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Change by Design:

An Exploration of Characteristics and Practices of Nonprofit Founders in the Bay Area and Organizational Effectiveness

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Abstract

The nonprofit sector continues to expand in California and more individuals are interested in establishing nonprofit organizations despite the high saturation of organizations in areas such as the San Francisco Bay Area. The purpose of this study is to explore characteristics and practices of nonprofit founders in the San Francisco Bay Area while determining startup organization effectiveness. Using a web-based survey and expert interviews of nonprofit founders who have established organizations between 2008 and 2018, data is provided on key dimensions of the nonprofit founder in the Bay Area. The results show that nonprofit founders in the Bay Area are individuals who exhibit qualities such as resilience, persistence and passion in order to fulfill their missions. In addition, data reveals that the acquisition of resources for funding and organizational development is limited and therefore there is a need for further education and resources for nonprofit founders. Furthermore, the data demonstrates the competencies that are the strongest for the nonprofit founders including operations, office administration, human services, team leadership and organization management. The research seeks to answer the questions: (1) what distinct characteristics are common among nonprofit founders in the San Francisco Bay Area? and (2) what are suggestive best practices for nonprofit founders that will allow them to strengthen their organizations for effectiveness? This study represents the first of its kind in the San Francisco region which can contribute to further research in the nonprofit sector.

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Table of Contents

List of Tables

List of Figures

Section 1. Introduction

"The nonprofit sector supports $1.7 trillion in economic activity and employs more than 10 million workers or 8% of employment and has been one of the fastest growing sectors of the US economy" (Tanimoto et al., 2007). A report generated on the Guidestar website, reveals that there are 178,708 nonprofits in California and 6,810 located in San Francisco. As noted in nonprofit entrepreneur literature, "some of these organizations exist only on paper and may never operate and others are very small family-run nonprofits with only a few thousand dollars in revenues which plan to remain small" (Slyke & Lecy, 2012). Due to these small sizes, many new nonprofit organizations start small, have inadequacies in staff structures, and rely heavily on private contributions. Organizations are required to be quite resourceful in their initial stages in order to obtain mission fulfillment.

Founders often create new nonprofit organizations in response to perceived needs in the community, or extrinsic entrepreneurial factors. Lecy et al. (2012) expressed in their article that "these community needs are often the result of unmet demands for services created by market failure, government failure, or contract failure" (p. 4). Although nonprofit organization establishment is rooted in passion and need, there is a high level of saturation in the nonprofit market. Saturation of organizations in the nonprofit sector is often the result of organization

duplication and mimicry (Dollhopf & Scheitle, 2016). Furthermore, the duplication and mimicry

of organizations increase market competitiveness which questions if nonprofit entrepreneurs

are aware of the market before they start their organizations and the characteristics and

qualities they possess in order to maintain organizations for sustainability and effectiveness.

There has been little attention paid to nonprofit startup organizations and founders in the San

Francisco Bay Area. Prior research has explored nonprofit entrepreneurship, nascent

organizations, nonprofit lifecycles, and startup funding for nonprofit organizations, but studies

have not been completed in the San Francisco Bay Area. The purpose of this study is to gain

insight from nonprofit entrepreneurs in the Bay Area who have established 501(c)(3) nonprofit

organizations between 2008 and 2018. The study will aim to exhibit best practices in relation to

establishing nonprofit organizations, key characteristics of nonprofit founders, and determine

relevant advice for future nonprofit entrepreneurs.

Section 2: Literature Review

The Nonprofit Founding Process

The founding process of nonprofit organizations has been said to be unique in comparison to

their counterparts in the for-profit sector. The for-profit sector is said to create a business

model based on nine factors: (1) customer segments, (2) value proposition, (3) channels, (4) customer relationships, (5) revenue streams, (6) key resources, (7) key activities, (8) key partnerships, and (9) cost structure. In comparison, the 'business model' of nonprofit organizations, replaces customers with constituents, revenue streams with value streams and eliminates the cost structure. An analysis of recently founded religious nonprofits was completed to better understand how founder, organizational and contextual characteristics influence the founding process (Dollhopf & Scheitle, 2016). The study focuses on three dimensions of variation in the founding process: (1) length of time the founding process takes place, (2) the number of potential founding steps completed during the process and (3) the order of the founding steps. The determinants of variation in the founding process are previous founding experience, the number of founders involved, available support, formal education, age and gender. Dollhopf & Scheitle noted that previous founding experience "may allow them to move through the [founding] process faster."

Entrepreneurial behavior involves all those functions, activities, and actions associated with perceiving opportunities and the creation of organizations to pursue them (Haugh, 2017). Previous research indicates the role of mimicry in organizational structures, processes and decision making. "If the environment lacks similar organizations, either because of the fledging organizations uniqueness or because of a low density of other organizations, a founder could be more likely to move slower and be forced to 'reinvent the wheel'" (Dollhopf & Scheitle, 2016, p. 263). Organizations often create organizations without completing market research to

determine if their organization will offer something distinct to the sector, which often leads to "reinventing the wheel." The results of the study show that older primary founders move faster and are more likely to follow the most typical order of steps for key founding events. In addition, founders who have previously been employed as a leader in a religious nonprofit tend to complete more founding steps.

A further study of nonprofit startup and entrepreneur profiles examines nonprofit entrepreneurship and discovers what drives them to create, the factors important for survival and growth in initial years and obstacles that need addressing (Slyke & Lecy, 2012). A 52-question survey was provided to nonprofit founders and their startup organizations across four subsectors. The survey featured components to determine how the organization got started, how organizations assessed startup capital and funding, the activities organizations were involved in, etc. Key findings demonstrate that nonprofits that pivot are more successful, nonprofit entrepreneurs have little to no experience in the nonprofit sector, initial funding comes from donations and private individuals and that the use of networks can assist in the success of organizations.

Nonprofit Entrepreneurship

Lecy et al. (2016) conducted a large scale empirical analysis of entrepreneurship in the nonprofit sector. The authors argued that nonprofit entrepreneurship played an important role in driving social innovation, new employment opportunities and the nurturing of a social movement (p. 2). The study provided a depiction of the creation, incorporation, and early operation of nascent nonprofit organizations from a national sample in order to highlight ways in which nonprofit entrepreneurs differ from for-profit entrepreneurs. Lecy et al. also argued that "much of the existing literature on entrepreneurship tends to characterize motivations as being shaped by either demand-side or supply side facets of nonprofit markets" (p. 4). Due to these demand-side facets, founders often create new nonprofit organizations in response to perceived needs in a community. In regard to founder motivations, it is assumed to often be mission-related. The authors argued that "autonomy and discretion are among the widely cited factors leading nonprofit entrepreneurs to start organizations, and that they are driven by intrinsic motivation rather than the expectation of making profits" (p.6).

