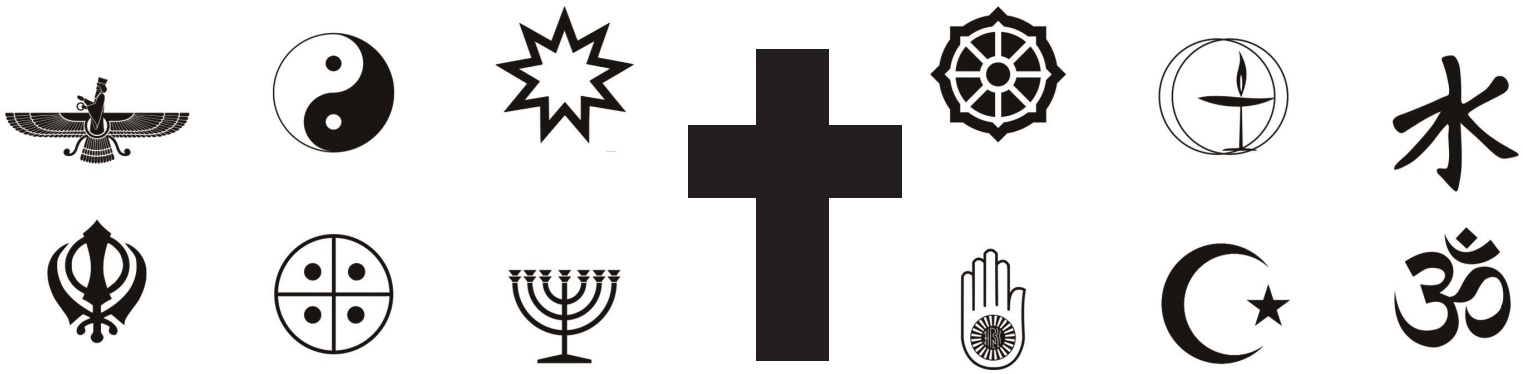

Indiana Faith-Based Nonprofits:
Overview and Challenges

KIRSTEN A. GRØNBJERG AND PAYTON GOODMAN
WITH NICHOLAS NORMAN AND SHER KHASHIMOV

February 2023

INDIANA NONPROFIT SURVEY: ROUND III

OVERVIEW Series #1
Report 3

INDIANA NONPROFITS PROJECT:
SCOPE & COMMUNITY DIMENSIONS

A JOINT PRODUCT OF
The Lilly Family School of Philanthropy
AND
The O'Neill School of Public and Environmental Affairs
Indiana University Bloomington

ACKNOWLEGEMENTS

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Indiana Nonprofits: Faith-based Organizations – Overview and Challenges

KIRSTEN A. GRØNBJERG
PAYTON A. GOODMAN
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INTRODUCTION

This report examines the landscape of religious and charitable nonprofits in Indiana. We focus primarily on differences among three types of nonprofits – congregations, other faith-based nonprofits, and secular comparison charities. We also consider whether there are notable differences among major congregational faith traditions, such as Evangelical Protestant, Mainline Protestant, Catholic/Orthodox, Other/Non-Christian, and Nondenominational congregations.

In Section I, we describe how we categorize the Indiana religious and charitable sector along these dimensions. In Section II, we assess the basic organizational characteristics of each type. Section III assesses the human resource characteristics of each category. Following this, Section IV presents an assessment of the types of services and programs provided by these organizations, including advocacy and political activities. Finally, in Section V, we assess the management challenges and capacities of congregations and faith-based nonprofits.

Indiana Nonprofits: Congregations and Faith-Based Organizations – Overview and Challenges is the third report in a series profiling particular types of nonprofits, based on a major survey of Indiana nonprofits conducted by the Indiana Nonprofits Project in 2017-18. Other reports based on this survey have examined particular types of nonprofit activities.[1] The survey is the most recent (Round III) survey of Indiana nonprofits; two previous rounds were conducted in 2002 (Round I), and 2007 and 2010 (Round II). We also surveyed Indiana Nonprofits in May of 2020 on the impact of COVID-19 (Round IV).

Indiana Nonprofits Project

The ***Indiana Nonprofits Project: Scope and Community Dimensions*** began in June 2000 and has produced a substantial body of research since then. The project is designed to provide information about the nonprofit sector in Indiana: its composition and structure, and its contributions to Indiana, the challenges it faces, and how these features vary across Indiana communities. The goal of this collaborative research effort is to help community leaders develop effective and collaborative solutions to community needs and to inform public policy decisions.

The project is directed by Kirsten Grønbjerg, Efroymson Chair in Philanthropy (2001-2020) at the Lilly Family School of Philanthropy (LFSOP) and Distinguished Professor, O'Neill School of Public and Environmental Affairs, Indiana University Bloomington. Under the guidance of the Project's distinguished Advisory Board[2], the Project has produced a variety of materials to inform policymakers, nonprofit administrators and boards, and Indiana residents, including:

[1] For a full listing of Round III reports, see https://nonprofit.indiana.edu/research-results/indiana-nonprofit-surveys.html.
[2] See https://nonprofit.indiana.edu/about/advisory-board.html

- Surveyed Indiana nonprofits to learn how they operate, how they contribute to the state's economy and its quality of life, and how they face and overcome challenges.
- Examined trends in paid nonprofit employment in Indiana including the size, composition and distribution of employees.
- Analyzed how local government officials view important nonprofit-related policy issues. Our findings demonstrated changes in whether local leaders trust nonprofits to operate effectively, and they revealed shortcomings in the use of the state's 2-1-1 system.
- Described the impact, scope, and composition of nonprofits and the nonprofit sector in specific Indiana communities and regions as well as across the state.

For a full description of the Project and access to all Project reports, please visit https://nonprofit.indiana.edu. A summary of project components is included in Appendix A

Indiana Nonprofits Survey – Round III

The Indiana Nonprofits Project surveyed 1,036 nonprofits in Indiana from April 2017 to February 2018, reflecting an overall response rate of approximately 24 percent. Of these, 397 nonprofits were part of a "panel" of nonprofits that responded to our 2002 Round I survey and 639 came from a new randomly selected "primary" sample developed specifically for this survey (see Appendix A for a description of the sampling strategies).

For the "primary" sample, respondents were randomly selected from three major nonprofit listings: nonprofits (1) registered with the IRS as tax exempt entities with Indiana reporting addresses, (2) incorporated with the Indiana Secretary of State as not-for-profit corporations, or (3) listed in the yellow pages as churches, temples, synagogues, mosques, or similar religious entities. The original "panel" sample was created under a similar, but more extensive protocol.

Respondents to the 2017 survey represent almost the full scope of Indiana nonprofits. They include traditional public charities, such as homeless shelters, museums, or cancer groups. But they include also other types of tax-exempt entities registered under all other section 501(c) of the IRS tax code, such as private foundations, fraternal organizations, social clubs, business groups and advocacy organizations. And they include organizations not registered at all with the IRS, whether because they are churches, exempt from registration, or for other reasons are not found on the IRS listing. However, we excluded colleges, hospitals, bank-managed trusts, and public school building corporations because the survey instrument was not well-suited to these types of entities, and they had also had very low response rates to the 2002 survey.

Our survey asked about a variety of topics: programs and services, organizational structure and program evaluation, human resources, marketing and technology, financial information, advocacy and policy activities, and relationships with other

organizations. There were also questions specific to membership associations and faith-based organizations.

Because of the richness of the survey data, we have produced two series of reports: Series 1, including this report, examines particular types of nonprofits, such as arts and culture nonprofits, faith-based organizations, and membership associations. Series 2 examines the activities and experiences of Indiana nonprofits on such topics as information technology, program evaluation, advocacy and political activities, human resources, and a range of other topics.

Readers are invited to explore the survey data in more detail, using our interactive data tool available here: https://go.iu.edu/2bfi.

EXECUTIVE SUMMARY

In this report, we examine the landscape of religious and charitable nonprofits in Indiana. We focus primarily on differences among three types of nonprofits – congregations, other faith-based nonprofits, and secular comparison charities. We also consider whether there are notable differences among congregations by major denominational families for which we have enough respondents – Mainline protestant, Evangelical protestant, Catholic/Orthodox, and Nondenominational congregations.

Our report, Indiana Nonprofits: Religious Congregations and Faith-Based Organizations – Overview and Challenges, is designed to answer several important questions about religious congregations and other faith-based nonprofits. We first consider whether and how they vary in terms of basic organizational dimensions – age, size, formalization, access to information technology, funding profile, and location. Next, we consider financial dimensions- change in revenue and expenses. We then explore human resource dimensions – whether they have an executive director, number of volunteers, importance of volunteers, number of board members, and number of board vacancies. We turn next to a look at service-related dimensions – demand for services and engagement in advocacy. For each of these sections, we also examine how these types of nonprofits differ on the extent to which a variety of management activities present challenges to them.

Throughout we use multivariate analyses to examine how the full scope of explanatory factors jointly explain the difference among congregations, other faith-based nonprofits, and secular comparison charities, as well as among major groups of denominations. We highlight those factors that appear significant in the bivariate and multivariate analyses. The following summaries are explained more fully in the body of this report.

Section I. Basic Comparison:

We begin by looking at key organizational features related to basic organizational capacity – age, size (defined as number of full-time equivalent staff – FTE), how formalized they are, use of information technology – and various external forces (funding profile, percent donation revenues). We also consider location. These are all factors that we know from other analyses to be important for shaping organizational activities and outcomes. Finally, we explore challenges related to obtaining and using informational technology.

Age. Our survey asked respondents to indicate the decade in which the organization was founded. As expected, we find that congregations report earlier founding decades than other faith-based nonprofits and secular comparison charities. We also find that Catholic congregations report earlier founding decades than other denominations, especially compared to Nondenominational congregations that have relatively recent founding decades. Age is a significant factor in our multivariate analyses examining differences between types of faith-based organizations and between major denominations.

Size – Number FTE. We use the number of full-time equivalent (FTE) staff to indicate size. As expected, we find that congregations report fewer FTEs staff than other faith-based nonprofits and secular comparison charities, and that most types of denominations have relatively few FTEs, as well. Full-time equivalent staff is a significant factor in our multivariate analyses examining differences between types of faith-based organizations, although not in the multivariate analysis between denomination types.

Formalization. Our survey asked whether respondents have various types of organizational components in place and we use the count of such components to indicate how formalized they are. As expected, we find that secular comparison charities report higher levels of formalization. The denomination analysis on formalization was not significant at the bivariate level. Formalization is a significant factor in our multivariate analyses examining differences between types of faith-based organizations and between major denominations.

Internal Information Technology. We also counted whether respondents have various types of internal information technology in place. The main and denomination analyses on internal IT were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

External Information Technology. Our survey asked whether respondents have various types of external information technology in place, and we use the count of such components as an indication of reliance on externally focused IT. The main and denomination analyses on external IT were not significant at the bivariate level. However, external IT is a significant factor in our multivariate analyses examining differences between types of faith-based organizations, although not in the multivariate analysis between denomination types.

Funding Profile and Revenue Sources. We use survey questions about the percent of revenue received from each of several major funding types during the most recently completed fiscal year. As expected, we find that congregations report greater reliance on funding from donations than other types of respondents. Funding profile, specifically reliance on donations, is a significant factor in our multivariate analyses examining differences between types of faith-based organizations and between major denominations.

Location. We use respondents' zip code to capture whether the organization was located in a metropolitan county, metropolitan ring county, or a non-metropolitan county. Neither the main analysis nor the denominations analysis on location were significant at the bivariate level. However, location is a significant factor in our multivariate analyses examining differences between types of faith-based organizations, but not in the multivariate analysis between denomination types.

IT Application Challenges. Our survey asked whether respondents experience IT application challenges. The main and denomination analyses on IT application

challenges were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

IT Capacity Challenges. Our survey also asked whether respondents experience various IT capacity challenges. The main and denomination analyses on IT capacity challenges were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

Section II. Finances:

Next, we examine financial factors, including change in revenue, change in expenses, and financial management challenges. All organizations depend on financial resources to fund programs and services, as well as other expense such as various administrative expenses.

Change in Revenue. Our survey asked respondents to indicate how revenue has changed for their organization over the last 36 months: increased, stayed the same, or decreased. As expected, we find that congregations are more likely to report a decline in revenue than faith-based organizations or secular comparison charities, but there were no significant differences among the various denominations. However, change in revenue is not a significant factor in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Change in Expenses. We also asked respondents how expense has changed in their organization over the last 36 months. We find that congregations are less likely to report an increase in expenses, most likely in an effort to keep expenses in line with revenue. Catholic/Orthodox organizations report the highest percent in increase in expenses, followed by Evangelical, Mainline, and Nondenominational congregations. However, change in expenses is not a significant factor in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Financial Health. We examine the difference between change in revenue and change in expenses of the last 36 months. This tells us whether an organization has experienced a surplus in revenue, a deficit in revenue, or no change. However, the analysis is not significant between types of faith-based organizations and denominations at the bivariate or multivariate analysis.

Funding Challenges. We use survey questions about the types of funding challenges responding organizations face to compare congregations, faith-based nonprofits, and secular comparison charities. The main and denominations analyses on funding challenges were not significant at the bivariate level or at the multivariate level.

Financial Management Challenges. We use survey questions about the types of financial challenges responding organizations face to compare congregations, faith-based nonprofits, and secular comparison charities. As expected, given decline in revenues, we find that congregations report these activities as more challenging than

other faith-based nonprofits or secular comparison charities. The denominations analysis on financial challenges was not significant at the bivariate level. Financial management challenges are a significant factor in our multivariate analyses examining differences between types of faith-based organizations, but not in the multivariate analysis between denomination types.

Section III. Human Resources:

Next, we focus on three types of human resources. All organizations depend on people – its human resources – to make decisions and carry out a variety of tasks. We focus on whether the organization has a paid executive director and several questions about its board and use of volunteers

Executive Director. We asked our respondents whether their organization currently has a paid executive director or similar employee with executive responsibilities. As expected, we find that congregations are less likely to say they have a paid executive director than other faith-based nonprofits and secular comparison charities. The denominations analysis for executive director was not significant at the bivariate level. Executive director is a significant factor in our multivariate analyses examining differences between types of faith-based organizations, but not between major denominations.

Number of Board Members. We asked respondents how many board members the organization currently has. As expected, we find that congregations report fewer board members, while secular comparison charities report the highest number of board members. Denominations do not appear to differ greatly in board size. Number of board members is a significant factor in our multivariate analyses examining differences between types of faith-based organizations and between major denominations.

Number of Board Vacancies. We also asked respondents how many board vacancies the organization currently. As expected, we find that congregations report fewer board vacancies. The denominations analysis on board vacancies was not significant at the bivariate level. Board vacancies is a significant factor in our multivariate analyses examining differences between types of faith-based organizations, but not in the multivariate analysis between denomination types.

Number of Volunteers. Our survey asked respondents to indicate how many people did volunteer work for their organization during the last 12 months (other than board members). As expected, congregations report a moderate number of volunteers. We find that Catholic/Orthodox congregations report a higher number of volunteers than other denominations. Number of volunteers is not a significant factor in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Volunteer Importance. We asked respondents how important volunteers are to the work of their organization: essential, very important, somewhat important, or not important. As expected, faith-based nonprofits indicate their volunteers as more important to the work of their organization than their counterparts. In general, congregations indicate

that volunteers are important, but not essential. The denominations analysis on volunteer importance was not significant at the bivariate level. Volunteer importance was not a significant factor in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Employee Compensation Challenges. We use survey questions about the types of employee compensation challenges responding organizations face to compare congregations, faith-based nonprofits, and secular comparison charities. The main and denomination analyses on employee compensation challenges were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

Employee Performance Challenges. We use survey questions about the types of employee performance challenges responding organizations face to compare congregations, faith-based nonprofits, and secular comparison charities. The main and denomination analyses on employee performance challenges were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

Board Management Challenges. We also asked whether respondents experience board management challenges. The main and denomination analyses on board management challenges were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

Volunteer Challenges. Our survey asked whether respondents experience challenges managing volunteers. The main and denomination analyses on volunteer challenges were not significant at the bivariate or multivariate analyses examining differences between types of faith-based organizations or between denominations.

Section IV. Services and Political Activity

Finally, we focus on the services and activities of organizations, including the demand for services, management challenges, participation in advocacy, and advocacy challenges.

Changes in Demand for Services. We asked respondents how demand or need for the organization's programs, services or activities had changed over the prior 36 months. As expected, congregations report a decrease in demand for services more often than faith-based nonprofits or secular comparison charities. The denominations analysis on total change in demand was not significant at the bivariate level. Change in demand for services is a significant factor in our multivariate analyses examining differences between types of faith-based organizations, but not between major denominations.

Strategic Management Challenges. We also asked about the types of strategic management challenges organizations are facing. As expected, we find that congregations report these activities as more challenging than other faith-based nonprofits or

secular comparison charities. Mainline Protestant congregations report these activities more challenging. However, strategic management challenges are not a significant factor in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Program Management Challenges. We also asked about the types of program management challenges organizations are facing. As expected, we find that congregations report these activities as more challenging than other faith-based non-profits or secular comparison charities. Mainline Protestant congregations report the highest average program challenge. However, program management challenges is not a significant factor in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Routine Management Challenges. We asked questions about the types of routine management challenges organizations are facing. The main and denomination analyses on routine management challenges were not significant at the bivariate level or in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

Advocacy. Our survey asked respondents if their organization engages in advocacy and/or public education activities. We find that congregations are less likely to participate, while secular comparison charities are more likely to do so on both the bivariate and multivariate levels. The denominations analysis on advocacy was not significant at the bivariate or multivariate level.

Advocacy Challenges. Finally, we asked about the types of advocacy challenges organizations are facing. The main and denomination analyses on advocacy challenges were not significant in our multivariate analyses examining differences between types of faith-based organizations or between major denominations.

KEY FINDINGS

A number of key findings stand out from our analysis of congregations, faith-based nonprofits, and secular comparison charities, as well as denominations:

1. Of the 1,036 nonprofits responding to our survey, 22 percent are congregations and another 12 percent identified themselves as other faith-based nonprofits. These percentages are similar to the 20 percent of congregations and 11 percent of faith-based organizations from our previous 2002 comprehensive survey of Indiana nonprofits. For purposes of comparison, we identified survey respondents that are secular charities and provide a variety of social and community services. These secular comparison charities account for 34 percent of all respondents to our survey. The rest (32 percent) are excluded from further analysis in this report.

   Congregations and faith-based nonprofits share a faith dimension, and faith-based nonprofits and secular comparison charities both provide a broad array of services. Congregations and secular comparison charities differ on both the faith and service dimensions.

2. We classified congregations into several broad denominational families. Almost two-thirds are either Mainline protestant or Evangelical protestant (35 and 34 percent respectively); another 22 percent are Nondenominational congregations. Relatively few are Catholic (9 percent) congregations or belong to Other/Non-Christian (4 percent) denominations.

3. Our analysis of how congregations, other faith-based nonprofits or comparison secular charities differ in terms of basic organizational characteristics – age, size of staff, formalization, access to information technology, dependence on revenues or fees, and location – show notable differences. Age, formalization, and funding profile stand out. Congregations are older than both faith-based nonprofits and secular comparison charities. Congregations and faith-based nonprofits are less formalized than secular comparison charities and rely more heavily on donations.

   Overall, basic organizational dimensions are very effective in distinguishing among the three types of nonprofits. Congregations differ significantly from other faith-based nonprofits on three of these dimensions (age, formalization and dependence on donations). When we allow all factors to operate at once in comparing the two groups, we are able to correctly distinguish congregations from other faith-based nonprofits in 70 percent of the cases.

   Other faith-based nonprofits differ significantly from secular charities on five dimensions (age, staff size, formalization, dependence on donations and location) in our multivariate analysis comparing the two groups. Including all these factors at once allows us to correctly distinguish other faith-based nonprofits from secular charities in 79 percent of the cases.

Finally, as expected congregations differ even more from secular comparison charities on the basic organizational dimensions. In our multivariate analyses, six of these dimensions (age, staff size, formalization, access to external IT resources, dependence on donations, and location) are significant. Allowing all these factors to operate at once, we are able to correctly distinguish congregations from secular charities in 87 percent of the cases.

4. When comparing how denominations differ on basic organizational dimensions examined one by one (bivariate analysis), we find differences by age, (Mainline protestant congregations are disproportionately old), size (Catholic congregations are larger), and percent revenue from donations (highest for Nondenominational congregations).

   We have enough respondents to examine the combined impact of these basic organizational dimensions only when comparing Mainline protestant and Evangelical protestant congregations. The former are significantly older, less formalized, and rely less on donations than Evangelical protestant congregations. Allowing all basic organizational dimensions to operate at once, we are able to correctly distinguish the two types of congregations in 73 percent of the cases.

5. We find notable differences between congregations, faith-based organizations and secular charities on a number of other important dimensions that we also examine in some detail.

   In terms of financial dimensions, more congregations reported a decrease in revenues than an increase, while almost half of faith-based nonprofits reported an increase in revenue, a notably higher percent than reported a decrease. Only one-fourth of secular comparison charities reported decreased revenue, while around two-fifths said revenues had increased. There are also differences in securing funding. Congregations report fewer challenges than faith-based nonprofits and secular comparison charities.

   Indicators of human resources (in addition to size of staff) also differ, with the size of boards and board vacancies standing out. Congregations and faith-based nonprofits have fewer board members and fewer board vacancies than secular comparison charities.

   There are also notable differences in demand for services, with congregations and faith-based nonprofits more likely to report decline in demand for services than secular charities. Finally, there are significant differences in whether respondents are involved in advocacy. Congregations and faith-based organizations are less likely to be involved in such activities than secular charities.

   However, when combined with basic organizational dimensions, very few of these other dimensions rival the basic dimensions in helping us distinguish among the various types of Indiana nonprofits. Having an executive director and board size are

important for some comparisons involving other faith-based nonprofits. So is demand for services and engaging in advocacy, but only when comparing congregations and secular comparison charities.

6. While denominations differ some on several basic organizational dimensions, such as age, formalization and funding sources (see #4 above), we find no differences when looking at other dimensions examine here. This holds whether we consider other financial dimensions, human resources, programs and services, or involvement in advocacy. In short, trends or dimensions that distinguish congregations from other faith-based organizations and/or from secular comparison charities appear to be pervasive across the various congregational denominations, at least those we are able to analyze separately.

DETAILED FINDINGS

We begin by describing how we identified congregations and other faith-based nonprofits based on answers to questions in our survey and how we identified a comparison group among the remaining respondents. We also look at the primary field of services for these three groups. For congregations, we describe how we classified them by denomination and how they differ in terms of membership size.

We then focus on some *basic organizational characteristics* – such as age, number of full-time staff, level of formalization, overall funding profile and reliance on donations. We look both at differences among the three broad groups – congregations, faith-based nonprofits and secular comparison charities – and among major types of denomination.

We turn next to more in-depth look at *other financial characteristics* – changes in revenue and expenses, and financial challenges. Next, we look at some additional *human resource dimensions* – whether they have an executive director, number of board members and board vacancies, number of volunteers, and importance of volunteers. Finally, we *consider* dimensions related to *services and activities* - demand for services, engagement in advocacy, and related management challenges.

We use bivariate analysis to examine how key explanatory factors align with difference among congregations, other faith-based nonprofits, and secular comparison charities, as well as among different types of denominations. We use multivariate analysis to examine how the full set of explanatory variables jointly explain differences between congregations and other faith-based nonprofits, between congregations and comparison charities, and between other faith-based nonprofits and comparison charities. We also use multivariate analyses to examine differences between the two largest denominational categories – Mainline and Evangelical protestant congregations. We highlight those factors that appear significant in the bivariate and multivariate analyses.

Congregations, Faith-based Nonprofits and Comparison Charities.

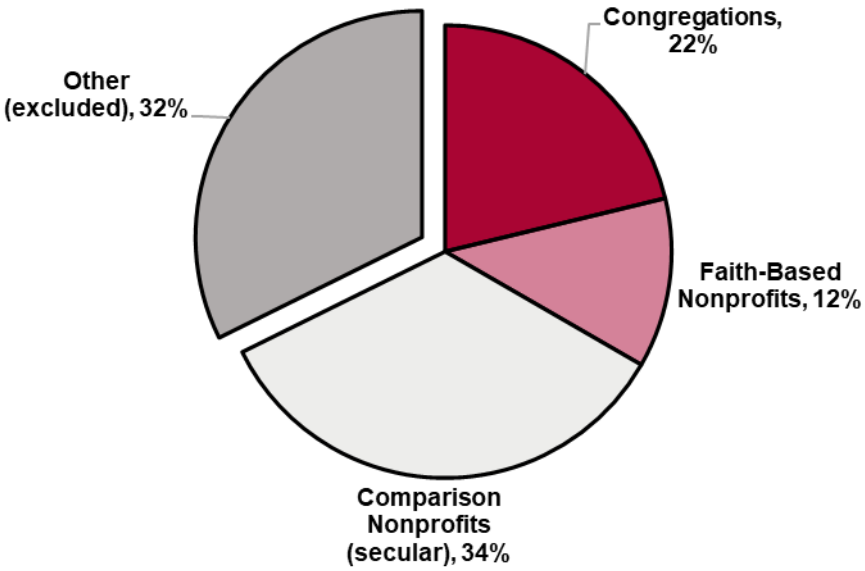
The 2017-18 Indiana nonprofit survey included three questions about faith-based nonprofits. We asked respondents whether their organization was faith-based, either a congregation or another type of faith-based nonprofit. If the respondent classified themselves as faith-based, we asked if the organization is affiliated with a particular religious group or denomination and, if so, to specify which group or denomination. We crosschecked both of those responses against the name of the organization, looking for keywords such as church or congregation. We verified the organizational names by looking at organizational websites.

Of the 1,036 nonprofits responding to our survey, 22 percent are congregations and another 12 percent identified themselves as other faith-based nonprofits (Figure 1). These two groups are the primary focus of this report.[3] However, we thought it useful to

[3] Is your organization FAITH-BASED (e.g., religious congregation, religious charity, or other faith-based nonprofit)? (Select only one response): Yes, a religious congregation (e.g., church, synagogue, temple, mosque); Yes, a religious charity or other faith-based organization; No- Please skip.

compare these faith-based nonprofits to nonprofits eligible to receive tax-deductible contributions AND that provide some form of social and community service.[4] The latter decision reflects findings in previous research that has found these types of services are prevalent among congregations.[5] This "secular comparison charities" group accounts for 34 percent of all our respondents. The rest (32 percent) are excluded from the analysis presented in this report.

Figure 1. Survey Respondents: Congregations, Faith-Based Organizations, and Secular Nonprofits (n=1,036)



Primary Field of Activity

To provide more detail about the comparison charities, we also examined primary field of activity based in part on their identification of their three most important service fields, along with information we obtained from their websites, incorporation data or other information. Figure 2 shows that almost all (94 percent) of congregations have religion as their primary field of activity. Our review of the remaining 6 percent shows them to be classified as human service (e.g., Salvation Army) or education (e.g., seminaries) nonprofits. We left them in the congregation category, since that is how they defined themselves.

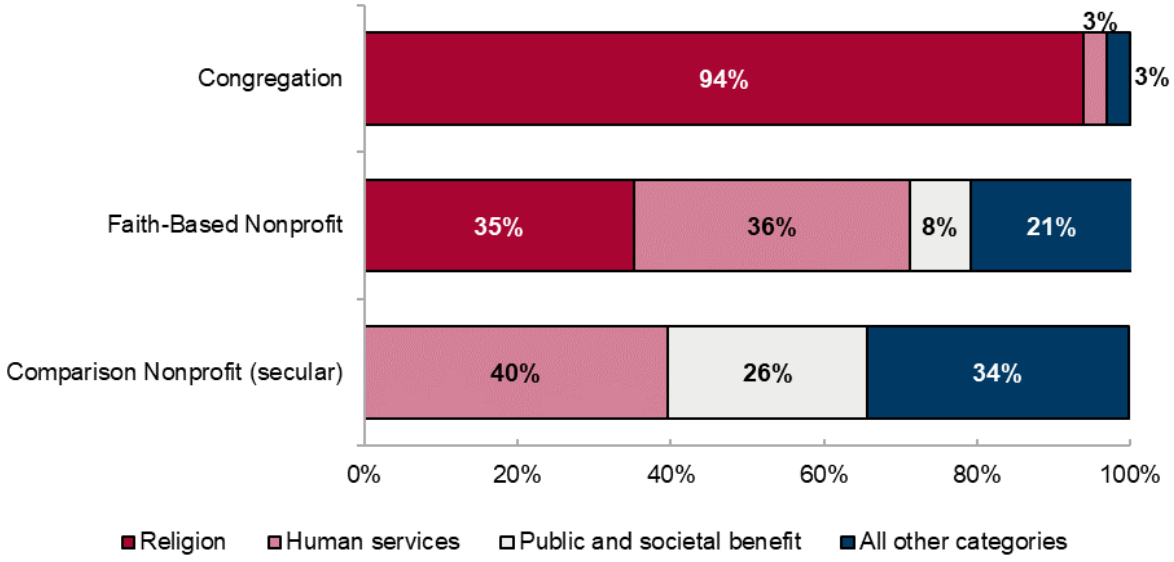
About a third (35 percent) of faith-based nonprofits have religion as their primary field of activity and another third (36 percent) are human services nonprofits. For our secular comparison charities, most (40 percent) are human service nonprofits, followed by

[4] Does your organization participate in or support social service, community development, or neighborhood organizing projects? (Please don't include projects that use or rent space in your building but have no connection to your organization otherwise)

[5] Chaves, Mark, Joseph Roso, Anna Holleman, and Mary Hawkins. 2021. Congregations in 21st Century America. Durham, NC: Duke University, Department of Sociology

public and societal benefit nonprofits (26 percent). Otherwise, faith-based nonprofits and secular comparison charities are fairly widely dispersed across the remaining primary fields of activity.

Figure 2. Primary Field of Acvtivity (NTEE) by Organization Type (n=701)



Denominations

Next, we examine how congregations are distributed among major denominational categories. We asked all respondents, who had indicated their organization was a congregation or other faith-based nonprofits, whether their organization was affiliated with a religious denomination, and if so, to provide the name the denomination.

Only 212 the 351 respondents who identified themselves as a congregation, provided denominational information. For the rest, we cross-checked the name of the congregation and information provided on its website. In all, we have information on the denominational affiliations of 222 congregations. Although other faith-based nonprofits were also asked about their denominational affiliation, many didn't answer that question or gave responses that indicated other types of affiliations, making it difficult to determine denominational affiliations (if any) for this segment.

