



INDEPENDENT
SECTOR

THREADS

WEAVING THE FABRIC OF A STRONGER FUTURE.

WASHINGTON, D.C. HIGHLIGHTS



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WEAVING THE FABRIC OF A STRONGER FUTURE.

HIGHLIGHTS FROM COMMUNITY CONVERSATIONS

Event held at Partnership for Public Service

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INDEPENDENT SECTOR THANKS OUR FUNDERS, PARTNERS, AND HOST FOR SUPPORTING THREADS, WASHINGTON, D.C.

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OVERVIEW OF THREADS

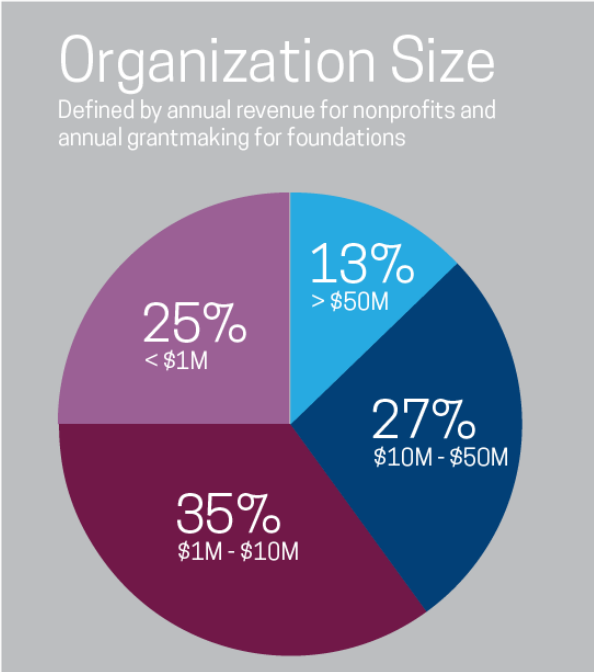
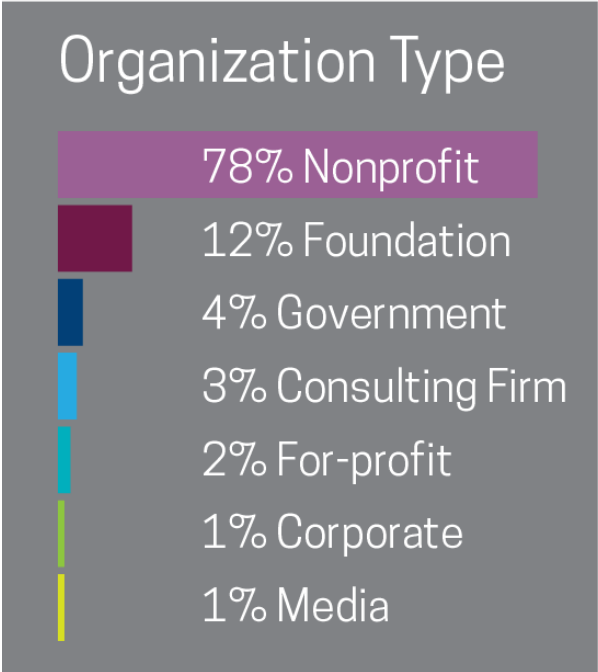
At the start of 2015, Independent Sector launched a series of community conversations called “Threads” in cities across the nation. The purpose was to convene leaders from nonprofits and foundations, and our other allies to explore the impact of society-wide trends on our sector today and in years to come. Threads are designed to engage over one thousand leaders in over a dozen cities to generate thousands of data points about (1) practices that are limiting the effectiveness of sector organizations and (2) innovative ideas for how to increase our impact. Each three-hour Thread featured:

- **Part I – Trends:** An overview of 9 global and national trends shaping our sector’s work, followed by a full group discussion to solicit feedback and generate additional insight about the trends;
- **Part II – Challenges and Solutions:** Small group discussions at which participants identify challenges they face at the organizational, sector, and societal level, then generate solutions for a particular challenge;
- **Part III – Bright Spots:** More small group discussions to brainstorm solutions that have moved the needle on a particular social/environmental issue (what we call “bright spots”);
- **Part IV – Feedback:** A large group discussion of potential roles that national organizations like Independent Sector can play to help the sector better accomplish its important work.

