

THE Nonprofit QUARTERLY

**Multiyear and Unrestricted:
Seeding a Better
Philanthropic Practice**

AND:

**Reframing Narratives:
New Scaffolding on
Which to Construct
a Different Future**

Bell and McCambridge *on* New Directions in Philanthropy
Price, Robinson, and Villanueva *on* Developing Narrative Power

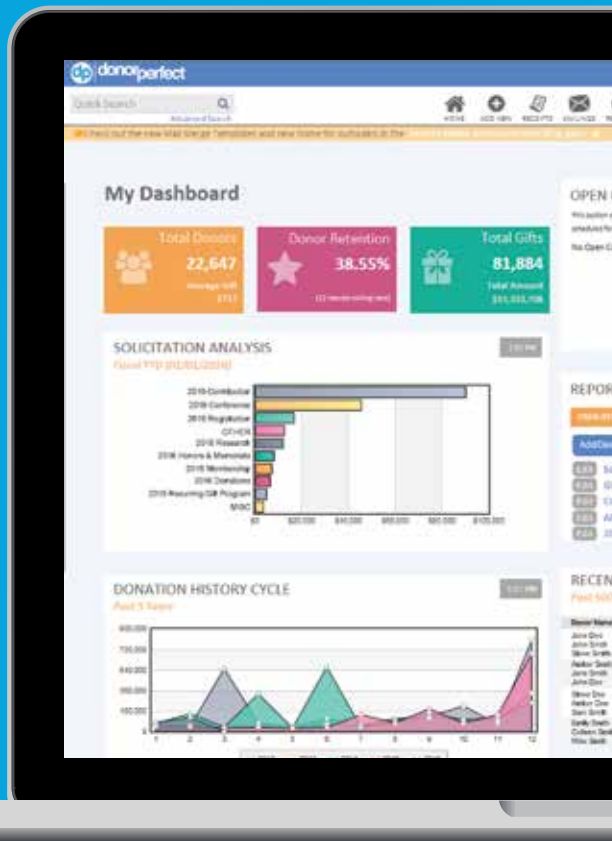
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5 Welcome

6 The Nonprofit Whisperer

What is the best way to manage a transparent executive transition so that positive organizational change can shine through? The Nonprofit Whisperer outlines the challenges and rewards.

Features

8 MULTIYEAR AND UNRESTRICTED: THE GRANTS OF NONPROFIT DREAMS COME TO LIFE

11 *Democracy in Practice: How the Ford Foundation and Its BUILD Grantees Are Changing Philanthropy*

This article highlights the Ford Foundation's transformative approach to grantmaking that "responds to the urgency to advance democracy inside and among our institutions and across societies." As the authors explain, the scale of Ford's investment is remarkable, but it is its BUILD program's "ethos, structure, and accompanying practices that deserve study and replication."

by Jeanne Bell and Ruth McCambridge

23 *The Edna McConnell Clark Foundation's Bigger and Better Capital Flow Creates Its Own Course*

The Edna McConnell Clark Foundation has become distinguished for its exploration of a new form of grantmaking: megagrants, designed around nonprofit-directed working capital, funding for rigorous evaluation, and capacity building. This article describes some of the foundation's learning along the way as it gears up for the spend-down of its assets eight years from now.

by Ruth McCambridge

28 WHEN SOMEONE STEALS YOUR SOUL: REPATRIATING NARRATIVES IN THE NONPROFIT SECTOR

31 *Reframing Narratives, Resetting Reality: A Conversation with Mackenzie Price of the FrameWorks Institute*

In this conversation with the *Nonprofit Quarterly*, Mackenzie Price, an applied sociolinguist and senior associate in the research interpretation and application unit at the FrameWorks Institute, talks about how narratives emerge, how they get used in the world, and how to recognize, interrupt, and reorient them.

36 *Changing Our Narrative about Narrative: The Infrastructure Required for Building Narrative Power*

In this essay, originally written for the Haas Institute's Blueprint for Belonging project, Rashad Robinson, president of Color Of Change, asks, "Are we happy? Are we happy with how we're doing narrative right now and the results we're getting, and are we willing to keep on doing the same?" The question is, of course, rhetorical. "Narrative builds power for people," he reminds us, "or it is not useful at all."

by Rashad Robinson

44 *Money as Medicine: Leveraging Philanthropy to Decolonize Wealth*

"In the Indigenous worldview, many things can be medicine: a place, a word, a stone, an animal, a natural phenomenon, a dream, a life event like a coffee date with a friend, or even something that seems bad in the moment, like the loss of a job. . . . You don't choose the medicine, the elders say—it chooses you."

by Edgar Villanueva



PAGE 6



PAGE 8

48 **Museums: Nonprofits in the Eye of the Perfect Narrative Storm**

The daily online newswire, produced by NPQ's collaborative journalism program, traces developments in fields, practices, and the operating environments of nonprofits. This compilation of NPQ reportage highlights the realms of activities and issues involved in decolonizing the museum, acknowledging the role of museums in anchoring narratives about the world we live in.



PAGE 28

Departments

63 **You First: Leadership for a New World** *"Carpe Fortuna—Reddere in Ante"*

In terms of successfully running an organization, does luck matter? Nonprofit leaders have tended to fall into a "Yes, luck matters" or "No, luck doesn't matter" argument based on good fortune versus skill. Here, Mark Light highlights the more-often-than-not ignored relationship between so-called "luck" and privilege.

by Mark Light, MBA, PhD

66 **Cultures of Nonprofit Trusteeship: What Lies Beneath?**

Nonprofit boards are, as this article explains, "deeply influenced by any number of 'silent' factors beyond whether they happen to adhere to commonly agreed-upon standards of governance"—otherwise known as *cultures of trusteeship*.

by Rikki Abzug and Jeffrey S. Simonoff

74 **How Nonprofits Solve Social Enterprise's Three Big Problems: Money, Trust, and Information**

Social enterprise more often than not describes itself as the answer to vexing problems that neither nonprofits nor government are equipped to solve. But, as this article contends, "scratching below the surface of social enterprise businesses reveals that they depend significantly on the nonprofit sector for their effectiveness and survival."

by Curtis Child

78 **Counting What Counts: Why Social Accounting MATTERS**

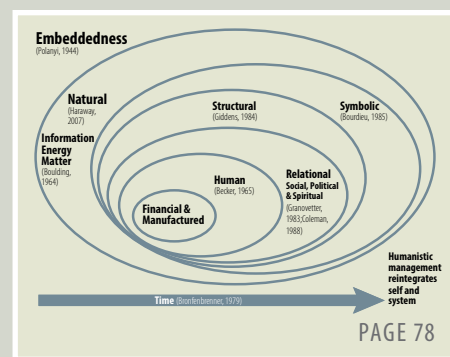
In nonprofits, we know that the value we create is not merely a matter of dollars and cents. Isn't it about time that we aligned our reporting with our values? This article outlines a promising approach to the emerging field of social accounting: Integrated Reporting.

by Elizabeth A. Castillo

85 **SPECIAL REPORT The Ailing CFC: One More Canary in the Workplace Giving Coal Mine?**

The rapid plummeting of the Combined Federal Campaign's workplace fundraising has continued unabated, despite many attempts at reform. But is that because it is irrevocably fated by the times, or is it because the program has failed to listen even in reform mode?

by Marshall Strauss



PAGE 78

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Nonprofit
QUARTERLY

www.npqmag.org

The *Nonprofit Quarterly* is published by Nonprofit Information Networking Association,
112 Water St., Ste. 400, Boston, MA 02109; 617-227-4624.

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ISSN 1934-6050

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e-mail (subscriptions@npqmag.org), or online

(www.nonprofitquarterly.org). A one-year

subscription (4 issues) is \$59. A single issue is \$19.95.

Welcome

DEAR READERS,
We are in the midst of a redesign of our format to make it more focused on advancing critical conversations in practice, policy, and big ideas generally, as well as more interactive with our online content. In short, you will find as we go forward that the print journal is becoming increasingly important to the value you can draw from *NPQ* as a whole.

This season, we are focused on the advancement of two practices—one in philanthropy and the other in the civil sector as a whole.

Our first cluster of articles is aimed at encouraging this country's foundations to consider making more multiyear, unrestricted grants to nonprofits. The old, short-lease paradigm of yearly decision making on grants—whose use is controlled at the foundation level—contains many embedded assumptions, most of which scream distrust and smack of systemic infantilization. One of the articles, on the Ford Foundation's ambitious Building Institutions and Networks (BUILD) program, contains a wealth of information about what both the grantees and the foundation see as benefits after the first full year of the program. It is a treasure trove of rationales for, at the very least, including this form of grantmaking in your foundation's mix, and even as your central design for grant giving. The model is connected to a social-justice agenda, and encourages the creation of movement networks—which makes the whole story that much more powerful, as we close out the second year of the Trump presidency and watch the global battle play out between authoritarian and small-*d* democratic forces.

The second cluster of articles looks at what it is about “narrative” that is capturing the public imagination so much right now. For those of us who have spent our lives written out of (or characterized in ugly ways in) dominant narratives, the potential power of rewriting such narratives to conform to our truths and in a way that is embraced by a plural public is clear. But what does it take to build the narratives into the new stories we want to live into? The articles in this section are fascinating and varied, and include one that epitomizes the shift we are attempting in the magazine: a compilation of newswire reports that *NPQ* has published online, over a five-year period, covering the decolonization movement(s) in and around museums. The article reviews the many ways in which the resourcing, governing, and curating functions have served to keep a narrative in place that normalizes the colonization and subjugation of various populations around the world, and how stakeholders are attempting to unravel the strands of the anchor ropes.

As you will discover as you read, these two clusters have many points of connection. But there is one line that describes the mood of this edition overall. It is a wry statement by Edgar Villanueva, in an article adapted from his new book *Decolonizing Wealth: Indigenous Wisdom to Heal Divides and Restore Balance*: “Philanthropy, honey, it's time for an intervention.”





The Nonprofit Whisperer

There is more than one way to conduct an executive transition, but whichever way you choose to do it, you want to make sure that your approach aligns well with your particular organization and its culture. If you are considering an overlap between a departing and an incoming leader, however, a short crossover will usually be the better choice. That way, there is ample time for transference of the departing leader's skills and know-how, but not so much time that the new leader is champing at the bit.

DEAR NONPROFIT WHISPERER,
I am the decades-long executive director of a very large, identity-based nonprofit organization that plays critical health, well-being, and cultural roles for thousands of members of our community each year. My question is about my planned executive transition three years from now. My staff and board and I are planning carefully and transparently for this departure. We understand there is risk to be managed but also great opportunity for positive organizational change through my transition. One way that we are considering managing the risk is having a year of overlap between my selected successor (be that person internally or externally recruited) and me. Given the size and complexity of our organization and the vast array of relationships that will need to be transferred, we think this is a powerful way to support our new leader in that critical first year. What would you recommend to make this nontraditional approach work for us? How do we mitigate the risks? Thank you for your guidance.

Pondering

Dear Pondering,

It is wonderful that you are taking such a planned and transparent approach to

your transition. If you have not read the growing body of literature on executive transition in the nonprofit sector, I recommend that you do so. The *Nonprofit Quarterly* has published a number of articles on the topic over the years.¹ You might also take the time to reach out to some of the authors of those articles for additional feedback.

Reading William Bridges's seminal book *Managing Transitions: Making the Most of Change* will also give you insight.² Bridges writes about creating good endings for departing leaders, and something called "the neutral zone."³ This is a phase that you, the board, staff, and community will enter when you publicly announce your departure. It is the time that bridges the old and the new. You (and maybe a coach or mentor who can provide a sounding board) must think very carefully about how long you want people to be in the neutral zone.

Your presence will provide comfort and assurances to staff and others, but it may also make it difficult for them to let go. People can feel confused, fearful of change, or impatient for the change to finally happen during this time. You will likely also feel some disorientation—even as prepared as you are—as the time to relinquish leadership draws

closer. Given the emotions (including ambivalence) people feel around transition, the risk for your organization is that a one-year crossover with the new leader may be too long. You may want to consider getting a transition coach to talk this over with you and (if the organization can afford it) outside counsel from an executive transitions consulting firm to help the organization identify the stages of transition it is in along the way and support the pacing that is right for your organization and the new leader.⁴ Firms or consultants focused on the executive transitions model will take the time to assess the organization and help identify areas that can be strengthened, while also building shared understanding of the vision and the needs of the organization for the next five years. This would provide a basis for a future-oriented, needs-based leadership profile that may or may not be close to your current job description.

Without knowing the details of your particular organization and its culture, consider a year of transition in which the new leader is in place, but with a shorter crossover (more like three months), and a very sound plan for how to transfer your social capital (introductions to people, networks, and so forth), your technical knowledge about the day-to-day

management, and other knowledge transfer that seems necessary. The new leader will be champing at the bit to get going and begin building rapport with staff, board, and community. A year seems like a long time for a new leader to have to wait to take over fully in this role—and, again, it extends the neutral zone for staff and board. Minimally, they may feel awkward shifting their relationship to the new person, feeling they are leaving you out. At the other end of the spectrum, there could be a lot of confusion about who they should report to or have strategic conversations with, and at what point in time. There are many other reasons to consider a shorter transfer of leadership, but reducing the confused emotional period of the “neutral zone” is primary.

That said, many leaders are departing and taking on a different role with their organization or extending their relationship, but with very clear guidelines for their role, responsibility, and how communications happen.⁵ You might consider working with the board to carve out a niche around a special project that places you out of the mix of day-to-day leadership and management, while still contributing to the health of the organization and providing you with the time to manage your own transition and a soft landing. Determine with the board a designated date for letting go of the day-to-day reins and a plan that allows the new leader to have a clear and bright-lined start and you to have a “good ending.” This transition period will grow a new beginning for you, for the new leader, and for the organization—one in which you will not be leading but hopefully contributing in a defined and meaningful way.

NOTES

1. See, for example, Jeanne Bell and Tom Adams, “Nonprofit Leadership Transitions

and Organizational Sustainability: An Updated Approach that Changes the Landscape,” *Nonprofit Quarterly* webinar, March 22, 2017, nonprofitquarterly.org/2017/03/22/nonprofit-leadership-transitions-organizational-sustainability-updated-approach-changes-landscape/; Ted Ford Webb, “Successful Successions: Executive Transitions that Worked,” *Nonprofit Quarterly*, April 22, 2014, nonprofitquarterly.org/2014/04/22/successful-successions-executive-transitions-that-worked/; and the editors, “Letting Go: A Leadership Challenge,” *Nonprofit Quarterly*, July 28, 2017, nonprofitquarterly.org/2017/07/28/letting-go-a-leadership-challenge/. See also Tom Adams, *The Evolution of Executive Transition and Allied Practices: A Call for Service Integration* (Oakland, CA: CompassPoint Nonprofit Services and Raffa, P.C., March 2017).

2. William Bridges, *Managing Transitions: Making the Most of Change*, 2nd ed. (Cambridge, MA: Perseus Books Group, 2004).

3. *Ibid.*, 39–56.

4. For example, Raffa Nonprofit Search (www.raffa.com), or TSNE MissionWorks (www.tsne.org).

5. See “New Bridgespan Group Study on Nonprofit Founder Transitions Counters Conventional Wisdom that ‘Clean Break’ Is Best, Demonstrates Benefits of Maintaining Role for Founder,” Bridgespan Group press release, February 15, 2018, www.bridgespan.org/about-us/for-the-media/new-bridgespan-group-study-on-nonprofit-founder-tr.

THE NONPROFIT WHISPERER has over thirty years of experience in the nonprofit sector, serving variously as nonprofit staff and board member, foundation staff member, and nonprofit management consultant.

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Multiyear and Unrestricted: *The Grants of Nonprofit Dreams* *Come to Life*

AS A SOURCE OF REVENUE FOR ONGOING WORK, foundation grants can be frustrating for a number of reasons. But the good news is that those aspects that make them sometimes frustrating can be changed with a redesign that more closely interrogates the assumptions on which grants are currently made. Specifically, in this cluster we look at two instances of grantmaking based on the intention to build power and sustainability among grantees who closely reflect the focus and intention of the foundations: the Ford Foundation, as embodied in its BUILD program, and the Edna McConnell Clark Foundation (EMCF).

These two foundations have significant differences—in focus and in what they are looking for in grantees—but they are both working with a grant form that defies the philanthropic norm and is arguably more useful in building long-term capacity and effectiveness for grantees and the work they are engaged in. Put simply, the far-end philanthropic norm is a “short leash,” involving one-year grants monitored for the proportion

they comprise of the overall budget, and often provided for relatively restricted purposes.

The far-end alternative, which we briefly describe in the following two articles, comprises multiyear, relatively unrestricted grants of sufficient size to allow grantees to holistically and nimbly develop and improve the quality, and sometimes the reach, of their work. This category of grant is built on trust and mutual learning and respect. The Whitman Institute calls the form “Trust-Based Philanthropy,” contrasting it briefly but profoundly with “suspicion-based” philanthropy, and lays out the principles as follows on its website:

Key Principles of Trust-Based Philanthropy

Provide Unrestricted, Multi-Year Funding

The clearest way to demonstrate trust is to rely on the grantee to determine the best use of its resources. Unrestricted funding also kindles the freedom to learn, adapt, and take risks. It is critical in supporting an organization’s sustainability and effectiveness.



THE ARTICLES IN THIS SECTION HIGHLIGHT TWO LONGSTANDING FOUNDATIONS THAT HAVE TAKEN NEW DIRECTIONS WITH THEIR GRANTMAKING

IN AN EFFORT TO BUILD POWER AND SUSTAINABILITY AMONG THEIR GRANTEES: THE FORD FOUNDATION AND

THE EDNA MCCONNELL CLARK FOUNDATION. THE INTENTION OF THESE ARTICLES IS TO HELP ADVANCE THE FAST-GROWING CONVERSATION ABOUT

THE WAYS IN WHICH PHILANTHROPY MUST EVOLVE ITS ETHOS AND PRACTICES TO ALIGN WITH TRUE EQUITY AND DEMOCRACY.



We Do the Homework

The burden of proof in determining whether a leader and organization are a good fit for our portfolio is on us. We do the footwork and conduct the due diligence before inviting leaders to invest their time and attention.

Partner in a Spirit of Service

We enter collaborations with humility by listening first and responding directly to the needs of our partners. Universally, they have much more knowledge of their work, fields, and challenges than we do. We place ourselves shoulder to shoulder, not ahead of, our grantee partners as we iterate and learn, together.

Transparent and Responsive Communication

Our two Co-Executive Directors, who are also Trustees, operate with an open door policy. We acknowledge and send requests in timely ways so as not to surprise or overburden our partners, who are busy changing the world. We also strive to model transparency in ways that minimize power dynamics and move the work forward.

Solicit and Act on Feedback

We actively partner with leaders and organizations whose work models relationship, dialogue, and equity in ways that inspire and inform our own. We also regularly solicit, reflect on, and take action on feedback from our grantees.

Simplify and Streamline Paperwork

We seek to minimize our digital and paper footprint with grantees, and are generally quite satisfied with proposals and reports crafted for other funders. We also look for opportunities to consolidate our respective due diligence efforts.

Support Beyond the Check

We are committed to offering support beyond money if our grantees see it as helpful. Some of the ways we do this include opening doors; highlighting their leadership and work; being a sounding board and source of advice; providing spaces for reflection; hosting restorative retreats geared toward inspiration and renewal; and, generally, being of service where needed to bolster leadership and organizational capacity.

The Whitman Institute, itself a funder, contends that these grantmaking practices “help build stronger relationships; healthier, more effective organizations; and, if implemented widely, hold the potential to transform our sector” (as John Esterle wrote in “Putting Trust at the Center of Foundation Work,” a blog entry on The Whitman Institute’s website). Esterle continued: “When we provide unrestricted support, we find that we start our relationships with grantees from a place of trust, rather than implicit distrust. And when that happens, something shifts in the power dynamic. The imbalance doesn’t completely go away, but it is mitigated and a different kind of conversation begins. Multiyear support encourages people to really talk openly about what’s going on in their work without fear that they may be penalized in the form of funding not renewed.”

One inherent problem with trust-based funding is that it can restrict the foundation’s ability to fund emergent groups and issues. Indeed, The Whitman Institute—a far smaller funder than Ford and EMCF—takes a dual approach to its own funding that includes multiyear, unrestricted funding while making targeted grants to support emerging opportunities as they arise. But the other often-cited issue is that the concentration of revenue for one group (or set of groups) may solidify it as a “leader” in the field, when that dynamic may not be useful to the field in the long run. This necessitates a different kind of involvement of the funder in the field being impacted, as is reflected in the above principles.

Thus, in the long run, while trust-based philanthropy lessens the effects of the basic power dynamic between funder and grantee, both parties must still work hard to make it function well for the communities and fields affected.

As The Whitman Institute, EMCF, and the Ford Foundation’s practices suggest, funders can mix types of grantmaking to mitigate some of the potential negative narrowing effects of trust-based philanthropy. But the proven negative effects of suspicion-based philanthropy, which often retards natural nonprofit development, should be enough to spark others to consider their own assumptions and designs of grantmaking.

Democracy in Practice: **How *the* Ford Foundation and Its BUILD Grantees Are Changing Philanthropy**

by Jeanne Bell and Ruth McCambridge

BASED ON OUTCOMES, THERE CAN BE LITTLE doubt that new approaches are needed to address the long-standing and intensifying global and national issues of racial inequity, economic injustice, and environmental disregard that have marked this past decade. Previous approaches have not been decisively effective in turning these tides; and although we might argue about why that is, there is at least a very good argument for trying something different

JEANNE BELL directs NPQ's Advancing Practice program to forward critical conversations about nonprofit management and leadership. Bell is the former CEO of CompassPoint, where she stewarded the organization's strategic evolution toward focusing on emerging leaders and emergent leadership practice with an explicit orientation to social change. She is the author of numerous articles on nonprofit leadership, strategy, and sustainability, and coauthor of several books, including, most recently, *The Sustainability Mindset* (Jossey-Bass, 2014). Bell's board leadership has included officer positions at the Alliance for Nonprofit Management and Intersection for the Arts. She currently serves on the advisory board for the Master of Nonprofit Administration program at the University of San Francisco's School of Management.

RUTH MCCAMBRIDGE is the *Nonprofit Quarterly's* editor in chief.



THIS ARTICLE IS MEANT TO BE less about the BUILD program and more of a wake-up call for institutional philanthropy generally. We have found in examining this program that it has had some extraordinary effects on grantees and potentially on America's future, and that many of these effects have been achieved by changing the practical frameworks through which grants are given and managed. These practical frameworks, however, are informed by social constructs that influence both power relationships between grantor and grantee, and the ultimate effectiveness of the grantee. These social constructs are so firmly embedded in our culture that they are virtually invisible to those whose power is reinforced by them—but they are by no means invisible to those who are subjected to them. What BUILD did, in short, was commit \$1 billion to a grant program that:

- Selected a group of grantees who were seen as central to networks working on issues of inequality and social justice.
- Provided sufficient capital over multiple years to allow them to build strategy around vision.
- Retained a close enough relationship to identify where BUILD might be helpful along the way by providing spaces for convening around developmental issues encountered by grantees.
- Centered evaluation in developmental or formative styles.

philanthropically to dislodge the powerfully dishonest narratives that continue to exert a grip on our collective consciousness. There is a mounting urgency in the social sector, therefore, to examine our own histories of practice; to uncover and confront any ways in which we have reinforced or benefited from the flaws in our own practices and their supporting narratives; and to take on the necessary work of (finally) operationalizing our long-professed values of democracy and justice.

In our sector, grantmaking institutions, of course, hold enormous power, in that they can both model this necessary work, if they so choose, *and* scale it exponentially by financing nonprofit organizations to take it on as well. The Ford Foundation is advancing grantmaking practice in exactly this inside-out fashion with its BUILD program. Deployed in June 2016, BUILD provides large, five-year general operating grants with significant capacity-building support to nonprofit organizations on the front lines of social change in the United States and around the world. The scale of Ford's investment—\$1 billion to three hundred social justice organizations globally—is surely impressive, but it is BUILD's ethos, structure, and accompanying practices that deserve study and replication.

Upending Grantmaking Practice

Before we move into the focus of this article, we want to revisit two drivers of current practice between grantmakers and grantseekers in the United States. One is the idea of the *muted market*, which is—put very simply—the reality that, in large part, nonprofits are paid not by those they are organized to benefit or represent but by a third party.

Simplistically, to thrive over time in much of the business world, institutions must please those who use their products or services. This is a fairly direct relationship. The user is the same as the buyer—and this is the customer. Businesses may be able to fool customers about what they deep down want and even sell them things that are not in their or the world's long-term best interests, but even if they have many millions of customers, the basic relationship remains very direct.

In contrast, in many nonprofits the buyers can be different from the users. The buyer may be a foundation, a government agency, or even a base of individual donors—or some combination of all of these, purchasing services that will be consumed by someone else: a community theater attendee, a homeless person. This creates a potential, and too often lived-out, disconnection between what users (constituents) really want or need and what the buyer thinks they ought to have. There may be no, or at the very least a delayed, financial consequence to the nonprofit if it is unresponsive to constituents—beyond satisfying the buyer's contracted requirements. Thus the voice of the user is “muted.” This also places the nonprofit in the morally vulnerable position of broker—the entity presumably responsible for the translation between what the donor/buyer wants to fund and what constituents really need.¹

In the case of social change work, this third-party payer will often be one or a number of foundations. The problem in this structure is that the groups funded may find themselves

responding more to the foundation than to their constituency. This may lead to a growing disconnect and lack of accountability between the organization and its power base—in other words, it may create a power suck in the very field in which power was to have been built.

The second driver is the infantilizing power dynamic that plays out between the grantor and the grantee. Look at it as the kind of curfews and controlling mechanisms that are used with adolescents. Short cycles of funding and accountability reinforce the primacy of that relationship, as does too much control over how resources are spent. The relationship, as it is currently constructed, is habitually and thoughtlessly power-laden, when in many cases funders might like to think they'd be happy to see the group as primarily accountable to its community. These notions about needed alterations in the deployment of grant funds are not new. For decades, numerous organizations, white papers, and conference panels have addressed the power of less restricted grants over longer periods to increase nonprofit effectiveness. Recall that Grantmakers for Effective Organizations (GEO) was founded more than twenty years ago precisely to lift up and encourage less restricted and more long term grants. And yet, data confirm that these practices remain rare and that their uptake has largely flatlined. According to the National Committee for Responsive Philanthropy, "Together, general operating support and multi-year funding are important in creating healthy and effective nonprofits. Unfortunately, there continues to be a severe shortage of these types of grants at a time when grantees need as much core operating money as possible both to help cope with funding cutbacks and to help offset the increased demands for services."² Thus, while the practices are not new in concept, the BUILD program feels radical because it actually employs them with vigor.

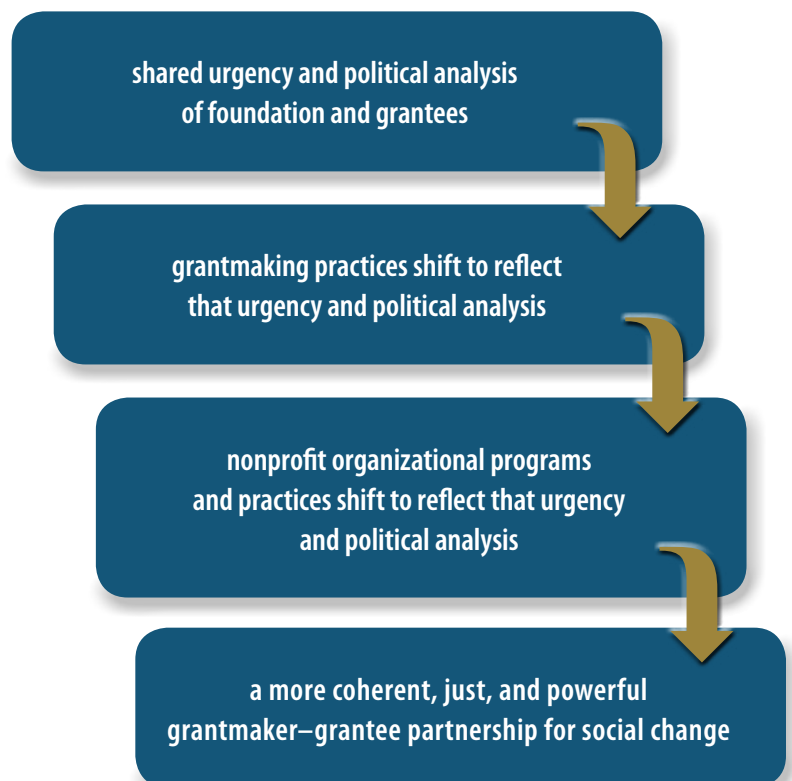
BUILD's Intense Focus

If we were to see this moment in history as being a particularly intense struggle between advocates for democratic voice and equity and powerful but challenged systems of inequity, the degree to which movements can engage their bases and partners becomes absolutely critical.

In interviews with leaders of BUILD grantee organizations as well as with BUILD program officers, an exciting and synergistic set of dynamics emerges that responds to the urgency to advance democracy inside and among our institutions and across societies.

1. Both the foundation and the grantees share an explicit equity-centered analysis of how democracies need to evolve, as well as a sense of the opportunities embodied in this historic moment.
2. The foundation adjusts its grantmaking to better facilitate the work of nonprofits to accelerate social change.
3. The nonprofit, in turn, is able to speed up its own cycles of programmatic development, but also works to ensure that its own organizational and network practices are aimed at creating an ever expanding and more vibrant base of connected political activists.

Aligning Foundation and Grantee Practices for Social Change



This grantmaking form creates a very different dynamic between the funder, the grantee, and the grantee's field.

