strategies to help us achieve our goals and targets"
Social Services

"We ensure that the customers are happy with the service and have regulations and processes in place to help with this"
Education

Increased or continued awareness and demand

"We are a new group, as more people become aware of what we do, we anticipate that we will attract new members."
Culture and Recreation

"Aging population increases demand for our services"
Hospital/Health

Staff

"We have a great vision and strategy that will enable us to do this. We also have very experienced people in this area that will help us to achieve it."
Social Services

"Our organisation's performance is based on the commitment of all staff and volunteers, we have very strong commitment from both."
Hospital/Health

"Dedicated volunteers will make it happen"
Culture and Recreation

Increased or continued awareness and demand

"As a lifesaving club we provide emergency services and lifesaving services to the community, therefore we are seen as an essential service which helps with achieving funding to meet our needs"
Culture and Recreation

"We continue to achieve well in our applications to philanthropics for funding to deliver our programs"
Social Services

Insight 2:
Additional sources of income are being explored by majority of NFPs.

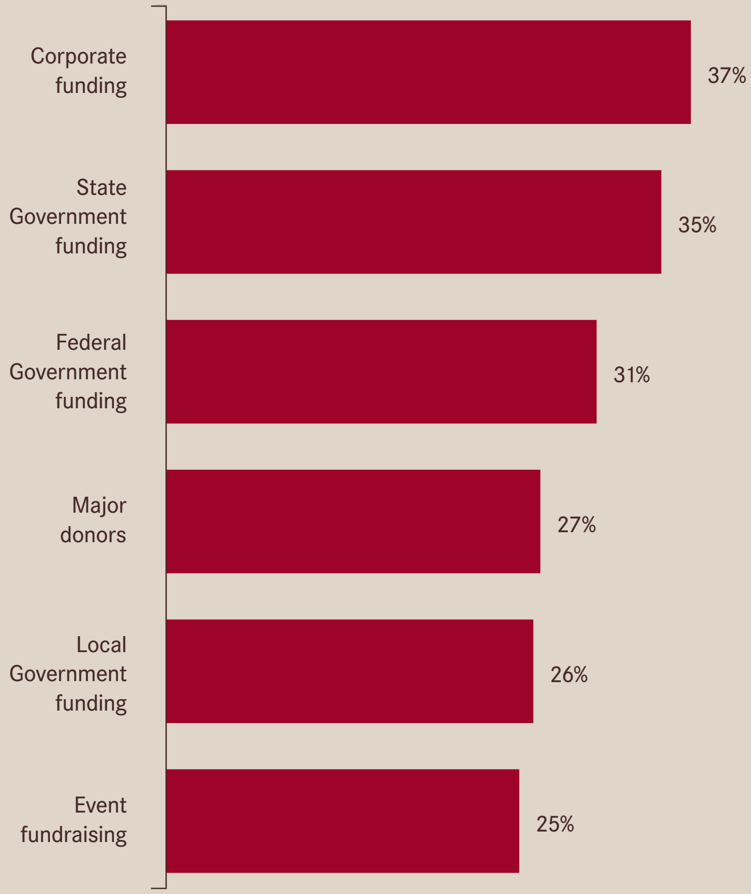
NFPs are actively exploring additional sources of income.

It seems that NFPs are not feeling entirely secure, with 82% realising the importance of having a range of income sources.

NFPs were most likely to be actively exploring Corporate and Government sources for additional funds.

Note: Only the top 6 income sources being explored have been included in the graph.

Additional sources of funding are being actively explored



n=977

(Multiple response question so total is more than 100)

Income pressures are being felt more in some industries than others.

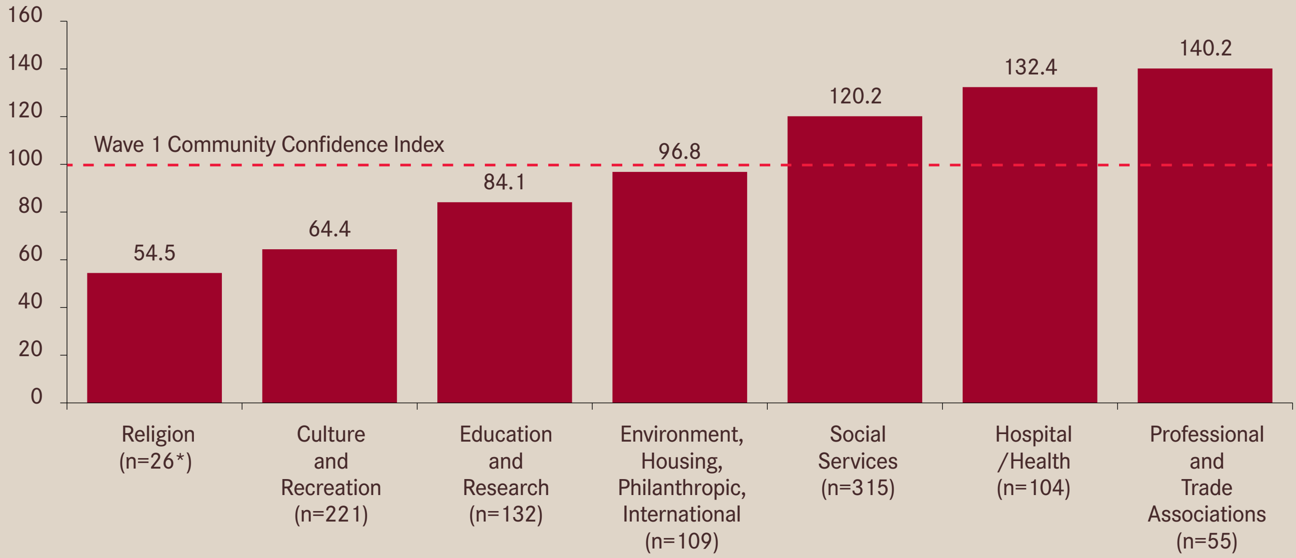
Index by industry.

Index performance across the various industries within the sector highlights the level of diversity, as well as the variety of challenges faced by NFP organisations.

Health and Professional Associations performed the strongest, driven by strong income trends and expectations.

Social Services, which also had a high index, displayed greater levels of positivity around the level of value and recognition their organisations have developed within the community.

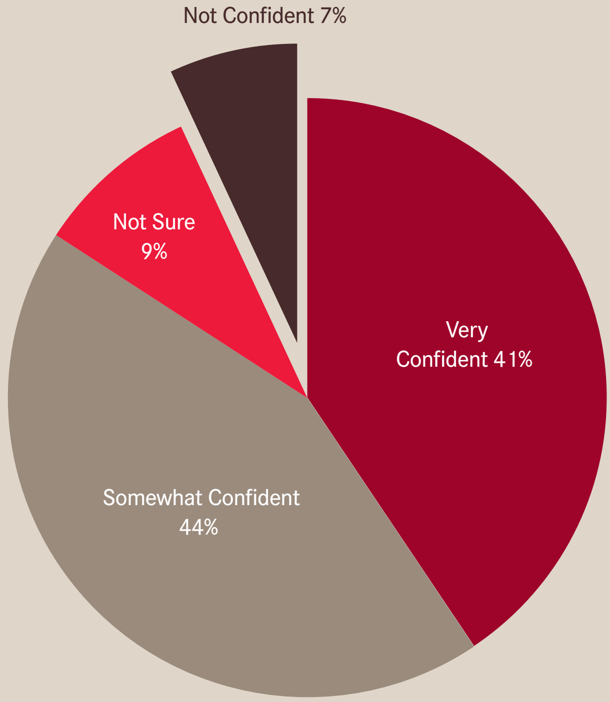
In comparison, the environment is tougher amongst the Education & Research and Culture & Recreation industries, both of which scored lower on the overall index – driven by income trends being lower than the national average over the past 6 months.



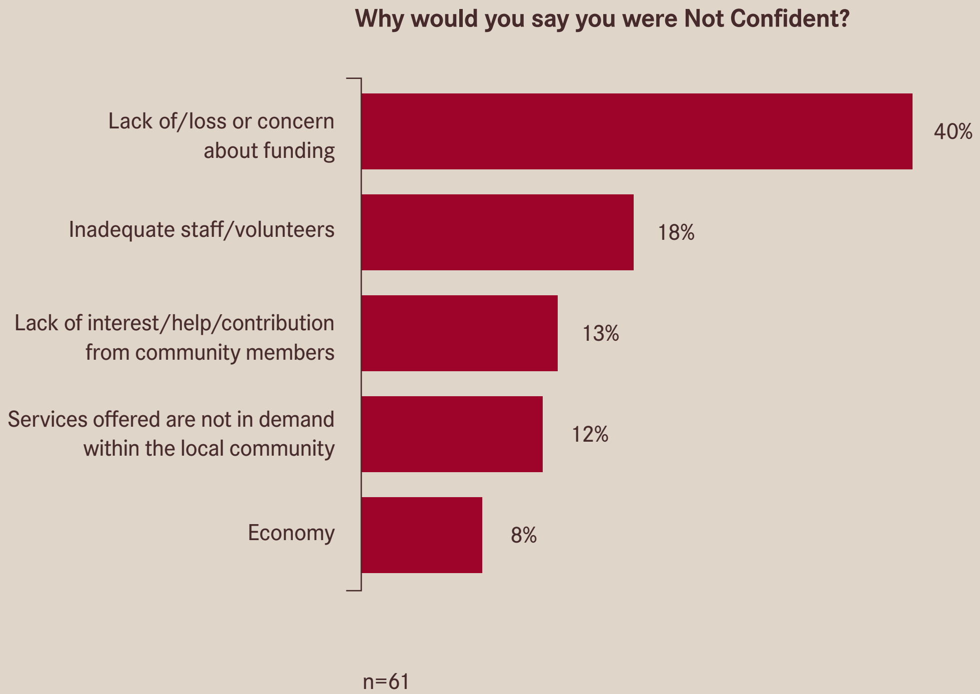
*Caution, small sample size

** Refer back to page 1 for an explanation of the index.

7% are not confident, mainly for financial reasons.



Why? For 2 in 5, the reason for being not confident is financial.



Why are NFPs not confident?

Financial

"Our organisation isn't 'sexy'. We restock fish and can't compete with Cancer or children orientated fundraisers or organisations - they will always get the volunteers/ donations before us."
Environment

"Lack of financial support for an intervention with a 90% success rate in a culture that believes that juvenile detention works with a 90% failure rate and twice the cost of what we offer."
Social Services

"Economic times and rising costs will consume any increase in funding and high need in the service."
Social Services

Staff

"There is a continuing demand for our services and we cannot recruit volunteers fast enough to meet the demand. We already have a long waiting list."
Social Services

"The committee I work with is getting increasingly older (I'm talking 70+) and that does not help... No "new blood" seems to want to come on board."
Culture and Recreation

Disasters in 2011 also had an impact with 1 in 5 negatively affected

"Donation spend by private benefactors has been heavily committed towards these major natural disasters and therefore it has been far more difficult to obtain commitments for local fund raising."

"We are being told by our supporters that their charitable disposable income is exhausted."

"A community saturated with a demand for donations for major disasters is less inclined to be generous."

"Funds redirected from Local and State governments towards relieving flood damage."

Insight 3:
Attracting skilled staff is a concern.

One third of NFPs say that their organisation does not attract enough skilled staff.

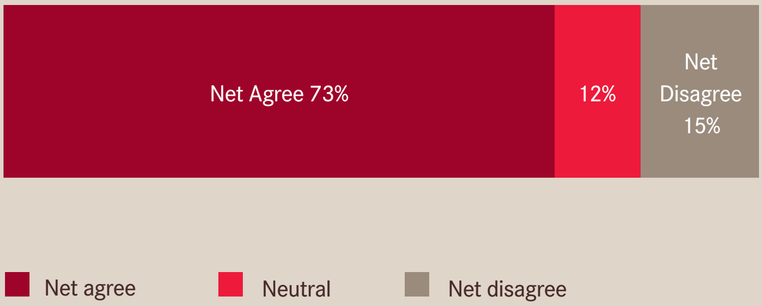
However, 3 in 4 are confident of retaining staff over the next year.

