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THE Nonprofit QUARTERLY

The Nonprofit Workforce: Overcoming Obstacles

McKeever & Gaddy *on* Nonprofit Wages and Employment

Brown *on* Creating a Culture of Equity, Diversity, and Inclusion in the Nonprofit Sector

McCambridge *on* Nonprofit Wage Ghettos

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Volume 23, Issue 3

THE Nonprofit QUARTERLY

Fall 2016

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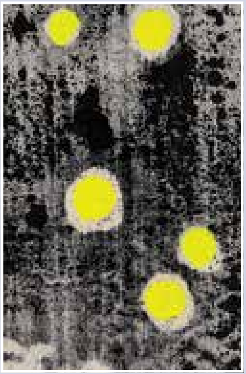

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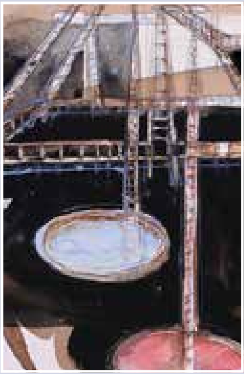

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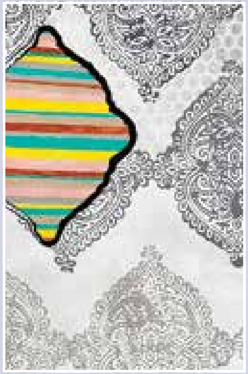

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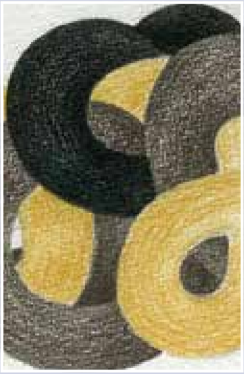

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by Curtis Klotz

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Welcome

Dear Readers,

The nonprofit workforce is unusual in a number of ways: it extends beyond paid workers to unpaid workers or volunteers, and its motivations align with the sector's emphasis on purpose over profit. In many other ways, however, it is similar to any other workforce: it has large pockets of very low-paid workers, highly patterned problems with diversity and inclusion, and a slow rate of adoption of updated management and engagement methods. There is no question that we can do better—but before we can redress long-standing problems, we must be able to acknowledge them. Thus, in this edition we take up, among other entrenched obstacles, the issue of equity, diversity, and inclusion—which, sadly, the nonprofit sector does not address any more effectively than its for-profit counterpart.

Within are a discussion of intrinsic and extrinsic motivation, which we offer as a "frame" of sorts, followed by an overview of the nonprofit workforce "by the numbers," by the Urban Institute's Brice McKeever and Marcus Gaddy. There is an eye-opening interview with the D5 Coalition's Kelly Brown, in which she discusses the "stuck" patterns of marginalization within nonprofit and philanthropic organizations, and some of the ways in which organizations would do well to approach those concerns. This high-level overview is accompanied by a very personal article by Al Heartley and Jocelyn Prince, two people with long-standing experience in arts organizations, in which they discuss what exclusion looks and feels like on the ground. Their descriptions are excruciating and all too familiar. And Robert T. Grimm, Jr., from the Do Good Institute, and Nathan Dietz, from the Urban Institute, offer a breakdown of trends in American volunteering from 1974 to 2015.

We also take up the issue of the ever-expanding nonprofit low wage ghettos—which, by the way, are predominantly made up of women and people of color. These have recently been raised up to public view through the external implementation of wage reforms and more stringent overtime regulations. There are things that can be done to prevent the expansion of jobs paying far less than a living wage, but it will require an affirmative commitment to doing business differently. Fortunately, there are some great organizational and advocacy models out there that are discussed within, and we will be supplementing this material with additional content on this topic online.

We thank everyone who helped us to shape this edition of the magazine. We hope that these articles will challenge all nonprofits to think differently about their organizations and fields and all funders to consider what workforce problems they are supporting by the choices that they make and the questions they neglect.

The New Employment Contract *and* How Nonprofits Must Honor It

by the editors

The basic employment contract has gone through profound changes since the industrial era, yet most of us continue with the same old employment practices. In order to attract a high-performing workforce in this new information era, we will have to take a deep look at our structures and assumptions in light of these changes. Fortunately, we have plenty of well-researched and tested models to help us along the way.

OVER THE PAST FEW YEARS, NONPROFITS HAVE BEEN CREEPING up toward new ways of sharing core tasks of their organizations with their staffs. An example of this are the practice models associated with creating a culture of philanthropy. The recent "Bright Spots" study by Jeanne Bell and Kim Klein describes how a number of nonprofits have employed these models.[1]

Many of the groups talked about sharing fundraising responsibilities with staff as part of a larger, overall organizing strategy, and one of the more interesting cases the study cites concerns a group called Jewish Voice for Peace (JVP). At JVP the staff, on top of their other roles, share responsibility for maintaining relationships with six hundred major donors; each staff person has his or her share as a portfolio. The National Center for Lesbian Rights (NCLR) does something similar, raising $2 million a year from major donors,

"THE FIRE WITHIN" BY YSABEL LEMAY/YSABELLEMAY.COM

This form of organization also serves as a capacity for leadership development, in that sharing out the fundraising role allows younger leaders to gain that crucial skill base and experience.

30 percent of which is managed through portfolios held by the group's staff, board, and volunteers.

This sharing of fundraising responsibilities has to be supported by rigorous systems and good research, of course. For example, a donor survey by NCLR revealed that donor interests in the organization were much broader than marriage equality, which they had assumed was their draw. The ability to uncover and share such information quickly makes each fundraiser and the group as a whole more effective.[2]

The following description exemplifies a new model of staff deployment that embodies some powerful assumptions:

- Each staff person can be trusted to represent the organization to important partners.
- Important tasks that require skill and knowledge do not need to be marginalized to one or two staff members.
- Doing this requires continuous communication that integrates into the organization the intelligence gathered in such interactions and keeps each staff person at a high level of organizational literacy.

This form of organization also serves as a capacity for leadership development, in that sharing out the fundraising role allows younger leaders to gain that crucial skill base and experience without locking themselves into fundraising as a career. Angela Moreno, one-time interim executive director of FIERCE—a youth-led, membership-based organization that's dedicated to building the leadership and power of LGBTQ youth of color in New York City—observed: "It's not about someone being professional or educated in a certain way. It's really about shedding light on the fact that we already have these skills in communities of color. It's about making visible and lifting up the resourcefulness that we've always had."[3]

And in that last statement are many lessons. For young leaders, the ability to build their capabilities across multiple functions is extremely valuable, creating a comprehensive set of leadership skills that is working capital in that person's career, because few executive directors do not—as we all know—have fundraising responsibilities. This means that, on top of the compensation the staff receive, staff also hope to develop capacity that makes them desirable employees elsewhere in the future. In return for affording them that opportunity, your organization gets the engagement and energy that comes with helping each staff person continuously develop new skills and knowledge and responsibility; the additional intelligence that comes from keeping employees in touch with constituents and other elements of the external environment; and the redundancy and flexibility that come from cross-training staff.

The Tension in Bridging Eras

> *Performance appraisals are an instrument for social control. They are annual discussions, avoided more often than held, in which one adult identifies for another adult three improvement areas to work on over the next twelve months. . . . If the intent of the appraisal is learning, it is not going to happen when the context of the dialogue is evaluation and judgment.*
>
> —Peter Block[4]

Let's take the performance appraisal and imagine it as an artifact of a previous age—an age when people believed that the very best way to motivate workers was primarily, if not solely, through compensation and the best way to ensure quality of work was through ever tighter central controls, direction, and monitoring.

The assumptions underwriting the above about what motivates our employees and causes them to be accountable are unflattering to them—and, in fact, the practices that flow from these assumptions are, at their base, not only unproductive in terms of creating a robust twenty-first-century workforce but also are counterproductive, creating a kind of motivation-sucking vacuum.

This has pretty much always been the case; but again, now we are in an era where a track record of incrementally built and well-deployed knowledge is coin of the realm as far as career building is concerned, so a lack of faith and investment in employees is obvious in its absence. The best employees are unlikely to want to stagnate in a job. Their careers no longer depend as much on following directions well as they do on helping re-create the job—and the directions for that job—as times and circumstances change.

But we are in a transition period between the industrial and information eras, and even as we understand that the basic employment contract has profoundly changed, we have not fully accepted that this means our employment practices also must profoundly change. In short, workers may never have

In a sense, workers are "curating" their own body of work—because, increasingly, stagnation becomes a life sentence of low wages.

enjoyed being used as cogs in a machine, but half a century ago they were exchanging it for a middle-class salary and benefits, and often a lifetime of employment. That contract is not common these days, and has been replaced by a lifetime of more-short-term gigs that require the individual to continuously retool. In a sense, workers are "curating" their own body of work—because, increasingly, stagnation becomes a life sentence of low wages.

Self-Determination and Motivation: The Heart Wants What It Wants

Thus, the issue of self-direction and self-determination emerges front and center in our workplaces. Employees must look at every job for its alignment with their goals, and should do the same with prospective employers. Questions they should ask are: Will I be able to advance my life's purpose here? Will I learn here? Will I make connections and establish my credibility here? Will I be allowed to take risks and pursue new interests within the context of the mission? Are my potential coworkers jealously guarding their authority and realms of work, or is there a demonstrated interest in helping the energy and capacity of the organization grow through helping the energy and capacity of each staff member grow?

Welcoming and encouraging the learning and advances of each staff member, then, also keep the organization on its own development trajectory—as long as goals and vision, ground rules, and critical information are held in common among workers. Team management and cross-training among peers maintain the advances as organizational assets over time.

We use the term *self-determination* advisedly. Richard Ryan and Edward Deci have studied and written extensively about the concept as it relates not only to education but also to worker motivation. The framework they termed Self-Determination Theory (SDT) distinguishes between "different types of motivation based on the different reasons or goals that give rise to an action. The most basic distinction is between *intrinsic motivation*, which refers to doing something because it is inherently interesting or enjoyable, and *extrinsic motivation*, which refers to doing something because it leads to a separable outcome."[5] Such a separable outcome may be compensation, for instance. The primacy of one over the other makes a difference to the outcome, they argue, but it is hard to sustain intrinsic motivation outside of a social context that supports it. It is also never entirely devoid of some extrinsic influences. Specifically, intrinsic motivation can be mitigated by unfair practices in the workplace or practices that create the sense that the individual is not being heard or valued.

The mutuality between staff and organizational capacity development is explored on the Self-Determination Theory website:

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Source: Effect of music on power, pain, depression and disability. (Journal of Advanced Nursing, 2006)

To understand what motivates most workers, you likely need only ask yourself the question of what motivates *you*—because most people provide the same answers.

> SDT is an organismic dialectical approach. It begins with the assumption that people are active organisms, with evolved tendencies toward growing, mastering ambient challenges, and integrating new experiences into a coherent sense of self. These natural developmental tendencies do not, however, operate automatically, but instead require ongoing social nutriments and supports. That is, the social context can either support or thwart the natural tendencies toward active engagement and psychological growth, or it can catalyze lack of integration, defense, and fulfillment of need-substitutes. Thus, it is the dialectic between the active organism and the social context that is the basis for SDT's predictions about behavior, experience, and development.[6]

Translated, that means that the intrinsic motivation can be harmed or advanced by the workplace dynamic and management practices, and if it is to be advanced, it is through respectful mutual effort. But this does not mean that workers are flying off in all kinds of independent directions, blindly supported by management. The primacy of intrinsic motivation is often accompanied by an integration of extrinsic motivations, which include, for example, regulatory and organizational protocols, and prerogatives and goals. Once these are integrated, they become part of autonomous, self-directed action.

Self-Determination Theory sees that ability to achieve autonomy, competence, and relatedness to others doing the same work in the same place as central to intrinsic motivation—and intrinsic motivation is necessary to creating a whole powerful organization out of many employees with personal motivations they want to live out. This plays out in many ways. For instance, in one study of a nonprofit organization, researchers found that knowledge transfer improves more through intrinsic than extrinsic motivation.[7] Thus, the intention of the whole is integrated into the autonomy of the single employee.

Even though there has long been some distinction made between the sectors—for-profit employees were said to be more extrinsically motivated (motivated by reward), and public and nonprofit employees were said to be more intrinsically motivated (motivated by purpose)—the default management model, even in nonprofits, remained in a command-and-control image. This command-and-control image was based on that extrinsic reward model until around thirty years ago, when the era shifted from an industrial-based economy to a knowledge-based one. And, as with any era shift, the change took hold before behaviors changed, now we must gradually throw out the detritus—the artifacts of the old era—and begin to build our own practices, still experimenting.

Changes in Management Theory

Over the last quarter-century, much of traditional management theory has changed to respond to the environment and to address problems created under the assumptions of the prior industrial era. Indeed, since the 1930s, a number of systems thinkers had been experimenting with and writing about ways to approach organizations and people's participation in organizations differently—to expand the numbers of employees with strategic responsibilities and reduce the numbers of employees expected to be sedentary or not engaged in helping to actuate the quality of outcomes.

In the late 1970s, Peter Senge introduced his concept of the "learning organization," and organizations explored how intelligence and energy could be deployed in more respectful ways, both in groups as small as single, modestly sized organizations and in groups as large and highly controlled as the U.S. military.[8]

As organizations moved away from the concept of organizations as pyramids with relatively few decision makers, some began to investigate structures that assume that self- and team-based management could be a more effective and productive model, given that business goals and practices were commonly understood. And in the midst of all of that, organizations had to confront deeply embedded assumptions about what motivates people to engage in common projects in general and, more specifically, what motivates workers to engage in making their workplaces optimally successful. If it isn't purely compensation and status, what is it?

To understand what motivates most workers, you likely need only ask yourself the question of what motivates *you*—because most people provide the same answers; and after these two-decades-plus of research, those answers have resurfaced through rigorous studies again and again.

A Laboratory

In looking over what are being heralded as the latest intriguing iterations of management, at the far end is the so-called

Sound familiar? It should. This is the experiment many of us have been working on for thirty-plus years.

"holocracy model." Championed by Zappos, which has divested itself of upper management, the model is crafted on:

- **Roles.** Roles are defined around the work, not people, and are updated regularly. People fill several roles.
- **Distributed Authority.** Authority is truly distributed to teams and roles. Decisions are made locally.
- **Rapid Iterations.** The org structure is regularly updated via small iterations. Every team self-organizes.
- **Transparent Rules.** Everyone is bound by the same rules, CEO included. Rules are visible to all.[9]

We would add:

- **Value, Skill, and Personal Mission Intentions.**
- **Widely Shared Enterprise Literacy and Clarity of Goals.**

Sound familiar? It should. This is the experiment many of us have been working on for thirty-plus years. Call it what you want—holocracy or your grandmother's cat Suzy—but we now have plenty of models to view that adhere to the same principles. And if you want that edge as an employer and as a high-performing organization, you will start your own workplace experiments in management to ensure that your organization's employment contract is compelling enough to attract the best workforce possible.

Notes

1. Jeanne Bell and Kim Klein, "Fundraising Bright Spots: Strategies and Inspiration from Social Change Organizations Raising Money from Individual Donors" (San Francisco: Evelyn and Walter Haas, Jr. Fund, April 2016), www.haasjr.org/sites/default/files/resources/Haas_BrightSpots_F2_0.pdf.

2. Ibid.

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4. Peter Block, *Stewardship: Choosing Service over Self-Interest* (Oakland, CA: Berrett-Koehler Publishers, 1993).

5. Richard M. Ryan and Edward L. Deci, "Intrinsic and Extrinsic Motivations: Classic Definitions and New Directions," *Contemporary Educational Psychology* 25, no. 1 (January 2000): 54–67.

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7. Victor Martin Perez, Natalia Martin Cruz, and Celina Trevilla Cantero, "The Influence of Intrinsic and Extrinsic Motivation on Knowledge Transfer: The Case of a Nonprofit Organization," ResearchGate, May 2009, www.researchgate.net/publication/281861234_The_influence_of_intrinsic_and_extrinsic_motivation_on_knowledge_transfer_The_case_of_a_nonprofit_organization.

8. Peter M. Senge, *The Fifth Discipline: The Art & Practice of The Learning Organization*, rev. ed. (New York: Doubleday, 2005).

9. "How It Works," Holacracy website, accessed September 6, 2016, www.holacracy.org/how-it-works/.

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Source: Arts, Health, and Well-Being Across the Military Continuum - White Paper and Framing a National Plan for Action (Americans for the Arts, 2013)

The Nonprofit Workforce:
By the Numbers

by Brice McKeever and Marcus Gaddy

While the nonprofit sector continues to be the smallest of the sectors in terms of number of employees, it has been outpacing business and government vis-à-vis percentage growth in employment. This growth, say the authors, is considerable in both size and reach, and means that more and more Americans are working in or for a nonprofit across all major industries—some of which directly compete with business and government services and goods.

NONPROFIT ORGANIZATIONS, IN ADDITION TO THE important social roles they play, are powerful contributors to the economy. Most are public charities, classified under Internal Revenue Code section 501(c)(3) (along with private foundations), and include arts, culture, and humanities organizations; education organizations; healthcare organizations; human services organizations; and other types of organizations to which donors can make tax-deductible donations. Others are spread across the nearly thirty other nonprofit classifications, which include groups like labor unions and business and professional associations. These mission-based organizations provide jobs and wages as well as opportunities for entrepreneurialism, leadership, and professional development. The considerable growth in the size and reach of the nonprofit economy means more and more Americans are finding themselves working in or for a nonprofit across all major industries. As a result, the sector provides a wide range of paid positions for doctors, researchers, educators, artists, executives, care providers, lawyers, and many others who, along with the subsectors they represent, furnish alternatives to (and in some cases, like nursery schools and hospitals, directly compete with) business and government provision of services and goods. All told, the more than 1.4 million registered nonprofit organizations in 2013 employed over 10 percent of the domestic workforce and accounted for around 5 percent of GDP.

This article provides estimates of the total nonprofit wages and employment for the sector in 2013—the most recent period for which data are available—and analyzes these findings in comparison with the other pillars of the U.S. economy: the government and business sectors.[1]

Brice McKeever is a research associate in the Center on Nonprofits and Philanthropy at the Urban Institute, where he primarily performs quantitative research for the center's National Center for Charitable Statistics. **Marcus Gaddy** is a research associate in the Center on Nonprofits and Philanthropy at the Urban Institute. He works with various teams focused on the hybrid space between nonprofits and for-profit business, nonprofit program evaluation, and performance measures.

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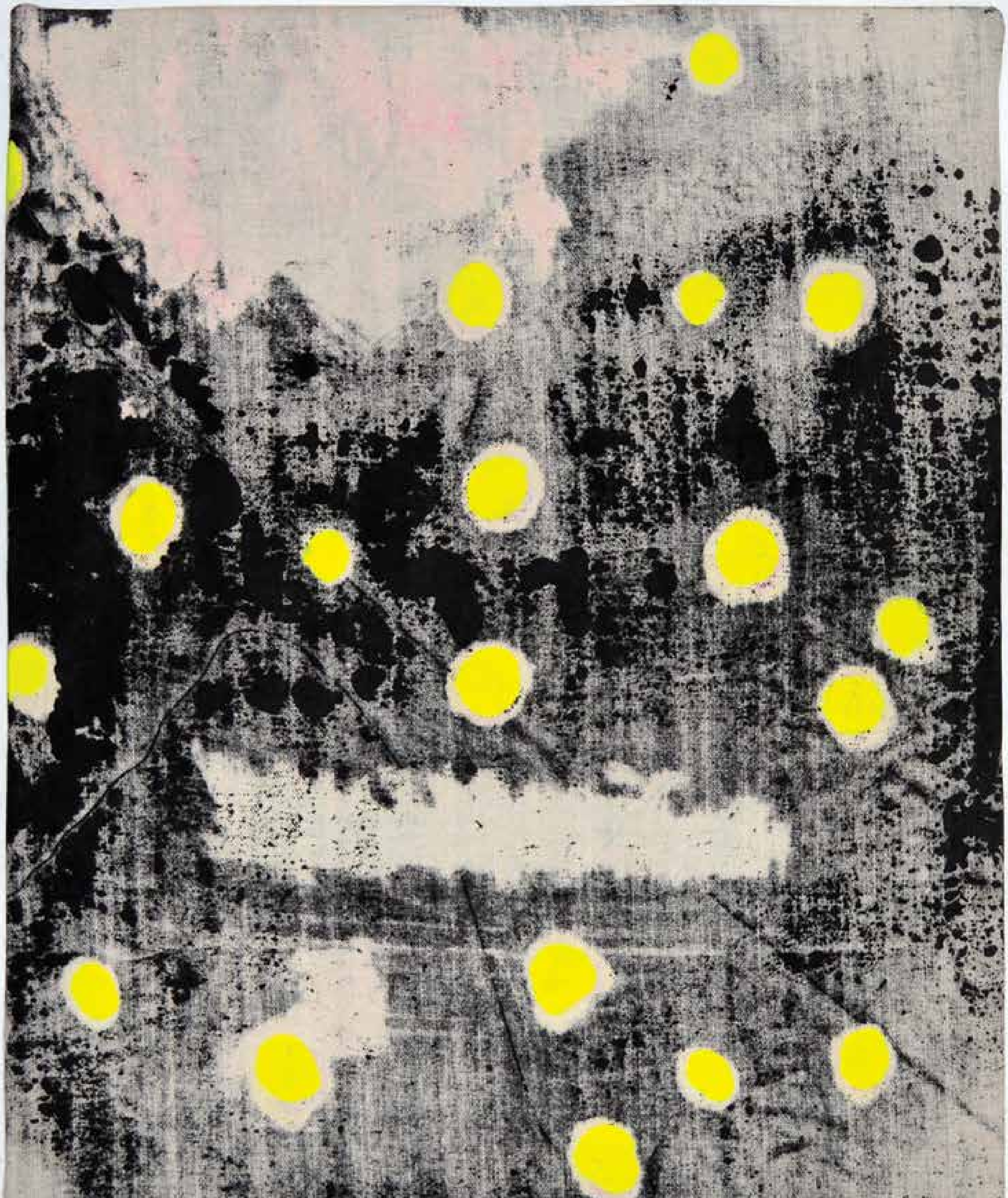

Employment

Nonprofits, like all firms, use inputs—labor and capital—to produce goods and services. The nonprofit sector employed over 14.4 million people (estimated) in 2013. Many of these employees are concentrated in the health services and education fields. The nonprofit sector has experienced a period of sustained growth over the past decade. As Table 1 demonstrates, the number of employees increased 14.0 percent from the 2003 level of 12.7 million employees. This represents nearly a percentage point increase in the nonprofit share of the economy, from 9.7 percent in 2003 to 10.6 percent in 2013. A major driver of this employment growth is the increased demand for healthcare services, which is driving growth in hospitals and healthcare organizations. More than half of all nonprofit workers are employed by the healthcare and social assistance industry (54.8 percent), which includes hospitals, mental health centers, crisis hotlines, blood banks, soup kitchens, senior centers, and similar organizations. In 2013, this industry employed over a million more nonprofit workers than it did in 2003, showing the largest absolute growth in number of employees of any nonprofit subsector.

> More than half of all nonprofit workers are employed by the healthcare and social assistance industry . . . . In 2013, this industry employed over a million more nonprofit workers than it did in 2003, showing the largest absolute growth in number of employees of any nonprofit subsector.

Nonetheless, the nonprofit sector is still the smallest of the sectors in terms of employee count. There are still considerably more people employed by business than by nonprofits—about seven times as many. But over the 2003 to 2013 period, nonprofits outpaced businesses and government in their percentage growth in employment.

Between 2003 and 2007, the years leading up to the recent recession, employment in the nonprofit sector and the business sector grew at a similar rate, both slightly higher than the growth of government employment. Yet, during the recession—from 2007 to 2010—growth in the nonprofit sector outpaced that of government and business employment: nonprofit employment rose 3.5 percent, while government employment remained relatively flat (1.2 percent growth) and business employment fell by 8.2 percent. With the end of the recession, however, the U.S. economy has been rebounding. From 2010 to 2013, nonprofit growth in employment (3.6 percent) was surpassed by renewed growth in business (6.7 percent). On the government side, employment has declined slightly in the postrecession years (2.9 percent).