To facilitate our analysis, we classified denominations into broader groupings based on the classification system used by sociology of religion scholars. Thus, Brian Steensland and colleagues[6] classifies denominations into six categories: Mainline protestant, Evangelical protestant, Black protestant, Roman Catholic, Jewish, and other. According to Steensland et al., Mainline Protestant denominations emphasize modernity, including active views on social issues and tolerance of different beliefs. Evangelical protestant

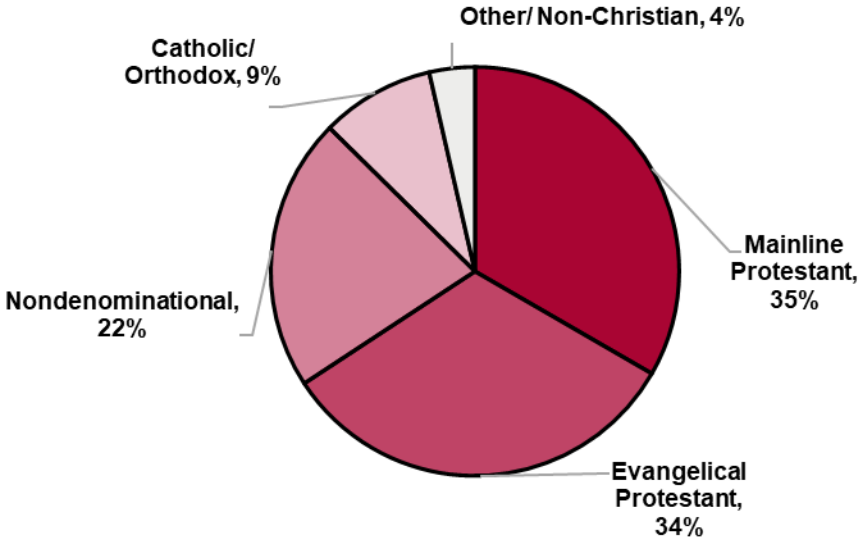
[6] Brian Steensland, et.al. (2000). The Measure of American Religion: Toward Improving the State of the Art. Social Forces, 79(1):291-318, https://academic.oup.com/sf/article/79/1/291/2233984; Brian Streesland, et.al. (2012). The Measure of American Religious Traditions: Theoretical and Measurement Considerations. Social Forces 91(1) 65–73, https://academic.oup.com/sf/article-abstract/91/1/65/2235894?redirectedFrom=fulltext.

denominations emphasize a separation from the broader culture and includes devotion to specific religious views and missionary activities.

Using the criteria from Steensland and colleagues we categorized denominations initially into six categories: Mainline protestant, Evangelical protestant, Catholic, Orthodox, Other/Non-Christian (including Jewish), and Nondenominational. However, there were so few Catholic and Orthodox congregations that separate analysis would not be appropriate and we grouped them together.

As Figure 3 shows, almost two-thirds (35 and 34 percent) of Indiana congregations that responded to our survey are Mainline protestant or Evangelical protestant (respectively). Of the rest, 22 percent are Nondenominational, 9 percent Catholic/Orthodox, and the remaining 4 percent Other/Non-Christian. We exclude Other/Non-Christian in the following analyses, since this included only 8 congregations.

Figure 3. Indiana Congregations by Denomination (n=214)



On the surface, these percentages differ from our previous 2002 comprehensive survey of Indiana nonprofits, where 60 percent were classified as Evangelical protestant, 31 percent as Mainline protestant, 7 percent as Catholic, and 2 percent as Other. However, Nondenominational congregations were not identified as a separate category in the 2002 survey, so the difference most likely reflects our special effort to separate them from known Evangelical denominations in the most recent survey, rather than differences in response rates. Indeed, in both surveys, about one-third of the congregations were classified as Mainline protestants (31 and 33 percent respectively), and more than half were classified as either Evangelical protestant or Nondenominational (60 vs. 54 percent).

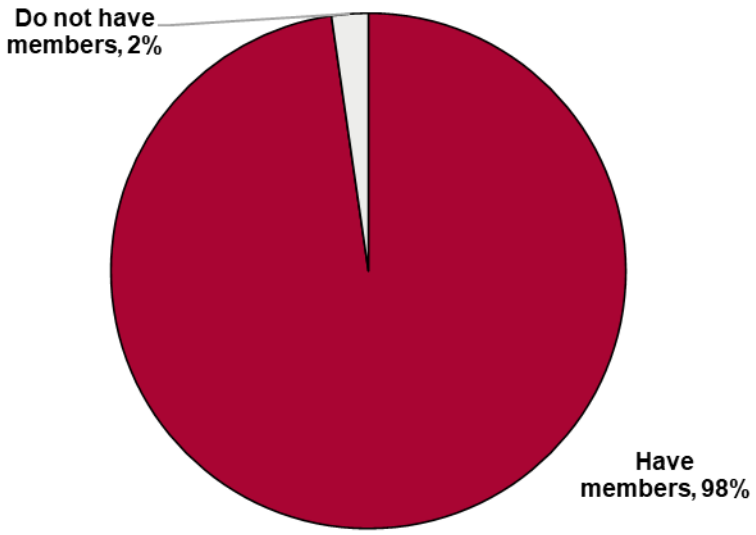
Congregational Members

Congregations provide places of worship for people to express or engage in religious experiences. Many such participants define themselves as members and are viewed as

such by the congregations. But that is not always the case – some attendees may not be members, only visitors, and some members may not attend on a regular basis or at all. Denominations also differ considerably in how they define membership. In some cases, only those who have been born again or accepted the church as an adult are considered members. In other cases, anyone who has been baptized in the church is considered a member. In most cases, however, congregations are fundamentally membership organizations.

Our survey did not explore the intricacies of how congregations define membership, but simply asked how many members the organization had. Figure 4 shows that almost all (98 percent) congregations report having members.

Figure 4. Membership in Congregations (n=173)



Over half (53 percent) Indiana congregations are quite small and have 120 or fewer members, including 25 percent that are tiny, with less than 55 members. Another 23 percent are of median size – more than 120 members, but less than 265. The rest (25 percent) fall in the largest category of 265 members or more. Congregations report a range of 0 to 10,000 members, with a median of 120 and mean of 443.

Figure 5 shows that Catholic/orthodox congregations report the highest percent of members in the fourth (largest) quartile. Mainline and Evangelical protestant congregations report similar percentages in each quartile, while non-denomiantional congregations report the highest percentage of members in the first (smallest) quartile.

However, as Table 1 shows, there are great differences among denominations in terms of the number of members they report. Catholic/orthodox congregations are by far the largest, with an average of almost 2,900, followed by Nondenominational congregations (about 600) and with Mainline protestant (average of just under 250) and Evangelical protestant congregations (average of just under 200) the smallest. However, these averages reflect a few very large congregations in each type of denomination. The

medians are all much smaller, ranging from a high of 640 for Catholic/Orthodox denominations to 150 for Nondenominational congregations and about 100-110 for Evangelical and Mainline protestant congregations.

Figure 5. Membership by Denomination Type (n=173)

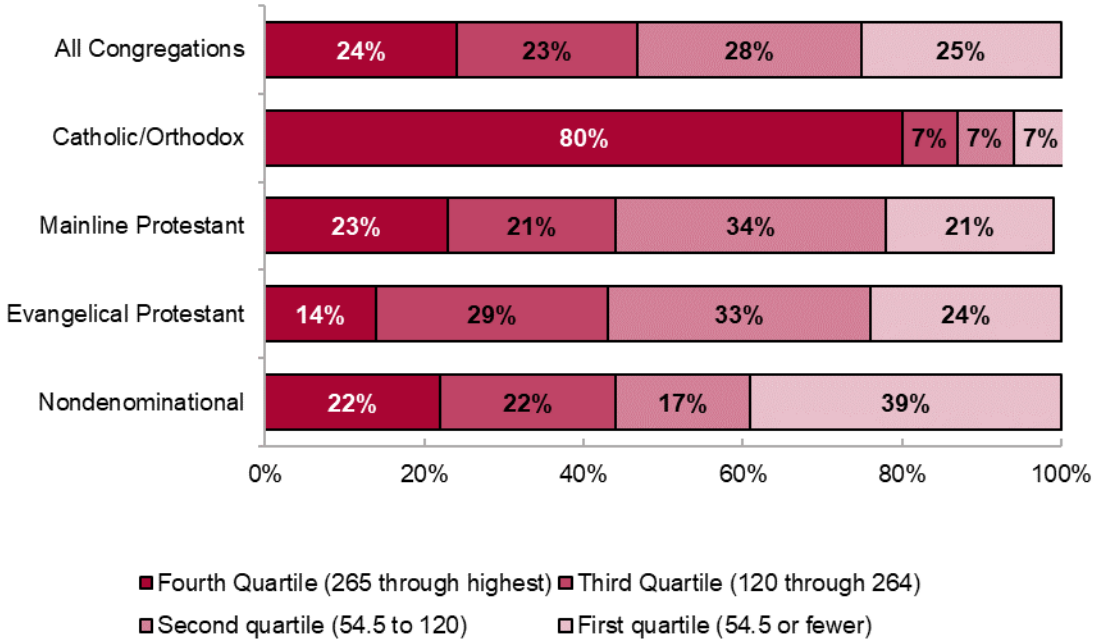


Table 1. Membership by Denominations (n=173)

Denomination	Minimum	Median	Maximum	Average
Catholic/Orthodox (n=15)	31	640	10,000	2,859
Mainline Protestant (n=56)	0	100	2,200	248
Evangelical Protestant (n=58)	0	110	2,000	194
Nondenominational (n=36)	0	150	8,500	599

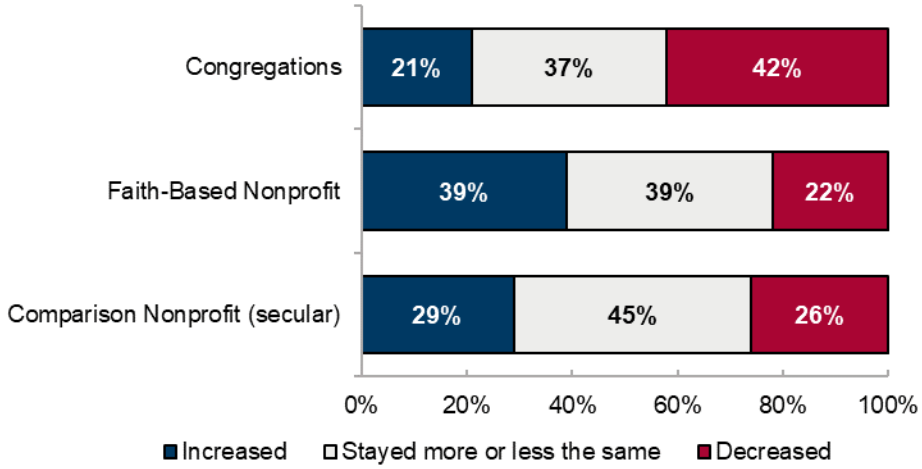
Change in Membership

We asked how much the number of members had changed over the last three years. As we expect based on national surveys,[7] membership has declined for many congregations. Figure 6 shows that over two-fifths (42 percent) of congregations report a decline in membership, compared to a little over one-fifth (22 and 26, respectively) in decline for faith-based organizations and secular comparison charities. (The percentages for change in membership for the latter two types of organizations are based only on the subset of those organizations that had members.) Change in membership is not a

[7] For an example of these findings, see Jeffrey M. Jones. "Below Majority for First Time." Gallup Poll Social Series. https://news.gallup.com/poll/341963/church-membership-falls-below-majority-first-time.aspx. Accessed November 6, 2022.

significant variable in the denominations analysis, indicating that a decline in membership is likely to have affected all types of congregations.

Figure 6. Change in Membership by Organization Type (n=300)



Detailed Findings – I: Basic Organizational Dimensions

We turn now to an analysis of whether and how the three types of organizations in our analysis – congregations, faith-based nonprofits, and secular comparison charities – differ on various organizational characteristics. We also examine differences among the different types of denominations – Evangelical protestant, Mainline protestant, Catholic/ orthodox, and Nondenominational – within the congregation category, on these same dimensions. As noted above, we exclude 8 respondents categorized as non-Christian/ other in the denominations analysis.

We begin by looking at key organizational features that relate to capacity – age, size (defined as number of full-time equivalent staff – FTE), how formalized they are, their use of information technology, and information technology challenges. We also consider features that relate to external forces – funding profile, percent of revenues from donations and location. These are all factors that we know from other analyses to be important for shaping organizational activities and outcomes. Location, use of information technology, and IT challenges are not significant at the bivariate level and therefore not discussed further in this part of our analysis.

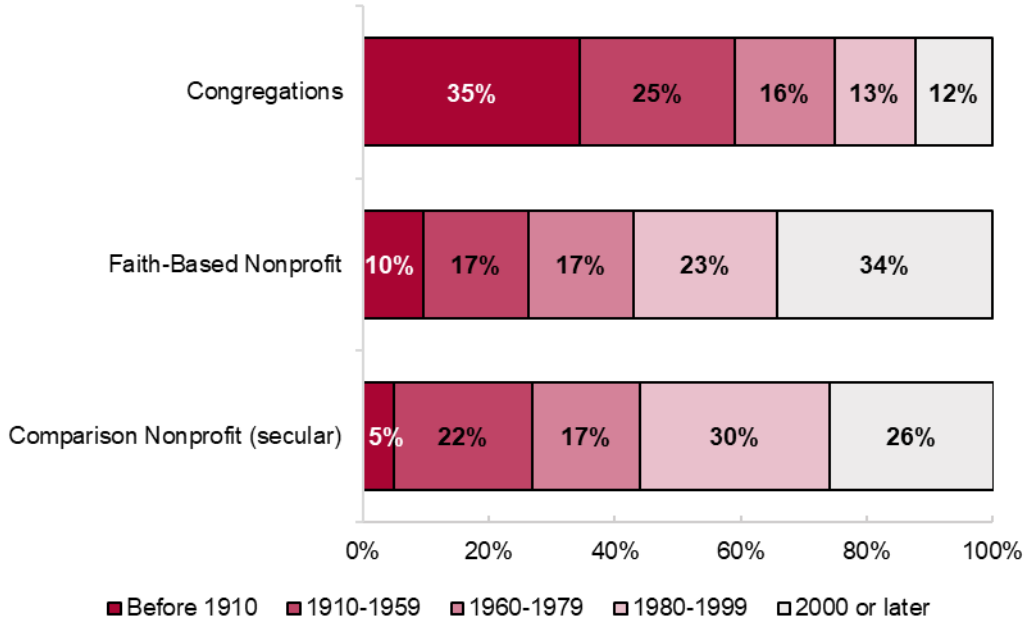
Age

Our survey asked respondents to indicate the decade in which the organization was founded. For purposes of this analysis, we group the decades into five periods: before 1910, from 1910 to 1959, from 1960 to 1979, from 1980 to 1999, or after 2000. In our multivariate analysis, we use the full range of decades.

In general, we expect congregations to be relatively old – some denominations emerged hundreds of years ago or longer, and some more recently. Of course, individual congregations may have much shorter lifespans. Some congregations die because they

cannot adapt to larger cultural trends or to shifting demographic composition in their communities. At the same time, those changes create opportunities for new congregations (or denominations) to emerge.[8] As Figure 7 shows, 60 percent of congregations were founded before 1960, compared to only a quarter of faith-based nonprofits and secular comparison charities (27 percent for each category). By contrast, more than a third of faith-based nonprofits (34 percent) were founded after 2000 (Figure 7), compared to about a quarter of the comparison charities (26 percent) and only 12 percent of congregations.

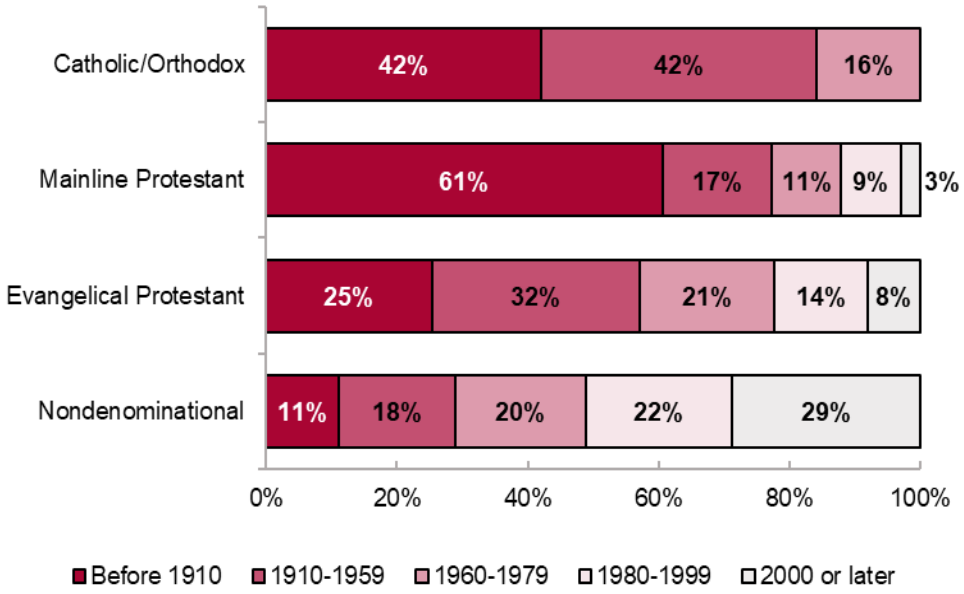
Figure 7. Organizational Age by Organization Type (n=645)



As Figure 8 shows, denominations also differ in when they were founded. Some have existed for well over 100 years. Mainline protestant denominations have the earliest founding dates, with 61 percent founded before 1910, followed by Catholic congregations (42 percent). Only a quarter of Evangelical denominations are equally old, and the percentage drops to only 11 percent for Nondenominational congregations. At the other extreme, more than a quarter of Nondenominational congregations were founded after 2000, compared to only 8 and 3 percent respectively of Evangelical and Mainline protestant denominations and none of the Catholic congregations. These findings suggest that Nondenominational congregations continue to be established, but that is much less likely to be the case for Catholic and to a lesser extent for Mainline protestant congregations.

[8] See Nancy T. Ammerman, 1997. Congregations and Community. Rutgers University Press, https://www.rutgersuniversitypress.org/congregation-and-community/9780813523354; Carl S. Dudley and Nancy T. Ammerman. 2002. Congregations in Transition: A Guide for Analyzing, Assessing, and Adapting in Changing Communities. Jossey-Bass.

Figure 8. Organizational Age by Denomination Type (n=193)

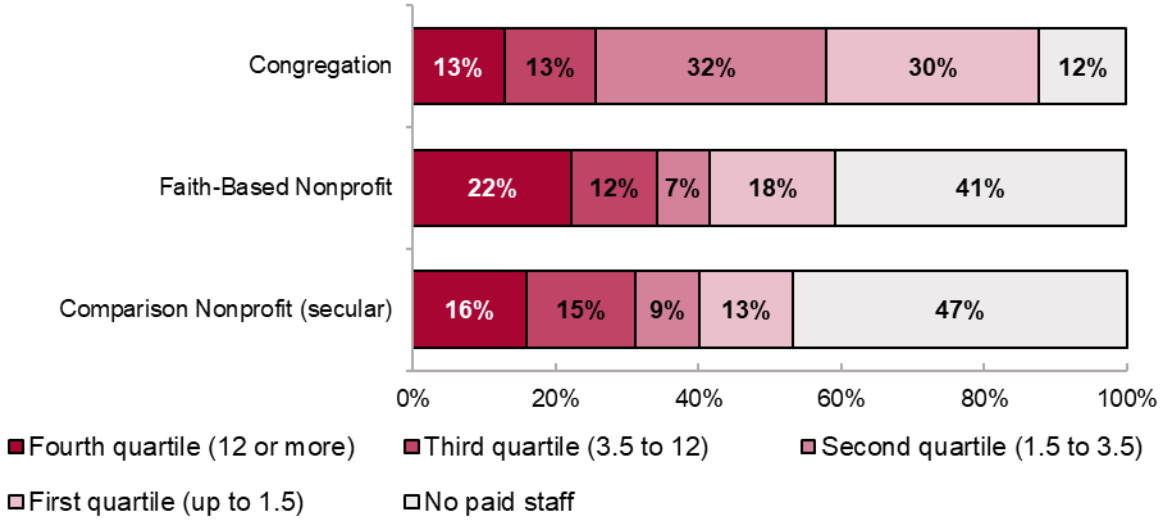


Number of Full-Time Equivalent (FTE) Staff

We use the number of full-time equivalent staff to capture the size of nonprofits, since that is a more stable measure of size than total revenues. We asked our respondents whether the organization had any paid employees, and if so, the number of paid full-time employees (defined as working 35-40 hours per week) and the number of part-time employees currently working for the organization. To compute the number of full-time equivalent (FTE) employees, we added half of the number of part-time employees to the number of full-time employees. For this part of our analysis, we divided those with employees into rough quartiles depending on the number of FTE paid staff, but we use the actual count of FTEs in our multivariate analysis.

We expect most congregations to have paid staff, such as a minister or church secretary, but to have relatively few full-time equivalent staff, given the small size of most congregations we documented above. That is the case. As Figure 9 shows, significantly more congregations (88 percent) have some paid staff, compared to faith-based nonprofits (59 percent) and secular comparison charities (53 percent). However, they are much more likely to have very few paid staff – 62 percent have no more than 3.5 FTE, compared to 25 percent of faith-based nonprofits and 22 percent of secular comparison charities. Still 13 percent of congregations have 12 of more full-time staff.

Figure 9. Number of Full-time Equivalent Employees by Organization Type (n=634)



The median FTE for congregations, including those with no staff is 2. The median for faith-based nonprofits is 1, but only 0.5 for comparison charities (see Table 2). Congregations report a range of 0 to 100 full-time staff, with a mean of 6, somewhat smaller than other faith-based organization where the number of FTEs range from 0 to 200 FTE staff, with a mean of 14. Secular organization report the largest range, 0 to 1,000, with a mean of 20.

Table 2. Number of FTE by Organization Type

Organization Type	Minimum	Median	Maximum	Average
Congregations (n=195)	0	2	100	6
Faith-Based Nonprofits (n=108)	0	1	200	14
Secular Comparison Charities (n=331)	0	0.5	1,000	20

In the denominations analysis, the mean and medians of the number of FTE differ greatly between Catholic/Orthodox and other denominations. As Table 3 shows, Catholic congregations report an average of 23 FTE, with a range of 0 to 80 and a median of 7, while all other denomination categories have an average of 6 or fewer FTEs and a median of 2.

Table 3. Number FTE by Denominations

Denomination	Minimum	Median	Maximum	Average
Catholic/Orthodox (n=17)	0	7	80	23
Mainline Protestant (n=64)	0	2	40	5
Evangelical Protestant (n=62)	0	2	30	3
Nondenominational (n=44)	0	2	60	6

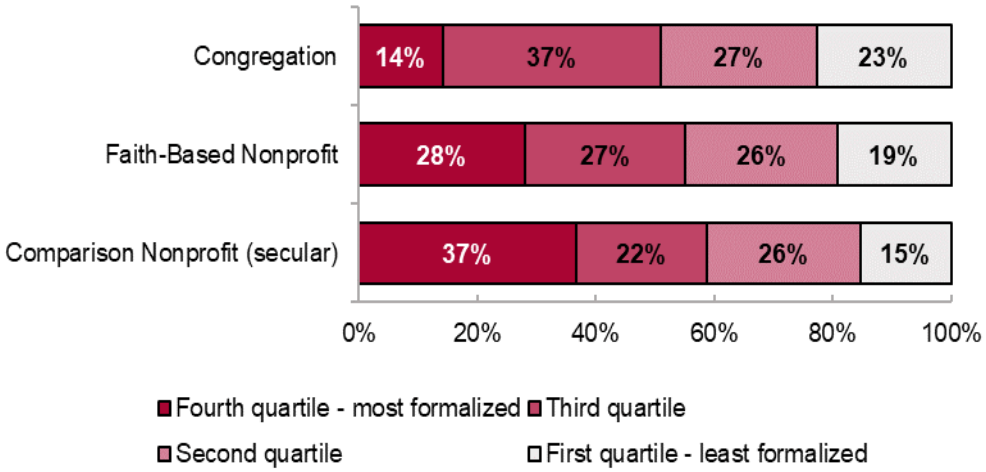
Formalization

As organizations become older, they tend to develop organizational policies and procedures in order to make sure activities continue to be carried out as staff and board members come and go. As organizations grow in size, they also tend to develop policies and procedures to make it possible to manage more staff or a broader range of tasks. However, formalization may be present in very young or very small organizations.

Our survey asked whether respondents have various types of organizational components[9] in place (Figure 11) and we use the presence of more such components to signal a more formalized organization. We computed a formalization scale by counting the number of organizational and human resource components responding nonprofits have in place (adjusting for whether the organization has volunteers or not).

As Figure 10 shows, congregations appear to be significantly less formalized than other faith-based nonprofits, and especially when compared to the secular comparison charities. Only 14 percent of congregations score high on the formalization index, compared to 28 percent of faith-based nonprofits and 37 percent of secular comparison charities. The average formalization index for congregations is 6 out of 13, faith-based nonprofits is 7 out of 13, and secular comparison charities is 8 out of 13. When examining denominations, there were no statistically significant difference in formalization among them.

Figure 10. Formalization Level by Organization Type (n=707)



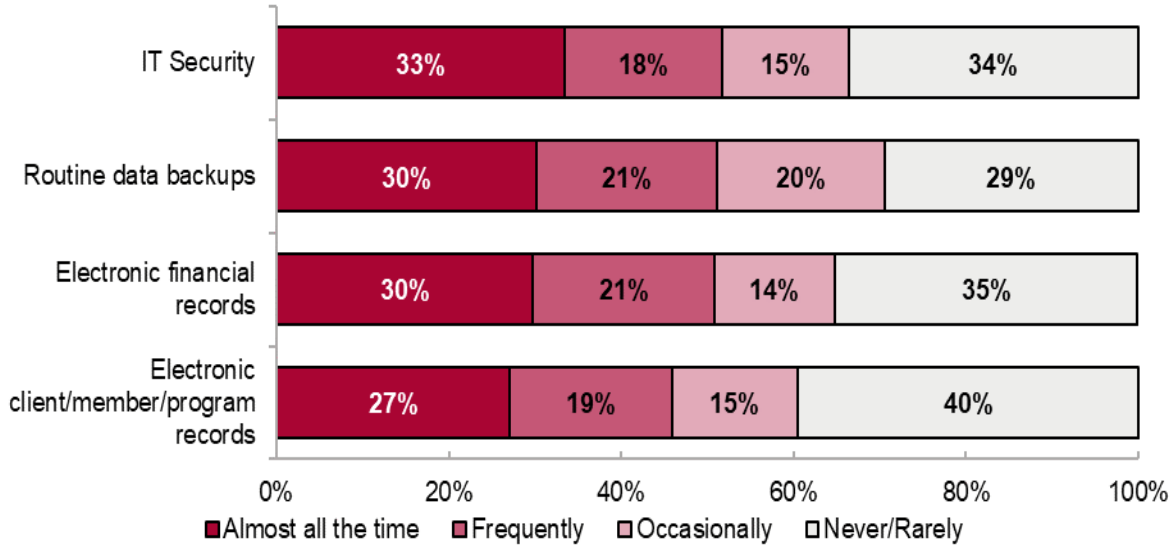
[9] Organizational components, examples: organizational website, written conflict of interest policy, written dissolution plan, audited financial statement produced within the past two years; and orientation process, written instruction manuals, position/work description, training/development opportunities beyond orientation (e.g., workshops, conferences), and written personnel policies (for board members, staff, and volunteers).

Information Technology

Another major organizational dimension for nonprofits is their use of information technology. We found two underlying dimensions, one related to internal IT resources and another related to external IT resources.

The internally-focused IT resources include use of IT security, routine data backup, electronic financial records, and electronic client/member/program records. Between a quarter and one-third of Indiana nonprofits use internally-focused resources almost all the time, but about as many rarely or never use them (see Figure 11).

Figure 11. Internal Information Technology (n=897-905)



We also look at other externally-focused resources, such as Facebook, Twitter, other social media, donor databases or constituent relationship management software, dedicated and reputable sites for nonprofits, standard search engines, and receipt of online donations. Relatively small percentages of Indiana nonprofits say they use these types of resources almost all the time or frequently (Figure 12).

Figure 13 aggregates these two types of IT resources and converts them into a scale with scores ranging from (1) not a challenge, (2) minor challenge, (3) somewhat of a challenge, and (4) major challenge. Neither of these dimensions vary significantly among types of faith-based organizations or among denominations in the bivariate analysis. However, use of internal IT is reported significantly more frequently than external IT among all respondents, as noted in Figure 13.