Input from each Thread is coded separately, and then analyzed alongside data from other events to create a national picture of challenges and bright spots. While these findings are not scientific per se, we believe they represent important perspectives from the field that can help drive our sector forward.

THREADS WASHINGTON, D.C. – PARTICIPANT INFORMATION

128 Attendees



TRENDS SHAPING THE FUTURE OF THE CHARITABLE SECTOR

Threads DC kicked off with a presentation by Diana Aviv, President and CEO of Independent Sector, on [nine trends](#) shaping the world and our work. She did not make value judgments about the trends. Instead she sought to (1) make people aware of how the trends are shaping our world and therefore our work; and (2) encourage people to respond to the trends in light of their own organization's practices and particular circumstances. After this presentation, she encouraged participants to share their reactions to the trends. The following themes emerged.

Major Themes

- 1. Economic Inequality** – Audience members shared concerns about economic disparities and how they impact all aspects of life (income, education, health care, etc.). In light of this issue, some people called for improving nonprofits' collective impact. Others voiced concern over how the politicization of some issues, such as health insurance and health care, can prevent some people from understanding or using services.
- 2. Technology** – Participants talked about failing to keep pace with technological advances; this discussion led to a new topic (not shared in previous Threads): the dangers of hacking and cyber attacks. The general consensus was that the sector isn't prepared to deal with technological threats.
- 3. Mobilizing Grassroots/Swarms** – A conversation took place about how to capitalize on causes when a concern is raised by "a mass of people" such as Black Lives Matter. Individuals commented on the difficulties of managing massive online networks and how to transform them from a single pivotal moment into a lasting, cause-driven movement.
- 4. Cultural Competency & Collaboration** – This theme centered serving Native American communities. Many shared examples of insensitivities and noted the dire need for cultural competency training. They also called for greater collaboration among nonprofits. Their hope was for more client-focused, wrap-around approaches.
- 5. Global Approach** – We need to view our work with a "global framework," said one individual. The dialogue touched on the ways technology is shrinking our world and enabling people in different countries to connect quickly/easily.
- 6. Data** – Finally, audience members talked about big data. Said one, "We can use big data to change business models and forge collaboration ... data that has no owner can help solve larger problems." While people generally agreed with this assertion, there was no discussion of how to tap big data or fund programs to do so.

CHALLENGES

ORGANIZATION & SECTOR LEVELS

At Threads DC, we asked people to respond to the following two questions. What are the most significant challenges your organization is facing? What challenges are holding back the sector at large? Here are the top themes that emerged, followed by quotes from the field.

Major Themes

- 1. Governance and Operations** – Attendees talked about “challenges of scale,” mainly how to stay nimble and focused during periods of rapid expansion. They also called for more “strategically-focused board leadership,” for more time to do strategic planning, and for new ideas on “how to do more with less.” (Full quotes cited in “Voices from the Field” below.)
- 2. Vision and Approach** – “We need leaders willing to learn, experiment, and move forward,” reported one table group. Another said, “Strategically-focused board leadership aligned with executive leaders – [we] need more!” These quotes capture the general sentiment of this discussion and, in addition, people talked about how the status quo can become comfortable. We, as a sector, need to continue pushing ourselves to innovate, said several individuals, and we must strive for long-term success at “a broader level.”
- 3. Financial Stability** – Participants mentioned the difficulties of balancing funder and community needs as well as the negative consequences of operating in survival mode. They expressed concern that a “scarcity of resources mentality” has permeated the sector and called their peers to “be more intentional about their financial models and use of resources.” (Note: the theme of financial sustainability has been touched on in nearly every Threads city.)