Wages

In 2003, nonprofit organizations paid an estimated $425 billion in wages. Ten years later, in 2013, total nonprofit wages had risen to $634 billion. This increase in paid wages represents a growth of 49.2 percent (17.8 percent after adjusting for

Table 1. Number of Employees by U.S. Economic Sector, 2003–2013 (thousands)

Year	Total U.S. workers[a]	Business	Nonprofits[b]	Government
2003	130,315	96,073	12,662	21,580
2004	131,732	97,296	12,818	21,618
2005	133,996	99,263	12,929	21,804
2006	136,404	101,272	13,156	21,975
2007	137,935	102,262	13,453	22,219
2008	137,170	100,910	13,757	22,503
2009	131,221	94,811	13,857	22,553
2010	130,269	93,850	13,929	22,490
2011	131,843	95,718	14,033	22,092
2012	134,098	97,950	14,231	21,918
2013	136,394	100,117	14,429	21,849

Sources: a. U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (2003–13). b. Authors' calculations based on U.S. Census Bureau, Economic Census (2002, 2007, 2012); U.S. Department of Labor, Bureau of Labor Statistics; and Urban Institute, National Center for Charitable Statistics, Core Files (Public Charities, 2003–13) inflation). In 2013, the majority of all nonprofit wages (57.1 percent) were paid by healthcare and social assistance organizations. In particular, hospitals, residential care facilities, and ambulatory healthcare services account for just under half (49.4 percent) of all nonprofit wages. Wages for hospitals grew from $196.1 billion in 2003 to $313.2 billion in 2013, by far the largest absolute growth of any industry during the same period. Remove hospitals from the employment trend, and nonprofit wages from 2003 to 2013 grow more slowly—40.1 percent, compared with 49.2 percent. The second largest nonprofit industry by wages paid falls under the label "other services." This subsector accounts for 17 percent of total nonprofit wages in 2013. This category includes grantmaking foundations; fundraising and other supporting organizations; professional societies and associations; groups promoting or administering religious activities; cemeteries; human rights organizations; advocacy organizations; conservation and wildlife organizations; and others. The educational subsector, which includes organizations such as colleges, elementary schools, technical schools, exam-preparation outfits, hockey camps, and dance instruction, makes up the third largest segment of wages, at 16.3 percent. Higher education accounts for two-thirds of educational services wages and over 10 percent of total nonprofit sector wages.

Across all industries, average annual nonprofit compensation increased from $31,501 in 2003 to $43,178 in 2013—a 37.1 percent increase (8.3 percent after adjusting for inflation). These data, however, do not take into account differences in nonprofit wages between staff and executives. Nor do they take into account the significant variation by subsector. The finance and insurance industry and the utilities industry both had average annual wages of about $97,000 per employee in 2013, the highest of any nonprofit subsector. On the other end, nonprofit employees in the accommodation and food services industry received the lowest average annual compensation in the nonprofit sector: under $21,000. The low average pay is in part because this industry includes camp organizations, which hire many seasonal employees. The industry with the next lowest compensation is the social assistance industry, with annual compensation of about $26,500. This industry, which also tends to be among the lowest paying in the for-profit sector, includes community, food, child and youth, elderly, and disabled services.

As noted above, the average annual nonprofit compensation increased by over 37 percent between 2003 and 2013. Yet this growth also varied by industry, as some nonprofit subsectors saw considerable growth in average compensation over the ten-year period, while others did not. At the high end, the average annual compensation for the professional, scientific, and technical services subsector rose about 55.7 percent between 2003 and 2013 (23 percent after adjusting for inflation)—growing from just over $53,000 to about $82,500. The information subsector saw the second highest growth in average compensation, with a growth rate of just under 50 percent (18 percent after adjusting for inflation) between 2003 and 2013—rising from just over $59,000 in 2003 to about $88,500 in 2013. Finally, although the agriculture, forestry, fishing, and hunting subsector reported below-average annual compensation in both 2003 and 2013 (less than $23,000 in 2003 and just under $33,500 in 2013), its average annual compensation grew at a higher-than-average 45.8 percent (15.2 percent after adjusting for inflation).

At the low end, the arts, entertainment, and recreation subsector saw the smallest growth in average annual compensation, increasing from about $24,500 in 2003 to about $29,000 in 2013. This represents a growth of 19 percent (a decline of 6 percent after adjusting for inflation). The transportation and warehousing subsector experienced the next smallest amount of growth between 2003 and 2013, at 25.9 percent (a relatively flat -0.6 percent after adjusting for inflation). The accommodation and food services subsector, in addition to having lower-than-average annual compensation (as noted above), also grew relatively little in compensation between 2003 and 2013—about 27.2 percent (0.5 percent after adjusting for inflation).

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private wages, was worth $167.2 billion to the sector. The combination of nonprofit wages and volunteer labor exceeded $801 billion in 2013, and volunteers accounted for over 26 percent of this combined total.

Even without accounting for volunteer labor, nonprofit wages grew slightly ahead of the business and government sectors in the 2003–13 period (see Table 2).

Because nonprofits are fairly labor intensive, they make more of a contribution to the economy as employers of labor than to Gross Domestic Product.

Contribution to the Economy

Because nonprofits are fairly labor intensive, they make more of a contribution to the economy as employers of labor than to Gross Domestic Product (GDP). In 2014, nonprofits contributed $937.7 billion to the economy, which equates to 5.4 percent of GDP (see Table 3). This is slightly up from 5.2 percent in 2003, but down from the 2009 level of 5.6 percent.

Table 2. Total Annual Wages by U.S. Economic Sector, 2003–2013 ($ billions)[2]

Year	Total	Business	Nonprofit	General government	Households
2003	5,146.1	3,883.6	425.0	823.6	13.9
2004	5,431.2	4,114.4	444.2	857.8	14.8
2005	5,703.1	4,334.7	458.4	895.0	15.0
2006	6,068.8	4,635.1	482.5	935.1	16.1
2007	6,405.7	4,896.5	506.5	985.0	17.7
2008	6,543.6	4,947.3	539.9	1,037.8	18.6
2009	6,260.0	4,615.5	558.0	1,069.8	16.7
2010	6,385.6	4,713.1	571.2	1,086.5	14.8
2011	6,641.3	4,945.3	590.1	1,090.0	15.9
2012	6,938.9	5,210.2	617.3	1,094.6	16.8
2013	7,123.4	5,368.5	634.0	1,103.3	17.6

Source: Authors' estimates based on U.S. Census Bureau, Economic Census (2002, 2007, 2012); U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts (2015); U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages (2003–14); and Urban Institute, National Center for Charitable Statistics, Core Files (Public Charities, 2003–13)

Table 3. Gross Value Added to the U.S. Economy by Sector, 2003–2014 ($ billions)[3]

Year	GDP	Business	Households	NPISH	General government
2003	11,510.7	8,669.9	828.4	598.6	1,413.7
2004	12,274.9	9,268.6	879.5	631.4	1,495.4
2005	13,093.7	9,919.9	944.0	655.5	1,574.3
2006	13,855.9	10,514.0	1,000.6	688.8	1,652.5
2007	14,477.6	10,981.5	1,028.7	720.9	1,746.5
2008	14,718.6	11,019.9	1,086.6	768.7	1,843.5
2009	14,418.7	10,597.5	1,110.1	803.5	1,907.6
2010	14,964.4	11,059.7	1,111.4	817.4	1,975.9
2011	15,517.9	11,536.4	1,130.4	843.9	2,007.1
2012	16,155.3	12,097.2	1,147.6	881.8	2,028.6
2013	16,663.2	12,524.0	1,180.5	905.9	2,052.7
2014	17,348.1	13,077.8	1,234.6	937.7	2,098.0

Source: U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, table 1.3.5 (2015)

It is important to keep in mind that although these are the best estimates of the sector's contribution to the economy, these values underestimate the contribution of nonprofits. The Bureau of Economic Analysis (BEA) at the Department of Commerce measures the size of the U.S. economy. It divides the economy into four sectors: government, business, households, and nonprofit institutions serving households (NPISH). The BEA definition of nonprofit organizations varies from the IRS definition. The BEA's NPISH definition does not include all tax-exempt organizations. It excludes organizations that serve businesses, such as chambers of commerce, and nonprofits such as credit unions and university presses that are also counted as serving business because they sell goods and services in the same ways as do for-profit businesses. Nonprofits that fall under the NPISH definition include those that provide services in one of the following five categories: religious and welfare (social services, grantmaking foundations, political organizations, museums, and libraries); medical care; education and research; recreation (cultural, sports, and civic and fraternal organizations); and personal business (labor unions, legal aid, and professional associations).

• • •

Readers should note that comprehensive nonprofit employment data are among the most significant and largest areas of missing data on the nonprofit sector. Data on nonprofit wages or employment by industry are not published annually, and what data are available are limited—either by industry or by time periods covered. In addition, the total number of nonprofit organizations operating in the United States is unknown, because religious congregations and organizations with less than $50,000 in annual revenue are not required to register with the IRS.

This article presents the authors' estimates of nonprofit employment and wages using available data. While these estimates attempt to capture nonprofit-sector employment and wages by combining estimates from both government and nonprofit sources, there is still no single source for nonprofit salary and employment data. The Bureau of Labor Statistics recently released a series of research data on employment, wages, and establishment figures for nonprofit institutions. The BLS data reports employment and wages for organizations exempt under section 501(c)(3) of the Internal Revenue Code but not for the nonprofit sector as a whole.

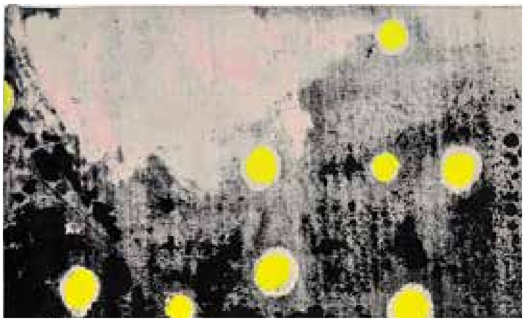
It is important to keep in mind that although these are the best estimates of the sector's contribution to the economy, these values underestimate the contribution of nonprofits.

NOTES

1. The authors' estimates throughout this article are based on the following: U.S. Census Bureau, Economic Census (2002, 2007, 2012); U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts (2015); U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages (2000–14); and Urban Institute, National Center for Charitable Statistics, Core Files (Public Charities, 2000–13).

2. These figures only include actual wages paid; they do not reflect volunteer labor. Values are not adjusted for inflation.

3. Value added by the business sector equals gross domestic product excluding gross value added by households, nonprofit institutions serving households, and general government. Government enterprises are classified as part of the business sector, as are nonprofits serving business. Value added by nonprofit institutions serving households equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions. Value added by the general government equals compensation of general government employees plus general government consumption of fixed capital.



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Patterns *and* Pattern Breaking *in the* Diversity Profile *of* Nonprofits *and* Philanthropy:

A Conversation with Kelly Brown

IT NO LONGER IS NOR EVER HAS BEEN ENOUGH TO SIMPLY COMPLY WITH LAWS AIMED AT DIVERSIFYING THE WORKPLACE. THE CULTURE OF THE WORKPLACE ITSELF MUST SHIFT IN ORDER TO TRULY EMBRACE DIVERSITY. AS KELLY BROWN, DIRECTOR OF THE D5 COALITION REMINDS US, "THE POINT ISN'T TO JUST HAVE PEOPLE WHO OSTENSIBLY LOOK DIFFERENT OR SEEM DIFFERENT—IT IS TO MAKE THE SPACE ITSELF DIFFERENT."

***Editors' note:** Kelly Brown is director of the D5 Coalition, which is deeply immersed in trying to help philanthropy hold itself accountable for its own practices and outcomes in the area of diversity and inclusion. She is also an astute observer of the way these issues play out not only in nonprofits but in other sectors as well. In the following interview, Brown talks about where we are and how far we still need to go vis-à-vis diversity in the workforce.*

***Ruth McCambridge:** Let's start at the very beginning, which is the place your knowledge base flows from. Can you talk a little bit about where the D5 Coalition came from and what it has done over the years?*

Kelly Brown: D5 was launched to try to move the needle in four areas related to equity, diversity, and inclusion within philanthropy: first, to push for the leadership of foundations to more closely represent the foundations' communities, but with a particular focus on senior leadership; second, to ensure that there was more equitable access for diverse communities to philanthropic dollars; third, to build the field's capacity for data and research, so that it could better understand where it was and what needed to happen to address diversity and inclusion in a more substantial and organized way; and fourth, to encourage and support foundations in taking action to move

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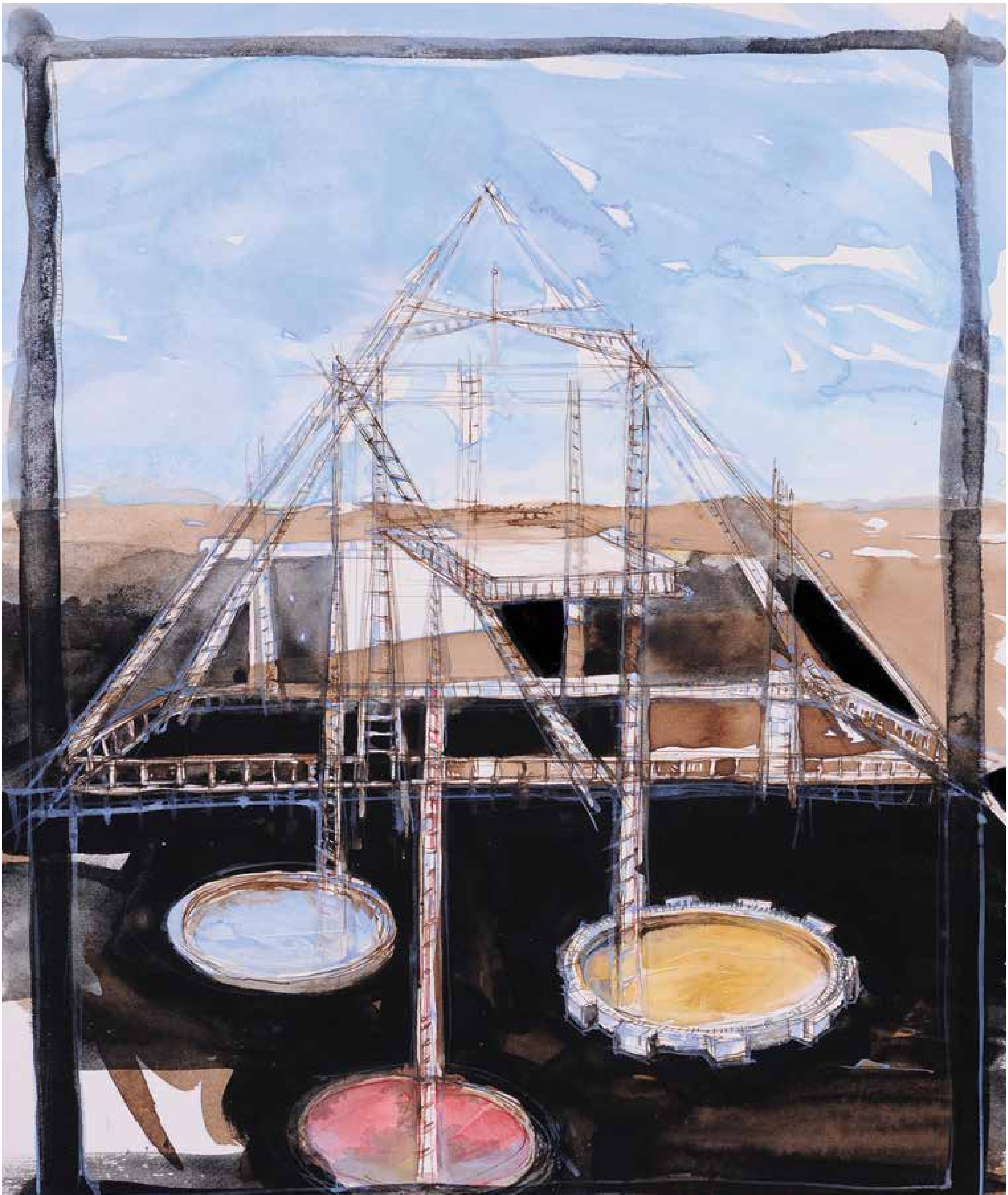

beyond values statements and make changes in their policies, practices, and programs that would allow them to reap the benefits of a commitment to diversity, equity, and inclusion. We wanted to promote good practice in this area and encourage more foundations to take on these issues, not only in terms of looking at their internal work on leadership and staffing but also with respect to their grantmaking.

In retrospect, obviously those are very large and aspirational goals for a five-year period, so we chose strategically to place the philanthropic infrastructure at the center of implementation—and not just the folks who had been doing this for years, like the affinity groups and the population-focused funds, but also some of the more mainstream institutions, like Foundation Center, Regional Associations, and Council on Foundations. Those institutions are key places where foundations come to learn good practice and also to build their social and professional networks. This makes them good arenas for facilitating the diffusion of these principles, practices, and values into a broader field. So, that was what D5 was conceptualized to do and what we executed on over the five years.

RM: *So how has that gone?*

KB: I think that we learned fairly quickly that we had to consistently test the strategies we had laid out and then assess whether or not they should be revised or updated, or had to evolve relatively quickly. We were able to do that by expanding the range of our partners, engaging current partners differently, seizing moments of opportunity, and investing in strategic framing and alliance building. Another thing we realized was that vis-à-vis a lot of the goals—such as senior leadership changing, more resources going to certain communities, and even good practice—the level and nature of data around these issues was so poor that we really couldn't speak to change in any meaningful way. So, we executed on some goals more quickly than others.

I think we made the biggest impact in helping to build the will and the mechanisms for collecting sound data across all the goal-related spectrums. Taking advantage of the partnerships and leadership that were ready to engage with us—like GuideStar and the Foundation Center, and some folks who were researching the same issues in the environmental sector—helped us seize the opportunity to advance the work on demographic and diversity data as a tool of knowledge and power as well as accountability.

RM: *There seem to be relatively consistent patterns across the studies that have been done by the environmental groups, some studies done on museums by the Museum Association, and the studies that you've been doing on philanthropy. Can you talk a little bit about that?*

KB: You're absolutely right—there is a pattern that does transcend all of these different fields and beyond, to the private sector and other arenas as well. Simply put, when you're looking at the, quote-unquote, "hierarchy" of these institutions—whether it is the hierarchy of an individual institution or the size of a particular institution relative to its field—you will generally see much more diversity at the more entry level in an institution or at the smallest organizations relative to their fields. As you move up the hierarchy, you see less and less diversity—particularly with respect to race and ethnicity but also with respect to gender, although to a lesser degree.

On some level, I think, that pattern is understandable, because people at the top tend to turn over much less. And as you move up, it becomes more of a pyramid, and options and opportunities narrow. But, as a result, this means that as you look into achieving diversity and inclusion at that level, there is a need for much more intentionality, much more nurturing, much more coaching, and much more extra effort to really bring more diverse perspectives and individuals into those roles—and so the bar in terms of effort becomes much, much higher.

What we hear a lot in philanthropy—and I think also in the nonprofit sector—is that we need to strengthen the pipelines, and I think there is something to that. To get to a senior level in philanthropy, people must have a fairly intentional career trajectory. But I think in addition

> "I think in addition to looking more closely at the pipelines, there's a much more nuanced need to look at what people are doing—what strategies they are employing to really identify, attract, and retain the people coming out of the many existing pipelines."

to looking more closely at the pipelines, there's a much more nuanced need to look at what people are doing—what strategies they are employing to really identify, attract, and retain the people coming out of the many existing pipelines. So there must be an understanding of what pipelines are out there, and that they may be different ones than folks are used to using to access talent and leadership.

So, I think it's not only nurturing the pipelines but also nurturing the institutions into which folks are moving that's important. That is a space that folks increasingly need to pay more attention to: the nature of their organizational cultures—how they're communicating with certain folks and how they're investing much more intentionally in building the networks that one needs in order to reach new talent. Because just sending a job announcement to the Black MBA Association is not going to cut it. We know that, particularly as you move up the ladder, people get jobs and get placed and get access increasingly as a result of networks, even when there are very formal processes in place; so, building those networks has to be invested in on both ends. I think that is where we're seeing not only the similar kinds of patterns across fields as you move up but also similar kinds of solutions to deal with those patterns.

RM: *Right. The whole issue of institutional culture and field culture was very striking—particularly as I remember it in the environmental reports—because it held on so tightly. There was virtually no change over a period of many years. Even when people had declared themselves on board with trying to diversify their institutions, there was no movement in some of the more elite jobs and roles in the institutions. Can you talk a little bit about what practices and behaviors need to change in order to see movement?*

KB: Well, I think there has to be an understanding that if you want different results, you have to do things differently and you have to see things differently. What we hear often is, "Well, we want people at the senior levels but no one applies or is qualified." But there is a crying need for stepping back and looking at what folks mean by, quote-unquote, "qualified." Too often, there's a sense that the competencies that have to do with being able to function with and relate to diverse communities are not included as priorities in the list of what would qualify a leader, even if these are increasingly going to be the kinds of qualifications that everybody needs. And so the status quo persists.

Being able to step back and really understand that when we want a director of policy, when we want a development director, increasingly the candidates will not only need to have the skills that we used to look for but also will need other, different kinds of skills—skills that relate to inclusion, to effectively managing and navigating across difference, and to drawing out the improved results that the research shows come from being able to do that. And that requires a different kind of internal lens and capacity.

I think we went through a time when arenas opened up for folks from different kinds of backgrounds and perspectives, and there was a sense of the need to fit in and assimilate—a sense that people would get access and opportunities if they adapted to the dominant culture. But where we're moving now, I think, that is going to be less and less the case—and this is a major shift. Increasingly, and largely due to pressure from Millennials, nonprofits are going to have to ask themselves, "How are we actually creating different kinds of organizational cultures that allow for people to be fully who they are and to actually bring their identity and perspectives into the space?" Because that's the point and the benefit of diversity—not just the representational space. The point isn't to just have people who ostensibly look different or seem different—it is to make the space itself different.

This is the challenge across the board: how do you create cultures and manage organizations where leaders with new perspectives actually help the organizations think differently, and even have different assumptions in some cases? Because that's really the benefit of having diversity. It's not just a justice and equity issue, although that's very much a part of it—it's a necessary competency.

"What we hear often is, 'Well, we want people at the senior levels but no one applies or is qualified.' But there is a crying need for stepping back and looking at what folks mean by, quote-unquote, 'qualified.'"

RM: *That's such an important point, and it gets to this issue of how people who are not used to doing so can honestly interrogate themselves on their own culturally based assumptions.*

> "Because people are so anxious about diversity issues . . . they want to just get the work done. But I tell folks that we're never going to 'get done' doing this kind of work—we will just get better."

KB: It's very difficult; but I'm very optimistic right now, because I see foundations trying to do that. And I think that while it's challenging, they are poised to move ahead, because they understand our communities are changing. And this requires that they understand whether or not the groups they support are reflecting their communities—and doing so in a way that helps their organizations understand what's going on in those communities, and why. They often quickly realize that they actually can't have constructive conversations about this if they haven't done their own reflecting. And even though folks experience the conversations as hard and sometimes painful, the process, for those really committed, has brought so much richness and depth that they don't want to go back.

And like any other form of change, sometimes you're intensely engaged and proactive, and then you have periods when it's quiet and latent, and you kind of let folks massage the change through the organizational ecosystem.

This has to happen, and I do think most organizations and people find the work very transformative. But, because people are so anxious about diversity issues—particularly issues around race, and particularly because those issues are so highly charged in the larger environment—they want to just get the work done.

But I tell folks that we're never going to "get done" doing this kind of work—we will just get better. Because ten or fifteen years from now, there will be other manifestations of systemic issues related to identity that it will be important to take into account and address. And the degree to which we invest in strengthening our capacities and competencies now will determine the degree of our improvement in the future.

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I often point to the issue around gender identity, because although sexual orientation was on D5's original agenda, the kinds of conversations that people are having now around gender identity—and how that gets recognized within the organizations—is a very new conversation.

RM: *Oh, it's like rapids—it's like the rapids opened up. But let me back up for a minute. I recently read a study from the corporate sector that found that many of the ways that corporate America (and I'm sure some nonprofits, also) have tried to work on diversity in their organizations have had reverse effects—for instance, workshops that are partially aimed at avoiding lawsuits, which are actually counterproductive. Can you talk a little bit about how ideas about the ways we go about achieving diversity have changed?*

KB: I assume you're talking about the *Harvard Business Review* article that just came out, which was very good and very interesting, and important to understand at the stage we are in now—diversity and inclusion 2.0, or maybe even 3.0. What that article touched on were the challenges of solutions that flowed out of the framework of compliance—which I think in the early days, as we know, was very much needed. In that environment, people were refusing us entry, and the response was, "No, you have to let us in." That context pushed open realities and engagement, and promoted tools we still have the remnants of and that we may need to rethink—because to do things only because they're required creates environments where folks feel like that's the only reason why they're engaging. And now people have more options.