Figure 12. External Information Technology (n=896-919)

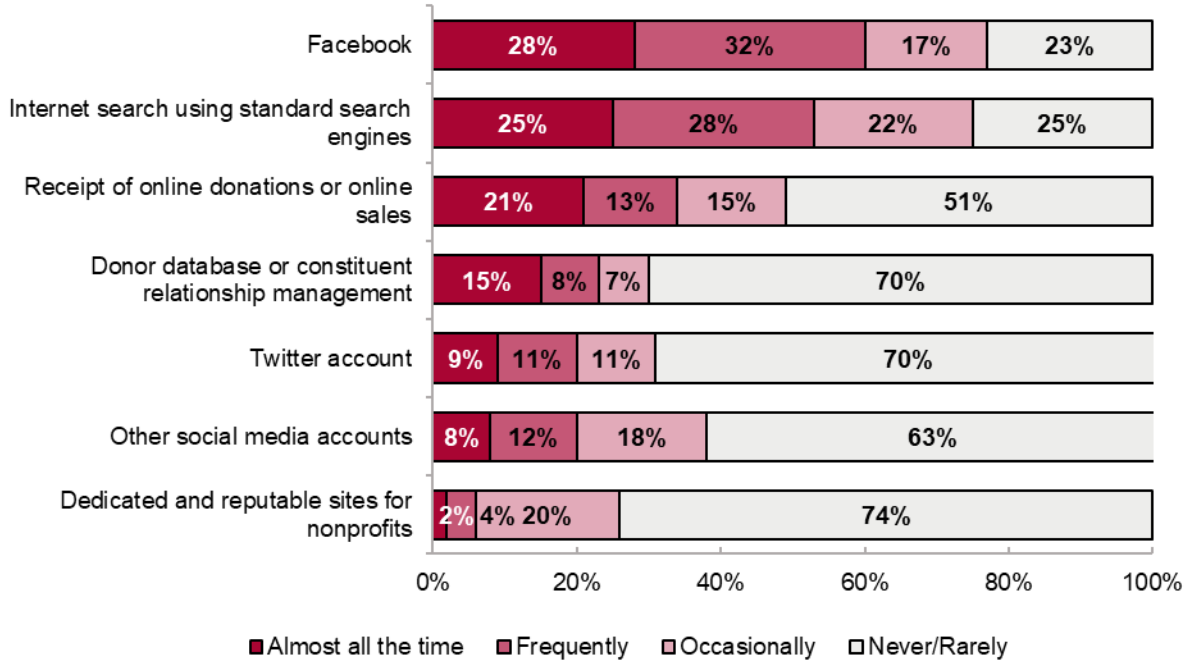
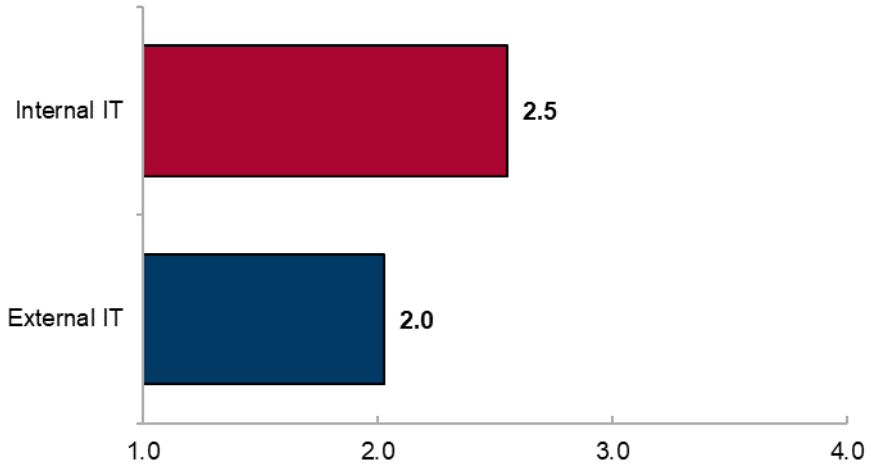


Figure 13. Use of IT for All Respondents (n=634-639)



Funding Profile and Percent of Revenues from Donations

Another major organizational dimension for nonprofits is their funding profile. Only IRS-registered charities and congregations (regardless of whether they are IRS-registered) are eligible to receive tax-deductible contributions from individuals or businesses. However, all types of nonprofits may have proceeds from special events, or obtain revenue from earned income, such as fees, sales, and membership dues. Receiving government grants or contracts is usually available only to nonprofits that provide services deemed important enough by government to support or subsidize. Because of

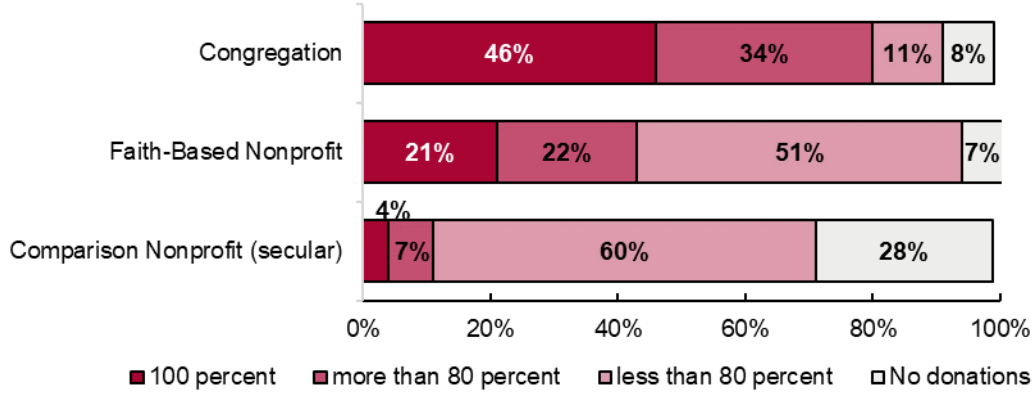
the separation of state and church in the U.S., government funding cannot be used to support inherently religious activities, although congregations and other faith-based nonprofits may receive government funding to support their non-religious services.[10]

We use survey questions about the percent of revenue received from each of several major funding types during the most recently completed fiscal year to compare the funding profile of congregations, faith-based nonprofits, and secular comparison charities. We expect congregations to have greater reliance on funding from donations.

That is the case. As Figure 14 shows, over four-fifths (83 percent) of congregations receive half or more of their funding from donations. Indeed, almost half (46 percent) of congregations receive all their revenue from donations and another third (34 percent) receive 80 percent or more. The rest (11 percent) receive something less than 80 percent of their revenues from donations.

Donations is also the largest funding sources for faith-based nonprofits with over half (54 percent) relying primarily on donations. For secular comparison charities, only 20 percent report receiving half or more of their funding from donations.

Figure 14. Percent of Revenue from Donations by Organization Type (n=596)



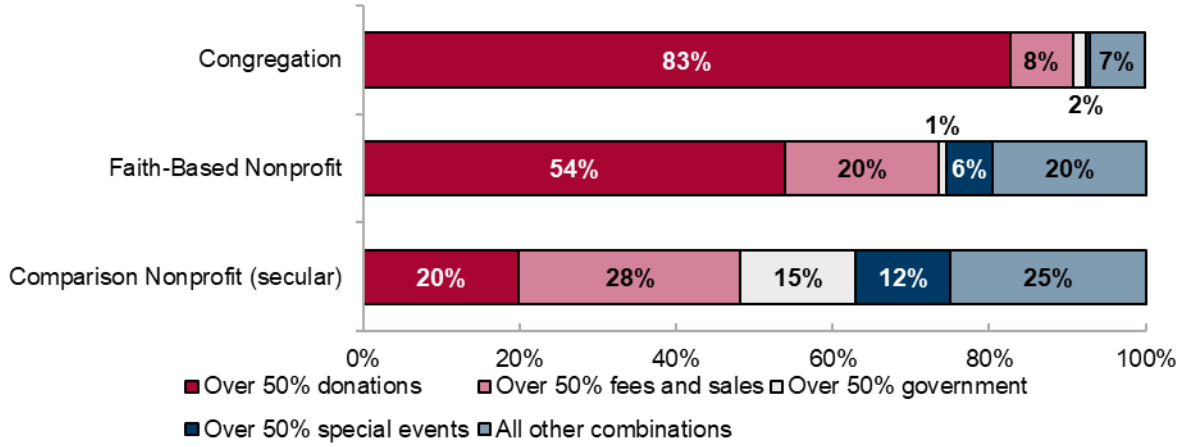
To examine funding profiles in greater depth, we determined whether responding non-profits receive half or more from a particular type of funding. The great majority (83 percent) of congregations rely mainly on donations, as do more than half (54 percent) of other faith-based nonprofits. However, as Figure 15 shows secular comparison charities have much more diverse funding profiles than other faith-based nonprofits, and particularly congregations.

More than a quarter the comparison charities (28 percent) rely primarily on fees and sales compared to 20 percent for other faith-based nonprofits and 8 percent for congregations (this category includes dues, which is how some congregations classify contributions from their members). They are also more likely to rely primarily on government funding (15 percent) compared to very few congregations or other faith nonprofits (2

[10] For more information, see https://www.hhs.gov/answers/grants-and-contracts/what-are-the-rules-on-funding-religious-activity-with-federal-money/index.html (accessed October 5, 2022).

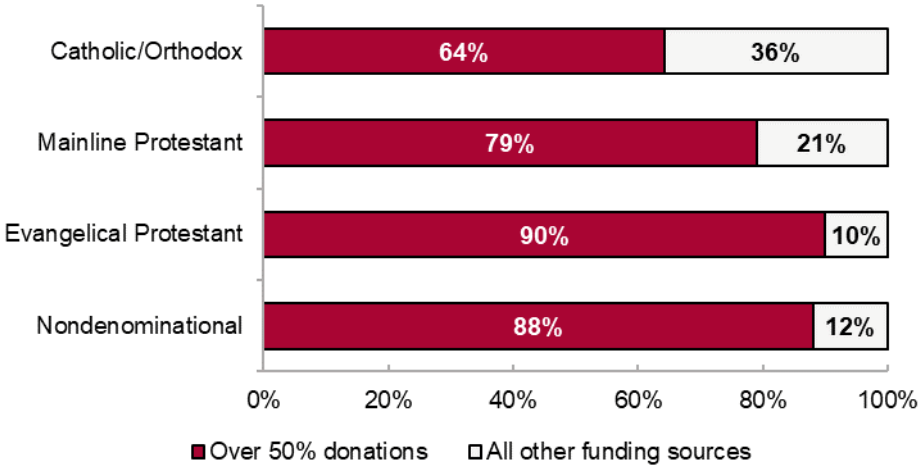
and 1 percent respectively). Finally, they are also more likely to rely on a mix of funding sources (25 percent), compared to 20 percent of other faith-based nonprofits and 7 percent of congregations.

Figure 15. Funding Source by Organization Type (n=594)



As Figure 16 shows, when we look at the funding profiles by denomination, donations account for half or more of their funding for more than two-thirds of all congregations. Of these, Evangelical protestant congregations report the highest percentage (90 percent), followed closely by Nondenominational congregations (88 percent). The percentages drop to about three-quarter for Mainline protestant denominations (79 percent) and two-thirds for Catholic/orthodox congregations (64 percent).

Figure 16. Funding Source by Denomination Type (n=178)



Multivariate Analysis – Base Variables

Our analysis so far has focused on whether a particular organizational feature, such as size or age, differs significantly between congregations, faith-based nonprofits, and secular comparison charities, as well as between denomination types. However, some

of these dimensions are themselves intercorrelated – thus young nonprofits start off with very few, if any, paid employees, and then add paid staff as they become established.

More advanced statistical techniques – multivariate analyses – make it possible to include multiple explanatory features in a statistical model to determine which of them significantly relate to the feature we are trying to understand while controlling for all other factors considered in the analysis. We now take a closer look at how the various organizational characteristics we have considered so far perform in explaining the differences between our organizational categories and denominations when we allow all of them to operate at the same time.

In order to simplify our presentation of findings we focus on comparing only two groups at a time. We begin by examining how congregations compare to other faith-based nonprofits, since both share a faith-connection. Then we compare other faith-based nonprofits and secular comparison charities, since both engage in a fairly broad array of services. Next, we compare congregations and secular comparison charities, where we expect to find the greatest differences. Finally, we examine denominations, but focus only on differences between Mainline protestant and Evangelical protestant congregations since there were too few respondents in the other denominational categories to warrant analysis.

For all four analyses, we examine whether and how the two groups differ on the basic organizational features we have examined so far.

Model B: Base variables included

(1) Age,
(2) Number of full-time staff,
(3) Formalization,
(4) External information technology,
(5) Internal information technology
(6) Percent of revenue from donations,
(7) Location.

In order to benefit from the full power of multi-variate analyses, we use the actual numeric versions of several explanatory factors (variables) explored above instead of grouping these measures into segments. This includes the number of decades since being established, the actual count of FTE paid staff (a highly skewed measure, so we use the natural log), the count of organizational components (formalization scale), percent of donations revenue, external information technology (scale), and internal information technology (scale).

In the case of explanatory variables that are categorical in nature, we convert each category into a “dummy” variable that has the value 1 (yes) if the responding organization fits that category (e.g., is a charity) and otherwise has a value of zero (no). If the categorical variable has more than two categories, as does our location variable: central

city metropolitan county, metropolitan-ring county and non-metropolitan county, we construct three dummy variables to capture each type of location in this yes/no format.

For each family of dummy variables, however, we must exclude one from the multi-variate analysis in order to have a comparison for the remaining variables in that family. For dummy families with three or more categories, we exclude a variable that provides useful comparisons to the remaining dummy variables in that family. For location, we exclude "non-metropolitan counties."

We explore several different models. We examine the ***base*** variables reviewed above and refer to this as ***Model B*** moving forward. When we explore differences in various types of ***challenges*****,** we refer to this as ***Model C***. When we look at other ***explanatory*** factors, we refer this as ***Model E***.

Below we describe the results of the specific comparisons for Model B in some detail. As we show, basic organizational dimensions are very effective in distinguishing among the three types of nonprofits. Congregations differ significantly from other faith-based nonprofits on three of these dimensions; other faith-based nonprofits differ significantly from secular charities on four dimensions; finally, as expected congregations differ even more from secular comparison charities on the basic organizational dimensions with six significant dimensions. Only three dimensions are significantly different when we compare Mainline and Evangelical protestant congregations.

For the full results, see Appendix B – Tables B1 (Congregations vs. Faith-Based Nonprofits), B11 (Faith-Based Nonprofits vs. Secular Comparison Charities), and B21 (Congregations vs. Secular Comparison Charities).

Congregations vs. Faith-Based Nonprofits

Of the base variables in the analysis, only three are significant (see column 1 in Table 4 below). Age and donations have positive relationships in the model, indicating that congregations are older and rely more heavily on donations than other faith-based nonprofits. Formalization has a negative relationship, indicating that congregations are less formalized than faith-based nonprofits. These patterns are consistent with the bivariate analyses above. The analysis accounts for 37 percent of the variance between congregations and faith-based nonprofits and correctly predicts 70 percent of cases.

Table 4. Model B— Estimates from Binary Logistic Regressions of Base Variables

Base Variables	**Congregations vs. Faith – Based Nonprofits** (B) (n=259)	**Faith – Based Nonprofits vs. Secular Comparison Charities** (B) (n=370)	**Congregations vs. Secular Comparison Charities** (B) (n=443)
Age	**+**		**+**
Ln of Number of FTE Staff (numeric)		**+**	**+**
Formalization (numeric)	**–**	**–**	**–**

Base Variables	**Congregations vs. Faith – Based Nonprofits** (B) (n=259)	**Faith – Based Nonprofits vs. Secular Comparison Charities** (B) (n=370)	**Congregations vs. Secular Comparison Charities** (B) (n=443)
Percent of Revenue – Donations	**+**	**+**	**+**
Percent of Revenue – Fees			
Location – Central City Metropolitan County		**+**	**+**
Location – Metropolitan Ring County			
External Information Technology (scale)			**–**
Internal Information Technology (scale)			
Constant		**–**	**–**
R-squared	0.37	0.26	0.68
Percent correctly predicted	70%	79%	87%
Significance	**p<.05**	**p<.05**	**p<.05**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. Those in **red** are significant for all three models. For full statistical details of these analyses, see Appendix B-Tables B1, B11, and B21.

Faith-Based Nonprofits vs. Secular Comparison Charities

Four of the base variables – the number of full-time staff, formalization, donations, and central city metropolitan location are significant in the analysis (see column 2 in Table 4). Full-time staff and donations have positive relationships, indicating that faith-based nonprofits have more full-time staff and rely more heavily on donations than secular comparison charities. Formalization has a negative relationship, indicating that faith-based nonprofits are less formalized than secular comparison charities. Central city metropolitan location is also significant, indicating that faith-based nonprofits are located in central city counties more often than secular comparison charities. The full model accounts for 26 percent of the variance between faith-based nonprofits and secular comparison charities and correctly predicts 79 percent of cases.

Congregations vs. Secular Comparison Charities

As we would expect, there appear to be more significant differences when we compare congregations to secular comparison charities (see column 3 in Table 4). Six of the base variables are significant in the model. Age, full-time staff, and donations have positives relationship, indicating that congregations are older, have more staff, and rely more heavily on donations than secular comparison charities. Formalization is negative, indicating that congregations are less formalized than secular comparison charities. External information technology is significant, indicating that congregations utilize external IT less often than secular comparison charities. Finally, central metropolitan location is also significant in the model indicating that congregations are located in

central cities more often than secular organizations. The full model accounts for 68 percent of the variance between the two types of nonprofits and correctly predicts 87 percent of cases.

Mainline Protestant vs. Evangelical Protestant

We use the same approach to examine whether and how denominations differ on basic organizational features. However, we have only enough respondents among Mainline and Evangelical protestant denominations to warrant this analysis.

Of the base variables in the analysis, three are significant. Age has a positive relationship, indicating that Mainline protestant congregations are significantly older than Evangelical protestant ones. Both formalization and donations have negative relationships, indicating that Mainline protestant congregations are less formalized and have a lower percent of total revenue from donations than Evangelical protestant ones, controlling for all other predictors. The model accounts for 25 percent of the variance between these denominations and correctly predicts 73 percent of cases. For full results, see Appendix B – Table B31 (Mainline Protestant vs. Evangelical Protestant).

Table 5. Model B— Estimates from Binary Logistic Regression of Mainline Protestant vs. Evangelical Protestant (Base Variables) (n=107)

Base Variables	**Mainline Protestant vs. Evangelical Protestant**
Age	**+**
Ln of Number of FTE Staff (numeric)	
Formalization (numeric)	**–**
Percent of Revenue – Donations	**–**
Location – Central City Metropolitan County	
Location – Metropolitan Ring County	
External Information Technology (scale)	
Internal Information Technology (scale)	
Constant	
R-squared	0.25
Percent correctly predicted	73%
Significance	**p<.05**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. For full statistical details of these analyses, see Appendix B- Table B31.

Information Technology Challenges

In addition to questions about the presence of external and internal information technology resources, we also asked how challenging respondents found various activities related to using IT. We found two underlying dimensions, one related applying IT resources and one related to developing IT capacity.

Figure 17 shows how challenging respondents find the two IT application activities: creating and maintaining an engaging, up-to-date website and creating, updating, and using donor database software.

Figure 17. IT Application Challenges (n=580-745)

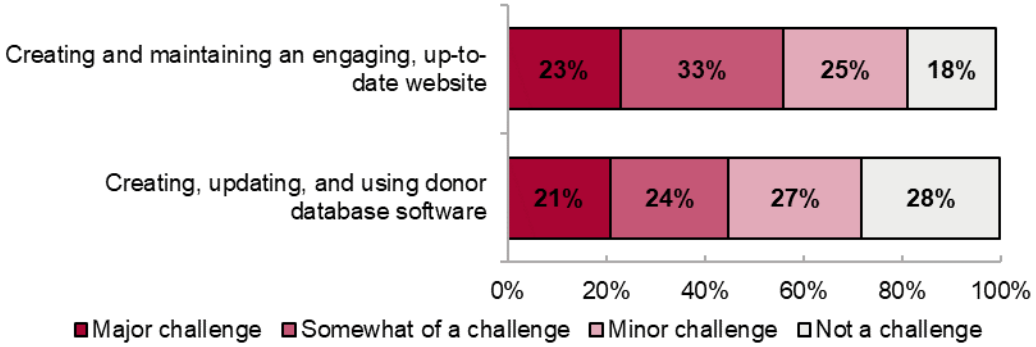


Figure 18 shows how challenging respondents find four IT capacity activities: training staff/volunteers in software/applications, getting help to address information technology problems, getting decision-makers or funders to understand the importance of getting good tech, and identifying technology tools and resources for improving service delivery.

Figure 18. IT Capacity Challenges (n=681-726)

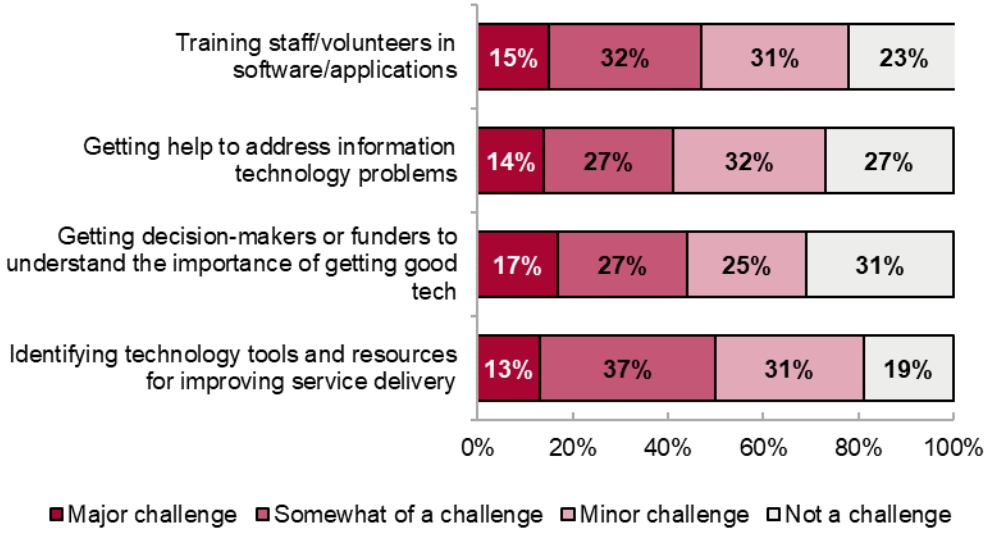
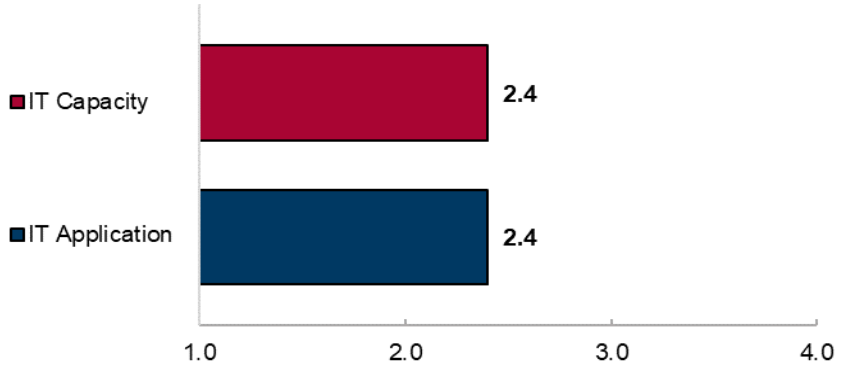


Figure 19 uses these two groupings of IT application activities and converts them into a scale with scores ranging from (1) not a challenge, (2) minor challenge, (3) somewhat of a challenge, and (4) major challenge. They appear to be about equally challenging. As noted earlier, neither of these dimensions vary significantly among types of faith-based organizations or among denominations.

Figure 19. IT Challenges for All Respondents (n=555-569)



Multivariate Analysis – Base and IT Challenge Variables

Although IT challenges were not significantly different between congregations, other faith-based nonprofits or secular charities, nor between major denominations, we were interested in seeing whether adding them to the base variables would help identify differences among types of faith-based organizations or between major denominations. This is our Challenge model, Model C. In previous analyses, we have found that many types of management challenges appear related to board vacancies, so we include the number of board vacancies. We exclude external and internal IT to avoid collinearity issues.

Model C: IT challenges added to base variables:

(1) IT capacity challenges
(2) IT application challenges
(3) Number of board vacancies

In order to simplify our analysis and presentation of findings, we again compare only two groups at a time: congregations compared to other faith-based nonprofits, other faith-based nonprofits compared to secular comparison charities, and congregations compared to secular comparison charities. Finally, we compare Mainline protestant to Evangelical protestant denominations, where we find that the model is not significant.

For all four analyses, we examine whether and how the two groups differ on the basic organizational features we have examined so far along with IT capacity challenges, IT application challenges, and prevalence of board vacancies. Overall, there do not appear to be any differences between the comparison groups in the extent to which IT present challenges, once we control for basic organizational dimensions. Nor do adding these IT challenge indicators have much discernable impact on our already effective ability to correctly distinguish between the various types of organizations. We also compare Mainline protestant to Evangelical protestant denominations, where we find that the model is not significant. None of the base variables are significant within the model, once the challenge variables are added to the analysis. For full details, see Appendix B-Tables B2, B12, and B22.

Detailed Findings – II: Finance Dimensions

All organizations depend on financial resources to cover the cost of delivering programs and services. For some nonprofits donations are the primary sources of funding. Others rely on a variety of other sources of funding, such as government grants or contracts, fees and dues, and special events and sales. Changes in revenue (and in expenses) may allow or force nonprofits to adjust their priorities and can change their ability to reach to those utilizing their services.

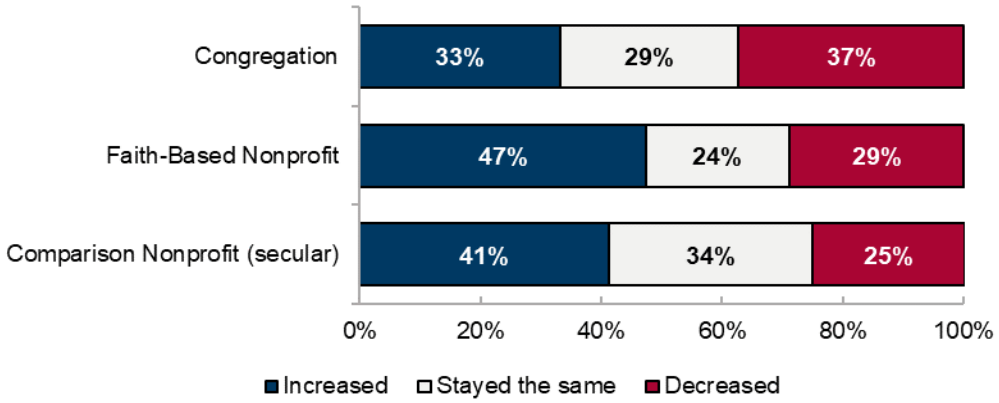
We have already looked at our respondents' funding profiles and percent of revenue from donations. As noted above, we found that congregations are more likely to rely heavily on donations as the primary source of funding. We take this analysis one step further by looking at changes in revenue and expenses over time.

Changes in Revenue

Our survey asked respondents to indicate how revenue has changed in their organization over the prior 36 months, whether it increased, stayed the same, or decreased. We expect revenue for congregations to decline, given declining religiosity in the U.S. and lower church attendance.[11]

This is in fact the case. As Figure 20 shows, more congregations reported a decrease in revenues (37 percent) than an increase (33 percent). However, the decrease/increase ratio is quite different for the two other groups examined here. Thus, almost half (47 percent) of faith-based nonprofits reported an increase in revenue, a notably higher percent than reported a decrease (29 percent). Similarly, only 25 percent of secular comparison charities reported decreased revenue, while 41 percent said revenues had increased. There was no significant difference among the major types of denomination in whether revenues had increased or decreased.

Figure 20. Change in Revenue by Organization Type (n=575)



[11] See Gregory Smith and Anna Schiller. (2019). Measuring Religion in Pew Research Center's American Trends Report. Pew Research Center. https://www.pewresearch.org/religion/2021/01/14/measuring-religion-in-pew-research-centers-american-trends-panel/.

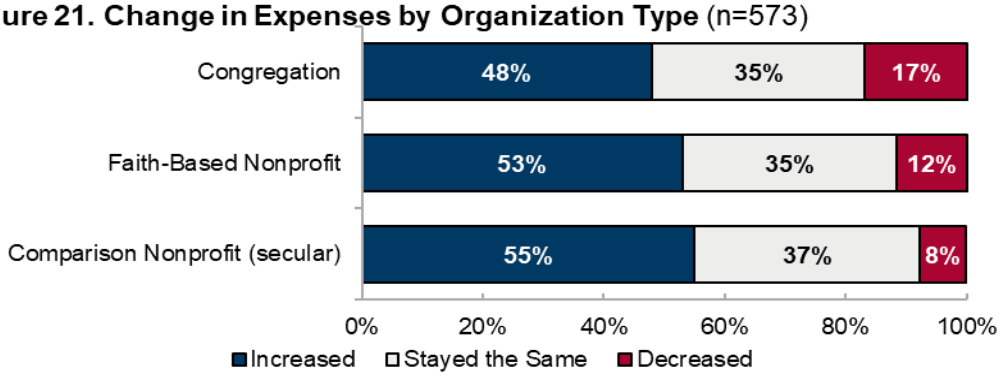
Changes in Expenses

Nonprofits may continue to do well, despite declining revenues, if they have a built-up surplus or can withdraw funds from an endowment, take a loan, or curtail excess expenses. Below we discuss changes in expense.

Our survey asked respondents to indicate how expenses has changed in their organization over the last 36 months, whether it increased, stayed the same, or decreased. Generally, we would expect expenses for all types of organizations to increase because of general inflation.

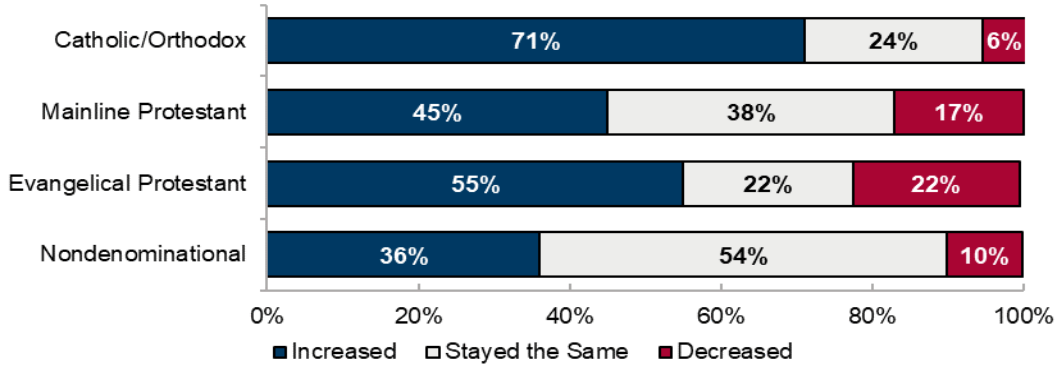
This is in fact the case. As Figure 21 shows, more congregations reported an increase in expenses (48 percent) than a decrease (17 percent). Over half (53 percent) of faith-based nonprofits reported an increase in expenses, more than four times as many as reported a decrease (12 percent). Similarly, more than half (55 percent) of secular comparison charities reported an increase, while only 8 percent said expenses had decreased.

Figure 21. Change in Expenses by Organization Type (n=573)



As Figure 22 shows, denominations also differ in how expenses had changed. Catholic congregations report the highest percent with increases in expenses (71 percent), followed by Evangelical denominations (55 percent). Less than half (45 percent) of Mainline denominations report increase in expenses, with Nondenominational congregations (36 percent) trailing notably behind.

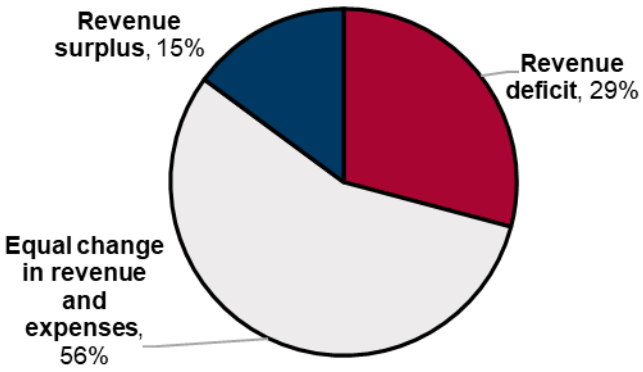
Figure 22. Change in Expenses by Denomination Type (n=172)



Financial Health

To simplify this analysis, we look at whether changes in revenue and in expenses follow the same or different trajectories by computing the difference between the two change scores. This tells us whether an organization has experienced a surplus in revenue (e.g., revenues increased while expenses were the same or decreased), a deficit in revenue (e.g., expenses increased, while revenues were the same or decreased), or if there was no difference between revenues and expenses (e.g., both increased, stayed the same, or decreased). Figure 23 shows the percent of all respondents that appear to have a deficit, similar changes in revenue and expenses, or a revenue surplus. We caution that these are rough indicators only, since we don't have the percent changes in revenue or expenses.

