Hartford Foundation Nonprofit Support Program

Spring Event 2019

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Unleashing the Full Potential of the Nonprofit Sector

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Stuff we'll talk about today

Disclaimers

Why we are so awesome

Why we are so awesome

- 900 billion to economy yearly
- About 6% of GDP
- 3rd largest sector
- Employs 10% of working folks
- Serve millions of people
- Change laws
- Build community

Society's perception of our sector

Overhead

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- Most for-profits overhead 30 to 40% or more

Sustainability

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- “How will you sustain this program when this grant runs out?”
- “We will increase individual giving, build relationships with local businesses, and sell macaroni artwork made by kids in our program”
- i.e., “We will leave you alone and bother other people”

Bizsplaining

Differences between nonprofits and for-profits

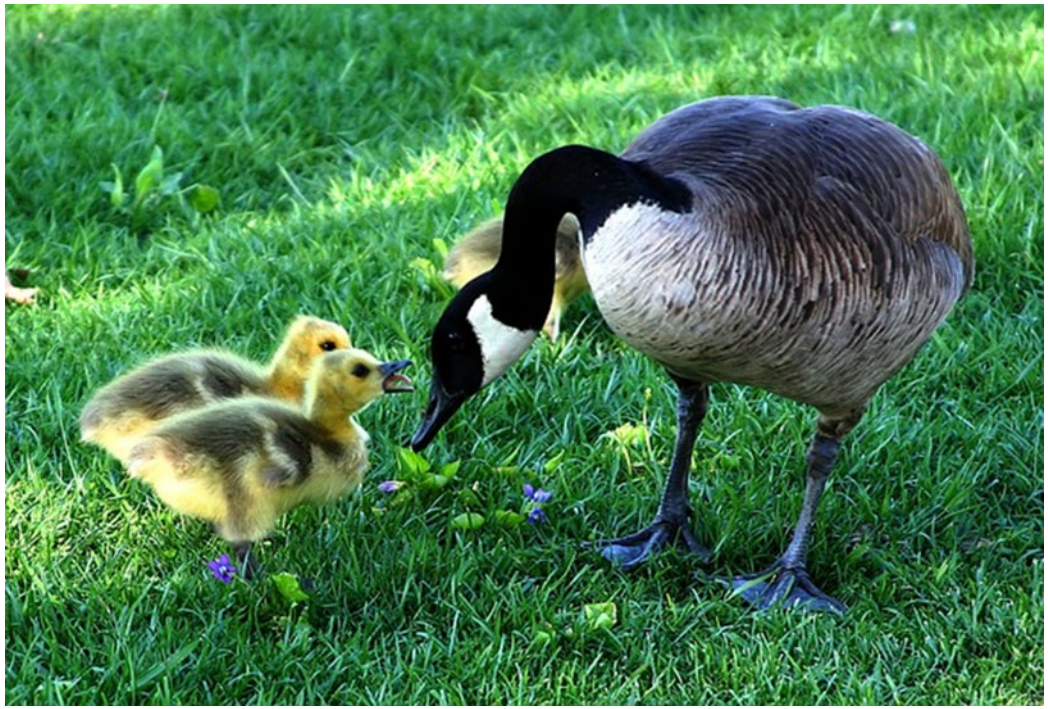
- As NPO success goes up, expenses go up without equal increase in revenues
- Expected to perform miracles on limited funds
- Expected to be innovative without risks/failures

Scarcity and Martyrdom

Scrappiness

- Crappy chairs
- Poorly paid staff
- Lack of paid family leave
- Lack of retirement benefits
- Staff qualify for services
- Poor infrastructure

The Hunger Games



Hunger Games

- Competition for funding
- Hoarding of donors
- Not sharing of data
- Turfiness

From Risk-Aversion to Courageous Actions

From “Strategic” to “Adaptive”

- Difference between strategic planning and strategic THINKING
- Failure: The new kombucha