I mean, just imagine if someone invited you to be on a board, and you got the impression that the only reason they invited you is because they were pressured into it. That doesn't make you feel terribly welcome—which means that the whole interaction, even though you may want that opportunity, is not going to be constructive or viable.

RM: *Or motivational.*

KB: Exactly—on anybody's end. But I think what is happening is that, as we move from this space of compliance and assimilation, we move into an environment where we realize we don't really have the option *not* to think about ways to cocreate new sorts of organizations and opportunities. But these issues relate to who we are—issues of identity and access, and all the structural things around that. It's not just, "Is my widget the right widget?" or "Is my service the right service?" It's about how the perspective I bring as a result of who I am contributes to an optimal strategy. And that requires us to bring our full selves, not just our culturally validated credentials and pedigrees, into the conversation—and that's not easy or trivial.

We certainly can't put compliance and accountability completely to the side, because there's always going to be resistance. To some degree, however, I do think that we have to move more in a direction of saying, "There is something in this for me, and it isn't a zero-sum game; it involves welcoming other folks into an environment and actually taking their perspectives and experiences into account, because what we create when we do that will be so much better." That is a big switch, and I think the reason we see the limited results from a compliance kind of mechanism—particularly in this day and age—reflects the need to take into account that folks really have to want to do this and they have to want to see the benefit, because it really isn't optional. It won't mean that they will lose as much as the framing often implies—and any losses will be offset by gains. I think that's why a lot of these approaches need to be rethought; and I think what the [*Harvard Business Review*] article refers to is that when you reframe things in that way, strategies become much more effective.

RM: *And so it fits very well with where we are generally in the workforce. I know that there's a right answer—an organizational answer—to what I'm about to ask, and you may want to just stick with that, but I do want to ask you specifically about your feelings about the slowness with which things have moved in philanthropy. When I attended those sessions at the Council*

"To do things only because they're required creates environments where folks feel like that's the only reason why they're engaging. . . . I mean, just imagine if someone invited you to be on a board, and you got the impression that the only reason they invited you is because they were pressured into it."

on Foundations, there was a palpable feeling of disappointment coming from people who had been working hard on change.

> "For me, the frustration is not so much around the pace of change as it is around the level of discourse about it. People want to know why we still have to work so hard on this and what difference it makes—that should be obvious, and it still is not."

KB: I understand that sentiment, but I will say—and this is in all candor, not because this is my job (and actually I feel like we're doing a good job)—I think that there are a couple of things you have to really interrogate about people's original hopes and expectations. On the one hand, philanthropy as a field is a profoundly elite arena and always has been, so what were the expectations, in terms of pace, that we could reasonably have? On the other hand, I suggest that we may not see the depth of the change that has occurred by the limited numbers we have to look at. And though I don't generally like to talk about tipping points, I would argue that, vis-à-vis issues like marriage equality, there will be different perspectives about the pace of change. Some people probably think marriage equality happened really fast, but folks who have been working on the issue for many decades would probably think, "Wow, that's what *you* think, because you haven't been paying attention to how long this struggle has been going on." So, to some degree there has to be a clear-eyedness about what are appropriate expectations. Quite frankly, like I say, I've been in this field for over twenty years. I had my first job in a foundation in 1994, and even before that, when I was at TransAfrica, I was exposed to the field, because we worked with big foundations and with people who were leading them. And this was when there were, literally, maybe six black people in philanthropy. And that was only twenty years ago. And we're not *there* anymore.

So, while the numbers may seem disappointing with respect to the snapshot that we've cut out—given the challenged nature of the data themselves—in all honesty, I'm not sure it's as slow as we think or as little as we think. I completely understand the frustration given the broader demographic shifts, though; but for me, the frustration is not so much around the pace

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of change as it is around the level of discourse about it. People want to know why we still have to work so hard on this and what difference it makes—that should be obvious, and it still is not. So, at least with respect to philanthropy, I think: 1) there's more change than we think; 2) it's faster than we think; and 3) it's a hard field to change.

RM: *If you could point to three or four kinds of catalytic things that you see right now that are going to advance change, what would you say they were?*

KB: Catalytic things . . . well, I definitely think the emergence of the technological capacity to capture—in very real and visceral terms—evidence of inequity and exclusion, and to share that and to be able to engage it broadly and quickly, is something very catalytic. I mean, I certainly think we've seen that from the Black Lives Matter movement and all these other conversations around police accountability, simply because people are able to actually see something that looked awful. And I think it mirrors what we saw around the Selma visual all those many decades ago. It was a shocking revelation to many to see dogs attacking people and horses running over people and people getting water hosed during a nonviolent protest. That was extremely significant to having people say, "Wait, whoa! Not good, not us."

RM: *You know, that's never actually left my mind's eye.*

KB: Never.

RM: *From a kid, right?*

KB: Never. Never get it out of your head—you can't. The visual engagement is profoundly catalytic. There were clearly many reasons why the Civil Rights Movement happened when it did, but I'm a big believer that the visuals of it had something to do with it—and I think there is an amplification of that right now, in our current environment, in this new iteration. I think the other catalytic thing is that folks—and again, especially younger folks—are embracing the spectrum of identity, and the complexities and the dynamic nature of identity, much more robustly. I think they're going to want to see that reflected in the institutions they're moving into. And that's going to be messy, and it's going to be dynamic, and it's going to be challenging. I'm not necessarily one of those who say, "Oh well, the Millennials, they're not racist; they're much more diverse, and everything will be solved." I think that they will bring their own kinds of challenges, but I think this momentum will start to push some of our larger institutions—and, again, not just nonprofits and foundations but all of our social institutions—in ways that will require us to really build our muscle around these issues.

There were clearly many reasons why the Civil Rights Movement happened when it did, but I'm a big believer that the visuals of it had something to do with it—and I think there is an amplification of that right now, in our current environment, in this new iteration.

RM: *Absolutely.*

KB: I guess I just want to stress to people that there are tipping points in movements, and we can look back at movements that made meaningful change and try to learn. I often refer to the Free South Africa Movement. People said: "It's going so slow, we're never going to do it. This could go really wrong; this could go badly." But it didn't. And certainly, South Africa is not perfect by any means—but now we all look back on the transition and think, "Of course that was going to happen." So I think one day we'll look back on this and see that we were saying the same thing, and then things changed.

It takes persistence, it takes rigor, it takes compassion, it takes intentionality. It takes a different sort of orientation to really embrace this in a way that helps people see we are making a contribution to creating the world that we actually all want to live in, in spite of the fear and in spite of the fearmongering and in spite of the real anxieties that people feel about these kinds of changes. I think we're going to do it; I know we will. And I think people should embrace the challenge of doing it—because not only is the goal important, the process is important, too.

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The Empty Space:

A Look at How Theaters Have Filled Gaps in Equity, Diversity, and Inclusion

by Al Heartley and Jocelyn Prince

Diversity in the workplace cannot be achieved in the shallow, tokenistic ways so many of us practice—some with the best of intentions, others just in order to adhere to the legal requirements. Creating a genuine culture of inclusion—now *that* is a quite different proposition. This article about the struggle to achieve diversity and inclusion in the field of nonprofit theater highlights organizations in the industry that look to be well on their way.

***Editors' note:** This article is part of our ongoing Equity, Diversity, and Inclusion (EDI) Project, created in collaboration with the Young Nonprofit Professionals Network (YNPN) to spotlight Millennials' voices and thoughts on diversity and justice. Visit www.nonprofitquarterly.org to access additional articles from this series.*

In October 2015, the Theatre Communications Group released its thirty-fifth annual research report, *Theatre Facts 2014*. The report reflects data from the fiscal years 2013/2014 from a broad overview of the estimated 1,770 U.S. professional nonprofit theaters.[1] It shows that contributions have driven the American theater's comeback from the 2008 recession, and that theater, by and large, is thriving—and it is doing so in the face of increased pressure for more earned income dollars due to decreases in government funding and corporate giving and financial obstacles presented by the Great Recession. The report concludes the following:

> Professional not-for-profit theatres can be found in every state and provide meaningful employment to artists, technicians, and administrators. In 2014, they created a diverse and rich theatrical legacy. They are significant contributors to their communities and to the U.S. economy. We estimate that theatres contributed over $2 billion to the economy in the form of direct compensation and payment for space, services, and materials. They shared their art with 32.8 million patrons and provided employment to 135,000 artists, administrators, and technical personnel. They created 216,000 performances of 22,000 productions that now represent the U.S. professional not-for-profit theatre heritage of 2014.[2]

Al Heartley is an MFA candidate for theater management at the Yale School of Drama. Al is a member of the Yale School of Drama's Equity, Diversity, and Inclusion Working Group, and has worked at the Cleveland Play House and at the Steppenwolf Theatre Company and the Writers Theatre, Chicago. **Jocelyn Prince** is site coordinator for the Almira PreK-8 Academy in the education and artistic departments of the Cleveland Play House. Jocelyn was cofounding artistic director of The New Black Fest, New York, and has worked at Woolly Mammoth Theatre Company, Washington, D.C., the Public Theater, New York, and the Steppenwolf Theatre Company, Chicago, among others.

"UNAPOLOGETIC" BY SUMIT MEHNDIRATTA/WWW.SAATCHIART.COM/SUMITMEHNDIRATTA

According to the National Endowment for the Arts, the arts (performing, visual, and literary) contribute $698 billion to the U.S. economy each year.[3] Numbers, of course, cannot tell the whole story. On a balance sheet and income statement, numbers represent the salaries of artists and technicians, and every new space built with community development grant dollars signifies living and breathing members of a community.

Alongside the success of the industry in the past decade, fissures in the field's landscape with regard to equity, diversity, and inclusion (EDI) have taken center stage. Public outcry in the mainstream press, on social media, and within prominent organizations highlights a host of troubling trends in the industry.

Theater is, ultimately, about people working together to make art; however, these collaborations are far too often fraught with conflict, particularly when diverse constituencies and stakeholders are involved. Alongside the success of the industry in the past decade, fissures in the field's landscape with regard to equity, diversity, and inclusion (EDI) have taken center stage. Public outcry in the mainstream press, on social media, and within prominent organizations highlights a host of troubling trends in the industry, including a lack of diversity in casting and programming and homogenous leadership, staffs, and boards at theater organizations. *The Count*, for instance, a recent study by the Dramatists Guild, revealed that over its three-year period of research, only 22 percent of plays produced each year in the United States were written by women.[4]

There is general consensus among nonprofit arts administrators and boards that our increasingly multicultural society is a reason to embrace diverse perspectives in the arts. Chay Yew, artistic director of Victory Gardens Theater, in Chicago, said, "We can't be twenty-first-century Americans if we don't know African American, Latino, Asian, Native, and white histories and narratives. They make up our complicated collective history as citizens, as a nation, and we need to own them."[5] To remain relevant to their local communities, nonprofit theaters must also reach younger audiences. As the *Boston Globe* reported, "Next time you're in a theater in Boston—or down on the Cape, or out in the Berkshires, or on Broadway, or pretty much anywhere, really—take a look around at the audience. Chances are you'll notice something missing: young people. What you're likely to see instead is wave upon wave of gray hair. Most of the seats will be occupied by baby boomers and those of the generation born around the time of World War II. Thirtysomethings will be scarce; twentysomethings will be even scarcer. And teenagers? Don't ask."[6]

Directing acting ensembles, hanging a spotlight high above the stage, and running a busy box office all require intensive collaboration. Indeed, theater work requires a tremendous amount of teamwork, and makes for a unique atmosphere in which EDI will either thrive or fail. Theaters collectively choose their seasons of plays, write value statements about identity (i.e., gender, race, sexual orientation), and create policies and practices that influence the culture of the organizations. Theater largely presents as a shining liberal beacon. Progressive values are touted as hallmarks of the industry. All opinions are supposedly accepted, and it is generally viewed as the most open of the arts because of its sense of adventure and boldness around the work created. The picture of the field of theater at large tends to look very elegant in its representation of equity, diversity, and inclusion. But there are many hidden ways in which the various "isms" (racism, sexism, ageism, and a whole host of others) manifest themselves.

We write this article at a point when, between the two of us, we have worked both as artist and administrator in over thirty theaters. We have done so as interns, fellows, full-time staff members, volunteers, and executive leaders. We have seen hundreds of plays at any number of theaters, national and international. And, as professionals of color, we've not only read about discrimination in the press and studied it in school but also have lived it in the workplace and in our daily lives. We've encountered surprise and disbelief that we are so well read in dramatic literature or that we've attended competitive graduate school programs. As staff members at theater organizations, we've rarely had supervisors of color, we've been told we are too "threatening" or "hostile," and we've repeatedly had our concerns about EDI ignored or brushed aside.

Just as in our educational and financial systems, the American nonprofit regional theater industry has a long history of structural racism and inequity in its programming, staffing, and business practices. As people of color working in the nonprofit theater industry, we wanted to take a step back and reflect on—and share—some of the efforts around EDI made by a variety of nonprofit regional theaters that have resonated with us. These case studies are not all-inclusive but rather represent a wide range of institutional responses to the EDI problem in American theater. The powerful actions and accomplishments of these companies inspire confidence that progressive social change is not only possible in our field but within reach of organizations willing to work for it.

Oregon Shakespeare Festival: A Holistic Approach

"We live in a world where the demographics are shifting—that's a reality. [Nonprofit theaters] have to have an organizational workforce with cultural competency. This is professional development. It is not philosophical. It's very practical," says Claudia Alick, community producer of the Oregon Shakespeare Festival (OSF).[7]

In March 2010, OSF developed its Audience Development Manifesto, which crystalizes principles for cultivating a richly diverse audience—one that represents the United States.[8] OSF takes an all-inclusive approach to diversifying, not only focusing on audience but also on staff, board, programming, accessibility, and community outreach as points for working toward EDI both inside and outside the organization. Alick's job is to create collaborations with the local, national, and international communities. She seeks a variety of voices in her programming choices. "This work," she said, "has to be done holistically. You have to have a top-down, bottom-up approach. It's about having multiple places for engagement and training. I'm not saying that every organization should do what OSF is doing, but my instinct says you can't work toward EDI with only one method."[9]

This comprehensive approach is inspiring to us because of our experiences working with organizations in which only one or two departments are charged with working on diversity (usually the marketing or education departments) and with organizations that have overtly refused to incorporate antioppression or EDI training in their professional development for staff.

Victory Gardens Theater: Sharing Leadership and Power

Chay Yew, artistic director at Chicago's Victory Gardens Theater, speaks candidly about his role as one of the few leaders of color in nonprofit theater: "Equity, diversity, and inclusion are major pillars of our theater that seek to represent and reflect the city and our country on our stages. It is also a personal passion of mine as one of the few theater artistic directors of color. I was also a beneficiary of past theater leaders who believed in EDI in our field, thus giving me the opportunity to become the artist and leader I am today. I'm intending to carry on the tradition of opening the same doors that were open to me when I was younger. . . . To create EDI in action means sharing leadership and power. Having EDI in middle or lower management isn't enough. It's merely lip service. Look at the new Canadian cabinet. That's EDI in action. And that's the future."[10]

Every aspect of Victory Gardens Theater is diverse—artists, staff, board, and audiences. The theater produces plays that include multiracial casts. In recent months, the theater also coordinated antioppression training for staff members. The training inspired Yew and the theater's former managing director, Christopher Mannelli, to create programs that would help increase EDI throughout the organization. Yew said, "Chris and I were invigorated by this workshop and have since instituted many ideas we learned into our theater through hiring practices, mentorship, community development, and access. Some of our recent results have been starting our Directors Inclusion Initiative, through which we provide access and professional experience for emerging disabled, women, transgender, and gender-nonconforming directors and directors of color; being more rigorous in casting nontraditionally, and identifying new board members who are culturally diverse; and hiring two community engagement managers, who will be our personal liaisons to diverse Chicago communities."[11]

These kinds of efforts are important because of the persistence of microaggressions: the everyday verbal, nonverbal, and environmental slights, snubs, or insults—intentional or unintentional—that communicate hostile, derogatory, or negative

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We've experienced a number of microaggressions in the business over the years. We've been told that a play will appeal only to a specific cultural group and that the theater cannot possibly convince that group to come to the theater. We've been told that there are no experienced designers (scenic, lighting, costume) of color. We've been laughed at while presenting a concern about discrimination, and been mistaken for interns while working as full-time staff members.

messages to target persons based on their marginalized group membership.[12] We've experienced a number of microaggressions in the business over the years. We've been told that a play will appeal only to a specific cultural group and that the theater cannot possibly convince that group to come to the theater. We've been told that there are no experienced designers (scenic, lighting, costume) of color. We've been laughed at while presenting a concern about discrimination, and been mistaken for interns while working as full-time staff members. We've been told to smile more, and that we don't "sound like" we're Black. We've had punitive action taken against us for reporting gender-based harassment, disclosing a disability, and expressing opinions based on our unique cultural backgrounds. We get a kick out of social media and entertainment blogs like BuzzFeed and Tumblr that chronicle microaggressions in the staff break room and white fragility in business meetings.[13] Sometimes you've got to laugh to keep from crying! Cultivating a diverse staff is a good first step that must be paired with antioppression and EDI training, so that the diversity created has longevity and thrives in a positive environment.

Theatre Communications Group: Leading the Charge

Theatre Communications Group (TCG), in New York, operates as a national field organization for nonprofit theater. Recently, TCG has intensified its focus on EDI, but Dafina McMillan, former director of communications and conferences, says that diversity has always been embedded in the fabric of the organization: "TCG has always served a diverse field and [diversity] has remained a core value. TCG can centralize the field and adopt a challenge of greater inclusion in the field."[14] McMillan explained further that TCG had recently completed a strategic plan and has launched and advanced several programs to address issues of EDI in the field. This includes its SPARK Leadership Program, created in 2014, which seeks to highlight and provide professional development opportunities to rising leaders of color in theater. In 2013 TCG formed its Equity, Diversity & Inclusion Institute, to gather together theater organizations that were interested in creating EDI action plans. This cohort of theaters meets periodically throughout the year, and TCG recently acquired funding to continue the institute's work. TCG has placed an emphasis on nurturing theaters of color, and in 2014 began an ongoing video project that highlights legacy leaders of color such as Luis Valdez, Lou Bellamy, Frank Chin, and Douglas Turner Ward. And in June 2015, TCG acquired funding for an associate director of equity, diversity, and inclusion to oversee its EDI efforts.

McMillan believes that TCG's programs have a galvanizing effect on the field: "The conversations are more nuanced and the field wants to work together and strategize. Funders see it and want to do something about it. There is a hunger happening in the field for EDI."[15] One of the most profound developments currently at TCG is the organization's focus on creating a demographic survey that investigates how theater practitioners identify themselves. The survey is being developed by August Schulenburg, the director of communications and community engagement at TCG. "We have to honor people's complex identities and empower people to self-identify," McMillan said.[16] TCG specifically focuses on eight points of identification: ability/disability; age; class/educational background; gender; place of origin; race/ethnicity; religion/spirituality; and sexual orientation. The survey will provide an accurate picture of the demographic makeup of theater professionals. TCG plans to launch this innovative tool soon, intent not only on measuring aggregate changes but also on changing the way that we measure individuals.

East West Players: Preparing for the Future

East West Players, in Los Angeles, is one of the oldest theaters of color in the United States still in existence today. In January 2016, Tim Dang, the theater's former producing artistic director, released a document called the "51% Preparedness Plan for the American Theatre." Snehal Desai, the theater's new artistic director, explained that the purpose of the plan was to "shake things up."[17] It was a place to start the conversation and encourage theaters to look at their numbers.

The plan proposes that theater organizations meet one of three demographic criteria by 2020:

- Fifty-one percent of the artistic and personnel staff are people of color.
- Fifty-one percent of the artistic and personnel staff are women.
- Fifty-one percent of the artistic and personnel staff are under the age of thirty-five.

Desai emphasizes that the plan is not meant to be hard and fast but rather a starting point for organizations to develop various metrics and goals that can be met gradually. He explained that the plan is not meant to be static: "It is not enough for the plan to be just a plan, but a model."[18] The "51% Preparedness Plan" is part of East West Players' "2042: See Change" model, and encourages theaters to prepare their own plans. The model highlights organizations that have developed preparedness plans as well as East West Players' partnering with organizations that are increasing their efforts around EDI. Desai acknowledges that the plan applies not just to mainstream, predominantly white theaters but to theaters of color, as well—for they too have work to do in terms of diversifying: "Everyone can be pushing for more equity, diversity, and inclusion. Although East West Players is an Asian-American theater, we are working toward gender equity, engaging the LBTGQ community, and including more plays from South Asia."[19]

For Desai, the future of the field lies in intersectionality: "People are multivaried," he said. "People do not enter a room checking only one box."[20] Indeed, both in the field and personally, we have seen how intersectionality functions in various settings. As a colleague of ours has noted, "I don't enter a room just as a woman and leave my Black person behind." The next challenge that faces the field—and, arguably, the country—will be around how to confront multiple identities and recognize the wholeness of a person.

Dallas Theater Center: Diverse Programming

"[Incorporating] equity, diversity, and inclusion is important because it is necessary. It is the right thing to do, but also vital in terms of our sustainability. The theater is a town hall of sorts. We need a variety of voices at the table for dialogue," says Martha-Elena (Mel) Howard, manager of board relations, diversity initiatives, and executive operations at Dallas Theater Center (DTC).[21]

As outlined on DTC's website, specific goals for diversity in its artistic programming are as follows:

- Produce at least one production per season written by a Latino playwright as part of DTC's mainstage season.
- Ensure that DTC's Brierley Resident Acting Company is comprised of at least 50% diversity by hiring more people of color.
- Ensure non-traditional (color blind) casting in all productions.
- Guarantee that at least 25% of all teachers/teaching artists in SummerStage and Project Discovery are people of color.
- Hire at least two people of color to direct and/or choreograph productions as part of the mainstage season.
- Collaborate with at least one culturally specific theater company or arts organization to create productions for DTC's mainstage.[22]

According to Howard, full-company meetings at DTC always have a diversity component—a reading, a workshop, or some other educational component by which the company learns about various people in the field who have helped further EDI, such as Joseph Papp, founder of The Public Theater, in New York, and Lloyd Richards, theater director and former dean of the Yale School of Drama.

• • •

As artists and administrators, we have been influenced by W. E. B. Du Bois's call during the Harlem Renaissance for an African American theater "by us, for us, near us, and about us."[23] We have found safe spaces for theater based around our gender and racial identity groups to be both rewarding and necessary for opportunities and growth. In his famous TCG conference keynote address, the acclaimed African-American playwright August Wilson echoed Du Bois: "We cannot allow others to have authority over our cultural and spiritual products. We reject, without reservations, attempts by anyone to rewrite our history so as

As a colleague of ours has noted, "I don't enter a room just as a woman and leave my Black person behind." The next challenge that faces the field—and, arguably, the country—will be around how to confront multiple identities and recognize the wholeness of a person.

to deny us the rewards of our spiritual labors and become the cultural custodians of our art, our literature, and our lives. To give expression to the spirit that has been shaped and fashioned by our history is of necessity to give voice to the history itself."[24]

A recent example of such cultural appropriation occurred in 2015, when the New York Gilbert & Sullivan Players planned a production of *The Mikado* in which white actors were to play the roles in yellowface. After a public outcry from the theater community, the production was eventually cancelled. Of course, cultural appropriation is at the very root of *The Mikado*—but to continue to perform the opera as it has traditionally been performed is not only unnecessary but also indicates a willful blindness and refusal to acknowledge both past sins and present realities. It demonstrates a hidebound attitude toward theater, too—and, as Jeff Yang pointed out in his Op-Ed "Yellowface staging of 'Mikado' has to end," in theater, "Even 'traditional' productions embrace mutability and modernity."[25] So, it was an example of insult being added to injury when the Manhattan Theatre Club announced its 2015–2016 lineup: every play was by a white male. This prompted criticism and scrutiny from the press and industry professionals. *The New York Times* reported the controversy in its August 2015 article, "Internet Outcry Over Diversity Leads Manhattan Theater[*sic*] Club to Announce Season Details Early."[26]

Studies show that experiencing identity-based oppression such as that which occurs in the workplace causes a variety of negative effects among employees. According to María del Carmen Triana et al., "The outcomes of discrimination to the target can range from trivial to moderate to severe and can be tangible (e.g., missed promotions, lost salary) or intangible (e.g., lower job attitudes, increased stress). Experiencing or perceiving workplace discrimination can affect the individual in several ways including physical effects, psychological effects, and work-related attitudes or behaviors."[27] Former Engineering Manager Leslie Miley's departure from Twitter exemplifies how this can play out. Miley, who was the only Black engineer in a leadership position at Twitter, publicly announced that he left the company because Twitter was not addressing diversity and inclusion. As outlined in an interview by NPR correspondent Karen Grigsby Bates, "Miley says he tried to move the needle—lobbying for diverse candidates at 'contentious' hiring meetings, pitching a new Diversity Engineering Manager position—but ultimately gave up. 'For some at Twitter, diversity is an obstruction to avoid,' he writes."[28]

While an unconventional and creative workplace, to be sure, theater is not exempt from stress and burnout among its workers due to such oppression; and it may surprise some to discover that theater, like any other industry, has its share of discrimination lawsuits and alienated audiences and donors due to a lack of attention paid to EDI.

