THREADS
WEAVING THE FABRIC OF A STRONGER FUTURE.

LOS ANGELES HIGHLIGHTS
HIGHLIGHTS FROM COMMUNITY CONVERSATIONS

Event held at the Center for Healthy Communities, The California Endowment
May 8, 2015
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**: Small group discussions at which we asked participants to identify challenges they face at the organizational, sector, and societal level;
- **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.

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 LOS ANGELES – PARTICIPANT INFORMATION

92 Attendees

58% CEO

42% NON-CEO

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<th>Organization Type</th>
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<tbody>
<tr>
<td>Nonprofit</td>
<td>72%</td>
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<tr>
<td>Foundation</td>
<td>19%</td>
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<td>Consulting Firm</td>
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<th>Organization Size</th>
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</tr>
<tr>
<td>$10M - $50M</td>
<td>14%</td>
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<tr>
<td>&gt; $50M</td>
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Defined by annual revenue for nonprofits and annual grantmaking for foundations.
TRENDS SHAPING THE FUTURE OF THE CHARITABLE SECTOR

Threads Los Angeles 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. Diversity in Sector – As with other Threads, many attendees were concerned about the lack of diversity in the nonprofit and philanthropic community. They emphasized the need to “look like” those we serve in America.

2. Question Scaling – One theme that resonated involved a “push to go to scale” within the nonprofit community. Participants questioned this notion. They said society needs more people-to-people interaction and human connection rather than delivering services in ways that reach millions, but do so in a transactional, impersonal manner.

3. Tribalism – Some mentioned that access to information is so abundant that it can become paralyzing. To cope, people often select likeminded groups from which to get information and engage. Thus a new form of “tribalism” (a term Diana Aviv used in her remarks) has been born. Most viewed this trend as negative: it divides rather than unites people. That said, one individual pointed out that tribalism is a critical opportunity to “go deep” into a particular issue or network.

4. Engaging with Government – Questions about the changing nature of civic engagement arose. There was a general consensus that people engage less and less with government. This is true, some argued, even as participation in online forums and activism is on the rise. The result? New forms of engagement are “starving government,” said one participant, because input from the public swirls around the internet but may never reach the relevant government entities.

5. Income Inequality – This theme has surfaced repeatedly in the Thread discussions. Many participants agreed that pervasive economic inequality has a profound impact on many other issues. Some said that increasing inequality was dividing communities like never before.
CHALLENGES

ORGANIZATION & SECTOR LEVELS
At Threads Los Angeles, 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. Sector Talent – Pathways into the sector, professional development of sector employees, and compensation were all listed as concerns. Participants noted the need for dedicated field-building in the area of talent management in order to support a diverse and talented workforce.

2. Financial Sustainability - Lack of funding was a concern for many organizations. Some participants commented that inadequate resources push organizations to develop earned income streams. They also noted our funding model promotes short-term thinking and reduces the opportunity to take risk/capitalize on opportunities.

3. Relationships Among Organizations – Common themes were redundancies and overlapping efforts as well as siloes among nonprofits. Participants also highlighted the lack of incentives and support for collaboration (“it’s costly” said some) as well as tensions between large and small nonprofits that can prevent productive communication and partnerships.

4. Vision and Approach – Participants spoke about the need to be more solutions focused, and about the change that would be required to make this shift. They also discussed tension between traditional practices and new approaches, and underscored the importance of change management to help shift functions or structure as organizations move forward in an uncertain environment.