Exploration of nonprofit entrepreneurship in the study uncovered information about startup costs, professional experience and competitiveness. In their study, the typical nascent nonprofit reported startup costs at approximately $5,000. The study revealed that 58 percent of organizations reported startup costs less than $50,000. When exploring professional

experience, it was discovered that nonprofit entrepreneurs in their sample have a distinguishable amount of professional experience and that "most founding teams have more than fifteen years of experience distributed across a variety of sectors" (p.24). In the study, 77 percent of founders reported that their organizations were innovative and offer new or better models compared to other existing nonprofit organizations. However, founders also reported not being aware of competitors. The substantial number of nonprofit organizations throughout California and the Bay Area could be due to the establishment of organizations that are not aware that they are replicating their counterparts.

Nonprofit Organization Effectiveness, Success and Failure

Herman and Renz (1998) provided the following scenario on the effectiveness of nonprofit organizations:

"In that well-known parable [of the blind men and the elephant], one man touches the elephant's tail and so describes the elephant as like a rope; another touches the back and says the animal is something big and bristly; and so on. The analogy implies that effectiveness is a real thing that may be perceived in partial and thus different ways."

The effectiveness of nonprofit organizations is said to be attributed to the fulfillment of one's mission, program effectiveness, capacity, outcomes, and impact (Herman and Renz, 1998; Sowa

et al., 2004). Sowa et al. (2004) stated, "questions of effectiveness have become increasingly important in the world of practice, as government and philanthropic funders, clients, and the public exert increased pressure on nonprofit organizations to demonstrate their impact on complex social problems" (p. 712). Nonprofit organizations can take proper precautions to ensure the effectiveness of their programs and organization. Sowa et al. (2004) argued that, "by observing the successes and shortcomings of its minimum viable product, nonprofits are then able to pursue features and services that prove effective and adapt or cease offering those that do not. By doing so, nonprofits will be able to troubleshoot their services before investing time and resources into fully developing a service" (p. 27).

The concept of nonprofit organization success and failure has been presented as a complex problem in research. As noted by Helmig et al. (2013), mission accomplishment is difficult to measure due to the variations in theoretical approaches. "Some scholars might call it (mission success) a sign of organizational success, others, applying an organizational theory perspective, might consider it a symptom of failure because the organization ceases to exist" (p. 3). On the contrary, researchers have implied that survival, financial performance and resource acquisition are the criterion on which nonprofit organization success should be evaluated (p. 4). Helmig et al. (2013) argued that "business managers can help ensure organizational survival by designing appropriate strategies that buffer their organizations from environmental disturbances" (p. 7).

Companies in the for-profit sector, have applied concepts of a lean startup to demonstrate effectiveness. The lean startup method is composed of practices based on 'validated learning' based on continuous customer feedback. Kear and Thiergartner (2017) argue that "the lean startup concept has been proven to be applicable for nonprofits as well. Just like for-profit businesses, nonprofits can adopt the concepts of lean by developing a minimum viable product and testing it in the field" (p. 25). Despite various practices implemented in order to measure and increase organizational effectiveness, nonprofit organizations continue to fail. Haugh (2007) argues that "often they [nonprofit organizations] fail due to lack of support and development of an infrastructure, or inability to achieve sustainability" (p. 178). Furthermore, it is common for organizations to fail during the first years of operation due to lack of support, which Lecy and Slyke (2012) refer to as the "liability of newness".

Section 3: Methods and Approaches

Web-Based Survey

A sample framework of nonprofit startups was developed using TaxExemptWorld, an online database of nonprofit organizations and charities across the United States. The data from the online database was last updated in March of 2018. The focus of the study is specifically on nonprofit founders who have organizations that were granted tax-exempt status between 2008 and 2018 in the San Francisco Bay Area. An initial search of San Francisco County was

completed by viewing a select year within the parameters of the study per website page. A total of 17 pages were viewed in this manner which equates to approximately 2,550 organizations. The secondary method used in this part of the study included examining organizations in Alameda County and utilizing all the years within the spectrum of the study (2008-2018) to complete a search on 559 pages for a total of 5,590 organizations. The total organization search number for the study is 8,140 organizations. Of the 8,140 organizations, 140 organizations were selected based on their date of establishment as a 501 (c)(3) nonprofit organization. Internet searches were conducted based on the names of the organizations that were discovered to have an 'exempt status date' as provided on the online database between 2008 and 2018. From the 140 organizations selected, a search was completed for contact information. The contact information included emails, a contact page or Facebook business page.

A pilot survey was administered to seven organizations via Qualtrics and participants were asked to send their feedback. Appropriate changes were made to the survey based on participant feedback. The additional contacts were invited to participate in the study by responding to the 24-item survey. Through the multiple contact methods, 24 survey responses were generated for a response rate of 16.4 percent. Of the 24 responses, 2 responses were not within the parameters of the study, which decreases the total response to 22 and the response rate to 15.1 percent. For purposes of this study, all data received from survey respondents will be included in the totality of this report. In addition, the founding year was not received for

one organization. The survey included questions about nonprofit founder demographics, work

experience, characteristics, the founding process, seed capital and benefits and challenges of

founding an organization.

Table I: The survey was sent to nonprofits that had received tax exemption between 2008 and
2018

Exempt Status Date	Total NPOs contacted	Responses
1985	0	1
1994	0	1
2008	8	1
2009	7	0
2010	10	0
2011	12	3
2012	8	1
2013	11	3
2014	27	4
2015	19	2
2016	22	5
2017	18	2
2018	4	0

Expert Interviews

Expert interviews were conducted with five nonprofit founders in the San Francisco Bay Area.

Organizations were selected during the initial phases of the study by completing a search on

LinkedIn for nonprofit founders in the Bay Area. After the founders were discovered, a LinkedIn

invitation to connect was sent to the respective accounts. Once the invitation was accepted,

founders were invited to participate in the study and provide insight by participating in an

expert interview. Expert interviews were conducted via phone, email and in-person. The interview completion time ranged from 15 to 60 minutes and all responses were transcribed during or after the interview. Due to varying availability of founders, all the interview questions were not answered by all participants. The interview questions consist of 13 questions that inquire about founding intentions, initial processes and support, networks, metrics of performance and progress, perceived impact, and challenges and benefits of founding an organization. Founders of each organization agreed to share their identity for the purposes of this study. The five organizations and their missions are identified below.

Beyond the Block: "We provide the materials and experience to bring the world into the classroom. Beyond the Block, a 501(c)(3) educational nonprofit organization, believes all children need and deserve the chance to travel, not just for their own personal development, but in order to participate in today's global society and be a conscious global citizen."

Free Intelligent Conversation: "Free Intelligent Conversation (FreeIC) is a non-profit organization that facilitates engaging conversations between strangers in public places."

Job Hackers: "It is the mission of The Job Hackers to provide individuals with the knowledge and experience needed to navigate the complex world of knowledge work."

Empower Work: "Empower Work is on a mission to create healthy workplaces where employees are valued, supported, and empowered."

Lava Mae: "Lava Mae brings critical services to the streets – delivered with an unexpected level of care we call *Radical Hospitality*™ – to rekindle dignity and hope for people experiencing homelessness through our Mobile Hygiene Service, Pop-Up Care Villages and buildIt toolkit."