Attracting skilled staff

The number of staff (including volunteers) with specialist/ management skills my organisation attracts meets our needs

Retaining existing staff

I am confident my organisation will be able to retain an acceptable number of our existing staff (including volunteers) in the next 12 months



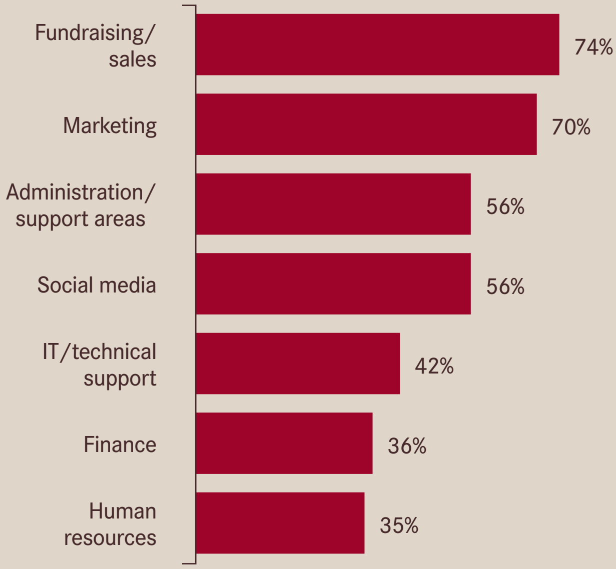
Skilled volunteers are in demand.

Of NFPs who need skilled staff, 88% are looking for volunteers, mainly in the areas of Fundraising/Sales and Marketing.

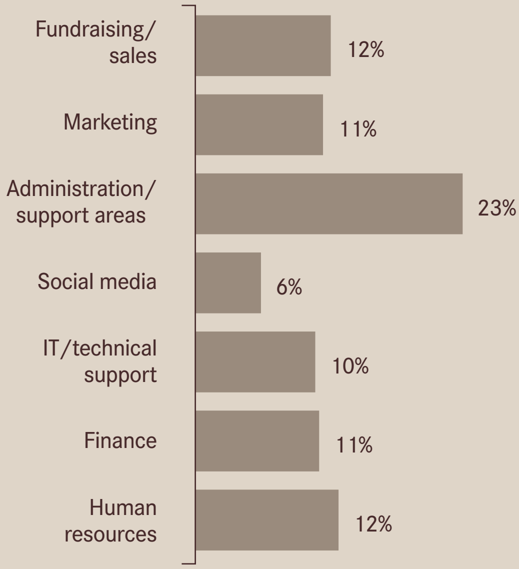
There are a wide variety of positions seeking to be filled. Some examples of 'other' responses given are:

- Foster carers
- Social Workers
- Coaches
- Art teachers
- Legal
- Car/Bus drivers

88% are looking for volunteers in the following areas:



38% are looking for paid staff in the following areas:



n=304

(Multiple response question so total is more than 100)

Reason for difficulties filling volunteer roles.

Difficulty filling volunteer roles is mostly attributed to people not having the time to do so these days or simply being unable to find them.

Note: Only NFPs who need skilled volunteers were asked this question.

	Total (n=269)
People have less time to volunteer	24%
Unable to find volunteers	16%
People not committed enough/not interested	14%
Limited funding/lack of funding	14%
Specialist area/need skills which are hard to come by	11%
Volunteers are a limited resource	7%
Not a lot of people have heard of our organisation	7%
Rural location	6%

(Multiple responses so total may not equal 100)

Quoting NFPs: No time to volunteer

"Peoples lives in this era are too busy or could not be bothered. It is the same as always "someone else can do it" which is sad because our involvement is for all kids."
Culture and Recreation

"Many do not understand that being a volunteer can be a thankless job. It takes a particular kind of person."
Health

"Our community has struggled to cope with the aftermath of Black Saturday and the community is tired."
Social Services

"Lack of suitably qualified people in our area. A lot of people have less time to volunteer, particularly as we have been flood affected."
Culture and Recreation

Quoting NFPs: Can't find good volunteers

"Regional location makes attracting qualified staff difficult. Also shortages of qualified staff mean more competition from other providers to get staff."
Social Services

"Many unskilled volunteers apply. Most volunteers are unreliable and unable to commit long term making sustainability an issue."
Social Services

"Finding the right qualified volunteer within a timeframe. Sometimes its easier to try to find the funds to pay for the service."
Social Services

"We need skilled, retired volunteers and they have better things to do with their spare time: travel, etc." Social Services

Reason for difficulties filling paid roles is mostly financial.

Lack of finance was particularly an issue for difficulty in filling Fundraising/Sales roles and Marketing roles.

The reason of 'specialist areas/skills being hard to come by' was more likely to be attributed to filling Finance roles than other roles.

13% of non-profits with difficulties attracting paid staff attributed this to being in a rural location.

Note: Only NFPs who need paid roles were asked this question.

	Total (n=117)
Limited funding/lack of funding	31%
Can only offer a low salary/pay	28%
Specialist area/need skills which are hard to come by	16%
Rural location	13%
Lack of resources to manage volunteers/staff	9%
People not committed enough/not interested	7%
Not a lot of people have heard of our organisation	6%
Other organisations looking for same skill-set of people	6%

(Multiple responses so total equals more than 100)

Quoting NFPs: We can't pay enough

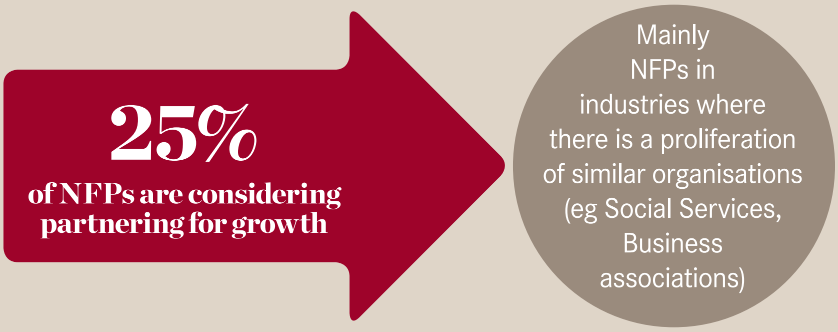
"Attracting high calibre staff with limited resources and infrastructure is difficult. Pay in corporate sector is significantly higher than we can offer."
Social Services

"We cannot afford to pay people for these roles therefore they don't tend to stay very long in a voluntary capacity."
Social Services

"Not enough Govt. funding to offer competitive salaries compared to large NGOs."
Social Services

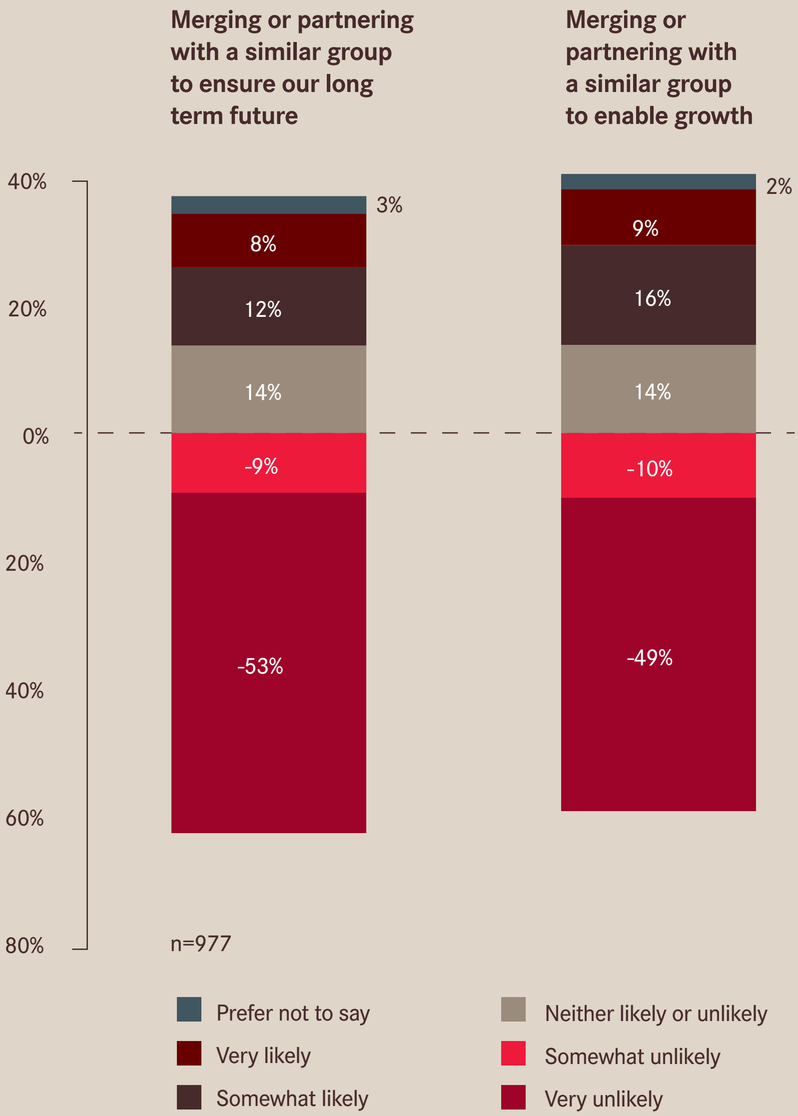
"Pay rates are too low and not competitive in the open market."
Health

Insight 4:
Merging and partnering is a serious consideration.



Merging & partnering is considered by many to enable growth.

Merging or partnering to enable growth is likely to be considered by NFPs with almost 1 in 10 stating this action is very likely and overall 1 in 4 stating that this action is very or somewhat likely.



Sector saturation is driving consideration of merging and partnering.

Saturation is not widely perceived to be an issue - although it is present in some industries.

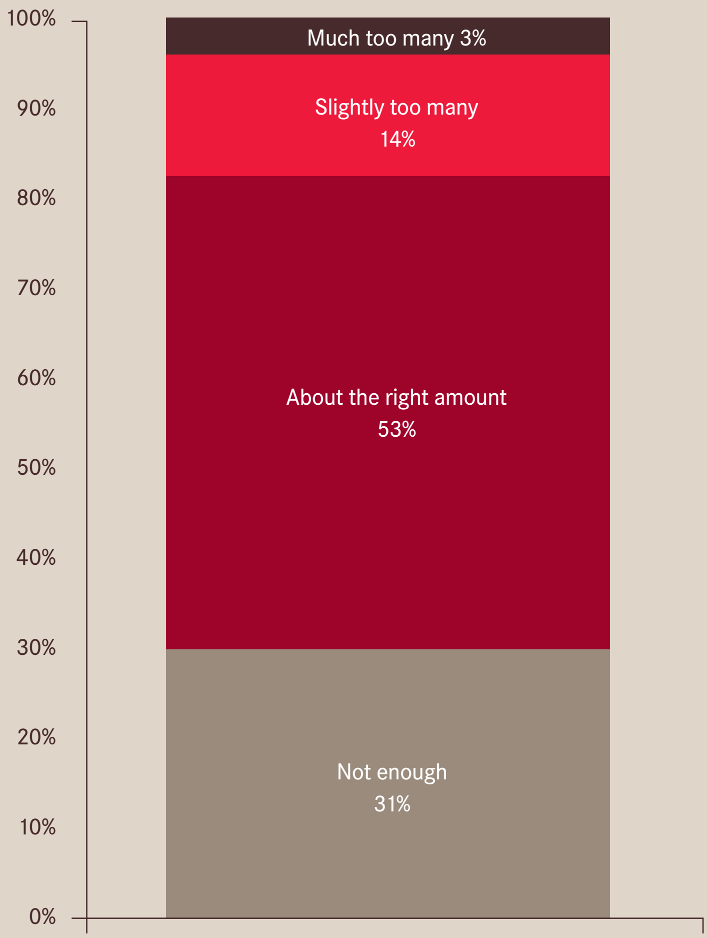
A minority of NFPs (17%) consider that their industry is saturated with many organisations delivering a similar function.

