Michigan Nonprofit Employment

The nonprofit sector has been one of the few engines of economic growth in Michigan in the past decade, and it has sustained this record during the recent recession, according to a new Johns Hopkins Center for Civil Society Studies report. The following are key findings and tips on how nonprofits can use the results from the Johns Hopkins Nonprofit Economic Data Project.

Key Findings

1. The Michigan nonprofit sector employs nearly 1 out of every 10 workers in the state, well above the national average of 7.2 percent.
2. The 374,537 nonprofit employees in Michigan earned nearly $14.5 billion in wages in 2009, which translates into an estimated $90 million of personal income tax revenues for Michigan’s state and local governments (see page 3).
3. The nonprofit sector has been one of the few engines of job growth in Michigan in recent years. Between the end of the previous recession in 2001, and the peak prior to the current recession in 2007, nonprofit employment grew by 17.4 percent, while for-profit employment declined by 9.5 percent (see pages 6-7).
4. Despite the current recession, nonprofit employment in Michigan has continued to grow by an average of 1.3 percent per year between the second quarters of 2007 and 2009, while for-profit employment suffered significant losses (see pages 7-8).
5. Despite this continued growth in nonprofit employment, the demand on nonprofit organizations has easily outpaced the ability of nonprofits to meet the demand, producing enormous strains on these organizations (see page 10).

Tips for Using Findings

Consider the following to assist your organization in leveraging resources to benefit your community:

- Share county breakdown of nonprofit employment when speaking with legislators to demonstrate the economic impact of your organization and other nonprofits in his or her district.
- Educate donors of the economic impact within your region and the state. Show how their dollars go beyond supporting immediate needs of the organization, but are helping the state’s economy.
- Celebrate the nonprofit sector’s growth by sharing your story with the media. Too often we see negative stories about what isn’t working in Michigan. Tell the media how your organization is making an impact in the community and use this data to support your work.

For more information on Michigan’s nonprofit sector, visit www.mnaonline.org/research.aspx.