Figure 23. Financial Health for All Respondents
(n=572)



When we examine denominations, 41 percent of Catholic congregations appear to have a deficit, significantly higher than the roughly one-third of Mainline protestant congregations (35 percent), Nondenominational congregations (33 percent), and Evangelical protestant congregations (31 percent).

Financial Management Challenges

We use survey questions about various types of financial challenges Indiana nonprofits are facing using a four-point scale for all items, ranging from 1 (not a challenge) to 4 (a major challenge). We find two clusters of challenges, one related to securing funding and one related to financial management, with securing funding more challenging than financial management.

As Figure 24 shows, the funding challenge scale include: expanding the organization's donor base; developing a capital campaign; securing private foundation grants/corporate support; hosting successful fundraising events; securing individual donations/ contributions; retaining the organization's donor base.

As the figure shows, expanding the organization's donor base appears to be the most challenging item in this group, with 74 percent saying it is at least somewhat of a

challenge, followed by developing a capital campaign (59 percent). More than half find the remaining items to be at least somewhat of a challenge, including about a quarter who say securing foundation and corporate grants is a major challenge (24 percent) or hosting successful special events (23 percent). About a fifth find it a major challenge to secure individual donations, while only 16 percent say retaining donors is a major challenge.[12]

Figure 24. Funding Challenges (n=371-703)

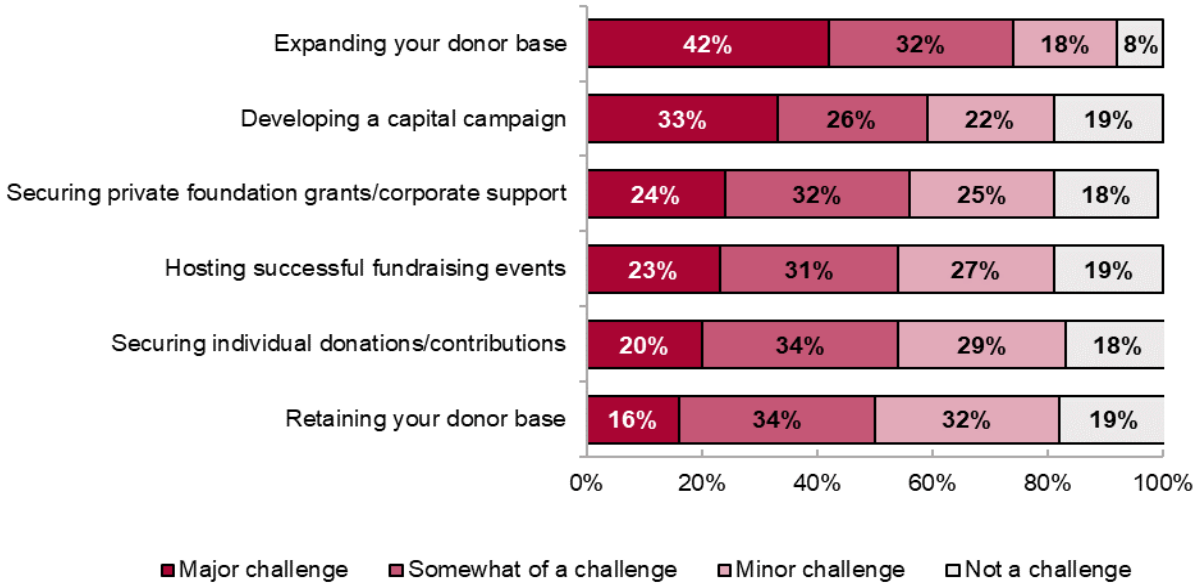
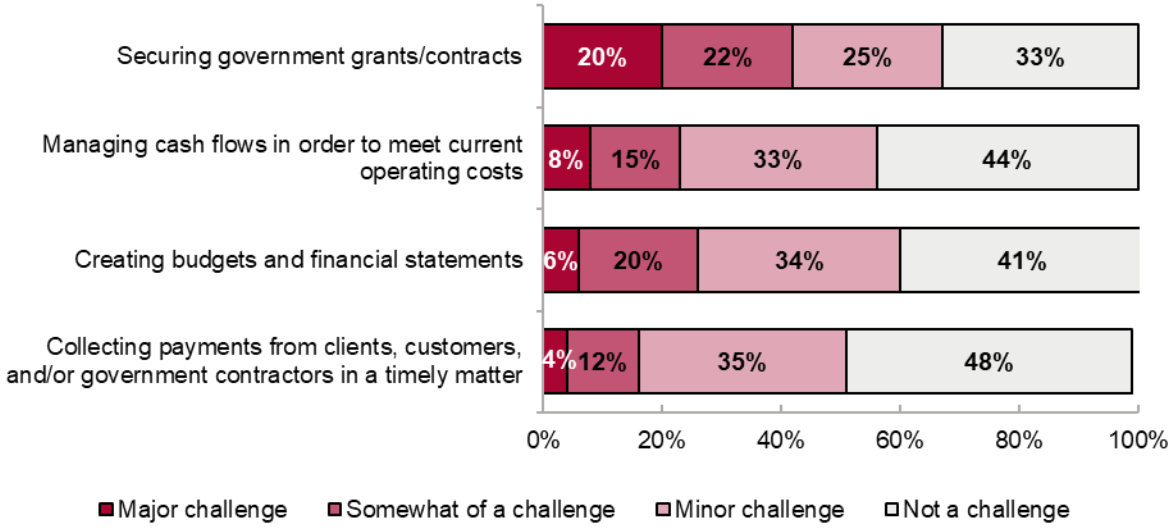


Figure 25 shows the items included in the financial management scale: securing government grants/contracts; managing cash flows in order to meet current operating costs; creating budgets and financial statements; and collecting payments from clients, customers, and/or government contractors in a timely manner.

Securing government grants and contracts is the most challenging item in this group, with 42 percent saying it is at least somewhat of a challenge, including 20 percent who say it is a major challenge. The other three items are considered at least somewhat of a challenge for about a quarter or less and a major challenge by only 4-8 percent.

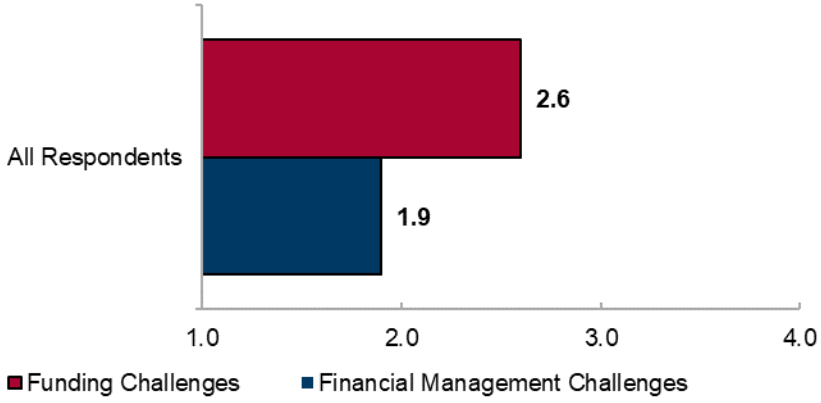
[12] Detailed analysis of changes in donors and gifts over time show that donor retention is an important problem that forces many nonprofits seek new donors to replace those that have lapsed. For more details, see https://afpglobal.org/FundraisingEffectivenessProject (retrieved, November 27, 2022).

Figure 25. Financial Management Challenges (n=540-738)



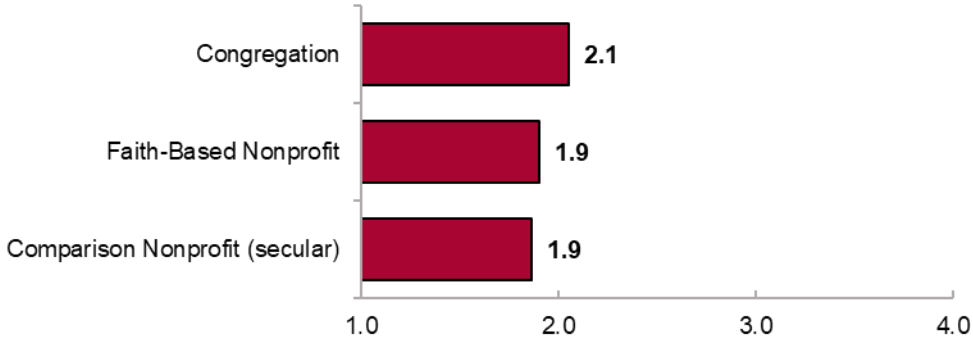
As Figure 26 shows, funding challenges (red bar) is overall significantly greater (score of 2.6 out of 4.0) than financial management challenges (blue bar, score of 1.9). The same pattern holds for each of the three types of nonprofits – in each case, funding challenges are significantly greater than financial management challenges.

Figure 26. Financial Challenges for All Respondents (n=569-583)



There are also some significant differences in the extent to which the three types of nonprofits report financial management challenges. As Figure 27 shows, congregations have significantly higher financial management challenge scores (2.1 out of 4) than faith-based nonprofits and secular comparison charities (1.9 each). This is as we would expect, since congregations are more likely to report reduced revenues than faith-based nonprofits or secular charities. There is no significant difference among the three groups in the extent of funding challenges.

Figure 27. Financial Mamanegment Challenges Scale by Organization Type (n=583)



Multivariate Analysis – Base and Financial Variables

Next, we examine whether adding the financial health or the financial challenge variables (together with board vacancies) to our basic organizational variables changes our ability to distinguish among types of respondents. We again focus on comparing only two groups at a time: how congregations compare to other faith-based nonprofits, faith-based nonprofits to secular comparison charities, congregations to secular comparison charities; and Mainline to Evangelic protestant denominations. For all four analyses, we examine whether and how each set of two groups differ significantly in terms of financial indicators included in the analyses.

Model E1: financial health variable added to base variables

(1) Financial health (scale),

Model C1: financial challenge variables added to base variables

(2) Financial management challenges (scale)
(3) Funding challenges (scale)
(4) Board vacancies.

As we show in greater detail in Appendix B, once we control for basic organizational dimensions, there do not appear to be any differences between the comparison groups in the extent to which they have experienced changes in revenues, changes in expenses or in financial challenges. Nor do adding these financial indicators have much discernable impact on our already effective ability to correctly distinguish between the various types of organizations using only the basic organizational dimensions. For full details, see Appendix B- Tables B3-B4, B13-14, B23-24, and B32.

Detailed Findings – III: Human Resource Dimensions

All organizations depend on people – its human resources – to make decisions and carry out a variety of tasks. For some nonprofits all tasks are carried out by volunteers – either by a working board or a board assisted by other volunteers. Other nonprofits may hire staff to carry out tasks that require ongoing efforts, once they have secured enough funding to do so, but many continue to use volunteers, not just as board members.

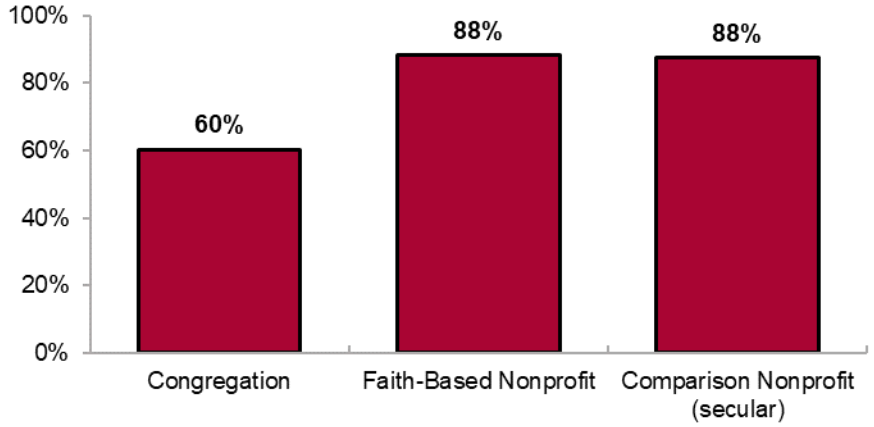
We have already looked at whether our respondents have any paid staff and introduced the number of full-time equivalent (FTE) as an indicator of organizational size. As noted above, we found that faith-based nonprofits and secular comparison charities are more likely to have no paid staff at all than congregations, but when they do have paid staff, they tend to have more FTEs. We take this analysis one step further by looking at whether the paid staff includes an executive director or equivalent, before turning to a closer look at boards and volunteers.

Paid Executive Director

We asked our respondents whether the organization currently has a paid executive director or similar employee with executive responsibilities. We expect congregations to be more likely to not have an executive director, since the congregation's spiritual leader most likely performs most of the executive functions, perhaps assisted by a support staff person, such as a church secretary.

As Figure 28 shows, that is indeed the case. Only 60 percent of congregations report having an executive director or similar staff with executive responsibilities, while almost all (88 percent, in each case) faith-based nonprofits and secular comparison charities do. There are no significant differences among types of denominations in terms of whether they have a paid executive director.

Figure 28. Executive Director by Organization Type (n=422)

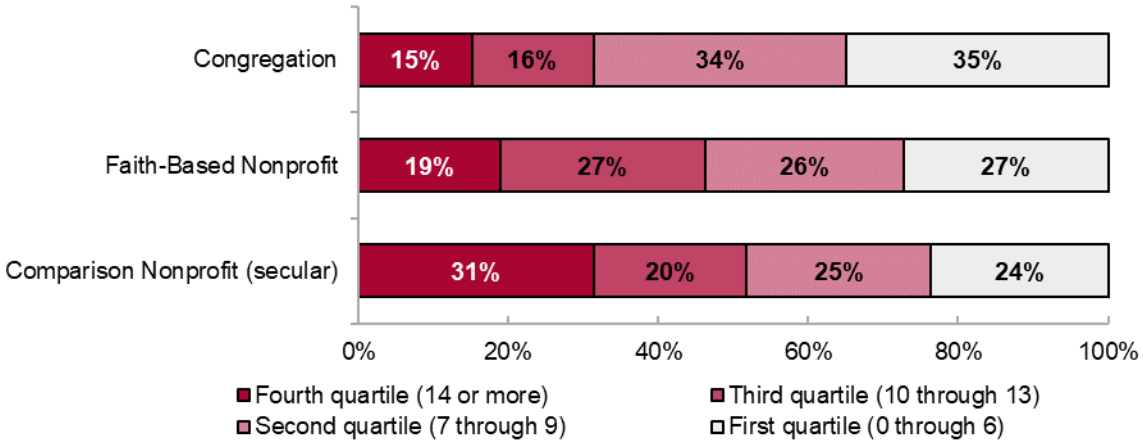


Board Size

Congregations usually recruit board members from their own congregation – and at times may find it difficult to find members willing to take on the responsibilities and who also have the confidence and support of the congregation's other members. Other faith-based nonprofits and secular comparison charities are less likely to have members, or if they do (e.g., YMCAs), those members may not be involved in selecting board members. They – particularly the secular charities – are also more likely to serve more diverse constituents and seek to include representatives of the most important constituency groups on their boards. We therefore expect congregations to report fewer board members than the other two types of respondents.

Our survey asked respondents how many board members the organization currently has. Overall, all congregations and faith-based nonprofits report having board members, as do all but 2 secular comparison charities. As Figure 29 shows, congregations do indeed have fewer board members than the two comparison groups, with more than a third (35 percent) having no more than six board members, compared to about a quarter of other faith-based nonprofits (27 percent) and secular comparison charities (24 percent). More than two-thirds (69 percent) of congregations have nine members or less, compared to about half of faith-based nonprofits (53 percent) and secular comparison charities (49 percent). Similarly, only 15 percent of congregations have 14 or more board members (highest quartile), compared to 31 percent for secular comparison charities. As expected, there are no significant differences in the size of boards among denominations.

Figure 29. Number of Board Members by Organization Type (n=581)



The median board size is fairly similar for the three types of organizations: 8 for congregations, 9 for faith-based nonprofits, and 10 for secular comparison charities. However, the medians hide much more substantial differences (Table 6). The size of boards for congregations range between only 2 to 60 board members, with an average of 9. The range for faith-based organization is very similar, from a low of 2 to a high of 50 board members, with an average of 11. Secular organization have the largest range, 1 to 150 and an average of 12.

Table 6. Board Size by Organization Type

Organization Type	Minimum	Median	Maximum	Average
Congregations (n=166)	2	8	60	9
Faith-Based Nonprofits (n=106)	2	9	50	11
Secular Comparison Charities (n=309)	1	10	150	12

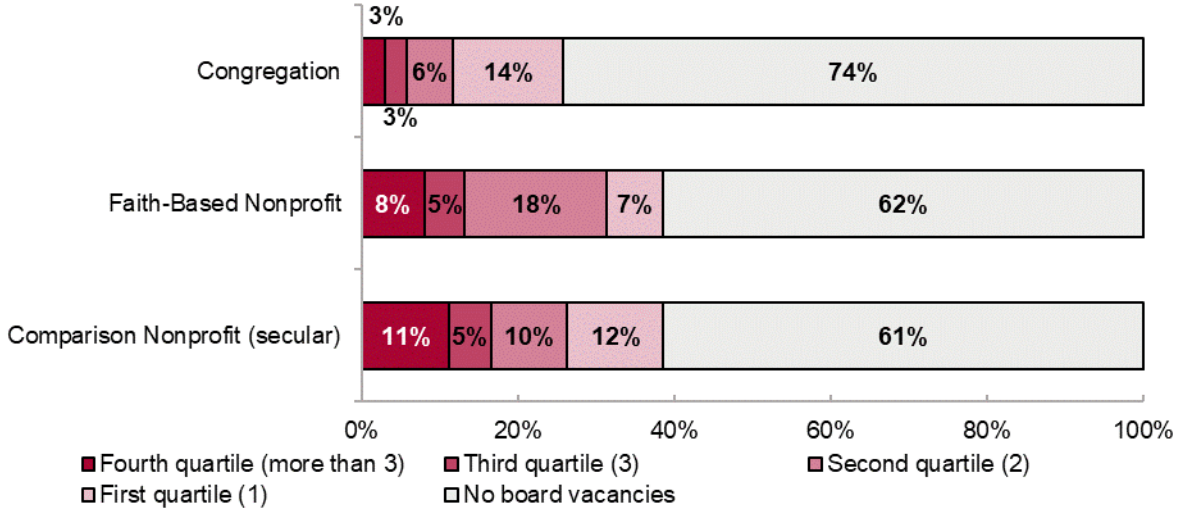
Board Vacancies

We also asked respondents how many board vacancies the organization currently has. In previous analyses we have found that the number of board vacancies tends to be associated with a range of organizational challenges.

In general, we expect congregations to report fewer board vacancies not only because they have smaller boards, but because they recruit from their own members and can more easily put pressure on individuals to accept board positions. Individuals may also be more willing to accept board nominations when invited to serve because of the prestige and status that carries in the congregation. Other faith-based nonprofits and secular comparison charities are likely to have less leverage over potential board members.

As Figure 30 shows, 74 percent of congregations report no board vacancies. By comparison only 62 percent of faith-based nonprofits and 61 percent of secular comparison charities do so. As expected, denominations do not differ significantly in the number of board vacancies.

Figure 30. Number of Board Vacancies by Organization Type (n=520)



The median board vacancy is the same for the three types of organizations: 1 for congregations, 2 for faith-based nonprofits, and 2 for secular comparison charities. However, the medians hide much more substantial differences (Table 7). Board vacancies for congregations range between only 1 to 6 board vacancies, with an average of 2. The range for faith-based organization is very similar, from a low of 1 to a high of 8 board members, with an average of 3. Secular organization report the largest range, 1 to 12 and an average of 3.

Table 7. Board Vacancies by Organization Type

Organization Type	Minimum	Median	Maximum	Average
Congregations (n=136)	1	1	6	2
Faith-Based Nonprofits (n=99)	1	2	8	3
Secular Comparison Charities (n=287)	1	2	12	3

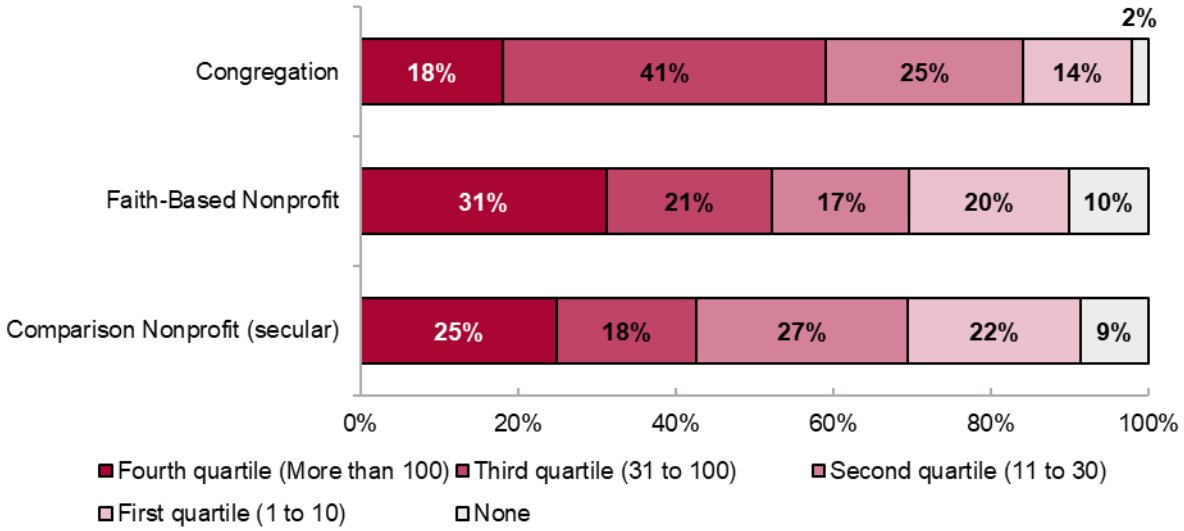
Number of Volunteers

Finally, we take a closer look at volunteers – another very important resource for most nonprofits. Our survey asked respondents to indicate how many people did volunteer work for their organization during the last 12 months (other than as board members).

Congregations provide many volunteer opportunities for their members, e.g., teach Sunday school, sing in choirs, organize church socials, maintain the grounds, etc., but most of these are related to congregational activities. Other faith-based nonprofits and secular comparison charities may use volunteers more to deliver various services to clients or to help raise funds. We expect congregations to be more likely to use volunteers than their counterparts, but to use relatively fewer volunteers.

This is the case. As Figure 31 shows, almost all congregations (98 percent) use at least some volunteers, as do the great majority of faith-based nonprofits and secular comparison charities (90 and 91 percent respectively). However, less than a fifth (18 percent) of congregations use more than 100 volunteers, compared to 31 percent of faith-based nonprofits and 25 percent of secular comparison charities.

Figure 31. Number of Volunteers by Organization Type (n=631)



The median number of volunteers varies for the three types of organizations: 45 for congregations, 45 for faith-based nonprofits, and 30 for secular comparison charities, but the medians hide more substantial differences (Table). Of those using volunteers, the number of volunteers for congregations range between 1 and 4,000 volunteers, with an average of 121. The range for faith-based organization is fairly similar, from a low of

1 to a high of 9,100 volunteers, with an average of 402. Secular organization report the largest range, 1 to 43,100 and an average of 354.

Table 8. Volunteers by Organization Types

Organization Type	Minimum	Median	Maximum	Average
Congregations (n=184)	1	45	4,000	121
Faith-Based Nonprofits (n=98)	1	45	9,100	402
Secular Comparison Charities (n=305)	1	30	43,100	354

As we noted earlier there are significantly differences among denominations in terms of paid employees with Catholic congregations have significantly more FTEs than protestant or Nondenominational congregations. The same pattern holds with regard to the number of volunteers.

The median number of volunteers is 200 for Catholic congregations – more than four times as many as other congregations: 45 for Mainline protestant, 45 for Evangelical protestant, and 40 for Nondenominational congregations. The medians also here hide much more substantial differences (Table 9). The number of volunteers for Catholic congregations range between only 3 to 2,000, with an average of 365. Mainline protestant congregations range from low of 1 to a high of 350 volunteers, with an average of 69. Evangelical protestant congregations range between 5 to 500, with an average of 75. Nondenominational congregations range from 5 to 4,000 volunteers, with an average of 188.

Table 9. Volunteers by Denominations

Denomination	Minimum	Median	Maximum	Average
Catholic/Orthodox (n=16)	3	200	2,000	365
Mainline Protestant (n=61)	1	45	350	69
Evangelical Protestant (n=60)	5	45	500	75
Nondenominational (n=43)	5	40	4,000	188

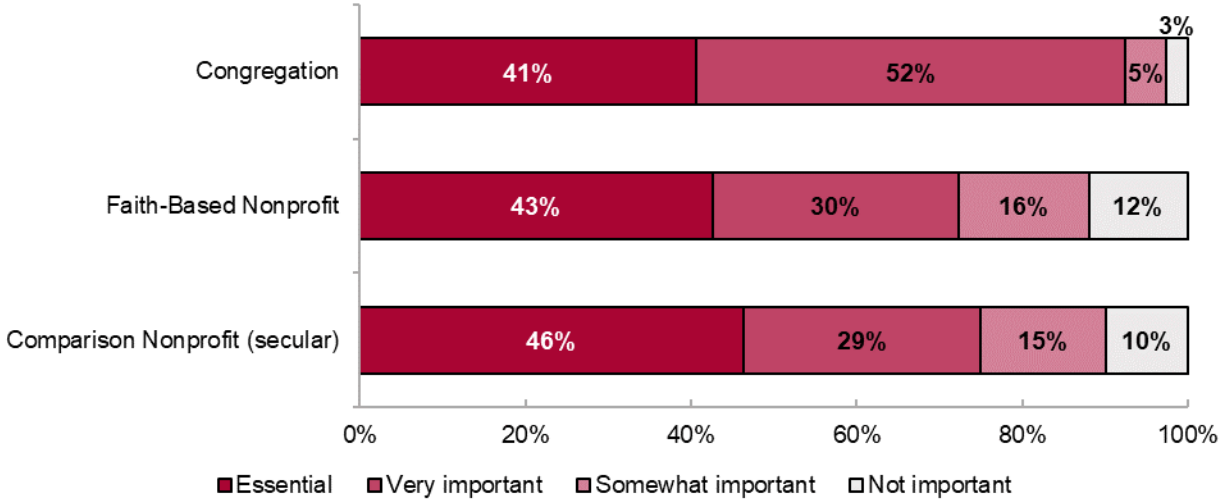
Volunteer Importance

We also asked those respondents that use volunteers (other than board members) to indicate how important volunteers are to the work of their organization, whether they are essential, very important, somewhat important, or not important. We expect volunteers to be important to all three groups, but more so to congregations.

As Figure 32 shows, there are no major differences among the three types of nonprofits in whether volunteers are essential. For each type, more than two-fifths make that assessment – 46, 43, and 41 percent respectively for secular comparison charities, faith-based nonprofits, and congregations. However, many more congregations say volunteers are very important (52 percent) compared to 30 percent of faith-based nonprofits and 29 percent of secular comparison charities. Hardly any congregations

say volunteers are not important (3 percent) compared to 10 percent of secular comparison charities, and 12 percent of faith-based nonprofits. We found no significant difference among denominations in terms of how important volunteers are.

Figure 32. Volunteer Importance by Organization Type (n=592)



Human Resource Challenges

We use survey questions about challenges related to each of the three types of human resources— employees, board members, and volunteers on a four-point scale ranging from 1 (not a challenge) to 4 (a major challenge).

Employee Management Challenges

Our survey asked about three types of challenges in managing paid employees: providing adequate compensation, recruiting and retaining staff, and assessing and managing staff performance. We examined whether the items formed underlying dimensions and identified two such dimensions. Employee compensation stands by itself and is a major challenge for more than a quarter and at least somewhat of a challenge for more than half (54 percent) of our respondents (see Figure 33). Still, 22 percent say it is not a challenge.

Figure 33. Employee Compensation Challenges (n=478)

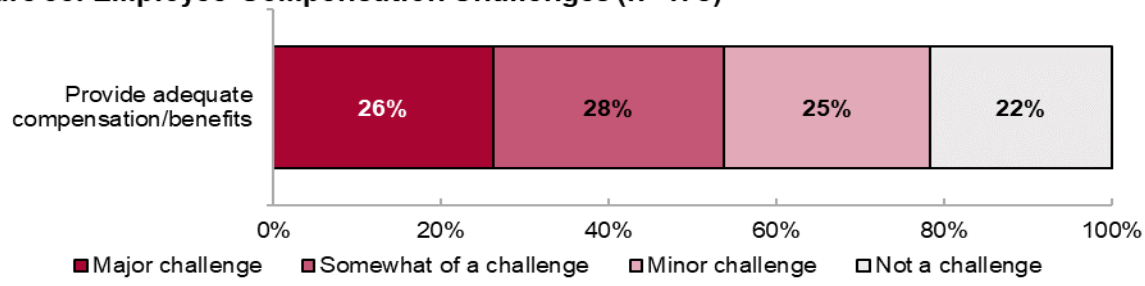
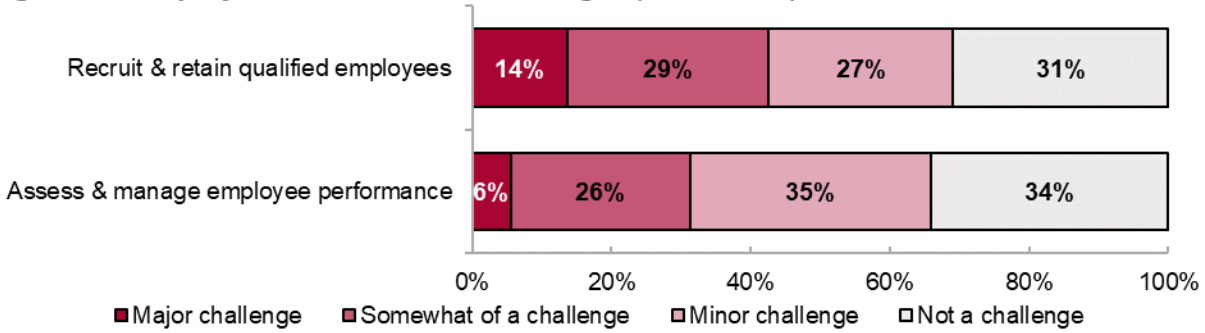


Figure 34 shows the items included in the second scale, employee performance challenges: recruiting and retaining qualified employees and assessing and managing employee performance. Only a small minority (6-14 percent) report either of these tasks

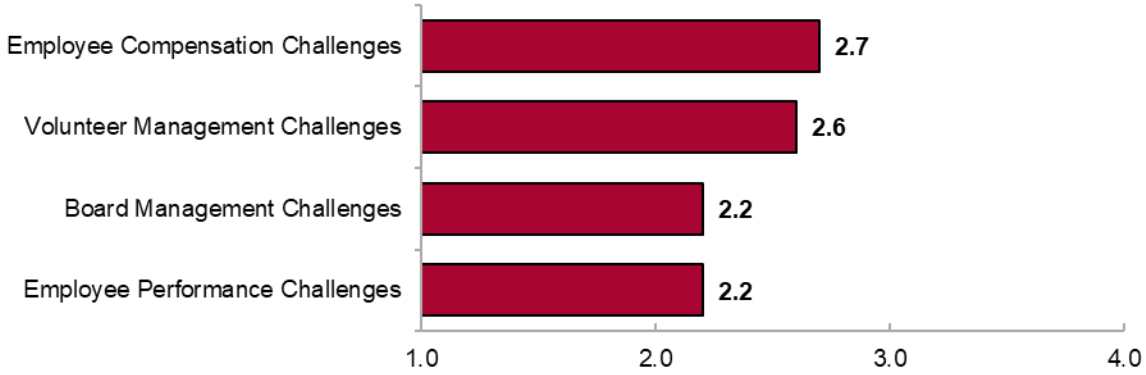
to be a major challenge, but 43 percent say it is at least somewhat of a challenge to recruit and retain staff members, while 32 percent say that for assessing and management employee performance.