Most consider that the number of NFPs in their industry is about right (53%) or has scope for further growth (31%).

Organisations with a higher turnover (Commercial and Top Tier) were more likely to feel saturation was a problem, whereas Community Groups were more likely to feel there were not enough organisations doing what they do.

The NFPs that consider there are too many other organisations in their industry are more likely to consider mergers or partnering arrangements.

Do you feel there are not enough, about the right amount or too many organisations doing what you do?



n=977

Insight 5:
NFPs are keen to embrace social media, but time and expertise are barriers.

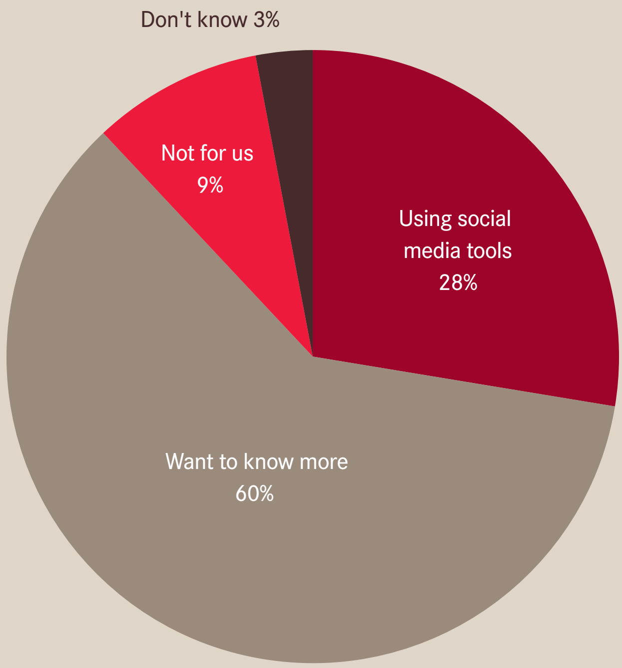
NFPs are keen to embrace social media.

Social media refers to tools such as Facebook, Twitter, LinkedIn and Blogs which are increasingly being utilised by organisations for purposes such as promotion and recruitment.

NFPs can be divided into three segments in regards to social media use:

- 28% are using social media tools, and take every opportunity they can to do so;
- 9% believe social media is not for them; and
- 60% want to know more.

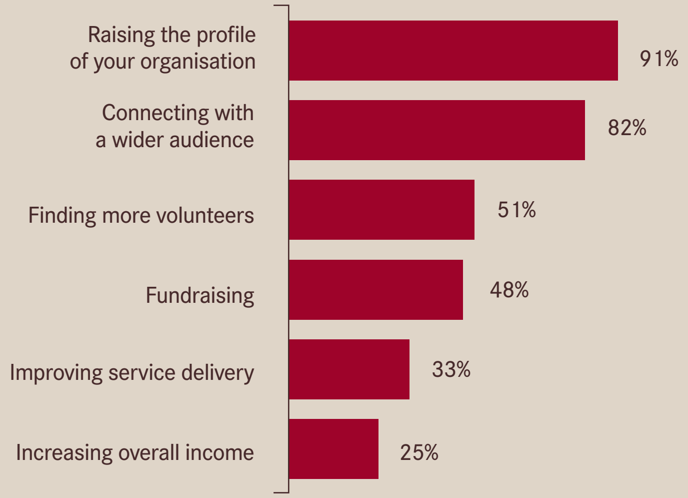
NFPs use of social media



Benefits.

Social media is seen as a profile builder and as a way to connect.

In which areas does social media contribute or has the potential to contribute?



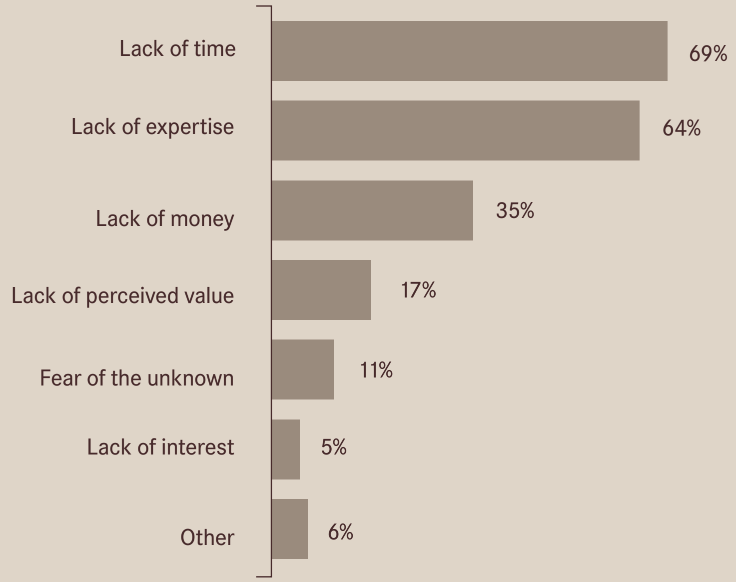
n=794 (NFPs who currently use social media or see potential to do so in the future)

Barriers.

Lack of time and expertise are the major barriers to use.

Lack of money is also a contributing factor for 35% of organisations, but interestingly it is not the main barrier.

Reasons for non-use of social media



n=591 (NFPs who in dicated they are not using social media to their full potential)

(Multiple response question so total is more than 100)

Appendix 1: Results by location.

Social Sector Index: State comparison

	NSW/ ACT	VIC	QLD	WA	SA	NT*	TAS*	National/ International
Overall Social Sector Index	▲113.1	▼81.7	▼87.4	▲126.0	▼66.3	135.8*	119.4*	▲110.7
Last 6 months income trend	+2.0	▼-4.7	▼-5.5	▲+9.9	▼-7.3	-5.7	+2.0	▲+7.7
Next 12 months income expectation	-7.2	▼-4.6	0.0	▲+10.0	+0.3	-3.2	-1.9	▲+13.6
Confidence in achieving goals	+2.5	-3.5	-3.5	+7.2	▼-6.3	-4.0	-2.0	▲+6.4
Attracting and retaining staff	▲+7.3	-0.1	-4.2	-0.1	▼-17.6	-11.3	-7.6	+5.2
Value and recognition	▲+7.6	▼-4.8	▼-5.4	+3.4	▼-10.2	+28.9	+15.1	-3.8
Sector saturation	+3.0	-1.2	+0.3	▲+5.4	▼-21.7	+15.6	-12.4	+0.4

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

* Indicates small sample size; caution is advised during interpretation.

Please note: For this Benchmark wave, the Total (or Average) has been made 100 for the Index and all Index Elements. The values displayed are the difference from 100.

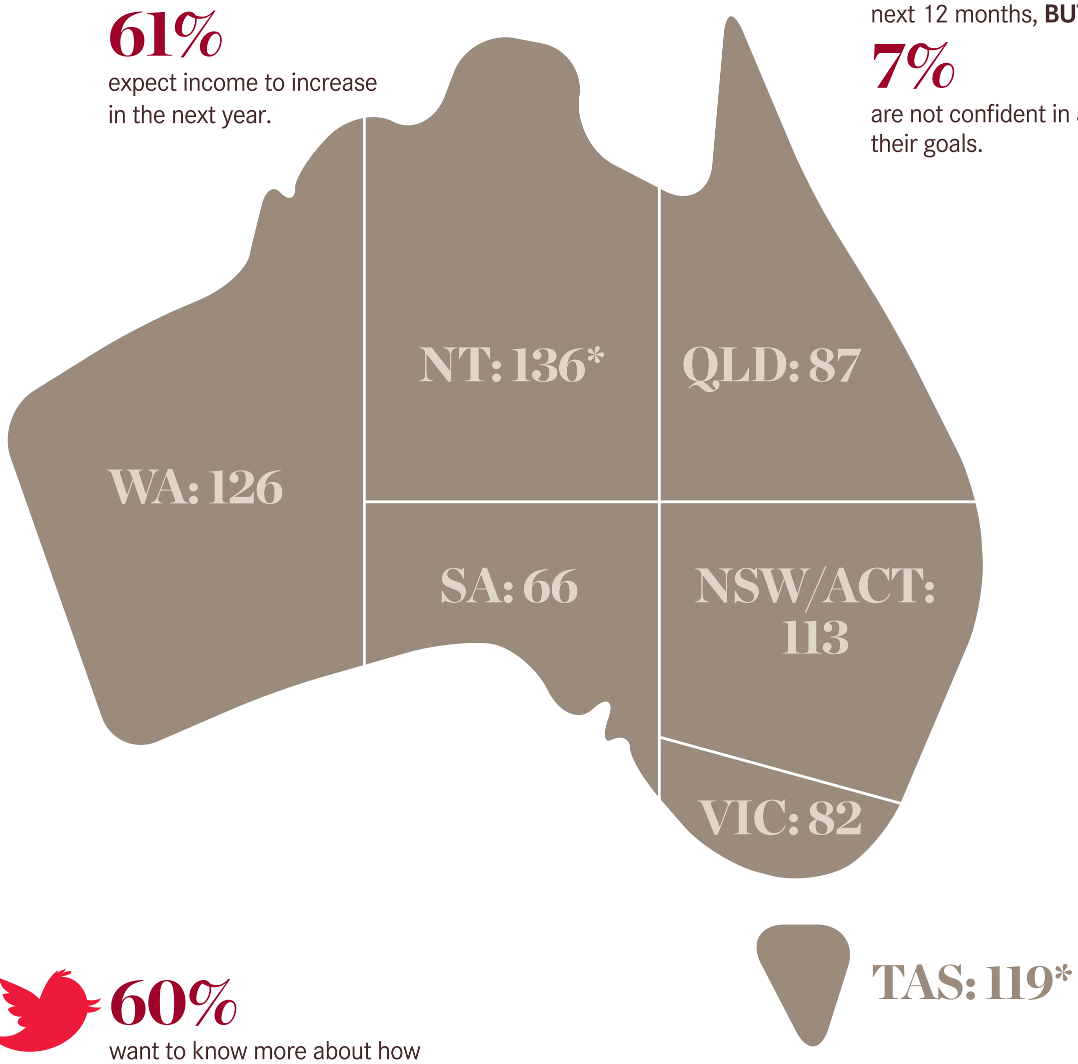
National summary.

47%
have experienced an increase in overall income, **AND**

61%
expect income to increase in the next year.

85%
are confident that they will achieve their objectives in the next 12 months, **BUT**

7%
are not confident in achieving their goals.



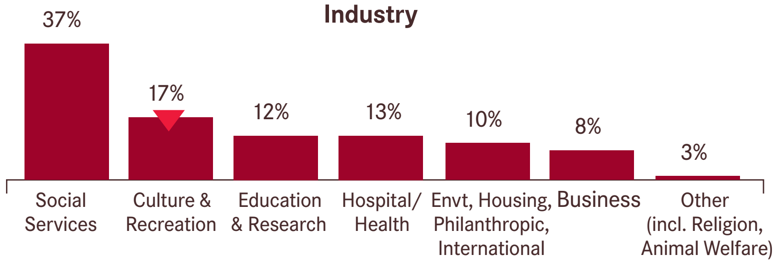
60%
want to know more about how they can use social media.