We must remember that EDI is not only a moral imperative but also a vital component of a new economic model for nonprofit theater that calls for diversifying its audiences, artists, and administrators in order to survive. EDI is necessary for theater's continued relevance in our multicultural society. U.S. demographics are changing, and so must the American theater.

But the field has changed and will continue to change. We must remember that EDI is not only a moral imperative but also a vital component of a new economic model for nonprofit theater that calls for diversifying its audiences, artists, and administrators in order to survive. EDI is necessary for theater's continued relevance in our multicultural society. United States demographics are changing, and so must the American theater. Dartmouth Assistant Professor of Theater Irma Mayorga, who researches contemporary theater and performance by U.S. people of color, once said in private conversation, "Change is not for you; it is for those who come after you."[29]

While the work that must be done seems daunting and incremental at times, now is the time to begin making major changes. The organizations we have profiled here are part of the seismic shift needed to maintain a vibrant future for the American theater—one that represents our multicultural nation and presents stories that matter to a multiplicity of its citizens. We call for other organizations, artists, and leaders to take a hard look at their audience demographics, workplace culture, and programming. Careful and sober assessment is the first step to solving the pervasive problem. But we cannot stop at studies, seminars, and meetings. Action must be taken, and it must be taken now. The very power and impact of theater in American society are at stake.

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Nonprofit Wage Ghettos *and* What We Should Do about Them

by Ruth McCambridge

Paying workers an unlivable wage is an unacceptable—and unsustainable—enterprise model. Radical changes at both the policy and organizational levels are necessary if we are to achieve economic equality and a safe and healthy work environment for all.

In spring 2016, in response to nonprofit concerns about the United States Department of Labor's new overtime provisions, Andy Schmidt, a labor lawyer, suggested in an article published by the *Nonprofit Quarterly* that if a nonprofit was basing its business model on abusive compensation models, then perhaps it needed to reexamine and recast its model.[1]

This article followed a bizarre declaration by the "progressive" U.S. Public Interest Research Group (PIRG) that paying overtime to its workforce was unfair to its workers. In this moment of unappealing organizational self-involvement, U.S. PIRG's executive director Andre Delattre went on record saying:

> Organizations like ours rely on small donations from individuals to pay the bills. We can't expect those individuals to double

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"PROBLEMS/OPUS 2015/12" BY MILICA STOJŠIN/MILICASTOJSINART.WORDPRESS.COM

> the amount they donate. Rather, to cover higher staffing costs forced upon us under the rule, **we will be forced to hire fewer staff and limit the hours those staff can work—all while the well-funded special interests that we're up against will simply spend more**.[2] (Emphasis theirs.)

As if that weren't enough of a head-scratching moment, PIRG had yet more to say on behalf of low-paid workers:

> The logic of the rule, as applied to non-profit, cause-oriented organizations, makes no sense. A person of means—in service of a cause to which they feel deeply committed—can volunteer to work for our organization for free for as many hours as they wish, but a person of lesser means—who is no less committed to the work we do—cannot agree to work for our organization for less than $47,476 without having their work hours strictly limited in order to keep our costs affordable. This raises First Amendment concerns.[3]

In his *NPQ* write-up of the situation, Jon Pratt, executive director of the Minnesota Council of Nonprofits, termed this a special brand of chutzpah;[4] but as you will read here, U.S. PIRG is hardly alone in attempting to reframe the perpetuation of substandard pay as a necessity in nonprofit-land.

Indeed, some nonprofits appear to have an unending supply of rationalizations for creating wage ghettos among frontline and direct care workers. Primary among them, however, has been the "Impossible!" defense. This assumes that all things other than wages or overtime requirements stay the same, and that faced with the constrictions of low reimbursement rates and a sometimes disintegrating workforce damaged by being traditionally underpaid, there is just no way to provide a living wage and reasonable working conditions. It also assumes that to try to do so would harm the client. This exhibits not only a lack of vision and commitment to social change but also a misunderstanding of what is needed to build a sustainable and qualified workforce.

Advocating for expansion of necessary services without advocating for a living wage for the workforce needed for such an expansion, therefore, becomes purposeful neglect of a well-studied inequity. This is inexcusable and entirely counterproductive, in that it does not cleave to the value set that distinguishes nonprofits in the highly sensitive and growing fields in which wage poverty is almost a given.

Most infuriating in all of this is that the workforces they are so carelessly sentencing to working poverty consist predominantly of women, and, largely, women of color—making this an issue of racial and gender justice.

There are whole fields of nonprofit endeavor that, as currently structured, are dependent on paying below a living wage.

Expanding Nonprofit Wage Ghettos

There are whole fields of nonprofit endeavor that, as currently structured, are dependent on paying below a living wage. These include early child care, personal care, and home care (the latter two caring for people with disabilities and seniors, respectively). All deal with the well-being of vulnerable populations, and all are expected to expand as the population ages and more states adopt wage expansion early (as they already are doing) in response to nonprofit advocacy.

A recent report on the expansion of early childhood education makes the point that expanding child care as now structured is at the expense of the poorly paid women who do the work. "A major goal of early childhood services has been to relieve poverty among children, yet many of these same efforts continue to generate poverty in the predominantly female, ethnically and racially diverse ECE work force," the report states.[5]

According to "Who Profits from Low Wages," a recent article by City Limits, the spending on adult home healthcare more than doubled between 2000 and 2012;[6] and, according to the National Employment Law Project's report *Giving Caregivers a Raise: The Impact of a $15 Wage Floor in the Home Care Industry*, the number of home care jobs in the United States is expected to grow at five times the rate of any other job in the country through 2022.[7] By the end of that period, the country will need one million additional aides in that field—workers who, in 2013, averaged wages of $18,598 annually against average wage earnings of $46,440 for all salaried employees. Many of these workers—as was the

The lack of respect for caretaker and companion positions is long-standing, with the workforce having lacked important basic labor protections like minimum wage and overtime regulations until just recently.

case with Walmart employees—will have to make use of public benefits to survive, and many of them work for nonprofits. When adjusted for inflation, their wages have decreased by almost 6 percent since 2004, even while the organizations have expanded and CEO salaries increase.

"Who Profits from Low Wages" relates the tale of Maria (no last name given), a 62-year-old home health aide making $10 an hour working for the Ridgewood Bushwick Senior Citizen's Council.[8] The executive director of that agency was forced to resign in 2012 upon the conclusion of a fraud investigation. Her compensation was $667,063 in 2009, the year before the fraud investigation was launched, and when she resigned, three years later, she received severance pay of $206,250. Meanwhile, the article reports, when the agency's government grants were temporarily frozen, Maria's benefits were cut and then eliminated completely when she went into partial retirement. She still has to work thirty-five to forty hours a month to bring home the $23,000 a year that she made before retirement.

Studies among home healthcare aides have revealed turnover rates of 44 to 65 percent. Those extraordinarily high rates not only affect quality and continuity of care but also cost the "industry" $6.4 billion a year.[9] The lack of respect for caretaker and companion positions is long-standing, with the workforce having lacked important basic labor protections like minimum wage and overtime regulations until just recently.

New Competition and the Crisis/Opportunity Position of Nonprofits in These Fields

Nonprofits in direct and early child care are in a highly competitive environment. For-profit corporations were once banned from the direct care market, but since 1980 they have been allowed to participate. After a rapid growth spurt, for-profits also now comprise more than half of all home healthcare agencies.

But all things are not equal, particularly when a profit motive is (or is not) at play. From the comparative studies that have been done between the nonprofit and for-profit organizations functioning in this field (and the related fields of nursing homes and hospices), it appears that nonprofits not only charge taxpayers significantly less but also provide higher-quality service than for-profits.[10] These findings have caused some to question whether or not for-profit agencies should be eligible for Medicaid payments for home-based direct care:

> "For-profit home care agencies are bleeding Medicare; they raise costs by $3.3 billion each year and lower the quality of care for frail seniors," said Dr. Steffie Woolhandler, a professor at the City University of New York's School of Public Health. "Letting for-profit companies into Medicare was a huge mistake that Congress needs to correct."[11]

For some, the bottom-line purpose of corporations—whose primary objective is reaping a profit—participating in the direct care market is antithetical to running endeavors that require a strong ongoing investment in service quality that is largely dependent on the availability and quality of a stable workforce. As one study acknowledges:

> Privatization creates vast opportunities for powerful firms, and also redistributes income among health workers. Pay scales are relatively flat in government and not-for-profit health institutions; pay differences between the CEO and a housekeeper are perhaps 20:1. In US corporations, a ratio of 180:1 is average. In effect, privatization takes money from the pockets of low-wage, mostly female health workers and gives it to investors and highly paid managers.[12]

But assuming that for-profits are not going to be excluded from operating in these fields, and assuming that nonprofits do not want to abandon the fields to profit-minded organizations that will charge the government more for lesser-quality services, what are nonprofits to do? Try to act more like those lesser competitors, or build on the distinctions that make this sector a better home for providers and clients—and also, and not coincidentally, for their workers?

There Must Be a Better Way

Over the last few years, we have begun to see an expansion of pockets of commitment to wage justice among nonprofit groups, like the #15andFunding initiative, in New York, spearheaded by the Human Services Coalition, the Federation of Protestant Welfare Agencies, and the Fiscal Policy Institute. These have sometimes been aided by government action on the same issues. In New York, the state enacted a $15 minimum wage plan last year—but for this to work, higher reimbursements from the city and state of New York would be needed to cover the increases.

According to Allison Sesso, executive director of the Human Services Council (HSC), the push required the organizations to step out and take a stand, backing progressive wage polices for a large and growing workforce.[13] The group's three-point goal was to raise the minimum wage to $15 per hour for all workers in New York State; ensure that employees at nonprofits are covered by the minimum wage increase; and amend state and local government human services contracts to fund the wage increase.[14]

But there were multiple progressive policies being advanced at the same time. "There are many new policies aimed at low income workers; in New York State we passed a $15 minimum wage, nationally there are new regulations on overtime pay, and paid sick leave has passed in a number of places, including New York." But, Sesso added, "the human services nonprofit sector is essentially an outsourced function of government, providing human services through government contracts, fee-for-service agreements, et cetera. As a sector working in many respects to address the effects of poverty and low wages, we ultimately support these sound economic policies that will get at some of the root causes of economic inequality. However, these policies create real challenges for our organizations that are already severely underfunded, and there is no indication that government intends to adjust rates paid to nonprofits to support the inevitable higher costs associated with these rising costs."

But instead of asking for waivers, the coalition pushed on reimbursement rates—and it succeeded with New York City contracts, when Mayor DeBlasio committed to covering the $15 per hour rate. In New York State, however, Governor Cuomo has yet to commit, placing human services agencies under a good deal of duress. Sesso pointed out that even when they do succeed at moving the state to cover the higher rates, there will be more to do. "Employer-supported retirement contributions are nearly nonexistent at this point, and health plan costs have largely shifted to the workers. Our workforce is primarily women, and a very high percentage are people of color. This dynamic contributes to the wage depression and staff retention issues throughout human services."

Initiatives in Maine and Montana link higher reimbursement rates to higher salaries in direct care, as well. And unions have also been involved in actively organizing for some of these changes. As a result, Massachusetts, for one, plans to increase the wages of personal care aides to $15 by 2018.[17]

Personal and Home Care

As the demographics show, most personal care workers are African-American or Hispanic women, and their average age is forty-four. The work is often erratic and the average wages are less than $10 an hour, which would total $15,000 for full-time work. But around half of personal care workers work only part time, and of those, only 40 percent do so voluntarily.[15]

The number of home- and community-based direct care workers is projected to outnumber facility-based direct care workers by two to one by 2022, and is expected to include around 1.75 million workers.

Child Care

According to the Early Childhood Workforce Index, the two-million-strong-and-growing workforce in the field of early child care is also predominantly female and ethnically diverse. The median hourly wage is $9.77, with the low end in Mississippi, where wages are $8.72 an hour. As the same report reveals, "Nearly one-half of child-care workers (46 percent), compared to 26 percent of the U.S. workforce, are part of families that participate in at least one public assistance program, such as Medicaid or food stamps."[16] This essentially means that any expansion of the service, which, advocates rightly point out, is badly needed, increases the number of workers—again, mostly women and largely people of color—trapped in low-wage ghettos, even as many of them work for nonprofits. Is this really a good look for us?

These low-wage ghettos are particularly problematic in that they exist in fields where the high turnover and scheduling issues that result affect the quality and continuity of care for vulnerable people.

These policy advances seem to require that organizations, unions, and government work together to establish a wage base and employment practices that are relatively reasonable and hold the same requirements for both nonprofits and for-profits.

Advancing all three of these fields necessitates an investment in enterprise models that provide a living wage, fair labor standards, benefits and training to workers—and, of course, the highest-possible quality of care. This cannot be done without radical changes at both the policy level and the organizational level.

These policy advances seem to require that organizations, unions, and government work together to establish a wage base and employment practices that are relatively reasonable and hold the same requirements for both nonprofits and for-profits. HSC approached the overtime requirement in a positive manner, issuing a statement that, refreshingly, started with an acknowledgment of the issue of wage justice:

> It remains to be seen how New York State will implement the new rule, which takes effect December 1, 2016. The rule may make thousands more nonprofit workers eligible for overtime pay—an expansion that is long overdue. This expansion will not only improve the quality of life for thousands of frontline workers by ensuring that they are fairly compensated for *all* of the hours that they work, but it will also spur economic growth by enabling them to work their way towards financial security. HSC commends DOL for recognizing the importance of respecting workers' time and paying them fairly for their labor.[18]

"At the same time," they wrote, "we are deeply concerned that without the proper investment from government, nonprofits will have difficulty implementing this new policy. Without additional funding to cover the cost of this expansion, the rule will destabilize the nonprofit sector, compromising the quality of important programs and services nationwide on which countless individuals and families depend."[19]

Fortunately, in New York there has been a long-standing conversation about the need to pay living wages to direct care workers under state and city contracts. In 2015, a coalition of advocacy groups led by the Federation of Protestant Welfare Agencies, the Fiscal Policy Institute, and HSC launched an effort to have state-funded nonprofits pay workers at least $15 per hour. They backed the request up with a report titled *A Fair Wage for Human Services Workers*; among the points made in the report:

- Despite being a highly skilled workforce, the human services sector has one of the highest prevalences of low wages in the private sector, behind food service and retail.
- Women make up 82 percent of the statewide workforce; people of color account for 50 percent of human services workers in the state.
- Human services workers are highly educated, with two-thirds of workers having some college education and close to half holding bachelor's degrees or higher.[20]

Earlier that year, New York State committed to raising the salaries of fast food workers to $15 an hour, following similar actions in San Francisco and Seattle.

This kind of advocacy is critical, but it is also important to look at the structures of our organizations and enterprises to ensure that they reflect the values set that we stand for.

Different Enterprise Models: Worker Cooperatives

In terms of revised enterprise models, there is a growing movement for the creation of worker cooperatives in home healthcare. These more democratic structures create flatter pay scales, which prevents the abuse of the workforce and ends the practice of overpaying administrators—sometimes even incentivizing this higher pay based on keeping labor rates low. They also necessitate the involvement of frontline workers in considering not just what is good for them as individuals but also what is good for the enterprise in the long run—thus creating a far more grounded decision-making model that recognizes the connection between a well-supported workforce and a well-served clientele.

A 2005 report funded by the Cooperative Foundation, *Homecare Cooperatives: Worker Ownership in Focus*, describes a number of home care cooperative models and focuses in part on one long-standing model in Cooperative Home Care Associates (CHCA), based in New York City:

> At CHCA, for instance, approximately 82 cents of every dollar received as revenue are provided to its home health aides in the form of wages or benefits. Comparably, other home care agencies in New York City typically allocate 60 cents of every dollar as direct wages or benefits to workers. Consequently, hourly pay rates at CHCA are about 20 percent more than other agencies in New York City. Moreover, 95 to 97 percent of worker-members are employed full time. Workers have access to 401K retirement plans, and can purchase affordable health insurance. Similarly, about one-half of HCA member-owners work full time and have access to no-cost health insurance, as well as a variety of other employee benefits. Lastly, Cooperative Care members, formerly "consumer employed" private providers, earn about $2.00 more as co-op members than they had previously. They also have access to health insurance, personal days off, and free training.[21]

• • •

In short, nonprofits must try to stop adopting the unjust current operating environment and most dominant enterprise models as givens, and begin to consider sustainability of the workforce as a core principle. In direct care, sustainability of an expanding, well-trained workforce must be predicated on meeting workers' basic needs: proper training, a voice, a living wage, and labor justice. And, going back to the PIRG situation—and to leave this on a hopeful note—following PIRG's statement, 150 social justice groups, including the NAACP, National Council of La Raza, National Employment Law Project, and CASA gave their signatures to a letter committing to support the overtime regulations as an important step forward as far as labor justice is concerned. The letter reads:

> [T]his rule represents an important step toward fairer pay for women and people of color, who are overrepresented in lower-paying jobs and are often required to work additional hours without compensation.
>
> We recognize that many nonprofit organizations will have to think through and solve interesting problems and will face challenges as we make the changes needed to comply with the new regulations. These important changes will not necessarily be easy. Nonetheless, we embrace this opportunity to restore the overtime pay that lower-paid workers toiling more than 40 hours a week are entitled to.
>
> For many nonprofits, including those of us that provide human services or advocate for workers' rights, poverty reduction, or economic and social justice, this is a critical opportunity to improve the working conditions and the economic lives of the people we serve. At the same time, our own workers and the families they support also deserve fair compensation and greater economic security.
>
> As nonprofit organizations more broadly, we are dedicated to improving the public good. It is time to revisit the idea that working for the public good should somehow mean requiring the lowest-paid among us to support these efforts by working long hours, many of which are unpaid.
>
> All of the undersigned nonprofit organizations are committed to complying with the new overtime regulations. We commend the Department of Labor for this significant reform, which will create better jobs and working conditions for millions of working people throughout the country. We support this historic social justice reform.[22]

All nonprofits should be looking at how their state associations, national associations, and other advocacy bodies are treating the issues of living wages and fair labor standards. Clearly, nonprofits in the fields where wage ghettos currently exist need to intensify their own efforts to rethink enterprise models. But beyond that, advocating for living wages, reasonable working conditions, and the attendant raises in contracting rates has to be every nonprofit's business, if it is to be effective.

In short, nonprofits must try to stop adopting the unjust current operating environment and most dominant enterprise models as givens, and begin to consider sustainability of the workforce as a core principle.

The Nonprofit Sector's Seventy-Year-Old Subminimum Wage Ghetto

> *Twenty-six years ago today, our nation won a hard-fought battle to end discrimination for over 50 million people when we signed the Americans with Disabilities Act, the ADA. . . . When, 26 years later, employers are still allowed to pay people with disabilities below minimum wage, it is time to change the law!*
>
> —Former Iowa Senator Tom Harkin, at the 2016 Democratic Convention

In one corner of the nonprofit sector, an antiquated law, passed in 1938 and meant to encourage the employment of disabled workers in open-market jobs, allows millions to be paid a subminimum wage in what are often called "sheltered" employment situations. The law, Section 14(c) of the Fair Labor Standards Act (FLSA), provides certificates to workplaces employing people with disabilities that allow them to pay a subminimum wage based on the employers' estimation of their productiveness.[1] This means that there is no formal floor to what an individual can be paid. According to one source, more than half of workers under this program are paid less than $2.50 an hour.[2]

Disabilities rights groups have long demanded that the law be phased out based on the fact that it openly discriminates against workers with disabilities and perpetuates a segregation based on overprotective rules and policies. In a paper issued by the National Federation of the Blind, Samuel Bagenstos says that the law ". . . has not served its original purpose of ensuring that open-market employers hire people with disabilities. Instead, it has simply provided a subsidy for sheltered workshops, which have done a poor job of preparing their workers for open-market employment, and which pay wages that cannot reliably be said to be related to their workers' productivity."[3] The National Council on Disability is for ending the program entirely.[4]

Federally, the government seems to be backing away from the law. In 2014, President Barack Obama issued an executive order that requires any worker under a federal contract to pay a minimum wage of $10.15 per hour to workers, including those with disabilities.[5]

At the state level, Vermont, New Hampshire, and Maryland have passed legislation aimed at phasing out subminimum wage employment, but some states are still making liberal use of it. In Oregon, four businesses and forty-two nonprofits have subminimum certificates.[6] Texas had 420,000 individuals in subminimum wage positions in the mid-2000s, a figure that had increased from 241,000 since the ADA was passed. Of the 109 employers, seventy-six reported wage information; forty-four paid fifty cents or less per hour.[7]

Among those nonprofits who still make liberal use of subminimum wage employment is the Goodwill Industries network. More than half of the 165 affiliates make use of it, with the rest proving that the certificates are unnecessary to make their models work.[8]

There are defenders of the practice, of course, including the workplaces themselves and sometimes the parents of those so employed. But the fact is that the program not only does not serve its intended purpose (training and promoting mainstream work opportunities)—it also creates a workplace ghetto.

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Doing Good by the Young and Old:

Forty Years of American Volunteering

by Robert T. Grimm, Jr. and Nathan Dietz

Between 1974 and 2004 there was a substantial increase in volunteering, but ten years later the U.S. volunteer rate had declined significantly, and today's volunteer rate is not very different from that of 1974. Nonetheless, there is a real opportunity for nonprofits to capitalize on the historically high wave of volunteering going on today among teenagers and older adults.

Every year, millions of Americans—on college campuses, through religious congregations, at schools, and in social service organizations—are participating in a wide range of volunteer activities. Whether teaching and mentoring children, helping seniors to live independently, or aiding families and individuals to recover from hurricanes and other disasters, volunteering is a way for people to help their neighbors and enhance their communities; it also provides opportunities for youth to develop valuable skills, adults to share their professional expertise, and older individuals to remain healthy by staying active and connected to their community.

But how has volunteering changed over the last forty years in the United States? Our research shows that volunteering has increased dramatically for certain age groups, particularly the oldest (sixty-five and over) and the youngest (sixteen to nineteen). Meanwhile, some important volunteering patterns have never changed: for example, people ages thirty-five to forty-four tend to volunteer more than younger adults and older adults, because they tend to have stronger connections to their communities. Overall, the long-term trends we outline will disappoint those who expected that national crises such as 9/11 and the Great Recession would spark a new golden age of sustained high levels of volunteering.

Background: Historical Data on Volunteering

In 2006, we (the authors of this article, along with our coauthors) published a research brief, *Volunteer Growth in America: A Review of Trends Since 1974*, while working for the Corporation

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for National and Community Service (CNCS). This brief presented a historical review of volunteering through an analysis of data collected in 1974, 1989, and 2003 to 2005 via the Current Population Survey (CPS).[1] The CPS, conducted by the U.S. Census Bureau for the Bureau of Labor Statistics, is the source of official government statistics on employment and unemployment. Each month for over fifty years, the CPS has collected data from around one hundred thousand adults in approximately fifty-six thousand households across the United States. (See the Methodological Note on Survey Comparisons sidebar at the end of this article for more details about the historical CPS data.)

Each September since 2002, the CPS monthly survey has included a supplemental survey on volunteering, sponsored by CNCS. These supplements have provided researchers with annual data on volunteering that have served as the data source for several CNCS research reports.[2] Most volunteering research in the United States has relied on the data from these individual, annual "modern-day" supplements;[3] our approach offers a broader historical view by including data not just from the 2002 to 2015 supplement but also earlier supplements (1974 and 1989), in order to track historical changes in volunteering.

In our 2006 brief, we included CPS survey data from 1974 and 1989. Now, we add data from CPS's 2015 supplement, so that we can take an in-depth look at volunteering during four different periods in American history.