Regarding the third dynamic, Kathy Reich, BUILD's director, noted, "In many cases, the promise remains unfulfilled or only partially realized. Ford has been far from perfect in the design or implementation of BUILD, and of course nonprofits haven't been perfect either. I do think it's necessary to acknowledge that there's a difference between theory and practice, and that in practice, we may not achieve this virtuous cycle. We are learning a lot along the way, though, and I very much believe it's better than what we were doing before."³

Two years into the five-year commitment to the BUILD program at Ford, a number of lessons are emerging about how this form of grantmaking reflects and inspires deeper democracy in organizations, fields, and communities. These are drawn from early interviews with BUILD grantees and the excellent report on the program, *Changing Grant Making to Change the World: Reflecting on BUILD's First Year*, published in November 2018.⁴

1. **Accountability is reportioned.** The grantee is more responsive to its field, network partners, external circumstances, and what it is learning than it is to its funder.
2. **Nonprofits have greater control of their resources.** Funds can be used in fluid ways that create the most strategic leverage in the work being done—providing greater flexibility for adaptation based on learning.
3. **Organizational strengthening is on time, and makes sense to the organization.** Strengthening encompasses the technical, inclusive, and adaptive work that drives impact and engagement. Grantees are able to better align administrative systems and organizational culture to their work as it develops.
4. **Financial security allows for risk-taking.** With a more reasonable and secure base of financial support, grantees confidently take on risk and developing sustainability.
5. **Funder confidence is leveraged across the grantee network.** The confidence expressed by Ford created a sense of momentum and safety that encouraged other funders to similarly and safely invest in that

organization or one or more of its network partners.

We explore each of these further on, centering the voices of the nonprofit leaders in grantee organizations as they variously describe the particular dynamics and effects of BUILD funding in our current sociopolitical context.

Accountability Is Reportioned

"For BUILD to work well . . . we have learned that it's critical to start with the ultimate goal—the system you are trying to change, the policy win you are trying to achieve, the community you are trying to empower—and then give BUILD support to grantees who are your key partners in achieving those goals."⁵

Again, the BUILD program affords its social justice grantees a five-year commitment of large, general operating grants, including funds directed to organizational capacity building. This grantmaking form creates a very different dynamic between the funder, the grantee, and the grantee's field. Most nonprofits function in a muted market (as described earlier), where those who are meant to benefit from their work are different from those who pay for the work. This at the very least establishes interrupted lines of accountability; it also sets up a system that, in its typical practices, infantilizes nonprofits and, in turn, communities. Two of the most powerful mechanisms of this infantilization are short cycles of grantmaking and restrictions on the uses of grant money. Both have the effect of drawing the organization's accountability focus to the funder, an antidemocratic dynamic that undermines constituent voice and power.

Sarah Johnson, director of Local Progress, a project of the Center for Popular Democracy (CPD), gave an example of how this constituent responsiveness showed up in Local Progress's work in connecting progressive municipal government officials with community organizations:

The immigrant rights work that Local Progress launched in 2017 following the presidential election is a good example

of where we were able to be responsive to our membership by launching a new body of work—in an area where the need was high—on an immediate basis. We were able to dedicate more capacity to it without, at the time, having identified dedicated funding specifically to support that work. Since then we have found additional funding streams, but that is an example of how we were able to lean in to the energy of our members to define a body of work that met their needs and priorities.

Johnson further underscored that democratic practices are inherently time and capacity intensive, in that they engage constituents at every step:

The amount of time it takes to build a new strategy in a constituency- and membership-based organization requires, in and of itself, a big chunk of capacity. We have built out member steering committees for all of our different bodies of work. Just building those to identify what the strategies are is a project. It takes time to do that and then define the strategies moving forward instead of having to try to backwards-build constituency-based strategies.

Being constituency driven is made far easier by not having to find funds before an organization can structure itself for—and respond to—constituents’ shifting needs and priorities.

Nonprofits Have Greater Control over Their Resources (and, by Extension, Their Programs)

“BUILD grants need to be large enough to make a difference. One error we made with some early grants was not making them significantly larger than past grants, to enable organizations to really think big and strengthen their own leadership, strategies, and systems. Our aspiration going forward is to make each BUILD grant at least 30 percent larger than past levels of support from Ford.”⁶

One of the most problematic issues in managing nonprofits for greater effectiveness is the fact that external revenue sources so often control how the organization’s cash on hand is allowed to be spent. This is, of course, not true for the revenue sources of for-profit businesses. The result for nonprofits of this external control of fungibility is that their ability to develop in a balanced, fluid, and responsive way is seriously undermined. The fact that BUILD consciously gives more money over an extended period and that the majority of those funds can be used for general operating allows the grantees to remain nimble and responsive to the environment, as well as to any needs that emerge as a consequence of organizational growth, leadership change, or necessary shifts in strategy.

The notion of “slack” can be applied here, though it is seldom used among nonprofits. Slack is “a cushion of potential resources which allow an organization to adapt to internal pressures for adjustment or to external pressures for change in policy, as well as to initiate changes in strategy with respect to the external environment.”⁷ In a fast-moving and volatile environment, where developments of all kinds are the norm rather than the exception, to not budget as a funder for slack is—as Woods Bowman termed it in his 2007 article, “Organizational Slack (or Goldilocks and the Three Budgets)” —tyrannical.⁸ Or, to put it another way, undemocratic.

Organizational Strengthening Is on Time, and Makes Sense to the Organization

“Not only does general support provide vital working capital to sustain and improve infrastructure, it also allows organizations to spend more time and resources on programming, planning for the longer term, and responding more quickly to new challenges or opportunities.”⁹

Nonprofits are often forced to develop special funding applications to resource the necessary infrastructure for their work as it increases in volume and complexity. These extra requests often suffer from a lag time. Sufficient capital on hand to address issues as they emerge cuts

Being constituency driven is made far easier by not having to find funds before an organization can structure itself for—and respond to—constituents’ shifting needs and priorities.

The fit between what an organization needs for next steps and its ability and willingness to take on the capacity and infrastructure building for those next steps is always highly sensitive, far more so than most funders and consultants generally acknowledge.

down on the need for potential leaders to ignore or delay capacity-building measures that could advance an organization's work. Interviewees talked in depth about these measures being critical. Sometimes the systems are relatively standard (including, for instance, new CRM capacities), but sometimes they are more organic to the specific mission work of the organization.

For Race Forward, which is the coming together of the historic Race Forward: The Center for Racial Justice Innovation and the historic Center for Social Inclusion, BUILD funding came at a dynamic intersection of the organizations in a moment ripe with opportunity for advancement of their shared causes. The two organizations had often worked in tandem to end structural racism and to operationalize structural and racial equity. "Race Forward had a fabulous air game with a wonderful communications arm," noted Jennifer Levison, Race Forward's interim senior vice president of development and partnerships—"including the publication *Colorlines* and other narrative strategies." She continued:

It did other things as well, but I think it was known for those things. The Center for Social Inclusion, while it had narrative strategies, was known for policy operationalizing racial equity on the ground. Four years ago, we also brought in the Government Alliance on Race and Equity—so that, in addition to doing operationalizing of racial equity in community-based organizations, we really started looking at the local and regional government sectors and other institutionalized change.

Merging two organizations even as they responded to the exciting acceleration of the national discourse about racial justice left the newly combined Race Forward staff with any number of capacity-building needs. "You wouldn't normally hear the word *longing* attached to the merger of e-mail platforms or databases," said Levison, "but honestly, we were longing for administrative capacity. Database technology work is so unsung, and it's so important."

BUILD funding also allowed Race Forward to

invest in its programmatic vision. According to Levison, "One of the big things we were longing to do was to build out our Narrative, Arts, and Culture department. We said that we would find a visionary leader for this in our second year of BUILD, and we ended up finding somebody in our first year, so we're a little ahead of the game on building out what it's going to look like."

The fit between what an organization needs for next steps and its ability and willingness to take on the capacity and infrastructure building for those next steps is always highly sensitive, far more so than most funders and consultants generally acknowledge; and indeed, some grantees talked about awkward moments in negotiating that realm of the work, especially early in the process, but much of that friction appears to have dissipated with time and adjustment of processes. About this potentially charged and energy-draining space, Melissa Fourie, executive director of the Centre for Environmental Rights (CER) in South Africa, commented, "They show a lot of interest, but they don't prescribe, and they don't tell us what we should be doing. Some of our other funders have strong views about some of this, and that's really hard to manage."

Since opening its doors in 2010, CER's programs have grown exponentially in response to enormous environmental challenges, but its organizational structure and capacity have not necessarily kept pace. As Fourie described it, some areas of organizational change require concentrated effort over longer periods, and this includes advancing diversity, equity, and inclusion within the organization. "The diversity work in itself is a big body of work—and particularly in our very complex [South African] environment, with a lot of unresolved hurt—so it's really not an easy thing for us. But on the upside, we are pretty plain-speaking people in South Africa, so that actually helps us deal with some of these issues more head-on. We definitely want to see our management structures much more diverse than they are now. We want to see more career paths for our younger Black attorneys coming through. And that's achievable. I think we can do that by the end of five years. The BUILD reporting requirements are really streamlined and easy

and that's also of course the benefit of a five-year grant."

Prioritizing Engagement with Constituents and Networks

"One thing that we have been learning and evolving especially since 2016 is our organizational muscle around rapid response," said Johnson. "That stuff is like a muscle. You can build your ability to do it, to do it quickly, and do it in a consultative way with stakeholders so that it's not just chaotic and responsive. The second area where we are really experimenting is around translocal coordination of our members who are working on similar issues. Ideally, these two kinds of work are being built together and complementing each other." She continued:

When white nationalists brought hatred and violence to Charlottesville, we had one member—Wes Bellamy, [then] the vice mayor of Charlottesville, Virginia—who was personally singled out. He was targeted as a result of his history of organizing around racial equity—including both the fight around the Confederate statues and his successful advocacy for a racial equity budget package that dedicated \$4 million in funding—including significant funding for public housing, money to fund GED and scholarship programs, the creation of an ethnic studies curriculum within public schools, and a youth opportunity coordinator. We were able to mobilize our whole network to support him, helping them respond in their own ways to that truly horrifying series of events. Two months later, we held our first racial justice convening both responding to the overt racism being expressed in our country and thinking about what it means for municipal governments to be centering racial justice in their work. Among other things, the convening helped us spread information about racially equitable budgeting practices that members in several cities are now actively using, and it helped us build an evaluation tool for policing policy, with significant membership input. That's an example of

something that's not a new body of work but where we were able to build a rapid response and then build out infrastructure around it.

These are not the only processes Local Progress has had to work on, however, explained Johnson. "We did a bunch of really unsexy, infrastructural work. We updated our CRM and our website. We have a bigger staff, so we need tools that work better. We're no longer three people looking at an Excel spreadsheet and making a plan together. We have tried to build infrastructure at pace with growth, and I'm proud of that."

Fourie talked about the responsibility CER feels to share the wealth with its own wide network of partners. "What we're going to try to do is share some of the stuff. So, particularly our closer partners that we work with regularly, to tell them: this is what we're doing; here is a copy of the policy we developed; here's the right consultant we found on governance; this is the process we used. It's always been part of our organizational culture of openness and sharing of information. I mean, long before BUILD, that's been one of the things we're very strong about: that we make public all the resources we have available, share what we have."

A Longer Runway for Confidently Taking on Opportunity, Risk, and Sustainability Creates More Momentum

Many of the BUILD grantees talked about the timing of their BUILD grant as being critical in that they were in an environment where, if they couldn't ramp up quickly and inclusively to meet a more regressive yet opportunity-filled moment, they would lose potential momentum in the movement in which they were involved. Said Levinson of Race Forward (which, as was mentioned previously, has built out to meet that opportunity through a merger and an acquisition), "We haven't had a conversation on race like we're having right now since the civil rights era. So not only did we want to build that power but we really wanted to create something new—so, not just put together the work of two organizations but create something new and bigger and

Many of the BUILD grantees talked about the timing of their BUILD grant as being critical in that they were in an environment where, if they couldn't ramp up quickly and inclusively to meet a more regressive yet opportunity-filled moment, they would lose potential momentum.

"I think it's a good protective measure for foundations to be able to say we're trusting the leaders on the ground with the decisions they need to make in the moment."

more powerful. So that's the nutshell of how we came to be and what our purpose is."

For Fourie, the change of time frame relieves the usual pressure of an arbitrary time frame that does not fit the arc of the work being done. "I don't think it's exclusive to law firms," she said, "but when we look at how litigation and advocacy develop and how law reform develops, nothing happens within a one-year frame. And nothing happens in a two-year frame. It really does enable better planning—and enables better recruitment, as well, because you're then potentially not under pressure to recruit *now* somebody who can hit the ground running. So it's a knock-on effect to how you grow the organization and then actually approach work."

Fourie continued: "It was the first five-year grant we ever received. That was an enormous difference, I think. It had an enormous impact on our planning and comfort with longer-term planning."

Financial Security Allows for Risk-Taking

"Today, with 90 BUILD grantees in 26 countries outside the US, we have seen no evidence that grantees are using BUILD funds inappropriately or wastefully. To the contrary, we have seen plenty of evidence that they are spending them well. For example, at least 14 grantees in the Global South are using BUILD grants to support leadership transition—in many cases, transition of a founder or longtime CEO to new leadership. The new leaders tend to be younger, and are more likely to be women or members of marginalized groups, than previous leaders. Changing the demographics of who leads nonprofit organizations can itself disrupt drivers of inequality, like persistent discrimination and entrenched cultural narratives."¹⁰

"I think it's always a relief for any organization of this size to understand that they have multiyear support coming, that it's mainly unrestricted," said Pia Infante, board chair of the Center for Media Justice (CMJ), a national hub for racial justice leadership and strategy on culture, media,

and technology issues. The BUILD grant aims to help CMJ bring its work to scale and connect media reform and Internet access organizations to a broader movement for racial and economic equity. Infante continued:

I think there is an allowance for imagination, and there's relief, and then there's the ability to imagine out in ways that it's harder to do right when the financing isn't secure. And the timing of the BUILD grant was not accidental. I mean, it was after this new administration took hold that was obviously very antagonistic toward net neutrality, antagonistic to many of the visions and missions of the greater network that CMJ is the hub of. So, politically, it was timed in a really powerful moment of not wanting to just be constantly in response to either perceived or actualized threats to freedom, dignity, net neutrality, access to affordable Internet, and communications—and then at a time of increasing digital surveillance. So, the ability, not exactly to forecast exact strategies and tactics, but to know that there was some level of resource that was going to be available as net neutrality got repealed, as digital surveillance increased, as the police state was authorized monetarily and kind of culturally in different ways. And it has enabled not just the Center for Media Justice but really the entire network to mobilize swiftly, to get some wins, some small wins during what feels like a darker time for free and independent journalism, for non-mainstream media voices.

We're investing well, not just in building the infrastructure of a single nonprofit but in actually building the long-term sustainability of a wider network of close to one hundred groups; and that doesn't mean we're regranteeing, but it means that we have to think about where we're investing the resources that we're getting at this level for the next three years.

I think it's a good protective measure for foundations to be able to say we're trusting the leaders on the ground with

the decisions they need to make in the moment. And I really do credit that BUILD culture and process as encouraging us to do just that. We knew we weren't going to win back net neutrality in six weeks, but we still, of course, did what we could to bring national attention. So I think in every instance where we went out to do something, we may not have won the policy but we did win public discourse or maybe some ability to shift and reframe the conversation, which is constant right now. Like, you know, the constant vilification of any effort on any group's part or any individual leader's part to protect civil liberties. I don't know if you're seeing what's going on with Andrew Gillum and Trump right now, but it's fascinating. There's a lot to cut through when it comes to even how we're describing or how we're discussing what our work is and what we're trying to do, and trying to frame it in bigger language so that it doesn't just sound like we're defending ourselves against accusations.

And risk taking is something that we do all the time. It's a part of why I think we're a movement organization. We don't shy away from risk. But when you can take risks with the confidence that you're not going to get a phone call the next day in front of that funder asking what exactly you are doing—well, that is not true of every funder of this organization. There are funders that say, “We fund you specifically to do leadership development,” or “We fund you specifically to work on this one regional campaign, so that we can say that when we went and tried this out, we were using our unrestricted BUILD dollars.” It's protective on both sides, I think. It works for the funder who's giving unrestricted funds, and it also works for the movement organization.

Funder Confidence Is Leveraged across the Grantee Network

“Northup knows firsthand what can happen when institutions don't invest enough in their own structures, systems, and people.

‘One of the first human rights experiences I had was working for an organization in Kingston, Jamaica,’ she recalls. ‘They were doing incredibly important work on police brutality there and on extrajudicial killings. Within a few years of my having worked there, the organization no longer existed. The need still existed, but the organization didn't. I think that was my early lesson in how important sustainability is for individual organizations, but also for movements. I applaud Ford's approach to strengthening all of us who are in this for a very long time.’”¹¹

One of the critical functions of a multiyear, high-dollar unrestricted grant is that it gives other funders a level of comfort in making a similar commitment.

One of the critical functions of a multiyear, high-dollar unrestricted grant is that it gives other funders a level of comfort in making a similar commitment—and that, in turn, gives the organization enough space to make impressive progress that acts as a convincing reason to invest. As Johnson recalled, for quite a while after it began in 2012, the Surdna Foundation was the first and only funder of Local Progress. In 2015, Open Society Foundations started funding the group, and then Ford. “But,” she said, “I think that year was a crucial growth year for Local Progress, both in the urgency of leaning in to cities and this moment, and then also our growing capacity helping us to make a stronger case for ourselves. I had assumed that foundations were influenced by each other, so I think seeing other foundations make significant, multiyear contributions definitely helps people feel like they're building something that's going to be durable, especially with a new project that's scaling up quite quickly. I feel like it creates more momentum and energy for other fundraising and for folks to be motivated to invest in the work.”

Philanthropy Must Shift to Help Build a Stronger Civil Society in which to Leverage Grants to Make Change

“My question is,” said Infante, “do we want a stronger civil society or not? Because there's no way to get a stronger civil society without a ten-year investment in base building, constituency building—you know, civic engagement.”

"I think just as there's a capacity being built on the grantee side, there is a capacity that can be built in terms of the learning and the more sophisticated understanding of social change on the foundation side."

She continued:

There's no way around it. You either invest in activating, mobilizing, and moving much bigger groups of people than most movement groups can usually do, or you don't. So, the results will speak for themselves. I've been thinking about how to make the case—to spread this type of grantmaking as the default. Two things: I think the story of the movement organization [is key]: "This is what we can do now." So, if you're talking to domestic workers, for instance, "This is what we can see now as the future opportunity and how to take advantage of it." I think that's a big story. But also, how does it benefit a foundation to do work in this way? What does it contribute to the capacity of its own staff? How does it redistribute the work and focus of its own staff from micromanaging gatekeepers to being meaningful and significant contributors to movements in driving civil society? How does the time get allocated differently? I think just as there's a capacity being built on the grantee side, there is a capacity that can be built in terms of the learning and the more sophisticated understanding of social change on the foundation side—which is different from ideas being baked in academia, and different from the big-evaluation-firm way of thinking about metrics. It's real, practical, step-by-step learning-organization stuff that you wouldn't otherwise get if you were making grants in a different way.

BUILD Program's Director Kathy Reich: Reflections on the BUILD Program's First Year

On top of Ford's interest in promoting social equity through a more reasonable and empowering grantmaking practice focused on highly networked social justice groups, the BUILD program's director Kathy Reich is also interested in encouraging other philanthropies to commit to longer, larger, more flexible grants that are attentive to institutional strengthening and health.

"That's what I care about," Reich said. "I don't care what they call it. I don't care quite how they do it." She continued:

There are lots of different nuances, right? But what I would say to them is (to paraphrase Dennis Whittle, director and cofounder of Feedback Labs), it's the right thing to do, it's the smart thing to do, and it's the feasible thing to do. I completely agree with Hilary [Pennington, executive vice president for programs at Ford] that nonprofits cannot achieve their missions unless they are well resourced and healthy. And the way that we're financing in this sector is broken, so I think this is the smart thing to do. If you care about results, if you care about effectiveness, if you care about long-term change, this is the way that you invest. And, frankly, this is the way people invest in companies and government and all kinds of things, right? So, that's one thing.

The second thing I'd say is, it's the right thing to do. Ford is a social justice foundation, and if you are serious about justice, you have to walk your talk; too often, the way that foundations fund their partners in the nonprofit sector is not as partners. It doesn't have justice at its core. This is a more just way to make grants. (Now I'm getting on my soapbox.)

And the third thing I would say is, it's not rocket science. It actually isn't that hard, and if you're worried about it, if you think it's hard, you don't have to start with a billion dollars—you can start small. I have been advising a foundation in Canada that is starting with just three grantees to try it, learn from it, experiment with it. We are so good, in philanthropy, at overcomplicating everything, but it doesn't have to be like that. This is not hard, but it does require acting against the current grain.

When I reflect on my own journey in philanthropy, I realize I started my career as a really directive funder. I funded advocacy and campaigns, and I was so intent on telling people what to do. At one point,

NPQ interviewed four of three hundred grantees of the BUILD program. These are the organizations included in our interviews:

CENTER FOR POPULAR DEMOCRACY

Sarah Johnson is the director of Local Progress.

The Center for Popular Democracy (CPD) received \$8.5 million in BUILD support through the Ford Foundation's program on Civic Engagement and Government. BUILD supports CPD civic participation, education and scholarship, fair economies, and government policy and practice. Local Progress, a project of CPD, builds on the power of local governments to shape policy that works for everyone. It is a network of progressive municipal government officials across the country that connect deeply to community organizations such as unions and movements. By connecting those inside of government and advocates and organizers on the outside, Local Progress hopes to center the people impacted by policy and encourage lawmakers to work in partnership with those they serve.

CENTER FOR MEDIA JUSTICE

Pia Infante is board chair of the Center for Media Justice (CMJ), and a trustee and coexecutive director of The Whitman Institute.

The Center for Media Justice received \$3.1 million in BUILD support over five years through the Ford Foundation's program on Internet Freedom. This includes work in the topic areas of arts, culture and media, civil and human rights, education and scholarship, fair economies, government policy and practice, and technology.

CMJ devotes itself to democratic media ownership and fundamental, universal communication rights and access, including fair and meaningful representation in news and culture for all people. It is home to the Media Action Grassroots Network. They hold power accountable by fighting the consolidation and stereotypes that limit the ability of communities to tell their stories within and without their borders. By organizing communities to advocate for media rights and access, they help promote social and economic justice.

CENTRE FOR ENVIRONMENTAL RIGHTS (SOUTH AFRICA)

Melissa Fourie is the executive director of the Centre for Environmental Rights (CER).

The Centre for Environmental Rights received a \$1.6 million BUILD grant through the Ford Foundation's office for Southern Africa. Ford provides general support to advance the realization of environmental rights through public interest litigation, legal research, advocacy and social mobilization, and core support for institutional strengthening. CER's strategies have been successful, and it has reached a phase where institutional strengthening is critical if it is to gain more ground in the area of natural resource governance. To do this, BUILD will help CER attain clarity on its strategic direction and organizational development needs.

RACE FORWARD

Jennifer Levison is Race Forward's interim senior vice president of development and partnerships.

Race Forward received a grant through the Ford Foundation's program on Future of Work. Race Forward brings a systemic, advanced, and innovative approach to dismantling structural racial inequity and promoting equitable outcomes for all. It is the publisher of *Colorlines*, one of the foremost publications critically discussing racial equity over the past twenty years, and the presenter of Race Forward, the country's largest multiracial conference on racial justice. It conducts research on the entrenched barriers to racial justice and how this intersects with other societal issues. It also engages in advocacy, including mobilization, training and development, and consultation on changing the conversation about race. Previously Race Forward: The Center for Racial Justice Innovation, it merged in 2017 with the Center for Social Inclusion in order to multiply their mutual efforts to advance racial equity.

I was talking with a seasoned social justice leader, a very smart policy hand in Washington, and I was saying to him, “I don’t want to keep funding your welfare reform work, because you’re just fighting the same fight year after year.” And he said to me, “Do you think I like fighting this fight every year? I hate it. Do you think I like asking you for money? I hate it.”

It was such a wake-up call.

There was nothing about our conversation that made sense. So, I guess what I say is, as a grantmaker, as somebody who now has been doing this a while and has learned a few things, I’m smart enough to know I’m not always the smartest person in the room.



No one is suggesting that the BUILD program is grantmaking perfection, and there are a number of challenges that prevent funders from taking on this approach. For starters, making larger grants means reducing the number of grantees a funder can continue to support. For Ford, it required tying off grants to long-standing grantees, and even exiting fields like education reform. It can also lead to a tiered system of grantees—those with larger, more flexible grants, and those with smaller and more restricted grants. And, as Reich notes in her report, it takes a lot of time and trust to make a five-year unrestricted commitment:

At Ford, we learned this lesson the hard way. In the early days of BUILD, the Ford Foundation rushed to name BUILD grantees, in some cases choosing them before the foundation had clarity on its own goals and strategies. As a result, a few BUILD grantees, while important and effective organizations, are no longer core strategic partners of Ford. It’s not exactly that money was wasted, since BUILD grants will still enable these organizations to do great work and strengthen themselves for the long term. But, every time Ford makes a five-year, multimillion-dollar BUILD grant to a grantee that’s not aligned with our

strategic goals, it means we can’t provide support to other organizations that may be more closely aligned.¹²

Still, BUILD represents a commitment to a few critical principles of power-sharing that other philanthropic bodies would be wise to emulate inside and outside of social justice grantmaking. In Reich’s last statement, however, she points to a cultural barrier that may well continue to block the adoption of these principles by other grantmakers. For years, grantmakers have quipped that their jokes are always funny in rooms full of grantees. This lack of progress in grantmaking practice is no longer even mildly amusing in the face of critical need for a different way of being.

NOTES

1. Ruth McCambridge and Lester M. Salamon, “In, but not Of the Market: The Special Challenge of Nonprofit-ness,” *Nonprofit Quarterly* 10, no. 1 (Spring 2003).
2. National Committee for Responsive Philanthropy, “Good Grantmaking Practices,” www.ncrp.org/publications/good-grantmaking-practices.
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The Edna McConnell Clark Foundation's Bigger *and* Better Capital Flow Creates Its Own Course

by Ruth McCambridge

THE EDNA MCCONNELL CLARK FOUNDATION never intended to operate in perpetuity. Back when the sunsetting was first announced, the foundation quoted Hays Clark, one of EMCF's founders, as saying, "If we found a good opportunity, we would bet the farm on it."¹ But now, thanks to a lot of systematic building of co-investors, it is not just the foundation's farm that will be anted up to continue to build its chosen field of youth development organizations.

In 2016, the forty-seven-year-old Edna McConnell Clark Foundation, which had assets of almost \$1 billion at the end of its FY2015, declared it would spend down all of that within the next ten years. In doing so, it joins a small but growing number of philanthropic bodies that are preelecting their own institutional end. But this is not the only—nor is it the most notable—thing that has distinguished the foundation. Its real distinction was in trying a new form of grantmaking in megagrants that included rare nonprofit-directed working capital, money for real outcome evaluations, and capacity building. It essentially led—if

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PropelNext

As part of the inaugural cohort, each PropelNext grantee received up to \$450,000 to support capacity building and implement performance management systems. Grantees also received expert coaching, structured group-learning sessions, performance-management tools, and access to an online learning platform. Throughout the three-year program, organizations sharpened research-informed program models, developed theories of change (TOCs), and engaged in a test-and-learn cycle to promote a culture of learning and continuous improvement. This led to many different solutions that were tailored to the cultures and learning habits of each nonprofit. Some of the work done under these grants is detailed in PropelNext's June 2018 report, *PropelNext Alumni Study: The Road to High Performance*:

"Based in Manhattan and partnering with public high schools in New York City, Blue Engine employs a team-teaching model to advance academic achievement for low-income students. In support of this model, Blue Engine uses innovative practices that democratize access to, and learning from, data. After working with a data system for several years, the organization found it to be too rigid to meet their need for dynamic, real-time information. The data and evaluation director researched systems in use at other organizations and decided a Google-based system, built in-house, would better fit their needs. The director engaged another staff member to help build the system, and the organization recently purchased Tableau to generate data visuals and dashboards. Program staff was engaged to help design basic dashboards, and the new data system has allowed the organization to decentralize data analysis. As the learning and evaluation team supports analysis efforts, individual staff and teams are able to easily and frequently access and assess their data, applying the filters and tools that meet specific needs during team meetings and check-ins. According to the evaluation director, the new system linked to Tableau has 'transformed how people access data and use it to make decisions.' Blue Engine's orientation towards organization-wide data analysis and learning has helped the organization to better understand their infrastructure needs and identify solutions that work for them."²



"Located in San Francisco, New Door Ventures provides employment opportunities, skills training and education, and support services to transitional-age youth in the Bay Area, where approximately 80,000 youth experience disconnection from education and employment. Staff and leadership at New Door Ventures embrace taking risks and trying new approaches to youth service delivery, notions informed by the use of data and youth feedback. Furthermore, these data discussions have informed the expansion of the program model and theory of change to include education programming. Youth voices are central to implementation of programming at New Door Ventures, and staff and leadership have invested in gathering real-time feedback and systematic feedback from youth through Listen for Good. The commitment goes beyond surveys with the Alumni Leadership Council, a group of program graduates that systematically gather feedback from peers and advising staff on program improvements. As a result of these feedback loops, New Door Ventures has made many programmatic changes to better serve Bay Area youth. A staff member noted how this feedback loop allows 'time to potentially make a change before youth leave the program [rather than change implementation] once they [are] already gone, so they [won't] know, or see the changes, or know that their survey was meaningful.' Additionally, New Door Ventures has created an Insight Team, a cross-functional team that supports a culture of learning and analyzes data collected from across the organization to assess program effectiveness and recommend improvements."³

Among the findings of this report are some that are unsurprising but reflective of the field-building emphasis of such endeavors:

"In addition to documenting evidence of progress on the journey to high performance, this study highlights the ripple effect of PropelNext's capacity-building strategies beyond program design and implementation. Two years post-PropelNext, organizations have continued to build muscle and core competencies for performance management, resulting in notable shifts in organizational practices, behaviors, processes, and culture.

