



INDEPENDENT  
SECTOR

# THREADS

WEAVING THE FABRIC OF A STRONGER FUTURE.

SEATTLE HIGHLIGHTS





# THREADS SEATTLE

WEAVING THE FABRIC OF A STRONGER FUTURE.

## HIGHLIGHTS FROM COMMUNITY CONVERSATIONS

Event held at Impact Hub Seattle

June 26, 2015

INDEPENDENT SECTOR THANKS OUR FUNDERS, PARTNERS, AND HOST FOR SUPPORTING THREADS SEATTLE

### FUNDERS

The Boeing Company  
Campion Foundation  
Casey Family Programs  
The Seattle Foundation

### PARTNERS

National CASA  
Philanthropy Northwest  
Washington Nonprofits

## OVERVIEW OF THREADS

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

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

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

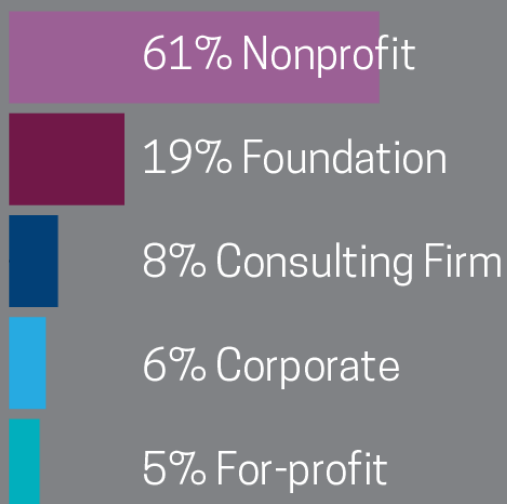
## THREADS SEATTLE – PARTICIPANT INFORMATION

### 84 Attendees

69% NON-CEO

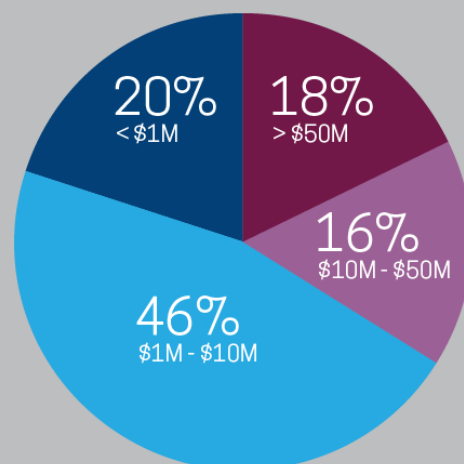
31% CEO

### Organization Type



### Organization Size

Defined by annual revenue for nonprofits and annual grantmaking for foundations



## TRENDS SHAPING THE FUTURE OF THE CHARITABLE SECTOR

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

### Major Themes

1. **Government-Related Issues** – Attendees touched on several general themes regarding government: funding, programming, and policy. On the first two issues, they talked about shrinking government support while operating expenses rise as well as wanting to work “more intentionally with government” over programs/services. They expressed a desire to move the relationship beyond mere financial transactions and frustration over working with broken agencies. On public policy, one participant said the government has done “a terrible job of instituting good policy.” Others mentioned the need to do as much work on advocacy as on “supporting policy communication” to the public.
2. **Intolerance** – No other Thread event mentioned the theme of intolerance among the communities they serve. People in Seattle talked about various forms of intolerance (citing examples of cultural and religious differences). “This issue needs to be acknowledged,” concluded one person, in order to be addressed.
3. **Individual Engagement in Causes** – A dialogue unfolded around the ways people bypass institutions to advance issues about which they care. Specifically, the conversation hit on networked individuals who are able to connect causes. Some warned that this “present[ed] a sustaining challenge that may outlast institutions.”
4. **Transfer of Wealth** – The ways that people will donate to social interests in the future surfaced in the meeting. Based on the substantial “wealth generation” taking place now, people suggested monitoring this trend carefully to identify “new funding models and new financial models.”
5. **Pace of Change** – Like other Threads, the audience here called these “turbulent” times. They said the pace of change will only accelerate in the coming decade. In order to adapt, some suggested we “look at how money is the tool for change but not necessarily the navigator.” Others discussed changes in education saying “some colleges won’t make it” but other opportunities in the educational process will present themselves.

6. **Power and Voice** – The issue of power surfaced in different ways throughout the event. In this conversation, people talked about the “paradox of the organization,” the suggestion that organizations must know when to pass power along to communities they serve. “Sometimes the best thing to do is step aside rather than desperately trying to remain relevant,” said one. Another issue was how nonprofits can help “set the agenda” and move issues forward more forcibly on issues that matter to local communities. Individuals wanted to “shift into action” and “sit down with policy makers” rather than “write reports” about what’s happening in the field.