Table II: Nonprofit Founder Profiles

Organization Name	Founder Name	Exempt Status Date	Nonprofit Subsector	Interview Method
Beyond the Block	Deborah Ribera	2008	Education	Phone
Free Intelligent Conversation	Kyle Emile	2012	Social action	Phone
Job Hackers	Larry Hapke	2018	Education, technology	Phone
Empower Work	Jaime-Alexis Fowler	2017	Workforce development	Email
Lava Mae	Doniece Sandoval	2015	Human services	In-Person

Section 4. Data Analysis

Web-Based Survey: Data and Analysis

Founder Demographics and Background

Through the various contact methods for survey participation, 24 responses were generated for a response rate of 17.1 percent out of a total of 140 nonprofit organizations contacted. Out of

the 24 respondents, 66.7 percent of respondents were females and 33.3 percent were male. In addition, 54.2 percent of respondents reported being Caucasian/White, 29.2 percent reported being African American/Black, 12. 5 percent reported being Asian and 4.2 percent indicated 'other'. The higher representation of females accounted for in this study may be correlated with the high proportion of female employees in the nonprofit sector (Lecy et al., 2016). Of the respondents, most of the founders reported having a postgraduate degree (52 percent), 22 percent reported having a college degree, 13 percent reported having some post-graduate work, and 4 percent reported having completed some high school. In the national study completed by Lecy et al. on nonprofit entrepreneurs, findings showed that "on average nonprofit entrepreneurs are older when starting the venture, 53 years of age." In this study however, the majority of founders (50 percent) are between 30 and 49 years old, 33 percent are between 50 and 64 years old, and the remaining 16 percent are split equally with ages between 18 and 29 years old and 65 years and older. On the contrary, when examining founder ages during the establishment of their organization, 43 percent of founders reported that they were between 30 and 49 years old, 35 percent were between 50 and 64 years old, 22 percent were between 18 and 20 years old and no founders reported being 65 years or older. In Slyke and Lecy's study (2012) on nonprofits that incorporated in the United States between 2008 and 2009, data revealed that only 27 percent had one of the founders working full-time on the creation of the organization. On the contrary, 57 percent of founders from this study disclosed that they are working full-time as a founder and 43 percent are working part-time. Founders

were asked about the average amount of hours they work per week. Thirty-nine percent reported working 40 or more hours a week, 30 percent reported 11 to 20 hours a week, 17 percent reported 21 to 39 hours a week and 13 percent reported 1 to 10 hours per week. This suggests that founders may be largely motivated by self-employment, have the capacity to work for their organization due to availability, or have established their organizations enough to be secure with pursuing one employment opportunity. However, the relatively high percentage of founders working part-time suggests that pursuing entrepreneurship in the nonprofit sector, specifically in the San Francisco Bay Area, may not be a suitable primary source of income or that it may be relative to the size of the organization.

Profiles of Nonprofit Startups: Subsectors and Sizes

Survey responses indicate a variety of nonprofit subsectors included in this study. Table III details the various sub sectors involved in the study. As noted in the table, the most frequent response for nonprofit subsector included "other". Founders who selected 'other' included information about the following subsectors: religious, design and color, veteran services, early childhood/literacy, holistic services, adolescent and women, empowerment, animal advocacy, and wellness.

Table III: Nonprofit Subsectors

	Count	Percentage
Health and Human services	4	17%
Education	9	39%
Civic and Environmental Advocacy	0	0%
Arts and Culture	0	0%
Banking and Finance	0	0%
Other	10	43%

Slyke and Lecy (2012) report that the median size of the founding team for the organizations they surveyed is five. Seventy percent of respondents from this survey indicated an organization size of 1-5 people, 22 percent indicated 6-10 people, 4 percent indicated 11-20 people, 4 percent indicated 21-30 people and no respondents indicated having more than 30 people. A cross analysis was completed in order to compare the number of people at an organization with the year of establishment as a 501(c)(3) nonprofit organization. Organizations in existence for a shorter period of time (1985, 1994, 2008-2012) have one to ten people at the organization. Organizations in existence for a longer period of time (2013-2018) have 11-20 people at the organization. This suggests that the longer an organization is in existence, the more individuals it will have. This fact may be consistent with the founder's experience, network in the nonprofit sector and work history.

Founders Characteristics and Experiences

Another segment of the survey explores the unique characteristics and work experience of founders in the San Francisco Bay Area. Survey responses demonstrate that the majority of respondents (41 percent) have 0 to 3 years of experience in the nonprofit sector. Slyke and Lecy's study (2012) revealed that "only 30% of founders reported that most or all of their [work] experience was in the nonprofit sector." (p. 21). Twenty-three percent of founders from this survey reported to have 10 or more years of experience, 18 percent reported having 7 to 9 years of experience and 18 percent reported having 4 to 6 years of experience. The survey also inquired about founder industry backgrounds. Founders were asked to select all the industries in which they have work experience. The primary area of experience in relation to industry was the business-private sector (58 percent). Other responses reflect 30 percent of founders having experience in the nonprofit sector and 21 percent reported having experience in the public sector. A cross-tabulation was completed in order to determine the relationship between experience in the nonprofit sector and industry experience. With a p-value of 0.26, there is no significant correlation between experience in the nonprofit sector and industry experience. In fact, the majority of respondents (33 percent) who have more experience in the private sector have 0 to 3 years of experience in the nonprofit sector. Factors from the for-profit business structure can be transferrable to the nonprofit sector, however, it is essential that founders

acquire the necessary skills in order to ensure their effectiveness as leaders of their organization and that their organizations are effective as well.

Furthermore, founders were asked about their experience in managing people and 38 percent reported 0 to 3 years managing people, 29 percent reported 10 or more years, 19 percent reported 4 to 6 years and 14 percent reported 7 to 9 years of experience. A cross-tabulation was completed in order to determine the relationship between experience managing people and industry experience. With a p-value of 0.18, there is no significant correlation between the two variables. For founders who have more experience in the business sector, they had fewer years managing individuals, with some having 10 or more years managing people. With founders who have more experience in the nonprofit sector, their experience ranged from 0 to 6 years of experience managing people. The results of this cross-analysis may be based on the types of roles held by the founders in their respectable industries. Additional information needs to be gathered to find further correlations, if there are any present.

When founders were asked how important it was to them that their organization has a positive social impact on society, 91.7 percent responded that it is extremely important, 4.2 percent responded that it is important, and 4.2 percent provided no response. Although this study does not include information on metrics for organizational impact, additional studies can be conducted to measure the responses from this survey with measured organizational impact.

In addition, respondents were asked about their proficiency levels in a variety of areas. The areas include: team leadership and organizational management, office administration, operations, strategy development and management, human resources, human services, program or project management, financial planning and management, process improvement, business development and fundraising, marketing, communications and brand strategy, research and evaluation, information technology, legal and risk management and partner development and constituent outreach.

The primary areas that founders claimed proficiency in were team leadership and organizational management, office administration, operations, strategy development and management, and human services.

The primary areas that founders claimed competency in were human resources, human services, program or project management, business development and fundraising, marketing, communications and brand strategy, research and evaluation and information technology.

Finally, the primary areas that founders claimed to have a beginner's level of knowledge in were human resources, financial planning and management, information technology, legal and risk management, and partner development and constituent outreach. Table IV illustrates survey responses per category.