Figure 34. Employee Performance Challenges (n=473-477)



As Figure 35 shows, securing adequate staff compensation is significantly more of a challenge (average score of 2.6 out of 4) than securing and maintaining staff quality (average score of 2.2). We had expected there to be some differences among the three types of respondents. Congregations (and perhaps other faith-based nonprofits) may recruit staff who share the particular faith community, so their staff may be more committed and willing to receive lower compensation than at secular comparison charities. At the same time, the shared faith might make it more difficult to manage problematic staff performance.

Figure 35. HR Management Challenges for All Respondents (n=388-581)



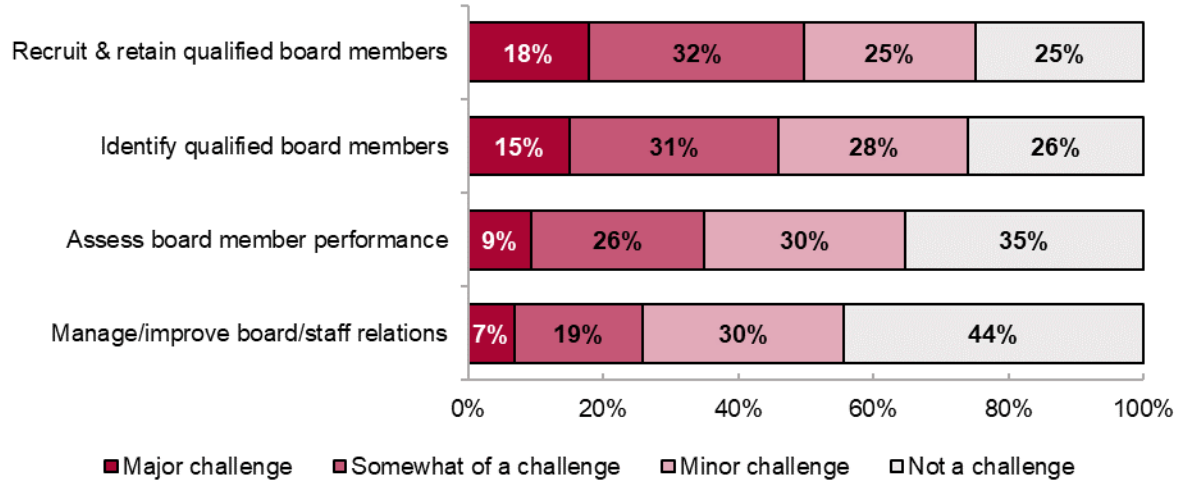
However, there are no significant differences at the bivariate level between congregations, other faith-based nonprofits and comparison secular charities in the extent to which they face challenges on either of the employee challenge dimensions. There are also no significant differences among major denominations in either of these types of challenges. However, we include both dimensions in our multivariate analysis below.

Board Management Challenges

We asked similar questions about several board related challenges: recruiting and retaining qualified board members; managing or improving board and staff relations;

identifying qualified board members; and assessing board member performance. As Figure 36 shows, recruiting and retaining board members is at least somewhat of a challenge for half of the respondents, including 18 percent for whom it is a major challenge. Identifying qualified board members is almost as challenging – it is at least somewhat of a challenge for 46 percent. Assessing board performance is at least somewhat of a challenge for slightly more than a third (35 percent) and managing/ improving board staff relations is at least somewhat of a challenge for about a quarter (26 percent).

Figure 36. Board Management Challenges (n=682-805)



We explored whether there were any underlying groupings among the four types of challenges and found that they seem coherent – a respondent saying one of these is a major challenge also say the three others are. We therefore computed a board challenge scale as the average of the four items. The overall average was 2.2 on the 4-point scale, suggesting that efforts to build a strong board are at least minor challenges.

We had expected congregations to report these activities as less challenging than other faith-based nonprofits or secular comparison charities, since they are able to draw on their own members to serve on their boards. There is some evidence that might be the case, however, our analysis shows that the differences are not sufficiently large to be significant at the bivariate level, although we consider them in our multivariate analysis, where we control for all other factors. There is also no significant difference among the major types of denomination in whether these board-related activities are challenging.

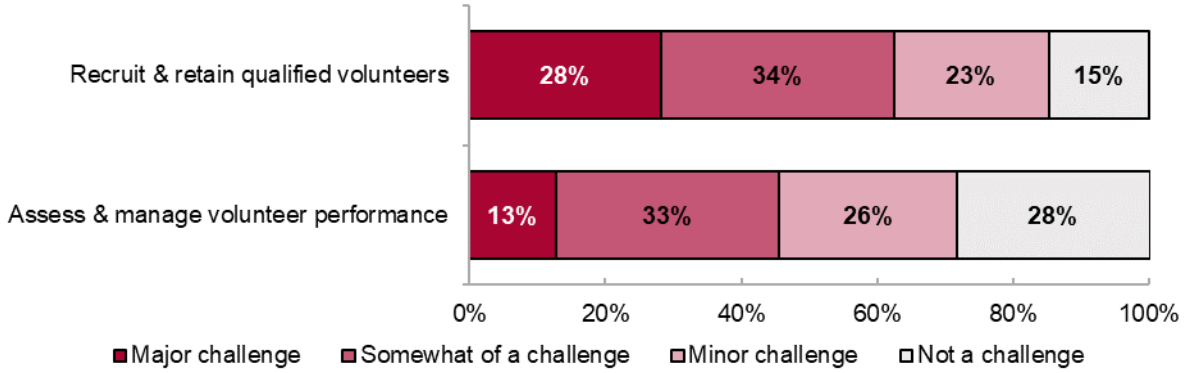
Volunteer Management Challenges

We asked two questions about challenges in managing volunteers: recruiting and retaining qualified volunteers and assessing and managing volunteer performance. As Figure 37 shows, recruiting and retaining qualified volunteers is a major challenge for more than a quarter (28 percent) of the respondents and at least somewhat of a challenge for almost two-thirds (62 percent). Assessing and managing volunteer

performance is notably less of a challenge – a major challenge only to 13 percent although at least somewhat of a challenge to almost half (46 percent).

Closer analysis of responses to the two items suggests they form a cohesive scale, so we created a volunteer management scale by averaging scores on the two items for each respondent. The average volunteer management score is 2.6, suggesting these activities are closer to “somewhat of a challenge” than a “minor challenge.”

Figure 37. Volunteer Management Challenges (n=665-777)



We expected congregations (and perhaps other faith-based nonprofits) to face fewer challenges managing volunteers because they can draw on members of the faith community to serve in those capacities. However, there were no significant differences between congregations, other faith-based nonprofits and secular comparison charities on the volunteer management challenge, nor between major types of denominations in the bivariate analyses. Still, we consider them in the multivariate analyses below, to see whether that is still the case when we control for basic organizational dimensions.

Figure 35 above shows all four human resource management challenge average score for all respondents. There were significant difference between several of the scales. Employee compensation (2.7 out of 4) is the most challenging for our respondents, followed by volunteer management challenges (2.6 out of 4). Board management challenges and employee performance rank lower on the challenge scale (2.2 out of 4, each).

Multivariate Analysis – Base and HR Variables

We use multivariate analyses to examine whether the human resource variables or the human resource challenges variables help account for differences among types of faith-based organizations or types of denominations, once we control for basic organizational variables. We again focus on comparing only two groups at a time: how congregations versus other faith-based nonprofits, other faith-based nonprofits versus secular comparison charities, congregations versus secular comparison charities, and Mainline versus Evangelical protestant congregations.

We present our base model (Model B) as well as two variations, one that includes the first five human resource variables below (Model E), and one that includes the last four HR management challenge variables (Model C):

Model E2 – human resource variables added to base variables:

(1) Whether the organization has an executive director – exclude: "No",
(2) Number of board members,
(3) Number of board vacancies,
(4) Number of volunteers,
(5) Importance of volunteers.

Model C2 – human resource challenge variables added to base variables:

(6) Board management challenges,
(7) Employee performance challenges,
(8) Employee compensation challenges,
(9) Volunteer management challenges.

As we show in greater detail below, there appear to be only a few differences between the comparison groups on these human resource dimensions or human resource challenges. However, adding the five HR variables (Model E2) improves somewhat on our already effective ability to correctly distinguish between the various types of organizations using only the basic organizational dimensions. Including the HR challenge variables (Model C2) has little discernable effect. For the full results, see Appendix B – Tables B5 and B6 (Congregations vs. Faith-Based Nonprofits), B15 and B16 (Faith-Based Nonprofits vs. Secular Comparison Charities), B25 and B26 (Congregations vs. Secular Comparison Charities), and B33 (Mainline Protestant vs. Evangelical Protestant).

Congregations vs. Faith-Based Nonprofits

Table 10 shows the results of using just the base organizational predictors (Model B, column 1), including also the human resource variables (Model E2, column 2), or the human resource challenges (Model C2, column 3) in our multiple regression analysis.

Of the three base variables significant in our base model, only two – age and percent of revenue-donations remain significant in all three models and with a similar pattern – congregations are older and rely more heavily on donations than faith-based nonprofits. However, formalization which is negative in the base model, is no longer significant in the two other models once we control for the five human resource variables (column 2) or the four human resource challenge variables (column 3).

Of the human resource variables (column 2), executive director and number of board members are significant but with opposite relationships, indicating that congregations are more likely to have an executive director but fewer board members than faith-based nonprofits, controlling for all other factors. Adding the five human resource variables increases the percent of variance explained from 37 percent in the base model to 51

percent, and our ability to correctly distinguish between congregations and faith-based nonprofits from 70 to 82 percent of cases.

None of challenge variables are significant (column 3). Including them in the analysis marginally increases the percent of variance explained to 40 percent from 37 percent but has no impact on our ability to correctly distinguish between congregations and faith-based nonprofits (unchanged at 70 percent of cases).

Table 10. Estimates from Binary Logistic Regression of Congregations vs. Faith-Based Nonprofits, including only Base Variables (Model B, n=259)**, both Base and Human Resource Variables** (Model E2, n=158)**, or both Base and Human Resource Challenge Variables** (Model C2, n=145)

Base + Human Resource Variables	**Model B: Base Variables only**	**Model E2: Base + HR Variables**	**Model C2: Base and Challenge Variables**
Age	**+**	**+**	**+**
Ln of Number of FTE Staff (numeric)			
Formalization (numeric)	**–**		
Percent of Revenue – Donations	**+**	**+**	**+**
Location – Central City Metropolitan County			
Location – Metropolitan Ring County			
External Information Technology (scale)			
Internal Information Technology (scale)			
Have an Executive Director	Not included	**+**	Not included
LN Number of Volunteers	Not included		Not included
Importance of Volunteers – Essential, Very, Somewhat Important	Not included		Not included
LN Number of Board Members (numeric)	Not included	**–**	Not included
LN Number of Board Vacancies (numeric)	Not included		Not included
Board Management Challenges	Not included	Not included	
Employee Performance Challenges	Not included	Not included	
Employee Compensation Challenges	Not included	Not included	
Volunteer Management Challenges	Not included	Not included	
Constant			
R-squared	0.37	0.51	0.40
Percent correctly predicted	70%	82%	70%
Significance	**p<.05**	**p<.05**	**p<.05**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. Those in **red** are significant for all three models. For full results, see Appendix B- Tables B5 and B6.

Faith-Based Nonprofits vs. Secular Comparison Charities

Table 11 shows the results of using just the base organizational predictors (Model B, column 1), including also the human resource variables (Model E2, column 2), or the human resource challenges (Model C2, column 3) in our multiple regression analysis.

Table 11. Estimates from Binary Logistic Regression of Faith-Based Nonprofits vs. Secular Comparison Charities, including only Base Variables (Model B, n=370) **or both Base and Human Resource Variables** (Model E2, n=158), **or both Base and Human Resource Challenge Variables** (Model C2, n=173)

Base + Human Resource Variables	Model B: Base Variables only	Model E2: Base + HR Variables	Model C2: Base and Challenge Variables
Age		**+**	
Ln of Number of FTE Staff (numeric)	**+**	**+**	**+**
Formalization (numeric)	**–**	**–**	**–**
Percent of Revenue – Donations	**+**	**+**	**+**
Percent of Revenue – Fees			
Location – Central City Metropolitan County	**+**		
Location – Metropolitan Ring County			
External Information Technology (scale)			
Internal Information Technology (scale)			
Have an Executive Director	Not included		Not included
LN Number of Volunteers	Not included		Not included
Importance of Volunteers –Essential, Very, Somewhat Important	Not included		Not included
LN Number of Board Members (numeric)	Not included	**–**	Not included
LN Number of Board Vacancies (numeric)	Not included		Not included
Board Management Challenges	Not included	Not included	
Employee Performance Challenges	Not included	Not included	
Employee Compensation Challenges	Not included	Not included	
Volunteer Management Challenges	Not included	Not included	
Constant	**–**		
R-squared	0.26	0.41	0.37
Percent correctly predicted	79%	84%	81%
Significance	**p<.05**	**p<.05**	**p<.05**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. Those in **red** are significant for all three models. For full results, see Appendix B- Tables B15 and 16.

Of the four base variables that are significant in the base model, three – number of full-time staff, formalization, and percent of revenue from donations – remain significant with similar patterns in all three models. Faith-based nonprofits tend to be larger, less formalized, and rely more on donations that secular comparison charities. However, the fourth base variable, location, is not significant in the two expanded models. On the other hand, another base variable – age – becomes significant when we control for the five human resource variables, indicating faith-based nonprofits are older than secular comparison charities, but only when controlling for all variables included in this model.

Of the five human resource variables included in column 2, only the number of board members is significant, with a negative relationship, indicating that faith-based organizations have fewer board members than secular comparison charities. Adding these variables to our base model notably increases the percent variance explained from 26 to 41 percent and our ability to correctly distinguish between faith-based nonprofits and secular comparison charities from 79 to 84 percent of cases.

None of the four human resource challenge variables are significant when added to the base model (column 3), however, the full model increases the percent of variance explained from 26 in the base model to 37 percent and marginally increases our ability to correctly distinguish between faith-based organizations and secular comparison charities from 79 to 81 percent of cases.

Congregations vs. Secular Comparison Charities

Table 12 shows the results of using just the base organizational predictors (Model B, column 1), including also the human resource variables (Model E2, column 2), and human resource challenges (Model C2, column 3) in our multiple regression analysis for comparing congregations to secular comparison charities.

Six of the basic organizational dimensions are significant in the base model (column 1), but only three - age, formalization, and donations remain significant and unchanged across all three models, indicating that congregations are older, less formalized and rely more on donations than secular comparison charities when controlling for the additional variables. Paid staff remains significant and positive when we control for the five human resource variables (indicating that congregations are larger than secular comparison charities), but not when we control for the human resource challenge variables. Location and external information technology are no longer significant in either of the two expanded models.

Of the five human resource predictors, the number of board members and number of board vacancies are significant, both with negative relationships indicating that congregations have fewer board members and board vacancies than secular comparison charities. Adding the five human resource variables notably increases the percent of variance explained from 68 percent in the base model to 83 percent and our ability to correctly distinguish between faith-based nonprofits and secular comparison charities from 87 to 92 percent of cases.

None of the human resource challenge variables are significant when added to the base model (column 3). Adding them increases the percent of variance explained from 68 to 72 percent and marginally increases our ability to correctly distinguish between congregations and secular comparison charities from 87 to 89 percent of cases.

Table 12. Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, including only Base Variables (Model B, n=443)**, both Base and Human Resource Variables** (Model E2, n=235), **or both Base and Human Resource Challenge Variables** (Model C2, n=210)

Base + Human Resource Variables	Model B: Base Variables only	Model E2: Base + HR Variables	Model C2: Base and Challenge Variables
Age	**+**	**+**	**+**
Ln of Number of FTE Staff (numeric)	**+**	**+**	
Formalization (numeric)	**–**	**–**	**–**
Percent of Revenue – Donations	**+**	**+**	**+**
Location – Central City Metropolitan County	**+**		
Location – Metropolitan Ring County			
External Information Technology (scale)	**–**		
Internal Information Technology (scale)			
Have an Executive Director	Not included		Not included
LN Number of Volunteers	Not included		Not included
Importance of Volunteers – Essential, Very, Somewhat Important	Not included		Not included
LN Number of Board Members (numeric)	Not included	**–**	Not included
LN Number of Board Vacancies (numeric)	Not included	**–**	Not included
Board Management Challenges	Not included	Not included	
Employee Performance Challenges	Not included	Not included	
Employee Compensation Challenges	Not included	Not included	
Volunteer Management Challenges	Not included	Not included	
Board Management Challenges	Not included	Not included	
Constant	**–**		
R-squared	0.68	0.83	0.72
Percent correctly predicted	87%	92%	89%
Significance	**p<.05**	**p<.05**	**p<.05**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. Those in **red** are significant for all three models. For full results, see Appendix B- Tables B25 and B26.

Mainline Protestant vs. Evangelical Protestant

As before, we also compare the two protestant denominations to see which factors appear to distinguish them from one another. Table 13 shows the results of using just the base organizational predictors (Model B), including also the human resource variables (Model E2), and human resource challenges (Model C2). For the full results, see Appendix B – Table 33 (Mainline Protestant vs. Evangelical Protestant).

Table 13. Estimates from Binary Logistic Regression of Mainline vs. Evangelical Protestant, including only Base Variables (Model B, n=107)**, both Base and Human Resource Variables** (Model E2, n=70), **and Base and Human Resource Challenge Variables** (Model C2, n=63)

Base + Human Resource Variables	**Model B: Base Variables only**	**Model E2: Base + HR Variables**	**Model C2: Base + Challenge Variables**
Age	**+**		
Ln of Number of FTE Staff (numeric)			
Formalization (numeric)	**–**		**–**
Percent of Revenue – Donations	**–**		
Location – Central City Metropolitan County			
Location – Metropolitan Ring County			
External Information Technology (scale)			
Internal Information Technology (scale)			
Have an Executive Director	Not included		Not included
LN Number of Volunteers	Not included		Not included
Importance of Volunteers – Essential, Very, Somewhat Important	Not included		Not included
LN Number of Board Members (numeric)	Not included	**+**	Not included
LN Number of Board Vacancies (numeric)	Not included		Not included
Board Management Challenges	Not included	Not included	
Employee Performance Challenges	Not included	Not included	
Employee Compensation Challenges	Not included	Not included	
Volunteer Management Challenges	Not included	Not included	**–**
Board Management Challenges	Not included	Not included	
Constant			
R-squared	0.25	0.34	0.40
Percent correctly predicted	73%	71%	73%
Significance	**p<.05**	**p<.10**	**Not significant**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. For full results, see Appendix B- Table B33.

Three base variables, age and formalization, and donations are significant in the base model (Model B), but not when we include also the human resource variables (Model E2).

Of the five human resource variables included in Model E2, only the number of board members is significant, and it is positive, indicating that Mainline Protestant congregations is likely to have significantly larger boards than Evangelical Protestant congregations, although the number of board members was not significantly different in the bivariate analysis. Adding the five human resource variables to the base model increases the percent of variance explained from 25 percent to 34 percent but marginally decreases our ability to correctly distinguish between Mainline and Evangelical protestant congregations from 73 to 71 percent of cases.

We also compare Mainline protestant to Evangelical protestant congregations on the same human resource challenges dimensions (Model C2). The overall model is not significant, although one of the three base variables, formalization, remains significant, once the challenge variables are added to the analysis. Volunteer management challenges is also significant, indicating Mainline protestant denominations are less likely to find managing volunteers a challenge than Evangelical protestant denominations.

Detailed Findings – IV: Services and Advocacy Dimensions

All nonprofits aim to deliver important services that their members, clients, or constituencies need or want to obtain. However, needs change over time as economic, political and social conditions change and nonprofits need to monitor these changes and the effectiveness of their services to remain relevant. If they don't, they risk losing out to other organizations that adapt better or to new organizations specifically addressing new needs. In some cases, nonprofits may consider it important to engage in political activities to change social conditions in ways that align with their mission or the needs of their constituency groups. We turn now to a look at some of these developments.

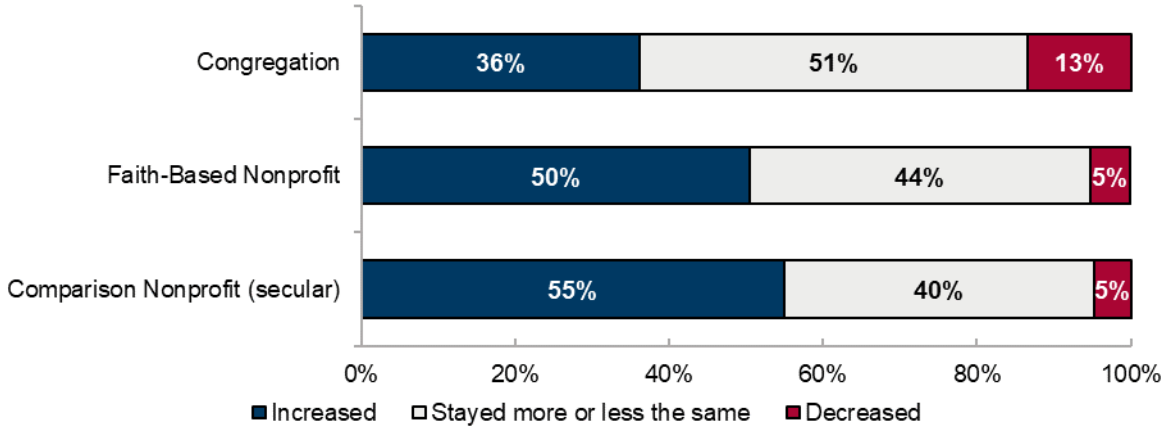
Demand for Services

All nonprofits – in fact all organizations – need to be relevant if they are to survive. Otherwise, they will be unable to attract or keep donors, dues-paying members, fee-paying clients, dedicated volunteers, or competent staff or board members. To get a rough indication of current relevance, we asked our survey respondents how demand or need for the organization's programs, services or activities had changed over the previous 36 months – increased, stayed the same, or decreased. We exclude those who did not know whether their demand for services had changed.

We expect congregations to be less likely to report an increase in demand for services than faith-based nonprofits or secular comparison charities, based on their more prevalent decline in revenue, as we documented earlier. As Figure 38 shows, this was in fact the case. While 36 percent of congregations reported greater demand for services, that was a notably lower percentage than for faith-based nonprofits (50

percent) and secular comparison charities (55 percent). Similarly, congregations were more likely to report decrease in demand for services (13 percent), compared to both faith-based nonprofits and secular comparison charities (5 percent) or report no change in service demand (51 percent) compared to respectively 44 and 40 percent for the other two groups.

Figure 38. Change in Demand for Services by Organization Type (n=661)



Management Challenges

We expect these differences in need for services to be reflected in responses to five questions about challenges associated with delivering effective programs – (1) evaluating or assessing program outcomes, (2) developing and delivering high quality programs, (3) creating and implementing a strategic plan for the organization, (4) performing routing administrative tasks, and (5) managing facilities used by the organization. We use a four-point scale for these items, ranging from 1 (no challenge) to 4 (a major challenge). To facilitate our analysis, we explored whether there were underlying dimensions to these challenges and found that the two first formed a coherent scale, as did the last two items, while the strategic management item stood on its own.

Strategic Management Challenges

As community conditions change, nonprofits need to monitor these changes in order to adjust their activities accordingly in order to remain relevant. To do so, nonprofits may engage in a formal strategic planning exercise. This process usually (but not always) involves looking at external threats and opportunities as well as internal strengths and weaknesses, to determine adjustments and changes in mission, services or operations. We asked survey respondents to indicate whether creating and implementing a strategic plan was a challenge for their nonprofit. As Figure 39 shows, creating and implementing a strategic plan for the organization is a major challenge for 16 percent and at least somewhat of a challenge for half.

We again expect congregations to report these activities as more challenging than other faith-based nonprofits or secular comparison charities. That is the case. The average strategic management challenge score for congregations is 2.6 out of 4, a significantly

higher score than for faith-based nonprofits or secular comparison charities (both 2.4) (Figure 40).

Figure 39.Strategic Management Challenges (n=827)

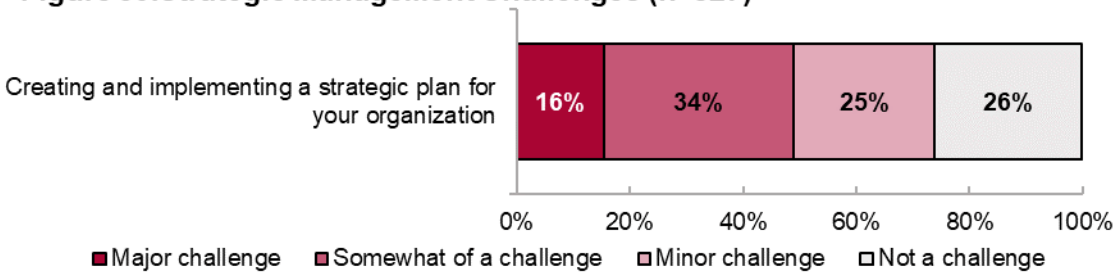
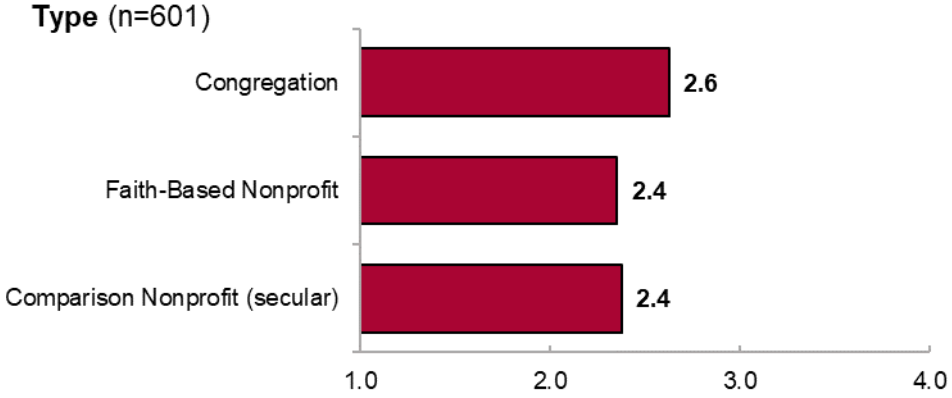
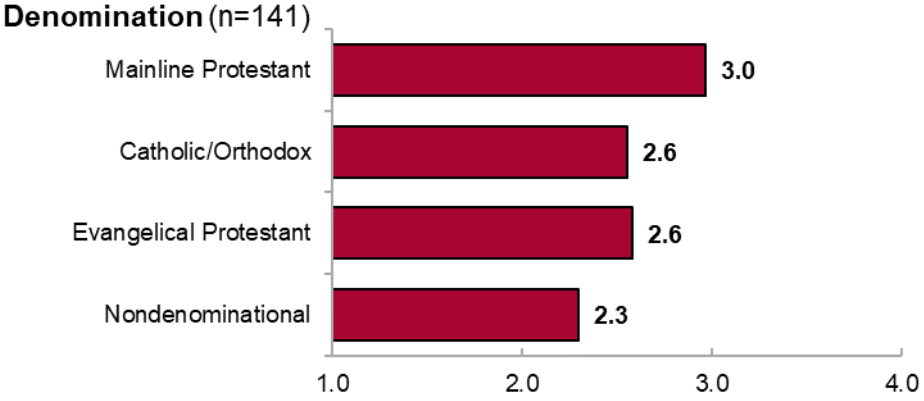


Figure 40. Strategic Management Challenges by Organization Type (n=601)



There are also significant differences among religious denominations. Mainline Protestant congregations report these activities more challenging (3.0 out of 4) compared to Catholic and Evangelical Protestant congregations (both 2.6) and especially compared to Nondenominational congregations (2.3).