Volunteering Hit a Forty-Year High After 9/11 and Then Declined Substantially

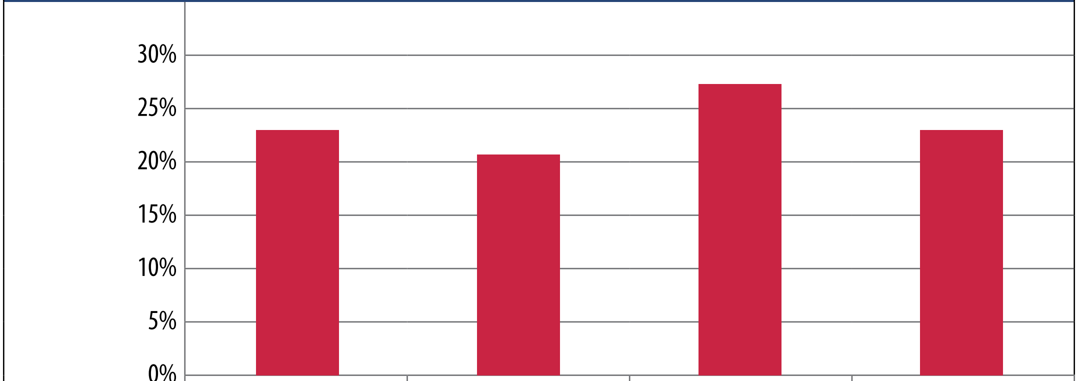
When the terrorist attacks of September 11, 2001, occurred, many observers speculated that the nation was entering one of those historical moments that would serve as a catalyst for a new age of citizen engagement. Prior to 9/11, substantial research found that individuals' involvement with their community had significantly declined over the last half-century.[4] Shortly after that, signs began to emerge that volunteering and other forms of civic participation in America were beginning to undergo a renewal. And this has been borne out: Americans' engagement in politics, for one noteworthy example, has been increasing—with voter participation in presidential elections rising between 1996 and 2012, and peaking in 2008.[5]

The immediate post-9/11 years were a high-water mark for volunteering, too—as Figure 1, which looks at volunteer rates across a forty-year period, demonstrates. When volunteer rates are calculated in a time-consistent way, the adult volunteer rate measured in September 2015 was virtually identical to the volunteer rate measured in April 1974. This is mainly a consequence of recent declines in the national volunteer rate: the 2015 rate is the lowest rate measured since the CPS began conducting annual volunteer surveys in 2002.[6] Still, over sixty-two million adults reported in 2015 that they did at least some volunteer work over the previous year.

It appears that 9/11 had a relatively short-lived impact on volunteer rates on a national level. The

Prior to 9/11, substantial research found that individuals' involvement with their community had significantly declined over the last half-century. Shortly after that, signs began to emerge that volunteering and other forms of civic participation in America were beginning to undergo a renewal.

Figure 1: **Adult Volunteer Rate (Ages 16+)[7]—1974, 1989, 2005, and 2015**



	1974	1989	2005	2015
Volunteer Rate	23.6%	20.4%	27.0%	23.5%

> The most striking change since the late 1980s is the dramatic increase in volunteering related to educational and youth services organizations.

decline is disappointing given our hope that 9/11 might help reverse long-term declines in community engagement. The decline is also surprising given that one would expect there to have been an increased demand for volunteers from nonprofit organizations: the Urban Institute's National Center for Charitable Statistics estimates that between 2003 and 2013, the number of public charities increased by almost twenty percent.[8] While many of these new nonprofits may be primarily staffed by professionals, nonprofit organizations continue to rely on volunteers to help them run their internal operations and provide services to the community (a national study of nonprofit volunteer management in 2003 indicated that 81 percent of nonprofit organizations in America use volunteers). The Great Recession, which started in 2007, didn't stimulate any lasting outpouring of new volunteering by Americans—nor greater recruitment of volunteers by nonprofits, either—as Figure 1 suggests.

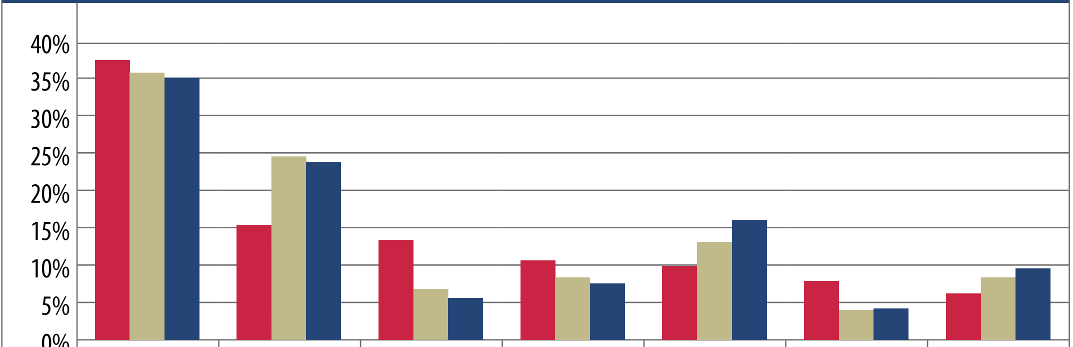
While the volunteering rate has risen and fallen over the last forty years, Americans have consistently volunteered more with some types of organizations than with others. Figure 2 shows the places where Americans spend the most time volunteering and how these patterns have changed since 1989 (the first time that the CPS supplement collected data on the main organization of volunteers). In all three time periods (1989, 2005, and 2015), religious organizations have been the most commonly reported main volunteer organization type. Meanwhile, civic, political, professional, or international organizations, sport, hobby, cultural, or art organizations, and hospital or other health organizations continued to lose market share in the volunteer workforce, while the percentage of volunteers who served primarily with education or youth services and with social and community service organizations continued to increase. In the "Other" category, historically less popular main-organization types (such as environmental, animal care, and public safety organizations) continued to grow in popularity between 2005 and 2015.

Volunteering among Teenagers (Ages Sixteen to Nineteen) Has Dramatically Increased in the Last Twenty-Five Years

The most striking change since the late 1980s is the dramatic increase in volunteering related to educational and youth services organizations, as Figure 2 shows. This trend parallels one of the biggest changes over the last forty years: a rising volunteer rate among teenagers.

As Figure 3 shows, the volunteer rates of teenagers (ages sixteen to nineteen) were quite low in 1974 and 1989 but more than doubled between 1989 and 2005—to a rate that exceeds the national volunteer rate (27.0 percent in 2005). The 2015

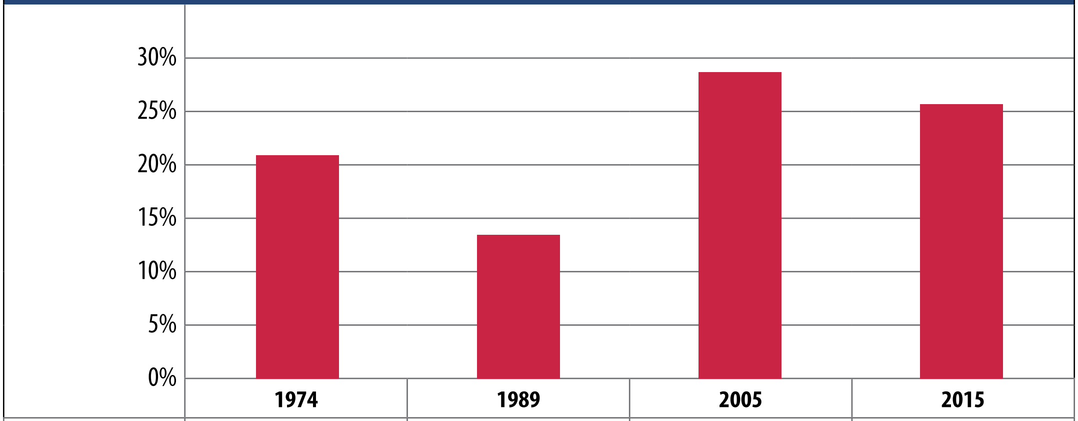
Figure 2: **Adult Volunteering by Type of Organization—1989, 2005, and 2015**



	Religious	Educational or youth service	Civic, political, professional, or international	Hospital or other health	Social or community service	Sport, hobby, cultural, or arts	Other
1989	37.4%	15.1%	13.2%	10.4%	9.9%	7.8%	6.2%
2005	35.5%	24.6%	6.8%	8.1%	13.0%	3.8%	8.2%
2015	35.0%	23.6%	5.2%	7.1%	15.8%	3.9%	9.5%

🟥 1989 🟨 2005 🟦 2015

Figure 3: **Volunteer Rate for Teenagers (Ages 16–19)—1974, 1989, 2005, and 2015**



	1974	1989	2005	2015
Volunteer Rate	20.9%	13.4%	28.4%	25.2%

We are witnessing a historic group of highly motivated young people. It is even possible that 9/11 and the Great Recession did have a particularly profound, positive civic impact on some Americans who were coming of age during those periods.

teenage volunteer rate of 25.2 percent is still larger today than it was in 1974 and 1989, though the rate has declined since 2005.

What exactly is driving young people's increased engagement in volunteering? One factor seems to be the growth of school-based service efforts (outside and inside the classroom). We conducted a national survey of school principals in 2008 that found that 86 percent of high schools organized community service opportunities. This compares to only 27 percent of public high schools in 1984, an indication that America's schools have placed substantially more emphasis on engaging youth in service.[9]

A number of other long-term studies of youth corroborate our findings by reporting all-time highs in youth civic attitudes and behaviors over the last two decades. The Higher Education Research Institute's (HERI) 2015 CIRP Freshman Survey found an all-time high in the percentage of first-year college students who said that helping others in difficulty was a "very important" or "essential" personal objective.[10] The University of Michigan's "Monitoring the Future" study also finds that volunteering among tenth and twelfth graders has risen steadily over the past fifteen years.[11]

Along with a high level of volunteering, young adults are increasingly likely to discuss politics—reversing the downward trend in political engagement since 1994.[12] This interest in political events is matched by increases in the voting rate among young adults in recent years, with turnout among voters ages eighteen to twenty-nine peaking at 51 percent in the 2008 presidential election.[13] As reported by UCLA Newsroom, the survey found that "interest in political and civic engagement [among entering college students] has reached the highest levels since the study began 50 years ago."[14] We are witnessing a historic group of highly motivated young people. It is even possible that 9/11 and the Great Recession did have a particularly profound, positive civic impact on some Americans who were coming of age during those periods.

For Over Forty Years, the Life Cycle of Volunteering Has Remained Largely Consistent

In every time period, the CPS supplement shows that teenagers volunteer at higher rates on average than young adults ages twenty to twenty-four. Figure 4 (following page) illustrates the life cycle of volunteering. In all four decades, the results show that volunteer rates tend to rise after age twenty, reach their highest point at ages thirty-five to forty-four, and then begin to decline. The rise in volunteer rates at midlife can be attributed to adults settling into their community, building and strengthening their social networks and career, and interacting with more community institutions after having children. The decline in volunteer rates tends to be associated with retirement, diminished physical capabilities, and loss of connections with established social networks. Over the last two decades, however, the decline in volunteer rates after ages thirty-five to forty-four has been less sharp, suggesting that the peak volunteering period now includes a slightly older age group.

Today, the volunteer rates of individuals ages thirty-five to forty-four and forty-five to fifty-four are largely the same. Delays in marriage and childbearing among many adults are likely two of the driving forces behind these trends. The presence of children under the age of eighteen is an important predictor of volunteering, due partly to the demand for parents to serve in organizations related to their children's educational and social involvement. Between 1989 and 2015, the rate of adults ages forty-five to sixty-four with children younger than eighteen years of age in their household increased significantly from 19.1 percent in 1989 to 21.6 percent in 2015.[15] Over this same time period, volunteers in this age group are more than twice as likely to serve primarily with educational and youth service organizations. These trends support the contention that adults ages forty-five to sixty-four are more likely than ever to engage with their communities through the activities of their school-age children.

In recent years, the older adult volunteer rate has been growing closer to the rate for midlife adults. The drop-off in volunteer rates between adults in midlife and older adults—which is a standard feature of the life-cycle pattern of volunteer rates—seems to be shrinking in size.

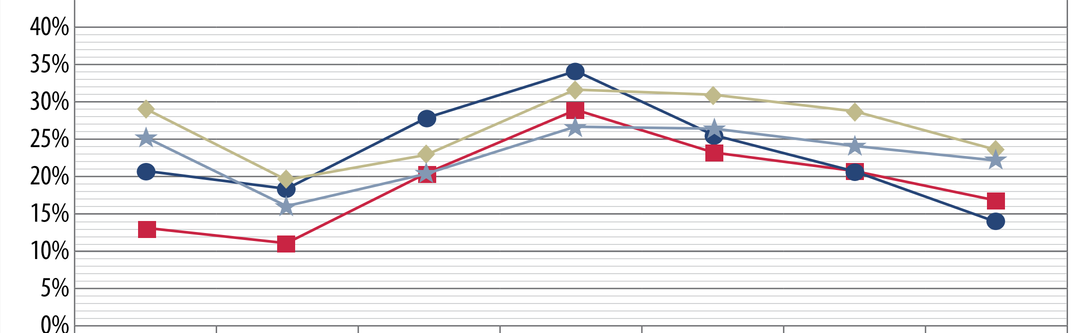
Older Adult Volunteering Has Surged in the Last Forty Years

One of the most notable changes in volunteering over the last forty years came from adults ages sixty-five and over. As Figure 5 shows, the volunteer rate for these older Americans increased by 64 percent between 1974 and 2005 (from 14.3 percent in 1974 to 23.5 percent in 2005) and hardly changed at all between 2005 and 2015. Although the national volunteer rate for all adults declined substantially between 2005 and 2015 (from 27.0 percent in 2005 to 23.5 percent in 2015), the volunteer rate for older adults has dropped by less than a percentage point—the smallest decline of any age group.

In recent years, the older adult volunteer rate has been growing closer to the rate for midlife adults. The drop-off in volunteer rates between adults in midlife and older adults—which is a standard feature of the life-cycle pattern of volunteer rates—seems to be shrinking in size (see Figure 4). The difference in volunteer rates was over five percentage points in 2005 but had decreased to 1.3 percentage points by 2015. This trend points toward today's sixty-five-and-over age group being more likely to stay strongly engaged with volunteering than earlier generations.

Why has the volunteering rate increased so much among people ages sixty-five and over? While life expectancy in America has increased substantially since 1970, the position that older Americans are healthier today than they ever have been is more difficult to establish with certitude. In 2002, we found that poor health was the most common reason that older Americans did not volunteer. Yet, research also suggests that regular volunteering improves physical and

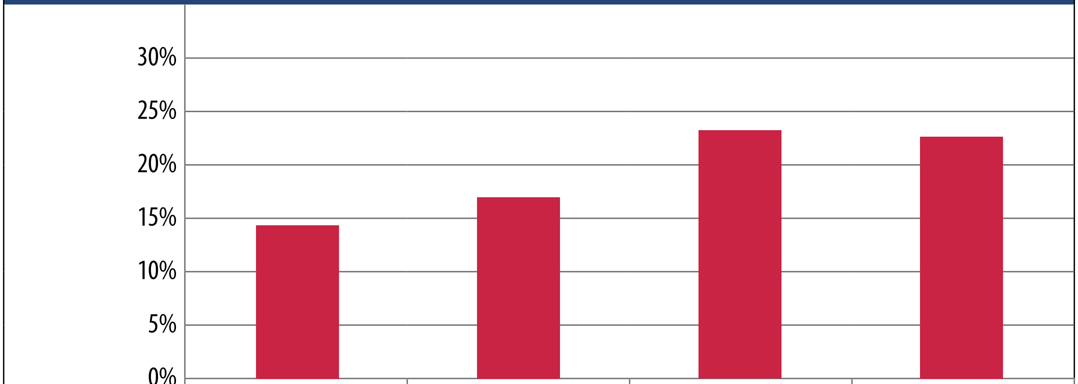
Figure 4: **Volunteer Rate for All Age Groups—1974, 1989, 2005, and 2015**



	16–19	20–24	25–34	35–44	45–54	55–64	65 and over
1974	20.9%	18.2%	27.7%	34.0%	25.1%	20.8%	14.3%
1989	13.4%	11.4%	20.2%	28.9%	23.0%	20.8%	16.9%
2005	28.4%	18.7%	23.4%	31.7%	30.9%	28.8%	23.5%
2015	25.2%	17.3%	20.3%	26.9%	26.3%	24.0%	22.7%

● 1974 ■ 1989 ◆ 2005 ★ 2015

Figure 5: **Volunteer Rate for Older Adults (Ages 65 and Over)—1974, 1989, 2005, and 2015**



	1974	**1989**	**2005**	**2015**
Volunteer Rate	14.3%	16.9%	23.5%	22.7%

There is a real opportunity for nonprofits and other organizations to invest in approaches that capitalize on the wave of historically high volunteering going on today among teenagers and older adults.

mental health and may even lengthen life expectancy—especially if people develop the habit of volunteer service when they are younger.[16] As researcher John Wilson notes, "Good health is preserved by volunteering; it keeps healthy volunteers healthy"—and this may be particularly true for seniors, who are most likely to experience significant health improvements from such activities.[17]

Demographic evidence also suggests that today's older adults have more resources to bring to volunteering than their predecessors. The proportion of adults ages sixty-five and older without a high school diploma has dropped more than fifty percentage points since 1974, and older Americans with college degrees are also volunteering at a higher rate than in the past.[18] Shifts in education levels and wealth among older Americans may have also led to increased recruitment by nonprofits as they recognized the rising potential of older volunteers. Volunteering may also be higher among older adults because more of them are staying in the workforce, whether out of financial necessity or personal desire. Labor force participation rates for adults ages sixty five and over have increased sharply in the last ten years, from 14.3 percent in 2005 to 18.4 percent in 2015.[19] Older adults who continue to work are more likely to retain strong social networks and to be exposed and invited to more volunteer opportunities.

• • •

In *Volunteer Growth in America*, the 2006 report discussed earlier, we concluded that ". . . over the last 30 years . . . there has been a real increase in volunteering since 1974." Ten years later, the U.S. volunteer rate has declined significantly, and today's volunteer rate is not very different from that of 1974. The post-9/11 volunteer rates, which were the highest rates ever recorded, have steadily declined, especially over the past few years. Nonetheless, there is a real opportunity for nonprofits and other organizations to invest in approaches that capitalize on the wave of historically high volunteering going on today among teenagers and older adults.

The authors thank the original coauthors of the 2006 report—John Foster-Bey, David Reingold, and Becky Nesbit—as well as all of their former colleagues acknowledged in that brief. The original report is available at www.nationalservice.gov/pdf/06_1203_volunteer_growth.pdf.

NOTES

1. We analyzed CPS data from 1974, 1989, and 2005. The 2005 data are an aggregate of data from 2003 to 2005, and from this point on, these aggregate data will be referred to as 2005 data. The data collected in September 2002 include volunteering activities performed between September 2001 to September 2002, thus capturing volunteering that occurred in the year immediately after the September 11 attacks. The 2003 to 2005 data reflect the eventual rise in post-9/11 volunteering rates; however, the 2005 results do not include many of the volunteering activities that might have occurred following Hurricane Katrina, which hit the Gulf Coast

Methodological Note on Survey Comparisons

Each year since 2002, the Current Population Survey's (CPS) September monthly edition has included a supplemental survey on volunteering, administered by the U.S. Census Bureau and sponsored by the Corporation for National and Community Service (CNCS). While many of CNCS's volunteering research reports have relied on data from the modern-day (2002–2015) CPS supplements, both our 2006 report *Volunteer Growth in America* and this article offer a broader historical view of American volunteering by using data from two earlier CPS volunteer supplements, conducted in April 1974 and May 1989.

In order to arrive at definitions and measurements of key concepts that are consistent across all surveys, researchers must harmonize the data. For the 2006 report, we needed to develop a consistent definition of an "adult volunteer" that would allow us to compare volunteer statistics across survey periods. In all four survey periods, adult volunteers are defined as people ages sixteen or older who did work through an organization in the previous twelve months for which they were not paid.

The April 1974 survey collected volunteering data from respondents ages fourteen and older. To make the definition of *adult* consistent with present-day use, we excluded respondents ages fourteen and fifteen from our analysis, which causes the volunteer rate to differ from the results previously published from the 1974 survey. The results from the 1989 survey match the ones reported in previously published research by the Bureau of Labor Statistics (BLS), which also uses the sixteen-and-over definition. The 2005 results use this CPS definition of adult, too, but the results we reported were generated from a pooled CPS dataset that combines responses from the 2003, 2004, and 2005 volunteer surveys. For this reason, the 2005 results will differ from some previously published BLS data.

To create a fair historical comparison, we modified the calculation of the 2005 and 2015 volunteer rate so that it differs from the rate used in most previous reports. For this article, we used responses to the initial volunteer prompt on the CPS survey instrument ("Since September 1st of last year, [have you] done any volunteer activities through or for an organization?") to calculate the 2005 volunteer rate. This calculation excludes a relatively small number of responses to the second volunteer prompt ("Sometimes people don't think of activities they do infrequently or activities they do for children's schools or youth organizations as volunteer activities. Since September last year, [have you] done any of these types of volunteer activities?"). Since the Census surveys of 1989 and 1974 did not include a follow-up question, we excluded those respondents who responded positively to the second prompt in 2005, in order to prevent an overinflation of the volunteering rate in 2005.

To update the volunteer trends we originally reported in the 2006 brief, we used the same formula to calculate volunteer statistics for 2015. Because of this change, the volunteer results we discuss in this article will differ slightly from numbers previously reported—especially those published in the annual U.S. Department of Labor Bureau of Labor Statistics brief, "Volunteering in the United States" (2015 version available at www.bls.gov/news.release/pdf/volun.pdf).

at the end of August 2005. The 1989 and 2003 to 2005 surveys asked individuals not only if they volunteer but also where they volunteer, how they volunteer, and how often they volunteer. The 1974 survey did ask some volunteers where they volunteer and how often—but only about volunteering they did during the week the survey was administered.

2. The *Volunteering in America* series includes: *Volunteering in America: State Trends and Rankings* (2006), which is the first report with detailed information about adult volunteering by state; *College Students Helping America* (2006), which identifies trends in college student volunteering; and the *Youth Helping America* series (2005–2008), which analyzes teenager volunteering through school and school-based service-learning projects, religious

congregations, and community associations, as well as volunteering experiences with their family.

3. CPS supplements after 1989 are referred to as "modern day" supplements to differentiate them from the earlier surveys, which were conducted on an irregular basis and with no attempt at using standard definitions or wording of questions.

4. Robert D. Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon and Schuster, 2000).

5. "Voter Turnout in Presidential Elections: 1828–2012," The American Presidency Project website, accessed August 12, 2016, www.presidency.ucsb.edu/data/turnout.php.

6. The decline in volunteer rates between 1974 and 1989 could be due to many factors, including (but not limited to) changes in population demographics, national socioeconomic trends, and the increase in demand for volunteers among nonprofit organizations. For additional details about the 1974, 1989, and "modern-day" CPS supplements, and how the data were used for this analysis, please see the Methodological Note on Survey Comparisons sidebar at the end of this article, or visit www.nationalservice.gov/pdf/06_1203_volunteer_growth_methodology.pdf for more information.

7. We follow the Bureau of Labor Statistics convention of designating everyone ages 16 and older "adults," because that's when they can enter the workforce without parental consent.

8. Brice S. McKeever, *The Nonprofit Sector in Brief 2015: Public Charities, Giving, and Volunteering*, (Washington, DC: Urban Institute, October 2015).

9. Kimberly Spring, Robert T. Grimm, Jr., and Nathan Dietz, *Community Service and Service-Learning in America's Schools* (Washington, DC: Corporation for National and Community Service, Office of Research and Policy Development, November 2008); and Robert T. Grimm, Jr. et al., *Building Active Citizens: The Role of Social Institutions in Teen Volunteering* (Washington, DC: Corporation for National and Community Service, Office of Research and Policy Development, November 2005).

10. Kevin Eagan et al., *The American Freshman: National Norms Fall 2015* (Los Angeles: Cooperative Institutional Research Program at The Higher Education Research Institute, University of California, 2015).

11. The rate for eighth graders has declined over the past five years, but it rose steadily over the ten years before that. See "Monitoring the Future" study results in *Volunteering: Indicators on Children and Youth*, Child Trends Data Bank, December 2015.

12. Eagan et al., *The American Freshman*.

13. CIRCLE Staff, "The Youth Vote in 2012," CIRCLE Fact Sheet, May 2013, Center for Information & Research on Civic Learning & Engagement, May 10, 2013.

14. "College students' commitment to activism, political and civic engagement reach all-time highs: In study by UCLA's Higher Education Research Institute, highest percentage ever of incoming students say they'd likely participate in protests," UCLA Newsroom, February 10, 2016, newsroom.ucla.edu/releases/college-students-commitment-to-activism-political-and-civic-engagement-reach-all-time-highs.