Table IV: Founder Competency Responses

Field	Expert		Proficient		Competent		Advanced beginner		Novice	
Team leadership and organizational management	19.05%	4	28.57%	6	19.05%	4	28.57%	6	4.76%	1
Office administration	4.76%	1	33.33%	7	23.81%	5	23.81%	5	14.29%	3
Operations (may include operations analysis, performance management, coordination planning, and management)	0.00%	0	38.10%	8	33.33%	7	14.29%	3	14.29%	3
Strategy development and management	14.29%	3	23.81%	5	19.05%	4	23.81%	5	19.05%	4
Human resources (may include policies, systems and structures, staff development leadership coaching)	0.00%	0	14.29%	3	42.86%	9	0.00%	0	42.86%	9
Human services (may include counseling, advising, teaching, life coaching)	9.52%	2	28.57%	6	28.57%	6	14.29%	3	19.05%	4
Program or project management (may include planning and deploying a program or process, change initiative, new venture, or expansion plan)	9.52%	2	19.05%	4	38.10%	8	23.81%	5	9.52%	2
Financial planning and management (may include accounting, business processes cash flow forecasting)	0.00%	0	28.57%	6	28.57%	6	9.52%	2	33.33%	7
Process improvement	0.00%	0	23.81%	5	23.81%	5	33.33%	7	19.05%	4
Business development/fundraising	0.00%	0	9.52%	2	42.86%	9	19.05%	4	28.57%	6
Marketing, communications and brand strategy (may include writing and creative design)	14.29%	3	19.05%	4	23.81%	5	23.81%	5	19.05%	4
Research and evaluation (market research, program evaluation)	4.76%	1	9.52%	2	33.33%	7	23.81%	5	28.57%	6
Information technology (may include hardware, software, etc.)	9.52%	2	14.29%	3	28.57%	6	19.05%	4	28.57%	6
Legal and risk management (may include contracts, tax, employment, structure intellectual property)	0.00%	0	0.00%	0	19.05%	4	23.81%	5	57.14%	12
Partner development and constituent outreach	0.00%	0	19.05%	4	23.81%	5	14.29%	3	42.86%	9

The Nascent Stage

The nascent stage for nonprofit organizations is said to be essential for the development of

ideas, knowledge about whom they will serve, the development of programs and established

relations with beneficiaries (Andersson, 2016). Andersson suggests that it is the "configuration

factors rather than the properties of any single factor that ultimately affects the chance for

success for an emergent organization" (p. 808). Prior to organization emergence, nonprofit

19

founders begin to develop ideas in order to establish their organization. During this process, the nonprofit founder considers various factors that influence their decision.

In this study, nonprofit founders were asked to indicate which factors influenced their desire to start an organization. The factors included in the survey are: the ability to work on ideals related to a passion, the ability to be productive, having a feeling of self-accomplishment, independence, the flexibility of time, financial security, community engagement and relationship building. The most frequent factors indicated as 'very important' to 'extremely important' included the ability to work on something one is passionate about, making a positive impact on one's community, and a sense of meaning and accomplishment. The most frequent factors that were indicated as 'not important at all' included the ability to work in the current job market, financial opportunity and security.

Nonprofit founders were also asked about their concerns during the nascent stage of their organization. The most frequent area of concern indicated on the survey was securing funding for the organization. On the contrary, the majority of founder responses indicated that they were not concerned with the following factors: having the right idea for the nonprofit, being able to afford additional education and training, the time constraints and income stability. Furthermore, founders were asked about the outside resources that were explored when planning the establishment of their organization. Thirty-two percent indicated that they sought assistance from friends or family, 19.2 percent from a program with a nonprofit organization,

10.6 percent from a teacher or professor, 10.6 percent from children or family members, 12.8

percent from a government agency or program and 8.5 percent from a program through local

schools, colleges, or universities. The remaining 6.4 percent indicated they sought assistance at

the local library, Nolo Press, and colleagues at a nonprofit organization.

Startup Capital and Resources

As Andersson (2018) noted, "strategizing about start-up funding is an important undertaking,

not only because nascent nonprofit entrepreneurs have multiple funding options to consider

and select from, but also because these early funding strategies are likely to play a significant

role in determining whether the start-up attempt will be successful or fail" (p.7). Capital for

nonprofit organizations is supplied in various forms which include individuals, foundations,

corporations, and the government. Lecy et al. (2016) discovered in their study that "the typical

nascent nonprofit reported start-up costs are approximately $5,000. These costs include things

like lawyer and accounting fees to set up, fees for incorporation, the IRS application for

nonprofit status, and office supplies" (p 16).

In this study, founders were asked about their initial funding sources and funding sources that

were obtained during their organization's initial stages. The first place founders looked was

from friends (23.9 percent), 16.4 percent considered their personal savings, 14.9 percent

sought assistance from family members, 13.4 percent from business acquaintances, 11.9

percent from colleagues, 11.9 percent from nonprofit or NGO grant programs, 4.5 percent from

government grant programs, 1.5 percent from banks or credit unions and 1.5 percent from a

corporation.

In exploring which resources were obtained during the initial stages of the organization, the

majority was able to obtain funding from friends (27.3 percent), 21.8 percent from personal

savings, 16.4 percent from family members, 16.4 percent from business acquaintances, 12.7

percent from nonprofit or NGO grant programs, 3.6 percent from government grant programs,

and 1.8 percent from a corporation.

Challenges and Benefits of Nonprofit Entrepreneurship

A set of open-ended prompts in the survey offer insight into the nonprofit entrepreneurial

experience in the San Francisco Bay Area. The questions are as follows: "Please describe what

have been some of your favorite aspects about founding a nonprofit organization." and "Please

describe what have been some of your least favorite aspects about founding a nonprofit

organization."

Several patterns emerged from the responses. Nonprofit founders that participated in the web-based survey considered the following aspects to be benefits of founding a nonprofit organization: progression of the organization, the opportunity to work in the community and help those in need, fulfilling a vision, partnerships and collaboration, and continuous learning.

Founder quotes:

The provided quotes listed below were provided anonymously. The quotes were provided in response to the question in the survey that inquired about the founder's favorite aspects of founding an organization. The quotes outline the importance of continuous learning, constituent relationships, and fulfilled personal dreams.

"Focus on a purpose rather than market demands."

"Non-stop learning curves and self-satisfaction"

"Beginning a positive presence in my local community, being able to help young people."

"Realizing a dream, making it happen, learning new things, feeling supported."

When exploring the challenges of founding a nonprofit organization, 12 of the 19 responses included information on the difficulty in receiving funding for their organizations. Other

responses included information about maintaining financial practices, salary, legal requirements, time, credibility and marketing.

Founder quotes:

The following quotes were provided in response to the question in the survey that inquired about the founder's least favorite aspects of founding an organization. The quotes outline the difficulty in limited capacity, gaining credibility and financial support

"Going through the process of seeking credibility to garner financial support."

"Knowing I can't help everyone and every life I want to."

"...I want the nonprofit to outlive me, so, it must have a decent ED salary so that someone else will take over when I'm too old/unable."

"Raising money in a competitive market."