Several other critical themes emerged:

- The need to promote the brand of the sector was echoed at many table conversations.
- Another theme involved operations and governance: mainly, the lack of capacity and funds for operations and for tapping new technologies.
- Finally, people felt the sector was not doing enough to raise awareness about racial/ethnic diversity.
Voices from the Field

- Challenges include “talent development, diversity, empowerment.”
- “Internal parity issues in salary for both large and small orgs [exist]. Small increases translate to large budget challenges. Opportunity issues [exist around] professional mobility, professional growth, especially in a sector with so many different career paths. Job search websites/automated/anonymous hiring practices [is an] area ripe for innovation.”
- “Pay is too low. How [do we] compete for and retain talent?”
- “Young leaders need a voice and the ability to work side by side with veteran generation. [We] need to create pathways, broad development programs.”
- “[A challenge is the] talent pipeline. Need early exposure to the sector in order to compete [given] education costs/debt load. [The result is a] lack of field-building.”
- “[There is] pressure to develop social enterprises and generate earned income.”
- “[A challenge is the] mismatched values between funding sources and organizations helping people. American market values and funders’ ethics/values demand scale, efficiency, fast “provable” results, when real “long term value” comes slower.”
- “The disparity in resources reduces [the] opportunity to take risk.”
- “Undercapitalization (idea that nonprofits need to go to zero) holds us back from thriving and having the capacity to take risks.”
- “Balkanization [is a problem.] Too little action crossing different divides.”
- “Collaboration is costly/underinvested. [It] reduces opportunity for large-scale impact.”
- “[It’s] difficult to collaborate, not enough incentive to do this.”
- “[A challenge is the] difficulty navigating power dynamics.”
- “Sector [is] too big with uncoordinated duplication of services in some areas.”
- “Too many nonprofits? Everyone starts their own thing instead of investing in organizations already working.”
- “Smaller expert orgs are asked to be the ‘strong expert partner’ but the larger collaborators often have less dedication to the specific cause --"Expert partners" do all the work in the collaboration.”
- “[There’s a] tension between innovation and tradition, and adaptation.”
- “[We need to] frame sector around problems, what is wrong. Could we do more if we were.”
- “[It’s] difficult to take risks and experiment, be agile, learn from failure. [There’s] not enough support for innovation, learning from failure.”
- “How [can we] better manage shifts in function as a responsive structure? As example, moving from membership organization to advocacy organization to fulfill a need no one else can.”
- “How to have open dialogues between those who are tasked with innovation with those using long standing structures.”
SOCIETAL LEVEL
At Threads Los Angeles, 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
° Inequality – In every Threads session preceding LA, inequality arose as a stand out theme. In LA, participants mentioned the dire need for services and the need to provide hope to impoverished communities. They also noted a lack of civic engagement, a sentiment best captured by this quote: “Economic forces have diminished civic engagement…those most negatively impacted are least engaged.”

° Government-Related Themes – Comments on this topic emphasized the lack of government reach and expectation nonprofits will fill the gap, as well as the public’s lack of trust in government institutions. They also cited a loss of trust in other institutions such as schools, police, business, nonprofits and more. In addition, people noted the negative impact of government policies on the sector; one cited immigration policy saying, “Immigration policy has hindered us. Immigration policy has us disconnected.”

° Individuals – This theme addressed the challenges to and need for increased civic engagement.

° Information and Data – The final theme was the pervasive sense of “information overload” – too much data, too little curating, not enough time.

Voices from the Field
° “[Challenges include] local issues of inequality.”
° “[We serve a] huge county/region with huge undocumented population that needs access to services, opportunity - especially large youth in this population.”
° “Some poorer, more disadvantaged youth don’t see a future of opportunity. [They have] no hope. Hope has to be relevant.”
° “Policymakers/government is withdrawing from basic services, expecting us to fill the gaps.”
° “[A challenge is the] loss of trust in institutions - all levels of government, nonprofit institutions, police, school districts, even businesses, churches/org. religion.”
° “Immigration policy has hindered us. Immigration policy has us disconnected, limitations of opportunity.”
° “Budget challenges by government [has] created much debt for students/graduates.”
° “Economic forces have diminished civic engagement: those most negatively impacted are least engaged. Engaged as consumers vs. citizens.”
“Young people don't have [an] understanding of the importance of the public good/commitment to public service.”

“It's not a societal value within the young --“selfishness mindset.””

“[We] need to increase civic engagement in most vulnerable communities.”

“Information overload [exists.] Competing sources of information, silos, vetting is missing.”

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. Community Involvement – Many of the bright spots engaged the community being served, for example by bringing formerly incarcerated youth to Sacramento to advocate for policy change.

