



INDEPENDENT  
SECTOR

# THREADS

WEAVING THE FABRIC OF A STRONGER FUTURE.

DETROIT HIGHLIGHTS



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WEAVING THE FABRIC OF A STRONGER FUTURE.

## HIGHLIGHTS FROM COMMUNITY CONVERSATIONS

Event held at the Detroit Zoological Society

May 4, 2015

# OVERVIEW OF THREADS

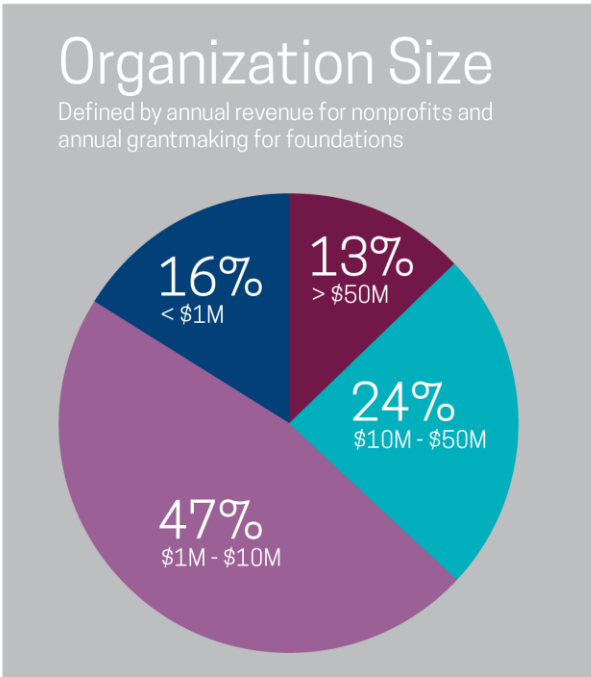
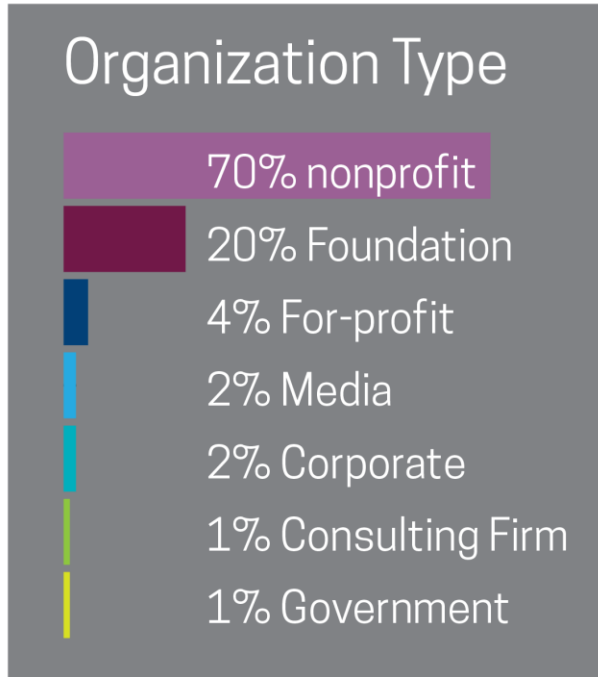
At the start of 2015, Independent Sector launched a series of community conversations called “Threads” in cities across the country. The purpose was to convene leaders from nonprofits and foundations, and our other allies, to explore the impact of society-wide trends on our sector today and in years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

