# THE IMPACT OF COVID-19 ON HALTON'S NON-PROFIT HUMAN SERVICES SECTOR

## RESEARCH REPORT: WINTER 2023

Social Planning Council
of Peel

Community
Development
Halton

# LAND & PARTNER ACKNOWLEDGEMENTS

**We acknowledge that Halton is rich in the history and modern traditions of Indigenous people. Halton is on the traditional lands of the Mississaugas of the Credit, part of the Anishinaabe Nation that extends from the Niagara peninsula across Hamilton, Halton and Toronto to the Rouge River Valley. We thank the Mississaugas of the Credit First Nations for sharing their traditional territory with us. We also recognize the enduring presence of Indigenous people on this land.**

The completion of this research study would not have been possible without the generous participation and support of funders, local organizations, service providers, residents, community members, volunteers, students, consultants and CDH's staff and Board. We would like to specifically recognize the support and contributions of the following individuals:

### Community Development Halton (CDH):

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### Social Planning Council of Peel (SPCP):

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In memory of the late Samina Zubairi, whose support and contributions to this project were greatly appreciated.

# EXECUTIVE SUMMARY

The COVID-19 pandemic has transformed Halton-based non-profits. Increased demand for essential services, disrupted programming, and shifting tides of funding, labour, and partnerships continue to challenge the sector three years later. Yet, while navigating a new landscape of service delivery informed by the social and economic impact of the pandemic, Halton's non-profit leaders, volunteers, and clients are also shaping the future of our region's social support. This research, led by Community Development Halton, provides an overview of this transformative point in time for the sector, and provide a bridge to meaningful progress for uplifting Halton's non-profits and the residents they serve.

Data was collected on non-profit human service agencies in Halton Region through an online survey, literature reviews, focus groups, and community consultations. Five key areas were analyzed: governance, human resources, service delivery, financial management, and partnerships/community relationships.
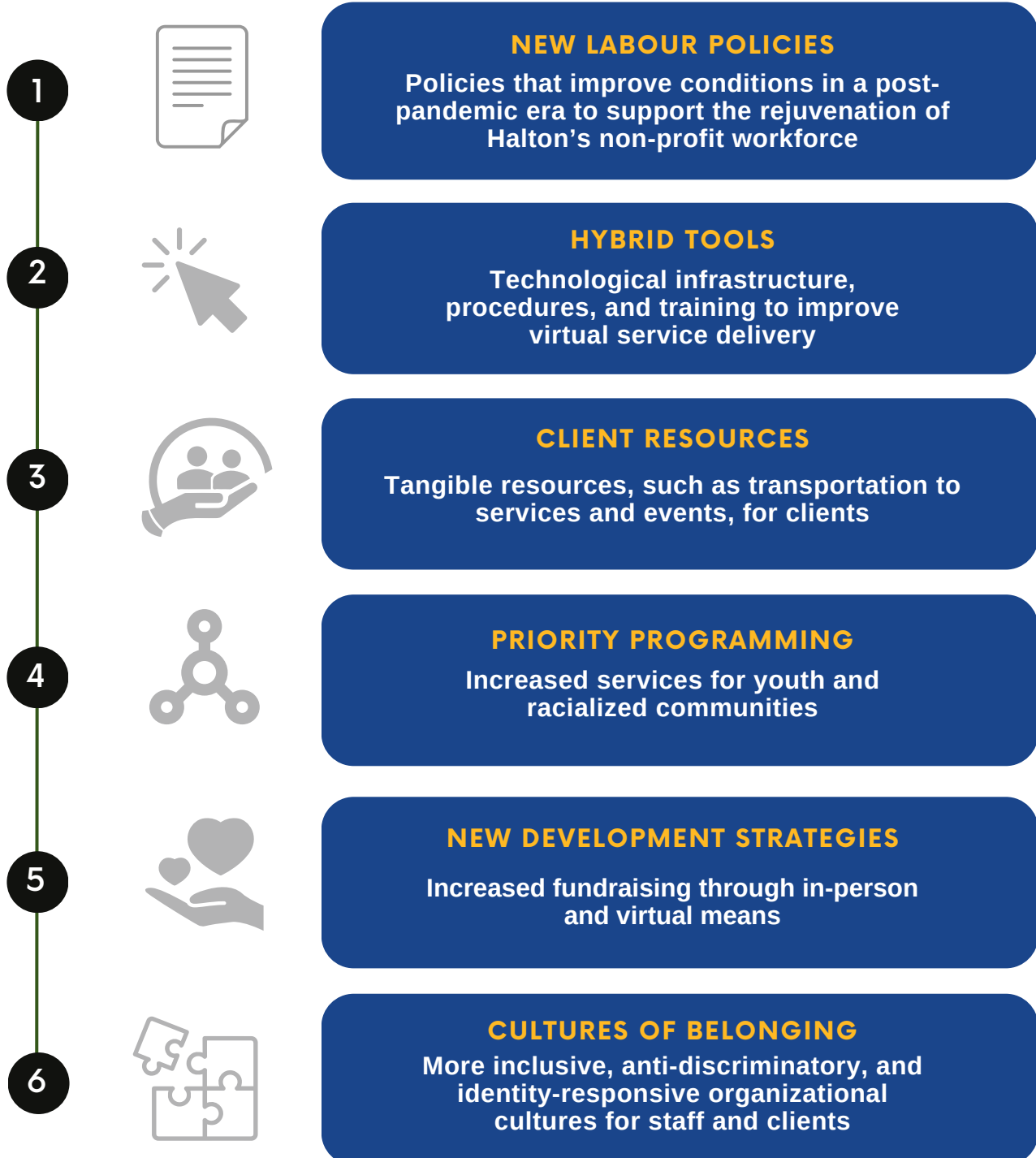
Themes from the literature included: the significant financial impact of COVID-19 on non-profits (related to decreased charitable giving and funding strictures), human resources challenges, transitions between in-office and remote work, workloads, recruitment and retention of staff and volunteers, and impact on staff mental health), increased demand for services, the significant impact of COVID-19 on racialized communities and the resulting realization that the time is now to prioritize diversity and inclusion initiatives.

