



# The Not-For-Profit Difference

When you are searching for an aging-services provider, what matters most is that the direct caregiver is competent and compassionate. This is hard to figure out from a short visit, but one way to help improve your chances of choosing a quality provider is to choose one that is not-for-profit. In nursing home care, numerous studies show that quality is better and staffing ratios are higher in not-for-profit organization. In assisted living, home health, adult day, and other aging services, not-for-profit providers offer a commitment to quality that stems from a mission of service and a history of compassion. Here is what not-for-profit providers offer:

- **Values-Driven Management:** Not-for-profit providers manage their margin to achieve the mission. Quality is the barometer for their work, not earnings. Many not-for-profits grew out of local religious and civic groups and their managers are part of those organizations. They are not driven by a desire to increase profits for owners or stock prices for shareholders. All proceeds are reinvested in rewarding staff, improving facilities and fulfilling their missions.
- **Community Oversight:** All not-for-profit providers are accountable to a board of directors, whose members volunteer their time and talent, to assure quality services and management. Finances are open for inspection and volunteers help keep management aware of changing community needs and perceptions.

- **Committed Staffing and Commitment to Staff:** We all want a compassionate, knowledgeable, and committed person taking care of our loved one. And we want to know that our caregivers are receiving a decent wage and important benefits for the hard work they do. Not-for-profit organizations know that, and invest their resources to make that a reality for every person they serve. Research shows that these providers hire more direct workers, provide better benefits packages, offer them more educational opportunities and evaluate their satisfaction more than their counterparts. And that is what makes for great care and great caring.
- **Stability:** Long-term care involves creating lasting relationships. Many not-for-profit providers have been in their communities for decades and offer the stability that will give you peace of mind. The groups are less likely to sell or close because of economic fluctuations.

**Four elements, numerous examples, one clear difference: people before profits.**

---

### **What is the Not-For Profit Difference?**

Our nation's not-for-profit housing, community service, and long-term care providers are on a mission. Their objective: to provide the highest quality and most compassionate care to those they serve. The good news for older people, persons with disabilities, their families, and the entire aging-services profession is that they are succeeding.

At a time when not-for-profit aging-services organizations are under intense government and media scrutiny, not-for-profits are showing by example that there is a difference when it comes to quality.

By continuing a tradition of mission-driven, consumer-centered management and competent, hands-on care, not-for-profits set the standard in the continuum of housing, care, and services for the most vulnerable Americans.

---

## **Mission-Driven Values**

Not-for-profit organizations manage their financial resources in accordance with their missions. Many of these housing and service providers were founded by faith-based and civic groups of rich tradition, and their long-standing values are reflected in their governance and management.

They are not driven by daily pressure to increase their “bottom line” for owners, investors, or shareholders. The pressure to make a profit is felt the most by the consumer, due to an inevitable array of cost-cutting reductions in staffing, services, supplies and overall quality.

Quality, not earnings, is the barometer of a not-for-profit organization’s efforts. All proceeds in a not-for-profit are reinvested in improving the physical environment, serving more people, offering more and better accommodations and services and, ultimately, fulfilling the organization’s mission.

Claire Gaudiani (Yale University), author of *The Greater Good* (2003), often speaks of generosity within the American culture. Translating our mission-driven, not-for-profit values into policies, procedures and daily operations is clearly an enduring example of generosity in action.

---

## **Accountability**

Not-for-profit organizations are accountable to voluntary boards of directors, who donate their time and talent to ensure that ethical management, financial integrity and quality services are maintained. Not-for-profit finances are always open for public inspection; with such information readily available on the Internet, the information is literally at our fingertips.

Volunteer board members also have their fingers on the pulse of evolving local community needs, thereby bridging internal and external communities. Not-for-profits have a responsibility to be active, contributing members of their localities. Social accountability opportunities and measures continually help not-for-profits not only to identify but also to exercise leadership in meeting local community needs.

We all desire compassionate, knowledgeable and dedicated staff overseeing the needs of our loved ones. Not-for-profit organizations recognize that staff satisfaction and commitment are related to having sufficient numbers of staff, fair wages, and benefits, flexibility when needed, continuing education/growth opportunities and an environment of respect.

---

### **Articles/Research that Support our Assertion**

- January 4, 2012: The New York Times Old Age Blog: [Happier Staffers at Nonprofit Nursing Homes](#)
- November 30, 2011: McKnight's Long-Term Care News: [For Profit Nursing Homes Provided Poorer Quality Of Care, Study Asserts](#)
- January 12, 1995: [Making the Case for Nonprofit Healthcare](#). A speech by Cardinal Joseph Bernardin to the Harvard Business School of Chicago