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

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

## THREADS DETROIT – PARTICIPANT INFORMATION

### 102 Attendees



## TRENDS SHAPING THE FUTURE OF THE CHARITABLE SECTOR

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

### Major Themes

1. Collaboration – Many attendees recognized that they can't solve social or environmental problems unless they collaborate across fields of practice and sector (nonprofit, corporate, government) lines. One cited her mission to end hunger, saying her team recognized that they must work with others to move the needle. Others said that too many organizations focus exclusively on service delivery and fail to address the larger ecosystem in which their clients live and work.
2. Talent Management – Responding to shifts in the American workforce surfaced as another key theme. People recognized the generational gaps taking place (i.e., Boomers continuing to retire while more Millennials enter the work force) and the need to actively manage this transition.
3. Revenue Generation – Participants commented on the role of earned revenue in the nonprofit community. Some had not recognized its role as a significant [source of funding](#). Others were concerned about the ways technology has impacted revenue streams (they asked 'how can we charge for material when so much is free online'). Still others wanted 'new models for funding social welfare and social change.' Current models emphasize short-term solutions, but measuring impact is often costly.
4. Diversity – Many noted that ethnic diversity (specifically differences in cultural values) will have a profound impact on funders and nonprofits. They highlighted the urgent need to improve our understanding of cultural differences.
5. Institution Building – A common theme was a tendency for leaders to focus resources on preserving their organizations over accomplishing their missions. Institution building, they said, has become a top priority. (This theme was counterbalanced by deep concerns about the lack of capacity building in the sector, as described below.)

## CHALLENGES

### ORGANIZATION & SECTOR LEVELS

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

#### Major Themes

1. **Financial Sustainability** – Like our conversation in NYC, most participants in Detroit agreed that nonprofits lack adequate funding. Many called on the sector to diversify its funding streams. Others commented on the sector’s funding model, saying that it promotes competition, encourages a short-term focus, and fosters an unhealthy aversion to risk. As a result, they said, sector practices are less effective than they should be.
2. **Relationships among Sector Organizations** – After financial sustainability, this was the second most common theme to emerge. Attendees highlighted the lack of collaboration among nonprofits, as well as the problem of silos within and across fields of practice.
3. **Governance and Operations** – A frequent topic of discussion was the need for more active participation by board members and the lack of funding for daily operations. Participants talked about the need for better structures to promote innovation and outcomes. As an example, one person said, “organizations are focused on service delivery instead of affecting change.” Another mentioned “bureaucracy” as an impediment to innovation. Still others said the way the sector works isn’t structural; we try to fix ‘one little thing’ because that’s the way we’re funded.

Other critical themes that surfaced at the Detroit Threads included the need to focus on systematic change rather than short-term solutions, and a call for more compelling communication to tell the sector’s story. Diversity (both racial and generational) was discussed at length, specifically the need to serve diverse audiences and more diversity within the sector.

#### Voices from the Field

- “With limited funding resources, organizations are not as willing to collaborate.”
- “Funding is going to non-traditional places, but the sector isn’t evolving to keep up. The competitive landscape is changing.”
- “[We] need to be able to take risks, but balance it with donor perceptions.”
- “Undercapitalization. [There’s not enough] income to ‘drive straight’ or innovate...attempts to raise endowment money are met with resistance by many/some funders, who are looking for immediate impact and change for their gifts.”

- “On partnerships: would our organizations with similar goals/missions serve the community better as one? If so, how?”
- “Silos [means we’re] not connecting the dots between issues.”
- “[We’re] competing against each other as opposed to working together.”
- “Existing structures [like] bureaucracy and ‘politics’ impede change.”
- “[I’ve seen] a decrease in the number of funders willing to support general operation.”

## **SOCIETAL LEVEL**

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

### **Major Themes**

1. **Subject-Specific Trends** – Participants discussed societal challenges and mentioned concerns about:
  - The environment (the relationship between scientific illiteracy and understanding climate change);
  - Technology (the problem of digital illiteracy);
  - Education (the need for education reform and concerns about the rising costs of college); and
  - Disabilities (funding cuts).
2. **Inequality** – The general theme of inequality – its pervasiveness and deleterious impact – surfaced repeatedly. Economic inequality and racial inequity were often mentioned in tandem. Others cited educational disparities or differences between services provided to urban and rural areas.
3. **Civic and Community Engagement** – Attendees noted not only a lack of civic engagement (people don’t vote), but also a tendency to favor self-interest over the common good. One person talked about the difficulty of convincing others to support institutions (like public schools) whose success directly benefits society at large.
4. **Government** – Comments on this topic clustered around several main themes:
  - The lack of government effectiveness;
  - The lack of the public’s willingness to engage with/trust government; and
  - The lack of clarity about the government’s roles/responsibilities vis-a-vis the sector.
5. **Another theme** revolved around the notion of isolation. Racial and economic inequalities are segregating society, noted some, and as a result, “people are living isolated lives.” Others talked about how technology (social media in particular) isolates us from each other and diffuses – rather than harnesses – energy toward particular causes.