Findings from surveys and focus groups show that non-profit agencies in Halton Region demonstrated resilience and the potential not only to recover from the pandemic but to flourish in the vital services they deliver to the citizens of Halton.

A common thread was that non-profit organizations maintained their services and operations despite a paucity of continuous funding and fewer opportunities for in-person fundraising. The resilience and dedication of non-profit stakeholders in the Halton Region is a laudable foundation for increasing quality of life and inclusion. However, research findings also show that the non-profit sector in Halton continues to struggle as a result of loss of revenue, massive loss of volunteers, overwhelmed and underpaid staff, the shift to online service delivery, increased demand for services, and loss of partnerships serving Black, Indigenous, and People of Colour (BIPOC) residents. Mental and physical burnout, limited core funding, lower salaries and recruitment difficulties are also currently impacting the sector.

Six (6) conceptual themes emerged from this research study. These themes encompass needs that must be addressed in order to improve the services and stability of Halton's non-profit sector. This report also provides recommendations and suggestions for a pathway forward post-pandemic.

# SIX CORE NEEDS OF
# HALTON'S NON-PROFITS

**1**

### NEW LABOUR POLICIES

Policies that improve conditions in a post-pandemic era to support the rejuvenation of Halton's non-profit workforce

**2**

### HYBRID TOOLS

Technological infrastructure, procedures, and training to improve virtual service delivery

**3**

### CLIENT RESOURCES

Tangible resources, such as transportation to services and events, for clients

**4**

### PRIORITY PROGRAMMING

Increased services for youth and racialized communities

**5**

### NEW DEVELOPMENT STRATEGIES

Increased fundraising through in-person and virtual means

**6**

### CULTURES OF BELONGING

More inclusive, anti-discriminatory, and identity-responsive organizational cultures for staff and clients

# RESEARCH METHODOLOGY

The objective of this study is to provide information on the impact of COVID-19 on Halton's non-profit sector and its services, staff, volunteers, and clients. The research aims to quantify service pressures and changes to program delivery as a result of COVID-19. It is hoped that insights gathered can provide information on effective strategies, corresponding resources, and organizational capacity to respond to needs, changes, and pressures.