## CHALLENGES

### ORGANIZATION & SECTOR LEVELS

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

#### Major Themes

1. **Vision and Approach** – Conversations took place about the urgent need to re-set the power structure of the sector. “Where are the voices that talk from within the community?” asked one person. Others called on leadership to coordinate services better for those in need. In addition, others talked about how hard it is to overcome the fear of risk because “we don’t have room to fail and learn from failure.”
2. **Financial Sustainability** – People talked about funding structures that perpetuate poor practices, a theme that has surfaced in other Threads gatherings. Specifically, this audience was concerned with “funding fads” that overshadow more thoughtful (but less sexy) work. They also noted a general lack of support for operations as well as funding that promoted competition over collaboration. Finally, some critiqued the funding cycle for rewarding short-term gains over long-term solutions.
3. **Operations and Governance** – Participants mentioned the lack of time/funds for capacity building and the need for better governance. Regarding the latter, they specifically commented on ineffective boards (that needed to be better trained, more professionalized, less risk-averse, and prioritize long-term, systematic approaches).
4. **Community Engagement** – Like other Threads, this audience underscored the need for greater engagement across the board. For example, some worried the sector is “isolating itself” and failing to “connect and partner” with society as a whole. (Full quote cited in “Voices from the Field” below.)

Other themes that arose included (a) the need to brand the sector, with special emphasis on replacing the term “nonprofit”; (b) the importance of developing a nonprofit workforce that better reflects the diversity of America; and (c) improving collaboration among all sectors.

### Voices from the Field

- “Not sure how to begin to address this issue. Who sets the agenda? Where are the voices that talk from within the community? This requires a new approach to our work.”
- “Power structures in the community and the sector are confused/uncoordinated and leave those in need of help totally at sea.”
- “Time to self-actualize [is needed].”
- “Building trust and overcoming fear of risk. We don't have room to fail and learn from failure.”
- “Our own structure and our own ability to be nimble; to be responsive to needs and trends ... how [do we] move to horizontal from vertical--intersectionality equals multiple ideas coming together.”
- “[We need more] creativity.”
- “Funding trends often become ‘fads.’ Organization knows what they need/what works. Do the funders?”
- “Funders chase bright, shiny objects and overlook important ground-level work; too many restrictions on funding; funding doesn't make it to the ground - no ‘trickle-down.’”
- “Starving operations, overly directive funding and no time for big, forward thinking.”
- “How to show the quick results funding demands. We tackle deep problems but funders want quick, visible, tangible results.”
- “Who is driving the bus (the funder, the organization, the community or the impact)?”
- “Funder level is fragmented; inherently put in a competitive posture and then demand collaboration.”
- “Trying to build best practices when mission is all encompassing [is a challenge]. We often mirror our clients in scarcity thinking.”
- “Investment in real capacity building [is needed].”
- “How do get funding for all our costs, programs and operations: ‘pay for the food, not the chef recipe.’”
- “How do we develop better/more effective boards?”
- “Voices of affected not in room.”
- “Sector is isolating itself. Sector isn't effectively connecting with and partnering with society as a whole.”



## SOCIETAL LEVEL

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

### Top Theme

**Power, Privilege, Economic Inequity, and Racism** – Unlike other Thread cities, participants at the Seattle gathering focused their discussion of societal-level challenges around a series of related themes. People talked in depth about institutional racism that is increasingly widening the economic gap and creating exclusive structures of power. The conversation (captured below in “Voices from the Field”) touched on housing discrimination, Citizens United, tax reform and other topics in which “power” and “privilege” have generated grave inequities. In addition, they critiqued hierarchies within the nonprofit and philanthropic sector. Summing up this sentiment, one person called funders and donors “paternalistic” and “increasingly distant from the experience of nonprofits and the people they serve.”

### Voices from the Field

- “Power and privilege results in undervaluing the sector and the people in it.”
- “Paternalism by funders and donors who are increasingly distant from the experience of nonprofits and the people they serve.”
- “Those who have the money and power undervalue the sector and the people who work in the sector.”
- “Money equals power and power has an underlying conflict with change that is significant.”
- “Growing income inequality and need for tax structure reform...[to support] democratic institutional decision making for the public common good.”
- “Structural inequalities and deficiencies: e.g., institutional problems [such as] school discipline policies and other education; housing discrimination and policies resulting in inequalities.”
- “Institutional and structural racism and other structural barriers to equity and opportunity.”
- “Environmental degradation and disproportionate impact on the poor.”
- “Societal privilege -- unequal distribution of benefits and bundles.”
- “Institutional systems hold power: Citizens United and personal wealth drive who is elected and ‘public’ policy overall.”
- “Imbedded racism and my tribe/your tribe thinking.”
- “Young people of color are disconnected from government, voting, and institutions.”
- “Lack of middle class jobs: poverty, growing gap, income inequality.”