Other themes included the need for more professional development and better recruiting/retention of diverse leadership (including higher salaries and more opportunity for advancement). People mentioned three other needs: (a) better branding about the sector’s value; (b) more effective ways to measure outcome/impact and communicate results; and (c) improve cultural competencies.

Voices from the Field

- “Challenges of scale. The trends are larger scale. As we scale up, how do we ensure we continue to innovate, ensure we maintain a sharp focus? Individual organizations don't have the scale to effect change, but as we build networks, how do we stay nimble and focused?”
- “Scalability [is a challenge]: balancing the desire/push for scalability and recognizing that some problems don't lend themselves to scalability.”
- “Strategically-focused board leadership aligned with executive leaders – [we] need more!”
- “Governance and Boards [is a challenge] - engaging boards in constructive and informed ways.”
- “How to do more with less? How to be more efficient and keep up quality?”
- “Not enough time for strategic planning/thinking while addressing ongoing operations.”
- “Under-investing in infrastructure.”
- “[We] can effectively solve individual client issues, [but] how do we achieve success at a broader level? How do we define long-term impact?”
- “Limitations of indirect influence [is a challenge]: we are all trying to facilitate and influence but don't have direct authority.”
- “Need leaders willing to learn, experiment, and move forward.”
- “Status quo can get comfortable, but people need you to go further.”
- “Balancing relationships [is a challenge]: funder's desires and wishes versus the needs in the community.”
- “Majority of nonprofits are in survival mode - we don't really know what works and [how to] cut away what doesn't.”
- “Scarcity of resources mentality [is a challenge].”
- “Lack of investment in research and development; innovation.”
- “Funding model, decisions about how we use resources ... [we need to] look at not just funding resources themselves, but how we choose to use them/build our infrastructure within organizations.”

SOCIETAL LEVEL

At Threads DC, we asked participants to look beyond challenges at the organizational- and sector-level by thinking about broader difficulties they faced. Here are the top societal challenges they mentioned.

Top Themes

1. **Disparity, Division, and Isolation** – In most Thread cities, participants offered many different answers in response to our prompts on societal challenges. The DC audience, however, mainly talked about disparity, division, and isolation. Specifically, they cited economic disparity and “deepening divisions” that touch every aspect of people’s lives and that are causing social isolation. “Tribalism is high ... how do we combat that?” asked one, summing up this issue.
2. **Pace of Change** – In addition to the theme cited above, people voiced concerns over their organization’s ability to stay ahead of “accelerating change” in technology and communications. Trying to keep up, said one individual, prevented them from testing new, innovative practices.

Voices from the Field

- “Economic disparity and poverty - the problem touches every aspect of society, very little cross sector collaboration.”
- “Deepening divisions and living in an echo-chamber - across race, ethnicity, income, age, ability, worldview, political views.”
- “Changing nature of communication - increasingly easier to stay insular vs. bridging sector. Tribalism is high. How to combat that and build collaboration?”
- “Social isolation affects many underserved communities -- whether it's the elderly, homeless, disabled or other - and poverty itself is a form of social isolation and segregation. Even in our interconnected digital world the poor and others we serve are increasingly isolated.”
- “Ongoing transfer of risk from systems/society to individuals - as we look at income and wealth inequality, a common theme is the transfer of risk to individuals. Previously, people had pensions as they faced retirement, a broader safety net, and other societal-based protections...gridlock in Congress and at the state level means fewer opportunities for big change where individuals and personal responsibility may not be able to finally address the issue.”
- “So much generational, racial, ethnic, demographic diversity [makes it] difficult to collaborate, build connections, have mutual understanding of problems.”
- “Accelerated rate of change in all areas - technology, communication - inability to innovate and keep up with the change.”