**Primary Research Sources:**
- Online Survey of non-profit agencies from August 16 to September 3, 2022 (329 respondents).
- Community consultations with HEDR, CDH and community organizations.
- Focus group data from 32 non-profit clients, staff, volunteers, and senior leaders captured in November and December of 2022

**Secondary Research Sources:**
- Review of the literature
- Roundtable Discussions - Newcomer Engagement & The Pandemic (Conducted by CDH)
- Information collected from the Census and previous studies on Halton Region's Non-Profit Sector

## CHARACTERISTICS OF SURVEY RESPONDENTS

### Age Group (n=217)
<18................................0%
18-24............................15.21%
25-34............................35.48%
35-44............................18.43%
45-54............................12.44%
55-64............................10.60%
65+................................6.45%
Did not answer...........1.38%

### Disability (n=215)
With............................26.51%
Without.......................70.7%
Did not answer...........2.79%

### Gender Identity (n=216)
Male.............................46.76%
Female.........................45.83%
Transgender................4.17%
Non-Binary..................0.46%
Did not answer..........2.78%

### Sexual Orientation (n=215)
Heterosexual...............66.98%
Gay................................8.84%
Bisexual.........................7.44%
Lesbian.........................5.12%
Homosexual................4.19%
Did not answer...........6.51%
Other ............................0.93%

### Ethnic Background (n=214)
White............................57%
Black.............................19.6%
Indigenous..................6.07%
Japanese.......................5.14%
Latin American...........2.34%
South Asian.................1.87%

South East Asian.........1.87%
Arab...............................0.47%
Korean...........................0.47%
West African................0.47%
Other.............................0.47%
Did not answer..........3.27%

### Position within Organization (n=268)
Management...............26.5%
Executive Role............25.37%
Board Member...........17.91%
Staff..............................14.55%
Volunteer.....................9.33%
Client............................2.24%
Other.............................4.10%

*Survey Results*

# GOVERNANCE

The survey revealed that many non-profits have faced a significant loss of revenue as a result of COVID-19, while reporting an increase in demand for services. The pandemic also decreased the number of volunteers in Halton's non-profit sector, and some survey respondents were transparent about giving little to no thought about inclusion.

## 41%
*report a reduction of volunteers*
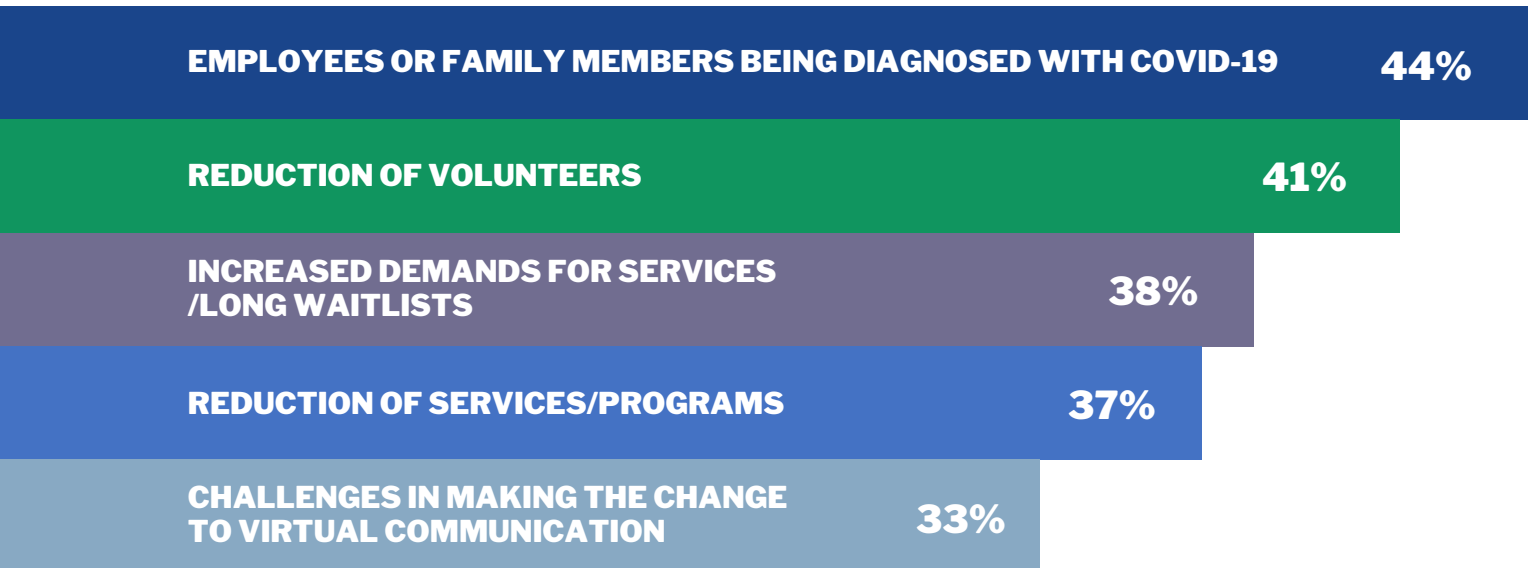
## 38%
*report increased demand for services*