As pioneers in 'uncharted territory,' alumni organizations reflected on the most critical PropelNext components that helped propel them to the next level. While the combination of intensive and comprehensive supports is part of what makes PropelNext a powerful program, both the high-caliber coaching and cohort-based peer-learning model were acknowledged as 'game changers.' With encouragement from EMCF, alumni organizations have developed a strong sense of community, as well as a willingness to lend their support to the PropelNext cohorts that will follow in their footsteps. As one leader put it, 'We would jump at any opportunity to collaborate. We're like the [Harvard Business School] graduates that stay in touch for 50 years.' Others recognized their role and responsibility to advance the field and improve outcomes for at-risk youth. '[We're] part of elevating the nonprofit sector,' said one executive director, a part working 'to create a new standard of doing things for our most vulnerable kids.'"⁴

not created—data-driven grantmaking. It learned as it went what worked and what did not. It adjusted, it stayed with the same organizations for multiple years, and, as one of its most notable characteristics, it purposefully recruited other big investors of the same ilk into the long-term initiative—for the long term.

It was also one of the first grantmakers that we know of to distinguish among the various types of capital and supports that nonprofits need in order to scale.

In EMCF's case, that effort was built around its commitment to children but also its emphasis on data, organization and field-wide learning, and proven results. For just as the Ford Foundation's BUILD program has centered equity, EMCF has centered evaluative rigor (neither to the exclusion of the other). In both cases, other grantmaking was relinquished to concentrate on grantees that fit extraordinarily well within these respective emphases. In fact, before it elected this new focused form in the late 1990s, EMCF was invested in an array of fields that included criminal justice and the developing world. But by 1999, it was beginning to zero in on youth. Since then, EMCF has invested deeply in youth development in a way meant to discover, strengthen, scale, and improve the outcomes of the best-performing organizations in the field. This was not, as one might expect, a decision received with unanimous joy in the grantmaking fields that were discontinued. And, as it turned out, EMCF had a lot of learning to do about time frames, grant sizes, and coresponsibility, even when the nonprofit occupied the driver's seat.

But first, to provide a sense of the scale of the commitments made over that period, we can look at Youth Villages as it is described on EMCF's website, an outline that includes information about capital aggregation and Blue Meridian grants.

In 2015, Blue Meridian Partners approved an investment of \$36.1 million over four years, the first tranche of a commitment of up to \$200 million over 11 years, to support Youth Villages' plan to make YVLifeSet or transitional services of comparable quality available to nearly all the 23,000 youth in the U.S. who age out of

foster care annually, and to expand Youth Villages' continuum of services for troubled youth and their families.

EMCF has awarded \$36.25 million to Youth Villages since 2004. EMCF also helped it secure \$25 million from 11 co-investors as part of the Growth Capital Aggregation Pilot.

In 2011, EMCF invested \$15 million in a second round of growth capital aggregation to implement Youth Villages' strategic plan for 2013–2017.⁵

But the dropping of other fields was not the only major criticism of these grants: another was that they are very exclusively selective and thus may not be helping to open a pipeline to other promising and challenging approaches that have not yet had the opportunity to gear up to prove their impact. This motivated EMCF to launch *PropelNext*, a program specifically created to support the development of those earlier-stage efforts in terms of promoting program excellence through better use of data organization-wide. Even this group of smaller efforts was generously funded.

In 2013, EMCF's president, Nancy Roob, said in an interview with *NPQ*, "When we initiated this strategy over a decade ago, we had the same intention we have today—which is to find organizations that are making a transformational difference in the lives of the most disadvantaged young people, and to invest in their efforts to improve the quality of what they're doing and scale it up, so that significantly larger numbers of kids can be served and their lives can be dramatically improved."⁶ She continued:

We believe that one of the major constraints on nonprofits trying to expand what they're doing—or even just to operate at their normal capacity—is not having the resources they need in hand and up front before they launch their growth plans. So, typically they're chasing the dollars while they're trying to execute. One of our core principles from the beginning was that we would help organizations put together their business plans for three-to-five-year periods; we would provide multiyear investments

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“Around seven years ago, however, we were finding that while grantees were eventually able to raise the money to fully fund their plans, it was a long, hard haul. They were going into year two and three of their plans still challenged with raising money while they were trying to execute.”

against the performance metrics of these plans; and we would make these commitments up front. The metrics were clear, and we believed that if we helped our grantees put these great plans together—and EMCF made very large investments, which at the time were considered really big investments compared to those we *had* been making and to what was typical for the organizations receiving these grants—other funders would also support these plans.

Around seven years ago, however, we were finding that while grantees were eventually able to raise the money to fully fund their plans, it was a long, hard haul. They were going into year two and three of their plans still challenged with raising money while they were trying to execute. This made it really hard for them to succeed with their plans, and really hard for us as an investor to be confident that our investment approach was adding value. The one major exception during that period was Harlem Children’s Zone (HCZ). At the outset, it was able to secure all the capital needed for its first growth plan, due to the leadership of board chair Stan Druckenmiller and of Geoffrey Canada. I’m not suggesting this was necessarily easy, but they did it and it made a difference—HCZ was able to execute their plan confidently and meet all their growth objectives much more rapidly.

At that point we determined that we didn’t know if we could completely fulfill the potential promise of our strategy if we weren’t able to help more of our grantees secure growth capital up front in a more productive way. And that was when we launched the Growth Capital Aggregation Pilot, with three grantees: Citizen Schools, Nurse-Family Partnership, and Youth Villages. It was just a big idea and a guess at that point.⁷

In 2016, when EMCF’s deadline for its spend-down was announced, Roob and board chair Larry Clark reiterated the foundation’s own learning stance. “Since 2000, we’ve experimented with various ways of addressing the

undercapitalization of high-performing nonprofits that are improving the lives of disadvantaged youth. In 2007, we began leveraging the Foundation’s resources through capital aggregation—that is, pooling our dollars with those of other donors seeking efficient and effective giving vehicles. Through these efforts, we’ve now deployed nearly half a billion dollars in support of exceptional nonprofit leaders, their organizations, and, most importantly, the young people they serve.”⁸ They continued:

Although we’ve had some missteps along the way, our capital aggregation projects convinced us we were onto something important and valuable. So at our board meetings we started asking think-bigger questions like these:

- What would it take for us to invest at a level in keeping with the massive scale of the challenges millions of young people face?
- What would it look like to scale up the investment approach we have built and tested since 2000?
- As new donors seek to make an impact on the same issues we’re passionate about, how can we share with individuals and families the benefits of our investment approach and talented staff—so they don’t have to duplicate efforts?

All roads led to our decision to go bigger and go deeper in concert with others.⁹

In doing so, the foundation appears to be making a clear-headed decision to exchange its institutional life for the greater stability of its select group of grantee organizations. Roob and Clark wrote:

We realize the decision to sunset a thriving institution is unusual. As a board, we began discussing this option many years ago as we watched our grantees and other nonprofits struggle during and after the Great Recession. Following much exploration, we all agreed that expanding and accelerating our investment approach, in partnership with others, provided our best shot at fulfilling

EMCF's mission now. Being able to build on the momentum capital aggregation has gained and contributing to meaningful innovation in philanthropy are the prime reasons for our decision. Given the urgent needs of youth in our country, the opportunity to dramatically step up our game and our giving is the right decision for us.¹⁰

It is a logical end for an organization that set its sights on and devoted its energy to building world-class, world-changing grantee organizations. In spending down, it will use many of its current mechanisms and will retain its tight focus on well-measured impact in youth development and organization building toward that end.

The foundation also says it will ramp up its sharing of the big bank of knowledge it has built up in the course of its unusual practice. This should include information about how to successfully capitalize organizational growth, how to aggregate capital from a foundation base, how to effectively help grantees create a base of evidence (understanding the pattern of successes and failures in rapid organizational growth), and much more.

And that is one of the last things it will do as itself, since EMCF's assets and many of its staff will be transitioning in 2019 to Blue Meridian Partners, a creature of its own making. EMCF, as was mentioned previously, has not just been spending its own money; instead, it has spent the past five years helping to attract other money to a new, collaboratively managed pool—Blue Meridian Partners (current asset base \$1.7 billion, and that is not endowment). This entity, which has been incubated and informed by the foundation's model of growth capital investment, is being incorporated as a stand-alone 501(c)(3). It is not intending to spend out anytime soon; instead, it expects to expand its work by continually attracting new partners and money to do multiyear, capital-intensive grantmaking to scale. In this case, "to scale" means at a level that will allow youth-serving programs with proven models the time, money, and guidance (where needed) to expand, fine-tune their practice, and help shape effective state and national youth policy.

In practical terms, each of Blue Meridian's

grantees will be provided with as many as ten to twelve years of performance-based investments totaling as much as \$200 million. Thus, the grants will not only act as "patient capital" (as it is referred to in business), but also the grant levels, committed for a decade, will be sufficient to set these organizations on a path to assured and sustainable impact.

The model emphasizes organizational strengthening over time, allowing for periodic realignment of parts, world-class evaluation, and the kind of course changes that may flow from learning pains at each successive stage of growth. In other words, these grants are made in such a way as to allow for continuous, even quite aggressive development toward implementation of an organization's mission and vision—which, in all cases, is aimed at helping to improve the lives of low-income children and families. And the whole endeavor is driven by the grantee, whose progress is then monitored and supported by the foundation.

NOTES

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5. Edna McConnell Clark Foundation, Grantees, "Youth Villages," at www.emcf.org/grantees/youth-villages/.
6. "An Interview with Nancy Roob, President of the Edna McConnell Clark Foundation," *Nonprofit Quarterly* 20, no. 2 (Summer 2013), 43.
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When Someone Steals Your Soul: REPATRIATING NARRATIVES in the NONPROFIT SECTOR

THIS CLUSTER OF
ARTICLES IS DESIGNED
TO ENCOURAGE US TO
CONSIDER MORE DEEPLY
THE NARRATIVES WE
USE TO JUSTIFY OUR
APPROACHES TO OUR
WORK, AND TO
CONSIDER HOW WE MAY
OR MAY NOT BE
CONTRIBUTING TO A
NARRATIVE THAT
CENTERS AN INCLUSIVE
AND VIBRANT
DEMOCRACY BASED ON
EQUITY, JUSTICE, AND
SUSTAINABILITY.

IF WE WERE TO GUESS WHY SO-CALLED “ELITES” ARE so disliked by others, I might suggest that we look to the habit of defining the reality of others and making neat little rationalization packages that insult the protagonists, then creating prescriptions for their betterment, thank you very much. The comfortable do-gooder creates stories about why things are the way they are, and then decides that one or another intervention will be just the thing to turn the situation around. A book (or twenty) is written, creating a self-reinforcing field; and two or three generations later, the same people are thanking one another for their service, and basic dynamics of social and economic subjugation remain intact.

Elites have cordoned themselves off, and their subjects are in the process of doing the same—much to the discomfort and surprise of those elites—and why not? What self-respecting person would allow herself to be diagnosed by another with no experience of her situation and with no consultation? Much of the philanthropic and nonprofit sector should be brought up on charges of experimenting, without consent, on human subjects. As Edgar Villanueva writes within: “Philanthropy, honey, it’s time for an intervention.”

There is a reason why the words *narrative* and *colonization* keep popping up lately in movement circles. Until the narratives about the “disadvantaged,” “underserved,” “dependent,” “at risk,” “opportunity” folks are shaped, relanguaged, and owned by those same folks, the tales told about

them will be mostly absurd and will drain power from the building of a strong, sustainable, shared future. As James Baldwin wrote in *The Devil Finds Work*: “The victim who is able to articulate the situation of the victim has ceased to be a victim; he, or she, has become a threat.”

Fifty years ago, it was normal for parents to spank their children—“spare the rod, spoil the child.” Forty years ago, it was normal for the killing of a woman in a domestic violence incident to be referred to as a “crime of passion.” The reason why both characterizations of interpersonal violence are no longer countenanced and legitimated in that way is because the narratives about them have been disrupted. In neither case did the behavior stand by itself; it was not only supported by descriptive language of the sort listed above, but that descriptive language brought the listener/reader back to other metanarratives designed to make sense of the world. Those metanarratives and their derivative phrases gain traction through repetition, as Mackenzie Price explains in these pages—that is, repetition that varies with the narrator sufficiently to create a new common-assumption bubble.

In this group of articles on narrative, Rashad Robinson talks about the need not just for a higher shared consciousness about the importance of narrative but also for an infrastructure to create and reinforce new narratives that explicitly build not just meaning but power. In fact, there is almost no story you can tell that does not attach itself

DREAM



to another, larger story (a metanarrative) about what is and isn't considered "normal." Often it takes only a few words to recall the weight of the whole kit and kaboodle of the metanarrative—which may, in the case of family violence, involve a whole lot of patriarchal thinking.

The conceptual framework that holds that the man is the "leader" and protector of the family (and, by extension, the universe) may seem patently ridiculous in light of the realities we live, but when held up as the norm it is a powerful guide to meaning making (and compensation setting), even if we have to turn things inside out to make it all fit. Thus, you may have Dr. Phil declaring the need to "end the silence on domestic violence" on the same show that he admonishes men to be the leaders of their families they were meant to be.

In short, those metanarratives are present to keep a system mostly intact in terms of making meaning of the world, even if the meaning that is being made does not conform to what we experience or want for our collective future.

In *Considering Counter-Narratives: Narrating, resisting, making sense*, editors Michael Bamberg and Molly Andrews suggest that the power of these metanarratives is in their internalization, and thus "we become the stories we know."

The only way we can extricate ourselves from living our lives in the shadow of or even inside of stories that are deadly to our sensibilities and potential is, they contend, to resist through counternarratives that contain as much or more complexity, depth, and meaning as the dominant narrative. This, they say, quoting Richard Delgado, is particularly important for those whose consciousness "has been suppressed, devalued and abnormalized." In other words, the rupturing of the dominant narrative must be a multidimensional effort and repeated wherever the old metanarrative is being trotted out for a reinforcing run around the block.

Thirty years ago, we were still ensnared in a definition of family that required two genders strictly defined. Moving that notion took a resistance that was built over time and from many voices and images and stories.

Robinson writes, "To get to marriage equality,

we had to focus on changing power dynamics, not just emotional dynamics, and pursuing both in an integrated way required a mature, strategic narrative approach." And although Bamberg and Andrews believe that dominant narratives are less stable than they appear, challenging them is an exhausting and sometimes marginalizing enterprise for any one person. It requires a constant repudiation and negotiation of terms. Back again to Robinson, who writes, "We need actual human beings serving as our main vehicle for achieving narrative change—people equipped, talented, motivated, and networked to effectively spread new and compelling stories." This, he asserts, will move our ideas into the "normative" position.

But for those ideas to be worthy of moving into a more normative position, we must interrogate ourselves and what we support by omission or commission. Villanueva writes that often, in this sector, we accept our own behavior even when it conflicts with what we say we are working for. Specifically, he writes of philanthropy:

It is (we are) a period play, a costume drama, a fantasy of entitlement, altruism, and superiority. Far too often, it creates (we create) division and suffering rather than progress and healing.

It is (we are) a sleepwalking sector, white zombies spewing the money of dead white people in the name of charity and benevolence.

It is (we are) colonialism in the empire's newest clothes.

It is (we are) racism in institutional form.

But back to the idea of colonization, which entails not just the attempted conquering of land and people but also national identities. In an article on museums, we talk about the role of those institutions in anchoring dominant narratives, and quote Prince Kum'a Ndumbe III of the Duala people in Cameroon, who runs AfricAvenir International, a Pan-Africanist nonprofit that calls for the restitution of artifacts taken without consent: "This is not just about the return of African art," he says. "When someone's stolen your soul, it's very difficult to survive as a people."

REFRAMING NARRATIVES, RESETTING REALITY:

A Conversation with Mackenzie Price of the FrameWorks Institute

Nonprofit Quarterly: *People have been talking a lot about narratives lately, and particularly narratives having to do with racial justice, racial issues generally, and how narratives are used to define what it is that's going on in the world. Can you give us an example of narratives in conflict, or perhaps a narrative that needs to change?*

Mackenzie Price: I think about narrative a lot, both as someone who studies language in interaction and also in my work at FrameWorks. When I think like a linguist, “narrative” describes language that reports events, and those events involve actors or characters that are positioned in various ways. As a linguist, I think about the implications of the language choices that get made when events are being reported.

When I think about narrative and its value for communicators, I am thinking about narrative as an applied concept that describes how reality is constructed and how information is conveyed. Narrative needs to continue to have strength as an applied concept, because it allows all of us to see how the ways we use language to talk about our work, our lives, or our beliefs position people while we are constructing reality and conveying

information. Every piece of communication is a part of some narrative.

There are a myriad of ways that narrative, as a way to conceptualize establishing reality, can be brought to bear strategically to help guide discourse and, subsequently, action and policy. I can give you an example of why a field might elect to advance a different narrative, or strategy, for conveying information to further policy goals. One of our projects at the FrameWorks Institute involves a group of nine or so foundations that work on age-related issues. Crucially, the field wants to talk about what changes to our society will support healthy aging for everyone. One strategy the field relies on is giving examples of incredibly successful, exemplary older people that we all might look up to. This strategy can backfire, though, because holding up examples of exemplary individuals will inadvertently overshadow a lot of other aspects of what it means to get older. Put another way, focusing on “superhuman” older adults as the dominant image of aging might erase other aspects of the reality of aging.

For example, to lift up Ruth Bader Ginsburg with the message that you or I or anyone could be just like her might leave out the wider factors



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That should be the
baseline assumption.”

that allowed for this fantastic outcome. What is the implication of those missing pieces in the conversation about aging? What about the type of work that she has? She has a job for life. How many people can land a job like that?

If you're a communicator in a field that wants to have a conversation about workplace discrimination, and the accessibility of healthcare, and how we can ensure a multigenerational workforce, then a narrative (or public reporting of information) that is missing pieces and only focuses on Ruth Bader Ginsburg is limiting. The narrative about aging needs to be expanded so that it does not accidentally close the door on or submerge other stories that need to be part of—or even lead—the analysis.

Another example of invoking narratives is from current events I've been unraveling. A news radio piece the other morning played a clip of Trump at a rally saying something like, “You guys know who I am, and there is a word for what I am, but it's a little old-fashioned, and people don't say it anymore. But I'm just going to say it: ‘I'm a nationalist.’” Thus, he frames the negative connotations of nationalism as just that it is old-fashioned and he is just the guy who is not held back by conventions—the guy who can say what he thinks and, by implication, what you are thinking.

It was a very clever crafting of reality, and not accidental. I don't think it's going too far to say it was a great way to nod to history without connecting himself directly to white nationalism per se—and, going even further, to erase the real and dangerous negative connotations and replace them with something seemingly benign: “old-fashioned.” That's an example of crafting a narrative to dangerous effect. The fact that someone with influence and power gets to say that and have it transmitted on the radio without commentary—that is going to have enormous consequences down the line.

NPQ: *Can you talk a little bit about how people listening to something like that can recognize that a narrative is being run on them? And in that scenario, is there a danger of accepting enough of it to normalize it and therefore support it? Do you have to know your social*

history in order to be able to recognize when this is happening?

MP: I think in the example of Donald Trump working to position nationalism as quaintly old-fashioned, you do have to know your history to see the progression of the narrative or reality being built. Knowing your history means not just knowing events but also recognizing cues. As a linguist, I'm interested in interpretation, by which I mean that I am interested in what cues are present, and who recognizes what cue, and what they do with each cue. And every cue can potentially go in many different directions, so it's interesting to track them. In this example, I was struck by the pairing of the cue “nationalism” with the cue “old-fashioned.” I was struck by how they interact with each other. Different people are going to see different cues in the juxtaposition—but what's crucial here is that, in this example, if you know your history, you will recognize that “old-fashioned” and “nationalism” are being combined. And you can then question why this is happening.

So, getting at the question of how we know when a narrative is present, I would say that everyone should know that narrative is always happening. That should be the baseline assumption.

NPQ: *When do you have to take action on a narrative, and how do you take action on it? I think everyone can agree that they often find themselves in the middle of a conversation in which someone has a different story going on than they feel or have experienced, and challenging that can feel impolite or disruptive—and it is disruptive!*

MP: An important thing to note is that even if you disrupt a narrative like that in real time, or challenge someone in real time, because what is being said has serious implications, you may not get the result you want in that interaction. You might not be able to challenge someone and instantly change his or her thinking. And that's okay, because I would argue, and I think many would agree, that this is a long-term thing, and those challenges have to happen multiple times in order to make it possible for someone to

interpret cues differently or to have more experiences that he or she can draw on in future interactions. So, you might not make that change in the moment, but every time you interrupt a false narrative or a false reality—well, not to get overly metaphysical, but you are putting something into a consciousness.

NPQ: *Into a collective consciousness.*

MP: Yes. And my feeling is that activism belongs in that context. Even if an action doesn't have an immediate tangible effect, it puts new ideas and challenges into a wider consciousness—so that later on down the line, and/or in a different context, these internalized cues will resurface for people. They are now set up with the ability to see different cues or interpret cues differently. An example of what this can mean for activism that comes right to mind is the early reaction to Black Lives Matter—as phrase, as idea, as movement. Do you remember how the instant, reactionary retort was, “No, all lives matter”? “All lives matter” is an attempt to silence “Black lives matter.” But it didn't work. And the repetition of “Black lives matter” as a way to assert that Black lives have been disregarded, discounted, and disrespected has been successful at showing how privilege and racism in our society function.

“Black lives matter” is a narrative, a way for expressing a reality, and it challenges a more dominant reality—the reality that some people and communities are more privileged than others.

NPQ: *That then gives you the opportunity to explain why we do need to say at this moment that Black lives matter, right?*

MP: Right. And I think that this is also an example of the long-term aspect of this kind of consciousness. I don't know if that kind of hair-trigger reaction is still happening as much as it was. It's my sense that it's happening less—which if true gives space for articulating why, at this moment, it is important to say that Black lives matter, and what it means for Black lives to matter, and even what the evidence is that Black lives have not mattered. It gives space for those conversations to repeat

and move forward. This is not to say that there isn't a long way to go, but if there is even just a decline of this “all lives matter” retort, I see that as an important movement toward victory—or at least a positive change in consciousness. And to be clear: Black lives matter. Elevating this narrative and this truth is essential. The lives of Black people in America continue to be disrespected and discounted, and to assert that they matter must continue.

NPQ: *This idea of repetition is interesting—and repetition from multiple places, so that it does become part of the consciousness. One thing leaders can do is help move a narrative along. It reminds me of the work that was done by the Battered Women's Movement and the rape movement—the anti-violence against women movement. Back in the day, the definition of what that violence was and why it occurred, and the language around it—“crime of passion,” “things got out of hand”—was completely different, just completely disconnected from women's experience. And it took decades of redefining terms and working with the media to educate people around what women were really experiencing, and what it meant, and how it needed to be described and reported. And now, in this time of social media, where we have these multiple voices 24/7, you can almost see those redefinitions move along fairly quickly. So, for those who are really interested in helping to shift frames, what is it that they should be looking to practice?*

MP: One step to take is to be conscious of how and when our actions or the things we say privilege some people, identities, or communities over others. Take, for example, a communal sink in a workplace kitchen. If a posted sign says “Communal Sink,” yet in practice some people—because of their role or title—are “exempt” from washing dishes, and pile up items, then we have a case where people can exert privilege or act from privilege. How do we take steps to change a context in which some people are exempt and others are not? We can all think about breaking down the unspoken and spoken rules that maintain

“Even if an action doesn't have an immediate tangible effect, it puts new ideas and challenges into a wider consciousness—so that later on down the line, and/or in a different context, these internalized cues will resurface for people.”

privilege, as well as those spoken and unspoken rules that maintain oppression and erasure.

“A reframed narrative moves through public consciousness in large part by being present and by repetition.

But repeating a narrative doesn’t mean telling the same story over and over and over.”

NPQ: *So, getting back to the collective work that we have to do in reframing, do you have ideas about how to make that happen? I know that FrameWorks gets involved in a lot of public campaign messaging and that kind of thing, but on a more organic level, what is important to do to help a reframed narrative move along in public consciousness?*

MP: A reframed narrative moves through public consciousness in large part by being present and by repetition. But repeating a narrative doesn’t mean telling the same story over and over and over. Repetition is not using the exact same example or featuring the exact same person in your newsletter. Repetition is about continuously appealing to categories of values, examples, messengers, and stories. Repetition can even be as subtle as saying, “We are going to make sure that all of the solutions that we’re prescribing—that we’re advocating for—meet these certain criteria, that they are collective.” It’s not about saying the exact same thing over and over again but rather identifying these larger categories and staying loyal, in a sense, to those categories—continuing with that kind of fidelity.

NPQ: *So, you’re basically rewriting a story, but it’s more a genre of story? A story that brings you to a particular place that’s different from the place that you would have been brought to were another story to have dominated. It reminds me of something the artist M. C. Escher talked about in (I think it was) an autobiography, which is that repetition is important. He said, “How does a child know what a dog is?” I mean, you’ve got Chihuahuas and you’ve got rottweilers and you’ve got all these different forms and types of dogs, and they’re different from cats, but at what point—and how—does a child know that something is a dog rather than a cat? And Escher said that it’s by repetition, but in a particular way. The child will sense the categories, and the categories get reinforced in his or her mind over time.*

MP: And it takes time to identify what the features of this category are, and that’s kind of the way that FrameWorks thinks about its work. Framing research identifies different broad categories that can create a new narrative or new strategy for talking about an issue. Once we know what the features of the category are, FrameWorks works with a field to share what the features of the strategy should be. And as you generate new examples and new messengers and new types of solutions—or even new infographics or sources of data—you need to hit the following features in order to get in that category or that narrative.

Bringing it back to the aging-related-issues field, they are now including information in their narrative about aging about what it takes to age healthily. A narrative that is broader than a focus on exemplary individuals is a shift in communications strategy. Repeating this strategy will, over time, change the way public policy impacting aging is understood.

NPQ: *So, this is an exercise in being very purposeful about the way you communicate the issues that you’re talking about. But they can’t be understood without that repetition.*

MP: Right.

NPQ: *And, then, in fact, we have very often been privy to the repetition of very different stories that do privilege the dominant narrative.*

MP: Right. I can give you an example of that. The morning after Senator Elizabeth Warren released her video about taking a DNA test to “prove” her Delaware and Cherokee ancestry, I heard Chuck Hoskin, Jr., the Cherokee Nation secretary of state, on the radio. He made the point that by making that video, Warren was “dishonoring legitimate tribal governments and their citizens, whose ancestors are well documented and whose heritage is proven,” by telling and repeating a narrative about belonging through genealogy rather than tribal affiliation. In other words, she was appealing to a vision of reality where identity is

about biological relationships rather than actual connection.

Chuck Hoskin, Jr., pointed out that the Cherokee Nation is a sovereign nation within the lands that are known as the United States. They have a particular set of legal agreements with the federal government of the United States that allow them to decide who a citizen is. Members of the nation are legal citizens, and there are criteria for determining this that have nothing to do with genetics.

Warren was repeating a common and dominant narrative about belonging through ancestry and biology. That narrative privileges certain identities. The secretary of state was confronting Warren's narrative and that privilege, while asserting a narrative that highlights Cherokee rights and interests.

Now, Hoskin, Jr., could have gotten on the air and invoked another narrative. For example, he could have talked about the Cherokee Nation as a community that has experienced a long-standing occupation by the United States federal government. Either way, both an occupation narrative and a legal citizenship narrative are very

different from the dominant narrative of belonging through ancestry.

NPQ: *When you begin thinking about what the stories are that underlie the actions that we take together and apart, it can feel overwhelming but at the same time incredibly powerful. There's enormous power in being able to select a narrative that meets the situation but doesn't necessarily meet the dominant narrative—and even disrupts it. And to make sure that there are enough diverse voices talking to it that you can collectively affect public consciousness is hugely powerful.*

MP: Yes, in the end, we are talking about the ability to reset reality—to ring alarm bells in a way that is a clarion call to a future we choose rather than one being foisted on us.

"In the end, we are talking about the ability to reset reality—to ring alarm bells in a way that is a clarion call to a future we choose rather than one being foisted on us."

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CHANGING OUR NARRATIVE

about NARRATIVE:

The Infrastructure Required for Building Narrative Power

by Rashad Robinson



Editors' note: This article was originally published by the Haas Institute for a Fair and Inclusive Society at UC Berkeley, on April 18, 2018, as part of its *Blueprint for Belonging* project. It has been lightly edited for publication here.

THE CULTURE OF THE PROGRESSIVE SECTOR—AS WITH ALL SECTORS—IS ROOTED IN STORIES. THEY ARE STORIES that convey values, mental models, assumptions, and identities, all of which ultimately guide our behaviors. Unsurprisingly, the most powerful stories that define the culture of our sector are not the stories about the issues we work on but rather the stories we tell ourselves about who we are (and aren't), and how we should (and shouldn't) act in the world to make change.