## Voices from the Field

- “[We have a] literacy and educational systems failure.”
- “In higher education, [there is a] national controversy around the rising costs of college vs. the pressure on institutions to have the latest technology, best faculty, and provide scholarships to non-affluent students.”
- “When funding is cut, people [with disabilities] are thrown away first.”
- “[A major problem is] inequality across the board.”
- “Serving most vulnerable is challenging because they are seen as ‘less valuable.’”
- “Inequality of city vs. suburb [exists and] people don’t realize we all sink or swim together.”
- “[There’s a bias toward] personal self-interest vs. common good.”
- “[I’ve noticed] the challenge of an echo chamber. [Trying to] cross boundaries or engage people.”
- “[There’s a] lack of local community engagement and [a need to] re-invent democracy at a national level.”
- “[What’s the] changing nature of government? Is government leveraging the nonprofit sector (vs. in the past [where we leveraged government])? Who has the ultimate responsibility? What is the new social contract?”
- “Government wants to leverage us [the nonprofit sector] but it used to be opposite.”

## BRIGHT SPOTS

“Bright spots” are solutions to social/environmental problems that have moved the needle or had significant, systematic impact at the societal level. They often tackle a problem from a holistic perspective and therefore involve multiple players. Participants shared these bright spots during table discussions:

### Major Themes

1. Working Across Silos – Participants in Detroit highlighted organizations that bridged traditional sector silos (i.e. the nonprofit, government, and corporate sectors). Leaders assessed the larger ecosystem surrounding those who use their services, broke out of their traditional roles, and either served them in new ways or partnered with those who could do so.
2. Broader Partnerships – Other bright spots involved entities willing to create a very big tent. Specifically, they partnered with many players (over 4 as a minimum), which enabled them to marshal greater resources. Examples they shared included tackling urban blight in Detroit and creating more green spaces.
3. Solutions Oriented – Attendees also talked about keeping solutions at the center, and building strategies and coalitions with the end goal in mind. Laser focus on achieving specific, measurable impact made new solutions possible

## Voices from the Field

1

**The Problem:** A need for better collaboration and a more holistic approach to serving local communities in Detroit.

**The Solution:** Local Latino-led organizations in Detroit had a long history of informal collaboration. Leaders decided to build on this grassroots network to achieve greater good by formalizing their relationships – and it worked. In addition to greater collective capacity, they’ve improved collaboration with Native American, African American, and Arab American entities and they provide community solutions that have a more inclusive, systematic approach.

Organizations involved include the [Consortium of Hispanic Agencies](#), [The Detroit Hispanic Development Corporation](#), the [Community Health and Social Services Center](#), and [Latin Americans for Social and Economic Development](#).

**In Their Words:** Participants listed the benefits of this bright spot by saying they now “move together in more coordinated manner,” see more “large and small organizations working together,” and they even “plan strategically” together.

2

**The Problem:** Although the economy is picking up, many families still go hungry day after day in Michigan.

**The Solution:** [Gleaners Community Food Bank](#) recognized that government food assistance programs reached far more households than they did. They began working more closely with the Department of Human Services to manage people’s health more proactively.

They helped increase the use of food stamps in their region and encouraged schools to stay open in the summer (so children could participate in the USDA’s lunch program). Finally, they stepped up their work with other nonprofits like [United Way for Southeastern Michigan](#) and [Feeding America](#).

**In Their Words:** One participant explained that, “Gleaners partnered with health care organizations to use food to manage health.”



# 3

**The Problem:** Local African American leaders sought to mobilize people from within their own community to address issues of hunger.