## COVID-19 Impact by Sectors (n=112)

*% of respondents who indicated that the sector was most impacted*



Social Services.....................................................27.7%
Other Sectors.....................................................20.5%
Sports, Recreation, Clubs................................9.8%
Arts, Culture, Heritage & Tourism................9.8%
Faith Group.........................................................8.9%
Grantmaking, Fundraising, Volunteerism....8%
Health..................................................................8%
Education, Research........................................7.1%

## Major Challenges Experienced by Organizations (n=268)

**EMPLOYEES OR FAMILY MEMBERS BEING DIAGNOSED WITH COVID-19**    **44%**

**REDUCTION OF VOLUNTEERS**    **41%**

**INCREASED DEMANDS FOR SERVICES /LONG WAITLISTS**    **38%**

**REDUCTION OF SERVICES/PROGRAMS**    **37%**

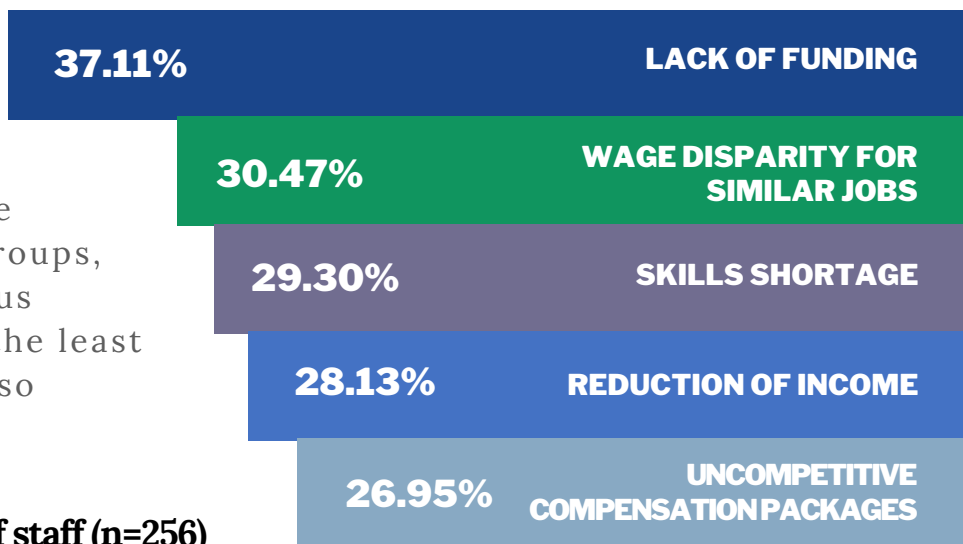**CHALLENGES IN MAKING THE CHANGE TO VIRTUAL COMMUNICATION**    **33%**

*Survey Results*

# HUMAN RESOURCES

Financial pressure has impacted Halton non-profits' ability to retain skilled workers and hire competitively. Inequitable treatment of racialized groups, low-income and precarious workers, and those with the least agency in society were also common threads.