Narrative is now a big buzzword in the field of social change. That is more a testament to people wanting to understand narrative, however, than it is a testament to people actually understanding it. Evaluating our overall approach to narrative, as well as the specific narrative changes we have determined to achieve, comes down to a foundational question: What is our own narrative about the role that narrative strategy plays in social change—our own narrative about what it is, what it takes to do it well, and what's at stake in our success? We tell ourselves a story about storytelling, a narrative about changing narratives. What purpose is it serving? Is it the right narrative? Is it the one we need?

I believe we have the wrong narrative about narrative.

Because of that, we are often working against ourselves, whether by reverting to bad habits or willfully denying the hard work we actually have to do—much in the way that, when making choices related to our health, we might revert to what feels easier, more comfortable, and more familiar to do, even if it's not the healthiest thing to do or the thing that will actually yield positive health outcomes. We may say that our goal is to get healthier, but then we slide into the elevator instead of taking the stairs. What is the equivalent, in our narrative work and practice, of slinking into the elevator instead of taking the stairs, and pretending it doesn't matter?

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One way we do it: going to consultants whom we “vet” mostly by way of the habit of having hired them over and over than by assessing whether or not their work stands up to scrutiny and has helped enable a win. Another way we do it: trusting the established “expert” voices in the room, often but not only white men, who cite the familiar conventional wisdom or tactical advice, rather than working to find new and more diverse experts with better ideas, and calling the question on the conventional wisdom. (It’s hard not to default to the established experts we have, even though they have delivered a steady stream of losses, when they are the only people who have been given a platform and the only people let in the room.)

More ways we do it: trying so hard to turn every small success into a “model” that we can instantly use over and over; constantly setting our sights on the vaguely defined “moveable middle” in lieu of having a genuine and rigorously determined set of targets in mind; ignoring the expertise of people on the ground who have often made the right call on what would and wouldn’t work; assuming that a poll showing that the majority of people “agree with us” lessens the work we have to do to make change, and that polls, surveys, and comms-led focus groups are the best way of learning about what people truly believe, what motivates them, and how we can expect them to respond.

It is going to be very hard to break the patterns holding us back. I say that as a leader in the country’s cultural transformation with respect to LGBT acceptance and integration, during the period in which our successful strategies went to scale. And I also say that as a leader in the movement for racial justice today.

Leadership in narrative change, let alone social change, depends on the ability to break through our assumptions and defaults and forge new, better-informed practices.

That is—taking the stairs.

This paper presents a high-level outline of just some of the components of strategic thinking required to create the right story about narrative change within the progressive movement, with a focus on the components related to building the infrastructure we need to build what I call *narrative power*.

Three needs for change in our orientation stand out:

1. We need the ability to follow through on narrative and cultural dispersion and immersion—over time, across segments, and at scale.
2. We need actual human beings to serve as our main vehicle for achieving narrative change—people who are authentic, talented, equipped, motivated, and networked.
3. We cannot forsake the power of brands—the relationships responsible for the way that most people come to change their thinking, reshape their feeling, and redirect their behaviors.

Further below, I explain these needs in greater detail.

An important note: One critical aspect of building narrative power is building the infrastructure of accountability—i.e., being able to limit the influence of false and dangerous narratives propagated by the right wing and others, whether that necessitates challenging those narratives directly or challenging those who enable them to proliferate. Changing the rules of the media landscape is an enormous part of the work of Color Of Change and my previous work at GLAAD, and is a subject I discuss in detail often—but it is not the focus of this paper.

NARRATIVE INFRASTRUCTURE

True infrastructure with respect to narrative is not about

maintaining a listserv for comms staff to align on rapid-response talking points and create more press releases;

or circulating more PowerPoint decks with superficial and unactionable observations created by opinion-focused researchers with a history of losing and selling out strategy for tactics;

or putting more PR firms in the position of speaking for us; or developing framing approaches uninformed by any real narrative or culture change experience; or staging more “convenings” at which frustrated leaders and staff members working in organizing and advocacy (including myself) come together and vent, in detail, about the short-sighted, race-averse, slow-to-change, culturally out-of-touch decision-making patterns of our peer and partner organizations throughout the progressive movement. That might be comms infrastructure, but it has nothing to do with narrative infrastructure.

Infrastructure with respect to building narrative power and achieving narrative change is not about those things. Narrative infrastructure is singularly about equipping a tight network of people organizing on the ground and working within various sectors to develop strategic and powerful narrative ideas, and then, against the odds of the imbalanced resources stacked against us, immerse people in a sustained series of narrative experiences required to enduringly change hearts, minds, behaviors, and relationships.

More fundamentally: narrative power is the ability to change the norms and rules our society lives by. Narrative infrastructure is the set of systems we maintain in order to do that reliably over time.

Narrative infrastructure helps us build power and achieve results at the level of a sector’s or society’s operating system, which then influences everything else that can and cannot happen in that system. Comms infrastructure takes place at the software application level, and its results are accordingly more limited. We need to change the way we do narrative change if we are going to use the power of narrative to change the rules of the systems and institutions that shape our society, shape public behavior, and thereby either fortify or attenuate injustice in our country.

One of the biggest mistakes we make as progressives when we think about infrastructure is actually leaving out—or redefining, to the point of total de-emphasis—the very idea of infrastructure itself.

Infrastructure and “capacity” are not the same thing,

at least not in the way most commonly discussed. When we mistake the latter for the former, we run into all sorts of trouble. The infrastructure to achieve follow-through, to the point of true dispersion and immersion, is not only about the capacity to do so—as if it were about resources and expertise alone. The capacity of a team to play a sport or put on a show effectively only matters if there is a larger infrastructure in place to make the games they play or shows they perform engage, and serve as meaningful stimulus to, millions of people.

We need a larger infrastructure for storytelling, if our capacity for storytelling will matter.

We can make videos and put them online, and have them reach a few hundred people—or even a million people—for a minute. (For the moment, even leaving alone the question of whether those videos have the most effective approach to content and framing, in service of our ultimate goals.) But we need to build the infrastructure that will make those videos known and loved and referenced by millions more people in a way that influences their lives. And we are simply not set up to do that in the way that corporations, religious organizations, and the right wing are set up to do it.

In the end, we can define narrative infrastructure as the ability to learn, create, broadcast, and immerse, and to do all four things strategically—both sequenced and integrated.

The challenge is that this kind of analysis—this kind of speech about narrative practice—often leads to a lot of nodding heads but rarely leads to enough moving feet. We drive ourselves neither to do things differently nor to do different things, both of which are critical. What is holding us back from doing the right thing is not the lack of analysis. Rather, we face a persistent set of internal cultural issues within our movement that are not effectively addressed, year after year.

Like any culture change challenge, we must first identify the incentives that normalize our status quo decisions, behaviors, and activities—the financial, emotional, and reputational incentives that keep the status quo practices in place: the pollsters, whose careers and summer homes depend on conducting and interpreting polling the very same way we always have done it, even though they have failed us (and not to mention that there are much better research solutions and practitioners out there); and the media consultants who direct our content and advertising strategies according to the conventional wisdom about which platforms (television) and which people (white people) yield the greatest return (though that “wisdom” has been disproven time and again, and those mistakes are often paid for by people of color).

So, while I hope this paper is helpful, it is no substitute for doing the work. It is only useful in catalyzing the work if it helps foster enough alignment among those with influence over a large enough set of progressive movement decision makers to make a difference in what our strategies and infrastructure look like.

NARRATIVE POWER

I must first confess my central bias, which is that the work of narrative is just one extension of the overall work of power. Narrative “product” is not narrative power. We do not need more ways to get our ideas on the record and archived online. Narrative power is not born of great content that no one watches, nor content we ourselves enjoy and think is right but has no social or political effect.

Narrative builds power for people, or it is not useful at all.

Nor is meaningful narrative change possible without real narrative power behind it. Narrative power is the ability to create leverage over those who set the incentives, rules, and norms that shape society and human behavior. It also means having the power to defeat the establishment of belief systems that oppose us, which would otherwise close down the very opportunities we need to open up to achieve real impact at the policy, politics, and cultural levels. Norms are powerful. Any challenge to norms, and any effort to forge new norms, must take a comprehensive approach.

Sometimes that means the power to connect two ideas that people hadn’t connected before, which leads to a new set of emotional and intellectual conclusions that channel voices and efforts in a new direction. As an example: there was no connection between the moral weight of the civil rights movement and the political struggle over net neutrality until we made that connection. The ability of Color Of Change, Center for Media Justice, National Hispanic Media Coalition, and Free Press to connect those two ideas crowded out the influence of telecom companies over Black and Brown members of Congress who were initially leaning away from doing the right thing on net neutrality.

As another example: we will not have the power to change the rules that create poverty and sustain corporate control over our lives, unless we build the power to reshape the popular mental model that governs how people think poverty works. Poverty is not the result of bad decisions; rather, it is because of poverty that people are forced into making impossible and harmful decisions. In the popular imagination, poverty is the product of bad personal decisions, not bad collective decisions.

Therefore, many people believe that poverty is unfortunate (which creates no dissonance) without believing that it is unjust (which would create dissonance yielding intolerance and in need of resolution). It is only by believing that poverty is unjust—and that a just system will be good for everyone—that people will give consent to change; but we have not yet developed a coherent narrative about poverty's injustice that is motivating, nor a set of experiences that will be anywhere near compelling enough for people to internalize that new narrative and the mental model embedded within it. That is, we have not invested in the right narrative infrastructure, neither for developing the narrative itself nor for making it powerful.

Narrative power takes many other forms, and can be assessed by many other criteria that are not possible to address in this short essay. But my larger point is that narrative power is not merely the presence of our issues or issue frames on the front page. Rather, it is the ability to make that presence powerful—to be able to achieve presence in a way that forces changes in decision making and in the status quo, in real, material, value-added terms. (Knowing the difference between “presence” and “power” is a major rhetorical theme and strategic guide for both me and *Color Of Change*, which I address often in other venues.¹)

Another bias with respect to overall narrative strategy:

our goal in our narrative work must extend far beyond empathy; empathy alone is never enough.

Empathy cannot overcome norms alone, especially those sustained by a well-organized conservative opposition. Many assume that narrative change is about turning up the volume on the broadcast of our stories. In reality, it is just as much about changing the rules of cultural production, i.e., influencing other broadcasters' and platforms' narratives. And those rules are much less about ensuring or leveraging empathy as they are about capturing normativity, i.e., modeling in media the institutionalization of inclusion that we want to see in society, and changing the incentive structures of media makers to align with those practices.

Many incorrectly assume that the strategy behind the success of marriage equality was focused only on empathy—winning by focusing on the shared value of love—and not by maintaining a parallel focus on power. Focusing on increasing empathy and dignity for oppressed people was not enough to change the rules society lives by and end that oppression. When we were able to engender empathy among large swaths of straight people for gay and lesbian people who couldn't visit their partners in the hospital, they felt bad, they felt it was unfortunate, and they wanted to let those people have access . . . by granting civil unions. But they wouldn't think to go any further than that.

That's as far as empathy got us: seeing (some) LGB people's situation as unfortunate—not as unjust,

and wanting to solve a specific technical problem rather than change systems writ large, to create justice. It did not make them want LGB people overall to be powerful; it did not make them want to change the status of LGB people overall in society. (Let alone, trans people.) It did not defeat norms institutionalized by religion, culture, community, family, and the infrastructure of Focus on the Family, Concerned Women for America, and the right-wing TV and radio networks that are also tied into megachurch broadcast networks—ideas that had great power and could not be overcome by a shift in emotion alone. Empathy was important, but it was not enough.

To get to marriage equality, we had to focus on changing power dynamics, not just emotional dynamics, and pursuing both in an integrated way required a mature, strategic narrative approach.

THREE NEEDS, THREE INVESTMENTS

With respect to the infrastructure required for effectively building and leveraging narrative power, three points are critical as we think and plan together across the many movements that fall under the banner of the progressive movement.

Much of it comes down to investing in the abilities that will allow us to effect long-term change.

1. We need the ability to follow through on narrative and cultural dispersion and immersion—over time, across segments, and at scale.

If we become consumed with the goal of getting our issues on the front page (presence), rather than implementing our values and solutions in the real world (power), we miss the point of narrative's role in social change. It's not about getting a great headline, or getting a storyline in one television show, or getting a few million video views. Those are necessary tactical executions but are not themselves a narrative strategy, which we often mistake them to be. The work is not nearly over when we achieve those objectives.

We must equip ourselves to follow through by becoming both present and powerful, in a consistent way, in the lives of the millions of people whom we believe are essential for our success (i.e., target segments).

Once we've gotten our message out, we must doubly focus on getting our message in.

Meaning: we must follow through to ensure that we are immersing people in our worldview, giving them ways to express that worldview for themselves and to reinforce it and paint their world with it. That is, to constantly keep our ideas in circulation—looking for ways to tell the same story in different terms, time and again, endlessly.

That requires, among other things, investing in the underlying ideas and values beneath our issues, moving them through social and personal spaces that aren't explicitly political or focused on issues but are nonetheless the experiences and venues through which people shape their most heart-held values.

Detailing what an investment for each might look like is beyond the scope of this paper, but I can preview an example:

We know TV isn't where all our people are "living" and where they are most open to connection. So why do we put all our ads there? And why, when we do move campaigns online, do we maintain such an un-targeted and marginal approach? We need to learn, create, broadcast, and immerse as if we're serious, and at the level that both our target segments require and the channels through which we reach them require. (And why do people in Russia know how to play the game in our country better than we do, and invest in playing it more than we do?)

2. We need actual human beings serving as our main vehicle for achieving narrative change—people equipped, talented, motivated, and networked to effectively spread new and compelling stories throughout their networks and subcultures, as well as spreading the values and thought models they contain, in order to move those ideas into a "normative" position in society.

Without people in "narrative motion," we cannot achieve narrative change. We must remember that a few big clouds do not water the earth below them—millions of drops of rain do the watering.

We cannot let ourselves get lost in the clouds. We must ensure we are raining down on our culture and our narrative environment with the voices and actions of real people, in order to nourish that environment and facilitate the growth of the ideas we want to flourish in it.

There is a specific kind of infrastructure to bring about the cycles of rains and replenishment we need—to enable the widespread narrative immersion and mobilization we need—i.e., to make it rain. It requires investments in individuals and networks, both our core base and unlikely, presently un-activated groups.

The right wing beats us here almost all the time. They create echo chambers, as we know. But they also provide platforms, and create their own celebrities who are always on script and trained to build dedicated audiences, creating narrative networks that entangle millions and millions of people in extremely deep and immersive experiences that reinforce specific values, ideas, desires, and norms. Those audiences become motivated, empowered, and confident emissaries, taking on their families, their social and work communities, and other spaces far outside of the right-wing spaces in which they were first immersed in these ideas (and which they keep going back to for deeper and deeper immersion). It is tireless, expensive work that they do well. It is far beyond “comms.” It is culture, it is business, it is community life. Progressives build our own islands, but they are rarely as big and populated, and we are not nearly as good at using them as a base for extending our reach and influence into the lives of those living on other islands that may be less explicitly political environments.

3. We cannot forsake the power of brands—the relationships responsible for the way that most people come to change their thinking, reshape their feeling, and redirect their behaviors.

We know from research that most people do not first decide on the issues they believe in and then figure out who among the leaders and forces of the world are the best vehicles for bringing those opinions and values to life. Rather, most people—all of us, if we are honest—first decide on the people we like or trust or feel inspired by, and then understand the world through them (as our lead interpreters), assuming that whoever they are and whatever they do works in service of the values we share (which they help define for us, perhaps even more than we define them for ourselves). That’s the power of brand.

Put simply: brands are among the most compelling narratives we engage with.

A brand narrative is the story of a persona—real or fictional, individual or organizational. Nike has a brand narrative that drives people to engage with them in a certain way and think about their lives, and even life itself, in a certain way. And that brand narrative can influence people’s feelings, thoughts, and behaviors much more than a doctor’s lecture to a patient about health issues and performance—the very same “issues” Nike addresses through brand narrative. Democrats have a brand narrative, as do national and local organizations in our sector.

How well those brands are managed may affect how people think about issues far more than how well we manage issue narratives themselves.

Elizabeth Warren had a foundation and set of core adherents based both on what she believed and the actions she took in service of those beliefs. But her success as a powerful figure is a result of her larger brand narrative (i.e., who people think she is and want her to be), far more than her policy positions. Being who she is—i.e., her brand power—then allowed her to align many more people with her worldview orientation, belief system, and actions than she otherwise would have without that brand power. Millions more people. Bernie took the “gateway” approach of brand narrative to the next level, using his own persona to build brand power and channel the inchoate emotions, dreams, and vulnerabilities of millions of people into the formation of an intuitively “true” and culturally widespread platform for economic “revolution.”

But because this happened without much of a grand strategy in place from a movement perspective—let alone a comprehensively designed one—we did not invest in the brand power of anyone else but these two white people representing New England.

We did not have (or put) the infrastructure in place to create brand narratives for people or organizations that could reach and attract the full range of Americans and American experiences and activate the networks of the communities essential to progressive success.

Even as they stood, Warren and Sanders did not do the things they could have done to increase their brand power among more Americans. But the real problem is that we did not invest—and consistently do not invest—in the people and organizations whose brand power can reach more people than the occasional break-out white Democrat or white pundit or white social leader can.

And when people of color are cut out of the progressive brand pantheon, progressives tend to get cut out of the political pantheon, and the great majority of Americans are cut short of the futures they deserve.

People have brand narratives, organizations have brand narratives, and even places and movements have brand narratives. Yet, across the political, cultural, and consumer realms, we invest almost nothing in brand power—and, frankly, are not very good at it even when we do.

It has always surprised me that when it comes to infrastructure, we focus so much more on framing and narrative development for the issues—whether policy issues or larger social issues—than on the narratives (i.e., brand narratives) that we know have far more sway over creating the kind of long-term bonds that catalyze metanarrative shifts and lead to the participatory behaviors we want.



Breaking patterns is hard, especially when it requires learning new things from new people and following new leaders, while we push ourselves to find better answers and ultimately embrace winning practices.

But the motivating question is simple: Are we happy? Are we happy with how we're doing narrative right now and the results we're getting, and are we willing to keep on doing the same?

If not, then we are going to have to make a change. It's going to be painful.

It's going to mean that some people who had expert status will not be able to keep it. It means that the inner expert in each of us is going to have to step back and focus more on learning what we need to change, than on the ideas and anecdotes, tools and recommendations we want to keep selling.

We need to build new narrative infrastructure (as part of our overall movement infrastructure) in order to build narrative power (as part of building our overall movement power). Without narrative power, we are not going to change the rules of society—our society's operating system—and shape society in the image of our values. Without taking a hard, serious look at what we are missing in terms of narrative infrastructure, we cannot truly say we are doing all we can do to fight for those values and the people they represent.

NOTE

1. See, for instance, Rashad Robinson, "Keynote Talk 2017: 'Are We Going To Get This Right?,'" Personal Democracy Forum, July 17, 2017, www.youtube.com/watch?v=AnTjy0Yltc4.

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MONEY *as* MEDICINE:

Leveraging Philanthropy to Decolonize Wealth

by Edgar Villanueva



Editors' note: The following has been excerpted, with permission, from Edgar Villanueva's new book, *Decolonizing Wealth: Indigenous Wisdom to Heal Divides and Restore Balance* (Berrett-Koehler, October 2018). It has been lightly edited for publication here.

THE FIELD OF PHILANTHROPY IS A LIVING ANACHRONISM.

It is (we are) like a stodgy relative wearing clothes that will never come back in fashion. It is adamant that it knows best, holding tight the purse strings. It is stubborn. It fails to get with the times, frustrating the younger folks. It does not care.

It is (we are) like a mansion with neoclassical columns and manicured lawns staffed with butlers and maids who pass silver trays of tiny tasteless nibbles (*pigs in blankets, angels on horseback, anyone?*) to guests wearing tailcoats and bustles, as a string quartet plays tunes written centuries ago. No one's voice rises over a certain decibel, no one jokes, no one's words call attention to

the ludicrous and unsustainable farce that is the entire scene.

It is (we are) a period play, a costume drama, a fantasy of entitlement, altruism, and superiority. Far too often, it creates (we create) division and suffering rather than progress and healing.

It is (we are) a sleepwalking sector, white zombies spewing the money of dead white people in the name of charity and benevolence.

It is (we are) colonialism in the empire's newest clothes.

It is (we are) racism in institutional form.

Philanthropy moves at a glacial pace. Epidemics and storms hit, communities go underwater literally and metaphorically, Black and Brown children get shot dead or lose their youth inside jail cells, families are separated across continents, women are abused and beaten and raped, all of Rome burns while we fiddle with another survey on strategies, another study on impact.

Other sectors feel the heat of competition. Not us. We politely nod at the innovations of the business sector; it takes us a half-century to implement one of them. We indulge those who say

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that diversity is important by conducting several decades of analyses, hiring consultant groups with absurd price tags. We publish reports. We create a task force and debate mightily over what to call it. We do not actually change, not more than superficially.

This is philanthropy. It is (we are) the family that embarrasses me and infuriates me. But it's still my family, my relations, and I believe in redemption. It's from the place of calling this family to a better self that I write.

Philanthropy, honey, it's time for an intervention.

MONEY AS MEDICINE

For most people, “medicine” is something used to treat or cure a disease, often a man-made drug, or sometimes an herb. Sometimes it refers to the whole field: hospitals, pharmacies, doctors, and so on. In Native traditions, however, medicine is a way of achieving balance. An Indigenous medicine person doesn't just heal illnesses—he or she can restore harmony or establish a state of being, like peacefulness. Medicine people live and practice among the people; access to them is constant and unrestricted. And the practice of medicine is not just limited to the hands of medicine people: everyone is welcome to participate. Engaging with medicine is a part of the experience of daily life. Traditionally, Indigenous people don't wait to be out of balance before they turn to medicine.

In the Indigenous worldview, many kinds of things can be medicine: a place, a word, a stone, an animal, a natural phenomenon, a dream, a life event like a coffee date with a friend, or even something that seems bad in the moment, like the loss of a job. Have you ever looked back at

your life and thought, “That was the best thing that could have ever happened to me”? *That* was medicine. In order for something or someone to serve as medicine, it only needs to be filled with or granted a kind of mystical or spiritual power. You (anyone) can find and use medicine, just by allowing your intuition and feelings to determine whether something can serve as medicine. You listen for its sacred power; you don't force it.

You don't choose the medicine, the elders say—it chooses you.

It has taken me a long, long time (patience is a virtue in Indian country) to accept that the medicine that has chosen me is money. Because, I mean: money? Come on. Money corrupts. Money is dirty, even filthy. Money is the root of all evil, doesn't the Bible say that?

But what is money but a way to measure value, to facilitate exchange? And what is exchange but a type of relationship between people? Money is a proxy for the sweat we spent on growing food, sewing clothes, assembling electronics, coding apps, creating entertainment, researching and developing innovations, etc. It's just a stand-in for the materials we used, the services granted, the responsibility shouldered. Money is a tool to reflect the obligations people develop toward each other as they interact. It's “the measure of one's trust in other human beings,” as anthropologist David Graeber writes in his comprehensive book *Debt*.¹

Materially, it's a bit of nickel, zinc, copper. It's a little linen, mostly cotton, some ink. It's basically Kleenex adorned with dead presidents. Actually, today mostly it's a series of zeroes and ones. Bytes, data on screens. Imaginary. Harmless.

And in fact, the Bible doesn't say money's the

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root of all evil. It says the *love* of money is the root of all evil—in other words, when we let it be more important than life, relationships, and humanity.

I'm not saying there aren't problems with money when it's hoarded, controlled, used to divide people, to oppress and dominate. But that's not the money's fault. Inherently it's value-neutral. Humans have used money wrongfully. We've made money more important than human life. We've allowed it to divide us. That *is* a sin. We forget that we humans made money up out of thin air, as a concept, a tool for a complex society, a placeholder for aspects of human relations. We forget that we gave money its meaning and its power.

Money is like water. Water can be a precious life-giving resource. But what happens when water is dammed, when a water cannon is fired on protestors in subzero temperatures? Money should be a tool of love, to facilitate relationships, to help us thrive, rather than to hurt and divide us. If it's used for sacred, life-giving, restorative purposes, it can be medicine.

Money, used as medicine, can help us decolonize.

SEVEN STEPS TO HEALING

Across American history and through the present day, the accumulation of wealth is steeped in trauma. The process of healing from that trauma is central to decolonization. Acknowledging our woundedness is key. This is not just for individuals—institutions can also engage in the Seven Steps to Healing:

1. **Grieve:** We have to stop and feel the hurts we've endured.
2. **Apologize:** We must apologize for the hurts we've caused.
3. **Listen:** We must acknowledge the wisdom of those excluded and exploited by the system, who possess exactly the perspective and wisdom needed to fix it.
4. **Relate:** We need space to share our whole selves with each other and understand we don't have to agree in order to respect each other.
5. **Represent:** We must build whole new decision-making tables, rather than setting

token places at the colonial tables as an afterthought.

6. **Invest:** We need to put ALL our money where our values are.
7. **Repair:** We must use money to heal where people are hurting and stop more hurt from happening.

These steps aren't necessarily linear. Certain steps may need to be revisited, and the entire process may need to be repeated. In this way, it's more of a circular or spiral process. Like any clever virus, the colonizer mindset keeps mutating and adapting, so in order to heal fully, we will need to be vigilant and get booster shots.

This is not a silver bullet solution. There is no quick fix for the complexity of colonization. Decolonization is a process with roles for everyone involved, whether you're rich or poor, funder or recipient, victim or perpetrator. It may not feel like we're moving forward at all, during certain phases of healing. Patience and grit are required.

MITAKUYE OYASIN

All My Relations, *Mitakuye Oyasin*, as the Lakota say—meaning, we are all related, connected, not only to other humans but to all the other living things and inanimate things and the planet, and also the Creator. The principle of All My Relations means that everyone is at home here. Everyone has a responsibility in making things right. Everyone has a role in the process of healing, regardless of whether they caused or received more harm. All our suffering is mutual. All our healing is mutual. All our thriving is mutual.

CONFRONTING TRAUMA

There is a folktale about a serpent that once upon a time was plaguing a village. The serpent had devoured many of the villagers, including children, and everyone lived in fear of its next attack. A flute player who was still among the living decided something must be done. He packed a bundle of food and a knife, and he went to the edge of the village and began playing his flute. As he expected, the music drew the serpent to him, and in one bite the serpent swallowed the flute player. Inside the serpent's stomach it was dark,

but the flute player pulled out his knife and cut away a little of the serpent's stomach and ate it. Bit by bit, he cut away the serpent's flesh from the inside. This went on for some time, until finally the flute player reached the serpent's heart. When he cut it out, the serpent died, and the flute player crawled out of the serpent and returned to the village, bringing along the serpent's heart to show everyone, so they would know they no longer had reason to be afraid.

I see it as a story about grappling with collective trauma. We have to enter into the darkness of it. It can't be dealt with from the outside. We have to go inside, despite our resistance, and allow ourselves to feel swallowed up and surrounded by it. It might seem like the pain will never end and there is no way out of it, but bit by bit we come to the heart of the matter. The flute player had prepared himself for a prolonged reckoning. Some kinds of grappling, for especially deep wounds, are lifelong projects. If we do not reckon with it, however, if we carry around unresolved grief, we will spend our lives plagued by the serpent. When we finally get to the heart of the matter, we can emerge lighter and ready to build something new.

NATIVE AMERICAN IDENTITY

Being Native American inherently involves an identity crisis. We're the only race or ethnicity that is only acknowledged if the government says we are. Here we are, we exist, but we still have to prove it. Anyone else can say they are what they are. No one has to prove that they're Black or prove that they're Latinx. There are deep implications to this. The rates of alcoholism, substance abuse, and suicide are linked to this fundamental questioning of our identity. We exist in the "Other" box. To try to feel safe inside that box, and then to be told you've got to prove your right to be in that box—that the box itself is under threat—is deeply demoralizing.

UNPACKING COLONIZATION

Colonization seems totally normal, because the history books are full of it and because, to this day, many colonizing powers talk about colonization not with shame but with pride in their accomplishments—but it's actually the strangest thing.

Conquering is one thing: you travel to another place and take its resources, kill the people who get in your way, and then go home with your spoils. But in colonization, you stick around, occupy the land, and force the existing Indigenous people to *become you*. It's like a zombie invasion: colonizers insist on taking over the bodies, minds, and souls of the colonized.

MOVING TOWARD DECOLONIZATION

Decolonization, obviously, is the process of undoing colonization. The Afro-Caribbean philosopher and revolutionary Frantz Fanon described decolonization using the famous line from the Bible: "The last shall be first and the first last."² Taken literally, decolonization means that the land that was stolen is returned, and sovereignty over not only the land and its resources but also over social structures and traditions is granted back to those from whom it was all stolen.

Yet decolonization defined like this tends to get stuck and make no headway at all. The truth is, there is no future that does not include the settlers occupying Indigenous lands. Today, in the twenty-first century, Indigenous lives and settler lives—families and businesses—are intertwined. This is simply the pragmatic reality of today's world. What we *can* focus on with decolonization is stopping the cycles of abuse and healing ourselves of trauma. In this way we expand our possibilities for the future.

We must heal ourselves by each taking responsibility for our part in creating or maintaining the colonial virus. We must identify and reject the colonized aspects of our culture and our institutions so that we can heal. In healing we eradicate the colonizer virus from society: instead of *divide*, *control*, *exploit*, we embrace a new paradigm of *connect*, *relate*, *belong*.

NOTES

1. David Graeber, *Debt: The First 5,000 Years*, rev. ed. (New York: Melville House, 2011), 47.
2. Frantz Fanon, *The Wretched of the Earth* (New York: Grove Press, 1964), 36.