From Donor-Centered to Community-Centric Fundraising

9 Principles of Community-Fundraising

- Grounded in Race, Equity, Inclusion
- Focus on ecosystem, not individual missions
- Nonprofits are mutually supportive
- All elements (staff, board) are appreciated equally
- Time valued equally as money
- True partnership with donors, including honest feedback and difficult conversations
- Foster a sense of belonging, not othering
- Encourage belief that donors benefit equally
- Work is holistic and transformative, not transactional

From Suspicion-Based to Trust-based grantmaking

Trust-Based Philanthropy (The Whitman Institute)

- Multi-Year General Operating Dollars (MYGOD)
- Funders also do the homework
- Transparent and responsive communication
- Solicit and act on feedback
- Simplify and streamline paperwork
- Support beyond the check

From being “Color-Blind” to having conversations about Race, Equity, Intersectionality

EDI in hiring practices

- Disclose salary ranges
- Remove formal education requirements unless for specialized positions
- Remove requirement for working vehicle and driver's license
- Take out "must be able to lift 50 pounds"
- Hiring people with disabilities
- Stop automatically eliminating people based on things like typos
- Be thoughtful about criminal records
- Do not ask for free labor during search
- Rethink unspoken rules such as handwritten thank-you notes

EDI Board Development

- Board Source: 27% of boards have no POC
- 86% white in 1994, 91% in 2004, 86% in 2007, 84 in 2010, 82 in 2012
- Analyze board demographics
- Train on race, diversity, implicit biases
- Get over “color-blindness,” the latest form of racism
- Reduce influence on money on board
- Change board culture to be more “to-be” (as opposed to “to-do”)
- Make sure the next THREE board members are diverse
- Don’t join boards where you are part of the problem

EDI in communications

- Be thoughtful about sharing client stories (don't perpetuate poverty tourism)
- Have captions on all your videos
- Have live captioning or ASL interpretation at your events
- Translate things
- Budget for interpretation/translations
- Be thoughtful on font size, contrasts
- Stop making fun of Comic Sans (it and similar fonts are helpful for people with Dyslexia)

EDI and evaluation

- Think critically about who is funded, collecting, and interpreting data
- Center the experiences, voices, and strengths of communities of color
- Be bold in pointing out inequity when you find it
- But be careful not to pathologize communities
- Hire evaluators of color
- Pay community members the same rate as consultants
- If you don't have representation, PAUSE the project
- Stop Trickle-Down Data and Evaluation, where white-led orgs get all the money, then trickles down small amounts to grassroots POC-led orgs
- Advocate boldly for culturally-responsive evaluation
- Be community-centric, not mission-centric
- Have conversations about race and equity
- Reexamine philosophies around data/eval capacity building
- Examine your personal motivations and biases
- Sometimes, DON'T take on a contract if it's inequitable

EDI in collaborations

- Don’t engage in Trickle-Down Community Engagement (TDCE)
- Go to where people are, physically
- Understand community politics and historical trauma
- Engage the entire year, not just at one summit/event a year
- Establish relationships; it takes time
- Do not raise people’s hopes without a commitment to implementing their ideas
- Pay community members equitably

From Silos to Alliances

The Community Alliance model

- Central organizations provide back-office support
- More fiscal sponsorships, fewer 501c3s
- Orgs more focused on missions.
- Each org still has strong ED
- Boards freed of fiduciary responsibilities, focused on mission
- Fundraising: combo of individual/joint efforts
- System of mutual support among members
- Increased collaborations on systems change
- Orgs may spin off or remain permanently

What nonprofits must do

- Get over our inferiority complex and own our power
- Be bolder, take more risks
- Invest better in our staff and infrastructure
- Collaborate more, and across sectors
- Be more transparent with funders and donors
- Advocate more, and more strategically
- Focus on fighting injustice, not one another
- Think about nonprofit ecosystem, not just own mission
- Build community alliances
- Be grounded in race and equity

What funders must do:

- Start with Trust, not suspicion
- Multi-year, general operating dollars (MYGOD)
- Get over sustainability
- Rethink “qualifications”
- Make big bets on marginalized communities
- Be thoughtful about data, track record
- Take risks/accept failure
- Stop budget testing
- Build organizations
- Fund faster
- Increase payout
- Be grounded in race and equity

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We are Jedi Unicorns