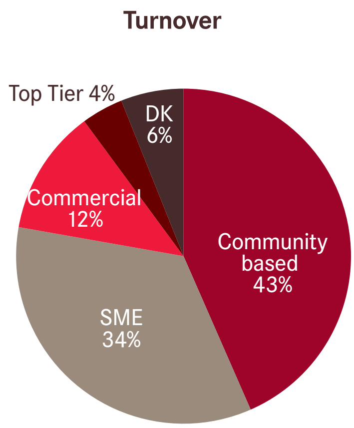
A quarter
are considering merging or partnering with another NFP in 2012.

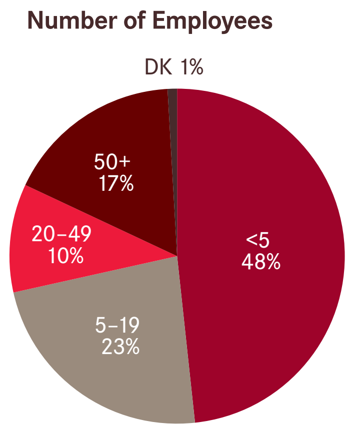
One third
do not attract enough skilled staff.

Index measures sentiment
National score = 100
* Caution during interpretation due to small sample size

NSW/ACT.







n=241 NFPs from NSW/ACT were interviewed

Compared with other States, NSW/ACT had a significantly higher Index score. This was driven by comparably greater confidence in attracting and retaining staff and also feeling relatively more valued.

NSW/ACT Community Confidence Index Score	
▲ 113.1	

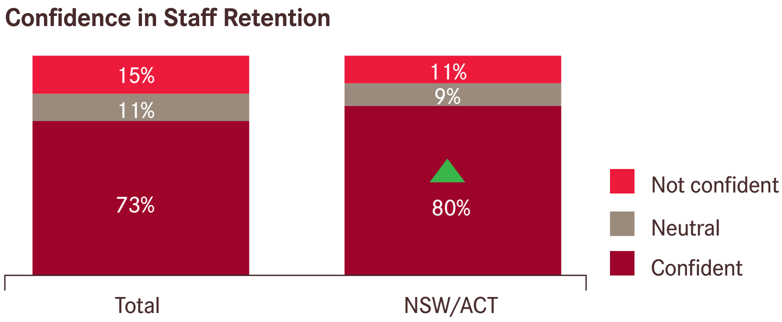
Last 6 months income trend	+2.3
Next 12 months income expectation	▼ -5.6
Confidence in achieving goals	+1.7
Attracting and retaining staff	▲ +6.0
Value and recognition	▲ +7.0
Sector saturation	+3.6

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Going well: Confidence in staff retention.

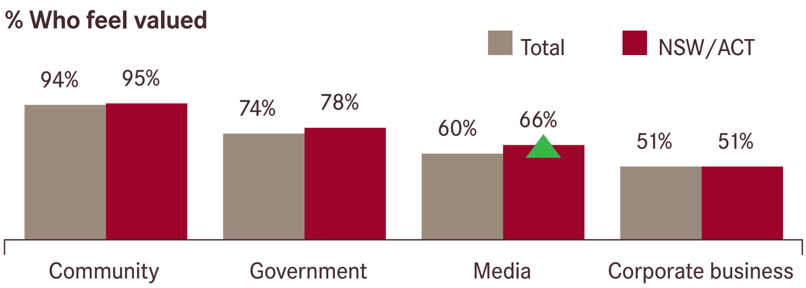
4 in 5 NFPs in NSW/ACT were confident of retaining an acceptable number of existing staff in the next 12 months, a higher proportion than in other States.

Ability to attract sufficient skilled staff also feeds into the 'Staff' element of the Index and the NSW/ACT results were on par with the Average for this (62% agree that they attract sufficient staff).



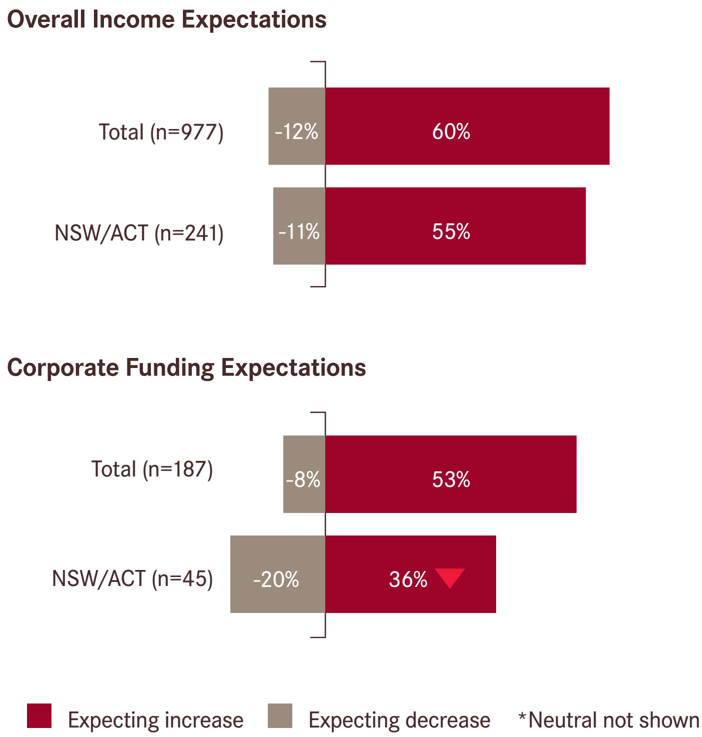
Going well: 'Feeling valued'.

NFP's in NSW/ACT were more likely than Average to feel valued by Media. 95% feel valued by Community, on par with other locations.

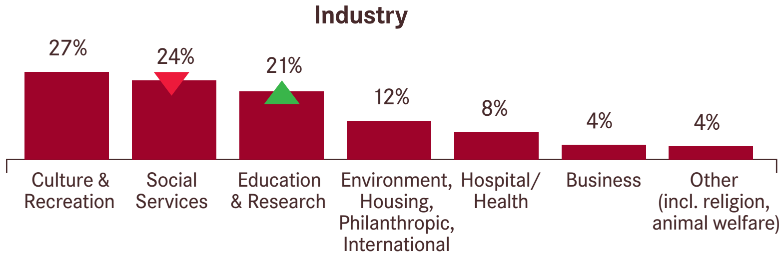


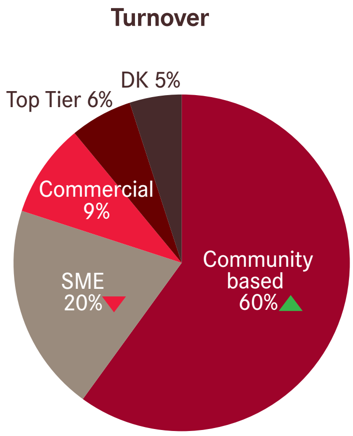
Point of Concern: Future corporate funding.

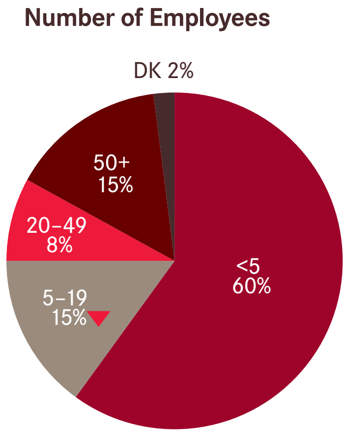
Of the NFPs in NSW/ACT who include Corporate Funding as a source of income, 20% are expecting a decrease in this income source over the next 12 months and only a third are expecting an increase (significantly less that the Average).



Victoria.







n=260 NFPs from VIC were interviewed

Compared with other States, Victoria had a significantly lower Index score. This was driven by their past 6 months income being less favourable than in other States and also being comparably less confident about future income. They were also less likely to feel valued.

VIC Community Confidence Index Score ▼

81.7

Last 6 months income trend ▼	-4.7
Next 12 months income expectation ▼	-4.6
Confidence in achieving goals	-3.5
Attracting and retaining staff	-0.1
Value and recognition ▼	-4.8
Sector saturation	-1.2

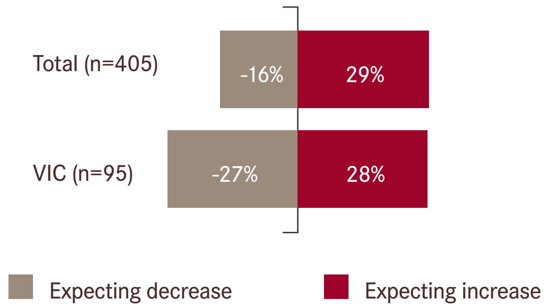
▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Point of concern: Federal Government funding in the next 12 months.

More than a quarter of NFPs in Victoria who include Federal Government Funding as a source of income are expecting a decrease in this source in the next 12 months – a significantly higher proportion than the Average.

NFPs in Victoria were directionally more likely to be expecting a decrease in income from State Government Funding (21% experienced a decrease) and Cash Donations (14% experienced a decrease).

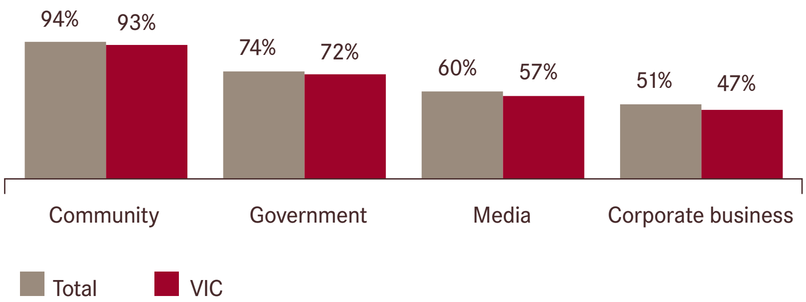
Federal Government Funding Expectations



Below average: 'Feeling valued'.

NFPs in Victoria were also directionally less likely than other States to feel valued by Government, Media and Corporate Business, leading to a lower score on the 'Value' element of the Index.

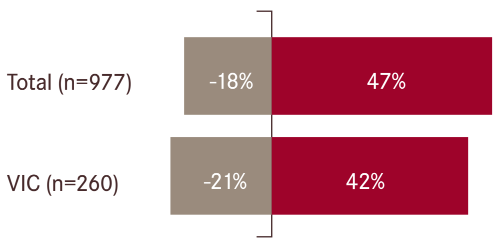
% Who feel valued



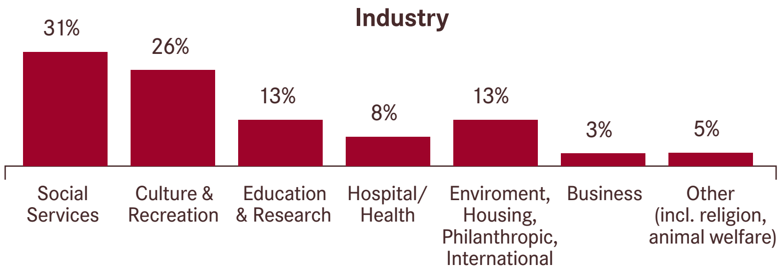
Below average: Income in the last 6 months.