2. Collaborative Approach – Several examples included expanding the reach of particular efforts by partnering with similar organizations. This required putting aside competition, but resulted in increased impact overall.

Voices from the Field

The Problem: High recidivism rates.

The Solution: The Anti-Recidivism Coalition (ARC) offers multiple programs to help former inmates adjust to life after imprisonment. They serve this at-risk population using a holistic approach that includes all aspects of their transition (i.e., housing, jobs, life skills, addiction, therapy, education). ARC works closely with a large number of other organizations in/outside our sector including government agencies, foundations, nonprofits, and businesses.

In Their Words: This program “brought formerly incarcerated people and youth at risk to [the state capitol of] Sacramento to advocate for policy change - and won!” said one attendee. She added, the coalition “partnered with community colleges and housing developments to get formerly-incarcerated people housed and into college, or to become actively integrated into their communities.”
The Problem: LA shared the same problems and promise as other major US cities, but federal dollars were going elsewhere.

The Solution: LA n Sync convened a broad based coalition of “strategic partners” – a truly impressive and long list found on their website – spanning the academic, civic, nonprofit, business, philanthropic communities. They work closely with city government officials as well and have since won major funding grants for the greater LA region. Among them, the US Department of Education awarded LA $30 million for “Promise Neighborhoods” that provide children with excellent schools and robust community support systems.

In Their Words: One attendee said that LA n Sync “coordinated the effort to leverage federal government dollars. [They] brought money to LA and dissipated the concept of “turf” by promoting collaboration [through] Promise Zones.”

The Problem: Unemployment among people without college degrees.

The Solution: LA High Tech is a consortium of organizations working together to funnel more individuals into the field of Information and Communication Technology (i.e., devices used for communications such as radio, TV, smart phones, computers). LA High Tech works with community colleges and high schools, teachers and parents, as well as city government and businesses to create viable career paths to middle-paying jobs.

In Their Words: One participant described this program as a “collaboration among 4 community colleges who had not worked together to do a project on a large scale.” (Note: LA High Tech partners with 8 community colleges, according to its website.)

The Problem: Limited access to health care for children in disadvantaged neighborhoods.

The Solution: LA Trust for Children’s Health put health clinics for community and student use in vacant, open spaces in schools located in poor neighborhoods. The Trust works closely with the LA Unified School District (LAUSD) as well as local businesses and nonprofits. They provide a wide range of health services (including dental care) and place heavy emphasis on preventative care.

In Their Words: One participant described the Trust’s program as “combining education and health, leveraging ‘blank’ school space to create community space. [It also] leverages public health money (including Obamacare coverage) and school building money for physical structures.”
ROLES

We wrapped up Threads Los Angeles 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. Public Policy – Like preceding Threads, the LA gathering issued a common call for a national entity to advocate in Washington, D.C. on behalf of the sector. Participants urged Independent Sector to continue this work. There was a call for IS to take policy positions on broad social issues such as economic inequality and not limit its work to protecting sector interests.

2. Value of the Sector – A common theme arose over the need to raise “brand awareness” about the value of the sector. The general public has very little knowledge of its important contributions. Neither individual nor regional organizations can do this as effectively as a national one, said some participants.

3. Shifting Demographics – Attendees commented on the fact that Baby Boomers are retiring in record numbers. The nonprofit community should harness their talent and expertise and channel it into civic engagement.

4. Drive Leadership – Some attendees stated that the sector needs a national organization that can “drive leadership.” This might include “challenging us” when we fall short and offering tools/programs to convert weaknesses into strengths. As with other Threads, they suggested this entity tackle “third rail” or taboo issues. This will create discomfort, said one, but it’s difficult for individual organizations to force “hard conversations.”

5. Economic Inequality – This general theme – its pervasiveness and deleterious impact – surfaced repeatedly. Some commented on the depth of the income gap or massive educational disparities. Others mentioned differences between services provided to urban and rural areas. “I want to see a bold commitment to equality,” said one participant.