Expert Interviews: Data and Analysis

The findings from the expert interviews conducted have been organized based on the key areas addressed in the interviews.

Founding Intentions

Founders were asked about the catalyst that inspired the founding of their organizations. The most common stated catalysts for founding include the desire to address a need in a community and the ability to act on a passion. Founders discussed the experience that led them to serve their populations, their backgrounds and experience and the close relationships that assisted them in the process.

"I think I really saw people there [the Tenderloin] for the first time. What occurred to me was that not a single one of them when they were little ever dreamed of ever growing up to be homeless and yet, there they were. "- Doniece Sandoval, Founder/Executive Director, Lava Mae

The quote provided below was expressed by the founder of Beyond the Block when explaining the lack of awareness by students in the United States of the lifestyle of other students living in the Global South. Ribera utilizes her experience, passion and skills in order to introduce students to their peers in the Global South by way of documentaries.

"Many students were limited if they did not have papers. A lot of students lacked curiosity because they didn't know what existed beyond their neighborhood. There was a lot of gang

activity, so they couldn't cross the streets. A lot grew up in Los Angeles and never saw the

ocean. I figured maybe I can make videos and bring it into the classroom and increase global

awareness."- Deborah Ribera, Founder/Executive Director, Beyond the Block

The founder of Free Intelligent Conversation expressed that he believed there was the lack of

real conversation at settings such as networking events or even in the public. The establishment

of his organization and the name of his organization were developed on this belief.

"I created what I thought was the solution."- Kyle Emile, Founder/Executive Director, Free

Intelligent Conversation

Initial Processes and Support

Founders were asked about the initial process for the establishment of their organization. This

included mission and vision statement creation, establishment as a 501(c)(3) nonprofit

organization, and the creation of governing documents. The founder of Empower Work, Jamie-

Alexis Fowler, stated that her organization first ensured they had established a need before

completed legal and structural duties. Fowler along with another founder expressed that they

completed research on the nonprofit startup process and market research before

incorporating. In addition, two of the five founders stated the development of their mission was a swift experience. Founders also addressed the assistance of family and friends in the process whether through expertise or a brainstorming process.

"We opted not to form a 501 (c)(3) as a matter of fact, it was November of 2016 before we did that. Mostly because I knew it was going to be this labor-intensive process and so we went for fiscal sponsorship." - Doniece Sandoval, Founder/Executive Director, Lava Mae

In addition, founders were asked about the resources they were able to acquire in order to start their organization. Three of the founders stated that they utilized their own funds for financial support. Two of the founders sought initial funding from friends and family. Additional founder responses included obtaining a grant, fiscal sponsorship, and donated services.

"...So we hit our goal and then the story went global and so it brought us a ton of visibility, people wanting to help, foundations reaching out to offer and so our path began that way."- Doniece Sandoval, Founder/Executive Director, Lava Mae

Additional resources were explored during the expert interviews. Four of the five founders had the opportunity to use the expertise of others during the founding process. Founders also connected with community partners, staff and other nonprofit organizations.

"Leveraging insights and knowledge from a collective community is most important."- Jamie-Alexis Fowler, Founder/Executive Director, Empower Work

"From day one it's been rooted in collaboration and partnership."- Doniece Sandoval, Founder/Executive Director, Lava Mae

Networks

Networks contribute greatly to the success and sustainability of nonprofit organizations. According to Haugh (2007), "the entrepreneur's network of social relations and interactions is central to the entrepreneurial process" (p.164). Founders were asked about the composition of their initial network, in relation to people and organizations. Two out of five founders stated that their network consisted of like-minded people or supporters of the organization, other nonprofit startups, and corporations or institutions. Other founders expressed that their network consisted of their clients and other nonprofit organizations.

"We're really looking for people who feel like we do and who believe the way that we do so that we're supporting each other. "- Doniece Sandoval, Founder/Executive Director, Lava Mae

"Our network is organic and grassroots, people affiliated." - Kyle Emile, Founder/Executive Director, Free Intelligent Conversation

Metrics on Performance and Progress

Three of the five founders communicated that they utilize surveys and follow-up data in order to measure their progress and impact. Larry Apke, Founder/Executive Director of Job Hackers, stated he follows up with his students after the completion of the course to determine if they were able to get employment. Sandoval stated that Lava Mae uses 'guest' data to determine how often clients return, their needs, what other resources they may need, and what clients use more often. Fowler, Founder/Executive Director of Empower Work, discussed the use of post-user surveys for the clients that seek services from the organization. Other metrics addressed during the expert interviews included volunteer data. Specific information about volunteer data included the length of time volunteers remain with the organization and the use of the skills learned in the workplace.

Perceived Impact

Nonprofit success is often associated with the fulfillment of the mission of an organization and the impact of an organization. However, research on nonprofit organizational success has revealed that determining the success of organizations is often difficult based on a series of metrics that are unique to every organization. According to an article by Kear and Thiergartner (2017), "the organizational effectiveness research demonstrates, because organizations vary, that these organizational differences may lead to the appropriate criteria for accessing effectiveness varying across them."

All of the founders expressed different responses when describing the impact of their organization. Founder responses included information on trajectories, check-ins and community awareness. A unique case by Founder Fowler included the organization's ability to acquire immediate feedback from callers as well as the completion of check-ins after the first call. Sandoval was able to express the impact that her organization has been able to accomplish on the individual, community, and global level. Sandoval also expressed that the impact of Lava Mae's work is associated with the relationship with their partners. Furthermore, she associated her impact with the awareness the organization has generated because of the work they do.

"We've given almost 52,000 showers to 12,000 Californians. We have inspired 78 communities around the globe...We have brought over 88 partners to the table to help us serve and provide additional opportunities to our guests and I think we've been single-handedly responsible for raising awareness that this is a problem." -Doneice Sandoval, Founder/Executive Director, Lava Mae

"Eighty-nine percent of users say they immediately feel better after a conversation. More importantly, at a later check-in (4 or 6 weeks post-conversation), 91% of users say they took an action that resulted in a desired outcome." - Jamie-Alexis Fowler, Founder/Executive Director, Empower Work

Challenges and Benefits of Founding an Organization

Founders were asked to describe past and current challenges as well as the positives and negatives of establishing an organization. The most prominent challenge stated by all of the founders included the feeling of defeat, which was expressed as a current and past challenge. The defeat was based on the startup processes as well as difficult stages that seemed impossible to overcome, and the feeling of personal obligation to serve everyone. Founders

also discussed difficulty in acquiring resources which included funding and donated services or space. The balance of work and life were also noted in addition to board member engagement.

"It's hard to be the big idea person and then be the detail-oriented person. "- Deborah Ribera, Founder/Executive Director, Beyond the Block

"I believed for quite a while that I needed to have all the answers, that it was on my shoulders to figure everything out. It wasn't ego driven, just coming from a deep sense of responsibility." - Doniece Sandoval, Founder/Executive Director, Lava Mae

The positives as described by founders is the ability to provide a service to people, the hope that it brings, and the ability to work with other organizations who are doing great work.