15. Authors' calculations are from 1989 and 2015 CPS data.

16. Doug Oman, Carl E. Thoreson, and Kay McMahon, "Volunteerism and Mortality among the Community-dwelling Elderly," *Journal of Health Psychology* 4, no. 3 (1999): 301–16; Marc A. Musick and John Wilson, "Volunteering and depression: the role of psychological and social resources in different age groups," *Social Science & Medicine* 56, no. 2 (January 2003): 259–69; Judith A. Wheeler, Kevin M. Gorey, and Bernard Greenblatt, "The Beneficial Effects of Volunteering for Older Volunteers and the People They Serve: A Meta-Analysis," *International Journal of Aging and Human Development* 47, no. 1 (July 1998): 69–79; Richard G. Rogers, "The Effects of Family Composition, Health, and Social Support Linkages on Mortality," *Journal of Health and Social Behavior* 37, no. 4 (December 1996): 326–38; and Marc A. Musick, A. Regula Herzog, and James S. House, "Volunteering and Mortality Among Older Adults: Findings From a National Sample," *The Journals of Gerontology* 54B, no. 3 (1999): S173–S180.

17. John Wilson, "Volunteering," *Annual Review of Sociology* 26 (2000): 215–40.

18. Ibid.

19. Authors' calculations are from 2005 and 2015 CPS data.

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Voices of Board Chairs: A National Study on the Perspectives of Nonprofit Board Chairs

by Judy Freiwirth, Mary Hiland, Michael Burns, Gayle Gifford, and Debra Beck

While the research undertaken for this study was conducted to increase understanding of nonprofit board chairs vis-à-vis preparing for their role as chair and what they perceive their leadership roles to be in relationship to the board, the community, and the CEO, the authors' findings provide important implications and recommendations for the sector. These include developing a well-planned practice of board chair preparation and succession planning, building leadership capacity for many potential board leaders, and moving from an individual model of leadership to shared leadership.

Editors' note: *This article was adapted from a research report by the Alliance for Nonprofit Management, published on August 23, 2016. Visit allianceonline.org to access the full report. The research for this report was conducted by the Alliance for Nonprofit Management's Governance Affinity Group. For information about the next phase of research, contact Judy Freiwirth at Judy@NonprofitSA.com.*

THERE IS RELATIVELY LITTLE RESEARCH that investigates the topic of nonprofit board chair leadership, but this role is pivotal in many organizations. It helps to structure, uphold, and revise the container for dialogue and disciplines for managing conversation, and to establish the atmosphere for deliberation. This takes a measure of sophistication as well as self-awareness regarding the match between one's own personal leadership characteristics and the needs of the board, the organization, and the community served. But do nonprofits honor this leverage point with the attention it deserves? Maybe not.

So, as a group of practitioner researchers, we decided to find out what preparation is done by board chairs and how they see their role in relationship to the board and other stakeholders. What we found was a pretty glaring picture of neglect, in that this is an area of organizational leadership succession that is often insufficiently thought through. What follows are our findings from a survey of 635 self-identified nonprofit board chairs representing local, regional, and national organizations in forty-two states, and the recommendations to nonprofits we make in light of these findings.

The Findings

Preparation for the Board Chair Role

A primary focus of this study was to learn about nonprofit board chair preparation. More specifically, questions were directed to learn about the resources, tools, and/or activities perceived to be helpful to individuals in preparing themselves to become a board chair; whether or not individuals prepared in any way ahead of assuming the chair position; and how individuals were selected to be chairs.

About half of the respondents (51 percent) indicated that they did nothing specific to prepare to become a board chair. When provided with a range of specific ways they might have prepared for the board chair role, only a little over half of the respondents (56 percent) stated they followed some intentional process. And when considering possible preparatory steps, like first holding a different officer seat or chairing a board committee, only 48 percent of the respondents stated that they had held the role of vice-chair. Eighty percent of respondents thought that serving as a committee chair was helpful experience for becoming a board chair, but did not indicate that it was an intentional route to board chair. Only 19 percent of respondents indicated that "becoming a chair was a natural progression," but the data didn't reveal how that was interpreted by the respondents. Only 24 percent reported that they were recommended by their nominating committee when asked how they came to be board chair.

Probing further, the research team wanted to understand what people, resources, or experiences board chairs felt were helpful to them in preparing for their position. The board chair respondents frequently pointed to the prior board chair as having an influence on them. Seventy percent rated "observing the prior board chair" as helpful or very helpful, and 50 percent found asking the outgoing chair for advice helpful or very helpful. Fifty-eight percent also found asking the CEO for advice high on their list for helpfulness. Interestingly, consultants and coaches were reported as the least likely to be found helpful and also the least likely to be considered a resource.

Chairs identified the Internet (42 percent), local workshops (37 percent), and books they had purchased (33 percent) when asked about what sources of information were found helpful. It is interesting to note that only 11 percent of respondents described their local libraries as somewhat to very helpful.

In their preparation, when given choices of subject matter that board chairs found helpful, boards and governance rose to the top, as Table 1 demonstrates.

Table 1: **Subject Matter Found Helpful to Board Chairs**

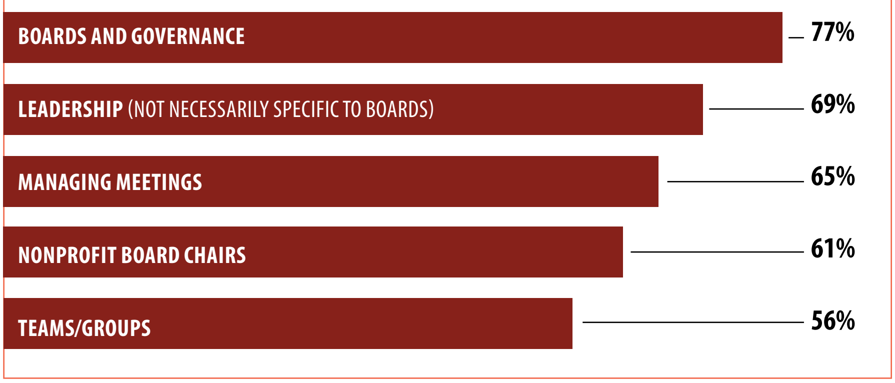
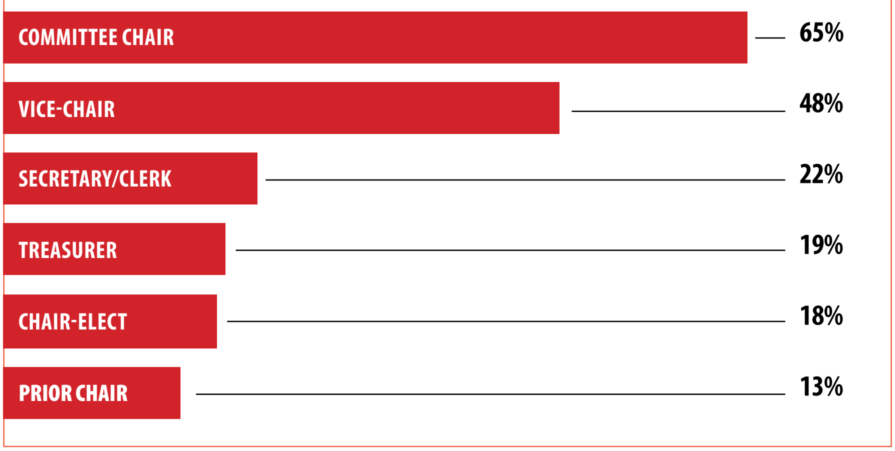


Table 2: **Previously Held Officer or Leadership Position in Same Nonprofit**



In the open-ended comments made in response to the above questions, board chairs referred most frequently to different types of experiences—rather than people or information—they found helpful in preparing to become board chair. For instance, 82 percent of the board chairs found that serving on a committee, in their current or a previous nonprofit, was a helpful preparatory experience.

In fact, this was a much more common experience for the responding board chairs than any board officer role. Fifty-two percent indicated that being a board chair in another nonprofit was a helpful preparatory experience.

The final question about preparation for becoming a board chair was: "In hindsight, what one resource, person, or experience would you like to have had to help you prepare to be a board chair?" The most common themes that emerged in response included: 1) mentoring; 2) peer networking; 3) training; and 4) access to a specific resource on demand.

Overall, the board chairs' responses indicated interest and a willingness to learn. They tended to look to a colleague such as a former board chair and/or the CEO within their current organization for advice, and were not aware of—or chose not to use—a variety of resources external to their nonprofits that might be helpful to their role as chair.

Perceptions of the Board Chair Role

A second focus of the survey was board chairs' perceptions of their role, specifically in relationship to the board, the CEO, and the community. These relationships align with Yvonne Harrison and Vic Murray's three sets of relationships within which board chairs execute their leadership role in nonprofits: the chair in relation to the board; the chair in relation to the CEO; and the chair in relation to external stakeholders or the community.[1]

1. Chair Role in Relation to the Board

Primary Duties

Respondents were asked to identify what they perceived to be their top three duties as board chair in relation to the board. They selected the top three duties from a list of eleven commonly accepted board chair duties found in the practitioner literature.[2] Duties ranking the highest included the following:

- Keep the board's focus on the organization's strategic direction: 64 percent.
- Ensure the board fulfills its governance responsibilities: 49 percent.
- Preside over and manage board meetings: 42 percent.

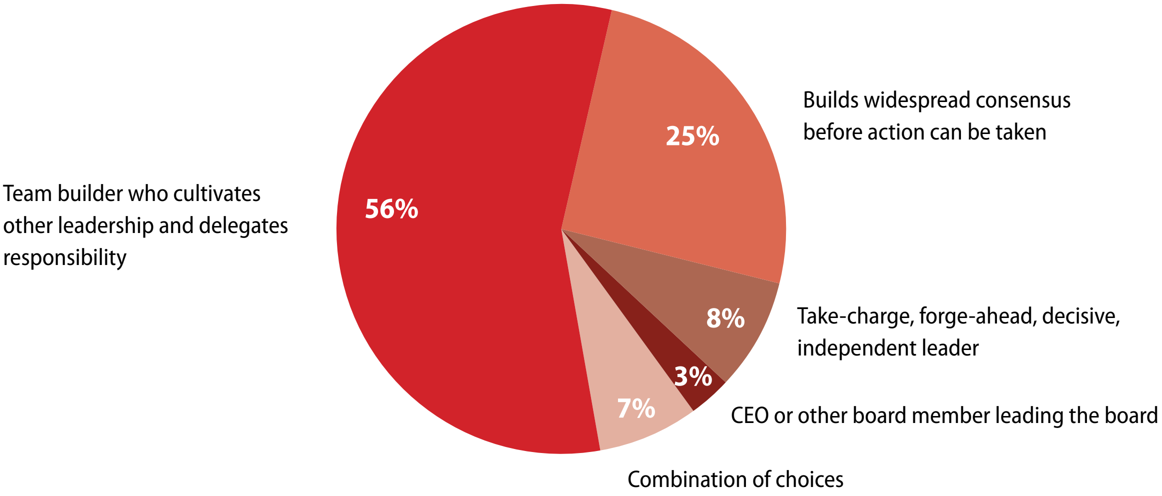
Respondents, however, expressed their reluctance to choose three "top" duties, as they viewed their role with the board as both multifaceted and often situational.

Leadership Model

To further understand the board chairs' understanding of their role, the survey also solicited perceptions about the board chairs' style of leadership. The research team hypothesized that the style of leadership may affect perceptions regarding role. With this premise in mind, the survey asked respondents to select the type of leader they perceived themselves to be from a list of four options. A little over half of the respondents felt that they were a "team builder who cultivates other leadership and delegates responsibility," and only about a quarter of the respondents reported that they "build widespread consensus before action can be taken."

About 8 percent of respondents described themselves as a "take-charge, forge-ahead, and decisive, independent leader." Three percent of respondents stated that the CEO or another board member was actually leading the board. Seven percent chose "other" as a response, and a percentage of these respondents described themselves as a combination of the choices, depending on the situation.

Table 3: **Leadership Type**



Perceptions Regarding Leadership

Perceptions of the experience in leading as chair also matter when attempting to understand the chair-to-board relationship. The survey offered board chairs five choices to describe their feelings about leading the board. Chairs reported high degrees of feeling competent (87 percent), supported (81 percent), and confident (84 percent). Seventy percent reported sometimes feeling frustrated, and only 34 percent sometimes felt isolated. (See Table 4.)

Leadership Practice

An additional insight about the role of the chair in relation to the board is provided by understanding the process for constructing board meeting agendas. When the respondents were asked who was the most responsible for developing board meeting agendas, 42 percent indicated that they developed agendas in collaboration with their CEO, 16 percent indicated that the CEO developed the agenda, and 15 percent developed it alone. See further details in Table 5.

The comments regarding who was most responsible for developing board meeting agendas were nuances of the above. For example, some common responses included: "the agenda is created in the executive committee on which the CEO serves" or "the CEO draws up the agenda in collaboration with the board chair."

Table 4: **Feelings about Leading the Board**

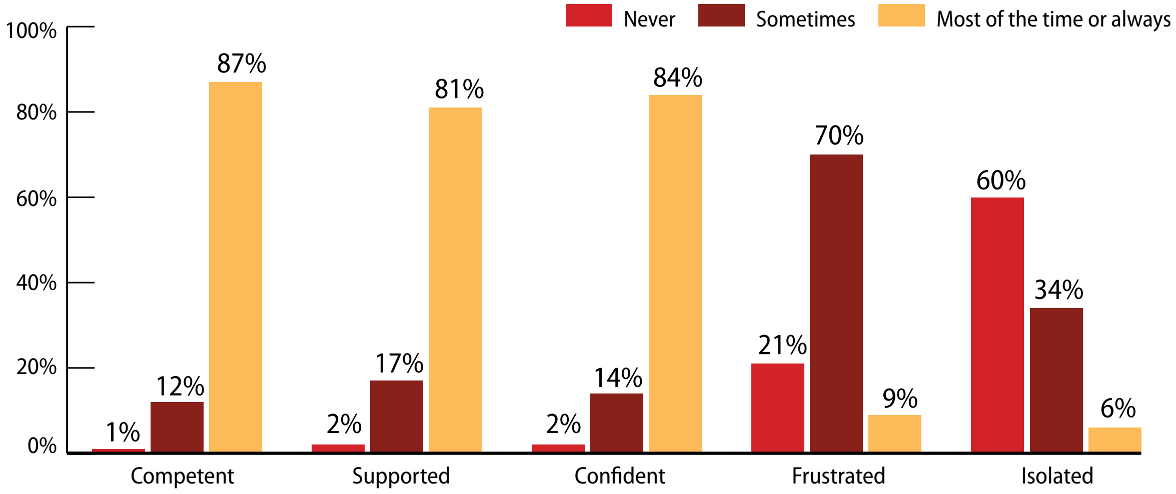
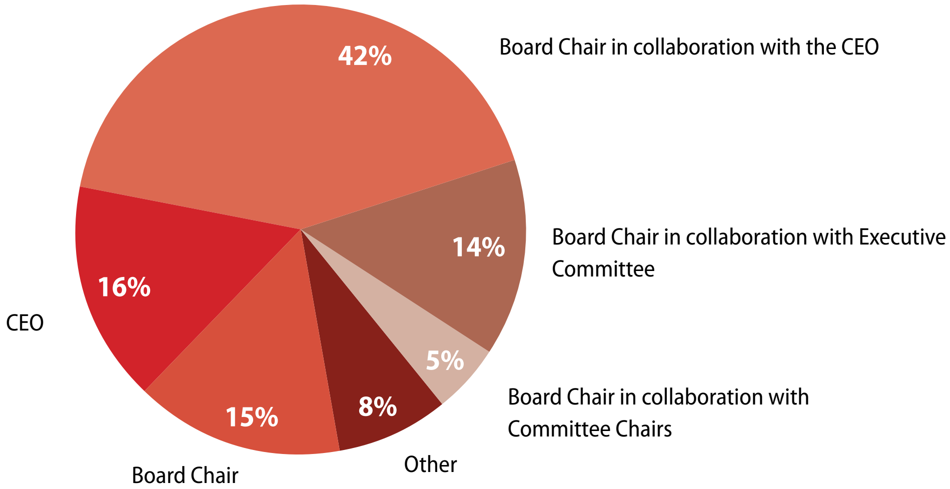


Table 5: **Most Responsible for Developing Board-Meeting Agendas**



2. Chair Role in Relation to the CEO

As stated earlier, a second perspective for understanding the role of the chair can be gained from understanding the board chair's relationship to that of the CEO. Therefore, in the survey respondents were asked to describe the nature of their relationship with the CEO and the specific roles of each.

Nature of the Board Chair–CEO Relationship

When asked to describe what their relationship with the CEO was built on, respondents selected the following:

- Communication between meetings: 92 percent.
- Meeting obligations to one another: 90 percent.
- Mutual trust: 88 percent.

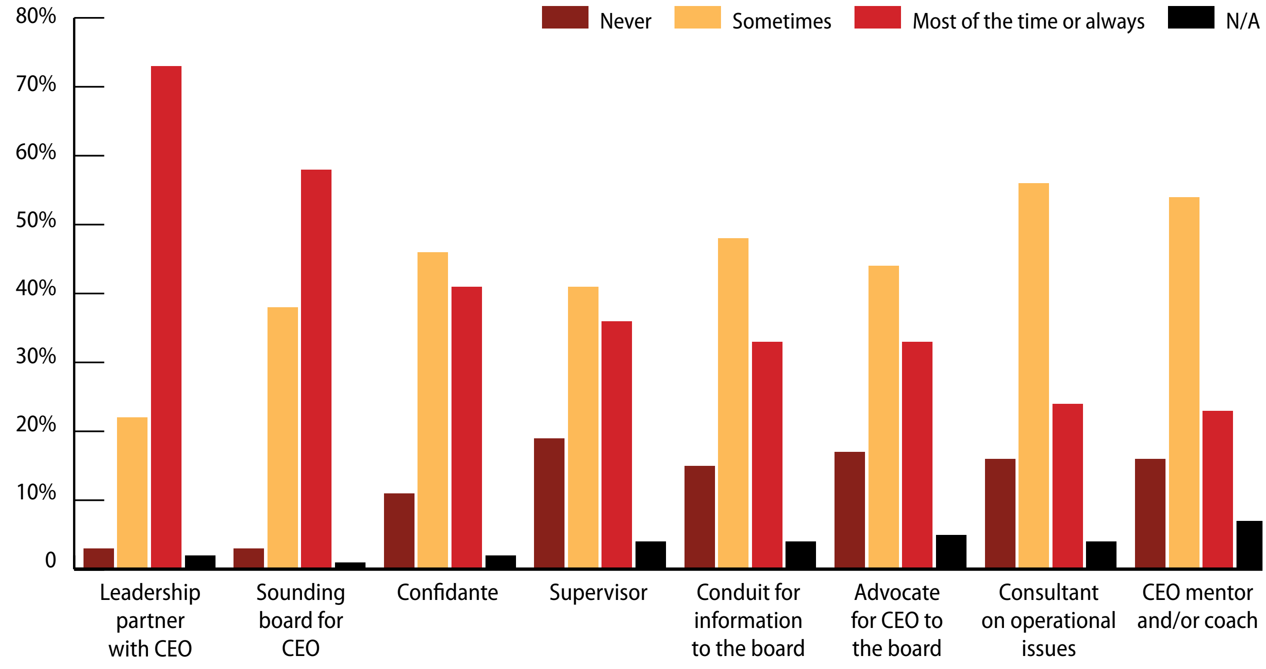
Specific Role in Relation to the CEO

Respondents also described what they perceived to be their role in relationship to the CEO. The survey offered a list of normative practices from which to choose. Chairs were asked to select "not applicable" if they did not feel an option was an appropriate role for a board chair. The highest ranking roles in the board chairs' relationship to their CEO (cited as "most" or "all of the time") were: as a leadership partner (73 percent) and as the CEO's sounding board (58 percent).

A majority of chairs (81 percent) identified themselves as at least "sometimes" serving as a consultant to the CEO on operational issues; almost a third (30 percent) of the chairs selected the option "most of the time" or "always"; 77 percent identified themselves as supervising their CEO at least some of the time, with 46 percent of that group finding themselves in that role "most of the time" or "always." Table 6 provides additional responses.

As another reference point to understand the chair–CEO relationship, chairs were asked to describe their "power relationship." Sixty-three percent described the CEO and chair as equally strong, with 19 percent stating that they had a strong CEO and a weak board. Many of the comments on this question indicated some transitions in the relationship or that the chair was currently working to strengthen the relationship.

Table 6: **Board Chair Roles in Relation to the CEO**



3. Board Chair's Leadership Role in Relationship to Stakeholders and the Community

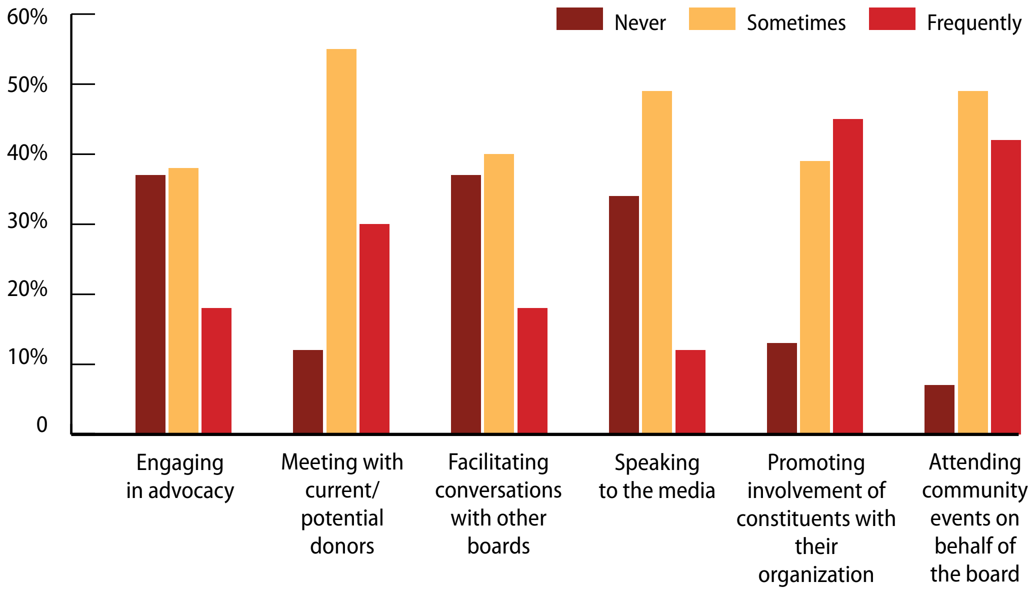
The third relationship area explored was the role of the chair in relation to stakeholders and the community. Both the nonprofit research and practitioner sectors have been increasingly interested in encouraging boards to engage to a greater extent with external stakeholders and the communities they serve, as well as to engage in advocacy and public policy.

Respondents reported that they were most engaged with the community by attending community events (49 percent "sometimes"; 42 percent "frequently"), and promoting involvement of constituents (39 percent "sometimes" and 45 percent "frequently"). The findings, however, were unclear regarding how survey participants understood the meaning of "promoting involvement by constituents with their organization." Only 18 percent indicated that they frequently engaged in advocacy or interacted with other boards, and 12 percent indicated that they "frequently" spoke to the media. Thirty percent of respondents indicated that they "frequently" met with current or potential donors, while a little over half (55 percent) of the respondents reported that they "sometimes" met with current and potential donors. (See further details in Table 7.)

4. Coleadership among CEOs or Board Chairs

Most boards follow traditional practices in which one board member, individually, assumes the leadership role of the board chair. While there is increasing discussion within the sector that the solo leadership role of the board chair is onerous and that a coleadership or shared leadership model might lead to more effective governance, there has been little experimentation or research in this area. For this reason, the survey asked about cochair and other shared leadership models. The responses revealed that only 6 percent of the chairs described themselves as cochairs. As a way to understand the leadership culture in their organizations, the respondents were also asked to describe shared leadership models within their staff. Only 8 percent of the respondents reported that their organizations had coexecutive leadership; the highest percentages reporting this were from arts, culture, and humanities organizations (15 percent) and environmental organizations (14 percent).

Table 7: **Board Chair Engagement with Stakeholders and the Community**



Descriptive Board Chair and CEO Information

Three sets of questions were asked to gain demographic understanding about respondents and their organizations. The first set focused on gathering information about the respondents, and the second set focused on gaining some insights about the CEOs. The third set—focused on the demographics of the respondents' organizations—is not included in this article.