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MUSEUMS:

Nonprofits in the Eye of the Perfect Narrative Storm

An NPQ Compilation

Editors' note: NPQ keeps track of what is going on in the operating environment of nonprofits largely through its daily newswire. A team of volunteer writers and staff produces around seven newswire stories and one feature a day—and these track, over time, developments in practice, policy, philanthropy, and movements. The newswires are informed by those that have come before, as well as by research and the practice experiences of the writers. With this process, NPQ keeps readers up to date on emerging ideas and forms of action. This article traces our coverage over five years of the evolution of a field in flux: museums. The newswire stories within highlight the role of museums in supporting status-quo narratives, and provide a sense of how ideas about and accountability in museum curation, repatriation of art and artifacts, and leadership and influence have developed over this relatively short period.

MUSEUMS, AS REPOSITORIES OF HISTORICAL artifacts, contain interpretations of culture, history, and the natural world, traditionally through the lens of the monied class. In this way, dominant narratives and cultural perceptions are reinforced to the visiting public with “authority” and “gravitas.”

Recently, activists have begun to apply increasing pressure on a number of leverage points in museum systems: leadership and curatorial staff, financial backers, and the institutions’ narrative habits, as well as the provenance of institutional holdings. The question becomes, “Whose knowledge is it?”—and, by extension, “Whose world?”

WHAT DOES A NEW PRACTICE ENTAIL?

Questions about the colonialist tendencies of museums are very active in that world and have been for a number of decades; but recently, the volume and persistence of questions has increased, and calls for a process of cultural decolonization have taken center stage. A recent article in the *Journal of Museum Education* is called “Inclusion Requires Fracturing.”¹ It discusses the fact that the process of decolonizing museums—and in this case the author is discussing art museums—requires more than merely additions to exhibits or special exhibit spaces:

Polyvocal representation, participatory and co-creative community-engaged interpretive practices can be powerful tools toward inclusive, reparative work in art museums. However, these tools can only ever be partially liberatory because they merely disrupt and fracture known museum practice. What becomes possible if the tools become strategies that are integrated into all aspects of museum practice? Within broader museum systems, similar work must infuse collection, curating, operations, hiring, staffing, and echo throughout all functions of the museum. There is great opportunity in new collecting practices to release artistic expression and cultural representation from long-held taxonomies; we can seek and create different ways of seeing and thinking to unfix what seemed fixed. Interpretive planning, as a relatively young field in art museums, and the work of educators in interpretive development can be vulnerable within institutions where stable ground is sought and practices become institutionalized as foundational. But in that yet-unformed space may lie the strongest opportunity to push for and achieve next practices in equitable cultural representation, identity formation, and critical reflection. These activities do not merely redress past wrongs but exploit the power of the art museum to design more generative, engaged, luminous, and joyful futures.²

WHO OWNS OUR STORY? THE PROBLEM WITH MUSEUM-BASED NARRATIVE

Many larger cultural institutions in the United States are, at least in significant part, supported by an elite class of donor members of which many share a dominant worldview, and this may cause a narrowness of approach to the exhibition of art and history. Some public, private, and individual funders have begun to push accountability regarding the inclusiveness of the arts. One large initiative NPQ reported on in 2017 was New York City Mayor Bill de Blasio’s, which links all of the city’s cultural funding to the diversity of employees and board members of those institutions. This followed the release of a report, funded by the Ford Foundation: *CreateNYC: A Cultural Plan for All New Yorkers*.³

This, explained Robin Pogrebin of the *New York Times*, “puts pressure on the Metropolitan Museum of Art, Carnegie Hall, the American Museum of Natural History and other preeminent institutions that are led largely by white male executives and power brokers from Wall Street, real estate and other industries.”⁴

New York City spends more on arts and culture than any other city in the United States—and more than any single state. The budget of the city’s Department of Cultural Affairs exceeds that of the National Endowment for the Arts and the National Endowment for the Humanities. The city has been funding the arts since the nineteenth century, but until now, City Hall has never embarked on a comprehensive review of where all that money goes and what it does.

Darren Walker, the Ford Foundation’s president and a major proponent both of the arts and racial equity, has said, “Some part of this is going to be disruptive. That is a good thing, if it produces a fairer system.”⁵ But pressure is not only coming from institutional supporters of the arts. A year later, a high-dollar donor couple made their contribution to the Metropolitan Museum dependent on a less colonialist approach to the exhibition of the art of Native American people—and they made that gift conditional on the placement of the art in the American wing rather than the galleries for Africa, Oceania, and the Americas, so it would be seen

But depending upon enlightened individual donors to make these points leaves the ownership of narrative in their hands, and sometimes those hands have an interest in controlling the narrative.

as part of this country's narrative.⁶ But depending on enlightened individual donors to make these points leaves the ownership of narrative in their hands, and sometimes those hands have an interest in controlling the narrative. Corporate sponsorship of museum exhibits is eliciting numerous environmental protests across Europe. A newswire report by *NPQ* in 2013 addressed Sebastião Salgado's *Genesis* exhibit, at the Natural History Museum in London:⁷

"These photographs document environments that have great scientific importance as well as aesthetic appeal," says museum director Dr. Michael Dixon. "They show the inspiring diversity of our planet, a natural wealth for which we are all responsible."⁸

But the sponsor who made the whole thing possible was Vale, a Brazilian mining company that had been called out in 2012 by *The Public Eye*, an annual competition held by Greenpeace and the Berne Declaration, as the corporation having the greatest "contempt for the environment and human rights" in the world.⁹ [In "Sebastião Salgado and Cultural Capital,"¹⁰] Lewis Bush writes: "Hans Haacke, whose art and writing have long critiqued the relationship between cultural institutions and large corporations, argues that sponsorship is rarely about altruism and always about exchange. It is 'an exchange of capital: financial capital on the part of the sponsors and symbolic capital on the part of the sponsored.' According to Haacke, symbolic capital represents or results in public good will, corporate recognition, and a favourable political atmosphere for the activities of the sponsor. He also notes that the tax-deductible nature of cultural donations means that paying museum visitors are often in effect subsidizing tax breaks for the corporations who donate."¹¹

Similarly, recent research has also uncovered the way in which the billionaire class appears to marry its cultural and political influence. Chelsea Reichert reported on this in her newswire story

"Philanthropy, Democracy, and the Weird Civic Playground of Nonprofit Museums,"¹² in which she covered Andrea Fraser's book *2016: in Museums, Money, and Politics*.¹³

Fraser . . . states, "Social scientists and other observers of politics...conclude that our system of government is no longer a democracy—government by the people through elected representatives. Instead, the United States has become a plutocracy—government by the wealthy."¹⁴ As elected officials increasingly prioritize the acquisition of wealth, nonprofit institutions follow. And as the wealthy find increased power and influence in political contributions, they find the same in philanthropic donations. Just as Donald Trump assembled "the wealthiest cabinet in U.S. history,"¹⁵ nonprofits have assembled some of the wealthiest, and most politically influential, boards in history.

In the book's study of 5,458 individual board members, over 42.5 percent made political contributions over \$200 (the threshold for reporting). These individuals made over 36,000 political contributions. For perspective, less than 1 percent of the adult American population gives more than \$200 to political campaigns. The same individuals, as nonprofit board members, are often called upon to donate to their respective nonprofits or cultivate donations from affluent friends and colleagues. As the wealthy doubled their wealth between 1984 and 2016, donations to cultural institutions grew from \$3.85 billion to \$18.21 billion. The same people influencing political policy tend to be the same people influencing the decisions of major cultural institutions, and they don't represent the common American.¹⁶

In fact, U.S. museum leadership and curatorial staff have traditionally been so white that the institutions they guide have helped to marginalize entire cultures into subsidiaries of a main dominant and largely colonialist narrative. This has been well documented in studies done by the

American Alliance of Museums (AAM).¹⁷

It should be said that the field is one of the few that have undertaken such studies on a consistent basis. Still, the 2017 AAM study offered pretty stark statistics as far as diversity and inclusion are concerned¹⁸—worse than the sector overall, if we compare these numbers to the nonprofits surveyed by BoardSource's most recent *Leading with Intent* study.¹⁹ For instance, the demographic profile of museum board members in the United States reveals considerable ethnic and racial homogeneity, along with minimal age diversity. Board composition is tipped to white, older males—more so than at other nonprofit organizations. Forty-six percent of museum boards are all white, compared to 30 percent of nonprofit boards.²⁰

Additionally, the study's findings revealed that 93 percent of museum directors are white, as are 92.6 percent of board chairs and 89.3 percent of board members.²¹ But even though “museum directors and board chairs believe board diversity and inclusion are important to advance their missions,”²² they have failed to prioritize action steps to advance these goals. Despite this, museum board chairs identified fundraising as the most important area for board improvement.

Also, at that time, the survey found no sign of a leadership pipeline for museum staff from historically underrepresented minorities among the 181 art museums responding. Among those highly paid positions of curators, conservators, educators, and leaders, 4 percent are African American, 3 percent are Latinx, and Asians account for 6 percent. Whites hold 84 percent of these high-level jobs.²³ Mariët Westermann, vice president of the Andrew W. Mellon Foundation, suggested at the time that two specific results point to pathways for diversifying museum leadership and the positions that shape museums as venues of research and lifelong education:

First, progress is likely to be swifter and easier on gender equality than on minority representation. As museum staff has become 60 percent female over the past decade or so, there is now also a preponderance of women in the curatorial,

conservation, and educational roles that constitute the pipeline for leadership positions such as museum director, chief curator, and head of conservation or education. With close attention to equitable promotion and hiring practices for senior positions, art museums should be able to achieve greater gender equality in their leadership cohorts within the foreseeable future.

Second, there is no comparable “youth bulge” of staff from historically underrepresented minorities in curatorial, education, or conservation departments. The percentages of staff from underrepresented communities in such positions are basically level at 27.5 percent across the different age cohorts born from the 1960s to 1990s. Therefore, even promotion protocols that are maximally intentional about the organizational benefits of diversity are not going to make museum leadership cohorts notably more diverse if there is no simultaneous increase in the presence of historically underrepresented minorities on museum staff altogether, and particularly in the professions that drive the museum's programs in collection development, research, exhibitions, and education. This finding suggests that diverse educational pipelines into curatorial, conservation, and other art museum careers are going to be critical if art museums wish to have truly diverse staff and inclusive cultures. It also indicates that the nation will need more programs that encourage students of color to pursue graduate education in preparation for museum positions.²⁴

And in fact, more and more often, permanent and temporary museums are bringing untold narratives to communities where museums won't, and this may be helping to push institutionally based museums to act more responsibly. The following newswire reports illuminate how museums can help to deepen and legitimate underrepresented narratives.



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CENTERING AND HONORING MARGINALIZED HISTORIES

Museum of the American Indian Seeks to Change Thanksgiving Narratives

by Steve Dubb | November 21, 2018; *PBS NewsHour*
and *Education Week*

“School children in the US often celebrate Thanksgiving by dressing up as pilgrims and ‘Indians,’” notes Kavitha Cardoza of *Education Week*, reporting for *PBS NewsHour*.²⁵ (For a humorous send-up of the standard account, see this old movie clip from *Addams Family Thanksgiving*.)²⁶ Cardoza, in a masterstroke of understatement, notes that “these traditions tend to perpetuate myths that are offensive to Native American communities.”²⁷ A couple of years ago, writing in *Smithsonian Magazine*, Dennis Zotigh, a cultural specialist at the Museum of the American Indian, was less restrained:

The Thanksgiving myth has done so much damage and harm to the cultural self-esteem of generations of Indian people, including myself, by perpetuating negative and harmful images to both young Indian and non-Indian minds. There are so many things wrong with the happy celebration that takes place in elementary schools and its association to American Indian culture; compromised integrity, stereotyping, and cultural misappropriation are three examples.²⁸

Building counternarratives that are truly respectful of Native American communities and that accurately tell the story of the Wampanoag is no small thing, but the National Museum of the American Indian is seeking to make inroads.

Cardoza, in her story, profiles a group of 50 social studies teachers who come to the Museum of the American Indian in Washington, DC, for a week-long training on “how to teach the first Thanksgiving in a way that is true to actual events and respectful of Native cultures.”²⁹ This class is part of a broader set of programs, some taught under the banner of Native Knowledge 360°, as well as related efforts like the Teacher-in-Residence and the July Educator Institute “in order to build a network of teachers dedicated to providing students with new and accurate perspectives.”³⁰

Participating teachers at the training learned that the Pilgrims weren’t the first settlers in the US, and that Native Americans had celebrated fall harvest feasts for years. They got to listen to first-person stories, analyze historical photos, and learn about traditional Native foods. They also learned the broader context of Native American history, including key federal policies, such as assimilation, the Dawes Act, and American Indian removal under Jacksonian policy, and are provided strategies for incorporating these in lesson plans.

“These affected my people, you know, my community, personally,” notes Renee Gokey (Eastern Shawnee/Sac and Fox), who serves as a teacher services representative at the museum.³¹

The stories help teachers devise ways to counter textbook interpretations that often treat American Indians as if they are not part of the US today. As one teacher tells Cardoza, “When you tell [students that] Native people are still here in America, they’re like, Oh, we didn’t know that.”

Eric Shed, who trains history teachers at Harvard University, tells Cardoza that “understanding the past is all about narratives or stories that help us make sense of the present... Narratives are fundamentally important to us as a society... they’re what binds us together.”

Rebecca Daugherty, who teaches third-graders in Colorado Springs, underscores the importance of getting the narrative right. Her students, she notes, are “going to be the future of this country. And if everybody has a misunderstanding and nobody tells them the truth, then we’re a nation built on lies... hopefully, I taught them to not always believe what they hear first time, but to look further and investigate more.”

For her part, Gokey says that part of what motivates the work she does is her belief that “there’s much more opportunity when we speak frankly and truthfully about the past.”

Pop-Up Museums as Political Organizing: Can Totem Poles Help Turn the Tide on Fossil Fuels?

By Eileen Cuniffe | December 4, 2018; *Last Real Indians*

Since 2002, the House of Tears Carvers of the Lummi Nation in northwest Washington have been advocating to protect water, air, and land from natural

and anthropogenic forces by leveraging their traditional art form of carving totem poles. These sometimes massive works of art are then sent on “totem pole journeys”³² across North America to “raise awareness, build alliances, and unite communities around issues of concern,” as explained by *Last Real Indians*³³ and highlighted in a brief YouTube video.³⁴ The totem poles are part of ongoing efforts by Native American tribes to apply sovereignty and treaty rights—along with storytelling and art—to protect the environment.

For the last six years, the new totem poles have focused on issues relating to the fossil fuel industry. The newest carving emphasizes risks to the Salish Sea (off northwest Washington and southwest British Columbia) and its dwindling population of orcas, or killer whales, if proposed industry initiatives are not stopped. This month, the new totem of a whale will take its place in a traveling exhibition opening at the Florida Museum of Natural History in Gainesville. The exhibition, titled *Whale People: Protectors of the Sea*, “narrates the plight of the orcas from an Indigenous perspective.”³⁵ The exhibition was created by Lummi Nation and a nonprofit pop-up museum called The Natural History Museum. This nonprofit, established in 2014, has several Native American leaders on its advisory board, and the work of the organization is described on its website in this way:

The mission of The Natural History Museum is to affirm the truth of science. By looking at the presentation of natural history, the museum demonstrates principles fundamental to scientific inquiry, principles such as the commonality of knowledge and the unavoidability of the unknown. The Museum inquires into what we see, how we see, and what remains excluded from our seeing. It invites visitors to take the perspective of museum anthropologists attuned to the social and political forces inseparable from the natural world.³⁶

The Natural History Museum is not a brick-and-mortar operation. Its exhibitions are developed in collaboration with Indigenous communities and presented in established mainstream museums. The other museums seem to welcome the exhibitions,

even if they might not have tackled such complex climate justice topics on their own. The advocacy efforts of The Natural History Museum have had some impressive results. Working with 150 top scientists and Nobel Laureates, the nonprofit issued a letter urging museums to cut all ties with fossil fuel interests. To date, nine museums have done so, and the initiative contributed to the resignation of climate-change denier (but big contributor) David Koch from the board of New York’s American Museum of Natural History.

Through its work, The Natural History Museum also appears to be building bridges with institutions that historically have often had poor reputations within Native communities. As described in the *Last Real Indians* article:

Born from a history of plunder, natural history museums in North America are slowly rebuilding relations with Native communities. For decades, Native activists have placed demands on these institutions, making real gains in the process: from the repatriation of human remains and sacred objects to the affirmation that Native Peoples should have authority over the representation of their cultural traditions and histories.³⁷

In addition to their overall commitment to environmental causes, the *Whale People* exhibition has particular resonance for its creators. In the Lummi tradition, orcas are considered as kin. The Lummi phrase for killer whale is “qw’e lh’ol mechen,” which translates as “our people that live under the sea.” The Salish Sea orcas are very much at risk, as are their waters:

Critically endangered, the threats they face range from climate change, starvation, toxic and sound pollution, oil pipelines and tanker traffic. The proposed Trans Mountain Pipeline, which would bring 800 new oil tankers annually to the Salish Sea, would mean game-over for the 74 remaining resident orcas.³⁸

So, back to the totem pole journeys, where we began. Lummi Master Carver Jewell James explains that the totems themselves are not considered sacred. The whale totem, like others before it, has made many stops on its journey from Washington to

“Born from a history of plunder, natural history museums in North America are slowly rebuilding relations with Native communities. For decades, Native activists have placed demands on these institutions, making real gains in the process.”

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Florida. Along the way, it has been used to educate people about environmental issues, and especially the threats to the Salish Sea and its whales. Those who have turned out to see the totem have been invited to touch it. And once the exhibition opens in Florida, museum visitors will be invited to do the same. As James explains, “It is only when the totem is touched and shared by many communities standing together that the totem becomes a lasting part of our memories and a symbol of our resistance.”³⁹

In a newswire story by Anne Eigeman, “Museums, Neighborhoods, and Gentrification: Lessons from the Nation’s Capital,”⁴⁰ she discusses an exhibit called *A Right to the City*:

Examining six city neighborhoods—three in the city’s northwest quadrant (Adams Morgan, Chinatown, and Shaw) and three from the city’s three other quadrants (Brookland in Northeast, Southwest, and Anacostia in Southeast)—the exhibition takes a close look at how ordinary Washingtonians have helped to “shape and reshape their neighborhoods.”⁴¹

The exhibit focuses on the period from the 1940s to the 1970s. The 1970s, as Washingtonians know well, was the period when limited “home rule”—including a directly elected city council and mayor—came to the nation’s capital. The rise of home rule was linked closely to the Black Power movement of its time. By 1970, the city’s population itself was more than two-thirds Black. In 1975, the funk group Parliament released a song that famously labeled Washington “Chocolate City.”

Last month, at a day-long symposium sponsored by the museum, the rise of Chocolate City was contrasted with the city’s more recent gentrification. In 2011, the percentage of Black residents in Washington fell below 50 percent for the first time in over half a century. Howard Gillette, professor of history emeritus at Rutgers University, observed that in many respects the District of Columbia has become “ground zero for gentrification and social justice issues that are going on nationally.”⁴²

Introducing the symposium, Samir Meghelli, senior curator at the Smithsonian Anacostia Community Museum, explained that it was no mistake that the museum’s founding director, John Kinard, also the first Black director of a Smithsonian museum at age 31, had previously been a community organizer. “Museums, he believed, had to reimagine their roles, to connect and strengthen communities and to ignite change.”⁴³

Stakeholders have become more activist in holding up their concerns about the ways in which museum exhibits are mishandled and reflective of dominant narratives. This can be traced back to the identities of curatorial staff, as Chelsea Dennis describes below.⁴⁴

Decolonize This Place . . . Now: Museums Are Increasingly Monitored for Their Curatorial Representation

by Chelsea Dennis | October 5, 2018; *NPR* and *The Root*

Affectionately known as the “Blacksonian,” the Smithsonian National Museum of African American History & Culture (NMAAHC) came under fire recently after a Twitter user questioned the appointment of a white woman to curate the museum’s hip-hop exhibit.⁴⁵ The original tweet was in reference to Timothy Anne Burnside, a specialist in Curatorial Affairs at the museum.

What seemed to be an honest question led to robust discussion, with popular Twitter users such as #OscarsSoWhite creator April Reign,⁴⁶ Ferguson activist Brittany Packnett,⁴⁷ and Grammy-nominated rapper Rapsody defending her credentials and giving credence to her work as an ally. While a number of discussions surrounding Burnside’s position took place, it was clear the focus was not on her credentials but whether there was a Black person suitable for the role, especially since such positions are few and far between.

Issues of representation are not new to the museum sector (*NPQ* has reported extensively on this).⁴⁸ Earlier this year, the Brooklyn Museum faced similar controversy after announcing the hiring of Kristen Windmuller-Luna to manage the museum’s

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African art collections. Decolonize This Place and other activists decried the choice, with Shellyne Rodriguez, who helped lead the protest, stating, “Diverse programming is not enough! It is cosmetic solidarity. The museum wants our art, our culture, but not our people.”⁴⁹

Essentially, Twitter commentators were questioning that same notion. In the wake of #OscarsSoWhite, #BlackLivesMatter, and discussions of gentrification and cultural appropriation, issues of museum diversity have become increasingly common. In this specific instance, being that hip-hop originated in low-income Black and Latinx communities, people are questioning the reasoning behind appointing someone outside of a living, breathing culture as a gatekeeper, especially when museums have not traditionally catered to diverse audiences. What’s more, as one Twitter user so eloquently put it,

If hip-hop is a culture—not just a genre of music—then there are nuances that the people who created and lived IN that culture will know that others will not, no matter how deeply they study the content.⁵⁰

In response to the criticism, NMAAHC released a statement addressing concerns and supporting Burnside’s work.

The museum is shaped and led by a leadership team that is largely African American—and the staff is firmly grounded in African American history and committed to the mission of the museum. We value that diversity and also recognize the importance of diversity of thought, perspectives and opinions. It has helped make the museum what it is today.

Out of a deep commitment, Ms. Timothy Anne Burnside launched the Smithsonian’s first hip-hop collecting initiative 12 years ago while at the National Museum of American History. Since joining the Museum in 2009, she has also played a key role in building the hip-hop collection as part of a larger curatorial team. Dr. Dwandalyne Reece, the curator of music and performing arts, leads that effort. We are proud of their work.⁵¹

The statement also notes the lack of African

Americans in curatorial positions and their current efforts to address the issue through paid internships and fellowships. Since then, the museum has released a feature article highlighting Black curators at the institution in addition to some of the current initiatives it is undertaking in DC public schools to encourage more people of color to consider careers in museums.⁵²

One thing of note in this entire fiasco was the seeming lack of concern regarding the optics of appointing a white person to what is considered one of the largest institutions focused on African-American history in the country. Since its opening, NMAAHC has experienced record attendance, with more than 3 million visitors having walked through the 400,000-square-foot building.⁵³ In a field that is constantly reinventing itself to remain relevant to a changing demographic, it’s surprising that the museum did not take extra steps to introduce the public to Burnside’s work. The museum’s oversight may make people wonder about its commitment to stakeholders and question who it actually considers its stakeholders. In an act of transparency, maybe they should take a note from the Cleveland Museum of Art, which recently released its strategic plan explicitly detailing how it intends to engage the community—not simply through attendance, but through hiring decisions, selected curated art, and organizational policies.⁵⁴

NPQ has published a number of newswire stories on the development of pipelines for curators of color at HBCUs and elsewhere, but the museums will also need to create internal systems to train and promote leaders of color for prized curatorial roles. They owe that to the public and to themselves, and apparently the public is growing unwilling to accept any less.

But habits of cultural appropriation die hard, as the report below describes.⁵⁵

The First Contemporary Art Museum in Africa Is Run by White Men

by Cyndi Suarez | September 21, 2017; *Artsy*

NPQ has written about the lack of diversity on the boards of US nonprofits—a problem that is getting worse, according to the latest BoardSource report.⁵⁶ And we have also written about a persistent diversity problem at this country’s museums.⁵⁷ But this story

about the new and first contemporary art museum in South Africa shows us how absurd this problem can become.

In Africa, this trend intersects with a long history of colonialism.

Though black people were barred from entering a museum in South Africa until 1994, when Apartheid officially ended, this month—September 22nd to be exact—the Zeitz Museum of Contemporary African Art (ZMOCAA) opens in Cape Town. According to Antwaun Sargent, writing for *Artsy*, it is “the first public institution to be devoted solely to contemporary African art (and art of the Diaspora) on the entire, 54-country continent.”⁵⁸

The 11-story building is the result of the conversion of Cape Town’s grain silo complex, comprising 42 silos. For almost 50 years, it was the tallest building in sub-Saharan Africa and played a key role in “the movement of the country’s goods, ideas, and people around the world.” From this “tight network of tubed silos” comes a post-industrial, 100,000-square-foot museum featuring “100 galleries, a rooftop sculpture garden, and six research centers dedicated to Art Education, Curatorial Excellence, Performative Practice, Photography, the Moving Image and Costume Institute.” Sargent describes it as “a truly awe-inspiring, concrete-cave-like, architectural wonder.”

The museum’s inaugural exhibitions feature 300 works of art across 11 shows by the leading artists in African art, mostly Black and from across the continent. They include South African performance artist and photographer Gabrielle Goliath; South African sculptor, videographer, and photographer Nandipha Mntambo; Tunisian photographer Mouna Karray; Malawi-born filmmaker Samson Kambalu; Ghanaian sculptor El Anatsui; British-Nigerian sculptor Yinka Shonibare; South African photographer (visual activist) Zanele Muholi; Soweto-born photographer, performer, filmmaker, and sculptor Mohau Modisakeng; and Kenyan sculptor and painter Cyrus Kabiru.

Sargent writes, “If Zeitz MOCAA succeeds curatorially, the building could put South Africa in a position of considerable cultural power as it seeks to become the global trader of contemporary African visual experiences.” Museum representatives say they hope it will provide “a platform for African

artists to subvert deeply entrenched stereotypes of African life and art.”

And this is where it gets sticky.

The “Zeitz” in the name is Jochen Zeitz, the former CEO of Puma, “avid collector of contemporary art from Africa and its diaspora,” and a white German. The museum is built on his collection; however, unlike other museums that are named after principal patrons, the collection is not permanent; it is on loan “for the duration of Zeitz’s lifetime.” Some African artists are critical; one said, “We obviously all want it to succeed, but why is Zeitz’s name on the building? Is this colonialism?”

This is especially problematic given the purpose of the museum. Much of the art engages Africa’s long history of colonialism. For example, Zimbabwean artist Kudzanai Chiurai has an early-career survey titled “Regarding the Ease of Others,” which explores political, religious, and cultural post-colonial conflict.⁵⁹

Further, the museum’s chief curator and director is white South African Mark Coetzee, who “oversaw every aspect of the museum’s creation,” including the ironically named group exhibition, considered the primary opening statement, a “sprawling survey of contemporary artists working in the country” called “All Things Being Equal.”⁶⁰

Matthew Blackman, the editor of *ArtThrob*, “South Africa’s leading contemporary visual arts publication,”⁶¹ published “An Open Letter to Jochen Zeitz and Mark Coetzee” back in 2015 that is worth quoting.⁶² He writes, “I have become, in the last few months, progressively more concerned with the direction that the ZMOCAA is taking.” Among his many bulleted points about what is wrong with the development of this museum, he has this to say about Coetzee and his “one-man selection system.”

My first concern is that there is still only one person who is selecting the work for the ZMOCAA and that selections are being made without broader consultation. This is problematic for several reasons. One is that it goes against all museums’ “best practice.” Museums of this nature (as opposed to private collections) have rigorous acquisitions policies and review processes. Not only do they consult with the curatorial staff,

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“Sargent concludes that the very concept of a contemporary museum is a Western idea and that African artists seeking to create images for themselves may have work to do to make the concept more African. (He’s onto something here.)”

but would have an acquisitions committee, which would include academics and critics. The reason for this is that, as you well know, museums by their very nature codify and canonize. As much as museums include, they are also involved in very complicated and contentious issues around exclusion. In a country and continent whose very history is bound to notions of exclusion, the ZMOCAA will have to be extremely careful as to how it codifies and identifies “Contemporary Art Africa.” This is a task that one man can simply not do.

Celebrated British architect Thomas Heatherwick completes the triumvirate. According to Sean O’Toole of South Africa’s *Sunday Times*, who wrote an aptly headlined article, “Are there blind spots in Zeitz MOCCA’s permanent art collection?,” this is Heatherwick’s first art museum and it has garnered much attention, including two R70,000-seat fundraisers.⁶³ Sargent captures the status that Heatherwick confers on the museum when he writes, “the Thomas Heatherwick-designed museum is a symbol of South Africa’s historical place within the global context.”⁶⁴

Perhaps this is what happens when a group of white men set out to subvert deeply entrenched stereotypes of African life and art. Whose perceptions need to be subverted? Is the museum aimed at them? Sargent quotes *Art Africa* staff writer Ellen Agnew:

Agnew put it this way: “When researching Zeitz, there is certainly some difficulty in ignoring the overarching amount of white male voices present in the construction of the museum.” She notes that the building was designed by Heatherwick, a white British man; founded on the collection of Zeitz, a white German man; and is being run by Coetzee, a white South African man—all in a country that is nearly 80 percent black.

“One is reminded,” Agnew writes in a profile of the museum, “of Sartre’s words about how the ‘white man has enjoyed the privilege of seeing without being seen for the past 3,000 years.’”

Then, Sargent hits it home.

The appearance of the museum being yet

another white power grab in Africa is further exacerbated by the fact that the museum’s five trustees are white and the advisory board is co-chaired by David Green—the white British CEO of the V&A Waterfront, who funded a large part of the museum’s 500 million rand (\$38 million) construction cost—and Jochen Zeitz himself.

These concerns go beyond the few critics quoted here. Sargent shares that “gallerists, curators, and artists” he spoke with “raised concerns about the museum’s centers of power.”