Figure 41. Strategic Management Challenges by Denomination (n=141)

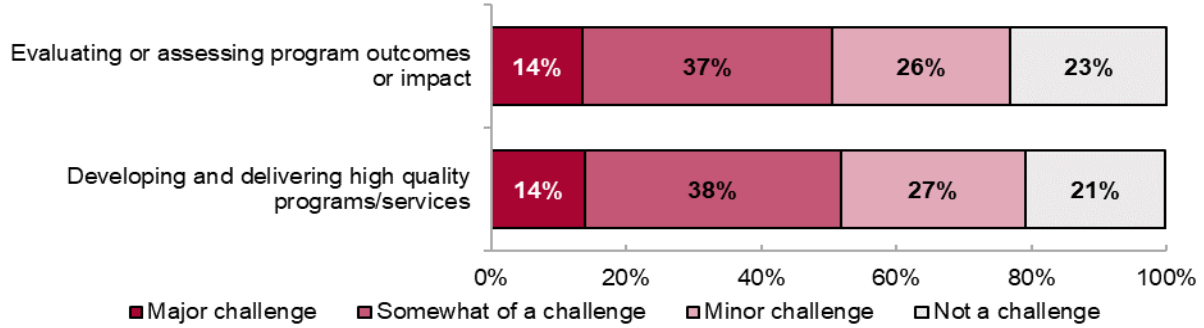


Program Management Challenges

As Figure 42 shows, the two program management challenge items, evaluating and assessing program outcomes or impact and developing and delivering high quality

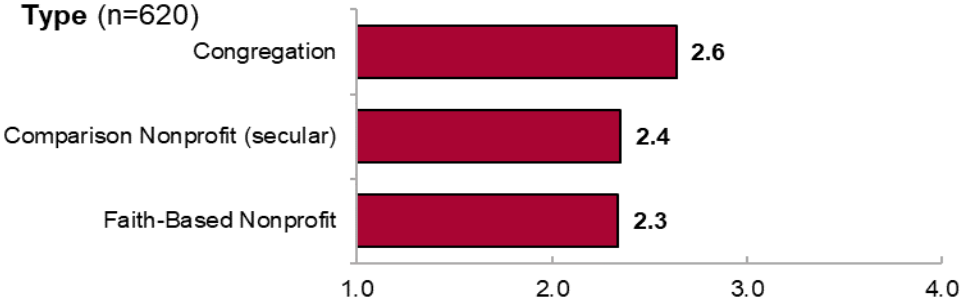
programs/services, are equally challenging. For each item, 14 percent consider it a major challenge, and just over half (51 and 52 percent respectively) find the particular activity at least someone of a challenge. However, more than a fifth (23 and 21 percent respectively) say they are not a challenge.

Figure 42. Program Management Challenges (n=827-849)



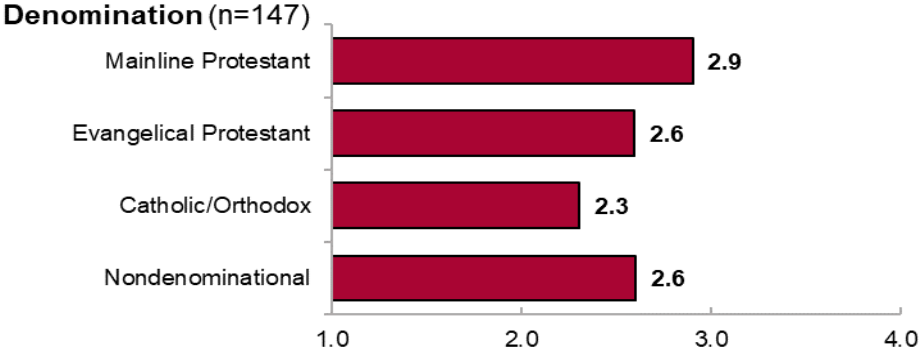
We expect congregations to report these activities as more challenging than other faith-based nonprofits or secular comparison charities. As Figure 43 shows, that is indeed the case. Congregations are significantly more likely to view these activities as challenging (2.6 out of 4) than faith-based nonprofits (2.3) or secular comparison charities (2.4).

Figure 43. Program Management Challenges by Organization Type (n=620)



There are also significantly differences in program management challenges by denomination. Mainline Protestant congregations report the highest average program challenge score (2.9 out of 4), compared to 2.6 for Evangelical Protestant congregations and Nondenominational congregations, with Catholic congregations (2.3).

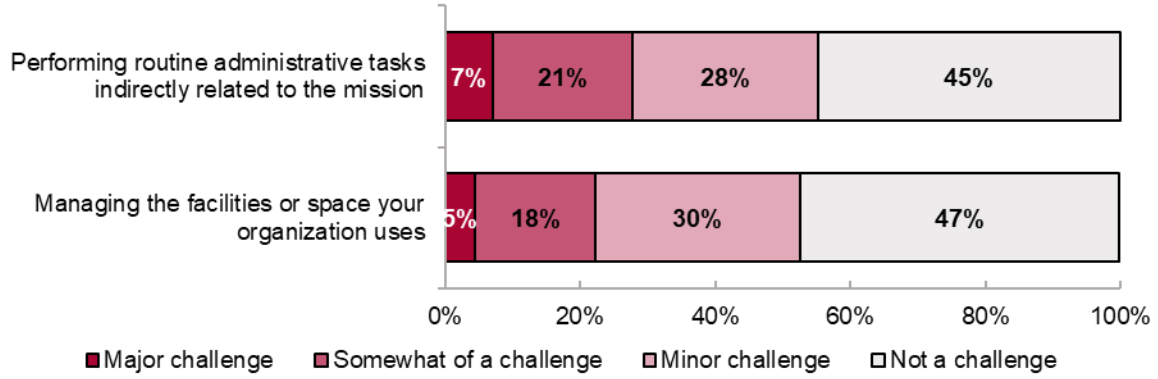
Figure 44. Program Management Challenges by Denomination (n=147)



Routine Management Challenges

Performing routine administrative tasks indirectly related to mission and managing the facilities or space the organization uses, also form a coherent scale. As Figure 45 shows, however, both types of activities are a major challenge to relatively few of our respondents (5-7 percent), and at best a minor challenge to about three-fourths (73-77 percent). The average score for the two items is 1.9 on the four-point scale for congregations.

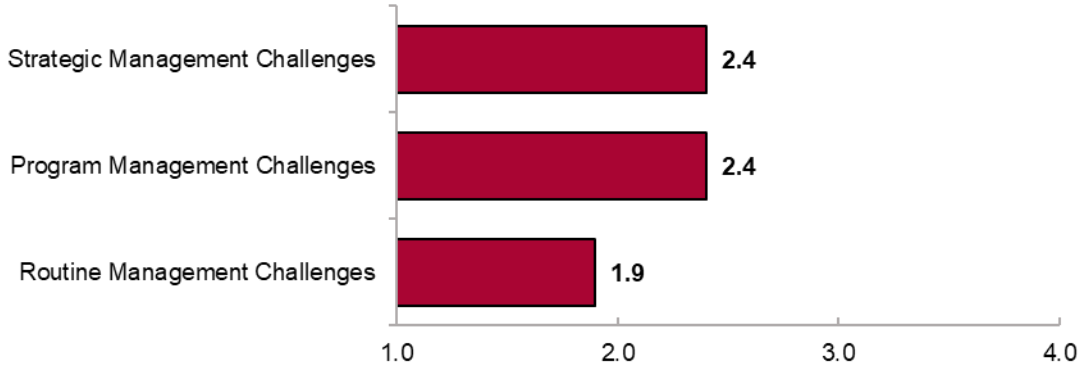
Figure 45. Routine Management Challenges (n=828-841)



We again expect congregations to report these activities as more challenging than other faith-based nonprofits or secular comparison charities. However, there is no significant differences among the three types of organization in the bivariate analyses, nor among the major types of denominations. However, we include them in our multivariate analysis below to see whether they are different when we control for basic organizational characteristics.

Figure 46 shows all three average management challenge scores for all respondents. There were significant difference between strategic and routine management, as well as between program and routine management challenges. Strategic and program management (2.4 out of 4, each) are the most challenging for congregations, faith-based nonprofits, and secular comparison charities. Routine management challenges follow at 1.9 out of 4.

Figure 46. Management Challenges for All Respondents (n=601-633)



Multivariate Analysis – Base and Service Variables

We again use multivariate analysis to see whether adding the various program service variables are significant factors in understanding differences among the various types of nonprofits. We examine how congregations compare to other faith-based nonprofits, how other faith-based nonprofits compare to secular comparison charities, and how congregations compare to secular comparison charities. Finally, we compare Mainline and Evangelical protestant denominations.

We include one service variable and three management challenge variables:

Model E3:

(1) Change in demand for services,

Model C3:

(2) Routine management challenges,
(3) Program management challenges,
(4) Strategic management challenges.

As we show in greater detail in Appendix B (Tables B7-8, B17-18, B27-28, and B34), there do not appear to be many differences between the comparison groups in the extent to which they have experienced changes in demand for services or related management challenges, once we control for basic organizational dimensions. Nor do adding these indicators have much discernable impact on our already effective ability to correctly distinguish between the various types of organizations using only the basic organizational dimensions.

Advocacy

In addition to modifying their own activities to remain relevant, nonprofits may also seek to change public policies in directions they deem important to their mission. National studies[13] suggest that many congregations engage in political activities, particularly related to civil rights and social justice, or social and moral issues, such as abortion or same-sex marriage. However, those studies rarely compare the political activities of congregations to other types of nonprofits.

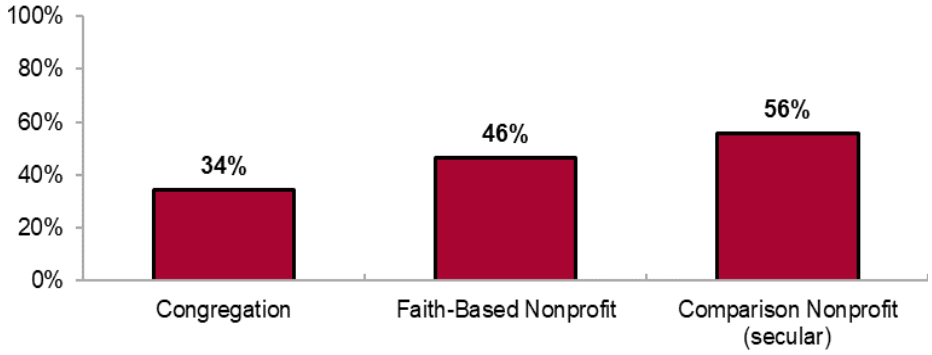
We are able to do so, but only for our baseline question of whether the respondent's organization engages in advocacy and/or public education activities. We prefaced this with a statement noting that such activities might include promoting the interests of specific groups (e.g., children, seniors, people of different races, veterans, businesses, etc.) or specific issues (e.g., healthcare, environmental issues, religion, etc.) in order to influence policymakers or the general public. Follow-up questions asked about types of issues pursued, types of activities in which engaged, and whether these efforts were

[13] Chaves, Roso, Holleman, and Hawkins. (2021). Congregations in 21st Century America. Durham, NC: Duke University, Department of Sociology. https://sites.duke.edu/ncsweb/files/2022/02/NCSIV_Report_Web_FINAL2.pdf.

directed at policy makers or the general public. However, there were too few congregational respondents to allow for detailed analysis of these issues.[14]

We expected congregations to be more likely to report participating in advocacy and/or public education activities, compared to faith-based nonprofits and secular comparison charities. That is not the case, however. Rather, we find the opposite pattern. As Figure 47 shows, only one third (34 percent) of congregations participate in these types of activities, compared to 56 percent of secular comparison charities and 46 percent of faith-based nonprofits.

Figure 47. Participation in Advocacy by Organization Type (n=636)



Possibly, had we asked specifically about engaging in advocacy, the patterns of responses might have been different. However, we wanted to use the broader term of "public education to promote the interest of specific groups or issues" because many charities worry that they are not allowed to engage in advocacy or lobbying activities. They are allowed to do so, but advocacy and lobbying efforts cannot be a major part of their activities and cannot include partisan politics of any kind.

Advocacy Challenges

We use survey questions about five types of advocacy challenges Indiana nonprofits are facing: (1) overcoming legal limitations on nonprofit advocacy activities; (2) obtaining funding for direct advocacy or public education activities; (3) gaining access to key policy makers; (4) finding volunteers and/or staff with the right skills or capacities to take on advocacy leadership roles; and (5) developing agreement within your organization on whether and how to engage in advocacy activities. Figure 48 shows the results.

To facilitation our comparisons between congregations, faith-based nonprofits, and secular comparison charities as well as between major denominations, we again coded these items on a four-point scale from 1 (not a challenge) to 4 (a major challenge).

[14] For a more detailed analysis of responses to these questions, see our report on political activities – Indiana Nonprofits: Advocacy and Political Activity – Practices and Challenges, Indiana Nonprofit Survey Series III, Activities Series #2, Report 4, by Kirsten A. Grønbjerg and Noah J. Betman with Payton Goodman (Bloomington, IN: Indiana University O'Neill School of Public and Environmental Affairs, March 2021). https://nonprofit.indiana.edu/.

Figure 48. Advocacy Challenges (n=202-237)

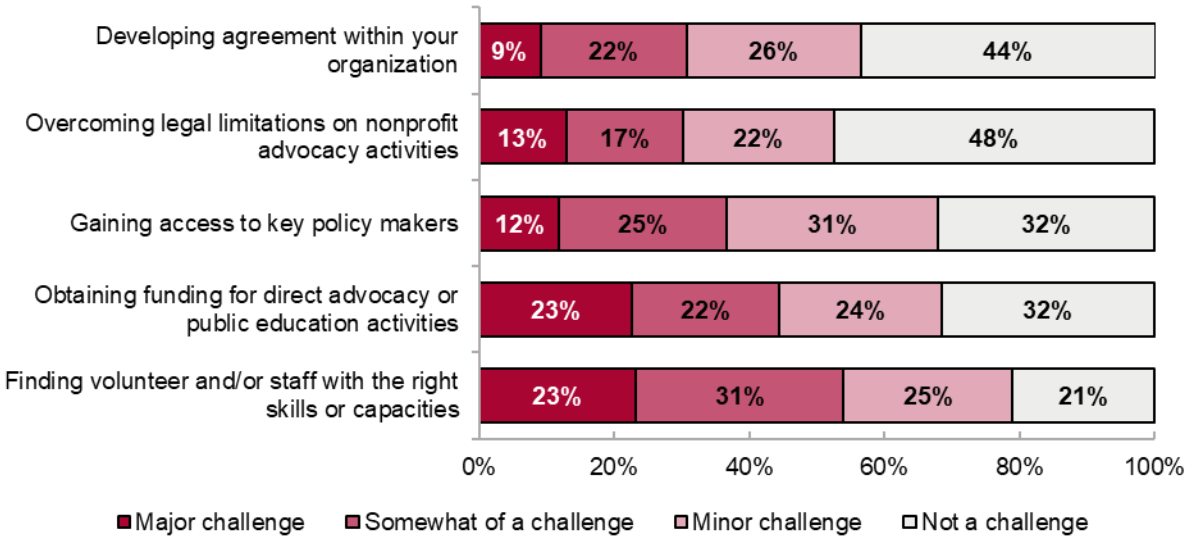


Figure 49 shows the average scores for the overall scale and the score for all respondents on each of the five items above. As the figure shows, finding volunteers or staff with the right skills and capacities appears to be more challenging (average score of 2.5) than overcoming legal limitations or developing agreement within the organization (average score of 1.9).

Figure 49. Advocacy Challenges for All Respondents (n=215)

To simplify our analysis, we also examined whether they formed a cohesive underlying dimension. They do and the overall advocacy challenge average score is 2.2. However, there is no significant differences at the bivariate level on overall advocacy challenge scores among the three types of nonprofits or among major types of denominations. However, we include advocacy challenges in the multivariate analyses to see whether they are important, once we control for basic organizational dimensions.

Multivariate Analysis- Base and Advocacy Variables

To see whether the differences among types of respondents noted above hold when we control for basic organizational dimensions, we again undertake several multivariate analyses, using the base variables (Model B), an expanded model that includes the base and the advocacy variables (Model E4), and base plus advocacy challenges together (Model C4). In order to simplify our analysis and presentation of findings we again compare only two groups at a time: congregations vs. other faith-based nonprofits, other faith-based nonprofits vs, secular comparison charities, and compare congregations vs. secular comparison charities. Finally, we compare Mainline and Evangelical protestant congregations.

Model E4: advocacy and basic organizational dimensions:

1. Whether the organization engages in advocacy.

Model C4: advocacy and basic organizational dimensions

2. Advocacy challenges.

As we show in greater detail below, there do not appear to be many differences between the comparison groups in the extent to which they engage in advocacy or have related challenges, once we control for basic organizational dimensions, except between congregations and secular comparison charities (see Table 27 below). Adding engagement in advocacy has little discernable impact on our already effective ability to correctly distinguish between the various types of organizations using only the basic organizational dimensions. However, including advocacy challenges do appear to improve our prediction models, although advocacy challenges is not significant in the analysis, controlling for all other factors.

For the full results, see Appendix B – Tables B9 and B10 (Congregations vs. Faith-Based Nonprofits), B19 and B20 (Faith-Based Nonprofits vs. Secular Comparison Charities), B29 and B30 (Congregations vs. Secular Comparison Charities), and B35 (Mainline Protestant vs. Evangelical Protestant).

Congregations vs. Secular Comparison Charities

Table 14 shows the results of using the same approach to compare congregations and secular comparison charities. Three base variables remain significant in all three models: congregations are older, less formalized and rely more on donations than secular comparison charities. However, three base variables are only significant in Model E4 (controlling for base variables and engaging in advocacy), with congregations larger, less likely to use external IT tools, and more likely to be located in central metropolitan city counties than secular comparison charities. These variables are not significant in Model C4, when we control for base variables and advocacy challenges.

Advocacy is significant in model E4, indicating that congregations engage in advocacy less often than secular comparison charities, when we control for basic organizational dimensions and advocacy. Including advocacy in the analysis marginally increases the

percent of variance explained from 68 to 69 percent, but marginally decreases our ability to correctly distinguish between congregations and secular comparison charities from 87 to 86 percent of the cases.

Advocacy challenge is not significant, when we control also for basic organizational dimensions (column 3), although it does increase the percent of variance explained from 68 to 72 percent and our already very high ability to correctly distinguish between congregations and secular comparison charities from 87 to 92 percent of the cases.

Table 14. Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, including only Base Variables (Model B, n=443), **both Base and Advocacy Variables** (Model E4, n=439), **or both Base and Advocacy Challenge Variables** (Model C4, n=132)

Base + Advocacy Variables	B: Base Variables only	E4: Base + Service Variables	C4: Base + Challenge Variables
Age	**+**	**+**	**+**
Ln of Number of FTE Staff (numeric)	**+**	**+**	
Formalization (numeric)	**–**	**–**	**–**
Percent of Revenue – Donations	**+**	**+**	**+**
Location – Central City Metropolitan County	**+**	**+**	
Location – Metropolitan Ring County			
External Information Technology (scale)	**–**	**–**	
Internal Information Technology (scale)			
Advocacy	Not included	**–**	Not included
Ln of Number of Board Vacancies	Not included	Not included	**–**
Advocacy Challenges	Not included	Not included	
Constant	**–**	**–**	
R-squared	0.68	0.69	0.72
Percent correctly predicted	87%	86%	92%
Significance	**p<.05**	**p<.05**	**p<.05**

Notes: Coefficients significant at the p<0.05 level are flagged in **bold**. Those in **red** are significant for all three models. For full results, see Appendix B- Tables B29 and B30.

CONCLUSION AND IMPLICATIONS

Of the 1,036 nonprofits responding to our survey, 22 percent are congregations and another 12 percent identified themselves as other faith-based nonprofits. These percentages are similar to the 20 percent for congregations and 11 percent for other faith-based organizations we found in our previous 2002 comprehensive survey of Indiana nonprofits. For purposes of comparison, we identified survey respondents that are secular charities and provide a variety of social and community services. These secular comparison charities account for 34 percent of all respondents to our survey. The rest (32 percent) are excluded from further analysis in this report.

We classified congregations into several broad denominational families. Almost two-thirds are either Mainline protestant or Evangelical protestant (35 and 34 percent respectively); another 22 percent are Nondenominational congregations. Relatively few belong to Catholic (9 percent) or Other/Non-Christian (4 percent) denominations. These distributions are also fairly similar to what we found in our 2002 survey, although the older survey did not distinguish between Evangelical Protestant and nondenominational congregations.

When comparing the three types of respondents, we expect congregations and other faith-based nonprofits to be fairly similar to one another, since they share the faith dimension. We also expect other faith-based nonprofits and secular comparison charities to be fairly similar to one another, since both provide a broad array of services. We expect most differences between congregations and secular comparison charities since they differ on both the faith and service dimensions.

We focus part of our analysis on basic organizational characteristics – age, size of staff, formalization, access to information technology, dependence on revenues or fees, and location. Our analysis of how congregations, other faith-based nonprofits or comparison secular charities show notable differences. Age, formalization, and funding profile stand out. Congregations are older than both faith-based nonprofits and secular comparison charities. Congregations and faith-based nonprofits are less formalized than secular comparison charities and rely on donations more heavily.

Overall, basic organizational dimensions are very effective in distinguishing among the three types of nonprofits. Congregations differ significantly from other faith-based nonprofits on three of these dimensions – they are older, less formalized and depend more on donations – when we allow all factors to operate at once in comparing the two groups. These dimensions account for 37 percent of the variance, and we are able to correctly distinguish congregations from other faith-based nonprofits in 70 percent of the cases.

Other faith-based nonprofits differ significantly from secular charities on four dimensions – they are larger, less formalized, rely more on donations and are more likely to be located in central city metropolitan counties in our multivariate analysis comparing the two groups. Including all these factors at once accounts for 26 percent of the variance

and allows us to correctly distinguish other faith-based nonprofits from secular charities in 79 percent of the cases.

Finally, as expected congregations differ even more from secular comparison charities on the basic organizational dimensions. In our multivariate analyses, six of these dimensions are significant. Congregations are older, larger, less formalized, use less external IT tools, depend more on donations, and are more likely to be located in central city metropolitan counties. Allowing all these factors to operate at once, we account for 68 percent of the variance and able to correctly distinguish congregations from secular charities in the vast majority of cases (87 percent).

When comparing how denominations differ on basic organizational dimensions examined one by one (bivariate analysis), we find differences by age (Mainline Protestant congregations are disproportionately old), size (Catholic congregations are larger), and percent revenue from donations (highest for Nondenominational congregations).

We have enough respondents to examine the combined impact of these basic organizational dimensions only when comparing Mainline protestant and Evangelical protestant congregations. The former are significantly older, less formalized, and rely less on donations than Evangelical Protestant congregations. Allowing all basic organizational dimensions to operate at once accounts for 25 percent of the variance and allows us to correctly distinguish the two types of congregations in 73 percent of the cases

We find notable differences between congregations, faith-based organizations and secular charities on a number of other important dimensions when we examine them at the bivariate level.

In terms of financial dimensions, more congregations reported a decrease in revenues than an increase, while almost half of faith-based nonprofits reported an increase in revenue, a notably higher percent than reported a decrease. Only one-fourth of secular comparison charities reported decreased revenue, while around two-fifths said revenues had increased. There are also differences in challenges related to funding with congregations reporting fewer challenges than faith-based nonprofits and secular comparison charities.

Indicators of human resources (in addition to size of staff) also differ, with the size of boards and board vacancies standing out. Congregations and faith-based nonprofits have fewer board members and fewer board vacancies than secular comparison charities.

There are also notable differences in demand for services, with congregations and faith-based nonprofits reporting less demand for services than secular charities. Finally, there are significant differences in whether respondents are involved in advocacy with congregations and other faith-based organizations less likely to be involved in such activities than secular charities.

However, when combined with basic organizational dimensions, very few of these other dimensions rival the basic dimensions in helping us distinguish among the various types of Indiana nonprofits. Having an executive director and board size are important for some comparisons involving other faith-based nonprofits. So is demand for services and engaging in advocacy, but only when comparing congregations and secular comparison charities.

There are also some differences among different congregational denominations when we consider other financial dimensions, human resources, programs and services, or involvement in advocacy at the bivariate level. Thus, Catholic congregations are most likely to report increased expenses and to use volunteers, while mainline protestant congregations report more challenges managing programs and undertaking strategic planning.

However, none of these appear factors relevant in our multivariate analysis, once we control for basic organizational dimensions. Overall, trends or dimensions that distinguish congregations from other faith-based organizations and/or from secular comparison charities appear to be pervasive across various denominations, at least those we are able to analyze separately.

APPENDIX A: SURVEY METHODOLOGY

For our 2002 survey (Round I, and thus our "panel" organizations), we merged three statewide nonprofit database listings – the IRS listing of exempt entities with Indiana reporting addresses, all entities incorporated as not-for-profit entities with the Indiana Secretary of State (SOS), and Yellow Pages listings of congregations, churches, and similar religious organizations. We also added nonprofits appearing on local listings in selected communities across the state and those identified by Indiana residents through a hypernetwork sampling approach as nonprofits for which they worked, volunteered, or attended meetings or events, including religious services. We then de-duplicated the merged listings and drew a stratified random sample in order to consider and adjust for differences in distributions by geographic location and source of listing.

Sample Preparation. For the new 2017-18 "primary" round III sample of Indiana nonprofits, we relied exclusively on the same three statewide listings of Indiana nonprofits as in 2002 but used a simplified sampling strategy. After combining the three most up-to-date listings, we first removed nonprofits that were ineligible for our study. These included but were not limited to hospitals, colleges/universities, bank-managed trusts, jails, and school building corporations.

We then de-duplicated the three listings (both within and between the listings) using search algorithms. Nearly 14,000 duplicate entries across lists were removed during this phase of sample preparation. While it was not possible to remove all duplicates prior to sample selection, we believe that the de-duplication activities substantially reduced the problem of duplicate entries within and across lists. Ultimately, we ended up with a list of 59,833 nonprofits in Indiana from which we selected our sample.

To help ensure generalizability from the sample results, we drew a proportionately stratified sample from the combined list of 59,833 organizations from the IRS, SOS, and Infogroup (yellow page) listings. The stratification variables were an 8-category set of Indiana geographic regions (all three listings), filing date (SOS only), and NTEE major code categories (IRS only).

After the sampling was completed, we had a random sample of 4,103 nonprofits who received the survey invitation: 2,336 from the IRS listing (57 percent), 1,394 from the SOS listing (34 percent), and 373 from the Infogroup listing (9 percent). As part of our process to secure contact information, we also back-checked entities appearing on only one of the three listings in the sample to see whether that nonprofit was also included on any of the two other listings, just not included in the sample from the given list.

Next, we needed to find contact information, preferably email addresses, in order to invite survey participation. Of the 4,103 nonprofits in the full sample, the available listings provided email addresses for only 35. To obtain the rest, we undertook extensive web searches. In the end, we had an 80 percent success rate in obtaining the correct organizations' contact information, spending an average of almost 13 minutes per organization or about 873 hours.

Survey Process. In preparation for the survey, we sent notifications (postcards and emails for the approximately 75 percent for whom we had email addresses) to potential respondents. This served both to alert them to the forthcoming survey, with the hope of encouraging participation in the survey, and to identify problematic email (or postal) addresses. After the survey invitations were sent (via email with a survey link or postal mail with a paper questionnaire), we sent several reminders to those with emails. The survey took on average 25- 30 minutes to complete and gathered information about programs and services, organization membership, organization structure and program evaluation, human resources, marketing and technology, advocacy and policy activities, relationships with other organizations, and financial information. The vast majority of surveys were completed online, but about 60 were completed using the paper version of the survey.

In addition to promising respondents complete confidentiality, as a special incentive to complete the survey, we offered respondents access to customized reporting of the results. We included also a link to the study website, so respondents could learn more about the project, as well as prominent reference to and identification with Indiana University to emphasize the academic sponsorship. Finally, we asked members of our Advisory Board for the Indiana Nonprofit Sector project to announce the survey to nonprofits on their distribution lists and encourage anyone receiving the invitation to complete the survey to do so.

As expected, however, initial response rates were low (especially to the paper survey), and we began an extensive follow-up by making nudge calls to encourage (including those for whom we had no email addresses). We limited the nudge call process to a maximum of three calls per organization depending on the status of the calls. For organizations that we left voice mails for, we continued calling at least a week after each voice mail until we had left three voice mails. We stopped calling organizations that asked us to resend the survey or said they would complete the survey through the original email.

To determine response rates, we used information obtained through our data preparation and nudge call processes to create a disposition variable for each nonprofit in the sample: (1) response (complete or partial), (2) confirmed contact (but no response), (3) uncertain contact (no working phone number or no response to voice mail), or (4) out of sample.[15]ur overall response rate is based on the number of respondents as a percent of the full sample, excluding the “out of sample” group from the base.

[15] The “out of sample” group includes nonprofits that were out of scope for the survey (e.g., universities, school corporations, hospitals), no longer located in Indiana, known to be out of existence, or presumed to be dead because we could not find any contact information anywhere. If the “presumed dead” are redefined as “uncertain contact”, the response rate drops from 24 percent to 20 percent. It was only 7 percent for the paper survey by itself.

APPENDIX B. MULTIVARIATE ANALYSES

Below, we display detailed regression tables, including coefficients, for further information. First, we display the congregations vs. faith-based nonprofit analyses.

Congregations vs. Faith-Based Nonprofits

Table B1 shows the results of using the base organizational predictors.

As noted in the text, only three are significant. Age and donations have positive relationships in the model, indicating that congregations are older and rely more heavily on donations than other faith-based nonprofits. Formalization has a negative relationship, indicating that congregations are less formalized than faith-based nonprofits. These patterns are consistent with the bivariate analyses. The analysis accounts for 37 percent of the variance between congregations and faith-based nonprofits and correctly predicts 70 percent of cases.

Table B1. Model B— Estimates from Binary Logistic Regressions- Congregations vs. Faith-Based Nonprofits (n=259)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.292**	**0.049**	**35.185**	**1**	**0.000**	**1.340**
Ln of Number of FTE Staff (numeric)	0.182	0.172	1.1280	1	0.288	1.200
Formalization (numeric)	**-0.122**	**0.062**	**3.8300**	**1**	**0.050**	**0.885**
Percent of Revenue- Donations	**0.023**	**0.005**	**26.624**	**1**	**0.000**	**1.024**
Location- Central City Metropolitan County	0.288	0.360	0.6380	1	0.424	1.333
Location- Metropolitan Ring County	0.123	0.672	0.0330	1	0.855	1.131
External Information Technology (scale)	-0.329	0.335	0.9620	1	0.327	0.720
Internal Information Technology (scale)	-0.235	0.214	1.2040	1	0.273	0.791
Constant	-1.005	0.680	2.1840	1	0.139	0.366

R-squared= 0.37; Percent Correctly Predicted= 70%; Model Significance= p<.05

Table B2 shows the results of using the base organizational predictors and of including also the IT challenges in our multiple regression analysis to compare congregations to other faith-based nonprofits. We find that the three base variables remain significant and with similar patterns in both model B and C. Age and donations still have positive coefficients and formalization a negative coefficient. Board vacancies is significant when added to the model, although adding them increases the percent of variance does not change from 37 percent and the percent of cases correctly predicted changes slightly from 70 to 72 percent.