**The Solution:** [The Detroit Black Community Food Security Network](#) (DBCFSN) farm has attacked the issue of hunger on multiple fronts. Among them, it grows food in often uncultivated spaces (like an unused church garden). It offers a “food co-op buying club” that provides organic, healthy choices to underserved people. The DBCFSN also petitioned the Detroit City Council for a much needed comprehensive food security policy to end food deserts and promote healthy eating.

**In Their Words:** The DBCFSN has raised awareness of the “visibility of food systems [at the] local, national, and international [levels]” and provided much needed advocacy on behalf of the African American community on the Detroit City Council.

# 4

**The Problem:** In 2014, Detroit filed for bankruptcy and needed to raise millions. In particular, funds were desperately needed for pensions. Some of the city’s creditors suggested selling off assets (art purchased long ago with city funds) in the [Detroit Institute of Arts](#) (DIA). Doing so would break up the DIA collection and Detroit would lose art, some of which had been housed there since 1919.

**The Solution:** A Grand Bargain was born and it hinged on art. Details about this complex transaction can be found [here](#). The bottom line is that Detroit retained its art thanks to an aggressive fund raising campaign in which foundations, DIA donors, the state of Michigan, and others contributed. The city emerged from bankruptcy far faster than it otherwise would have. Parties that rarely work together well – unions, the courts, foundations, city/state government – helped make the Grand Bargain successful.

**In Their Words:** One attendee called the Grand Bargain a great example of “foundations and the public sector coming together.” Others said it “brought parties together who did things differently [and] created an opportunity for a mediated agreement.” Another individual pointed out that despite its name it should be called “a true bargain with losses and gains for all involved.”

# 5

**The Problem:** Land development for residential/commercial use was crowding out greenways, defined as linear open spaces that link parks, nature reserves, cultural features and historic sites ([details here](#)).

**The Solution:** [The Community Foundation for Southeast Michigan](#) launched its [GreenWays Initiative](#) in 2001 to preserve the area’s natural habitats and link them together. They developed the initiative with input from over 70 organizations and agencies from all sectors. Its 2012 plan continues to build greenways by converting land formerly used for railway tracks into hiking trails (aka rails-to-trails).

**In Their Words:** “Rails-to-trails,” said one individual, “[is a kind of] backdoor regionalism [that] connected ‘unusual suspects.’” It provided “much needed open and public spaces for [a] community under siege.”

## ROLES

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

### Major Themes

1. Network Across Sectors – A repeated theme during this discussion was the urgent need for organizations like Independent Sector to continue – and greatly expand – their ability to connect nonprofit, foundations, corporations, and government at all levels. Many participants echoed this theme. One used the term “boundary spanners,” meaning entities that carry new ideas between sectors to foster greater collaboration. Another suggested that Independent Sector should engage more with businesses to educate them about what we do and promote their involvement in philanthropy.
2. Value of the Sector –According to participants, a national organization could share success stories and educate the public about the social good space (ex: stepping up when government and business do not). It could raise awareness about the value of the sector on two fronts: as an employer (i.e., economic engine in communities) and a service provider working to make society more verdant, just, and beautiful for all. There was a call for IS to “aggregate and promote the voice of the sector,” which would include raising awareness generally and engaging in public policy (as mentioned below).

3. Public Policy – Direct service-providing organizations, said attendees, lack the ability to engage in public policy debates on behalf of the nonprofit and philanthropic community. Many urged Independent Sector to continue to play this role. Some also asked IS to take a stand on large social issues such as the national debate over the minimum wage.
4. Racial Inequality - Some called for national organizations to assume a more explicit, deliberate role to address racial inequality within the sector. They felt that we, of all communities, should better reflect the ethnic diversity of the country.
5. Sector Relationships – A final theme that surfaced in Detroit swirled around tensions between large, national nonprofits and small, locally-focused ones. Some said the former often failed to work well (or even acknowledge) local programs. Others noted that it's crucial for smaller nonprofits to be involved in conversations like Threads or large convenings.