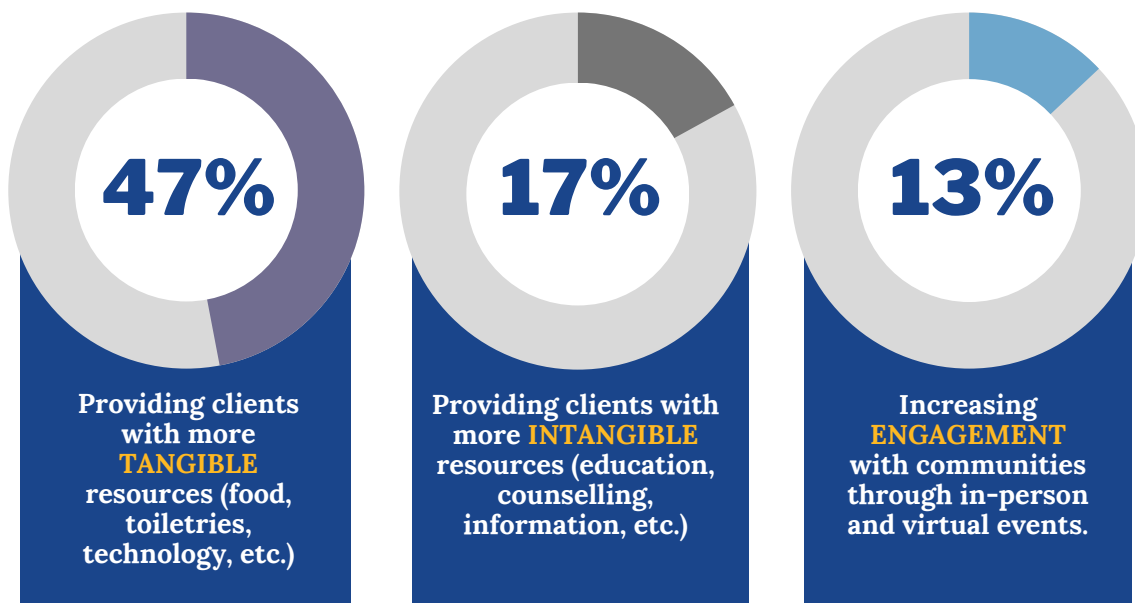
**Top 5 Factors affecting the recruitment and retention of staff (n=256)**

| | |
|---|---|
| 37.11% | **LACK OF FUNDING** |
| 30.47% | **WAGE DISPARITY FOR SIMILAR JOBS** |
| 29.30% | **SKILLS SHORTAGE** |
| 28.13% | **REDUCTION OF INCOME** |
| 26.95% | **UNCOMPETITIVE COMPENSATION PACKAGES** |

# PARTNERSHIPS

As a result of COVID-19, Halton's non-profits experienced challenges related to community partnerships which could increase tangible and intangible benefits for clients, as well as increase engagement and overall support for non-profit organizations.

**Respondents reported the following as their top priorities for recovery (n=227)**

**47%**
Providing clients with more **TANGIBLE** resources (food, toiletries, technology, etc.)

**17%**
Providing clients with more **INTANGIBLE** resources (education, counselling, information, etc.)

**13%**
Increasing **ENGAGEMENT** with communities through in-person and virtual events.

*Survey Results*

# FINANCIAL MANAGEMENT

Halton's was not immune to the Province-wide trend of decreasing revenue for non-profits.