SOLUTIONS

At Threads DC, we asked participants to work with small groups to select a single critical challenge—whether from among the problems raised in the previous segment or from their own experience. We then asked groups to propose solutions to these issues in their own words. Below are their responses.

Challenge:

How to brand the sector/communicate its value better.

Solutions:

- “Look at creating a strategic collaborative coalition starting with IS membership, but going as broadly as possible in the sector to get a mass of individual organizations independently and collectively working on a united message aimed at target markets as well as the general public.”
- “Tell stories that show impact/focus on impact.”
- “Refocus value propositions.”

Challenge:

How to keep up with the pace of change.

Solutions:

- “Promote more risk taking noting the cost of failure has changed and is less significant. The return on investment is high.”
- “Rapid prototyping – adopt the concept of ‘failing fast.’”
- “Support more planning and pilot program funding to enable and facilitate innovation.”
- “Implement more timely feedback for staff.”
- “Create more horizontal structures/mindset to promote innovation and flexibility.”
- “Create cultures of tolerance, flexibility, and innovation at the staff and board levels.”
- “Promote hybrid business models that rely on outside cross-sector partnerships.”

Challenge:

How to promote collaboration that is powerful and necessary.

Solutions:

- “We need nimble intermediaries so we can swarm together and take action.”
- “Size/scope of any one organization can’t solve problems alone. [We] need to have others around the table to increase efficiency and leverage strengths.”
- “We create our own solutions among our organizations, but for true collaboration to be effective, we need to move to a collective analysis of what will work and move those [ideas] forward.”
- “More collaboration among funders to get common goals would help.”

Challenge:

How to solve entrenched, complex problems.

Solutions:

- “[Get] clarity on the ‘magnitude of the problem.’”
- “[Get] clarity about the value of various actors in contributing to the solution.”
- “Commitment to co-create solutions [and] answers that are results oriented.”
- “Develop [a] results framework that allows clarity of accountability of nonprofits and business.”
- “Balance expectations of results.”

BRIGHT SPOTS

“Bright spots” are solutions to social/environmental problems that have moved the needle or had significant, systematic impact at the societal level. They often tackle a problem from a holistic perspective and therefore involve multiple players. We asked participants to share bright spots during their table discussions. The following themes arose.

Major Themes

- 1. Long Term Goals** – Audience members discussed the importance of ‘taking the long view’ in solving problems. Challenges of doing so include funding structures that measure short-term impacts/outcomes; a daily regimen that doesn’t allow time for reflection/long-term thinking; and a lack of capacity/tools to conduct methodical strategic planning.
- 2. Replicating Regional Strategies** – Our DC program included a large number of national organizations. Many of their representatives commented on their efforts to duplicate successful strategies from one region to another.
- 3. Cross Sector Collaborations** – Like other Thread cities, the DC gathering addressed the synergy that comes from nonprofits, government, and business working toward a common goal. Attendees acknowledged the difficulties of doing so, but also offered successful examples. One involved tapping under-utilized government programs to fund breakfast for children in all New York City elementary schools. (See “Voices from the Field” for the full example.)

Voices from the Field

1

The Problem: Intractable poverty.

The Solution: The [Corporation for Enterprise Development](http://cfed.org) (CFED) launched the Campaign for Every Kid’s Future based on research linking children’s saving habits to greater potential for college success.¹ The program begins with a savings account seeded with an initial deposit from Every Kid’s Future. Family, friends, and the child herself supplement the account over time. The money grows with the benefit of long-term compound interest and is typically used for college.

In Their Words: CFED has “broad stakeholder support” said one individual. This includes government agencies and elected officials (at all levels) plus nearly 30 organizational partners (nonprofits and donors). It also uses innovative funding structures such as “using parking fees to underwrite the costs for children’s savings accounts.”

¹ <http://cfed.org/programs/csa/about/>

2

The Problem: Teenagers smoking cigarettes.