Provided negatives included the exhaustion that comes from the work whether physically or emotionally and the associated trauma that affects the founders themselves or the people they work with. Founders expressed exhaustion from early mornings and long hours as well as mental exhaustion from stress. Founders also expressed the pressure they feel because of their roles and risk that they and their organization have to take in order to achieve their mission.

"I feel a sense of despair but in doing this work and meeting other people and seeing how they're transforming their little part of the world, it really gives you a sense of hope and

knowing that there are a lot people out there really doing their best to make a difference in the world and that gives us hope which is something I think you cannot lose." - Doniece Sandoval, Founder/Executive Director, Lava Mae

Future Founder Advice

Listed here are a few quotes from founders included in the study on suggested best practices for current and future nonprofit founders.

"Look to the for-profit sector, look across sectors at the best practices, utilize the for-profit sector and the idea about rapid prototyping...Really embrace human-centered design.... I would also think it's about collaboration. I heard an ad agency seven years ago say that collaboration was the new form of competition and I think that that's really true." - Doniece Sandoval, Founder/Executive Director, Lava Mae

"Running a nonprofit is a lot of work and its important you are doing something unique...Being passionate and know your mission more than anyone else and be clear about what you want to do and your vision before starting things. You can grow when your dream grows. You can adapt, switch your mission, however it's important to keep your mission in mind not just what

funders want. It will become a diluted vision."- Deborah Ribera, Founder/Executive Director,

Beyond the Block

"I think that you should write out your mission, for yourself, to hold yourself accountable if no

one else does."-Kyle Emile, Founder/Executive Director, Free Intelligent Conversation

Figure 1: The Nonprofit Entrepreneur Powerhouse Model
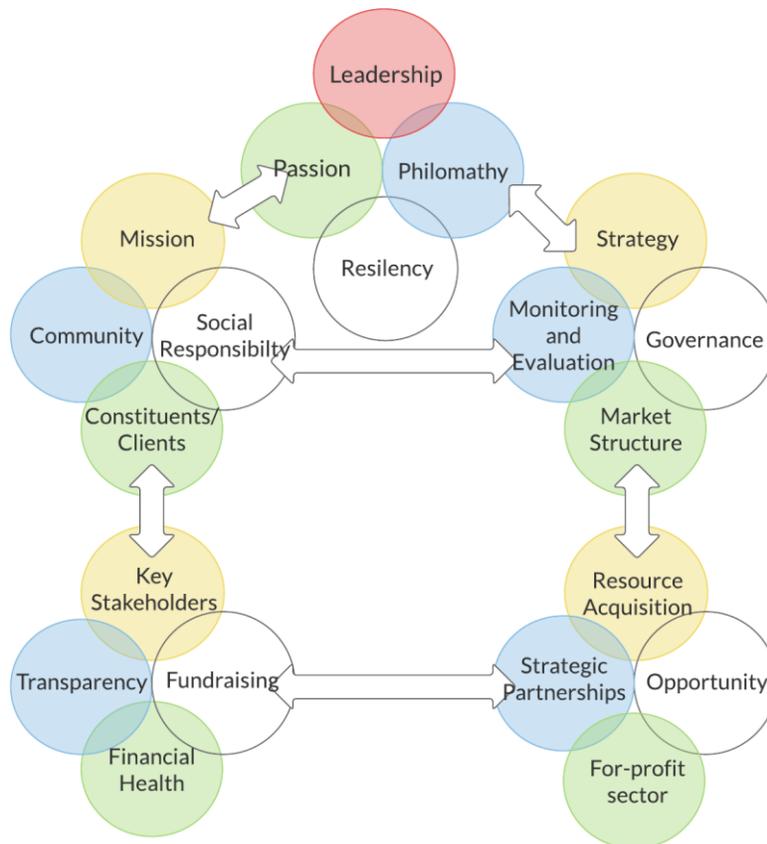
The above model represents the necessary characteristics, competencies and components of nonprofit founders and their organizations to accomplish efficiency and sustainability. The model was generated from findings from this study and literature review. The double-edged arrows represent the transaction of two components that work interchangeably to strengthen the 'powerhouse'. The four highlighted areas in yellow represent the prominent components for nonprofit startup organization effectiveness which include the mission, strategy, key stakeholders, and resource acquisition. The areas surrounding these four main factors (included in blue, white and green) are complementary features necessary to the fulfillment of their counterparts in yellow.

Section 5: Implications and Recommendations

Implications

Findings from this study have various implications for leaders and founders in the nonprofit sector, startup nonprofit organizations and the nonprofit sector as a whole. Information from this study can be applied from the nonprofit founder and leader perspective. Findings can serve to enhance leadership development which will allow for the development of competent leaders to better serve organizations and communities. Founders who have a better understanding of the necessary resources and competencies related to their role will be better equipped to make sound decisions for their organizations and the communities they serve.

In addition, current and future founders will have the necessary tools to gain knowledge before and during organization establishment. This can potentially decrease the high saturation of nonprofit organizations in California.

On the organizational level, the obtained knowledge of nonprofit founders and leaders could increase the possibility of forming additional organization and constituent relationships and partnerships. As finding from this study suggest, constituent relationships, partnerships, and collaboration are key components of organization success and efficiency. Furthermore, the education and resources founders receive can be provided on an organizational level, beginning with the board of directors and expanding to employees which will further encourage accountability, engagement and add to management practices and strategic planning.

Further implications can be seen on the systemic level. Findings can increase opportunities to form better alliances and partnerships across sectors. As stated in expert interview responses, partnerships across sectors and the study of for-profit business practices can lead to organizational effectiveness and sustainability. In addition, as stated in a study by Dollhopf & Scheitle (2016), there is a high rate of mimicry in the nonprofit sector due to the perception of an organization to provide an innovative model which indeed may not be completely true. Often, organizations perceive that they will be providing an innovative organizational model to

the nonprofit sector, but it is not always the case. On various instances, organizations are established prior to completing market research to determine if there is similar work already being done. This study can assist in the reduction of similar organizations in the sector and increase organizational impact. Furthermore, this study can inspire sector-wide empowerment for nonprofit startups. Additional implications can help shape additional research to better serve the nonprofit sector and encourage funder involvement to assist in the sustainability of nonprofit startups and organizations.

Recommendations

Based on the findings of this study and review of literature, a variety of recommendations have been provided below based on the individual, organizational and sector level:

Nonprofit Leader/Founder Recommendations

1. **Resource Acquisition:** Founders should consider seeking resources, additional trainings, and education as a primary practice for professional development. Resource acquisition will allow founders and leaders of organizations to have a general knowledge of areas and competencies in the nonprofit sector that will be pertinent to their role.

2. **Network Opportunity:** Networks within the nonprofit sector and across sectors can serve as catalysts and conduits for mission fulfillment. Founders can consider joining a network within the nonprofit sector and across sectors or form a small network of their own in order to collaborate with like-minded leaders and founders. The creation of networks can encourage collaboration and deter competitiveness among nonprofit organizations.