Table B2. Model C— Estimates from Binary Logistic Regression of Congregations vs. Faith-Based Nonprofits, Base and IT Challenge Variables (n=182)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.259**	**0.056**	**21.145**	**1**	**0.000**	**1.296**
Ln of Number of FTE Staff (numeric)	0.214	0.180	1.416	1	0.234	1.238
Formalization (numeric)	**-0.242**	**0.072**	**11.427**	**1**	**0.000**	**0.785**
Percent of Revenue- Donations	**0.025**	**0.006**	**20.896**	**1**	**0.000**	**1.026**
Location- Central City Metropolitan County	0.272	0.436	0.387	1	0.534	1.312
Location- Metropolitan Ring County	0.320	0.772	0.171	1	0.679	1.377
Ln of Board Vacancies	**-0.661**	**0.335**	**3.889**	**1**	**0.049**	**0.516**
IT Application Challenges	0.204	0.330	0.385	1	0.535	1.227
IT Capacity Challenges	0.327	0.314	1.080	1	0.299	1.386
Constant	-2.638	1.066	6.128	1	0.013	0.072

R-squared= 0.37; Percent Correctly Predicted= 72%; Model Significance= p<.05

Tables B3 and B4 show the results of using the base organizational predictors, including also the financial variable or financial challenges and board vacancies in our multiple regression analysis.

Table B3. Model E1— Estimates from Binary Logistic Regression of Congregations vs. Faith-Based Nonprofits, Base and Financial Variables (n=246)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.291**	**0.051**	**32.700**	**1**	**0.000**	**1.338**
Ln of Number of FTE Staff (numeric)	0.175	0.177	0.987	1	0.321	1.192
Formalization (numeric)	-0.124	0.064	3.725	1	0.054	0.883
Percent of Revenue- Donations	**0.023**	**0.005**	**24.750**	**1**	**0.000**	**1.024**
Location- Central City Metropolitan County	0.176	0.378	0.218	1	0.640	1.193
Location- Metropolitan Ring County	-0.022	0.679	0.001	1	0.974	0.978
External Information Technology (scale)	-0.277	0.341	0.661	1	0.416	0.758
Internal Information Technology (scale)	-0.279	0.219	1.622	1	0.203	0.756
Financial Health	0.150	0.365	0.169	1	0.681	1.162
Constant	-0.854	0.710	1.446	1	0.229	0.426

R-squared= 0.37; Percent Correctly Predicted= 70%; Model Significance= p<.05

Of the base variables in the analysis, only two – age and percent of revenue from donations – remain significant in both the financial variable and financial challenge analyses. Congregations are older and rely more heavily on donations than faith-based nonprofits, controlling for all other factors. Formalization is significant only in the base analysis - congregations are less formalized than faith-based nonprofits, but not when we control also for changes in revenues and expenses.

Financial health is not significant in the model, though adding it to the basic organizational dimensions has no impact on accounting for the variance explained (37 vs. 37

percent in the base model) or our ability to correctly distinguish between congregations and faith-based nonprofits (70 vs. 70 percent of cases).

Adding the two financial challenge variables or board vacancies to the base model shows that none are significant, although this model accounts for a slightly higher percent of variance explained (42 vs. 37 percent) and slightly improves our ability to correctly distinguish between congregations and faith-based nonprofits from 70 to 74 percent of cases.

Table B4. Model C1— Estimates from Binary Logistic Regression of Congregations vs. Faith-Based Nonprofits, Base and Financial Challenge Variables (n=197)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.295**	**0.057**	**26.620**	**1**	**0.000**	**1.343**
Ln of Number of FTE Staff (numeric)	0.229	0.192	1.432	1	0.232	1.258
Formalization (numeric)	-0.143	0.076	3.564	1	0.059	0.867
Percent of Revenue- Donations	**0.025**	**0.006**	**20.718**	**1**	**0.000**	**1.025**
Location- Central City Metropolitan County	0.226	0.418	0.292	1	0.589	1.253
Location- Metropolitan Ring County	0.380	0.763	0.248	1	0.619	1.462
External Information Technology (scale)	-0.215	0.389	0.307	1	0.580	0.806
Internal Information Technology (scale)	-0.265	0.256	1.074	1	0.300	0.767
Ln of Board Vacancies	**-0.705**	**0.337**	**4.379**	**1**	**0.036**	**0.494**
Funding Challenges	-0.152	0.274	0.307	1	0.580	0.859
Financial Management Challenges	0.549	0.285	3.705	1	0.054	1.732
Constant	-1.820	1.099	2.743	1	0.098	0.162

R-squared= 0.42; Percent Correctly Predicted= 74%; Model Significance= p<.05

Tables B5 and B6 show the results of using the base organizational predictors and also the human resource variables or the human resource challenge variables in our multiple regression analysis to compare congregations to other faith-based nonprofits.

As noted in the text, only two of our base variables remain significant in the human resources analysis – age and percent of revenue-donations remain significant in all three models and with a similar pattern – congregations are older and rely more heavily on donations than faith-based nonprofits. However, formalization which is negative in the base model, is no longer significant in the two other models once we control for the five human resource variables or the four human resource challenge variables.

Of the human resource variables, executive director and number of board members are significant but with opposite relationships, indicating that congregations are more likely to have an executive director but fewer board members than faith-based nonprofits, controlling for all other factors. Adding the five human resource variables increases the percent of variance explained from 37 percent in the base model to 51 percent, and our ability to correctly distinguish between congregations and faith-based nonprofits from 70 to 82 percent of cases.

Table B5. Model E2— Estimates from Binary Logistic Regression of Congregations vs. Faith-Based Nonprofits, Base and Human Resource Variables (n=158)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.281**	**0.074**	**14.336**	**1**	**0.000**	**1.324**
Ln of Number of FTE Staff (numeric)	0.135	0.269	0.251	1	0.617	1.144
Formalization (numeric)	-0.117	0.099	1.397	1	0.237	0.890
Percent of Revenue- Donations	**0.020**	**0.007**	**7.178**	**1**	**0.007**	**1.020**
Location- Central City Metropolitan County	0.143	0.497	0.083	1	0.774	1.154
Location- Metropolitan Ring County	0.783	1.060	0.546	1	0.460	2.188
External Information Technology (scale)	0.217	0.528	0.168	1	0.682	1.242
Internal Information Technology (scale)	-0.372	0.367	1.026	1	0.311	0.689
Ln Number of Board Vacancies (numeric)	-0.756	0.412	3.361	1	0.067	0.470
Ln Number of Board Members (numeric)	**-1.330**	**0.520**	**6.534**	**1**	**0.011**	**0.264**
Ln Number of Volunteers	-0.134	0.208	0.413	1	0.520	0.875
Importance of Volunteers- Essential, Very, Somewhat Important	-0.519	0.316	2.692	1	0.101	0.595
Have an Executive Director	**1.308**	**0.660**	**3.927**	**1**	**0.048**	**3.700**
Constant	1.804	1.751	1.062	1	0.303	6.075

R-squared= 0.51; Percent Correctly Predicted= 82%; Model Significance= p<.05

None of challenge variables are significant. Including them in the analysis marginally increases the percent of variance explained to 40 percent from 37 percent but has no impact on our ability to correctly distinguish between congregations and faith-based nonprofits (unchanged at 70 percent of cases).

Tables B7 and B8 shows the results of using the base organizational predictors, including also the service variable or also management challenges in our multiple regression analysis.

Of the base variables in the analysis, age and percent of revenue from donations remain significant in all three models and with the same pattern: congregations are older and rely more heavily on donations than faith-based nonprofits, controlling for all other factors. Formalization, which was negative in the base model, is only significant and negative when we examine management challenges, not change in demand for services.

Change in demand is not significant when added to the base model and has virtually no impact on the percent of variance explained (38 percent vs. 37 percent) or on our ability to corrected distinguish between congregations and faith-based nonprofits (unchanged at 70 percent of the cases).

None of the management challenges are significant when added to the base model in the analysis. However, adding them marginally increases the percent of variance

explained from 37 to 41 percent and our ability to correctly distinguish between congregations and faith-based nonprofits from 70 to 73 percent of the cases.

Table B6. Model C2— Estimates from Binary Logistic Regression of Congregations vs. Faith-Based Nonprofits, Base and HR Challenge Variables (n=145)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.265**	**0.065**	**16.416**	**1**	**0.000**	**1.303**
Ln of Number of FTE Staff (numeric)	-0.138	0.262	0.277	1	0.599	0.871
Formalization (numeric)	-0.149	0.092	2.609	1	0.106	0.862
Percent of Revenue- Donations	**0.022**	**0.007**	**9.802**	**1**	**0.002**	**1.022**
Location- Central City Metropolitan County	0.165	0.470	0.124	1	0.725	1.180
Location- Metropolitan Ring County	0.540	0.983	0.302	1	0.583	1.716
External Information Technology (scale)	-0.079	0.504	0.025	1	0.875	0.924
Internal Information Technology (scale)	-0.347	0.355	0.955	1	0.329	0.707
Ln of Board Vacancies	-0.667	0.411	2.643	1	0.104	0.513
Board Management Challenges	-0.275	0.384	0.514	1	0.474	0.760
Employee Performance Challenges	0.414	0.356	1.351	1	0.245	1.513
Employee Compensation Challenges	-0.112	0.242	0.216	1	0.642	0.894
Volunteer Management Challenges	0.534	0.344	2.404	1	0.121	1.705
Constant	-1.386	1.370	1.023	1	0.312	0.250

R-squared= 0.42; Percent Correctly Predicted= 73%; Model Significance= p<.05

Table B7. Model E3— Estimates from Binary Logistic Regression of Congregations and Faith-Based Organizations, Base and Service Variables (n=258)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.288**	**0.049**	**33.873**	**1**	**0.000**	**1.333**
Ln of Number of FTE Staff (numeric)	0.188	0.172	1.187	1	0.276	1.206
Formalization (numeric)	-0.117	0.063	3.453	1	0.063	0.890
Percent of Revenue- Donations	**0.023**	**0.005**	**25.874**	**1**	**0.000**	**1.023**
Location- Central City Metropolitan County	0.270	0.361	0.558	1	0.455	1.310
Location- Metropolitan Ring County	0.135	0.674	0.040	1	0.841	1.144
External Information Technology (scale)	-0.328	0.337	0.946	1	0.331	0.721
Internal Information Technology (scale)	-0.231	0.214	1.170	1	0.279	0.793
Demand for Services (scale)	-0.152	0.170	0.798	1	0.372	0.859
Constant	-0.513	0.871	0.347	1	0.556	0.599

R-squared= 0.37; Percent Correctly Predicted= 70%; Model Significance= p<.05.

Table B8. Model C3— Estimates from Binary Logistic Regression of Congregations and Faith-Based Organizations, Base and Management Challenge Variables (n=188)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.262**	**0.057**	**21.212**	**1**	**0.000**	**1.300**
Ln of Number of FTE Staff (numeric)	0.205	0.195	1.112	1	0.292	1.228
Formalization (numeric)	-0.140	0.079	3.132	1	0.077	0.869
Percent of Revenue- Donations	**0.026**	**0.006**	**20.756**	**1**	**0.000**	**1.026**
Location- Central City Metropolitan County	0.380	0.421	0.815	1	0.367	1.462
Location- Metropolitan Ring County	0.176	0.766	0.053	1	0.819	1.192
External Information Technology (scale)	-0.400	0.400	0.998	1	0.318	0.670
Internal Information Technology (scale)	-0.099	0.263	0.141	1	0.707	0.906
Ln of Board Vacancies	-0.649	0.341	3.624	1	0.057	0.523
Routine Management Challenges	0.126	0.273	0.212	1	0.645	1.134
Strategic Management Challenges	0.051	0.234	0.047	1	0.828	1.052
Program Management Challenges	0.388	0.245	2.512	1	0.113	1.474
Constant	**-2.500**	**1.075**	**5.413**	**1**	**0.020**	**0.082**

R-squared= 0.41; Percent Correctly Predicted= 73%; Model Significance= p<.05

Tables B9 and 10 show the results of using just the base organizational predictors, including also the advocacy variables or advocacy challenges in our multiple regression analysis for comparing congregations and faith-based nonprofits.

Table B9. Model E4— Estimates from Binary Logistic Regression of Congregations and Faith-Based Organizations, Base and Advocacy Variables (n=256)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.300**	**0.050**	**35.393**	**1**	**0.000**	**1.350**
Ln of Number of FTE Staff (numeric)	0.158	0.174	0.823	1	0.364	1.171
Formalization (numeric)	**-0.129**	**0.063**	**4.208**	**1**	**0.040**	**0.879**
Percent of Revenue- Donations	**0.024**	**0.005**	**26.071**	**1**	**0.000**	**1.024**
Location- Central City Metropolitan County	0.346	0.363	0.908	1	0.341	1.413
Location- Metropolitan Ring County	0.227	0.678	0.112	1	0.738	1.255
External Information Technology (scale)	-0.139	0.354	0.155	1	0.693	0.870
Advocacy	-0.589	0.339	3.011	1	0.083	0.555
Constant	-1.080	0.689	2.461	1	0.117	0.339

R-squared= 0.38; Percent Correctly Predicted= 73%; Model Significance= p<.05

Of the base variables in the analysis only age remains significant in all three models – congregations are older than faith-based nonprofits. Formalization and percent of revenue-donations remain significant only for Model E4 and with a similar pattern –

congregations are less formalized and rely more on donations than faith-based nonprofits. However, they are not significant, where we include advocacy challenges.

Participation in advocacy is not significant when controlling for basic organizational dimensions, although adding it to the base model marginally increases the percent of variance explained from 37 to 38 percent and our ability to correctly distinguish between congregations and faith-based nonprofits from 70 to 73 percent of the cases.

Table B10. Model C4— Estimates from Binary Logistic Regression of Congregations and Faith-Based Organizations, Base and Advocacy Challenge Variables (n=52)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.378**	**0.134**	**7.919**	**1**	**0.005**	**1.459**
Ln of Number of FTE Staff (numeric)	-0.151	0.355	0.180	1	0.672	0.860
Formalization (numeric)	0.027	0.138	0.039	1	0.844	1.028
Percent of Revenue- Donations	0.017	0.011	2.203	1	0.138	1.017
Location- Central City Metropolitan County	0.958	0.897	1.142	1	0.285	2.607
Location- Metropolitan Ring County	1.477	1.708	0.747	1	0.387	4.378
External Information Technology (scale)	-1.094	0.881	1.541	1	0.214	0.335
Internal Information Technology (scale)	-0.927	0.595	2.431	1	0.119	0.396
Ln of Board Vacancies	0.071	0.782	0.008	1	0.928	1.073
Advocacy Challenges	0.253	0.458	0.305	1	0.581	1.288
Constant	0.513	2.480	0.043	1	0.836	1.670

R-squared= 0.46; Percent Correctly Predicted= 77%; Model Significance= p<.05

When we add advocacy challenges to the base model, it is not significant in the analysis. However, this model explains a larger percent of the variance (46 vs. 37 percent) and increases our ability to correctly distinguish between congregations and faith-based nonprofits from 70 to 77 percent of the cases.

Faith-Based Nonprofits vs. Secular Comparison Charities

Table B11 shows the results of using the base organizational predictors.

As noted in the text, four of the base variables – the number of full-time staff, formalization, donations, and central city metropolitan location are significant in the analysis. Full-time staff and donations have positive relationships, indicating that faith-based nonprofits have more full-time staff and rely more heavily on donations than secular comparison charities. Formalization has a negative relationship, indicating that faith-based nonprofits are less formalized than secular comparison charities. Central city metropolitan location is also significant, indicating that faith-based nonprofits are located in central city counties more often than secular comparison charities. The full model accounts for 26 percent of the variance between faith-based nonprofits and secular comparison charities and correctly predicts 79 percent of cases.

Table B11. Model B— Estimates from Binary Logistic Regressions- Faith-Based Nonprofits vs. Secular Comparison Charities (n=370)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.066	0.049	1.798	1	0.180	1.068
Ln of Number of FTE Staff (numeric)	**0.300**	**0.133**	**5.076**	**1**	**0.024**	**1.350**
Formalization (numeric)	**-0.160**	**0.052**	**9.514**	**1**	**0.002**	**0.852**
Percent of Revenue- Donations	**0.028**	**0.005**	**37.491**	**1**	**0.000**	**1.028**
Percent of Revenue- Donations	-0.004	0.006	0.578	1	0.447	0.996
Location- Central City Metropolitan County	**0.972**	**0.321**	**9.193**	**1**	**0.002**	**2.644**
Location- Metropolitan Ring County	0.052	0.609	0.007	1	0.931	1.054
External Information Technology (scale)	-0.230	0.253	0.824	1	0.364	0.795
Internal Information Technology (scale)	0.177	0.186	0.907	1	0.341	1.194
Constant	**-2.111**	**0.597**	**12.487**	**1**	**0.000**	**0.121**

R-squared= 0.26; Percent Correctly Predicted= 79%; Model Significance= p<.05

Table B12 shows the results of using the base organizational predictors, including also the IT challenges in our multiple regression analysis to examine differences between faith-based nonprofits and secular comparison charities.

Table B12. Model C— Estimates from Binary Logistic Regression of Faith-Based Nonprofits vs. Secular Comparison Charities, Base and IT Challenge Variables (n=289)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.119**	**0.055**	**4.762**	**1**	**0.029**	**1.126**
Ln of Number of FTE Staff (numeric)	**0.321**	**0.134**	**5.738**	**1**	**0.017**	**1.379**
Formalization (numeric)	**-0.190**	**0.057**	**10.974**	**1**	**0.000**	**0.827**
Percent of Revenue- Donations	**0.028**	**0.005**	**30.777**	**1**	**0.000**	**1.028**
Percent of Revenue- Fees	-0.001	0.007	0.022	1	0.883	0.999
Location- Central City Metropolitan County	**1.122**	**0.360**	**9.716**	**1**	**0.002**	**3.069**
Location- Metropolitan Ring County	0.205	0.679	0.091	1	0.763	1.227
Ln of Board Vacancies	-0.235	0.242	0.944	1	0.331	0.791
IT Application Challenges	0.019	0.234	0.006	1	0.936	1.019
IT Capacity Challenges	0.016	0.248	0.004	1	0.950	1.016
Constant	**-2.206**	**0.765**	**8.319**	**1**	**0.004**	**0.110**

R-squared= 0.27; Percent Correctly Predicted= 78%; Model Significance= p<.05

All four significant base variables in Model B remain significant in Model C – number of full-time equivalent staff, formalization, precent of revenue from donations, and central city metropolitan count – and all have similar coefficients. However, age now also has a positive relationship, indicating that controlling also for IT challenges and board vacancies, faith-based nonprofits are older than secular comparison charities, although neither IT challenge scales are significant. Adding the two IT challenge scales slightly increases the percent of variance explained from 26 to 27 percent and decreases the

percent of cases correctly predicted from 79 to 78 percent. Table B13 and B14 shows the results of using the base organizational predictors, including also the financial variables or the financial challenges and board vacancies in our multiple regression analysis.

Table B13. Model E1— Estimates from Binary Logistic Regression of Faith-Based Nonprofits vs. Secular Comparison Charities, Base and Financial Variables (n=344)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.077	0.051	2.275	1	0.132	1.080
Ln of Number of FTE Staff (numeric)	**0.311**	**0.139**	**5.001**	**1**	**0.025**	**1.365**
Formalization (numeric)	**-0.172**	**0.055**	**9.942**	**1**	**0.002**	**0.842**
Percent of Revenue- Donations	**0.029**	**0.005**	**36.961**	**1**	**0.000**	**1.030**
Percent of Revenue- Fees	-0.004	0.006	0.437	1	0.509	0.996
Location- Central City Metropolitan County	**1.166**	**0.350**	**11.105**	**1**	**0.000**	**3.280**
Location- Metropolitan Ring County	0.231	0.627	0.136	1	0.713	1.210
External Information Technology (scale)	-0.220	0.263	0.696	1	0.404	0.803
Internal Information Technology (scale)	0.199	0.194	1.049	1	0.306	1.220
Financial Health	-0.075	0.331	0.520	1	0.820	0.927
Constant	**-2.376**	**0.652**	**13.271**	**1**	**0.000**	**0.093**

R-squared= 0.28; Percent Correctly Predicted= 80%; Model Significance= p<.05

Table B14. Model C1— Estimates from Binary Logistic Regression of Faith-Based Nonprofits vs. Secular Comparison Charities, Base and Financial Challenge Variables (n=302)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.092	0.055	2.736	1	0.098	1.096
Ln of Number of FTE Staff (numeric)	**0.396**	**0.143**	**7.618**	**1**	**0.006**	**1.485**
Formalization (numeric)	**-0.204**	**0.061**	**11.242**	**1**	**0.000**	**0.815**
Percent of Revenue- Donations	**0.031**	**0.005**	**36.198**	**1**	**0.000**	**1.032**
Percent of Revenue- Fees	-0.001	0.007	0.008	1	0.930	0.999
Location: Central City Metropolitan County	**1.176**	**0.361**	**10.604**	**1**	**0.001**	**3.241**
Location- Metropolitan Ring County	-0.008	0.710	0.000	1	0.990	0.992
External Information Technology (scale)	-0.291	0.296	0.965	1	0.326	0.748
Internal Information Technology (scale)	0.174	0.207	0.703	1	0.402	1.190
Ln of Board Vacancies	-0.252	0.243	1.071	1	0.301	0.777
Funding Challenges	-0.043	0.225	0.036	1	0.850	0.958
Financial Management Challenges	0.319	0.234	1.847	1	0.174	1.375
Constant	**-2.512**	**0.967**	**6.749**	**1**	**0.009**	**0.081**

R-squared= 0.31; Percent Correctly Predicted= 79%; Model Significance= p<.05

All four base variables remain significant in all three models and all with the same pattern: faith-based nonprofits have more full-time staff, are less formalized, rely more heavily on donations, and are more likely to be located in central city counties than secular comparison charities, controlling for all other factors.

Financial health is not significant when added to the base model and adding them have only marginal impact on the percent of variance explained, up from 26 percent in the base model to 28 percent, or our ability to correctly distinguish between faith-based nonprofits and secular charities, up from 79 percent to 80 percent of cases.

Neither the two financial challenge variables nor board vacancies are significant in the multivariate analysis when added to the base variables. Compared to the base model, this model slightly improves the percent of variance explained (from 28 to 31 percent) but does not change our ability to correctly distinguish between faith-based nonprofits and secular comparison charities from 79 percent of cases.

Table B15 and B16 shows the results of using the base organizational predictors, including also the human resource variables or the HR challenges and board vacancies in our multiple regression analysis.

Table 15. Model E2— Estimates from Binary Logistic Regression of Faith-Based Nonprofits vs. Secular Comparison Charities, Base and Human Resource Variables (n=158)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.206**	**0.078**	**6.905**	**1**	**0.009**	**1.229**
Ln of Number of FTE Staff (numeric)	**0.645**	**0.205**	**9.918**	**1**	**0.002**	**1.906**
Formalization (numeric)	**-0.279**	**0.088**	**10.036**	**1**	**0.002**	**0.757**
Percent of Revenue- Donations	**0.039**	**0.008**	**24.946**	**1**	**0.000**	**1.040**
Percent of Revenue- Fees	0.007	0.011	0.371	1	0.542	1.007
Location- Central City Metropolitan County	0.636	0.448	2.012	1	0.156	1.889
Location- Metropolitan Ring County	-0.876	0.945	0.860	1	0.354	0.416
External Information Technology (scale)	0.223	0.397	0.315	1	0.575	1.249
Internal Information Technology (scale)	-0.033	0.296	0.012	1	0.912	0.968
Ln Number of Board Vacancies (numeric)	-0.087	0.301	0.083	1	0.773	0.917
Ln Number of Board Members (numeric)	**-1.187**	**0.462**	**6.603**	**1**	**0.010**	**0.305**
Ln Number of Volunteers	-0.113	0.141	0.643	1	0.423	0.893
Importance of Volunteers- Essential, Very, Somewhat Important	-0.171	0.235	0.531	1	0.466	0.842
Have an Executive Director	-0.621	0.792	0.614	1	0.433	0.538
Constant	1.416	1.748	0.657	1	0.418	4.123

R-squared= 0.41; Percent Correctly Predicted= 84%; Model Significance= p<.05.

As noted in the text, of the four base variables that are significant in the base model, three – number of full-time staff, formalization, and percent of revenue from donations –

remain significant with similar patterns in all three models. Faith-based nonprofits tend to be larger, less formalized, and rely more on donations that secular comparison charities. However, the fourth base variable, location, is not significant in the two expanded models. On the other hand, another base variable – age – becomes significant when we control for the five human resource variables, indicating faith-based nonprofits are older than secular comparison charities, but only when controlling for all variables included in this model.

Of the five human resource variables, only the number of board members is significant, with a negative relationship, indicating that faith-based organizations have fewer board members than secular comparison charities. Adding these variables to our base model notably increases the percent variance explained from 26 to 41 percent and our ability to correctly distinguish between faith-based nonprofits and secular comparison charities from 79 to 84 percent of cases.

None of the four human resource challenge variables are significant when added to the base model, however, the full model increases the percent of variance explained from 26 in the base model to 37 percent and marginally increases our ability to correctly distinguish between faith-based organizations and secular comparison charities from 79 to 81 percent of cases.

Table 16. Model C2— Estimates from Binary Logistic Regression of Faith-Based Nonprofits vs. Secular Comparison Charities, Base and HR Challenge Variables (n=174)

Variables	**B**	**S.E.**	**Wald**	**df**	**Sig.**	**Exp(B)**
Age	0.116	0.072	2.566	1	0.109	1.123
Ln of Number of FTE Staff (numeric)	**0.517**	**0.207**	**6.243**	**1**	**0.012**	**1.678**
Formalization (numeric)	**-0.337**	**0.091**	**13.805**	**1**	**0.000**	**0.714**
Percent of Revenue- Donations	**0.035**	**0.007**	**22.464**	**1**	**0.000**	**1.035**
Percent of Revenue- Fees	0.009	0.010	0.765	1	0.382	1.009
Location- Central City Metropolitan County	0.805	0.450	3.202	1	0.074	2.236
Location- Metropolitan Ring County	-0.511	0.963	0.281	1	0.596	0.600
External Information Technology (scale)	0.038	0.384	0.010	1	0.921	1.039
Internal Information Technology (scale)	-0.045	0.297	0.022	1	0.881	0.956
Ln of Board Vacancies	-0.070	0.312	0.051	1	0.822	0.932
Board Management Challenges	0.158	0.340	0.215	1	0.643	1.171
Employee Performance Challenges	-0.017	0.360	0.002	1	0.962	0.983
Employee Compensation Challenges	-0.028	0.240	0.013	1	0.908	0.973
Volunteer Management Challenges	0.105	0.296	0.125	1	0.723	1.110
Constant	-1.610	1.354	1.414	1	0.234	0.200

R-squared= 0.37; Percent Correctly Predicted= 80%; Model Significance= p<.05

Tables B17 and B18 show the results of the service and challenges analyses in our multiple regression analysis comparing faith-based nonprofits to secular charities. Four

base variables – number of full-time staff, formalization, donations, and central city metropolitan location – remain significant in all three models - faith-based nonprofits are larger, less formalized, rely more on donations, and are more likely to be located in central city counties than secular comparison charities, controlling for all other variables including in the particular model. One other base variable, age, is significant only in the challenge model.

Table B17. Model E3— Estimates from Binary Logistic Regression of Faith-Based Organizations vs. Secular Comparison Charities, Base and Service Variables (n=369)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.058	0.050	1.393	1	0.238	1.060
Ln of Number of FTE Staff (numeric)	**0.305**	**0.133**	**5.220**	**1**	**0.022**	**1.357**
Formalization (numeric)	**-0.148**	**0.053**	**7.962**	**1**	**0.005**	**0.862**
Percent of Revenue- Donations	**0.028**	**0.005**	**37.381**	**1**	**0.000**	**1.028**
Percent of Revenue- Fees	-0.005	0.006	0.789	1	0.374	0.995
Location- Central City Metropolitan County	**0.956**	**0.322**	**8.806**	**1**	**0.003**	**2.601**
Location- Metropolitan Ring County	-0.009	0.610	0.000	1	0.989	0.992
External Information Technology (scale)	-0.183	0.257	0.503	1	0.478	0.833
Internal Information Technology (scale)	0.150	0.187	0.637	1	0.425	1.161
Demand for Services (scale)	-0.278	0.195	2.037	1	0.154	0.757
Constant	-1.221	0.853	2.049	1	0.152	0.295

R-squared= 0.27; Percent Correctly Predicted= 81%; Model Significance= p<.05

Change in demand is not significant when added to the base model, but marginally increases the percent of variance explained from 26 to 27 percent and our ability to correctly distinguish between faith-based nonprofits and secular charities from 79 to 81 percent of the cases.

None of the management challenges are significant when added to the base model. Adding them marginally increases the percent variance explained from 26 to 30 percent, but our ability to correctly distinguish between faith-based nonprofits and secular charities drops marginally from 79 to 78 percent of the cases.

Tables B19 and B20 show the results of using the same process for comparing other faith-based nonprofits to secular comparison charities. Of the base variables in the analysis, formalization and only donations remain significant in all three models – faith-based nonprofits are significantly less formalized and rely more on donations than secular comparison charities.

Table B18. Model C3— Estimates from Binary Logistic Regression of Faith-Based Organizations vs. Secular Comparison Charities, Base and Management Challenge Variables (n=299)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.113**	**0.055**	**4.213**	**1**	**0.040**	**1.120**
Ln of Number of FTE Staff (numeric)	**0.374**	**0.143**	**6.878**	**1**	**0.009**	**1.454**
Formalization (numeric)	**-0.201**	**0.061**	**10.949**	**1**	**0.000**	**0.818**
Percent of Revenue- Donations	**0.031**	**0.005**	**35.618**	**1**	**0.000**	**1.032**
Percent of Revenue- Fees	-0.002	0.007	0.104	1	0.747	0.998
Location- Central City Metropolitan County	**0.948**	**0.358**	**6.997**	**1**	**0.008**	**2.580**
Location- Metropolitan Ring County	-0.060	0.713	0.007	1	0.933	0.942
External Information Technology (scale)	-0.198	0.296	0.445	1	0.505	0.821
Internal Information Technology (scale)	0.090	0.218	0.170	1	0.680	1.094
Ln of Board Vacancies	-0.174	0.236	0.541	1	0.462	0.840
Routine Management Challenges	0.102	0.214	0.225	1	0.635	1.107
Strategic Management Challenges	0.003	0.182	0.000	1	0.989	1.003
Program Management Challenges	-0.016	0.204	0.006	1	0.939	0.984
Constant	**-2.068**	**0.921**	**5.042**	**1**	**0.025**	**0.126**

R-squared= 0.30; Percent Correctly Predicted= 78%; Model Significance= p<.05

Table B19. Model E4— Estimates from Binary Logistic Regression of Faith-Based Organizations vs. Secular Comparison Charities, Base and Advocacy Variables (n=369)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.066	0.049	1.811	1	0.178	1.068
Ln of Number of FTE Staff (numeric)	**0.297**	**0.135**	**4.863**	**1**	**0.027**	**1.346**
Formalization (numeric)	**-0.155**	**0.052**	**8.867**	**1**	**0.003**	**0.856**
Percent of Revenue- Donations	**0.028**	**0.005**	**37.554**	**1**	**0.000**	**1.028**
Percent of Revenue- Fees	-0.004	0.006	0.502	1	0.478	0.996
Location- Central City Metropolitan County	**0.990**	**0.324**	**9.353**	**1**	**0.002**	**2.692**
Location- Metropolitan Ring County	0.117	0.616	0.036	1	0.850	1.124
External Information Technology (scale)	-0.138	0.261	0.280	1	0.597	0.871
Advocacy	-0.529	0.280	3.583	1	0.058	0.589
Constant	**-2.079**	**0.604**	**11.839**	**1**	**0.000**	**0.125**

R-squared= 0.28; Percent Correctly Predicted= 78%; Model Significance= p<.05

The number of full-time staff and central city metropolitan location remain significant only in Model E4, where we control for basic organizational dimensions and engaging in advocacy, but not when we control for basic dimensions and advocacy challenges.