The Solution: [Legacy](#) was created in 1999 as a result of the Master Settlement Agreement between the major tobacco companies, 46 US states, the District of Columbia and five US territories. A portion of the settlement was funneled into a new program to provide public education about the impact of tobacco and end youth smoking. The program is perhaps best known for its “truth” ads that use bold, edgy, and unsettling images to convey hard facts about smoking.

In Their Words: One participant notes that Legacy, working together with many organizations, has helped reduce youth smoking from 23% to 8% in the last 15 years. She attributed this success in part to the program’s ability to collaborate with many different organizations. Each, she said, was “clear about its role and focused on their area of expertise (advocacy, communications, research).”

3

The Problem: Hungry children.

The Solution: To tackle this problem, the nonprofit “Share our Strength” launched the [“No Kid Hungry”](#) initiative in 2006: “a network made up of private citizens, government officials, business leaders and others” to end child hunger across the nation.² Partners include the Department of Agriculture, the Department of Education, chefs/restaurants/food vendors, as well as nonprofits working in this field or on related missions. The key strategy, said one participant, was to “target under-utilized government programs” that provide nutrition programs to kids. She added that government funding provided NYC with \$17 million to provide breakfast to low-income children in elementary schools across the city.

In Their Words: This program uses “bold goals” and specific strategies (like the one cited above) to build bipartisan support in Congress. It takes “a holistic approach to address root causes” and also creates a “big tent” around a specific cause that people can grasp easily.

² <https://www.nokidhungry.org/about-us>

4

The Problem: Rioting among youth in Baltimore in April 2015.

The Solution: Less than a month after civic unrest, the Mayor of Baltimore announced a public/private initiative called, “[OneBaltimore.](#)” The program is designed to address root causes of economic inequities in the city. Threads attendees mainly talked about one component of the initiative: creating 8,000 jobs for youth (ages 14-21) at businesses, nonprofits, and government agencies.³ Many organizations in the sector supported this effort including the [Maryland Association of Nonprofits](#), [United Way of Central Maryland](#), and the [Annie E. Casey Foundation](#).

In Their Words: One Threads attendee praised OneBaltimore for its “cross sector collaboration” and the speed with which the Mayor launched the program.

ROLES

We wrapped up Threads DC by asking participants to tell us what roles national organizations could play to help local and regional organizations better achieve their missions. Common themes follow.

Major Themes

1. **Branding/Promoting Sector** – Like other Thread audiences, participants in DC called on Independent Sector to communicate the value of the sector (both as employers and service providers). One person pointed out the need to “define the sector,” suggesting that doing so would help others better understand what we do.
2. **Advocacy** – Independent Sector should broaden its advocacy to include advancing “a more democratic society,” said one participant. Another suggested that IS continue its work on sector-specific issues (such as the charitable deduction). While such work was vital, she also called it ‘defensive’ and encouraged IS to think offensively as well.
3. **Enable Collaboration** – DC attendees mentioned the need for much greater/more effective collaboration both inside and outside the sector. They underscored the fact that organizations can’t ‘go it alone’ and expect to solve major social problems. Several asked Independent Sector to create the “infrastructure to help people collaborate.”
4. **Inequality** – We, as a community, need to address the “root causes of poverty,” stated one participant. Others concurred; the group talked about the ways economic/racial inequalities are dividing society in unprecedented ways.

³ <http://www.baltimoresun.com/news/maryland/baltimore-city/bs-md-ci-youth-jobs-20150624-story.html>

5. **Social Good** – One participant encouraged Independent Sector to champion “social good” across all sectors (in other words, regardless of whether an organization has been awarded 501c3 status). She described IS’s future role as more a “repository of wisdom” for social causes than simply an advocate of the sector. She added that B Corps should be part of this work and network.

6. **New Financial Models** – We “need expertize and advocacy around accounting principles to make change,” offered on individual. She went on to call for new financial models that would be more transparent as well as efficient.