Organizational Recommendations

1. **Strategic Plan Application**: Nonprofit organizations that adopt commendable cultures and practices can be considered as organizations that will become efficient and sustainable. Organizations can consider including nonprofit sector education in their strategic plans and ensure that the board of directors and employees are continuous participants in nonprofit sector education. The primary components of nonprofit education can include legal and risk management, partnership development and constituent outreach, financial planning and management, board development, program evaluation, human resources, volunteer management, etc.

2. **Internal Systems:** Organizations can adopt internal systems that are mission and constituent driven which can include performance criteria, outcome measures, and other constructions of effectiveness. A key component of internal systems can include

the implementation of monitoring and evaluation to ensure organizations can pivot when necessary in cases where they need to restructure programs, ensure their organization remains constituent and mission focused, determine additional income streams for revenue diversity, etc. For organizations that are new to monitoring and evaluation, they can begin to consider their organization's theory of change, determine their outputs and outcomes, and create a plan for monitoring and evaluation.

Sector Recommendation

1. **Government Policy:** The federal and state-wide government possess the jurisdiction to grant tax exemption to nonprofit organizations. The approval process although thorough, can benefit from an additional aspect to better prepare nonprofit leaders and encourage success. The IRS and Secretary of State can issue a mandate for nonprofit sector education as a prerequisite to exemption approval. A mandate such as this can potentially decrease the amount of failed organizations in the sector and strengthen organizations and leaders.

Section 6: Conclusions

Limitations

While the research presented in this study provides a snapshot into the characteristics, competencies and practices of nonprofit founders, it is essential to recognize the exploratory nature of this study, and a variety of key limitations. First, this study involves a selection bias issue to be cognizant about. The selection of the survey participants was based on the availability of contact information for organizations who have websites. Organizations found on the online database for tax exempt organizations, TaxExemptWorld, did not always have a website nor contact information, and so there was a selection bias. Despite this limitation, there is an opportunity to compare and contrast the findings of this study to previous and future studies. Secondly, there is the need for a robust sample for the study which is comprehensive of founders in the nonprofit sector in the San Francisco Bay Area. Furthermore, the analysis of findings presented in this study has been generalized, which may not be applicable to nonprofit founders as a whole.

Further studies should use a representative sample of all nonprofit founders within a respectable time frame in the San Francisco Bay Area. Additional studies can also increase the validity of the findings. Furthermore, there is a respondent bias and there may be discrepancies in participant's recollection during the initial stages of their organization. Finally, the time frame

of this study may be a limiting factor, however the retrospection of data for the study may produce outdated perspectives that can hinder the study.

Conclusion

This study provides the initial research into characteristics and competencies of nonprofit founders in the San Francisco Bay Area. It highlights the key characteristics of nonprofit entrepreneurs in the Bay Area which include resilience, and the desire for continuous progression and compassion, as demonstrated in the study results. The primary reasons for organizational establishment were associated with the passion and need in a community. The importance of network building for mission accomplishment were also noted, as well as the implementation of a strategy. In addition, data was presented on the highest and lowest proficiency levels of founder competencies. The highest ranked competencies include operations, office administration, human services and team leadership and organization management. The lowest ranked competencies include legal and risk management, partnership development and constituent outreach and financial planning and management. Furthermore, founders communicated the metrics they utilize for performance which include surveys and follow-ups which demonstrates the significance of metrics on performance and progress even during the initial stages of organization formation.

This research can assist nonprofit founders in understanding the notable characteristics, competencies, and practices of other nonprofit founders and their organizations. This knowledge can benefit nonprofit leaders and their development as well as their organizations which will further encourage continual learning of nonprofit founders and organizations.

Findings from this study can be complementary to the large body of research dedicated to social entrepreneurship. There is a lack of research in the social entrepreneurship arena in areas such as nonprofit entrepreneurship, specifically in the Bay Area. This study will assist in the development of resources for nonprofit entrepreneurs based on the analysis of available resources and data collected.

Furthermore, it can aid in the development of knowledge for prospective nonprofit entrepreneurs by providing a model that demonstrates the intrinsic and extrinsic characteristics of nonprofit founders and their organizations in the San Francisco Bay Area. The recommendations provided in this study can be successful at studying ways of efficiency and sustainability for nonprofit startups which can improve the functioning of nonprofit organizations. Finally, this study can potentially create a network for nonprofit entrepreneurs in order to advance the work of their organizations. Nonprofit founders may be encouraged to form networks of their own with their peers, which can allow them to receive additional resources to fulfill their missions.

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Appendix A: Web-Based Survey

Hello,

Thank you for being a part of this survey for my capstone project for the University of San Francisco. Your participation, insight and thoughtful responses are greatly appreciated.

I am conducting research on nonprofit entrepreneurs in the Bay Area who have established organizations between 2008 and 2018. The project will focus on nonprofit entrepreneurship and nonprofit founders in order to explore and gain insight regarding nonprofit entrepreneur best practices in relation to establishing nonprofit organizations, key characteristics of nonprofit entrepreneurs, and determine relevant advice for future nonprofit entrepreneurs. From study findings, I hope to create a model which encompasses a checklist of the key competencies, skills and tasks needed to establish and maintain efficient and sustainable nonprofit startups. Findings and resources produced from the study will be shared with all study participants once finalized.

The survey should only take 15-20 minutes to complete, and your responses are completely anonymous.

Please note that the final day to complete the survey will be Saturday, June 30, 2018. Questions marked with an asterisk (*) are required.

If you have any questions about the survey, please email me at iaharris@usfca.edu

I appreciate you taking the time to complete this survey!

Q1 What is your gender? *

     ○ Female

     ○ Male

     ○ Other _____

Q2 Please indicate your age range. *

     ○ 18-29 years old

     ○ 30-49 years old

     ○ 50-64 years old

     ○ 65 years and older

Q3 Please indicate your race. *

○ Caucasian/White

○ African American/Black

○ Asian

○ Native American

○ Mixed race

○ Other _____

Q4 Please indicate the age range in which you founded your nonprofit organization. *

○ 18-29 years old

○ 30-49 years old

○ 50-64 years old

○ 65 years and older

Q5 What is the highest level of education you have completed?

　○ Some high school

　○ High school graduate

　○ Some college

　○ College graduate

　○ Some post-graduate work

　○ Post-graduate degree

Q6 In what year did you establish your organization as a 501(c)(3) nonprofit organization? *

_____

Q7 Are you working full-time or part-time as a nonprofit founder? *

　○ Full-time

　○ Part-time

Q8 What area of work is the focus for your nonprofit organization? *

○ Health and Human Services

○ Education

○ Civic and Environmental Advocacy

○ Arts and Culture

○ Banking and Finance

○ Other _____

Q9 On average, how many hours per week do you work? *

○ 1-10 hours

○ 11-20 hours

○ 21-39 hours

○ 40 or more hours

Q10 What is the size of your organization? *

○ 1-5 people

○ 6-10 people

○ 11-20 people

○ 21-30 people

○ More than 30 people

Q11 How important is it to you that your nonprofit organization has a positive social impact on society? *

○ Extremely important

○ Very important

○ Moderately important

○ Slightly important

○ Not at all important

Q12 For each of the following statements, please indicate how important each statement was to you when you considered pursuing nonprofit entrepreneurship.