## 75%

*of non-profits in the Halton region did not benefit from provincial COVID-19 financial supports*

**What is your organizations largest source of funding? (n=208)**
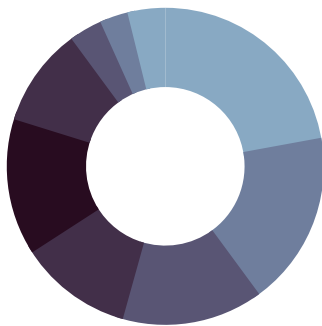


Fundraising, Donations...................................22.1%
Foundation grants............................................17.79%
Earned income..................................................14.42%
Federal funding..................................................11.54%
Municipal funding.............................................13.94%
Provincial funding.............................................10.1%
Corporate funding............................................3.37%
Other.....................................................................3.85%
Do not know......................................................2.88%

**What needs will be critical for your organization in the next 6-12 months? (n=267)**

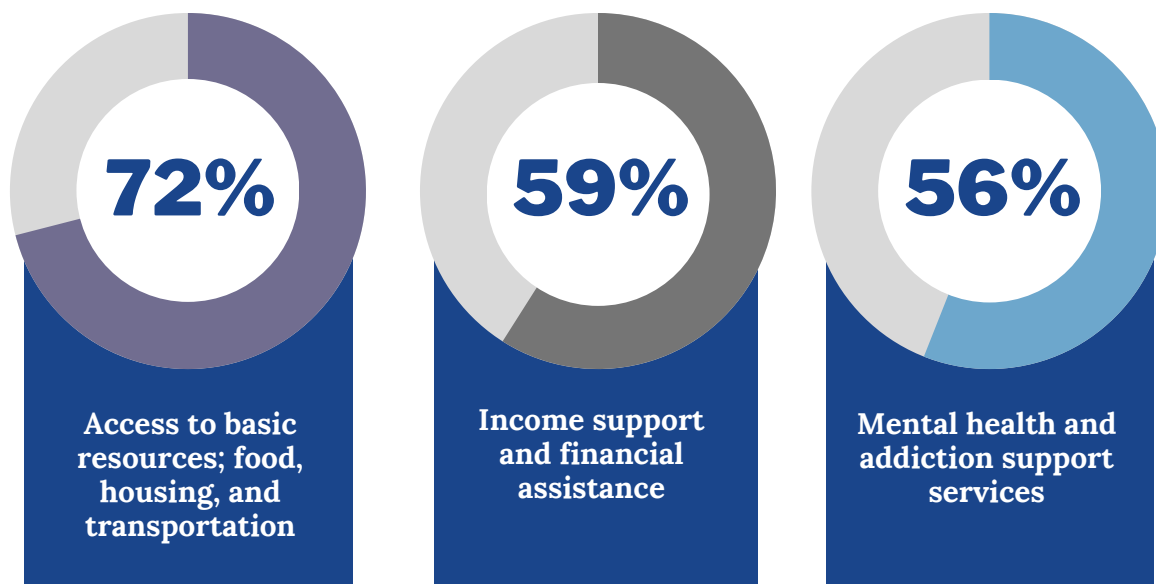| | |
|---|---|
| **VOLUNTEER RECRUITMENT TRAINING** | **40.07%** |
| **STRATEGIC PLANNING + IMPLEMENTATION** | **39.70%** |
| **MENTAL + PHYSICAL HEALTH (WELLBEING SUPPORTS)** | **36.70%** |
| **STAFFING, RECRUITMENT & TRAINING** | **34.46%** |

*Survey Results*

# SERVICE DELIVERY

Majority of clients ( 50.79% ) agree that the greatest barrier for the community is switching in-person to virtual delivery modes. Non-profits also identified top issues for service-users were related to access to transportation, child-minding services, and navigating processes to access volunteer work.

**The following needs were identified by respondents as most significant for clients of the organization (n=242)**

**72%**

**Access to basic resources; food, housing, and transportation**

**59%**

**Income support and financial assistance**

**56%**

**Mental health and addiction support services**

## FOCUS GROUP RESULTS

## The Purpose

To explicate themes arising from the focus group data for the advancement of Halton Region's non-profit human service sector.

**Four conceptual themes** were discovered through an inductive process. The themes are explored in the pages that follow.