The Board Chairs

What types of experiences did survey respondents bring to the board in their new leadership position? What types of nonprofits, in what organizational life stages, were they called to govern? Several survey questions offer details that help to answer those contextual questions.

Tenure as Board Chair

Length of service in their current board chair position ranged from "less than one year" to "more than five years." Survey participants selecting "more than five years" were asked to offer a more specific response; responses ranged from six to twenty-five years. As the following table shows, a majority (63 percent) had served as board chair for only two years or less.

Chair Tenure

Number of Years of Service	Responses
Less than 1 year	21%
1 year	16%
2 years	26%
3 years	16%
4 years	7%
5 years	5%
More than 5 years	10%

Time Served on the Current Board

Respondents were asked how long they had served on the current board prior to accepting the chair position. Just over half (55 percent) had been on their boards three years or less before becoming board chair, and almost a sixth served on their board less than a year before becoming board chair.

Chair Length of Board Service

Number of Years Served	Responses
Less than 1 year	16%
1–3 years	39%
4–6 years	27%
7–9 years	10%
10–12 years	4%
More than 12 years	3%

Note: Responses for the "more than 12 years" category ranged from 13 to 25 years.

Years Served

Respondents were asked about years served in one of six common board leadership positions: vice-chair, treasurer, secretary/clerk, chair (served prior to current period), chair-elect, and committee chair. As the following table demonstrates, serving as committee chair was the most common.

Years Served in Leadership Position

Board Position	1 Year or Less	2 Years	3 Years	> 3 Years	Never
Vice-Chair	20%	18%	4%	6%	52%
Treasurer	5%	6%	4%	4%	81%
Secretary/Clerk	8%	8%	3%	3%	78%
Prior Chair	4%	4%	1%	3%	87%
Chair-Elect	11%	4%	1%	2%	82%
Committee Chair	13%	20%	10%	21%	35%
Other	8%	7%	2%	6%	77%

Total Years of Board Service

Survey respondents were asked about their cumulative nonprofit governance experience—the total number of years served on any nonprofit board. Respondents chose from one of six ranges, from "three or fewer years" to "more than fifteen years."

Those choosing more than fifteen years were encouraged to offer a more specific number of years. The highest was sixty years. A correlation between the response here and the respondent's age would be expected. However, the survey did not include a question regarding the latter.

Cumulative Years of Board Service

Total Number of Years	Responses
3 or fewer years	7%
4–6 years	14%
7–9 years	15%
10–12 years	16%
13–15 years	18%
More than 15 years	30%

The Nonprofit CEOs

The survey also included questions requesting general information about the presence of, and the circumstances surrounding, the chief executive officers within the respondents' organizations.

General Information about CEOs

General CEO Information	Yes	No
Nonprofit has a CEO	86%	14%
CEO is a voting member of the board	15%	85%
Nonprofit has co-CEOs	7%	93%
CEO is the founder	16%	84%

Length of Time CEO in Current Position

Finally, board chair respondents were asked to identify the length of time that their current CEO—or last CEO, if the organization was in leadership transition—had been in the position. The findings revealed a relatively even distribution of tenure lengths for the CEO, from only one to two years to more than twelve years.

CEO Tenure

Number of Years CEO in Current Position	Responses
1–2 years	27%
3–5 years	22%
6–8 years	18%
9–12 years	12%
More than 12 years	22%

Governance Practice Implications and Recommendations

This research was conducted to increase understanding of nonprofit board chairs, their preparation, and their perception about their roles, as a platform to inform nonprofit and capacity-building practices. Although it was not the intent of this study to link board chair preparation and/or the understanding of board roles to board or organizational effectiveness, the findings provide important practice implications and recommendations for the sector, described below.

1. Establish an intentional, well-developed practice of board chair preparation and succession planning.

It was of concern that 51 percent of the board chair respondents indicated that they did nothing special to prepare for being a board chair. Moreover, 16 percent of board chairs reported that they had only served on their board less than a year, and 56 percent reported that they had only served on their board three years or less before becoming chair, therefore providing very little time for preparation for such a key leadership role. While most respondents indicated some type of intentional consideration when asked how they came to be board chair, an interesting theme emerged from the qualitative responses: the movement of individuals into the board chair role as a result of unexpected events. These events included the unanticipated resignation of the chair, and the inability of candidates designated as next in line to serve because of work, health, or family demands. Some chairs noted that their progression into the role was based on simply being available, or willing to serve because others were unwilling. An intentional, well-planned practice of grooming and selection, which includes leadership development for new board chairs, may facilitate more successful transitions and effective board leadership, as well as a deeper bench of leadership.

2. Clarify the role of the chair in relationship to the full board, the CEO, and the organization's community, so that there is shared agreement within the board.

The data indicated a variety of perceptions among respondents of the board chair's role. With organizations of many sizes and stages of development, and in response to differing community conditions, boards will benefit from greater clarity and shared agreement on what role their board chair should be playing, rather than letting each chair define that role for him- or herself. This recommendation is also based on the findings from Harrison and Murray's research.[3] Once defined, it is important to communicate that role clearly among the board and staff. And of course, research data can help inform those role definitions.

3. Provide training, mentoring, and coaching opportunities specifically for board chairs.

The data demonstrate that a high percentage of board chairs in the study do not engage in training, mentoring, or coaching to help them adapt to their new position or to increase their effectiveness. But mentoring, training, and peer networking were identified as the primary resources they would like to have had to help them prepare.

Harrison and Murray's study on perceived characteristics of effective versus ineffective chairs identified skills and practices that can be learned either through education, mentoring, or coaching.[4] Some of those include: 1) facilitation skills; 2) team development skills/how to build board cohesion; 3) collaboration skills; 4) dealing with conflict; 5) how to build motivation; 6) developing a working partnership with the CEO; and 7) how to provide vision and direction. Capacity-building initiatives and consulting assistance that facilitate one-to-one mentoring—or coaching for board chairs and for emerging governance focused on such skills—would offer critical and useful leadership development for board chairs. Additionally, peer-learning initiatives for board chairs and prospective chairs would provide useful forums for board chair learning and preparation.

A significant number of respondents communicated that observing or getting advice from prior board chairs or friends who had been board chairs was helpful. More questions than answers arise from this finding. What is unknown is precisely what benefits were being drawn from these observations and advice. What exactly were the board chairs learning from the previous board chairs? And, given that former chairs were identified as important role models, what was the consequence when those chairs did not perform effectively? Does this method of modeling just create repetitive cycles with generations of ineffective chairs, thereby perpetuating poor leadership? These are significant questions for future research.

4. Build leadership capacity for many potential board leaders, including committee chairs.

Responses indicated that the most frequently held leadership position prior to becoming the board chair was that of a committee chair—even more frequent than any other officer role. Moreover, 82 percent of the respondents cited their experience as committee chair as important in helping them prepare for serving in the board chair position. The data suggest that more attention needs to be given to preparing committee chairs for their leadership position, both as a committee chair and as a route to the board chair position. The preparation could include mentoring and skills-based training, such as how to design effective agendas, facilitate meetings, build consensus, and the like.

Intentional succession planning—which includes identifying potential leaders on the board at least a year in advance of their assuming the chair position—along with mentoring or other leadership training would provide new board chairs with the support needed for effective leadership. In addition, as suggested by the data, providing committee chair experience, coupled with leadership training, can be helpful in building a larger pool of potential effective leaders. The data suggest that in order to develop a deeper pool of potential leaders, not only would board chairs benefit from mentoring and training but also boards as a whole and committee chairs in particular would benefit from regular board leadership development training and coaching.

5. Provide more accessible and research-based resources for board chairs and capacity builders.

The data indicate that, in general, respondents did not access the Internet, workshops, or books or other written resources that could help prepare them for their role as board chair. While the data did not reveal why they were not accessing these resources, there may be a number of reasons. Perhaps they were overwhelmed with the enormous amount of online resources for boards, including articles, magazines, tools, blogs, and other social media, all purporting to be based in so-called "best practices." Additionally, based on the research in preparation for this study, while there is indeed a plethora of prescriptive literature, there are few resources that specifically target board chairs or capacity builders who help support chairs—and even fewer that are based on research or evidence. Even if these resources were available, it is uncertain whether board chairs would access them. Readily accessible, research-based practice tools and resources specifically intended for board chair development could make a significant positive impact.

6. Support the board chair leadership function to improve both the chair's and the board's involvement in community engagement and advocacy.

Although it is increasingly accepted in the nonprofit sector that the board's external advocacy and community engagement role is an important responsibility, the data indicate that board chairs do not generally engage externally with the community, media, funders, other boards, or stakeholders. The data also may suggest that board chairs did not view community engagement as an important part of their role.

In alignment with a 2015 BoardSource study, *Leading With Intent*, board chairs indicated a generally low frequency of engagement with the community.[5] Of particular note is the very low percentage of those who engaged in advocacy, spoke to the media, and met with current and potential donors on a frequent basis. Only 18 percent of respondents indicated that they frequently engaged in advocacy or interacted with other boards; only 29 percent frequently met with current or potential donors; and only 12 percent indicated that they frequently spoke to the media. The survey, however, did not delve into the "why" behind these responses; therefore, it is not clear from the data if the responses indicate that the board chairs did not feel that these responsibilities were part of their or the board's role, or that they did not have the knowledge and/or training to engage with their community, funders, and other stakeholders.

Although a higher percentage of board chairs (45 percent) indicated that they frequently promoted involvement by constituents in their organizations, it remains unclear how this question was understood. Did the chairs understand this to mean only engaging constituents to participate in program activities? Did it mean engaging them in occasional focus groups or surveys? Or did it mean engaging constituents in some level of governance or organizational decision making? Further research is needed to explore these questions.

As advocacy and community engagement are important governance functions, board chairs can serve in an important leadership role promoting the board's external role in both advocacy and engaging the organization's stakeholders. As part of their preparation recommended earlier in this report, board chairs would benefit from gaining critical leadership skills in advocacy, funder and donor cultivation, media relations, and community engagement. Capacity-building initiatives, which include coaching and mentoring, should incorporate these skills for both the board chair and emerging leaders within boards and their committees.

7. Consider moving from a "heroic" individual model of leadership to shared leadership.

Normative practice for nonprofit boards has been to have one primary leader, the chair, who generally holds much of the power and authority for leading the board. Is the widely practiced individual model of leadership the most effective one? Are the leadership responsibilities for board chairs unrealistic for one person to execute effectively? Or, would a shared leadership structure provide a more useful model for boards? Growing research in this area has demonstrated the relationship between shared leadership and a positive impact on team performance outcomes that may have implications for board functioning.[6] In addition to increased positive outcomes, another benefit of shared leadership models is that they provide a more intentional way to build leadership skills and experience beyond the single chair, thereby developing a wider pool of leaders for boards.

There are different models of shared leadership that boards could consider adopting, including: 1) cochairs who divide up the leadership responsibilities; 2) multiple leaders within boards who share different aspects of the leadership responsibilities; 3) expanding executive committees beyond officers in order to distribute coordinating responsibilities; and 4) disbanding executive committees while distributing leadership among multiple board members.

• • •

These findings are intended to contribute to the limited body of research on board chairs and to a greater understanding of board leadership. We believe these findings and practice implications can encourage boards to place a greater emphasis on intentional board chair preparation and succession planning, as well as strengthen board leadership.

We hope that these findings will encourage more research in the critical area of board leadership and expand the possibility for shared leadership. Future research in this area will help boards and board chairs have greater access to research-based practices, ultimately improving the effectiveness of nonprofit governance.

NOTES

1. Yvonne Harrison and Vic Murray, "Perspectives on the leadership of chairs of nonprofit organization boards of directors: A grounded theory mixed-method study," *Nonprofit Management & Leadership* 22, no. 4 (Summer 2012): 411–37.

2. Mindy R. Wertheimer, *The Board Chair Handbook*, 3rd ed. (Washington, DC: BoardSource, 2013).

3. Harrison and Murray, "Perspectives on the leadership of chairs of nonprofit organization boards of directors."

4. Ibid.

5. BoardSource, *Leading With Intent: A National Index of Nonprofit Board Practices* (Washington, DC: BoardSource, 2015).

6. Vias C. Nicolaides et al., "The shared leaders of teams: A meta-analysis of proximal, distal, and moderating relationships," *Leadership Quarterly* 25, no. 5 (October 2014): 923–42.

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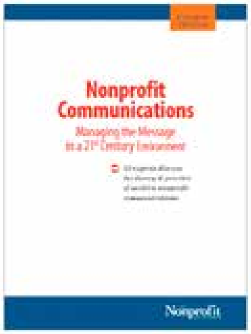
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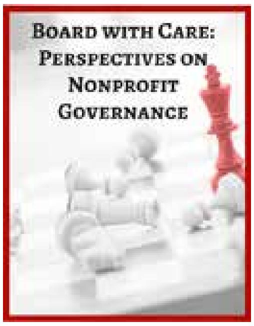
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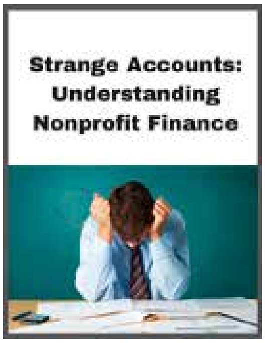
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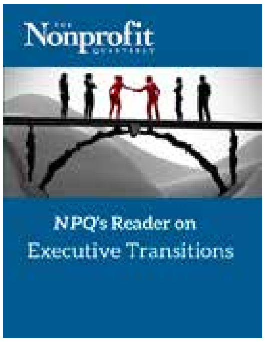
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A Youth Development Approach to Evaluation: Critical Participatory Action Research

by Sarah Zeller-Berkman, Carolina Muñoz-Proto, and María Elena Torre

There is an ever-increasing emphasis on evaluation processes, but these may not necessarily be aligned with or integrated into an organization's program goals. Here, the authors propose critical participatory action research and youth participatory evaluation as possible answers to that challenge for organizations focused on youth development programming.

***Editors' note:** This article was originally published in* Afterschool Matters *(no. 22, pp. 24–31), National Institute on Out-of-School Time, Wellesley Centers for Women, Wellesley College, in fall 2015. It has been lightly edited for this publication.*

Across the United States, youth development approaches are being tested in out-of-school time (OST) programs as a strategy to combat the growing opportunity gap between privileged and underprivileged youth.[1] Along with increased recognition of the value of youth development programming has come increased financial support.[2] This investment, in turn, brings increased pressure to continually prove to funders that youth development programs affect student outcomes.[3] The increased emphasis on accountability has sometimes forced community-based organizations (CBOs) to maintain a myopic focus on outcomes that are easily measurable but not necessarily the most important.[4] Underfunded nonprofits can feel overwhelmed by the intense emphasis on producing evidence-based outcomes, especially if evaluation feels like an add-on rather than being aligned with and integrated into program goals.

This article proposes critical participatory action research (critical PAR) and youth participatory evaluation as possible answers to this challenge. Expanding the definition of evaluation to include methodologies that value youth participation can strengthen CBO's capacity to create responsive OST programs that have meaningful impacts on young people's lives. This article explores how five programs use critical participatory action research and youth participatory evaluation to engage youth and improve program delivery. These trailblazing organizations illuminate the possibilities and challenges of using approaches to research and evaluation that reflect youth development principles and practices.

Participatory Action Research and Evaluation Approaches

The interdisciplinary and activist history of critical participatory action research stretches back to Kurt Lewin, Paulo Freire, Orlando Fals-Borda, and Mohammad Anisur Rahman.[5] The participatory approach braids critical social science, self-determination, and liberatory practice in order to interrupt injustice and build community capacity. Those who practice this youth development–oriented approach bring to their qualitative and quantitative research a commitment to local knowledge and democratic practice.[6] Those who are affected by the topic under investigation are essential partners in the research process. Young people conducting participatory action research in partnership with adults engage in ongoing and sometimes overlapping cycles of fact finding, planning, action, and reflection.[7] Research teams attempt not only to understand the data but also to use it to alter the underlying causes of the problem at hand.

Youth participatory evaluation emerged in the late 1990s as an extension of the field of participatory evaluation. Pioneers in the burgeoning field pushed to involve young people as stakeholders in program evaluations.[8] The past decade has brought elaboration on how youth participatory evaluation happens in youth development settings and the benefits that occur when it does.[9] Such benefits include youth leadership;[10] strong youth–adult partnerships;[11] and, according to some, more valid and useful research.[12]

Involving youth in critical participatory action research and evaluation builds on young people's strengths, expertise, and ability to create knowledge about the issues and programs that affect their lives. Research is conducted *with* youth, not on them. Young people are viewed as the experts on their own experiences. They are, in this view, completely capable of exploring youth issues and programs—in fact, they are necessary members of the research team.

This perspective is remarkably well aligned with an assets-based youth development approach. The alignment becomes even more evident in the partnerships formed when young people and adults create research about young people's programs, communities, and experiences. Foundational research in the field of youth development tells us that three major factors in youth development settings foster resilience and enable youth to thrive: caring relationships, high expectations, and opportunities to contribute.[13] A framework currently gaining traction in the field has synthesized decades of research evidence, practice wisdom, and theory to posit that children learn through developmental experiences that combine action and reflection, ideally in the context of caring, trusting relationships with adults.[14] The cycles of action and reflection of participatory action research, undertaken in respectful partnership with adults, create ideal conditions for development.

Knowledge production in partnership with young people operates at the intersection of youth development and youth rights.[15] This crossroads may feel quite comfortable to youth-serving organizations committed to the struggle for equity on behalf of and in partnership with young people. However, though some innovators are engaging in participatory action research in and out of school, the potential for engaging youth in participatory evaluation in OST programs is largely untapped.[16]

Research Design

To uncover the benefits and challenges of engaging youth in participatory evaluation approaches, we studied the experience of staff from five CBOs who attended the five-day Critical Participatory Action Research Institute (CPAR Institute) hosted by the Public Science Project in summer of 2012. The Public Science Project has a fifteen-year history of involving youth as researchers, facilitating vibrant research camps and large-scale youth research projects on issues ranging from policing practices to educational equity. It acts as a hub for scholars of critical PAR and a training institute for those looking to implement participatory methods in their own contexts.[17] Our five case-study CBOs (we will call them CBO 1 through 5) all followed up on their learning at the institute by incorporating participatory evaluation in their programs.

Of the forty-five participants in the 2012 CPAR Institute, seventeen were from CBOs or university–CBO partnerships. We invited those who worked in OST and who wanted to engage youth in action research to participate in our study. Eight staff members from five organizations agreed. The five CBOs varied in size, location, and program focus, as summarized in Table 1.

We conducted semistructured interviews with the eight CBO staff members before they participated in the CPAR Institute. During the staff members' participation, in June 2012, we conducted ethnographic participant observations. Right after their participation, we facilitated a focus group with seven of the staff members, representing all five CBOs. We conducted follow-up interviews three to four months after their participation, in fall 2012, reaching six

Table 1. Characteristics of Case Study CBOs

	Description	Location	Population Served	Staff and Partners Interviewed
CBO 1	Multiservice organization	Large city in New York	Low-income youth and their families	Director of program evaluation and planning, evaluation specialist, program analyst
CBO 2	Arts education program	Small city in Virginia	Local youth from diverse backgrounds	Executive director, university-based evaluation partner
CBO 3	Neighborhood-based organization	Small city in Michigan	Immigrant youth and their families	Program director
CBO 4	Family education center	Large city in Minnesota	Immigrant African youth	Youth outreach coordinator
CBO 5	Multiservice youth development organization	Midsize city in Connecticut	Low-income and immigrant youth	Youth participatory action research program coordinator

staff members from four of the organizations. Interviews and focus groups were recorded and then transcribed. We analyzed the data using a methodology based in grounded theory.[18]

Moving Participatory Evaluation from Theory to Practice

The study participants emphasized that they brought youth-centered and strength-based approaches with them to the CPAR Institute, stressing the role of sports, the arts, culture, families, and civic engagement. However, only two of the five organizations had previously used participatory approaches to teaching and learning, and only one had engaged in participatory research. In the follow-up interviews a few months after their participation, all reported having used participatory strategies in program implementation, design, or evaluation.

One study participant had incorporated a full participatory action research project into her CBO's youth summer employment program. The project engaged a team of ten youth in researching young people's experiences of schooling. The participant, a youth outreach coordinator at CBO 4, outlined the process in her follow-up interview:

> We all worked together for twenty-five hours a week for five weeks. We started off with a research camp kind of curriculum, combined with some curriculum on anti-oppression, work on sexism, racism, things like that. . . . We did school mapping . . . with some guided questions, and one was, "Where do you feel least safe or where do you feel most safe?" [We] prepped [research camp participants] a lot on interviews. They also interviewed each other a lot to home in on what our first round of interview questions would be.

This intensive first experience with participatory action research brought both challenges and benefits to the organization, as we will discuss below. By a few months after participation in the CPAR Institute, the other four organizations in the study had carried out less intensive but equally innovative attempts at incorporating the approach into their practice. Strategies they used with youth included research camps, mapping exercises, interviews, surveys, critical conversations, and performances or presentations of research findings by youth.

Benefits of Participatory Evaluation

The follow-up interviews revealed four benefits of engaging in research and evaluation processes aligned with the principles of youth development:

- Increased youth engagement and leadership;
- Deeper adult–youth partnerships;
- Increase in participatory practices across the organization; and
- Improved quality of the research.

Youth Engagement and Leadership

Follow-up interviews revealed that even CBO staff who were already committed to youth leadership were impressed by the effects of critical participatory action research. They saw co-construction of knowledge through research as an effective way to build young people's confidence. For example, the interviewee from CBO 5 said the following about the approach:

> [It] is very effective at building leadership. My students—in particular several that had for a long time, as far as I can tell, been labeled "unsuccessful" in the classroom and schools, and [were] at various levels of marginalization in school—really turned a corner. . . . [T]hey were able to feel successful in this learning environment we created together, where their knowledge, questions, and opinions were so valued.

This interviewee believed that taking part in critical participatory action research in the OST program built students' confidence in the academic realm, as well.

Adult–Youth Partnerships

In follow-up interviews, study participants described how engaging in participatory action research brought changes in the dynamics between young people and adults. Awareness of how adults and youth can share power led to more intentionality about who took on the evaluation tasks, both large and small—from defining a project's research questions to summarizing the data gathered. A staff member from CBO 1 described how this new awareness informed a project in which a team of youth and adult researchers explored the meaning of youth success:

> We were very much focused on always being mindful of our relationship with the participants, and on the first day we began with a very broad question about what is research and who is a researcher. . . . We were very explicit about opportunities for participation, always looking for ways the young people could [participate] . . . or anything that we could do to get away from [the adults doing the] talking. . . . We had one piece where we had identified five subthemes of success we wanted to zero in on, but we had a list of twenty and we gave everyone five stars and they voted. . . . We would have previously done show of hands, but we did it like that so everyone would have a voice.

Study respondents spoke about how engaging youth in participatory evaluation enabled them not only to relinquish control but also to collaborate with young people and engage them as both teachers and learners. Some participants, including the program director of CBO 3, said that the CPAR Institute enhanced their commitment to viewing young people as assets: "[CPAR] for me has . . . enhanced my belief [that youth] are a source of amazing information and that, when we listen, we find out so much."

For program directors, working as full partners with youth and their communities involved questioning their traditional approach to building "clear boundaries" between staff and community members. As a respondent from CBO 1 put it, a participatory approach can clash with the traditional notion that "staff [must] have very clear boundaries, so they are not friends, they don't fraternize." In the focus group, several staff members agreed that boundaries can serve as a means of demonstrating "who is in charge" in a youth program. However, they also agreed that boundaries helped staff members feel safe working with youth and their communities. Organizations that incorporate participatory evaluation may need to reflect on ways to balance the necessity for healthy boundaries with the benefits of open communication and mutual trust.

Participatory Approaches across the Organization

A third theme in the interviews was that participatory approaches offered benefits not just for the OST program and its youth and staff but also for the entire CBO. Even when the task at hand was not research, respondents said, they had become more comfortable with letting young people take the lead. Participatory practices and sharing leadership with young people were described by one participant as a "PAR-esque" approach that was seeping into his CBO's culture.

The evaluation director of CBO 1 reported that having integrated youth into critical participatory action research was affecting work with the staff:

> We introduced icebreakers into program meetings, just to chill people out. And then we realized that the icebreakers we were using were really about establishing common ground, so that we would, for instance, have a meeting with the afterschool staff, and the icebreaker was, "Tell us about your first involvement with afterschool." . . . So we all kind of established our stake and that we were all stakeholders in afterschool programs with a lot of commitment to them and perspective. [W]e really have developed this process in these meetings about power relations and establishing common ground and common purpose.