	Extremely important	Very important	Moderately important	Slightly important	Not at all important
It allows you to stay active and productive	○	○	○	○	○
It allows you to work on something you are passionate about	○	○	○	○	○
It provides a sense of meaning and a feeling of accomplishment	○	○	○	○	○
It allows you to put the skills and talents you've learned to use	○	○	○	○	○
It allows you to be your own boss	○	○	○	○	○
It allows you greater control over your time, including the flexibility to take time off when you need to	○	○	○	○	○

It offers financial security	○	○	○	○	○
It allows you to have a positive impact on your community	○	○	○	○	○
It provides an opportunity to work and be engaged with other people	○	○	○	○	○
It fulfills a lifelong ambition	○	○	○	○	○
It allows you to be in control and be the key decision-maker	○	○	○	○	○
There is a strong financial upside if the nonprofit succeeds	○	○	○	○	○
It provides a better financial opportunity than other jobs	○	○	○	○	○
It helps your community by creating jobs	○	○	○	○	○
It is the best way to ensure you are working	○	○	○	○	○

in the current
job market

It allows you to
be a community
leader

○   ○   ○   ○   ○

Q13 When you started your nonprofit organization, how concerned were you that...?

	Very concerned	Moderately concerned	Slightly concerned	Not concerned at all
You wouldn't be able to secure financing for the nonprofit	○	○	○	○
You would lose money	○	○	○	○
Navigating through regulations and obtaining licenses would be too complicated	○	○	○	○
The nonprofit would fail	○	○	○	○
It would be too risky to start a nonprofit in this economy	○	○	○	○
It wouldn't provide the level of income you need	○	○	○	○
You couldn't afford the time or money needed for the necessary training or education	○	○	○	○

You didn't have the expertise to start a nonprofit	○	○	○	○
You didn't have the right idea for the nonprofit	○	○	○	○
You didn't have enough management experience to run a successful nonprofit	○	○	○	○
It would be too time-consuming	○	○	○	○
It would be too stressful	○	○	○	○

Q14 What outside resources did you explore for advice when planning to start your nonprofit? (Select all that apply.) *

☐ A government agency or program

☐ A program with a nonprofit organization

☐ A program through local schools, colleges, or universities

☐ Your children/ family members

☐ Neighbor / friends

☐ A teacher/professor

☐ Other _____

☐ None of the above

Q15 What resources did you turn to for help for initial funding for your nonprofit? (Select all that apply.) *

☐ Government grant programs

☐ Personal savings

☐ Nonprofit or NGO grant programs

☐ Banks or credit unions

☐ Family members

☐ Friends

☐ Business acquaintances

☐ Colleagues

☐ Other _____

☐ None of the above

Q16 Which were you able to successfully obtain to fund your nonprofit in its initial stage? (Select all that apply.) *

☐ Government grant programs

☐ Personal savings

☐ Nonprofit or NGO grant programs

☐ Banks or credit unions

☐ Family members

☐ Friends

☐ Business acquaintances

☐ Colleagues

☐ Other _____

☐ None of the above

Q17 How easy or difficult would you say it is for nonprofits to stay in business today? *

○ Extremely easy

○ Moderately easy

○ Slightly easy

○ Neither easy nor difficult

○ Slightly difficult

○ Moderately difficult

○ Extremely difficult

Q18 Approximately how many years of experience do you have working in the nonprofit sector? *

○ 0-3 years

○ 4-6 years

○ 7-9 years

○ 10 or more years

Q19 In what industries did you work in before founding your nonprofit organization? (Select all that apply.) For all that apply, please indicate how many years of experience you have in each. *

☐ Nonprofit - Social Sector _____

☐ Business - Private Sector _____

☐ Government - Public Sector _____

Q20 Approximately how many years of experience managing people did you have prior to founding your nonprofit organization?

○ 0-3 years

○ 4-6 years

○ 7-9 years

○ 10 or more years

Q21 Please indicate your highest proficiency level when you founded your organization, for each of the following areas. *

	Expert	Proficient	Competent	Advanced beginner	Novice
Team leadership and organizational management	○	○	○	○	○
Office administration	○	○	○	○	○
Operations (may include operations analysis, performance management, coordination planning, and management)	○	○	○	○	○
Strategy development and management	○	○	○	○	○
Human resources (may include policies, systems and structures, staff development leadership coaching)	○	○	○	○	○
Human services (may include counseling, advising, teaching, life coaching)	○	○	○	○	○
Program or project management (may include planning and deploying a program or process, change initiative, new venture, or expansion plan)	○	○	○	○	○

Financial planning and management (may include accounting, business processes cash flow forecasting)	○	○	○	○	○
Process improvement	○	○	○	○	○
Business development/fundraising	○	○	○	○	○
Marketing, communications and brand strategy (may include writing and creative design)	○	○	○	○	○
Research and evaluation (market research, program evaluation)	○	○	○	○	○
Information technology (may include hardware, software, etc.)	○	○	○	○	○
Legal and risk management (may include contracts, tax, employment, structure intellectual property)	○	○	○	○	○
Partner development and constituent outreach	○	○	○	○	○

Q22 Please describe what have been some of your favorite aspects about founding a nonprofit organization.

_____

Q23 Please describe what have been some of your least favorite aspects about founding a nonprofit organization.

_____

Q24 Would you recommend another nonprofit entrepreneur for this survey? Please include their name and contact information.

_____

Q25 Please provide any additional comments you may have.

_____

Appendix B: Expert Interview Questions

1. What was the catalyst for the founding of your nonprofit organization? Please explain.
2. What was the initial setup process of your organization (i.e. mission and vision statement creation, establishment as a nonprofit organization, governing docs, etc.)?
3. What type of financial support did you receive/have initially when starting your organization?
4. What other resources were also important when starting your organization (e.g., team members, physical space, etc.)?
5. Describe your network of people in relation to the founding and growth of your organization.
6. What metrics did you use to track the performance and progress of your organization? How did these metrics change over time?
7. Describe the impact your organization has achieved to date.
8. Describe past and current challenges of the organization.
9. What growth strategies has your organization deployed? Why did they work…or not work?
10. Describe current and past partnership(s) of the organization.
11. What would be your advice for current and future nonprofit founders?
12. What do you feel have been the positives of founding a nonprofit organization? Negatives?
13. Would you recommend any additional nonprofit founders in the Bay Area for this study?

Author's Bio

Kia is an eclectic entrepreneur and founder of Dare Humanity. Dare Humanity is a nonprofit organization that creates and delivers programs for self-sufficiency, community-driven development and entrepreneurship. Her aspiration is to provide consulting work to nonprofit organizations in the areas of marketing and communications (with an emphasis in social media strategy), organizational strategy and governance while she continues to expand and strengthen Dare Humanity.

Kia earned a B.S. in Health Science and a minor in Spanish from Cal State Dominguez Hills. Kia has developed skills in a variety of areas such as medicine, health, tobacco control, research and nonprofit efforts. From her experience, she is able to act as a liaison for diverse populations in underserved communities. After choosing to continue her studies, she earned a Master of Nonprofit Administration from the University of San Francisco in hopes to provide international aid and health education to underserved communities on a global scale.