Summary

HELP of Southern Nevada Analysis Project

HELP of Southern Nevada is the largest non-governmental, non-faith based human service organization in Las Vegas. The organization would like to expand their services by operating a thrift store. The purpose of the thrift store would be to generate additional revenue, as well as help their current operating programs. In order to provide information to help with the development of their thrift store model, common practices of a sample of not-for-profit thrift stores in the western region of the United States were examined, and suggestions based upon those common practices are recommended.

During discussions with Fuilala Riley, the authors discussed the goals and vision of what the organization wanted to achieve with a thrift store operation. HELP indicated several areas of concern that they were looking for insight into including the size and location of their potential facility, staffing concerns, and distribution priority of donated goods to their existing programs. In addition to interviews with Fuilala, on-site interviews with Christina Vela of St. Jude’s Ranch in Boulder City, Nevada, were used to gain insight upon areas of importance to running a thrift store.

Responses indicated that a large and increasing donor base was common. Donor recognition programs were shown to be common and literature review showed that it was critical to keeping the donation base increasing. It is suggested that a goal be set to increase the number of donors each year. A donor recognition policy should be used and donors should be promptly thanked in writing for all pledges, donations, and contributions. It is critical that HELP take the extra step to personally thank their larger and most frequent donors as a way to continue the support and show their appreciation. However, recognition should not be about the size of the donation but focus on thanking donors for giving support over the years.
The typical amount of donated goods was the approximate size of a trash bag. This gives HELP an idea of what to expect from a typical donation. Drop off at the main facility and pick up by appointment were the most common methods of receiving these donations. Most respondents had some sort of partnership with other organizations, which could be useful to HELP since most responses indicated that surplus items were donated or traded with other organizations when possible. It is suggested that donated goods be examined for any usefulness. For example, even unusable clothing that might be discarded as trash can perhaps be sold to a dealer to be recycled into rags. Revenue goals should be set by HELP, but they must be realistic.

61% of respondents indicated that thrift-stores provided 20% or less of their organizations revenues, which is important to HELP so that they do not overestimate the amount of revenue the thrift-store will bring in.

Item distribution prioritization was shown to be a common practice among respondents. Christina Vela shared their strategy of not putting all items for sale in their store, and in fact using services like eBay for high dollar items so that exposure and ultimately a higher sale price can be achieved. It is suggested that HELP create a distribution process to distinguish program priority items from high dollar saleable items, from regularly sold store items.

Responses showed that 84.2% had at least a 1:1 ratio of paid employees to volunteer employees. It is worthwhile and recommended to examine using a mix of volunteer and paid employees to help keep operating costs down.

The most significant steps towards thrift stores growth revolved around store and equipment upgrades as well as marketing categories. It is recommended to focus on marketing, partnering with other organizations, creating good donation opportunities, and hiring the right people to run the store, so that people will keep coming back.
The recommendations and common practices results should be considered with caution. This research has reliability and validity problems associated with the small sample used and survey design faults. Further research should improve the design of the current survey instrument. Questions should be redesigned to generate responses that carry more validity. It is also recommended that the sample size increase to more acceptable levels. Future improvements to this study can also include an analysis of locations and demographics order to provide information as to where and under what conditions other stores choose to operate.