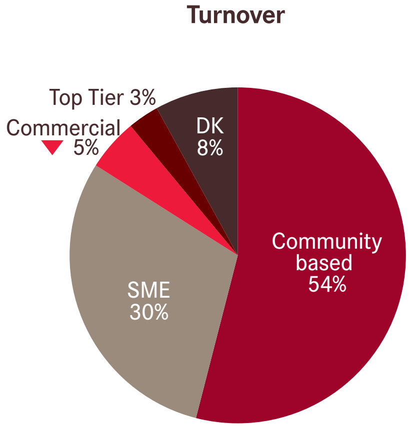
1 in 5 NFPs in Victoria have experienced a decrease in income in the last 6 months

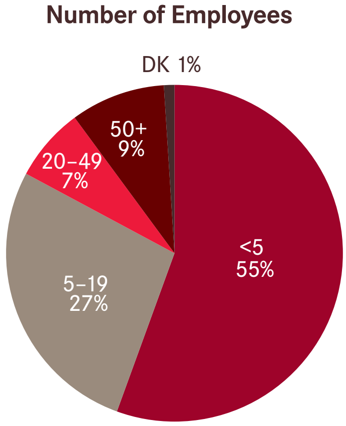
Overall Income Trend



Queensland.







n=150 NFPs from QLD were interviewed

Compared with other States, Queensland had a significantly lower Index score. This was driven by their past 6 months income being less favourable than in other States .

QLD Community Confidence Index Score ▼
87.4

Last 6 months income trend	▼ -5.5
Next 12 months income expectation	0.0
Confidence in achieving goals	-3.5
Attracting and retaining staff	-4.2
Value and recognition	▼ -5.4
Sector saturation	+0.3

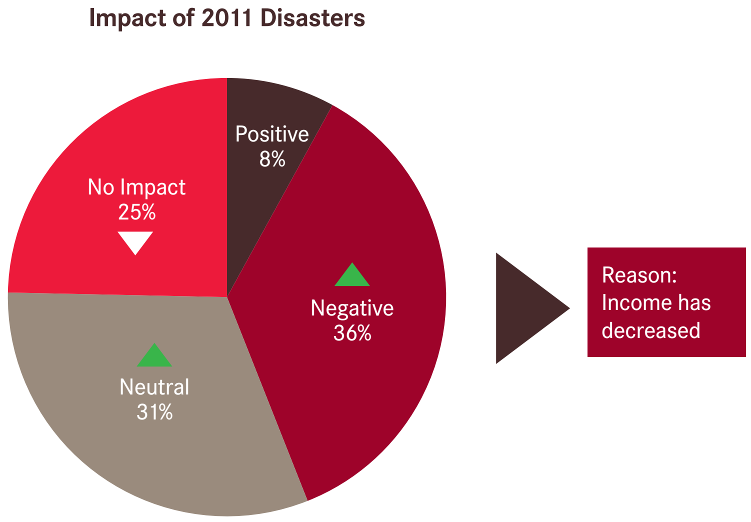
▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Impact of disasters.

More than a third (36%) of QLD NFPs have been negatively impacted by the 2011 disasters, more so than other States.

Of those negatively impacted, half said that the impact was lack of funds or their allocated funding had been given to disaster relief. 1 in 5 said that there had been a decrease in donations given to their organisation from the public.

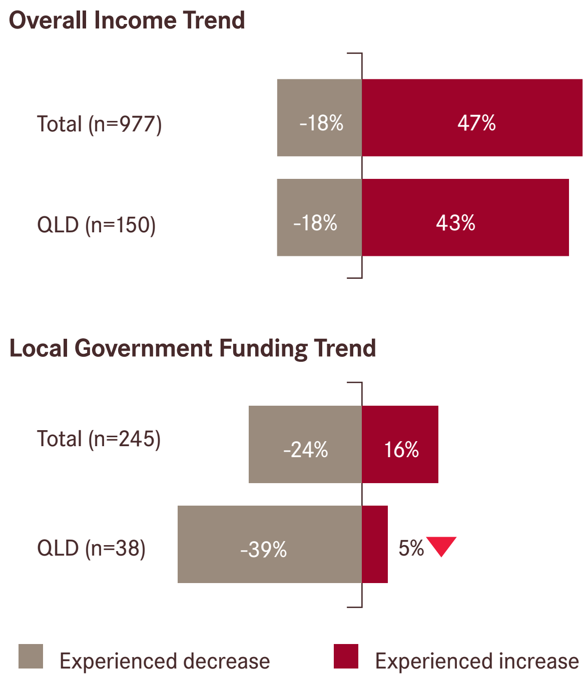
This is reflected in QLD being relatively more likely to have experienced a decrease (and less likely to have experienced an Increase) in income from several income sources.



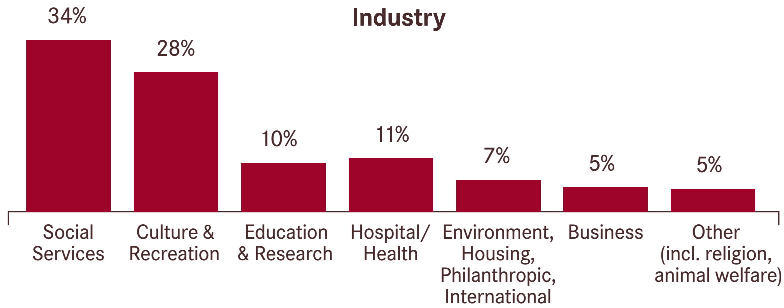
Point of concern: Changes in income over the last 6 months.

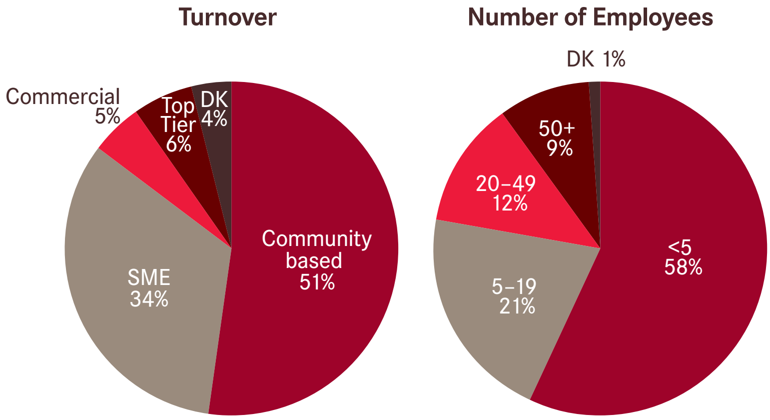
Of the NFPs in QLD who include Local Government Funding as a source of income 2 in 5 (39%) have experienced a decrease in this income source over the last 6 months and only 5% experienced an increase (significantly less than average).

Also, compared with the average, QLD NFPs were directionally more likely to have experienced a decrease in income from Sales of Good and Services, Membership, Cash Donations and Event Fundraising. These all contribute to QLD receiving a lower score on the Income Trend element of the Index.



Western Australia.





n=100 NFPs from WA were interviewed

Compared with other States, WA had a significantly higher Index score. This was driven by their past 6-months income being more favourable than in other States and also expectations for increases in income in the next 12 months and confidence in achieving goals.

WA Community Confidence Index Score ▲ 126.0

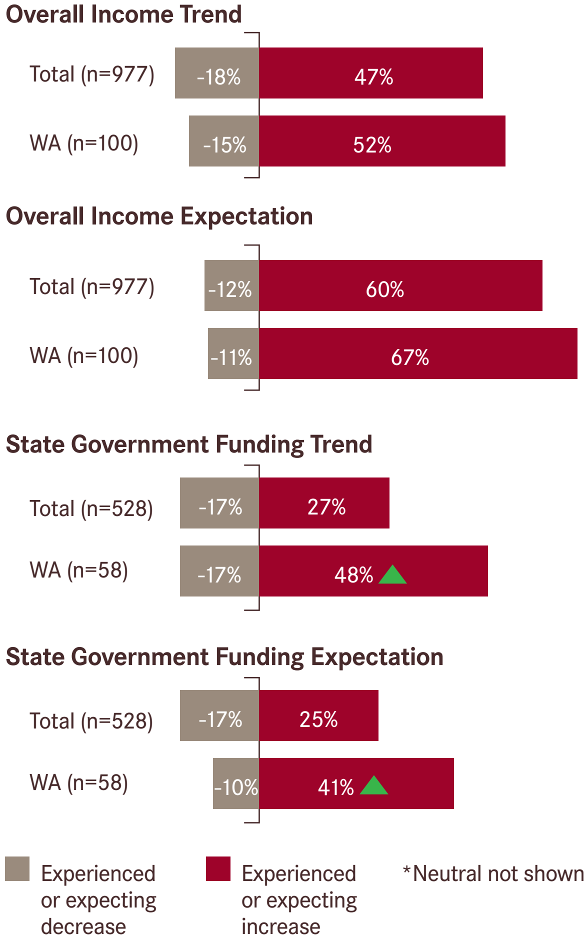
Last 6 months income trend	▲ +9.9
Next 12 months income expectation	▲ +10.0
Confidence in achieving goals	▲ +7.2
Attracting and retaining staff	-0.1
Value and recognition	+3.4
Sector saturation	▲ +5.4

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Doing well: Income trend and expectations, especially for State Government funding.

More than half of NFP's in WA have experienced an increase in income in the last 6 months and two-thirds are expecting an increase in the next 12 months.

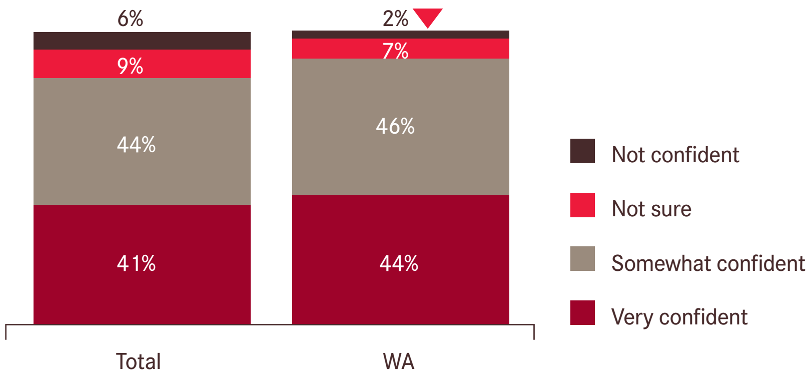
NFP's in WA who include State Government Funding as an income source are significantly more likely to have experienced an increase in this income in the last 6 months and are also more likely to be expecting an increase from this source in the next 12 months.



Doing Well: Confidence in achieving goals.

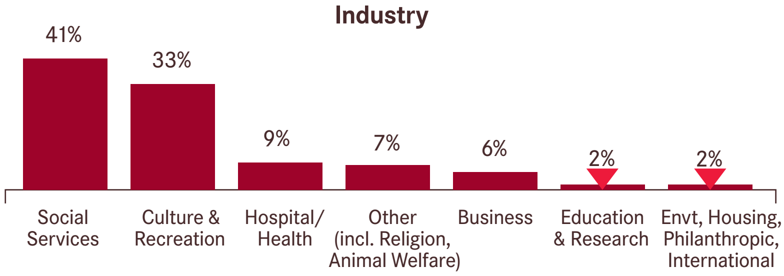
NFP's in WA were more likely to be confident in achieving the goals they had set for themselves in the next 12 months, with only 2% not confident (significantly lower than the Average).

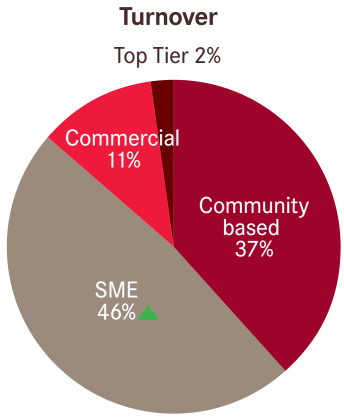
Top 3 Reasons for Confidence:
- Experienced/Committed/Hardworking Staff
- Achieving (or aiming for) greater visibility
- Delivering quality products, programs and/or services.