Table B20. Model C4— Estimates from Binary Logistic Regression of Faith-Based Organizations vs. Secular Comparison Charities, Base and Advocacy Challenge Variables (n=123)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.128	0.121	1.120	1	0.290	1.137
Ln of Number of FTE Staff (numeric)	0.328	0.272	1.452	1	0.228	1.389
Formalization (numeric)	**-0.360**	**0.133**	**7.377**	**1**	**0.007**	**0.698**
Percent of Revenue- Donations	**0.025**	**0.010**	**6.095**	**1**	**0.014**	**1.026**
Percent of Revenue- Fees	-0.017	0.019	0.757	1	0.384	0.984
Location- Central City Metropolitan County	1.098	0.773	2.020	1	0.155	2.998
Location- Metropolitan Ring County	-0.766	1.345	0.324	1	0.569	0.465
External Information Technology (scale)	0.636	0.565	1.268	1	0.260	1.889
Internal Information Technology (scale)	0.327	0.462	0.501	1	0.479	1.386
Ln of Board Vacancies	**-1.118**	**0.544**	**4.226**	**1**	**0.040**	**0.327**
Advocacy Challenges	0.540	0.401	1.817	1	0.178	1.716
Constant	**-4.001**	**1.958**	**4.175**	**1**	**0.041**	**0.018**

R-squared= 0.42; Percent Correctly Predicted= 89%; Model Significance= p<.05

Participation in advocacy is not significant and marginally increases the percent of variance explained from 26 to 28 percent, but marginally decreases our ability to correctly distinguish between the two types of nonprofits from 79 to 78 percent of the cases.

Advocacy challenge is also not significant when we include it in the multivariate analysis along with the base variables in the analysis. However, including it notably increases the percent of variance explained from 26 to 42 percent and our ability to correctly distinguish between faith-based nonprofits and secular charities from 79 to 89 percent of the cases.

Congregations vs. Secular Comparison Charities

Table B21 shows the results of using the base organizational predictors.

As noted in the text, six of the base variables are significant in the model. Age, full-time staff, and donations have positives relationship, indicating that congregations are older, have more staff, and rely more heavily on donations than secular comparison charities. Formalization is negative, indicating that congregations are less formalized than secular comparison charities. External information technology is significant, indicating that congregations utilize external IT less often than secular comparison charities. Finally, central metropolitan location is also significant in the model indicating that congregations are located in central cities more often than secular organizations. The full model accounts for 68 percent of the variance between the two types of nonprofits and correctly predicts 87 percent of cases.

Table B21. Model B— Estimates from Binary Logistic Regressions- Congregations vs. Secular Comparison Charities (n=443)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.323**	**0.050**	**42.044**	**1**	**0.000**	**1.382**
Ln of Number of FTE Staff (numeric)	**0.683**	**0.163**	**17.623**	**1**	**0.000**	**1.979**
Formalization (numeric)	**-0.274**	**0.061**	**20.138**	**1**	**0.000**	**0.760**
Percent of Revenue- Donations	**0.052**	**0.005**	**110.61**	**1**	**0.000**	**1.053**
Location- Central City Metropolitan County	**1.121**	**0.359**	**9.735**	**1**	**0.002**	**3.068**
Location- Metropolitan Ring County	0.306	0.615	0.248	1	0.618	1.359
External Information Technology (scale)	**-0.849**	**0.309**	**7.546**	**1**	**0.006**	**0.428**
Internal Information Technology (scale)	0.056	0.206	0.074	1	0.786	1.058
Constant	**-2.965**	**0.675**	**19.284**	**1**	**0.000**	**0.052**

R-squared= 0.68; Percent Correctly Predicted= 87%; Model Significance= p<.05

Table B22 shows the results of using the base organizational predictors, including also the IT challenges and board vacancies in our multiple regression analysis to examine differences between congregations and secular comparison charities. Five of the six base variables significant in Model B remain significant in Model C and all with similar coefficients. Finally, external IT is still significant, indicating that congregations utilize external IT less often than secular comparison charities.

Table B22. Model C— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and IT Challenge Variables (n=317)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.322**	**0.062**	**27.090**	**1**	**0.000**	**1.379**
Ln of Number of FTE Staff (numeric)	**0.629**	**0.187**	**11.285**	**1**	**0.000**	**1.875**
Formalization (numeric)	**-0.371**	**0.072**	**26.444**	**1**	**0.000**	**0.69**
Percent of Revenue- Donations	**0.048**	**0.006**	**69.616**	**1**	**0.000**	**1.049**
Location- Central City Metropolitan County	**1.130**	**0.439**	**6.624**	**1**	**0.010**	**3.094**
Location- Metropolitan Ring County	0.625	0.703	0.790	1	0.374	1.867
Ln of Board Vacancies	**-1.068**	**0.352**	**9.194**	**1**	**0.002**	**0.344**
IT Application Challenges	0.155	0.289	0.290	1	0.590	1.168
IT Capacity Challenges	0.387	0.326	1.413	1	0.235	1.473
Constant	**-4.638**	**1.072**	**18.705**	**1**	**0.000**	**0.010**

R-squared= 0.68; Percent Correctly Predicted= 88%; Model Significance= p<.05

Our analysis shows that neither of the IT challenge variables or board vacancies contribute significantly to explaining differences between congregations and secular comparison charities. Our base model is very effective in doing so and adding the additional

variables to the analysis has no discernable impact on percent of variance explained (unchanged at 68 percent) or the percent of cases correctly predicted (87-88 percent).

Tables B23 and B24 show similar findings for comparing congregations to secular comparison charities – using the base organizational predictors, including also the financial variables or including the financial challenges and board vacancies in our multiple regression analysis.

Table B23. Model E1— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Financial Variables (n=430)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.319**	**0.050**	**40.230**	**1**	**0.000**	**1.375**
Ln of Number of FTE Staff (numeric)	**0.646**	**0.163**	**15.714**	**1**	**0.000**	**1.977**
Formalization (numeric)	**-0.263**	**0.061**	**18.393**	**1**	**0.000**	**0.768**
Percent of Revenue- Donations	**0.051**	**0.005**	**105.832**	**1**	**0.000**	**1.053**
Location- Central City Metropolitan County	**1.116**	**0.366**	**9.314**	**1**	**0.002**	**2.991**
Location- Metropolitan Ring County	0.270	0.615	0.193	1	0.661	1.294
External Information Technology (scale)	**-0.762**	**0.310**	**6.052**	**1**	**0.014**	**0.458**
Internal Information Technology (scale)	0.026	0.210	0.016	1	0.900	1.019
Financial Health	-0.008	0.350	0.001	1	0.981	1.005
Constant	**-2.979**	**0.698**	**18.240**	**1**	**0.000**	**0.051**

R-squared= 0.67; Percent Correctly Predicted= 86%; Model Significance= p<.05

Table B24. Model C1— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Financial Challenge Variables (n=337)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.330**	**0.062**	**28.252**	**1**	**0.000**	**1.392**
Ln of Number of FTE Staff (numeric)	**0.807**	**0.199**	**16.394**	**1**	**0.000**	**2.242**
Formalization (numeric)	**-0.344**	**0.077**	**20.041**	**1**	**0.000**	**0.709**
Percent of Revenue- Donations	**0.052**	**0.006**	**75.018**	**1**	**0.000**	**1.054**
Location- Central City Metropolitan County	**1.120**	**0.433**	**6.675**	**1**	**0.010**	**3.065**
Location- Metropolitan Ring County	0.369	0.715	0.267	1	0.606	1.446
External Information Technology (scale)	-0.631	0.372	2.882	1	0.090	0.532
Internal Information Technology (scale)	-0.105	0.257	0.168	1	0.682	0.900
Ln of Board Vacancies	**-0.993**	**0.368**	**7.270**	**1**	**0.007**	**0.371**
Funding Challenges	-0.403	0.293	1.897	1	0.168	0.668
Financial Management Challenges	**0.750**	**0.309**	**5.899**	**1**	**0.015**	**2.117**
Constant	**-2.783**	**1.188**	**5.482**	**1**	**0.019**	**0.062**

R-squared= 0.71; Percent Correctly Predicted= 89%; Model Significance= p<.05.

Of the base variables considered, the same five – age, formalization, number of full-time staff, donations, central city location – remain significant in all three models. Congregations are older, less formalized, larger, rely more heavily on donations, and are more likely to be located in central metropolitan counties than secular comparison charities.

When financial health is added to the analysis, it is not significant in the model. The Base model is a very effective model and adding financial health has slightly decreases impact on the percent of variance explained (67 percent) or on our ability to corrected distinguish between congregations and faith-based nonprofits (86 percent of cases).

However, when examining base variables and financial challenge variables, financial management challenges is significant and negative, indicating that congregations are less likely to have difficulties with these activities than secular comparison charities. This model marginally improves the percent of variance explained over the base model from 68 percent to 71 percent, and our ability to correctly distinguish between congregations and secular comparison charities from 87 to 89 percent of cases.

Tables B25 and B26 show similar findings for comparing congregations to secular comparison charities – using the base organizational predictors, including also the human resource variables or including the HR challenges and board vacancies in our multiple regression analysis.

Table 25. Model E2— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Human Resource Variables (n=235)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.432**	**0.105**	**17.095**	**1**	**0.000**	**1.541**
Ln of Number of FTE Staff (numeric)	**1.284**	**0.352**	**13.279**	**1**	**0.000**	**3.610**
Formalization (numeric)	**-0.498**	**0.119**	**17.348**	**1**	**0.000**	**0.608**
Percent of Revenue- Donations	**0.065**	**0.011**	**37.642**	**1**	**0.000**	**1.067**
Location- Central City Metropolitan County	0.698	0.611	1.306	1	0.253	2.011
Location- Metropolitan Ring County	-0.292	1.042	0.079	1	0.779	0.746
External Information Technology (scale)	0.362	0.528	0.469	1	0.493	1.436
Internal Information Technology (scale)	-0.092	0.366	0.063	1	0.801	0.912
Ln Number of Board Vacancies (numeric)	**-1.359**	**0.610**	**4.971**	**1**	**0.026**	**0.257**
Ln Number of Board Members (numeric)	**-2.508**	**0.634**	**15.651**	**1**	**0.000**	**0.081**
Ln Number of Volunteers	-0.382	0.237	2.608	1	0.106	0.682
Importance of Volunteers- Essential, Very, Somewhat Important	-0.608	0.391	2.421	1	0.120	0.544
Have an Executive Director	0.514	0.747	0.474	1	0.491	1.673
Constant	3.450	2.267	2.317	1	0.128	31.495

R-squared= 0.83; Percent Correctly Predicted= 92%; Model Significance= p<.05.

Table B26. Model C2— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and HR Challenge Variables (n=211)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.320**	**0.078**	**16.854**	**1**	**0.000**	**1.377**
Ln of Number of FTE Staff (numeric)	0.381	0.279	1.860	1	0.173	1.464
Formalization (numeric)	**-0.406**	**0.096**	**17.821**	**1**	**0.000**	**0.666**
Percent of Revenue- Donations	**0.051**	**0.008**	**37.846**	**1**	**0.000**	**1.053**
Location- Central City Metropolitan County	0.823	0.530	2.415	1	0.120	2.278
Location- Metropolitan Ring County	-0.131	0.869	0.023	1	0.880	0.877
External Information Technology (scale)	-0.579	0.482	1.442	1	0.230	0.560
Internal Information Technology (scale)	-0.151	0.360	0.175	1	0.676	0.860
Ln of Board Vacancies	**-1.173**	**0.485**	**5.855**	**1**	**0.016**	**0.310**
Board Management Challenges	-0.226	0.448	0.255	1	0.613	0.797
Employee Performance Challenges	0.341	0.403	0.716	1	0.398	1.407
Employee Compensation Challenges	0.052	0.269	0.038	1	0.845	1.054
Volunteer Management Challenges	0.420	0.329	1.630	1	0.202	1.523
Constant	-1.738	1.825	0.907	1	0.341	0.176

R-squared= 0.74; Percent Correctly Predicted= 89%; Model Significance= p<.05

Six of the basic organizational dimensions are significant in the base model (column 1), but only three - age, formalization, and donations remain significant and unchanged across all three models, indicating that congregations are older, less formalized and rely more on donations than secular comparison charities when controlling for the additional variables. Paid staff remains significant and positive when we control for the five human resource variables (indicating that congregations are larger than secular comparison charities), but not when we control for the human resource challenge variables. Location and external information technology are no longer significant in either of the two expanded models.

Of the five human resource predictors, the number of board members and number of board vacancies are significant, both with negative relationships indicating that congregations have fewer board members and board vacancies than secular comparison charities. Adding the five human resource variables notably increases the percent of variance explained from 68 percent in the base model to 83 percent and our ability to correctly distinguish between faith-based nonprofits and secular comparison charities from 87 to 92 percent of cases.

None of the human resource challenge variables are significant when added to the base model (column 3). Adding them increases the percent of variance explained from 68 to 72 percent and marginally increases our ability to correctly distinguish between congregations and secular comparison charities from 87 to 89 percent of cases.

Tables B27 and B28 show the results of using the base organizational predictors, including also the service variables or challenges in our multiple regression analysis to compare congregations to secular comparison charities.

Table B27. Model E3— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Service Variables (n=441)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.331**	**0.051**	**41.948**	**1**	**0.000**	**1.393**
Ln of Number of FTE Staff (numeric)	**0.673**	**0.165**	**16.593**	**1**	**0.000**	**1.960**
Formalization (numeric)	**-0.247**	**0.062**	**16.007**	**1**	**0.000**	**0.781**
Percent of Revenue- Donations	**0.053**	**0.005**	**106.818**	**1**	**0.000**	**1.055**
Location- Central City Metropolitan County	**1.078**	**0.364**	**8.747**	**1**	**0.003**	**2.938**
Location- Metropolitan Ring County	0.244	0.615	0.157	1	0.692	1.276
External Information Technology (scale)	**-0.748**	**0.319**	**5.485**	**1**	**0.019**	**0.473**
Internal Information Technology (scale)	0.022	0.207	0.011	1	0.916	1.022
Demand for Services (scale)	**-0.566**	**0.194**	**8.536**	**1**	**0.003**	**0.568**
Constant	-1.467	0.828	3.14	1	0.076	0.231

R-squared= 0.70; Percent Correctly Predicted= 88%; Model Significance= p<.05

Table B28. Model C3— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Management Challenge Variables (n=327)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.309**	**0.064**	**23.113**	**1**	**0.000**	**1.362**
Ln of Number of FTE Staff (numeric)	**0.792**	**0.203**	**15.189**	**1**	**0.000**	**2.207**
Formalization (numeric)	**-0.339**	**0.080**	**17.906**	**1**	**0.000**	**0.712**
Percent of Revenue- Donations	**0.054**	**0.006**	**72.717**	**1**	**0.000**	**1.055**
Location- Central City Metropolitan County	**0.986**	**0.445**	**4.919**	**1**	**0.027**	**2.681**
Location- Metropolitan Ring County	0.228	0.760	0.090	1	0.765	1.256
External Information Technology (scale)	-0.711	0.392	3.290	1	0.070	0.491
Internal Information Technology (scale)	-0.040	0.268	0.023	1	0.880	0.960
Ln of Board Vacancies	**-1.083**	**0.376**	**8.291**	**1**	**0.004**	**0.339**
Routine Management Challenges	0.090	0.288	0.098	1	0.754	1.094
Strategic Management Challenges	0.109	0.242	0.201	1	0.654	1.115
Program Management Challenges	0.488	0.268	3.327	1	0.068	1.630
Constant	**-3.926**	**1.290**	**9.270**	**1**	**0.002**	**0.020**

R-squared= 0.71; Percent Correctly Predicted= 89%; Model Significance= p<.05.

Of the base variables, six remain significant in all three models and with the same patterns. Congregations tend to be older, larger, less formalized, rely more on donations, are more likely to be located in central city counties, and are less likely to have access to external IT components than secular comparison charities.

Adding change in demand for services to the base model produces a significant, negative coefficient for this particular indicator. As expected, congregations, have experienced a decline in demand for services more than secular comparison charities, even when we control for basic organizational dimensions. However, adding changes in demand for services only marginally improves the percent of variance explained from 68 to 70 percent or our ability to correctly distinguish between congregations and secular comparison charities from 87 to 88 percent of the cases.

None of the management challenges are significant in the analysis although including them to the base model marginally increases the percent variance explained from 68 to 71 percent, and our ability to correctly distinguish between congregations and secular comparison charities from 87 to 89 percent of the cases.

Tables B29 and B30 show the results of using the base organizational predictors, including also the advocacy variable or challenges in our multiple regression analysis to compare congregations to secular comparison charities.

Table B29. Model E4— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Advocacy Variables (n=439)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.328**	**0.050**	**42.800**	**1**	**0.000**	**1.388**
Ln of Number of FTE Staff (numeric)	**0.665**	**0.167**	**15.907**	**1**	**0.000**	**1.944**
Formalization (numeric)	**-0.255**	**0.061**	**17.275**	**1**	**0.000**	**0.775**
Percent of Revenue- Donations	**0.052**	**0.005**	**105.381**	**1**	**0.000**	**1.053**
Location- Central City Metropolitan County	**1.218**	**0.370**	**10.860**	**1**	**0.000**	**3.381**
Location- Metropolitan Ring County	0.408	0.619	0.435	1	0.510	1.504
External Information Technology (scale)	**-0.733**	**0.322**	**5.194**	**1**	**0.023**	**0.480**
Advocacy	**-0.854**	**0.328**	**6.757**	**1**	**0.009**	**0.426**
Constant	**-2.937**	**0.679**	**18.735**	**1**	**0.000**	**0.053**

R-squared= 0.69; Percent Correctly Predicted= 86%; Model Significance= p<.05

Three base variables remain significant in all three models: congregations are older, less formalized and rely more on donations than secular comparison charities. However, three base variables are only significant in Model E4 (controlling for base variables and engaging in advocacy), with congregations larger, less likely to use external IT tools, and more likely to be located in central metropolitan city counties than

secular comparison charities. These variables are not significant in Model C4, when we control for base variables and advocacy challenges.

Table B30. Model C4— Estimates from Binary Logistic Regression of Congregations vs. Secular Comparison Charities, Base and Advocacy Challenge Variables (n=133)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.337**	**0.123**	**7.533**	**1**	**0.006**	**1.400**
Ln of Number of FTE Staff (numeric)	0.764	0.403	3.588	1	0.058	2.146
Formalization (numeric)	**-0.580**	**0.177**	**10.800**	**1**	**0.001**	**0.560**
Percent of Revenue- Donations	**0.059**	**0.012**	**22.237**	**1**	**0.000**	**1.060**
Location- Central City Metropolitan County	0.525	0.911	0.332	1	0.564	1.691
Location- Metropolitan Ring County	-1.041	1.340	0.603	1	0.437	0.353
External Information Technology (scale)	-0.052	0.678	0.006	1	0.939	0.949
Internal Information Technology (scale)	-0.384	0.492	0.609	1	0.435	0.681
Ln of Board Vacancies	**-1.807**	**0.720**	**6.302**	**1**	**0.012**	**0.164**
Advocacy Challenges	-0.206	0.504	0.168	1	0.682	0.813
Constant	0.004	2.480	0.000	1	0.999	1.004

R-squared= 0.74; Percent Correctly Predicted= 93%; Model Significance= p<.05

Advocacy is significant in model E4, indicating that congregations engage in advocacy less often than secular comparison charities, when we control for basic organizational dimensions and advocacy. Including advocacy in the analysis marginally increases the percent of variance explained from 68 to 69 percent, but marginally decreases our ability to correctly distinguish between congregations and secular comparison charities from 87 to 86 percent of the cases.

Advocacy challenge is not significant, when we control also for basic organizational dimensions (column 3), although it does increase the percent of variance explained from 68 to 72 percent and our already very high ability to correctly distinguish between congregations and secular comparison charities from 87 to 92 percent of the cases.

Mainline Protestant Congregations vs. Evangelical Protestant Congregations

Table B31 shows the results of using the base organizational predictors.

As noted in the text, three variables are significant in the base analysis. Age has a positive relationship, indicating that Mainline protestant congregations are significantly older than Evangelical protestant ones. Both formalization and donations have negative relationships, indicating that Mainline protestant congregations are less formalized and have a lower percent of total revenue from donations than Evangelical protestant ones, controlling for all other predictors. The model accounts for 25 percent of the variance between these denominations and correctly predicts 73 percent of cases.

Table B31. Model B— Estimates from Binary Logistic Regression of Mainline Protestant vs. Evangelical Protestant (Base Variables) (n=107)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.203**	**0.066**	**9.584**	**1**	**0.002**	**1.226**
Ln of Number of FTE Staff (numeric)	0.045	0.400	0.012	1	0.911	1.046
Formalization (numeric)	**-0.218**	**0.094**	**5.412**	**1**	**0.020**	**0.804**
Percent of Revenue- Donations	**-0.018**	**0.008**	**5.600**	**1**	**0.018**	**0.982**
Location- Central City Metropolitan County	-0.092	0.498	0.034	1	0.853	0.912
Location- Metropolitan Ring County	0.137	0.763	0.032	1	0.857	1.147
External Information Technology (scale)	-0.009	0.525	0.000	1	0.986	0.991
Internal Information Technology (scale)	0.471	0.293	2.586	1	0.108	1.602
Constant	0.178	1.122	0.025	1	0.874	1.194

R-squared= 0.25; Percent Correctly Predicted= 73%; Model Significance= p<.05

We use the same approach to examine whether and how denominations differ when we include changes in finances or financial challenges. However, as noted earlier, we have only enough respondents among the Mainline and Evangelical protestant denominations to warrant this analysis.

Table B32 shows the results of using the base organizational predictors, including also the financial variables or the financial challenges in our multiple regression analysis.

Table B32. Model E1— Estimates from Binary Logistic Regression of Mainline vs. Evangelical Protestant Congregations, Base and Financial Variables (n=104)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.229**	**0.071**	**10.315**	**1**	**0.001**	**1.257**
Ln of Number of FTE Staff (numeric)	0.212	0.425	0.248	1	0.619	1.236
Formalization (numeric)	**-0.229**	**0.096**	**5.720**	**1**	**0.017**	**0.795**
Percent of Revenue- Donations	**-0.017**	**0.008**	**4.707**	**1**	**0.030**	**0.983**
Location- Central City Metropolitan County	-0.018	0.516	0.001	1	0.972	0.982
Location- Metropolitan Ring County	0.110	0.783	0.020	1	0.888	1.117
External Information Technology (scale)	-0.159	0.540	0.087	1	0.769	0.853
Internal Information Technology (scale)	0.430	0.309	1.943	1	0.163	1.538
Financial Health	-0.004	0.207	0.000	1	0.984	0.996
Constant	-0.174	1.495	0.014	1	0.907	0.840

R-squared= 0.26; Percent Correctly Predicted= 72%; Model Significance= p<.05.

All three significant base variables in the base model remain significant when financial health is included and all with the same pattern – Mainline protestant denominations are significantly older, less formalized and have a lower percent of total revenue from donations than Evangelical protestant denominations, controlling for all other predictors.

Of the financial variables, neither change in revenue nor change in expenses are significant in the model. Adding the two variables marginally increases the percent of

variance explained to 27 percent from 26 percent in the base model, but notably decreases our ability to correctly distinguish between mainline and Evangelical protestant denominations from 79 to 72 percent of cases.

When we add the two financial challenge dimensions (and board vacancies), the overall model is no longer significant, although age remains significant.

Table B33 shows the results of using the base organizational predictors, including also the human resource variables or the HR challenges in our multiple regression analysis.

Table B33. Model E2— Estimates from Binary Logistic Regression of Mainline Protestant vs. Evangelical Protestant, Base and Human Resource Variables (n=70)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	0.110	0.083	1.750	1	0.186	1.116
Ln of Number of FTE Staff (numeric)	0.271	0.635	0.183	1	0.669	1.312
Formalization (numeric)	-0.210	0.149	1.998	1	0.158	0.810
Percent of Revenue- Donations	-0.011	0.010	1.302	1	0.254	0.989
Location- Central City Metropolitan County	-1.149	0.743	2.391	1	0.122	0.317
Location- Metropolitan Ring County	-0.680	0.948	0.515	1	0.473	0.506
External Information Technology (scale)	0.315	0.695	0.206	1	0.650	1.371
Internal Information Technology (scale)	0.184	0.425	0.188	1	0.665	1.202
Ln Number of Board Vacancies (numeric)	-0.064	0.625	0.011	1	0.918	0.938
Ln Number of Board Members (numeric)	**1.847**	**0.745**	**6.140**	**1**	**0.013**	**6.341**
Ln Number of Volunteers	-0.028	0.396	0.005	1	0.944	0.973
Importance of Volunteers- Essential, Very, Somewhat Important	-0.187	0.540	0.119	1	0.730	0.830
Have an Executive Director	1.025	0.678	2.286	1	0.131	2.788
Constant	-4.346	2.530	2.952	1	0.086	0.013

R-squared= 0.34; Percent Correctly Predicted= 71%; Model Significance= p<.05

Three base variables, age and formalization, and donations are significant in the base model (Model B), but not when we include also the human resource variables (Model E2).

Of the five human resource variables included in Model E2, only the number of board members is significant, and it is positive, indicating that Mainline Protestant congregations is likely to have significantly larger boards than Evangelical Protestant congregations, although the number of board members was not significantly different in the bivariate analysis. Adding the five human resource variables to the base model

increases the percent of variance explained from 25 percent to 34 percent but marginally decreases our ability to correctly distinguish between Mainline and Evangelical protestant congregations from 73 to 71 percent of cases.

We also compare Mainline protestant to Evangelical protestant congregations on the same human resource challenges dimensions. The overall model is not significant, although one of the three base variables, formalization, remains significant, once the challenge variables are added to the analysis. Volunteer management challenges is also significant, indicating Mainline protestant denominations are less likely to find managing volunteers a challenge than Evangelical protestant denominations.

Table B34 shows the results of using just the base organizational predictors, including also the service variables or and management challenges in our multiple regression analysis.

Table B34. Model E3— Estimates from Binary Logistic Regression of Mainline Protestant vs. Evangelical Protestant, Base and Service Variables (n=106)

Variables	B	S.E.	Wald	df	Sig.	Exp(B)
Age	**0.214**	**0.067**	**10.292**	**1**	**0.001**	**1.238**
Ln of Number of FTE Staff (numeric)	0.117	0.411	0.081	1	0.775	1.124
Formalization (numeric)	**-0.217**	**0.093**	**5.469**	**1**	**0.019**	**0.805**
Percent of Revenue- Donations	**-0.018**	**0.008**	**5.620**	**1**	**0.018**	**0.982**
Location- Central City Metropolitan County	-0.078	0.501	0.024	1	0.876	0.925
Location- Metropolitan Ring County	0.144	0.768	0.035	1	0.852	1.155
External Information Technology (scale)	-0.101	0.541	0.035	1	0.852	0.904
Internal Information Technology (scale)	0.452	0.296	2.336	1	0.126	1.571
Demand for Services (scale)	0.253	0.205	1.523	1	0.217	1.288
Constant	-0.550	1.267	0.188	1	0.664	0.577

R-squared= 0.27; Percent Correctly Predicted= 71%; Model Significance= p<.05

Of the base variables in the analysis, age, formalization, and donations remain significant and with the same patterns – Mainline protestant congregations are significantly older, less formalized and rely more on donations that Evangelical protestant congregations.

Changes in demands for services is not significant when added to the base model, although it marginally increases the percent variance explained from 25 to 27 percent. However, it marginally reduces our ability to accurately distinguish between Mainline Protestant and Evangelical Protestant congregations from 73 to 71 percent of the cases.

We also compare Mainline protestant to Evangelical protestant denominations among the same management challenge dimensions. However, the overall the model is not

significant, and of the base variables, only age remains significant within the model, once the challenge variables are added to the analysis.

Table B35 shows the results of using the base organizational predictors and including also engaging in advocacy to compare Mainline Protestant and Evangelical Protestant denominations. Too few of these congregations responded to the questions about advocacy challenges to examine.

Three base variables are significant in both models: Mainline Protestant congregations are significantly older, less formalized and rely less on donations than Evangelical Protestant denominations. However, there is no significant differences in whether these two types of denominations are engaged in advocacy, once we control for basic organizational dimensions, and including advocacy in the analysis has no impact on the percent variance explained (27 percent) or on our ability to correctly distinguish Mainline protestant vs. Evangelical protestant congregations (72 percent of cases). For the advocacy challenge analysis, there are too few cases to report a multivariate analysis.

Table B35. Model E4— Estimates from Binary Logistic Regression of Mainline Protestant vs. Evangelical Protestant, Base and Advocacy Variables (n=106)

Variables	**B**	**S.E.**	**Wald**	**df**	**Sig.**	**Exp(B)**
Age	**0.202**	**0.068**	**8.965**	**1**	**0.003**	**1.224**
Ln of Number of FTE Staff (numeric)	0.029	0.402	0.005	1	0.943	1.029
Formalization (numeric)	**-0.229**	**0.095**	**5.759**	**1**	**0.016**	**0.795**
Percent of Revenue- Donations	**-0.019**	**0.008**	**5.920**	**1**	**0.015**	**0.981**
Location- Central City Metropolitan County	-0.144	0.502	0.083	1	0.774	0.866
Location- Metropolitan Ring County	0.123	0.766	0.026	1	0.872	1.131
External Information Technology (scale)	0.035	0.547	0.004	1	0.949	1.036
Advocacy	0.259	0.499	0.269	1	0.604	1.295
Constant	0.249	1.136	0.048	1	0.826	1.283

R-squared= 0.27; Percent Correctly Predicted= 72%; Model Significance= p<.05