*Community Development Halton (CDH) and the Social Planning Council of Peel (SCPC) thank the participants for their thoughtful responses.*

## The Process

In November and December of 2022, four focus groups were conducted within the Google Meets conferencing platform.  The goal was to examine the needs, challenges and priorities of Halton Region's non-profit sector as shaped by the COVID-19 pandemic.

7-9 questions were answered by each focus group about organizational needs, challenges, and priorities as a result of the pandemic.

There were 32 respondents to the focus group questions.

*Focus Group Theme 1*

# STABLE CONTINUITY

Stable continuity refers to the ability of the organization to maintain stability with services, clientele, staffing, finances, and volunteers. Participants overwhelmingly reported unstable funding and high staff turnover to be key issues plaguing the stability of the organization and service provision. Stable continuity necessitates continuous multi-year funding.

## SENIOR LEADER INSIGHT

"The HR [Human Resource] issues are significant, **we're losing people [workers], we lost 20% of our staff last year**. Replacing them with younger workers, there's a training cycle to get them up and running. We're bringing them in at a price point that is $3,000 higher than what we ever had to pay just to get them at the front door."

## VOLUNTEER INSIGHT

"I would say [**the biggest impact of the pandemic is] the high turnover of staff.** In terms of funding and a lot of contracts, I'm working in mental health, the contracts are not full-time, so you're constantly revolving piecemeal."

## CLIENT INSIGHT

"I would say that 1 of the things I've found lately is consistency in the workers. There's such high turnover. There doesn't seem to be any incentive to keep some people because the agencies are only hiring contract and not full-time. My Mom, she's very sad. She can only have 1 PSW [personal support worker], don't give her a different person every day, right? She wants the same person. **When you're dealing with mental health [issues], you want that connection.** So you start to trust your new worker and then they're gone again, [you are] constantly repeating [this pattern]. It's up to them [the agencies] to keep the workers."

## STAFF INSIGHT

"I would say staffing has been the biggest challenge throughout [the] COVID [pandemic]. The vaccine mandate, wage gap, some people found they could work at Costco and earn a similar amount instead of working in a [group] home with a COVID outbreak. **We're still struggling with staffing and that continues 3 years into the pandemic.** The mental health [stressors] for everybody was really extreme."

*Focus Group Theme 2*

# CRITICAL DEVELOPMENT

Critical development is the ability of the organization to adapt to cultural, legislative, and socioeconomic trends and changing circumstances in order to remove barriers for marginalized groups and ensure equity in service provision and policies. Respondents identified the need for increased funding to ensure equity in service provision and meet increasing client needs.

Critical development necessitates funding to ensure equity throughout services, partnerships, the implementation of technology and organizational plans.

### SENIOR LEADER INSIGHT

"There is a **need for more funding of connections between organizations to deliver services together**. We don't have the time to figure out how different organizations can collaborate better. Stop siloing and have sustainable funding."

### VOLUNTEER INSIGHT

"**We [the food bank] have 50% more clients to deal with**, and they're not just poor people, some didn't need the help before. They lost their jobs, inflation, mortgage increases, etcetera. It's very expensive to break a lease and they need a car to get from A to B so that's why food was an issue for them."

### STAFF INSIGHT

"Just in the last year or 2, I would say, **we've really placed a focus on equity, diversity and inclusion** [EDI]. I think that is something [EDI] that has been identified as an area of need, and I think we do our best to hire marginalized groups. "

*Focus Group Theme 3*

# PARTICIPATORY INITIATIVE

Participatory initiative refers to the ability of the organization to cultivate and harness client, volunteer, and staff involvement and empowerment as a way to expand the positive impact of the organization. Through non-hierarchical information exchanges, attention to cultivating staff psychological investment in the organization, and direct support for client needs.

Participants reported a disconnect at times between upper management decisions and staff, volunteer, and client perceptions, opinions, and needs. Participatory initiative will not bloom without reliable funding. The following quotes illustrate the theme of participatory initiative.