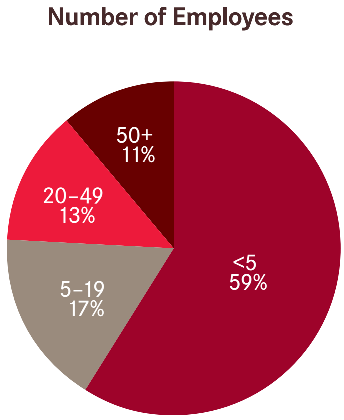


"We have a strong support base, adequate finances for the next 12-24 months and we are recognised as a valuable resource in the community."
Hospital/Health

South Australia.







n=54 NFPs from SA were interviewed

Compared with other States, SA had a significantly lower Index score. This has been driven by a feeling of their Industry being saturated and less confidence in attracting and retaining staff.

SA Community Confidence Index Score

▼ 66.3

Last 6 months income trend	▼ -7.3
Next 12 months income expectation	+0.3
Confidence in achieving goals	▼ -6.3
Attracting and retaining staff	▼ -17.6
Value and recognition	▼ -10.2
Sector saturation	▼ -21.7

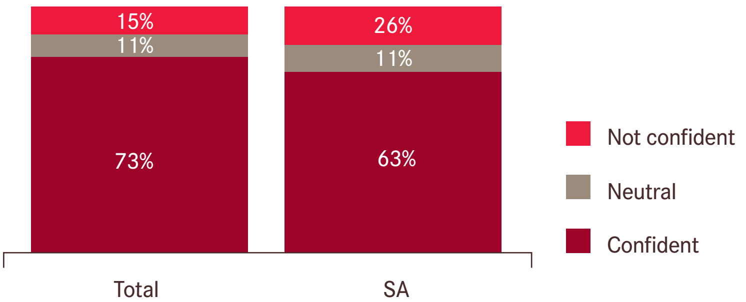
▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Point of concern: Confidence in staff attraction and retention.

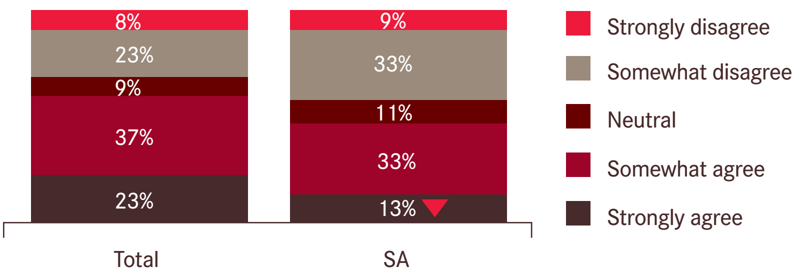
Less than two thirds of NFPs in SA region were confident of retaining an acceptable number of existing staff in the next 12 months, a directionally lower proportion than average.

NFPs in this Region were also less likely to Strongly Agree that their organisation attracts sufficient skilled staff. Reasons for difficulties securing skilled staff included lack of funds, the rural location and people just having less time to Volunteer.

Confidence in Staff Retention



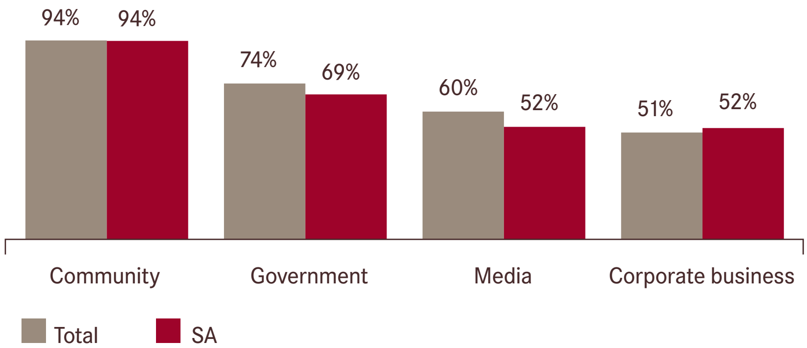
Confidence in Attracting Skilled Staff



'Feeling valued'.

NFP's in SA were directionally less likely than average to feel valued by Government and Media. 94% feel valued by Community, on par with other locations.

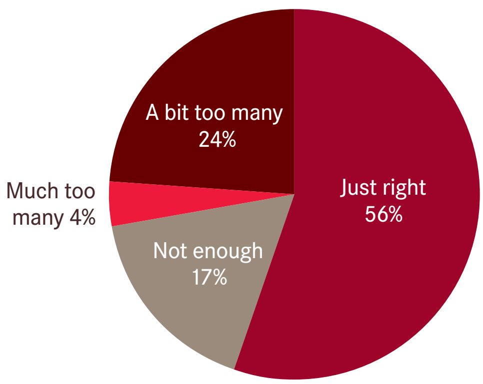
% Who feel valued



Sector saturation a concern.

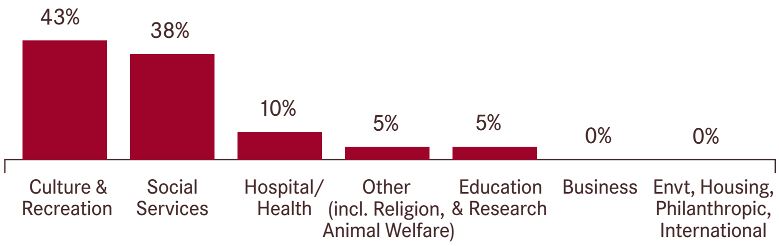
Not enough, just right or too many NFPs doing what you do?

More than a quarter of SA NFPs thought there were too many organisations doing what they do, directionally higher than average.

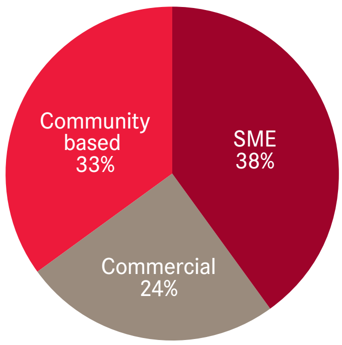


Northern Territory.*

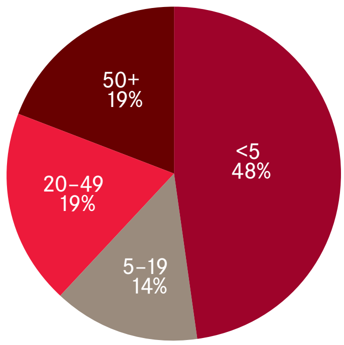
Industry



Turnover



Number of Employees



Note: There were no Top Tier turnover NFPs in NT interviewed
n=21 NFPs from NT were interviewed.

Compared with other States, NT had a directionally higher Index score*. This seems to have been driven by NT NFPs feeling more valued that other States and being less likely to be feeling their Industry has too many organisations doing what they do.

NT Community Confidence Index Score	
135.8	

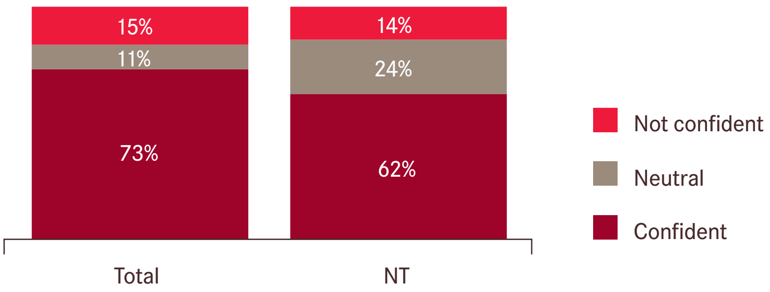
Last 6 months income trend	-5.7
Next 12 months income expectation	-3.2
Confidence in achieving goals	-4.0
Attracting and retaining staff	-11.3
Value and recognition	+28.9
Sector saturation	+15.6

* Caution during interpretation due to small sample size

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

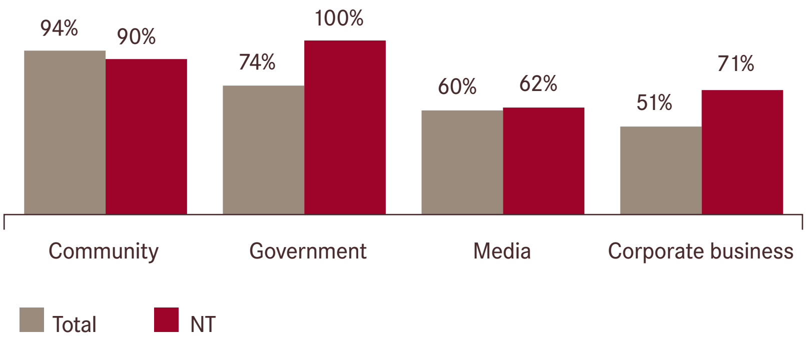
Going well: Confidence in staff retention.

3 in 5 NFPs in the NT were confident of retaining an acceptable number of existing staff in the next 12 months, a directionally lower proportion than in other States.



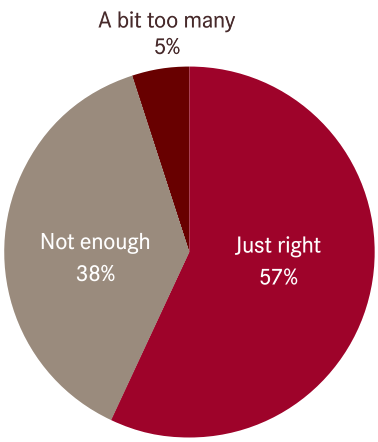
Going well: 'Feeling valued'.

All NFP's interviewed in the NT felt valued by the Government.

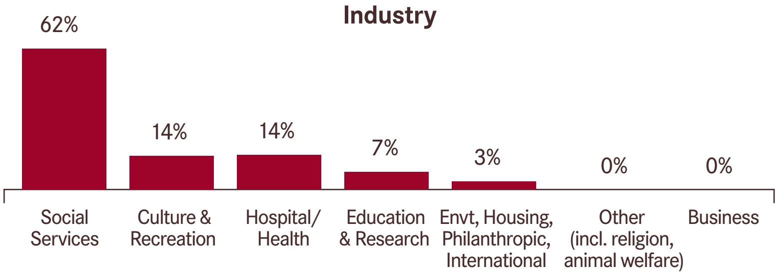


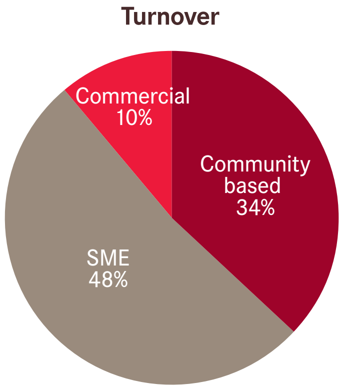
Just right: Sector saturation.

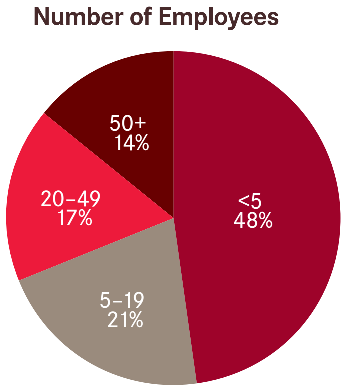
Almost 2 in 3 NT NFPs thought their level of 'doing what they do' was the right amount. More than one third felt there was not enough organisations doing what they do, and only 5% thought there were too many indicating that the incidence of sector saturation is very low in NT.



Tasmania.*







Note: There were no Top Tier turnover NFPs in TAS interviewed
n=29 NFPs from TAS were interviewed.

Compared with other States, Tasmania had a higher Index score*. This appears to have been driven by them feeling comparatively more valued and recognised.