## SOLUTIONS

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

### Challenge:

How to balance the need to scale with the need to include diverse voices with daily operations.

### Solutions:

- “Create networks and umbrella organizations.”
- “[Promote] diversity of thought and innovation that comes out of it.”
- “Centralize payroll and other operation services to allow for organizations to focus on mission. [Use a] centralized shared services model.”
- “Foundations [should] encourage and fund more centralized services.”

### Challenge:

How to adopt an ecosystem, community-centric approach.

### Solutions:

- “Every issue requires authentic, sustained community engagement but is often lost for consideration, if considered at all.”
- “Start in a different place – fund the community and let it hire ‘the help.’”
- “No matter what the organization does, [ask] what does your local community look like and how do you engage in/with the community to bring it into the work?”
- “Have a simple local activity ... an uncomfortable and new activity i.e., go work with the homeless [to promote] community citizenship.”
- “Get out of comfort zone – do something with a segment of the community we don’t engage with regularly.”
- “[Do] grassroots organizing.”
- “Invest in [the] long game.”



**Challenge:**

How to address racism and work toward inclusion.

**Solutions:**

- “[Offer] leadership development focused on youth and community.”
- “Train current leaders in the sector around inclusion.”
- “Our models of organizations can work against inclusion and collaboration. Have top leadership regularly allow other voices to set the agenda.”
- “Tip our organizations upside down. Allow space to fail.”
- “Board power structures need to be flipped so boards are informed by front lines.”
- “Paradigm shift: stop holding up and rewarding top-down styles of leadership.”

**Challenge:**

Current funding model creates scarcity mindset, fragmentation, disempowerment of nonprofits and communities

**Solutions:**

- “Intersectionality - funders need to talk to each other and with nonprofits - to understand long term definition of success.”
- “Overcome the fragmentation – [address] what really needs to be done.”
- “[Bring] some order to chaos in how funders aligned along with nonprofits at the table.”
- “Nonprofit organizations have to use their voice - have invested in research and development; need some funding system for research and development with knowledge of risk.”
- “Nonprofits declare outcome and funders seek the fit versus strategy-based philanthropy. Who drives strategy development? What is role of community?”
- “Big, influential funders lead the way by changing practices.”

## BRIGHT SPOTS

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

### Major Themes

1. **Cross Sector Collaborations** – This theme emerged at many of our gatherings and this one was no different. Participants discussed the value of partnerships between nonprofits, government, and business to achieve a common goal. Doing so sometimes involved navigating different terrain (for example, when private and public interests clash). Even so, attendees agreed that, with careful management, the results for those served can be better than individual entities working alone.
2. **Community Involvement** – Members of the audience expressed concern over the difficulties of engaging people. They noted a general trend toward more individualistic rather than communal values. Some also mentioned the importance of engaging those who received services.
3. **The Intersection of Data and Strategy** – Attendees underscored the importance of incorporating data into their long-term strategy. Like the Spokane Threads, they also noted the need for clear goals and benchmarking outcomes/impact. The later, said some, would create a kind of feedback loop that would help improve operations continuously.

### Voices from the Field

1

**The Problem:** Victims of domestic violence stay in abusive relationships because they have nowhere else to stay.

**The Solution:** [Domestic Violence Housing First](#) (DVHF), a program of the Washington State Coalition Against Domestic Violence, provides survivors with safe, permanent housing thanks, in part, to funding from the [Bill and Melinda Gates Foundation](#). It awarded a \$455,000 grant (over 3 years to DVHF) that will support nine different domestic violence programs across the state.<sup>1</sup>

**In Their Words:** An individual applauded this new approach, saying that it “empowers” victims and enables them to “create their own solutions.” She added that the program is also cost effective and cited the average cost for a housing intervention as “less than \$500 per person.”