## CLIENT INSIGHT

Within any organization, **management is sometimes way out of touch with the reality of people [clients] and their problems**. Management needs to understand what we face on the frontline because as clients, we're the frontline people and we're living it. If management doesn't learn to understand our level, then they're never going to be able to fix the problems within their organizations because they're up here, we're down there and it's our case workers that are getting caught in the middle wanting to do everything for their clients. But meanwhile management is saying, 'No, no, no, no, you have to do this'. They [case workers] just need management to kind of learn what our [clients'] lives are really like."

## VOLUNTEER INSIGHT

"**Some organizations don't necessarily listen to the volunteers. They're in their ideas.** Management sometimes doesn't listen to the volunteers because we're only volunteers."

## SENIOR LEADER INSIGHT

"[Once] we knew we couldn't serve clients in person, **we jumped into [using] Zoom, [Microsoft] Teams and Google Classroom**. There were sessions to educate clients on how to use the [technological] tools and make sure the meeting [or classroom] was not disturbed."

## STAFF INSIGHT

"[As a result of the pandemic,] **there was an enormous need for culturally appropriate food supports.** The local Meals on Wheels programs don't provide South Asian, Afro-Caribbean or Chinese foods. A lot of people who just immigrated were stranded as everything locked down and had to be provided with emergency rent support."

*Focus Group Theme 4*

# PROACTIVE OUTREACH

Proactive outreach refers to the ongoing efforts of the organization to increase its visibility and resources, attract stakeholders, add to its intellectual capital, and increase access to its services. Respondents identified increased need for funding for technological and human resources, advertising, and innovation in services.

*It is important to note that proactive outreach necessitates adequate and stable funding given the cost of technology, online advertising (e.g., Google Ads), and workers seeking employment outside the Non-profit sector due to inadequate compensation. The following quotes illustrate the theme of proactive outreach.*

### CLIENT INSIGHT

There are no resources for us to find anything around [name of city or town redacted]. It would be nice to find something other than my peer group in this area. [Even though] it's [the city or town] a bigger area with [name of postsecondary institution redacted], there's nothing and **there's no way of finding out [about sessions, groups and services]**. These things would be much better if they [organizations] could just let us know how to find them. I hear [about] it [a session or service], and I can't find anything. A website [with] a list of things [sessions, groups and services] that you can accept for help, sending out e-mails instead of us having to hunt. I think a website format would definitely help [find services]."

### VOLUNTEER INSIGHT

"I just wanted to point out that through the past summer with the grant, we had an aggressive social media campaign to reach out to a potentially new audience and new members because we needed to rebuild our membership. It appears that [social media campaign] was quite successful. Through the Metroland digital services, we were able to get the message out on Facebook and through Google. The images and messages we were putting out broadened our reach dramatically, the **hits on our website went up substantially**, so I would encourage everyone to get on that [messaging via social media]."

# KEYS TO RECOVERY
# RECOMMENDATIONS

### STAFF COMPENSATION

**Staff retention and recruitment would be enhanced by the provision of greater incentives or supports in order to compensate workers for the salary restrictions plaguing the sector.**

### HYBRID SERVICE MODELS

**Client access would be improved through the provision of hybrid service delivery models that include both in-person and virtual services.**

### FUNDRAISING AND PROMOTION

**Community engagement would be improved by incorporating in-person, virtual, and community-relevant or demographic-specific platforms for every fundraising and promotion strategy.**

### INCLUSIVE CULTURE

**Organizations to increase their alignment with their stated values of equity, diversity, and inclusion through assessment and documentation of the impact of their EDI training and strategies.**
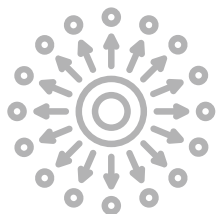
### FUNDING STRUCTURES

**Funding for non-profits is a continual source of stress that has been exacerbated by the pandemic. A community-informed plan towards multi-year, sustainable and core funding is necessary for a healthy non-profit sector.**

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Please take the time to complete
a short evlaution of this research paper

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**Community Development Halton**

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