The museum does have black staff. They are in curatorial positions, and that’s no small feat. The museum has an endowed curatorial program for African curators. Sargent notes that there are few international opportunities for African artists. Artists are excited about the opportunities they do have. South African artist Robin Rhode said, “Look, if there is any institution that can support and house African art on the continent, I think it’s a very positive thing.”

Nigerian curator Bisi Silva said, “We are all very excited about it, of course, but what we do definitely want to see is that it reaches out across the continent, and that’s something that’s sometimes not as easy from South Africa.”

According to the curatorial statement of the inaugural major group exhibition, “All Things Being Equal,” the question guiding the exhibit is, “How will I be represented in the museum?” Sargent notes that much of the art centers on the Black body and all it has had to endure. He shares that when he mentioned this to Coetzee, the director said, “That’s a higher-level art problem.” Unfortunately, the artists’ reflection of the violence done to the Black body is consumed by a Western, or white, art market used to symbolically eating the Black body.

Sargent concludes that the very concept of a contemporary museum is a Western idea and that African artists seeking to create images for themselves may have work to do to make the concept more African. (He’s onto something here.) It seems, to do this, they would have to situate the entire experience in historical context, since, as Roland Barthes pointed out in his framework for supremacist consciousness (highlighted and expanded on Chela Sandoval’s *Methodology of the Oppressed*), removing history from the understanding of current issues is

one of the strategies of the dominant.

It'll be interesting to see how this project unfolds. African artists are already doing the work of deconstructing colonial violence; sadly the contemporary museum that should be supporting this work is also requiring that they do it in the here-and-now.

THE PANDORA'S BOX OF MUSEUM REFORM MUST INCLUDE REPATRIATION

In November 2018, a report commissioned by French president Emmanuel Macron on the repatriation of African art removed without permission, caused a storm of conflicting narratives that are perhaps now closer than ever to being resolved in favor of those looted of their cultures.⁶⁵

Can Colonialism Be Remediated? Macron's Report Alarms European Museums

by Ruth McCambridge | November 28, 2018;
New York Times

A report commissioned by French president Emmanuel Macron and written by Bénédicte Savoy of France and Felwine Sarr of Senegal recommends that any artifacts taken without consent from Africa and sent to France be permanently returned if their countries of origin ask for them.⁶⁶ Macron, however, stopped short of implementing that recommendation, instead ordering only that 26 items be returned immediately to Benin from the Quai Branly Museum and that the cultural treasures of sub-Saharan Africa be made accessible in Africa not only through restitution, but also through exhibitions, exchanges, and loans. He also calls for an international conference on the matter early next year. The report specifically advises against temporary restitution measures such as long-term loans.

Museum directors across Europe are reported to have reacted uneasily, clarifying that Macron was speaking for France and France alone.

The restitution of 26 objects to Benin "does not change the policy of the British Museum, nor legislation in Great Britain," said Hartwig Fischer, the director of the London institution, which has 73,000 objects from sub-Saharan Africa in its collections, many obtained in colonial times. The museum has been in a

decades-long dispute with Greece over the so-called Elgin marbles, which came from the Parthenon, and the governor of Easter Island requested last week the return of Hoa Hakananai'a, a statue that is among the British Museum's most popular items.

Mr. Fischer said that while the British Museum's trustees were open to all forms of cooperation, "the collections have to be preserved as whole."

He recognized that Mr. Macron's announcement would "intensify the debate" about access and would contribute to "the next dimension of cooperation" as African countries develop their cultural and museum infrastructure.

Fischer calls the French report "a radical proposal" that made a "moral argument" against colonialism, whereby "everything that took place under the conditions of colonialism is eligible for restitution." Further, he notes that Macron's commitment was more "nuanced," providing for a range of measures short of restitution.

Stéphane Martin, president of the Quai Branly Museum, said in an interview with the French daily *Le Figaro* that the report was "a bad answer to the courageous question posed by the president." While restitution is "not a word that I'm scandalized by," he says, there are "other ways to engage in cultural cooperation with Africa."

Stakeholders in Africa understandably feel very differently.

Prince Kum'a Ndumbe III of the Duala people in Cameroon, who runs AfricAvenir International, a nonprofit that calls for the restitution of artifacts taken without consent, said that the French report was "the first step in the right direction." He added that such a political commitment had been awaited since Cameroon and much of the rest of Francophone Africa gained independence from France in 1960.

"This is not just about the return of African art," he said. "When someone's stolen your soul, it's very difficult to survive as a people."

He invited Britain and Germany to follow the French example and commission their own restitution reports.

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The ball is now in the court of France's culture minister and foreign minister, who have been asked to bring together African and European museum managers and cultural professionals to ensure that works of art circulate not only among the major museums of the world—which hold 90 percent to 95 percent of sub-Saharan Africa's cultural heritage, according to the report—but also on the African continent.

The Paris conference next year will be a test of that process.

Sindika Dokolo, a businessman from the Democratic Republic of Congo who runs an art foundation in Angola and who has bought back looted African art, said the French president's restitution offer had "no precedent."⁶⁷

"Macron has opened a Pandora's box," he said.

At the same time, Dokolo urged African leaders to respond quickly, before a change of government or mood in France—to "put their foot in the door before it closes."

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You First: Leadership for a New World

“Carpe Fortuna—Reddere in Ante”

by Mark Light, MBA, PhD

Whichever camp you fall in regarding whether or not luck matters, the more important question is, what governs the odds for lucky breaks? The answer: privilege. Thus, writes Mark Light, it behooves those of us with a whole lot of “luck” to “hold ourselves accountable for creating and insisting upon a more even playing field, where the odds of accessing luck cannot be so easily predicted by gender, race, or other circumstances and opportunities.”

I'M SITTING ON A MALIBU BEACH WITH MY friend Jim on a beautiful late-summer night in September. He's super smart, and is wrapping up a gig as a chief financial officer for one of the largest nonprofit providers of children's mental health services in Los Angeles County. Just after the green flash when the sun sets (I swear I saw it), he asks me, “Know what it takes to be successful running a nonprofit?” I don't reply, knowing that he's going to tell me. “It takes just three things: intelligence, tenacity, and luck.” I get the first two—but does luck really matter?

It depends upon who's asking. Take me, for example. I have opportunities that many others don't, simply because of who I am—old, white, and a guy. You

don't have to look very far to see this at work. The CEOs of the *Fortune* 500 in May 2018 included only twenty-four women.¹ In nonprofit organizations, it's much better—the ratio is three-to-one female to male. But it's better to be a guy when it comes to pay.² The bad (and truly shameful) news is that 90 percent of chief executives are white—the same percentage for board chairs.³ And roughly 70 percent of the executives and board chairs are fifty years old and up.⁴ So, if I'm asking whether luck matters, I have to remember that I find myself at the right places and right times because my privilege opens the doors and gets me there.

Whether luck really matters also depends upon who's answering the question (which is usually mostly old white

guys). In the “Yes, luck matters” camp is Jay Conger, CEO at the University of Southern California's Center for Effective Organizations. Conger argues that the success of a leader's vision “may lie beyond the leader's abilities, for timing, the right opportunity, and luck can determine whether the vision will be realized or not.”⁵ And the late Bruce Henderson, founder of the Boston Consulting Group, argued that when it comes to the “competition of trade and commerce, random chance is probably the major, all-pervasive factor.”⁶

It is luck—not forecast ability—that plays the central role for futures traders;⁷ it is luck—not technical efficiency—that plays the central role in explaining fish catches;⁸ it is luck that “often

plays a nontrivial role as a determinant of competitive advantage and firm performance.”⁹ Or take Scott Kauffman’s recent article in *Scientific American*—“The Role of Luck in Life Success Is Far Greater Than We Realized”—and his recognition that a “growing number of studies based on real-world data strongly suggest that luck and opportunity play an underappreciated role in determining the final level of individual success.”¹⁰

In the “No, luck doesn’t matter” camp is Jim Collins. Even though his blockbuster *Good to Great* is almost two decades old, it’s still in Amazon’s top one hundred in the business and money category, and Collins is still in its top sixty authors.¹¹ Though his eleven good-to-great executives attributed much of their success to luck, Collins and his researchers were perplexed: “We were at first puzzled by this emphasis on good luck. After all, we found no evidence that the good-to-great companies were blessed with more good luck (or more bad luck, for that matter).”¹² Rather than accept responsibility for their good-to-greatness, Collins determined that the leaders were instead exhibiting a “compelling modesty, shunning public adulation; never boastful.”¹³

That’s not how Bob Gilbert, the maker of Laughing Cow cheese, looked at it way back in 2004. He woke up one morning after years of struggling, and read an endorsement in *The South Beach Diet* that caused demand for his cheese to soar, making his company a huge success. “I told my management, ‘I would rather be lucky than smart.’ The lucky part is we appeared in the diet book.”¹⁴

The answer here, of course, is that you want to be both lucky *and* smart. Collins has come around to that point of view. A decade after *Good to Great* was published, Morten T. Hansen and Collins repeated that assertion in a *New York Times* article, stating that both high and average performers were equally lucky.

But then they got down to brass tacks: “The crucial question is not, ‘Are you lucky?’ but ‘Do you get a high return on luck?’”¹⁵

What is luck, anyway? Collins and Hansen define a lucky break (they call it a “luck event”) as meeting three tests: It is largely independent of the agency’s actors, the consequence of the event matters, and it has an “element of unpredictability.”¹⁶ The trick for getting a high return on luck depends upon first recognizing the luck event—good luck or bad luck—and then deciding whether to run with it or not.

To put it differently, you must seize the luck—*carpe fortuna*. *Carpe fortuna* is all about seizing the moment when the timing is right.¹⁷ You must be a luck taker.

In my study of fourteen high-performing human service agencies in Dayton, Ohio, I found the luck-taker concept alive and well. One of the executive directors said, “We’ve probably had breaks that we didn’t do anything with as an organization. I’ve probably had those personally. Sometimes you aren’t even aware of them. But we’ve had things that happen to us that are good, that we’ve taken advantage of.” Another agreed: “Take advantage of them [lucky breaks] but no, don’t wait for them. There’s too much to keep doing.” A third said, “Wonderful opportunities presented themselves along the way. A lot of the time I’ve hopefully taken advantage of and not missed them.” A fourth said, quite simply, “I don’t like to see opportunity be wasted when there is so much need.”¹⁸

If lucky breaks are real and you can recognize and then seize upon them, are there ways to get luckier? John Krumboltz says yes. In his books and body of research, largely based on his work in career development, he introduced the term “planned happenstance,” where “Unplanned events are not only inevitable, they are desirable.”¹⁹ Perhaps the

most important and overarching thing to do to get luckier is “learn to tolerate ambiguity and to develop an exploratory attitude.”²⁰ Other recommended skills are curiosity, persistence, flexibility, optimism, and risk taking.²¹

The big wrench in this lucky-break business is that privilege matters. One faces better odds for lucky breaks if one is not facing structural inequality. Your chances of getting into Harvard are three times higher if one of your parents attended.²² Born Black or Latinx and want to go to a top school? These students “are more underrepresented at the nation’s top colleges and universities than they were thirty-five years ago.”²³ Want to be a Supreme Court justice? Be born a boy. Want to be a successful CEO? Don’t be born in June or July²⁴—and be sure to have a name like Smith.²⁵

In other words, check your privilege when it comes to the lucky breaks you’ve had.

We have to begin to think differently about “luck” and hold ourselves accountable for creating and insisting upon a more even playing field, where the odds of accessing luck cannot be so easily predicted by gender, race, or other circumstances and opportunities. Because of this, we must all embrace our obligation to not just seize the luck but also pay it forward: *carpe fortuna—reddere in ante!*

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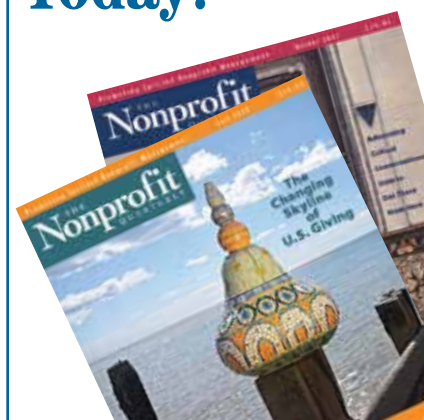
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THE Nonprofit QUARTERLY

Cultures of Nonprofit Trusteeship: What Lies Beneath?

by Rikki Abzug and Jeffrey S. Simonoff

Getting at what lies beneath the cultures of trusteeship influencing our boards is crucial, if we are to liberate our organizations from the entrenched assumptions weighing them down. In doing so, we can begin to question our own working assumptions. As this article explains, “These conversations become especially important in the context of the persistent lack of racial inclusiveness on nonprofit boards and the frequency of splits between nonprofits’ boards and their constituents. Unexplored structures and their underlying narratives may need to be excavated and re-chosen for their value or rejected for their lack thereof before real changes vis-à-vis boards can be realized.”

Editors’ note: This article was adapted from Chapters 3 and 5 of Rikki Abzug and Jeffrey S. Simonoff, *Nonprofit Trusteeship in Different Contexts* (Ashgate Publishing, 2004), with permission.

NONPROFITS TEND TO THINK ABOUT boards in a way that assumes that they are nonporous entities—a kind of standardized form with few variations. But the opposite is true: nonprofit boards of directors are deeply influenced by any number of “silent” factors beyond whether they happen to adhere to commonly agreed-upon standards of governance. Our research indicates that they are influenced by their geographic regions, the fields in which they practice, the social era (and theories of change) from which that field emerged, and the regulatory and funder-driven standards of that field, to name a few. This makes these entities far more of a cultural puzzle than previously thought. But these differentials are often plowed under when board development is approached by nonprofits, driving them further underground as silent informers of behavior.

The purpose of this article is to begin to unearth these, so that nonprofit practitioners can begin to question their own working assumptions about boards and why their board is the way it is and acts the way it does.

These conversations become especially important in the context of the persistent lack of racial inclusiveness on nonprofit boards and the frequency of splits between nonprofits’ boards and their constituents. Unexplored structures and their underlying narratives may need to be excavated and re-chosen for their value or rejected for their lack thereof before real changes vis-à-vis boards can be realized.

Starting with the Most Basic Assumption

Lately, there has been a great deal of conversation about how democracy is imperiled by some of the ways in which

philanthropy and nonprofits interact with the public, but the concerns raised about creeping plutocracy via philanthropy, and what some call *the nonprofit industrial complex*, are not at all new. But they, along with other critical questions, have been plowed under.

Back in the mid-1990s, a group of researchers (of which we were part), under the auspices of Yale University’s Program on Nonprofit Organizations, launched a million-dollar research project on what historian Peter Dobkin Hall dubbed the “cultures of trusteeship” in the American nonprofit sector. We focused on the boards of trustees of nonprofit organizations, reasoning that nonprofit boards, as boundary spanners, granted their organizations community and societal legitimacy, especially when agreed-upon measures of organizational effectiveness were underdeveloped. We were inspired by Hall’s 1992 observation,

“From the beginning, Americans have argued about whether voluntary associations threatened democracy by permitting small groups of citizens, particularly the wealthy, to exercise power disproportionate to their numbers, or whether such bodies were essential to a citizenry which, without them, would be powerless to influence the state.”¹

So, we set about analyzing boards of nonprofit organizations as both tools of the elite and as grassroots checks on the power of the state. Our studies took on particular urgency in light of the increasing size and scope of sector organizational activity, the potential role these organizations were said to have played in the consolidation of elite power, and because of the debate over nonprofit organizations as acting in the public interest.

At the same time, our group took a deep dive into the reasons that board composition varied (sometimes extensively) over time periods (studying boards in 1931, 1961, and 1991); across geopolitical regions (the six cities of Atlanta, Boston, Cleveland, Los Angeles, Minneapolis/St. Paul, and Philadelphia); and perhaps most demonstrably, across eight nonprofit (sub)fields or National Taxonomy of Exempt Entities (NTEE) categories.

These nonprofit fields/subsectors from which our original study pulled board-level structure and trustee biographical data were: health (represented by the largest secular, Jewish, Catholic, and Protestant nonprofit hospital in the six cities of our study); culture and the arts (represented by the largest nonprofit museum and symphony orchestra in the six cities of our study); higher education; family/human services (represented by the largest secular, Catholic, and Jewish family services organization in our cities); youth/recreation (represented by the biggest YMCA and YWCA in each of

the six cities); community foundations; membership organizations (represented by the Junior League); and united charities (United Way, in our case).

We drew a field distinction between family/human services on the one hand and the YMCA/YWCAs on the other due to the latter’s emphasis on youth and recreation rather than family service.

Finally, while the Junior League may be considered a women’s service club and thus in the public and societal benefit field, we were primarily interested in its governance as a membership organization.

Our reasons for separating out these fields/industries will become clearer as we delve into the meaning of such fields/industries for institutional processes in shaping governance structures. In the end, though, our model is meant to be broad enough to distinguish specific cultures of trusteeship in an array of nonprofit subsectors, not limited only to the ones that we researched.

Much of what we theorized then is still relevant—and then some—almost thirty years later. Below, we revisit some of the key components of board variation in this “field” guide to differences in trusteeship. Along the way, we review some of our models of the impact/imprint of time period and regional/city culture; but in this article we focus the balance of this review on force of field/industry—even as we hold as central the question about whether nonprofits and nonprofit boards are primarily agents of the elite or the people, and how that determination may be made in a way that is more productive as we all move forward to more nuanced and realistic discussions of nonprofit governance.

The Influences of Field and Geography

We use the word *field* both to denote a nonprofit industry/NTEE category

and to locate our model within the neo-institutional framework of organizational studies. Neo-institutional theory has been preoccupied with both the way(s) that sets of organizations come to be seen as “fields” (or industries) and with how pressures of, and on, such fields exert institutional forces on structures (such as boards) internal to the organizations within the field. We have suggested that boards, as boundary spanners, are particularly susceptible to influences of the institutional environment. Ultimately, we were interested in exploring the unseen forces/cultures (varying by time period, city/region, and, for the balance of this review, field/industry) that have both constrained and guided board compositional decisions.

The organizational sociologists among us were particularly interested in speaking to debates about (nonprofit) management as adaptive and strategic versus inertial and reactive. The historical aspect of our study was largely inspired by sociologist Arthur Stinchcombe’s notion that events surrounding the creation of a new organization have a long-lasting effect on the organization’s future development.² These forces, which came to be known as *imprinting*, varied across time periods and were hypothesized to constrain organizational transformation potential. As such, we included nonprofit boards of the same organizations from 1931, 1961, and 1991 in our sample to study what, if any, impact imprinting had on board compositional form.

Similarly, the geography buffs among us were greatly influenced by the pioneering works of Jennifer Wolch and Julian Wolpert, who introduced the scholarly world to the concept of the diversification of nonprofit sector by localities.³ Again, searching for those unseen forces that shape organizational decision making, we suggested that place

could also imprint (nonprofit) organizational structures through at least two levels of analysis. We looked for the impact of broad regional belief systems and sense-making, and the narrower lens of local and state law and politics, in trying to account for variations that we might find in the composition of our boundary-spanning boards.

We chose organizations in eight different nonprofit fields/subsectors to try to nail down the relative impact of these institutionalizing/cultural forces that were constraining and guiding the composition of our boards. In this, we followed the reasoning of sociologist Paul DiMaggio, who suggested that the perception of field boundaries has a large impact on how organizations choose reference groups (both organizational and professional).⁴ DiMaggio and sociologist Walter Powell laid out the argument this way: atomized organizations in similar “businesses” are structured into institutional fields through the actions of the state, competition, and professional players.⁵

Once construed as a field (often synonymous with “industry” in the sociological literature), organizations are subjected to powerful field forces that further constrain their design choices and promote isomorphism, or conformity, in organizational structure.⁶ Thus, we would expect that the composition and structure of boards would vary depending on the norms prevalent in organizations within commonly accepted field/industry categories.

Of course, the choice of proper field/industry boundaries remains an empirical question, dependent upon specific purposes of research (and practice, obviously). When it comes to boards of trustees (directors), some research has suggested that the most interesting demarcation is between the (entire) field of for-profit directorship versus

the (entire) field of nonprofit directorship. It might even be argued that from the beginning of literature on the nonprofit board itself, the assumed counterpoint has been the for-profit counterpart. Any nonprofit board text that offers a one-size-fits-all prescription for effective trusteeship, implicitly or oftentimes explicitly offers the for-profit board as a comparative base. An early influential version of the argument that all nonprofit boards are different from (more effective than, even) all corporate boards was promulgated by no less a management scholar than Peter Drucker, in the pages of the *Harvard Business Review*.⁷

Alternatively, our work extended a literature that questioned the nonprofit/for-profit institutional split, suggesting that variation within sector may, in some cases, exceed variation across sector. This same literature (an iconic example would be Hall) posits that the nonprofit sector itself was stitched together from a disparate collection of fields/industries all dominated by (if not wholly composed of) nonprofit entities.⁸ Following this line of reasoning, we determined that it was time, again, to deconstruct the sector concept to reveal field/industry forces that may be more determinant than tax exempt status alone.

In the next section we look at the ways that nonprofit fields can impose isomorphic pressure on structures internal to organizations. Following the work of DiMaggio and Powell, we divide the discussion into the role of coercive field forces (including, especially, the role of funders), mimetic field forces (competition, networks, and interlocking directorates), and normative field forces (the role of elites and professionals).⁹ We use the nonprofit fields and organizations represented in our original sample to illustrate potential effects on board structure and composition.

Coercive Forces: The Role of the State and Other Funders/Regulators

In our work, we conceptualized “coercive” pressure in nonprofit fields as both/either the blunt power of the regulator and/or the more diffuse power of the funder. For organizations of the nonprofit sector, the government (at the national, state, and local level) may play both of these roles vis-à-vis the structuring of the governance function. Government mandates for particular governance structures can (and do) target the nonprofit sector writ large (as when state not-for-profit incorporation laws dictate whether employees can serve as board chairs), or they can target particular subsectors (as when the Centers for Medicare and Medicaid Services of the Department of Health and Human Services originally ruled that every hospital board needed to include at least one member of its medical staff).

Yet, it is the government’s role of funder—which surely varies among nonprofit industries—that may make an even larger (though, perhaps, more stealthy) impact as a coercive force targeting and differentiating board structure. Specifically, we expected boards in industries heavily dependent on government funding to recruit more members with professional and managerial expertise to better facilitate relationships with professionals and managers of public agencies. Junior Leagues might have much less reason to recruit board members with public sector backgrounds and/or access than would hospitals or human service agencies, for example.

Looking at within-industry similarity through the resource-dependence model is another way to view coercion through an inducement/funding relationship lens. The increase over time of government grant and contract support for nonprofit organizations has purportedly subjected nonprofits to public-sector

norms of representativeness and inclusion. As such, we expected boards of organizations very dependent on government grants or contracts to be most representative of the polity at large. Such a mechanism might insulate boards of symphony orchestras or museums, for example, from public (taxpayer) pressure to diversify demographically.

Still, it is not just within the governmental arena that regulations and policy affecting industries, their constituent organizations, and internal structural elements, are made. For instance, industries vary in the number and power of accrediting (and other types of gatekeeping) institutions that may be responsible for speeding up isomorphic pressures. Nonprofit boards of the higher education institutions in our study would be, for instance, accountable to the governance standards of the various accrediting agencies recognized by the U.S. Department of Education and the Council for Higher Education Accreditation. Boards of Junior Leagues, by comparison—though perhaps trained through leadership development activities offered through the Association of Junior League International—would not be held accountable to industry governance standards, as none exist.

Mimetic Forces: The Role of Other (and Competing) Organizations

Another way to constitute industry, beyond the regulatory (coercive) pressure, is to emphasize that organizations that face similar funding environments may also compete for similar income and other resource streams, as well as similar talent at the level of the board. For nonprofit organizations we can suggest that organizational fields converge around organizations competing for similar private funding, government grants and contracts, management and director talent, and/or fee-for-service clients.

We might also suggest that nonprofits that compete with for-profits for such resources constitute their own fields.

Certainly, nonprofit industries differ to the extent that constituent organizations are dependent upon, and competing for, philanthropic (as opposed to public, or earned income) dollars. These differences can be quite broad across large subsectors—health organizations are much more dependent on third-party payments, while arts organizations are more dependent on contributions by corporations and individuals. Differences in capital structure, such as financial assets, are likely to affect organizational structures (such as boards) that are responsible for overseeing financial developments.

Indeed, we expected that nonprofits that operate in donative industries would adopt larger, more representative boards than nonprofits that operate in primarily commercial industries. Boards in more commercially competitive industries may face pressure to conform to a more corporate model of directorship. We further expected that nonprofits in industries that embrace both for-profit and nonprofit forms (hospitals being a prime example) would be more likely to adopt corporate-type boards than nonprofits in industries without a substantial proprietary presence.

Of course, the set of possible resources that large corporations can provide to nonprofits also influences the need for ties to the corporate community. We expected that boards in nonprofit industries heavily dependent upon corporate benefactors (museums and symphony orchestras, for instance) would seek out board members from within or with direct ties to the corporate world, especially compared to boards in industries without such expectation of corporate support (family/human services organizations, for example).

Ultimately, we were guided by

DiMaggio and Powell's notion that organizational uncertainty (about how to compose a nonprofit board, for our case) could also be alleviated by *modeling*.¹⁰ Uncertain how to proceed, organizations may look to mimic perceived successful organizations in what they determine to be their particular fields. In the nonprofit fields—where competition may be more muted than in market-share-crazed for-profit industries—follow-the-leader strategies may be especially useful in legitimating newer and smaller organizations. A YMCA looking to restructure its board may be more likely to look for inspiration at a successful YMCA the next town over, as opposed to the community foundation down the street. That YMCA may get further help in its restructuring by turning to the YMCA of the USA, or even the World Alliance of YMCAs.

So we posited that nonprofits look to other nonprofits that they perceive as similar to them to help them build their governance structures. But there is still (at least) one more institutional lever in the overall isomorphic model: the networks of directors.

Normative Forces: The Role of Community Linkage, Elite Interest, and Professional Networks

In 1973, management expert Jeffrey Pfeffer studied hospital boards, exploring the determinants of board size and composition.¹¹ Pfeffer found that hospital board size directly correlated with hospital budget, proportion of funds obtained from private donations, and the importance of influence in the community and fundraising. We suggested that such findings might be even more powerful for explaining *inter-industry* board variation. Indeed, we suggested that institutional linkage to specific communities, and especially linkage to specific elite interests, might also serve as predictor of board structure and

composition when comparing across fields. We suggested that this would be a particularly predictive lever of board compositional isomorphism for the mutual-benefit (self-reproducing) nonprofits in our study. We expected that boards of mutual-benefit or membership organizations would be the most homogeneous, while boards of more entrepreneurial organizations would be larger and more diverse.

Some of our nonprofit organizations, while not strictly mutual-benefit organizations, nonetheless catered to only a small, well-to-do portion of the community. We expected organizations that acted to preserve class distinctions (especially and explicitly in the historical portion of our study) to have boards that were smaller, more elite (based on historical sociological measures), and less diverse than organizations with missions supportive of redistribution of incomes and services. We illustrated the contrast between membership organizations and organizations committed to social change by comparison of the female-dominated Junior League and YWCA. Despite its stated historical commitment to social change, the Junior League, for much of its history, served as an indicator of upper-class status for its all-female membership. The place of the Junior League in history, literature, and the public imagination suggested that women who volunteered for board work in this organization, for example, might be more elite than other board women in the population. The YWCA—also a female-dominated organization, but one devoted to social justice—provided an interesting ideological (and board compositional) contrast to the Junior League.

Highlighting how boards reflected extant (or nonexistent) community and elite linkages was one way to think about normative impacts that differentiate industries (and therefore differentiate

compared organizations). Additionally, DiMaggio and Powell implicated the project of professionalization in explaining how normative forces come to exert homogenizing pressures on organizational structures. Certainly, we could imagine how meetings of the fledgling Association of Art Museum Directors (founded in 1916), the League of American Orchestras (founded in 1942), the Association of Governing Boards of Universities and Colleges (founded in 1921), the American Hospital Association (founded in 1898), and other such organizations might have facilitated knowledge sharing among directors within these nonprofit fields. That such field-specific nonprofit (governance) associations predate Independent Sector and BoardSource by over half a century should remind us that the distinctive cultures of trusteeship we observed in our studies had a history long before any nonprofit organizations thought themselves part of the third sector.

So, What Evidence of Cultures of Trusteeship Did We Find?

Research on almost nine thousand trustees and over one hundred and forty distinct boards, before both the concept of big data and even the Internet, provided the data for a number of scholarly articles and, ultimately, for our book. For the latter, we formulated statistical models designed to uncover potential associations between board composition and time period, region, industry, and faith structures. We chose among these different potential summaries of important effects using empirically sound objective methods and tools. We ultimately reported the following findings.

We first confirmed that complex boards defy modeling with simple predictions, yet we were able to discern evidence of field-level cultures of trusteeship that predicted organizational

bureaucratic structure (board size) as well as trustee demographics, social, educational, and occupational elitism, and networks. Indeed, we consistently found that our most explanatory models included both city/regional and field/industry variables, often through interactions.

We evidenced that racial and gender inclusivity were much more likely in community foundations, family services, and United Ways (and Ys, which include the YWCAs), than in the other industries/subsectors under study, particularly in the most recent year of the study. Social registrant elites were historically concentrated in health, culture, Junior League, and even in the more demographically diverse community foundation organizations, while Who's Who listees were concentrated in cultural and educational institutions. Professionals dominated in health, education, and family services. On the other side of the industry coin, Junior League trustees were least likely to be Who's Who and Standard & Poor's listees, higher degree recipients, and either managers or professionals. Given traditional gender roles (attenuated for social upper classes), we suggested that these achievement levels of Junior League trustees were not much of a surprise.