TAS Community Confidence Index Score
119.4

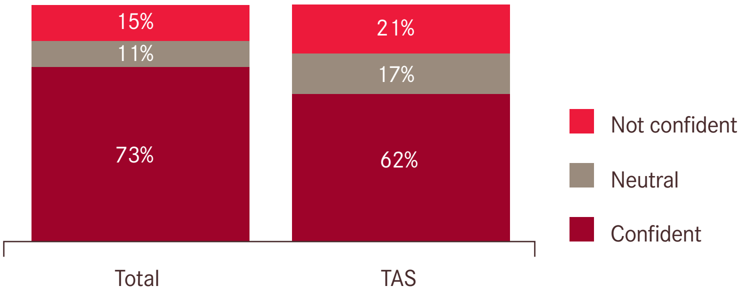
Last 6 months income trend	+2.0
Next 12 months income expectation	-1.9
Confidence in achieving goals	-2.0
Attracting and retaining staff	-7.6
Value and recognition	+15.1
Sector saturation	-12.4

* Caution during interpretation due to small sample size

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

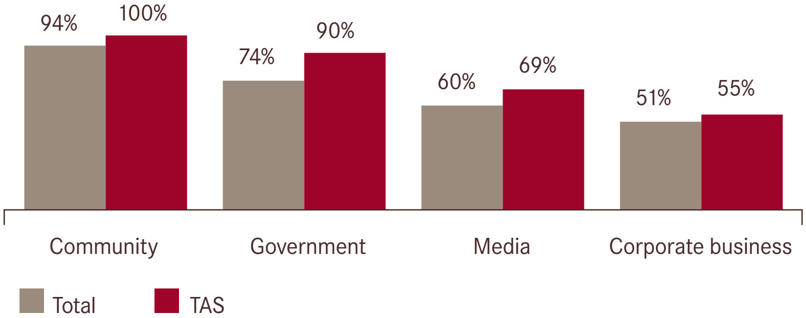
Below average: Staff retention.

3 in 5 NFPs in Tasmania were confident of retaining an acceptable number of existing staff in the next 12 months, a directionally lower proportion than in other States.



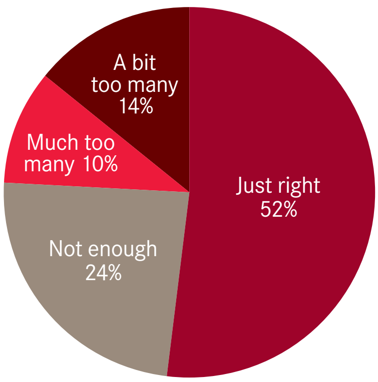
Going well: 'Feeling valued'.

All NFP's in Tasmania interviewed felt valued by the Community and 9 in 10 felt valued by Government.



Point of concern: Sector saturation.

A quarter of Tasmanian NFPs interviewed said there were too many organisations of their type doing what they do.



Appendix 2: Results by industry.

Social Sector Index: Industry comparison.

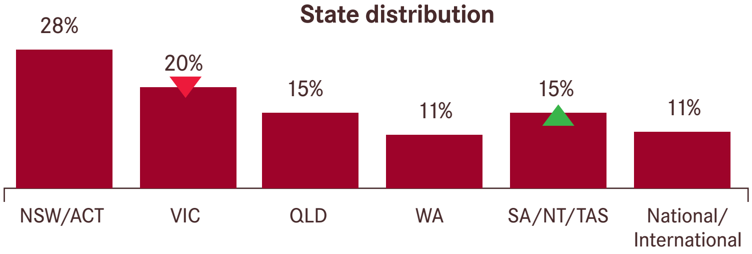
	Business	Hospital & Health	Social Services	Environment, Housing, Philanthropic, International	Education & Research	Culture & Recreation	Religion
Overall Social Sector Index	▲140.2	▲132.4	▲120.2	96.8	▼84.1	▼64.4	54.5*
Last 6 months income trend	▲+14.7	▲+15.7	+3.8	-2.6	▼-6.2	▼-11.7	+8.3
Next 12 months income expectation	▲+6.1	▲+10.0	-2.0	+1.2	-4.2	-2.3	+8.8
Confidence in achieving goals	-5.8	▲+9.8	+3.0	-4.0	+3.3	▼-7.7	+1.0
Attracting and retaining staff	▲+10.6	+1.5	+0.2	-3.5	▲+16.8	▼-11.6	+6.4
Value and recognition	▲+15.2	+4.9	▲+9.0	-0.2	-5.3	▼-9.7	-38.2
Sector saturation	▼-21.5	▲+11.7	+2.5	▲+6.1	▼-8.0	-5.3	+6.1

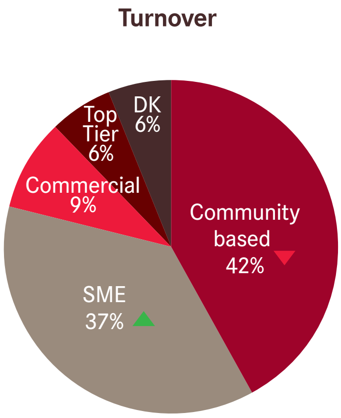
▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

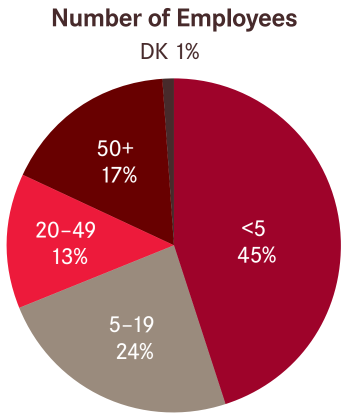
* Indicates small sample size; caution is advised during interpretation

Please note: For this Benchmark wave, the Total (or Average) has been made 100 for the Index and all Index Elements. The values displayed are the difference from 100.

Social Services







n=315 NFPs in the social services sector were interviewed

Compared with other Industries, Social Services had a significantly higher Index score. This was driven by them feeling relatively more valued than other Industries.

Social Services Index Score ▲

120.2

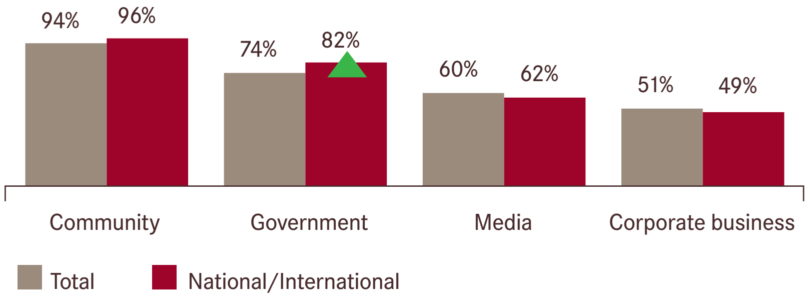
Last 6 months income trend	+3.8
Next 12 months income expectation	-2.0
Confidence in achieving goals	+3.0
Attracting and retaining staff	+0.2
Value and recognition ▲	+9.0
Sector saturation	+2.5

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Going well: 'Feeling valued'.

NFP's in the Social Services Industry were significantly more likely than average to feel valued by Government. They are also significantly more likely to feel 'Highly' valued by the General Community.

% Who feel valued by:



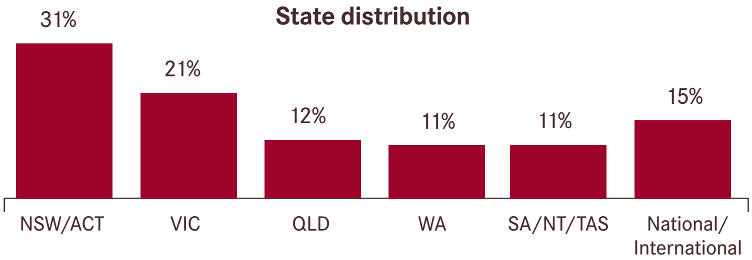
Social Services sector goals.

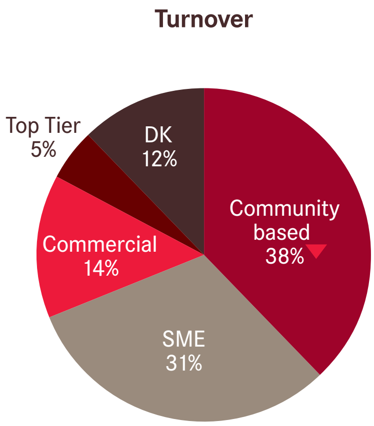
Top 5 Goals	% have this as ONE of their goals	% have this as MAIN goal	Total (n=269)
Delivering the Service you want to deliver	86%	32%	80% (57%)
Growing or achieving a high level of Public Awareness	77%	9%	71% (29%)
Increasing customer/ client satisfaction	64% ▲	14% ▲	93% (51%)
Increasing the number of customers/clients served	62% ▲	12%	74% (32%)
Improving Government Awareness/Visibility	55% ▲	2%	80% (60%)

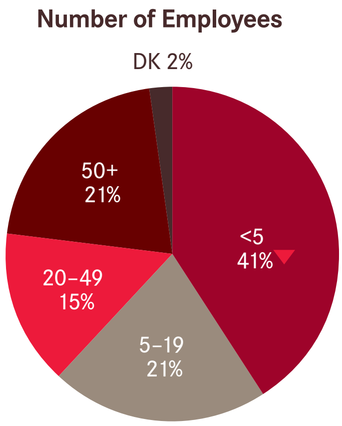
"We have just completed a plan for 2011-12, we have an excellent Chair, we have grant applications in and are optimistic they will be successful and we have a small reserve that can support us through another year if grants are not successful."
Social Services, NSW/ACT

"It is difficult to achieve customer satisfaction when at the same time you need to meet government guidelines."
Social Services, QLD

Hospital/Health.







n=104 NFPs from the Hospital/Health sector were interviewed

Compared with other Industries, Hospital/Health had a significantly higher Index score. This was driven by their past 6 months income being more favourable than in other Industries and also being comparably more confident about future income.

Hospital/Health Index Score	
▲ 132.4	

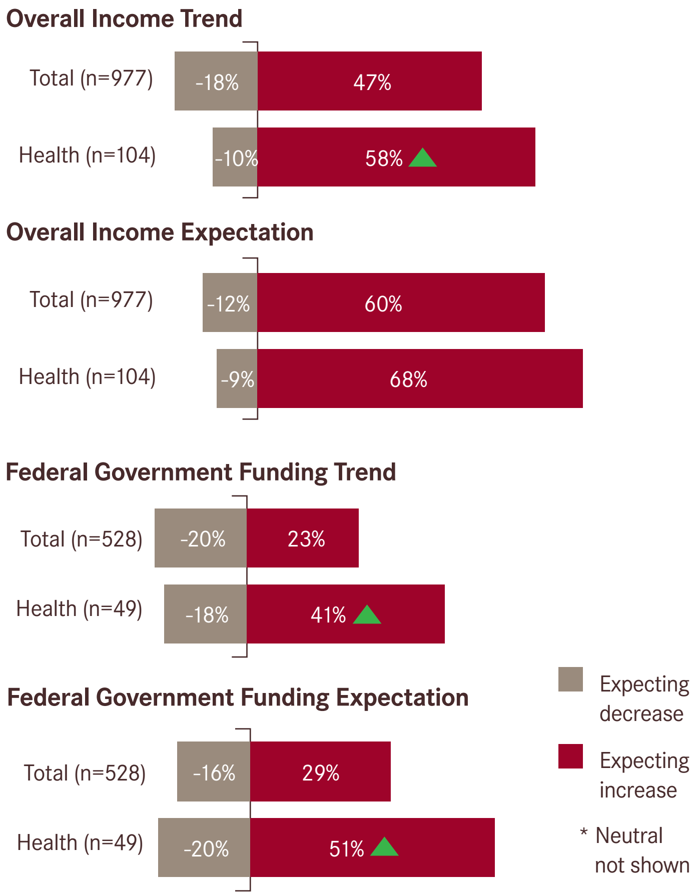
Last 6 months income trend	▲ +15.7
Next 12 months income expectation	▲ +10.0
Confidence in achieving goals	▲ +9.8
Attracting and retaining staff	+1.5
Value and recognition	▲ +4.9
Sector saturation	▲ +11.7

▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Doing well: Income trend and expectations, especially for Federal Government funding.