<sup>1</sup> <http://www.gatesfoundation.org/Media-Center/Press-Releases/2011/09/Program-Expansion-Preventing-Homelessness-for-Survivors-of-Domestic-Violence>

2

**The Problem:** Trafficking of girls and women in Vietnam.

**The Solution:** The Pacific Links Foundation launched [ADAPT](#), a program to combat human trafficking in Vietnam. A collaboration of nonprofits, businesses, and government agencies, ADAPT tackles root causes of the problem including extreme poverty and high unemployment. It is also working to raise awareness of the problem.

**In Their Words:** One participant explained that trafficking was not viewed as a problem in Vietnam; in fact, there was no word for “trafficking” until ADAPT introduced one. Their work has raised awareness, she explained, by providing scholarships, jobs, and vocational training to thousands of girls and women.

3

**The Problem:** At-risk youth in South King County and South Seattle, who are neither attending school nor gainfully employed.

**The Solution:** [The Road Map Project](#) is a collaboration between Seattle school districts, higher education, nonprofits, and government agencies designed to get at-risk youth (ages 16-24) in school. The program embraces a holistic approach. According to their website, they believe community-level change is not possible by organizations acting in isolation<sup>2</sup>; instead, they embrace the notion of ‘[collective impact](#)’ coined by John Kania and Mark Kramer in 2010.

**In Their Words:** One individual lauded Road Map’s ability to share information, follow through with individual clients, and “get people to work together.” She said the program also relies on “the community to define their own needs.”

4

**The Problem:** Heavy traffic congestion in Seattle as well as a significant number of bicycle injuries/accidents.

**The Solution:** [Pronto!](#) is a new bike sharing program with 500 bikes spread around the city at 50 different stations. Corporations like Boeing, Alaskan Airlines and Group Health are major funders of the program, who see it as a way to improve employee health/safety.<sup>3</sup> In addition, city government is deeply involved; it’s responsible for, among other things, expanding bike access lanes and approving locations for bike stations.

**In Their Words:** One Threads attendee noted that the program is a “social benefit that also meets business imperatives.”

<sup>2</sup> <http://www.roadmapproject.org/the-project/our-approach/>

<sup>3</sup> <http://www.seattlebikeblog.com/2014/05/05/say-hello-to-pronto-emerald-city-cycle-share/>



# 5

**The Problem:** Teen homelessness in Washington State and a fragmented approach among government agencies trying to solve the problem.

**The Solution:** The Washington Coalition for Homeless Youth Advocacy (WACHYA) advocated for the [Homeless Youth Act](#). Among other things, the Act creates the Office of Homeless Youth Prevention and Protection Programs, a state-government run entity that will consolidate various government programs on homeless youth. The Act also tackles issues of family reconciliation, education, and employment while also raising awareness about the depth of the problem across the state. The Act passed in July 2015.

**In Their Words:** One participant said the Homeless Youth Act will help “remove the stigma” associated with homelessness and “inspire a larger vision to end all homelessness.”

# 6

**The Problem:** Economic disparities leave poor neighborhoods behind.

**The Solution:** The Seattle Foundation and King County government joined forces to create [Communities of Opportunity](#). These neighborhood-focused initiatives promote equity and use a “bottom up” process (in the words of one participant). Communities identify their own goals and work together to achieve them, along with policy makers, city officials, nonprofits, and funders.

**In Their Words:** These programs are opportunities for “genuine community engagement,” said one individual. They take a “systems-based perspective” and welcome innovative approaches offered by the very people who know what’s needed to improve their neighborhoods.

## ROLES

We wrapped up Threads Seattle 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. **New Language** – At this Thread event and others, many urged Independent Sector (and their peers in the room) to replace the word “nonprofit” with a more positive, proactive term. They floated labels like “community benefit” and “social benefit corporation.”
2. **Promote Sector Value/Brand** – Similar to the theme above, the audience called for raising awareness about the economic benefit that nonprofits provide and their value to society as a whole. “People articulate the work differently,” said one, adding, “There should be a common force to make people aware of what nonprofits do and why they are valuable.”

3. **Capacity Building** – This theme arose during a discussion of ‘what it means to build capacity.’ Some individuals called for more leadership training and more appropriate levels of compensation for the work. Others said that we need to adopt “professional standards” or “some sort of credentialing system.” One individual urged, “We need to make this widespread.”
4. **Align Actions** – Discussion about this theme centered on the need to better align programs/services among nonprofits. One individual summarized it best saying, “[We’re] doing each other’s work while also creating gaps in coverage. Should be a way to aggregate and align actions.”
5. **New Players, New Solutions** – Participants encouraged national entities to “invite new organizations and people” into nonprofit discussions. We need to “eliminate the echo chamber,” said one person, adding, “Who have we not asked for solutions?”