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In all, our book's data and statistical modeling bore out our story of industry/field-level cultures of trusteeship that persisted from the earliest year covered by our study (1931) through to our study's conclusion in the mid-1990s, although with the caveat that such cultures also can change over time in response to societal norms and pressures. Our intention is to revisit our boards for the thirtieth anniversary of our study to determine the extent to which field/subsectoral differences in trusteeship continue.

Changing Elites and Changing Board Eliteness

Even if the task, industrial, and institutional environments of nonprofit organizations had not reduced the traditional elite presence on boards, we still might expect boards to have changed due to the changing nature of elite communities themselves. However, measuring the influence of broad changes in elites upon the pool of applicants from which board members are recruited is difficult, due in part to the problems of circularity in defining an elite. For example, if presence on nonprofit boards of trustees is an indicator of eliteness,¹ then, despite diversification of membership, all trustees of prestigious nonprofits will be defined as members of the elite. If this is the case, it will be impossible to ask if the percentage of elite members on these boards has varied by time period.

One way around this circularity is to suggest that membership in the social upper class be measured by a number of other frequently used social indicators, such as appearance in the *Social Register* and *Who's Who*.² However, these sources too may have changed and become more inclusive over time. In this case, using such indicators could mask the degree of change over time in board composition. Even if the meanings of the indicators themselves have not changed, we might still expect a decrease in the proportion of board members who are members of the social upper class as measured by such indicators, if nonprofit board nominating committees place less importance on class background, or if they are pressed to draw from less elite populations. Combined with the argument that the power of remaining local elites has declined with the rise of a national elite, we can suggest that nonprofit board members will demonstrate less attachment to local social upper classes in more recent time periods.

If so, then even if nonprofit boards are as homogeneous as ever with respect to such characteristics as race, gender, and occupation, they may have changed with respect to more subtle indicators of attachment to local upper-class status communities. This may occur, in part, if boards increasingly shift to more nationally prominent stewards, or if nominating committees devalue traditional indicators of elite status because these are no longer considered accurate boundary markers. These more subtle indicators of attachment to traditional elites include attendance at Ivy League universities,³ listing in the *Social Register* and *Who's Who*, and membership in prestigious social clubs. Indicators of attachment to local, rather than national, elites include birth and residence in the community in which the board member's organization is situated. A growing de-emphasis on local ties to an elite community would also suggest that board members with careers in business would more likely be tied to corporations with more national concerns.

Conditions for Trusteeship in 1931

In 1931, the United States was still reeling from the effects of the October 29, 1929, crash of the stock market. President Herbert Hoover was in his last stages of trying to stave off the worst effects of the growing Depression. Franklin Delano Roosevelt and his New Deal legislation (and wholesale tax reform) were barely perceptible on the horizon.⁴ Desperation was beginning to haunt most Americans. Charity and other private-sector initiatives were being called upon to insulate the country from economic distress as well as to distract an increasingly hopeless populace from the enticement of a socialist solution.

Historian of the nonprofit sector Peter Dobkin Hall has argued that the United States' business and cultural leaders, during the first three decades of the twentieth century, were fashioning a nongovernmental alternative to socialism's cure for fundamental problems in existing economic, social, and political institutions. Proponents of laissez-faire capitalism felt an affinity toward the voluntary private charity and cultural institutions that dispensed their good deeds in independence from centralized (corrupt) public bureaucracies. Hall argues that the underlying agenda of the cultural Progressives "was the recognition that social justice should come through the actions of the private sector assisted, but not directed by, government."⁵

Hall credits this wave of Progressivism with inspiring the development of the charitable foundation as a new form of philanthropy oriented to the prevention (as opposed to chronic care) of social problems. He further suggests that this spirit, in the form of experiments in welfare capitalism, led to the underwriting of various charitable organizations by industrial interests. As well, Hall notes that the rise of the community foundation, and by the 1920s, the Community Chest organizations—both forms based on a model of cooperation between business and government—were other major elements in structuring the private-sector alternative to social unrest.

By 1931, this private-sector solution, championed by President Hoover, was beginning to unravel in the face of an economic crisis of immense proportions. However, elite sponsorship helped many of the relatively newly formed private independent institutions remain viable as the Depression roared around them.

Conditions for Trusteeship in 1961

By 1961, John F. Kennedy's Camelot was in its first year. Private universities and foundations had weathered the 1950s' assaults on their

perceived liberal (and internationalist) agendas and the attacks on the purported socialist connotations of their tax exemptions by the Select (Cox) Committee of the House of Representatives and the Special Committee to Investigate Tax Exempt Foundations, respectively. And by the early 1960s, nonprofits and foundations in particular were becoming both more numerous and more involved in political action through training, funding, and advocacy itself. These very activities led to an initial attack on the foundation form in May of 1961 by populist Representative Wright Patman of Texas, although any sustained attempt to regulate such private activity was still a few years away.⁶

The phenomenal diffusion of the nonprofit form was beginning to take shape at the decade's start. Questions about community inclusivity and representation were being asked as people of color gained more political and legal strength. As the nonprofit form's affinity to fulfillment of social needs was being rediscovered, traditional notions of stewardship and governance were being called into question.

All of these political and social changes in the environment surrounding nonprofit organizations may be conceptualized as increasing heterogeneity in institutional elements, which adaptive organizations would then internalize.

Conditions for Trusteeship in 1991

Eleven years into the trickle-down revolution and three years into the 1,000 points of light regime, 1991 was the beginning of the end of an indulgent decade. As a result of the government's cutback on domestic spending, nonprofit organizations that had come to depend on public moneys in the form of grants or contracts were forced to scout around for replacement funds. In some cases this meant finding substitutes for the organization's single largest income stream.⁷

The nonprofit form itself was still proliferating, as government tried to shunt off its services to the private sector. Three decades of social protest and advocacy had sharpened the nonprofit form as a tool for the grass roots, and thousands of organizations were added to the IRS tax-exempt rolls each year. Entrepreneurial nonprofits sprung up to take advantage of new contracting arenas, and small businesses began to cry foul at the fee-for-services model offered by the tax-exempt form.

If, as the institutionalists suggest, organizations in search of legitimacy (and funds!) are adaptive to their sociopolitical environments, we would expect that signs of the times would insinuate themselves into the structure and composition of nonprofit boards. Boards of the 1930s will look different from boards of the 1960s, which will look different from boards of the 1990s.

Whence Structure? Organizational Constraints on Form

Alternatively, as suggested by Arthur Stinchcombe, age of an organization may well impact its structure through an imprinting process, whereby that which is cemented early in development will persist through the forces of organizational inertia.⁸ However, there are additional (if not tangential) ways to expect that organizational age will impact organizational structure choices. Specifically, the oldest of organizational science schools would suggest that independent of specific time period, organizational aging will be accompanied by processes of bureaucratization. This bureaucratization, again independent of time period, will lead to predictable patterns of organizational structuration, including (according to the master sociologist Max Weber) increased complexity, formalization, and size. This observation, coupled with the argument that institutional forces may make some trustee attributes more valuable over time, suggests that one way to absorb such environmental flux is to increase the size of the board so as to reflect the additional skill sets needed. Board size, then, and not organizational size—which may well be independent from board size—may also play a role in board (member) diversity, eliteness, and interlocks.

Notes

1. G. William Domhoff, *The Higher Circles: The Governing Class in America* (New York: Random House, 1970); and Michael Useem, *The Inner Circle: Large Corporations and the Rise of Business Political Activity in the U.S. and U.K.* (New York: Oxford University Press, 1984).
2. Domhoff, *The Higher Circles*. Founded in 1899, Who's Who in America describes itself as providing "accurate, concise biographies of notable Americans" (www.marquiswhoswho.com).
3. The eight "Ivy League" universities—Brown, Columbia, Cornell, Dartmouth, Harvard, Pennsylvania (University of), Princeton, and Yale—were so originally demarcated based on common interests in scholarship and athletics. They have historically and commonly been perceived as the United States' premier universities.
4. First introduced in a 1932 candidate's speech, the New Deal was President Franklin Delano Roosevelt's plan for economic recovery after the devastating Great Depression.
5. Peter Dobkin Hall, "A Historical Overview of the Private Nonprofit Sector," in *The Nonprofit Sector: A Research Handbook*, ed. Walter W. Powell, 1st ed. (New Haven, CT: Yale University Press, 1987), 11.
6. *Ibid.*, 3–26.
7. Paul G. Lippert, Michael Gutowski, and Lester M. Salamon, *The Atlanta Nonprofit Sector in a Time of Government Retrenchment* (Washington, DC: Urban Institute Press, 1984).
8. Arthur L. Stinchcombe, "Social Structure and Organizations," in *Handbook of Organizations*, ed. James G. March (Chicago: Rand McNally, 1965), 142–99.

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1. Peter Dobkin Hall, "Cultures of Trusteeship in the United States," in *Inventing the Nonprofit Sector and Other Essays on Philanthropy, Voluntarism, and Nonprofit Organizations* (Baltimore: Johns Hopkins University Press, 1992), 135–206.
2. Arthur L. Stinchcombe, "Social Structure and Organizations," in *Handbook of Organizations*, ed. James G. March (Chicago: Rand McNally, 1965), 142–99.
3. Jennifer R. Wolch, *The Shadow State: Government and Voluntary Sector in Transition* (New York: Foundation Center, 1990); and Julian Wolpert, *Patterns of Generosity in America: Who's Holding the Safety Net?* (New York: Twentieth Century Fund, 1993).
4. Paul J. DiMaggio, "Constructing an Organizational Field as a Professional Project: U.S. Art Museums, 1920–1940," in *The New Institutionalism in Organizational Analysis*, ed. Walter W. Powell and Paul J. DiMaggio (Chicago: University of Chicago Press, 1991), 267–92.
5. Paul J. DiMaggio and Walter W. Powell, "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields," *American Sociological Review* 48, no. 2 (April 1983): 147–60.
6. The principle of isomorphism in organization studies may have been traced through sociologists Michael T. Hannan and John Freeman ("The Population Ecology of Organizations," *American Journal of Sociology* 82, no. 5 [March 1977]) to human ecologist Amos H. Hawley ("Human Ecology," in *International Encyclopedia of the Social Sciences*, ed. David L. Sills [New York: Macmillan, 1968]), whose notion was that the variety of organizational forms was "isomorphic" (corresponding) to the variety of institutional environments. Although Hannan and Freeman were best known for their attempts to determine why there were so many different types of organizations, neo-institutionalists, writing at the same time as such sociologists as John W. Meyer and Brian Rowan ("Institutionalized Organizations: Formal Structure as Myth and Ceremony," *American Journal of Sociology* 83, no. 2 [September 1977]), and, ultimately,

DiMaggio and Powell (1983) used the concept of isomorphism to study why there were actually so (relatively) few different types of organizations.

7. Peter F. Drucker, "What Business Can Learn from Nonprofits," *Harvard Business Review* 67, no. 4 (July–August 1989): 88–93.

8. Hall, "Cultures of Trusteeship."

9. DiMaggio and Powell, "The Iron Cage Revisited."

10. Ibid.

11. Jeffrey Pfeffer, "Size, Composition, and Function of Hospital Boards of Directors: A Study of Organization-Environment Linkage," *Administrative Science Quarterly* 18, no. 3 (September 1973): 349–63.

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—**Ruth McCambridge**,
Editor in Chief

How Nonprofits Solve Social Enterprise's Three Big Problems: Money, Trust, and Information

by Curtis Child

While it may rankle social enterprise ventures to have to admit the extent that their effectiveness and success depend on the nonprofit sector, an ethos of wholehearted acknowledgment of the connections, rather than of competition, would do better to prevail. For social enterprise is far from likely to crowd out civil society organizations—in fact, as this article explains, the opposite is true.

Editors' note: This article was adapted from “Tip of the Iceberg: The Nonprofit Underpinnings of For-Profit Social Enterprise” (Nonprofit and Voluntary Sector Quarterly 45, no. 2, April 2016), as part of NPQ's partnership with NVSQ to provide the sector with a research-to-practice bridge (and vice versa).

SOCIAL ENTERPRISE BUSINESS VENTURES are all the rage. Entrepreneurs and consumers (not to mention scholars, policymakers, donors, and other stakeholders) see in them a solution to vexing social problems—a promise of salvation from the organizational baggage that weighs down more traditional approaches to tackling the ills that plague society. Disciplined by market forces, social enterprises are creative, nimble, and ever responsive to consumer demands. Even better, they possess that most coveted quality: sustainability, or freedom from the obligation to chase grant money and charitable contributions—not to mention an ability to succeed (or the opportunity to fail) on their own merits. Released from bureaucratic encumbrances and the burden of begging for money, the market-based

social enterprise is poised to offer an altogether different approach from the traditional strategies (read: nonprofit and governmental ones) that have so far failed to deliver us from our most pressing social problems.

Well, sort of.

That story—familiar as it has become—is deeply problematic. While the high praise of social enterprise (defined here as businesses that actively pursue both revenue-generating and socially beneficial goals) may sometimes be deserved, it is often framed in contrast to well-intentioned but old-fashioned and ineffective philanthropy. It is this contrast that is off target: the dismissal of the work of the nonprofit sector as antiquated at best and inept at worst. In fact, scratching below the surface of social enterprise businesses reveals that they depend

significantly on the nonprofit sector for their effectiveness and survival.

Over a three-year period, I studied intensively two social enterprise industries: *fair trade* and *socially responsible investing*.¹ What I found is something I did not go searching for: a scaffolding based in civil society that allowed the businesses in these industries to flourish. Specifically, I came to understand how for-profit social enterprise ventures rely fundamentally on elements of civil society for (1) providing credit and other financial support, (2) broadcasting their trustworthiness, and/or (3) generating difficult-to-access information. All of these are resources often overlooked in our collective celebration of the social enterprise business.

Although examples abound, I highlight these three ways in which social

enterprise businesses depend on the work of the nonprofit sector (and other parts of civil society) because they are readily apparent and, more important, because they solve fundamental problems for the business ventures in question. After taking stock of the ways in which nonprofits solve problems for social enterprise, the lesson for me is clear: It is logically inconsistent, and potentially damaging, to lionize for-profit social enterprise and at the same time characterize it as somehow a replacement for the work of the nonprofit sector. Rather, it is the work of the latter that in many ways enables the success of the former.

The Money Problem—Borrowing Nonprofits' Financial Support

One aspect of the civil society infrastructure I'm referring to is financial in nature and evident, especially, in the fair trade industry. The fair trade businesses I examined source and/or sell ethically produced goods such as tea, coffee, and handicrafts. They commit to abiding by widely shared standards of practice, such as working directly with artisans and farmers (often cooperatively organized) instead of through intermediaries, paying a living wage, and, often, paying a "social premium" intended to fund community development projects in producer communities.

In pursuing their mission to "do good," these fair trade social enterprises have an interest in working with small farming groups rather than well-established, single-owner plantations. Doing so is challenging, however. Coffee growers, who are often in economically marginalized positions, need financial support before the harvest comes in. For conventional importers, though, making pre-harvest payments to coffee growers introduces risk—risk that they can avoid by working with large coffee operations

that are more economically secure. But what of the social enterprise business that is committed to working with small-scale farmers?

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As much as social enterprise entrepreneurs like to talk about their "market-based approach" to supporting communities, here is an example of how that ideal is hard to realize. In fact, the fair trade coffee market is not self-sufficient and autonomously performing. Rather, it leans on nonprofit organizations like Root Capital for providing the much-needed financing that makes it possible for farmers and importers to work together.

Established in 1999, Root Capital offers financial support and financial management training to grassroots enterprises. During the first two quarters of 2018 alone, it worked with nearly two hundred businesses to connect more than half a million small farmers to markets.² It does so in part by providing pre-harvest loans to farmers—something that conventional banks are reluctant to

do.³ With this financial support in place, Root Capital helps socially minded businesses realize their missions to source coffee at a fair price from farming communities that are too large for micro-finance support but too small to attract the attention of banks or private equity. By supporting farming communities, Root Capital enables the social enterprise businesses that source from them, like the well-known Sustainable Harvest Coffee Importers; the long-time leader of the fair trade movement and cooperatively organized Equal Exchange; and the more traditional businesses like Starbucks, Whole Foods Market, and Green Mountain Coffee Roasters.

Root Capital thus paves the way for business-minded but socially conscious entrepreneurs to engage in market transactions that might not otherwise have taken place. Referring to Root Capital, one veteran of the fair trade coffee industry put it this way: "At moments when we [might have] had to just walk away from business because we couldn't afford to finance it, they'd come in and say, 'OK, we'll do that deal.'"⁴ He continued, "They have provided financial stability out there to the co-ops that we work with that then indirectly contributes the next year or the next year [after that] to being able to get more coffee from those businesses."⁵

Surely, the social enterprise businesses like U.S.-based fair trade roasters or importers are doing valuable work; but a close inspection of the industry makes plain that they very much owe their success, at least partially, to the work of nonprofit organizations.⁶

The Trust Problem—Borrowing Nonprofits' Trustworthiness

There is a second way that nonprofit organizations undergird the practice of for-profit social enterprise: helping for-profit organizations broadcast their

trustworthiness. The fair trade industry, again, provides an illustration.

First, a little background is necessary. Scholars have long argued that nonprofit organizations solve a problem for consumers.⁷ The problem is that in many cases, consumers might not know how to value certain products. More precisely, they might have insufficient information to make good decisions. Take healthcare, for example: if I am concerned about a personal health issue, then I might be inclined to patronize a nonprofit medical care provider rather than a for-profit one. By virtue of the first organization's nonprofit status, the argument goes, I can take comfort in knowing that it is social-mission oriented and, more important, that there are no company owners who stand to enrich themselves by persuading me to accept unnecessary and costly procedures.

If the argument is true that nonprofit status signals trustworthiness, then it presents a major problem for for-profit social enterprises. No matter how clever their marketing, consumers might be skeptical. After all, what modern company doesn't claim that it has a mission to make the world a better place? And yet we know of many corporations that boast of their intentions to "do well by doing good" but seem to forget the "doing good" part.

What is a fair trade entrepreneur supposed to do, then, if she wants to establish a for-profit business that truly does have a social mission, and if the success of that business requires in the first place that other people believe her? To solve this problem, nearly all of the businesses I studied that trade in food items (such as coffee, cocoa, or produce) rely on nonprofit certification and labeling initiatives. Fair Trade USA is one of the more common certifiers, but other popular systems include

Fairtrade America, Rainforest Alliance, and Utz Certified.⁸

In submitting themselves to certification criteria and then displaying a certification logo on their websites, storefronts, and products, social enterprise businesses are borrowing from nonprofits one resource that nonprofits are uniquely equipped to possess: the confidence of consumers who might have more faith in a prosocial business venture if that business has been certified by a trustworthy nonprofit. In short, labeling initiatives allow for-profit businesses to share in nonprofits' credibility, which helps them interface with consumers who have become accustomed to corporate social responsibility lip service that may not be matched in substance. In the end, a social enterprise business is just another profit-seeking venture until it can convince consumers of its prosocial value; and its ability to do so is very much aided by the work of nonprofit organizations.

The Information Problem— Borrowing Nonprofits' Grassroots Connections

Nonprofit organizations solve a third problem for social enterprise businesses—an information problem. This is apparent in the socially responsible investment industry, in which businesses depend critically on difficult-to-access information, which is often produced by nonprofit and social movement organizations.

Socially responsible investment firms are companies that offer investment products—such as mutual funds—whose portfolios are screened and selected according to various social, ethical, or religious guidelines. In order to screen these funds, portfolio managers and their research teams often need access to on-the-ground information: How does Toyota treat its

workers across the supply chain? Which apparel companies source from sweatshops? Answers to questions like these are very difficult to find, so investment analysts rely on NGOs, social movement organizations, and other elements of civil society to expose issues that would affect their assessment of a potential or ongoing investment.

Indeed, it is through their connections to nonprofit and civil society actors that many socially responsible investment firms first learn about the issues they need to investigate. One analyst at a well-known socially responsible investment firm told me that many of the issues his firm ultimately addresses with companies are articulated initially by nonprofits and NGOs.⁹ "I can't possibly know what's happening with a gas pipeline in Burma," another analyst at a socially responsible pension fund explained, "but EarthRights International does, so I can use their research."¹⁰ And one of her industry colleagues observed, "I can't go visit subsidiaries and check out their labor practices there, but I'm certainly going to listen to the watchdog that's looking at that. Part of my job is keeping up with some of these sorts of extended networks."¹¹ Evident from my data, such "extended networks" include human rights organizations, product safety advocates, labor unions, foundations, civil rights and environmental groups, public health professionals, community development organizations, and the like.

Although socially responsible investment firms are the ones marketing any particular investment product, what they are really selling—hard-to-access information about corporate behavior—is actually produced in its raw form in civil society. Investment firms are, in this sense, second-order entities that sift through the information and

package it in a way that appeals to investors. Because such firms are the face of socially responsible investing, it is easy to overlook the civil society underpinnings on which their success rests.

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When I started studying fair trade and socially responsible investing, I was curious to understand how for-profit social enterprises accomplish their work. I wasn't looking for their interdependencies with nonprofits, but it is something that I came across again and again. These nonprofit organizations were not marginal to the work of social enterprise businesses. Rather, they were helping them to address very fundamental problems: how to get access to the financing that would keep markets working, how to persuade consumers of their trustworthiness despite their status as businesses, and how to gain access to the very information that sets them apart as social enterprise businesses.

It is appropriate to lift up the work of such social enterprise business ventures as the U.S.-based fair trade coffee importers that work productively with farming communities, or the socially responsible investment funds that help promote ethical engagement with the stock market. It is inaccurate, however, to see these businesses as somehow replacing the work of nonprofit organizations.

Unfortunately, this is an observation that is often lost on the people working in social enterprise. In interviews my colleagues and I conducted, entrepreneurs working in social enterprise businesses reaffirmed a popular narrative that characterizes nonprofits and philanthropic efforts as "the runoff of a broken system," "inherently inefficient," reliant on "handouts," not

"sustainable," "not competitive," and the like, and social enterprise businesses as something separate and better: "disciplined," "empowering," "more tightly run," "honest," and "cleaner."¹²

It is understandable, perhaps, that advocates of a new breed of organizations would try to justify their work by drawing sharp distinctions like these. But treating for-profit social enterprise and the work of nonprofit organizations as contrasting obscures the complexities at play and extols the virtues of for-profit social enterprise at the expense of the steady work of those in the nonprofit sector.

What does all of this mean for the future of the nonprofit sector, especially as for-profit social enterprise grows in popularity? For one, although popular representations imply that for-profit initiatives will crowd out the need for organizations in civil society, we should instead expect that the growth in market-based methods for addressing social problems would actually require added support from civil society. In other words, the proliferation of social businesses will likely portend an increase, not a decrease, in the value of nonprofit organizations.

NOTES

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4. Interview with the author, August 16, 2010.
5. Ibid.

6. As a nonprofit, Root Capital has a charitable mission and relies significantly on charitable resources to accomplish it (nearly half of its \$22 million in revenues came in the form of contributions and grants in 2017). See Root Capital's Form 990 for 2017, accessed October 10, 2018, rootcapital.org/about-us/financial-information/. Other examples of nonprofit organizations that provide direct and indirect support to for-profit social enterprise are Acumen and RSF Social Finance.

7. Henry B. Hansmann, "The Role of Nonprofit Enterprise," *Yale Law Journal* 89, no. 5 (April 1980): 835.

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Counting What Counts: Why Social Accounting MATTERS

by Elizabeth A. Castillo

“Research suggests that we have fundamentally misunderstood the economy by disregarding intangible resources,” writes Castillo. “This has led to the decoupling of synergistic interactions needed to produce emergent, long-term benefits.” Instead of *economizing* practices, she asserts, “a sustainable economy requires an *ecologizing* approach.” And, “To nurture these linkages, we need to recognize and measure what matters.”

IF A HAMMER IS YOUR ONLY TOOL, EVERY problem tends to look like a nail. So says Maslow’s law of the instrument, cautioning that while a tool may be useful, it can also limit perception in ways that reduce future options.¹ In today’s world, financial accounting has become this type of hammer. It implicitly and explicitly constrains how we approach resource allocation and policy decisions, because it privileges a single type of resource—money.² Yet many other types of resources exist, such as intangible assets like knowledge, relationships, and reputation.

Intangible resources currently comprise over 80 percent of the S&P 500’s market value.³ They are also essential ingredients for value creation in the public and nonprofit sectors. However, decision making for large government projects generally neglects intangible resources, instead mandating financially focused analytics, such as cost-benefit analyses geared toward efficiency and cost-effectiveness. While this approach is useful when the primary goal is to preserve financial resources, a singular

focus on financial assets often leads to underinvestment in intangible resources essential to long-term success and adaptation. If we are not attuned to them, it can be easy to overlook resources that are more difficult to see and quantify, such as equity, quality, timeliness, and positive social impacts on the community.

In the nonprofit sector, a cost-containment mindset contributes to the nonprofit starvation cycle, where philanthropists’ reluctance to fund indirect costs can lead to a downward spiral of infrastructure deterioration, decreasing an organization’s long-term viability.⁴ Cost-benefit approaches can be deceiving, because they do not necessarily produce maximum value. This is because a cost-based approach tends to disregard the future value-creation potential of intangible resources—for example, their capacity-building functions. In contrast, venture capitalists rely heavily on intangible indicators—primarily, their confidence in a start-up’s leadership team—rather than financial metrics when making investment decisions.⁵

Philanthropy and public policy have

yet to catch up with this logic of creating new options rather than minimizing costs. For example, a recent report by the Arizona Chamber Foundation (ACF) argues against large-scale subsidizing of in-state college education, stating that “such a proposal would result in fiscal losses with limited economic benefits.”⁶ However, its methodology neglects historical context. From 2008 to 2018, Arizona experienced the largest funding cuts to higher education in the nation (a 55.7 percent inflation-adjusted decline),⁷ disproportionately affecting students of color.⁸ Further, the report does not account for the many benefits of educational attainment that would offset costs.⁹ At the individual level, these include the fact that college graduates tend to be healthier, rely less on emergency room services and public assistance, and have higher rates of home ownership, interest-earning assets, and private pension-plan investments than people with less or no access to higher education and the benefits and privileges it endows.¹⁰ At the macro level, states with more college graduates enjoy higher state

credit scores, lower traffic fatality rates, higher rates of voter participation, more parent involvement in schools, reduced energy consumption, more federal aid, and lower infant mortality rates,¹¹ as well as increased levels of diversity and knowledge transfer.¹² Beyond failing to account for these types of returns in their calculations, ACF's time horizons are similarly problematic: ACF's methodology uses a ten-year time span (a standard time frame for cost-benefit analyses), but many higher education benefits extend decades beyond that.¹³

The Emerging Field of Social Accounting

To remedy such issues, social accounting has emerged as a way to explicitly recognize and account for the variety of resources—both tangible and intangible—that organizations require to be successful over short-, medium-, and long-term time horizons. Over the past few decades, the private sector has increasingly adopted social accounting practices, such as sustainability reporting—for example, ESG (environment, social, and governance) and GRI (the Global Reporting Initiative);¹⁴ in the nonprofit sector, social accounting likewise captures resources disregarded by conventional financial statements, including in-kind donations, volunteer labor, and long-term social impact.¹⁵

An especially promising social accounting model is Integrated Reporting (IR).¹⁶ This framework emerged in South Africa as a response to a 2010 government mandate that the country's publicly traded companies give stakeholders more information on the interplay between a firm's risk, strategy, sustainability, and performance.¹⁷ An outcome of this approach has been greatly enhanced transparency and accountability, leading the World Economic Forum's *Global Competitiveness*

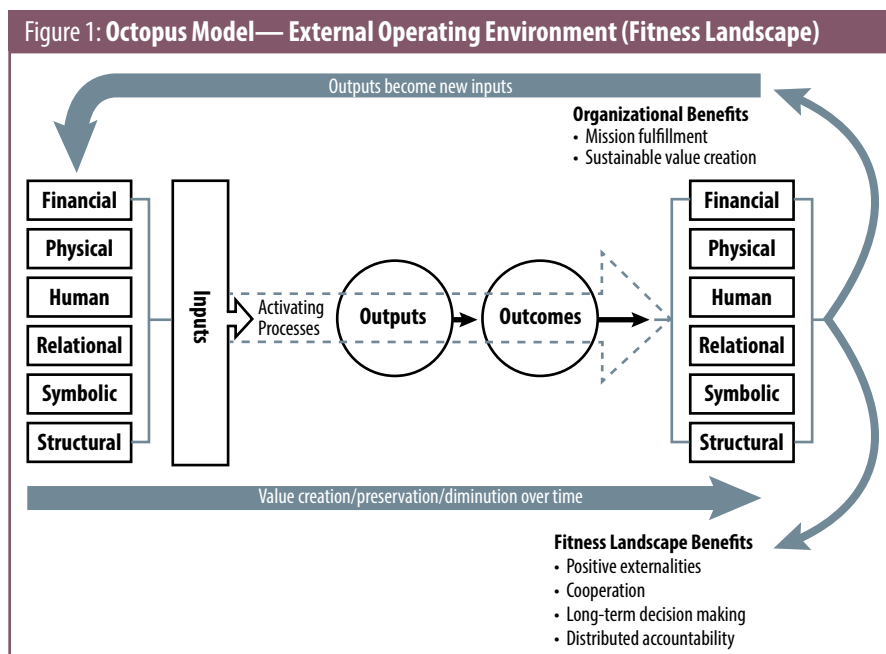
Report to rank South Africa first for seven years in a row for national auditing and reporting standards.¹⁸

However, Integrated Reporting does much more than report on financial position and risk. By tracking six forms of capital (financial, manufactured, intellectual, human, social/relationship, and natural)—as both resource inputs and output—this multiple-capitals model conveys a firm's capacity for value creation, now and in the future. The flow of multiple capitals is often depicted using a graphic that the International Integrated Reporting Council (IIRC) calls an *octopus model*, which illustrates how a firm's business/programmatic model transforms resource inputs into outputs, outcomes, and impact (see Figure 1).¹⁹

Figure 1 was adapted from IIRC's octopus model, and includes typology I developed in 2016.²⁰ To illuminate *process resources* like governance, leadership, learning, and communication, and to illuminate power and equity levers, it is vital to include *symbolic capital* (e.g., culture, space, time, reputation, language)—which in my typology includes intellectual capital as

subtype—and *structural capital* (rule of law, process, and organizational).²¹ In addition to the IIRC's six capitals²² Social accounting is an emerging field, and there are a variety of models that use multiple capitals, each with slightly different categories of capital. (The sidebar on pages 80 and 81 provides an overview of some of these frameworks, along with case examples and implementation resources. While the details of the frameworks vary, they all seek to identify and account for both tangible and intangible forms of resources.)