Nearly 3 in 5 NFPs in the Health/Hospital Industry have experienced an increase in income in the last 6 months (significantly higher than Average) over two-thirds are expecting an increase in the next 12 months.

NFP's in the Health/Hospital Industry who include Federal Government Funding as an income source are significantly more likely to have experienced an increase in this income in the last 6 months and are also more likely to be expecting an increase from this source in the next 12 months.

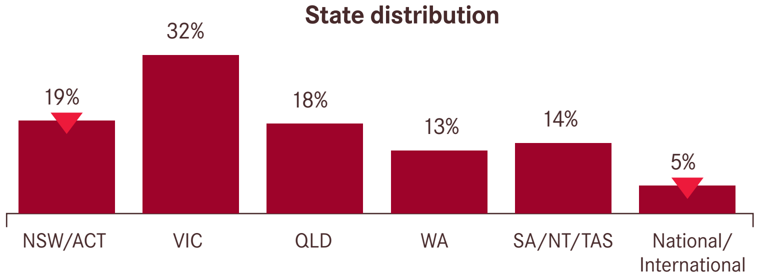


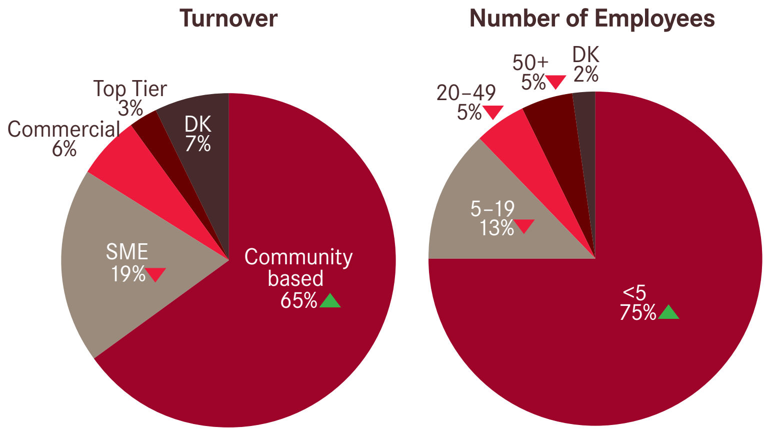
Hospital/Health goals.

Top 5 Goals	% have this as ONE of their goals	% have this as MAIN goal	% Confident of Achieving the Goal (Very Confident)
Delivering the Services you want to deliver	88% ▲	31%	88% (59%)
Growing or achieving a high level of Public Awareness	78%	13%	100% (29%)
Growing overall organisational income/ funding	81%	9%	89% (22%)
Achieving Continued Existence	73%	11%	64% (55%)
Increasing the number of customers/clients served	65%	14%	80% (60%)

"We have demonstrated the ability to deliver our services with little or no funding. The commitment level to our service is very high."
Health, Vic

Culture & Recreation.





n=221 NFPs from the Culture & Recreation sector were interviewed

Compared with other industries Culture & Recreation had a significantly lower Index score. This was driven by comparably lower confidence in attracting and retaining staff, poor income trend over the past 6 months and lower perceived value and recognition.

Culture & Recreation Index Score

▼ 64.4

Last 6 months income trend	▼ -11.7
Next 12 months income expectation	-2.3
Confidence in achieving goals	▼ -7.3
Attracting and retaining staff	▼ -11.6
Value and recognition	▼ -9.7
Sector saturation	▼ -5.3

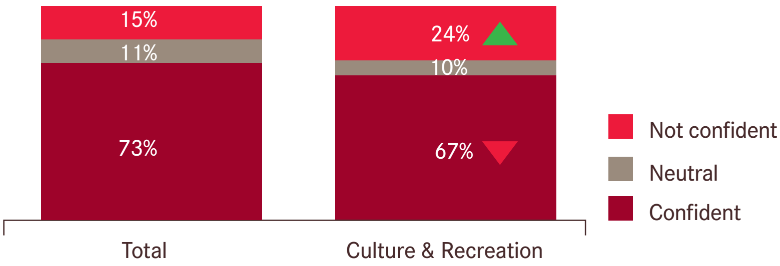
▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Point of concern: Confidence in staff attraction and retention.

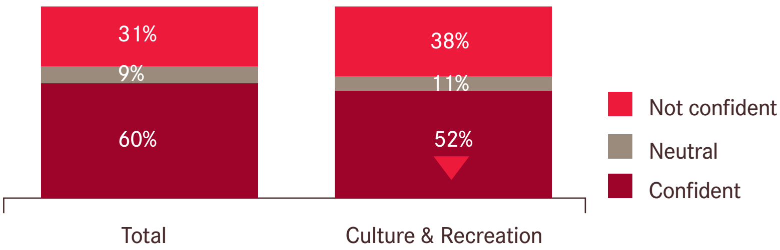
Two thirds of NFPs in Culture and Recreation were confident of retaining an acceptable number of existing staff in the next 12 months, a lower proportion than average.

NFPs in this Industry were also less likely to Agree that their organization attracts sufficient skilled staff. Reasons for difficulties securing skilled staff included people having less time to volunteer and people not being interested or committed enough (both of these more likely than Average in Culture and Recreation) as well as lack of funds.

Confidence in Staff Retention



Confidence in Attracting Skilled Staff



Culture & Recreation goals.

Top 5 Goals	% have this as ONE of their goals	% have this as MAIN goal	% Confident of Achieving the Goal (Very Confident)
Delivering the Services you want to deliver	81%	22% ▼	88% (40%)
Growing or achieving a high level of Public Awareness	79% ▲	21% ▲	89% (51%)
Growing overall organisational income/ funding	71%	9%	90% (10%)
Achieving Continued Existence	70%	11%	74% (30%)
Increasing the number of customers/clients served	69% ▲	15% ▲	91% (19%)

"We lack membership, and if we cannot attract more volunteers, we will go under."
Culture and Recreation, NSW

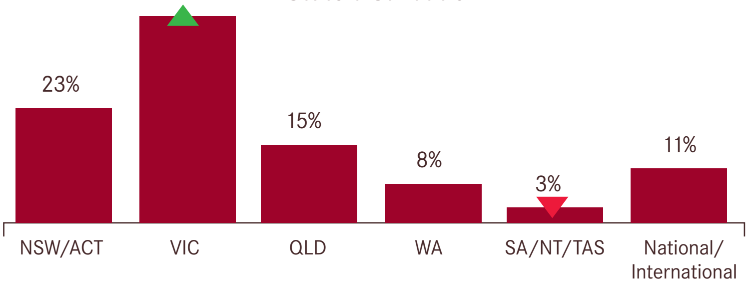
"Peoples lives in this area are too busy or could not be bothered. It is the same as always 'someone else can do it' which is sad because our involvement is for all kids"
Culture and Recreation, NSW

"The committee have ensured the group's survival by the structures currently in place. These structures can change with committees but currently the outlook is fine"
Culture and Recreation, NSW

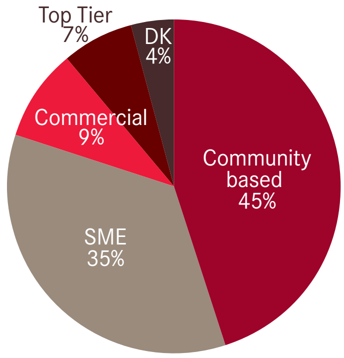
"We are an isolated rural town and people basically do not want to volunteer in our town not just in our club but other sporting clubs as well."
Culture and Recreation, NSW

Education & Research.

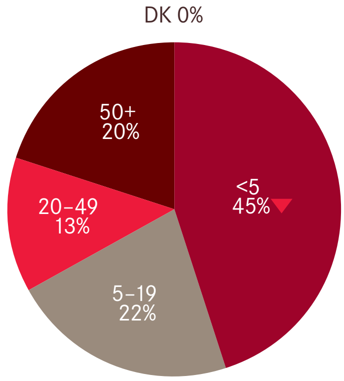
State distribution



Turnover



Number of Employees



n=132 NFPs from the Education & Research sector were interviewed

Compared with other industrues Education & Research had a significantly higher Index score. This was driven by lower financial performance and sector saturation despite being strong in staffing.

Overall social sector Index	84.1 ▼
Last 6 months income trend	▼ -6.2
Next 12 months income expectation	▼ -4.2
Confidence in achieving goals	▲ +3.3
Attracting and retaining staff	▲ +16.8
Value and recognition	▼ -5.3
Sector saturation	▼ -8.0

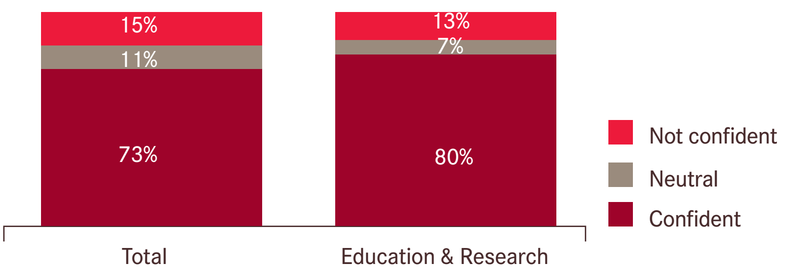
▲ Indicates significantly higher/more positive than Total*(95%CI)
▼ Indicates significantly lower/more negative than Total*(95%CI)

Going well: Confidence in staff attraction and retention.

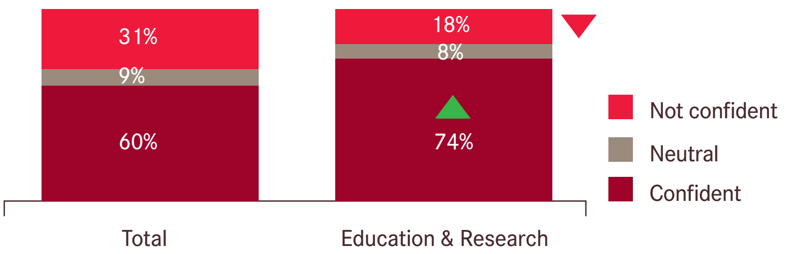
4 in 5 NFPs in Education & Research were confident of retaining an acceptable number of existing staff in the next 12 months, a directionally higher proportion than average.

NFPs in this Industry were also significantly more likely to Agree that their organization attracts sufficient skilled staff.

Confidence in Staff Retention



Confidence in Attracting Skilled Staff

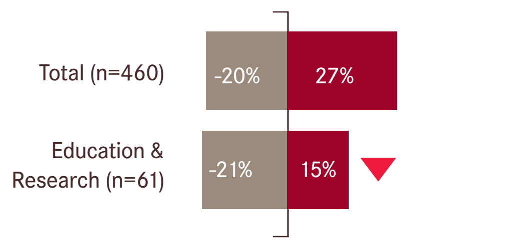


Top 3 Goals	% have this as ONE of their goals	% have this as MAIN goal
Delivering the Services you want to deliver	83%	40%
Growing overall organisational income/funding	61%	9%
Achieving Continued Existence	60%	12%

Below average: Event fundraising income.

While half of all NFP's who include Event Fundraising as an Income Source are expecting an increase in this source over the next 12 months, only a third of those from the Education & Research field are expecting an increase (significantly lower than average.

Event Fundraising Income Trend



Event Fundraising Income Expectation