Organizations that incorporate a participatory frame into youth-centered and strengths-based approaches may experience benefits across the entire organization, not just with the youth.

Quality of the Research

A fourth benefit the CBO respondents noted was that the quality of their research improved. CBO staff were committed to participatory practices not only out of idealism but also because these practices better equipped them to carry out valid research. One respondent mentioned that collaboration with youth on an evaluation survey brought up issues "that would have never come to mind" for the adult staff members. The program coordinator from CBO 5 put it this way:

> A PAR approach has definitely taught me that people who are "the subjects" of the research need to be in the room from the first, including designing what the research questions have to be. I learned that really early on . . . when we interviewed youth to hire them and we created our questions about school. . . . And they all talked about favoritism. And that, to me, was a great lesson, because if I had designed the interview questions about youth experience, [I] never would have asked about favoritism.

Challenges of Participatory Evaluation

In addition to benefits, the follow-up interviews revealed challenges in involving youth in participatory action research and evaluation. A major challenge is that these approaches take time. One CBO staff member articulated a common issue: feeling torn between being realistic about the workload and being committed to a participatory approach:

> I am very happy with the way [the project] turned out, but it was also a reality check because it took a lot of our time. And I am here thinking I would not want to do this again until next summer because I have so many other projects on my plate.

The youth outreach coordinator from CBO 4 echoed this sentiment, explaining that the budget and design of her program did not allow for the level of youth participation that would have produced high-quality data. The five weeks allotted for research did not allow the youth to take part in designing data collection instruments, conducting the research, and analyzing the data. This staff member struggled with how much she and the other facilitators should structure the work ahead of time and how much to leave open for the adult–youth team to shape together. She compromised by starting the process with a well-defined topic for the project and with structured

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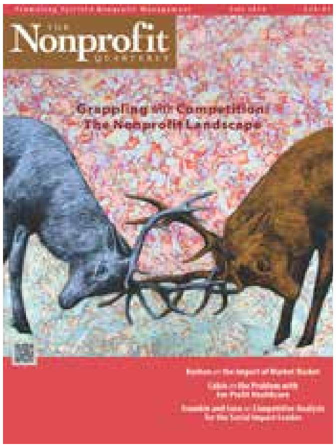
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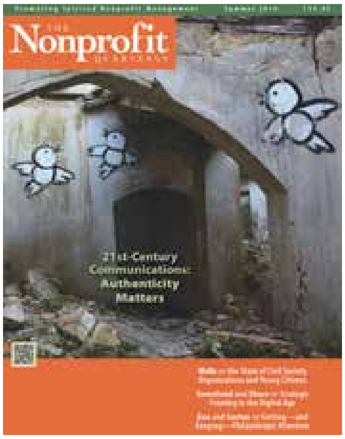
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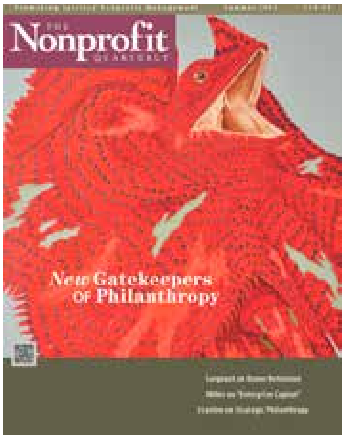
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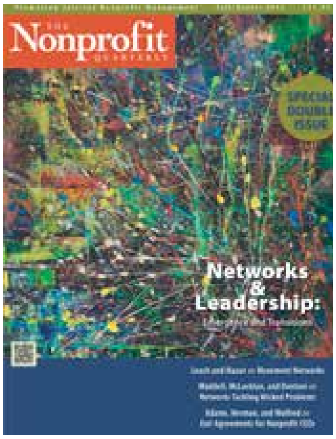
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workshops that helped the research team come alive. Once the team had agreed on a subtopic and method for the projects, she provided scaffolding and assistance to help the youth complete their goals in the available time.

A second challenge was lack of institutionalization of participatory approaches to program design and evaluation. The executive director of CBO 2 explained:

> I definitely feel reluctant [about] our kids having to fill out tons of tests like rats in a maze and [about putting] them through pre- and post-tests. Honestly, we run on an extremely skinny budget, and we don't have the administrative capacity to administer pre- and post-tests or evaluate them or administer the data. . . . Not to say we don't want to demonstrate the impact of our program to people, but I am just concerned that funders and foundations are going over the top in creating really unrealistic requirements [for organizations] such as ours, which will be at risk of going out of business because of these requirements. And I think CPAR can perhaps provide tools that are more user-friendly and friendly to the population and that are not viewed punitively.

Clearly, this interviewee understands the importance of evaluations that demonstrate program impact. At the same time, the comments reflect a feeling shared by other interviewees that certain approaches to evaluation have negative connotations for CBO staff. This executive director articulates the possibility that youth critical action research can contribute to evaluation that is "more user-friendly" and that, rather than punishing CBOs through funding cuts, can promote a culture of accountability and constant improvement.

Interviewees explained that the transition from providing a one-off participatory project or class to making participatory evaluation a permanent fixture in the organization was difficult. Surprisingly, the interviews revealed hopefulness about the coexistence of outcomes-driven evaluation and critical participatory action research. Respondents felt that their CBOs and funders might be more open than they had thought to participatory program design and evaluation.

Evaluation Aligned with Program Goals

The New York–based multiservice organization whose evaluation staff attended the CPAR Institute saw its evaluation culture positively affected by the inclusion of youth perspectives. One benefit reported by this organization's study participants was that program staff took a more active role in the design of evaluation strategies, rather than viewing the evaluation staff as the sole experts. As a result, the evaluation process was enriched by expertise of staff who knew the day-to-day operation of the programs and who had direct contact with youth.

A conversation among focus group participants echoed the idea that using critical participatory action research shifted the culture of evaluation in their organizations:

> *Participant A:* It certainly provided a whole new avenue for how we can make [the evaluation] process more friendly to the participants and align ourselves more with them in ways that engage them and . . . bring them into a process that demonstrates to them the additional talents they have to help provide insight into why or why not the program is working and improve it. . . . I think [PAR is] a much improved way of trying to help the entire situation of having to do so much more evaluation these days.
>
> *Participant B:* I think I am very used to the scientific method approach where you go in with a hypothesis. So doing research this way is kind of foreign to me. PAR has made it clear—it is a much more valid form. I always thought so, but until you really see it and really learn about it, it is kind of foreign.
>
> *Participant A:* [The CPAR Institute] has helped me to see that [evaluation] can be a very empowering tool versus a very overpowering or dominating, exploitative tool.

This dialogue envisions a scenario in which afterschool program evaluation not only accounts for outcomes such as credits gained but also creates space for youth action research projects that influence people and programs. In this youth development approach to evaluation and research, study participants saw a tool that could both build young people's talents and reveal insights to enable program improvement.

Our study suggests that, in order to experience these benefits, CBOs need to provide institutional support for participatory approaches to design and evaluation. Staff also need to identify the spaces in the organization and its programs where such approaches will be a good fit. Staff from both of the sites that had finished action research projects at the time of the follow-up interview (CBOs 1 and 2) said that their executive directors were open to and supported participatory evaluation. A staffer from CBO 1 described how one program in the organization was open to participatory research, while another was rigidly bound to a different approach to evaluation:

> The project in the Bronx received lots of support from the highest levels here. This was included in a packet to one of our major funders this morning, and they were very happy with our organization for promoting youth voice. . . . On the other hand, we have a lot of pressures going on right now with our child welfare program and evidence-based models.

CBO 2, the other site that had completed a youth action research project at the time of the follow-up interview, also reported that the work was "pretty well received" in the city's youth affairs agency. This staff member stated that the project "brought a louder voice back to [the] youth affairs [agency] about the necessity of having more youth involvement at every layer of the organization, having more youth involved in planning [the]programs." This respondent expressed some frustration that grant applications reinforce top-down hierarchies in youth–adult relationships by, for example, not allowing applicants to identify young people simply as "co-researchers." However, this respondent said, "The foundation we are applying to thinks differently about, and is open in their perspective on, hierarchies in youth–adult collaborations."

The CBO program and evaluation staff in our study saw critical PAR as a useful and valid tool. In a funder climate that emphasizes evaluation, the alignment of participatory research with an assets-based approach seems to be attractive to executive directors and evaluation staff who are looking to produce useful and valid data while also developing capacities among staff members and youth. Unlike evaluation processes that are perceived as add-ons or resource drains, youth participatory action research adds value by aligning with and expanding on program goals.

Unleashing a Virtuous Cycle

The youth programs featured in this article highlight the power and potential of using research and evaluation designs that are aligned with positive youth development. These sites have found that involving youth in critical PAR can create valid data to drive programs while promoting practices that youth and adults find "user-friendly" and "empowering." Participatory approaches offer CBOs a way to develop research about youth programs that is driven by the youth and communities most affected.

While it is not without challenges, participatory action research offers benefits, including increased youth engagement and leadership, deeper adult–youth partnerships, an increase in participatory practices across the organization, and greater validity in the research instruments and analyses used for evaluation. These benefits reinforce conditions that enable young people to thrive: partnerships with adults characterized by caring and trusting relationships, high expectations, and multiple opportunities for both generations to contribute to cycles of reflection and action. The study thus suggests that using an evaluation framework that is aligned with the principles of youth development unleashes a virtuous cycle: the evaluative process supports the very outcomes youth development programs are designed to achieve. Though our findings hint at the existence of this virtuous cycle, its process and its implications for program design, implementation, and evaluation must be revealed by further research.

To unleash this virtuous cycle more often, funders need to make an explicit commitment to a youth development approach to research and evaluation. Our interviewees said that their funders and administrators expressed interest in and support for youth involvement in research and evaluation. Though this finding is promising, funders and leaders still need to let youth program staff know that participatory approaches are not only permitted but also valued. Programs need additional funding to support the time and effort it takes to carry out participatory evaluation driven by deep youth–adult partnerships. Similarly, capacity-building support is necessary if our field is to shift the current culture of evaluation to one better aligned with youth development principles and practices.

Increasing funding and building capacity for youth participation in action research will help to institutionalize evaluation approaches aligned with youth development. Capitalizing on these approaches could prove to be a win-win scenario for funders and youth programs that are striving to maximize their impact, shrink the pervasive opportunity gap, and increase youth engagement every step of the way.

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A Graphic Re-Visioning of Nonprofit Overhead

by Curtis Klotz

We need a new way to communicate to potential funders and supporters what is vital to high-performing organizations vis-à-vis costs and infrastructure—and a way to do that is by rethinking our old terms and images in order to be able to visualize things differently. For instance, investment in key infrastructure has for far too long been viewed as taking a slice out of the pie of our programs, and it is time to "re-vision" it as core mission support.

Editors' note: *This article was published in its original form by Nonprofits Assistance Fund, on August 2, 2016. It was republished online by* NPQ *on August 16, 2016.*

Most nonprofit leaders agree that we need a new way to communicate about the true costs of our programs and the vital importance of strong organizational infrastructure. But we have not yet developed a simple, consistent message when sharing our view with potential supporters and investors. We are stuck with old terms and old images.

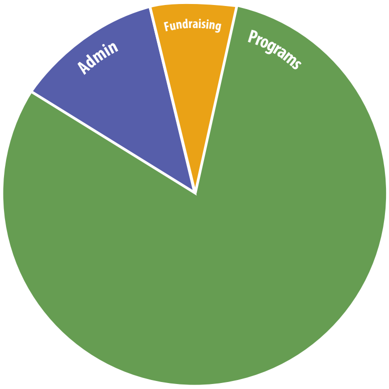
How we visualize our understanding of nonprofit structure and programs shapes the overhead debate. It's time to get graphic about our new ideas—to deploy fresh images to help educate the public, our funders, and ourselves.

It's Time to Retire This Pie Chart

When nonprofits are viewed this way, no matter how hard we try to think differently, we imagine important infrastructure of our organization as taking a slice out of the pie—as diminishing the "real" work of our mission.

Strategic financial functions, good governance, and the development of key funding partnerships are vital to strong organizations. We need a new way to communicate this truth.

A Tired Old View of Our Organizations

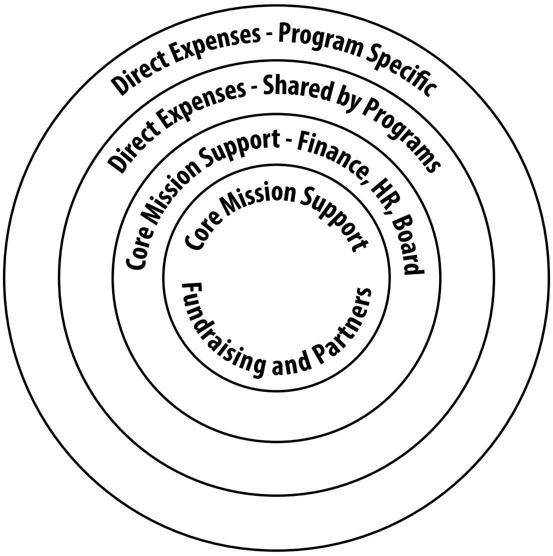


We Need a New Image

Rather than thinking of our investment in key infrastructure as diminishing our programs, it should be seen as valuable **Core Mission Support**.

Core Mission Support functions are necessary, vital, and integral:

- Strong, strategic finance and accounting;
- Progressive human resources practices;
- Capable, responsive board governance; and
- Talented and engaged development staff.

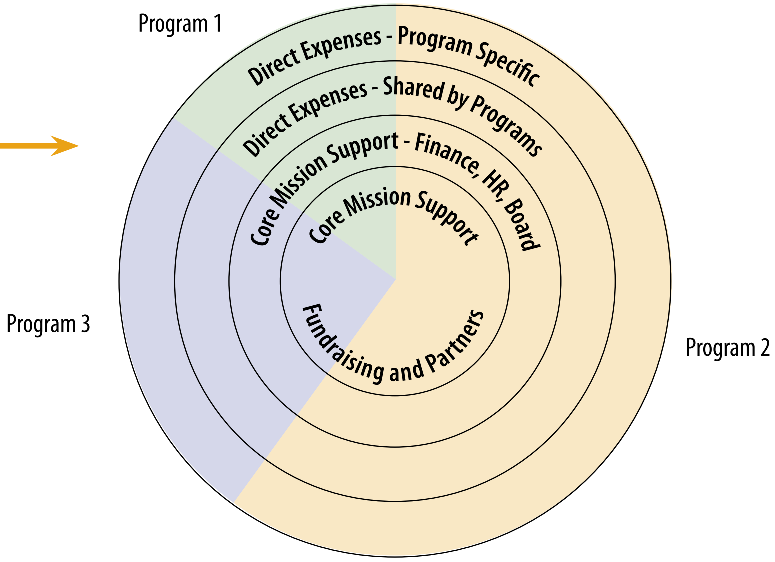

Direct Expenses - Program Specific
Direct Expenses - Shared by Programs
Core Mission Support - Finance, HR, Board
Core Mission Support
Fundraising and Partners

Whole Organizations and True Program Costs

Each of our programs is built around, is supported by, and shares responsibility for Core Mission Support.

All of the resources we need to accomplish our programs are the **True Program Costs**, which include four types of expenses:

- Direct Expenses: Program-Specific;
- Direct Expenses: Shared by Programs;
- Core Mission Support: Finance, HR, and Board; and
- Core Mission Support: Fundraising and Partners.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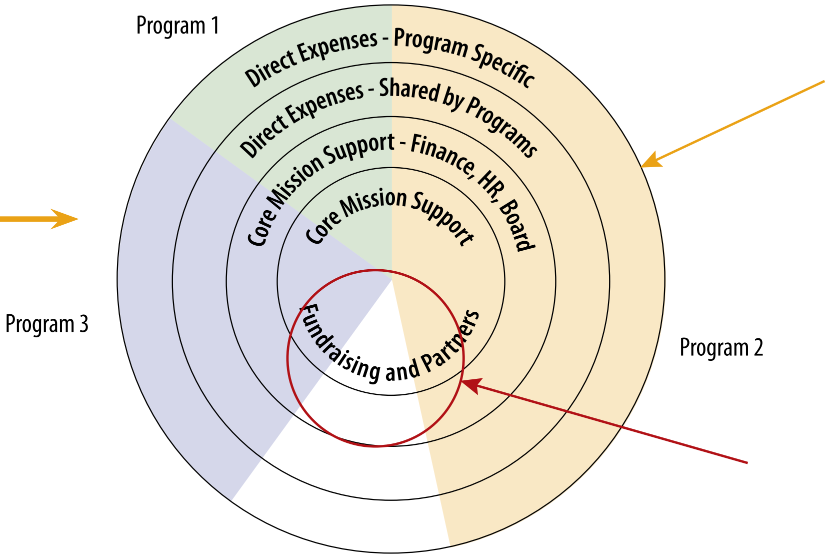
Program 3
Program 2
Direct Expenses - Program Specific
Direct Expenses - Shared by Programs
Core Mission Support - Finance, HR, Board
Core Mission Support
Fundraising and Partners

Underfunded Programs Create a Gap at the Core

Some programs are only partially funded by contributions or by earned revenue.

When a program is only partially funded, the expenses not covered include a proportionate share of the Core Mission Support. This creates a **Gap** in funding for the finance, human resources, governance, and fundraising infrastructures that support the entire organization.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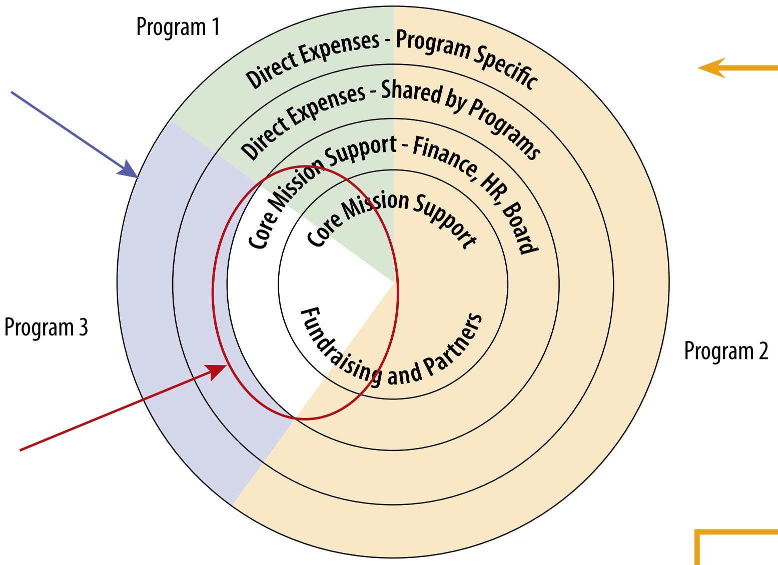
Fundraising and Partners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Core Mission
Core Mission Support
Fundraising and Partners
Program 3
Program 2

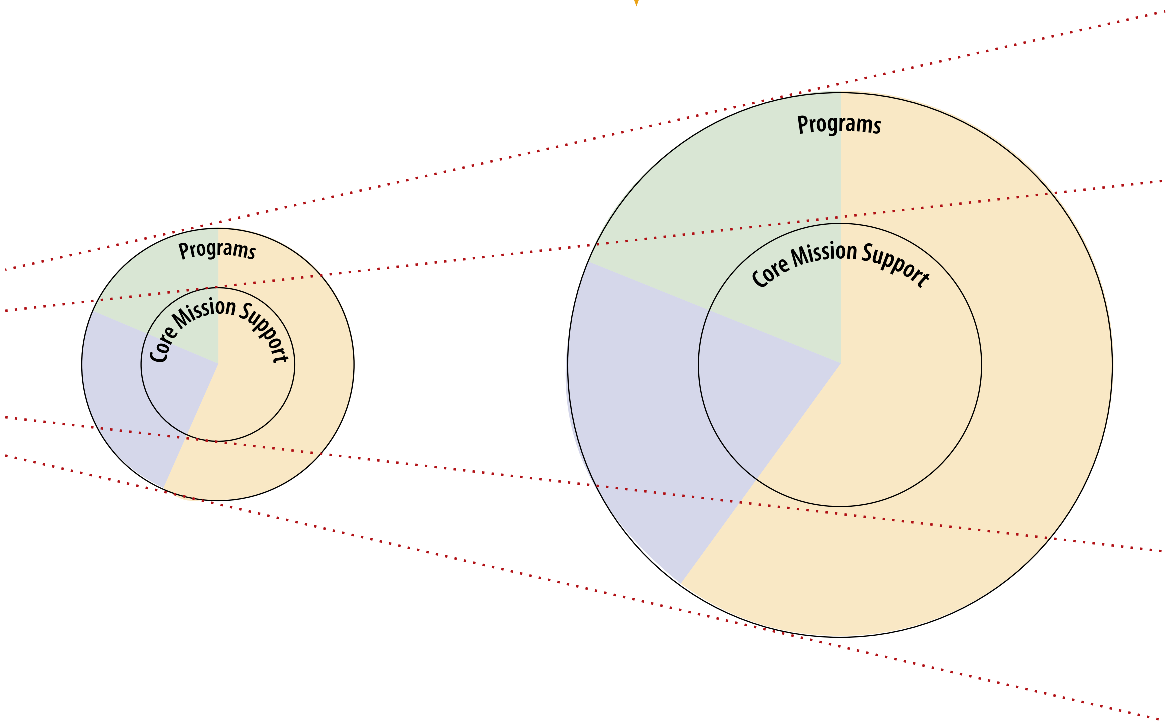
Line-Item Funding Creates a Gap at the Core

Some funders limit their support to only the direct expenses of a program.

When funders support only direct expenses, they deny funding for Core Mission Support. This leaves a **Gap** at the core of our organization. Not only is one program affected but also the health of the entire organization is at risk.

Invest in the Core to Grow the Mission

The growth and effectiveness of our mission work depend on having a solid **Core** at the center of our organizations. Investing in our infrastructure is savvy, prudent, and absolutely necessary.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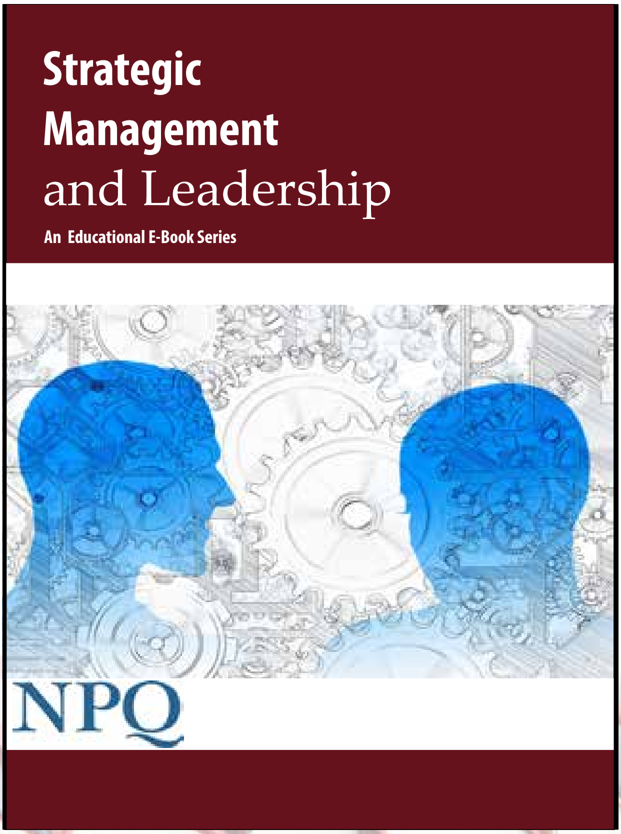

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- Reframing Governance
- Measuring Fundraising Performance vs. Fundraiser Performance

Go Visual with Our New Thinking

Once we have a new way of understanding and communicating about the Core Mission Support needed by our organizations, it is our job to share our thinking with others. Our funders, supporters, and investors all want us to succeed. They are partners in accomplishing our mission work. But, like us, they may need help reimagining the role strong infrastructure plays in amplifying program effectiveness. By providing a simple visual guide, we can help transform the way we talk about, picture, and ultimately fund the Core Mission Support that is at the center of all great nonprofits.

Curtis Klotz oversees the finances and operations of Nonprofits Assistance Fund (NAF), a certified Community Development Financial Institution in Minneapolis. In his current role, he also provides financial management advice and support to a variety of nonprofits, is a frequent presenter at conferences and workshops on nonprofit finance topics, and is a regular contributor to NAF's blog *Balancing the Mission Checkbook*.

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