Many readers will recognize the octopus model as being similar to logic models used in the nonprofit sector. An advantage of this graphic depiction is that it makes noneconomic impacts—what economists typically call *externalities*—explicit.²³ This is important, because the fundamental task of nonprofits is to create positive spillover effects (i.e., public benefits), yet external stakeholders can be unclear on the relationship between outputs, outcomes, and impact. The Integrated Reporting “octopus” makes it easier to tell and understand this story.



Getting Started

Several publications are available to acclimate newcomers to Integrated Reporting.¹ You can review white papers and reports on how to identify intangible value drivers (for example, trust, stakeholder relationships, corporate culture, and brand).²

After becoming familiar with the framework, it will be helpful to inventory your organization's tangible and intangible resources, such as employee engagement, leadership, and collaborative networks. Then, as a group, identify the top three or four value drivers that are most relevant to your organization.

In figuring these out, you are likely to identify some of the assumptions and values beneath these priorities. Be sure to think across multiple levels—the capitals can be developed at the individual (e.g., employees, volunteers, people you serve), team, organization, network, and community levels.

This means you will need to think about *connectivity*. What connects these levels? How do the organization's programs and business model develop and convert them? (Reading case examples such as those listed below can be helpful here.)

As you dig deeper, you will probably surface a few key performance indicators for the various forms of capital that you will want to track at each level. Talk to program staff to see if these metrics are meaningful, and discuss with other stakeholders to see if they ring true for them, too. Often, you may wish to combine measures: financial (revenues, costs, financial statements); quantitative (metrics that can be counted, e.g., energy usage); and qualitative (analysis, descriptions, stories, icons).

Look at capacity-building indicators and translate them into multiple capitals language.³ Develop an octopus model for your department and then your organization, looking for linkages between them. After these initial explorations, consider developing target milestones and timelines to expand the discussion more widely in your organization.

Frameworks, Case Studies, and Other Resources

- Mary Emery, Susan Fey, and Cornelia Flora, "Using Community Capitals to Develop Assets for Positive Community Change, *CDP Practice* 13 (2006): 2–19, srdc.msstate.edu/fop/levelthree/trainarc/socialcapital/communitycapitalstodevelopassets-emeryfeyflora2006.pdf.
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- Gary A. Goreham et al., *Successful Disaster Recovery Using the Community Capitals Framework: Report to the North Central Regional Center for Rural Development* (East Lansing, MI: USDA/North Central Regional Center for Rural Development, Michigan State University, May 31, 2017), www.ndsu.edu/fileadmin/socanth/Natural_Disaster_Recovery/Chapter_1_Introduction__2_.pdf.
- Stephani Etheridge Woodson, *Theatre for Youth Third Space: Performance, Democracy, and Community Cultural Development* (Chicago: Intellect, The University of Chicago Press, 2015).
- "The IIRC," Integrated Reporting (IR), accessed October 6, 2018, integratedreporting.org/the-iirc-2/. (See also the best practices library of Integrated Reporting [IR], examples.integratedreporting.org/home.)
- Martin P. Thomas and Mark W. McElroy, *The MultiCapital Scorecard: Rethinking Organizational Performance* (White River Junction, VT: Chelsea Green Publishing, 2016). (See also "A Better Scorecard for Your Company's Sustainability Efforts," *Harvard Business Review*, December 10, 2015, hbr.org/2015/12/a-better-scorecard-for-your-companys-sustainability-efforts.)
- Andy Hargreaves and Michael Fullan, *Professional Capital: Transforming Teaching in Every School* (New York: Teachers College, Columbia University, 2012). (See also "The power of professional capital: With an investment in collaboration, teachers become nation builders," *JSD* 34, no. 3 [June 2013]: 36–39, learningforward.org/docs/default-source/jsd-june-2013/hargreaves343.pdf.)
- "What is WealthWorks?," WealthWorks, accessed October 9, 2018, www.wealthworks.org/. (See also *Measuring Rural Wealth Creation: A Guide for Regional Development Organizations* [Washington, D.C.: National Association of Development Organizations, November 2016], www.nado.org/wp-content/uploads/2016/12/MeasuringWealthCreationRDOsFinal.pdf.)

- The World Bank's *The Changing Wealth of Nations* framework uses human, natural, and financial capital measures to track the wealth of 141 countries between 1995 and 2014. It also recognizes, but does not account for, other intangible resources like social capital, "the trust that promotes cooperative behavior and can facilitate economic activity and increase well-being." See *The Changing Wealth of Nations 2018: Building a Sustainable Future*, ed. Glenn-Marie Lange, Quentin Wodon, and Kevin Carey (Washington, D.C.: World Bank Group, 2018), openknowledge.worldbank.org/bitstream/handle/10986/29001/9781464810466.pdf. (See also "The Changing Wealth of Nations 2018," The World Bank, January 30, 2018, www.worldbank.org/en/news/feature/2018/01/30/the-changing-wealth-of-nations-2018.)

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2. See, for example, Bernard Marr, *Future Value Drivers: Leveraging Your Intangible Assets Using a Five-Step Process* (Canada: Chartered Professional Accountants Canada, 2018).
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How Integrated Reporting Can Help Your Organization

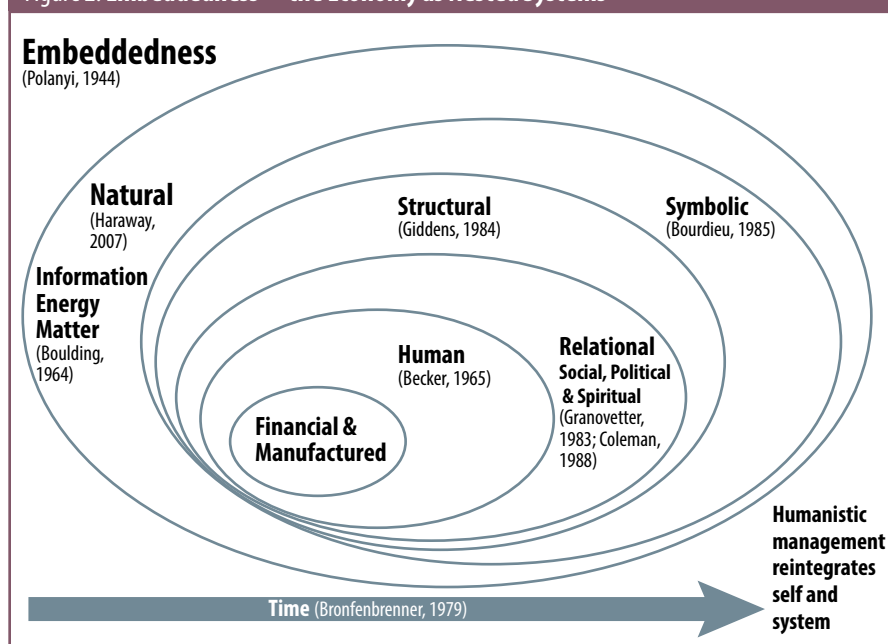
In the nonprofit sector, Integrated Reporting is a way to simultaneously account for past and current performance while assessing future value-creation potential. The key is to frame resources and

capacity building as multiple forms of capital.²⁴ Figure 2 illustrates these multiple capitals as embedded (nested) systems.²⁵ The process of Integrated Reporting promotes *integrative thinking*, "a conceptual architecture that 'makes space' for multiple perspectives

and ways of thinking about complex problems and trade-offs."²⁶

Collectively, these multiple capitals can be used to frame key dimensions of organizational effectiveness and sustainability, building on Laurie Mook's integrated framework for social accounting.²⁷ An example is WealthWorks, a multiple capitals approach—funded, originally, by the Ford Foundation, to "improve livelihoods and upward mobility for people, places and firms within a region."²⁸ Its success stories include a group of African-American farmers in Mississippi and Alabama, who reignited farming as a path to individual and community prosperity by coming together to learn organic practices—in turn, generating access to new and larger markets. In its first two years, thirty-five growers—whose farms previously had each earned less than \$2,500—generated over \$266,000 in sales of vegetables to schools, high-end restaurants, grocery stores, and wholesale buyers.²⁹ The forms of capital WealthWorks tracks

Figure 2: Embeddedness—the Economy as Nested Systems*



include intellectual (sustainable production practices, universal growing protocols), social (collaborative networks, relationships between farmers and wholesale customers), political (policy engagement), financial (\$640,000 in new capital investments), and human (improved business skills and certifications for farmers). Key to this model is recognizing networks as value chains that can generate and convert different forms of capital, some of which ultimately can be monetized.

A fundamental aspect of this conversion process is the development and transformation of forms of capital across multiple levels (individual, organizational, networks, community). This indirect flow—called *roundaboutness* by the nineteenth-century economist Eugen von Böhm-Bawerk—is important, because it explains how micro-level investments (e.g., a child's preschool education) can produce emergent macro-level benefits over time—what economists call *increasing returns*.³⁰ Thus, it offers a path to escape the false logic of efficiency and the nonprofit starvation cycle by providing a rationale and strategy to invest in intangible value creation drivers.

From a management perspective, Integrated Reporting is a way to align strategy, planning, performance, accountability, and reporting while developing a new collective understanding of how an organization creates value over time. Because this process is collaborative, it offers a means to illuminate multiple perspectives, surface assumptions, promote shared meaning making, and develop more expansive understanding of complex issues. Best practices of Integrated Reporting encourage the articulation of *connectivity*: how the capitals, stakeholders, business model, risks, and trade-offs interrelate; how organizational objectives, strategy, and

operations are affected by resource dependencies, stakeholder expectations, and the operating context; how internal policies, systems, and processes support organizational objectives; and how past performance positions the organization for future success. An Integrated Reporting framework can be used for many purposes, including program planning and outcome reporting, organizational reporting to stakeholders, and developing shared understanding of how communities deal with change. It offers a new vocabulary (multiple capitals) with which to speak to funders, government officials, people we serve, and other stakeholders. What we call *capacity building* is really about *capital building*.

How Integrated Reporting Can Transform the World

Integrated Reporting offers a way to reintegrate our fragmented understanding of the economy. While we have been acculturated to think of economics in terms of money and macro-measures such as the gross domestic product, at its heart the economy is made up of individuals and relationships. As the firm Sustainable Brands notes, “After several hundred years of focusing solely on financial capital to calculate value and make executive decisions, the economy is starting to wake up to the fact that traditional mono-capitalism has critical limitations—above all, the limitation of not accounting for and managing other crucial capitals (including human, social, relationship, intellectual, and natural capitals), and therefore running the risk of throwing them, along with the broader prosperity that depends on them, out of whack.”³¹

Integrated Reporting's multiple capitals framework is a way to make the human foundation explicit by giving representation to the tangible and intangible resources that people, organizations, and communities produce and

require to thrive. Additionally, a fundamental role of the nonprofit sector is to promote prosocial and democratic norms. Integrated Reporting offers a way to take up and publicize this role in a more explicit way. Its value creation logic shines a light on the wisdom of investing in intangible resources that are, in fact, the soil from which economic prosperity and well-being spring. By adopting Integrated Reporting, the nonprofit sector also makes explicit concepts that apply to all organizations in any sector, namely, the social contract, social legitimacy, and social license—thus promoting norms of reciprocity and mutual value creation instead of a narrow focus on value extraction.

• • •

Integrated Reporting is increasingly used in Europe, Australia, and Asia to help organizations and governments tell their value creation story. Why? Because over the past forty years, economists and investors have come to realize that intangible resources are now the primary drivers of value creation for organizations and society.³² The “Big Four” accounting firms (Deloitte, Ernst & Young, KPMG, and PwC) have each published papers advocating for the use of Integrated Reporting.³³ Integrated Reporting is being used in all sectors—private, public, and nonprofit/NGO—because it promotes transparency, better decision making, and relational accountability (voluntarily holding oneself accountable to maintain integrity, trust, and social norms that make sustained commercial exchange possible).

Research suggests that we have fundamentally misunderstood the economy by disregarding intangible resources.³⁴ This has led to the decoupling of synergistic interactions needed to produce emergent, long-term benefits (e.g., social cohesion and human flourishing). Rather than

economizing practices—for example, efficiency, control, and growth—a sustainable economy requires an *ecologizing* approach: “symbiotic, integrative linkages between organizations and their environments that function adaptively to sustain life in communities.”³⁵ To nurture these linkages, we need to recognize and measure what matters. Integrated Reporting is an actionable path to begin counting what counts.

NOTES

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21. Structural capital is “the ‘binding’ of time-space in social systems” (social theorist Anthony Giddens). This illuminates that we have choices in how we structure organizations and societies (e.g., hierarchies, networks, matrix) and rules (democracy, autocracy, oligarchy, etc.).
22. The IIRC’s model was developed primarily by accountants and management professionals, whose training likely did not include sociology. From an equity standpoint, this is problematic, because who gets to make the rules and sit at the table for rule making is key to power, since that is who determines the structure of the economic system (e.g., what counts). Using a typology that includes symbolic and structural capitals (e.g., rule

of law/governance) illuminates these power levers.

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SPECIAL REPORT

The Ailing CFC: One More Canary in the Workplace Giving Coal Mine?

by Marshall Strauss

A campaign of reinvention has been under way to reverse the CFC's free fall; but, as the author contends, "choosing this fundraising technique or that latest technology" is not the answer. "Ironically," he writes, "the future of the CFC—and the future of workplace giving as a whole—lies in its past. Ask any fifth grader raising money for the local sports team, or the board member raising money for the local museum—it is the person-to-person request that drives successful fundraising."

Editors' note: NPQ has been watching the state of workplace giving closely during the last two decades. We usually focus on United Way, which is certainly the biggest and best known of the types; but the field also includes other entities, such as workplace giving programs for state and federal government employees. The latter is called the Combined Federal Campaign (CFC), and this entity has seen the money it raises not only decline but plummet over the past fourteen years. It has undergone many attempts at fixes but hasn't recovered—even for a year or two—any of the revenue levels of previous years. So, what happened? Here, an insider provides NPQ readers with an overview of what has occurred with the CFC, with an eye toward tracking patterns of decline in workplace giving campaigns in general and investigating whether this is an effort that can be saved. This report was published online in November 2018; it has been edited here to accommodate new information that has come to light since then.

CAN THE CFC SURVIVE? IT IS AN UNSETTLING question, given that the U.S. government's workplace fundraising program has been operating for almost six decades. Formally launched by the Kennedy administration, the Combined Federal Campaign has over the years raised more than \$8 billion on behalf of tens of thousands of national and local charities. Today, however, the CFC is in trouble, plagued by flagging donor interest and competition from other modes of giving. The government has been responding to these pressures, trying to reshape and refresh the campaign. But the bad news has only seemed to get worse, and it is reasonable to

wonder if, in a year or two, advocates of a philanthropic program that has served as the inspiration for states and municipalities will finally say, *enough*. Will those of us who have spent years working to strengthen the CFC conclude that its day has passed?

The 2018 campaign has been under way since fall, with federal employees pledging to eligible charities. We will know the final results soon—and, as we have with prior years, we await those numbers with hope. Those worried about the future of the campaign, however, should not wait to consider how we arrived at this troubling moment. If there are changes to be made to the campaign

in order to reverse a decade of decline, now is the time to bring them forward so that donors and charities alike can debate potential improvements.

Workplace giving is embedded in the history of American philanthropy. For decades, it offered average citizens the chance to support the growing charitable world by donating a small amount with each paycheck. Over the years, workplace giving reinforced the American community, as workers were able to share with each other their interests in causes and groups. Today, our country is being sorely tested; our sense of community is being shredded at every turn. It would be nice to reinvent workplace

giving so that it could help remind us all of what we have in common.

Reinvention is the challenge confronting the CFC. It is not a matter of choosing this fundraising technique or that latest technology but rather building on the readiness of average people—of employees in their workplaces—to help others. As a first step toward that end, we must see where the CFC is.

A Decade of Decline

The last decade has been an unhappy time for the CFC. The first graph below is based on figures released by the agency that administers the campaign: the Office of Personnel Management (OPM). Their numbers show a grim decline in the amount pledged.

The peak year of the CFC in terms of money raised was 2009. Federal employees pledged slightly more than

\$282 million that year. In the fall 2017 campaign, the last CFC cycle for which we have final figures, pledges were about \$101 million—a drop of 64 percent over the nine years. If one adjusts for inflation, the news is even worse: the 2017 pledge result was lower than in any year of the campaign, back to 1972—for as far back as the government has published figures.

The second graph shows an equally disturbing trend, the drop in employee participation.

In 2009, government statistics show that four million employees (civilian and military) were solicited. Almost 1.1 million employees elected to pledge to one or more charities. In 2017, the number of employees solicited was about the same, about 3.9 million, but the number of donors plummeted to 169,000. In nine years, the number of donors dropped almost 85 percent. The

rate of participation, which had been over 25 percent in 2009, was down to slightly more than 4 percent.

One employee out of twenty-five.

Flawed Reforms

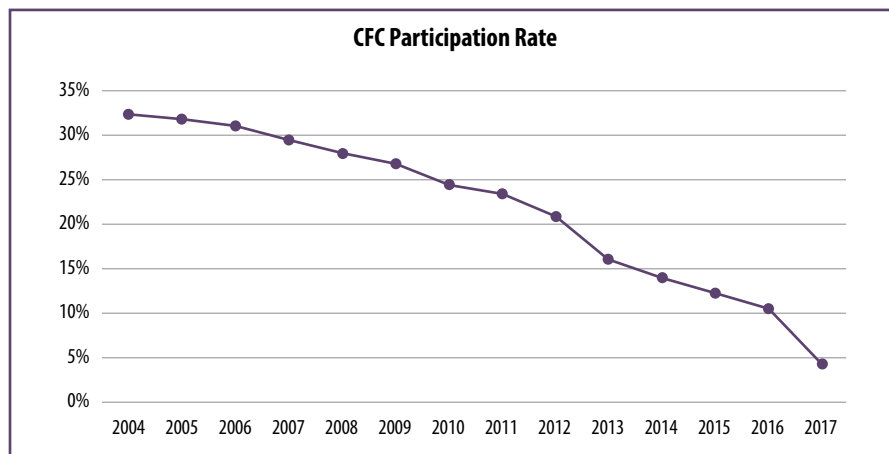
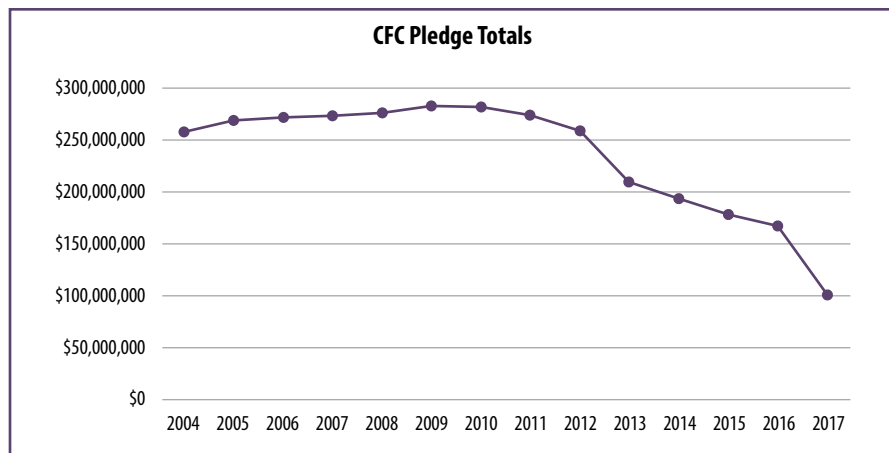
As campaign results began to slide, the government decided to use the occasion of the CFC's fiftieth anniversary to convene a task force consisting of federal employees, charity representatives, and others. I was one of those who served. The CFC 50 Commission offered a range of possible approaches to improving the campaign, publishing its report in July 2012.¹

Two years later, in the spring of 2014, OPM published new regulations to reshape the CFC.² They were, to say the least, controversial. Many, including this author, warned that the proposed changes would harm the program. In the end, the sweeping redesign of long-standing systems proved far more difficult to pull off than government staff anticipated: the new rules were not finally implemented until the 2017 campaign. The results have been dismayingly. The following sections discuss a few of the problematic areas that the campaign now lives with.

Loss of Local Fundraising Expertise

Over the years, the CFC had developed a nationwide network of local organizations whose staff knew the charities and donors in their communities. These local administrators were always nonprofits and were supervised by local federal volunteers. In part because so many United Way chapters had served as local administrators through the years, strong connections across the country allowed for substantial sharing of best practices.

OPM eliminated this community-based network in favor of a handful of more remote companies—which OPM calls “Outreach Coordinators,” or “OCs”—that no longer need to be



nonprofit. These Outreach Coordinators are charged with promoting the campaign. Sadly, the government's own procurement rules have shaped the Outreach Coordinator culture. The OCs appear to view each other as competitors, angling for the next round of government contracts. Efforts to exchange best practices are undermined.

As part of its reorganization of the CFC that took effect in 2017, the government sharply reduced the number of campaign zones, from 147 to 37. Zones became far larger. New England, which was divided into four zones for the 2016 CFC, became a single zone in 2017. California dropped from five zones in 2016 to two in 2017. One of the new zones is roughly the size of Peru! Not surprisingly, those working to promote the campaign are finding that many donors have become remote. Scale brings economies, but it can also diminish face-to-face contact, which lies at the heart of fundraising.

We are only in the second year of the newly designed CFC, but already questions are being raised about the productivity of OCs—let alone the advisability of switching out a community-based network for campaign promoters, who are more remote from the potential donor and seem quite focused on chasing the next contract (which, given the large amount of money the government is dedicating to these contracts, is no surprise). The results in some zones are unsettling.

Flawed Online Search System

To handle back-office functions, the government created a new "Central Campaign Administrator." OPM hired two companies, one nonprofit and the other for-profit, to build and operate a new website to handle charity applications, donor pledging, and the reporting of pledge results. Key to the work of the administrator was the launch of an online system through which federal employees

could search for charities they wished to support.

Problems with the new website were, perhaps, inevitable (this is the government, after all). The new online search system was plagued with difficulties, often returning lists of charities that had nothing to do with the terms entered by prospective donors. If you searched for "art," you would see lists of groups that included "earth" in their name. If you searched for "cat," you would see groups that had "educate" or "education" in their name. OPM staff have worked hard to clean up the online mess, and the search system is improving. Even OPM acknowledges, however, that a more substantial redesign may be in order for the 2019 campaign.

In its eagerness to sweep away old systems, OPM has been eliminating the system that donors have used for decades to look for charities: the printed directory. Fewer and fewer of these "old technology" books are printed each year, and donors often find that their only option is to go online and hope they can find the groups they seek.

Rising Costs

Ironically, running the CFC is now more expensive than it was before the government's changes. OPM had hoped that replacing local administrators with regional promotional companies, reducing the number of campaign zones, and consolidating back-office and website functions would yield substantial savings. Costs have risen, however.

In its annual report on campaign results, OPM stated that the budgeted cost of the 2017 CFC was about \$26 million, split between the Outreach Coordinators and the Central Campaign Administrator. The year before—the last year of the old system—the number was \$25 million. Costs are going in the wrong direction.

Up-Front Fees

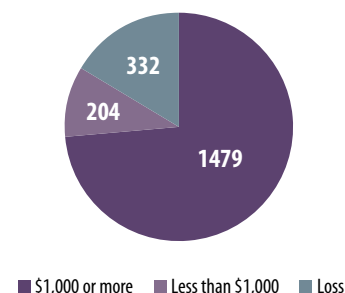
Workplace giving programs have long paid for their operation by withholding money from donated funds. The CFC was no different, until the government decided to require that charities pay up-front fees in order to participate. OPM hoped the new fees would cover the full cost of the campaign, but too many groups walked away from the CFC, and that ambition fell flat from the very beginning. As a result, the government was forced to withhold millions of dollars from 2017 donations before any money reached charities. It will have to do so again for the 2018 campaign.

Whatever hesitation charities may have felt about the CFC when the up-front fees were announced has only deepened as the reality of declining pledges hits home: many charities are losing money on the campaign.

The chart below shows how well national and international groups performed in the 2017 CFC. We can see that one group in six paid more in OPM fees than it raised. If we add the charities that raised less than \$1,000, the number of groups that lost, or almost lost, money rises to one in four.

Not surprisingly, charities have responded to the drop in pledges and OPM fees by themselves withdrawing from the campaign. The sharpest decline was in 2017, when the number of participating groups dropped by more than

Number of National/International Charities in Each Range of Net CFC Revenue after 2017 Fees



half. The financial implications are as obvious as they are threatening. Unless the CFC can improve its results, the cost of the campaign will consume more and more of the amount paid by charities and pledged by donors. At some point, the campaign's administrative overhead will become politically—not to mention ethically—unsustainable.

The campaign is now trapped. Costs have held steady due to the government's expensive contracts with OCs and the Central Campaign Administrator; charities are leaving the program, and pledges are declining. OPM can cut the marketing and promotional budget to be spent across the country, but who then will attract donors? OPM can increase the fees charged up front to the charities, but that will simply lead more groups to walk away.

A Way Forward?

In the short run, the future of the CFC likely hangs on a single thread: improved pledging. If pledge totals in the fall 2018 CFC will show to have rebounded from the dismal results of the previous year, the pressure on the CFC will ease. More charities may enter the 2019 campaign (and pay the fees), and the administrative overhead of the program, now at a stunning 25 percent, will decrease.

In the next year or two, OPM can further improve the online search system so that donors can more easily find the groups they want to support. The government may also be able to back away from some of its expensive provider contracts, thereby allowing the administrative costs of the program to come down. But recovering pledges, a fully functioning search system, and less costly contracts will likely only buy the CFC a little time. The powerful forces challenging workplace giving will remain. Federal employees have alternatives to the CFC; one need look no further than personal credit cards.

Ironically, the future of the CFC—and the future of workplace giving as a whole—lies in its past. The future is tied to the ability of workplace campaigns to engender a spirit of community in which donors take the lead. Ask any fifth grader raising money for the local sports team, or the board member raising money for the local museum—it is the person-to-person request that drives successful fundraising.

Perhaps surprisingly, as public-sector workplace giving flounders, pockets of success can be found in the private sector. No less a presence than Microsoft touts a giving program that, in 2017, led to donations of \$156 million and 700,000 volunteer hours from its employees, who participated at a rate of 75 percent. An important component of the Microsoft program seems to be corporate support of employee initiatives. A February 2018 article in *Forbes* reported that many companies are dedicating corporate resources (time and money) to support their employees' charitable giving and volunteer activities.³ These companies have found that doing so pays off in a more stable and engaged workforce.

One secret to success seems to be allowing employees to take the lead rather than trying to herd them into a top-down structure. Adding a social media component to the CFC's online pledge system could give employees opportunities to take initiative in their own charitable efforts by recommending charities to colleagues or even collaborating with others who share their interests. Collaborative fundraising is on the rise, as evidenced by the increasing use of crowdfunding platforms. The Collective Giving Research Group reported in 2017 that giving circles had tripled in the prior ten years.⁴

As OPM consolidates the CFC, placing its faith in online systems, it undermines the very essence of what

has made the CFC work for decades—person-to-person contact: “I want to help; will you?”

Reviewing a list of eligible charities while sitting in front of a computer does not capture the magic of workplace giving. It is an isolating act. Let donors come together where they work; let them share their excitement and their commitment. It has worked for more than a century; it can work again.

NOTES

1. *Federal Advisory Committee Report on the Combined Federal Campaign* (Washington, DC: U.S. Office of Personnel Management, July 2012).
2. “Final Rule to Amend the Combined Federal Campaign (CFC) Regulations Fact Sheet—April 11, 2014,” Reference Materials, Combined Federal Campaign, U.S. Office of Personnel Management website, www.opm.gov/combined-federal-campaign/reference-materials/cfc-fact-sheet.pdf.
3. Glenn Llopis, “Reinventing Philanthropy As An Employee-Centered Growth Strategy,” *Forbes*, February 5, 2018, www.forbes.com/sites/glennllopis/2018/02/05/reinventing-philanthropy-as-an-employee-centered-growth-strategy/.
4. Jessica Bearman et al., *The Landscape of Giving Circles/Collective Giving Groups in the U.S., 2016* (Indianapolis, IN: Collective Giving Research Group, November 2017).

MARSHALL STRAUSS is CEO of the Workplace Giving Alliance, a family of public sector workplace federations serving hundreds of charities. He is treasurer of the CFC Foundation and was a member of the CFC 50 Commission. Alex Desmond, Elaine Gerdine, and Lisa Rosenthal from the Workplace Giving Alliance contributed to this article.

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