

"On *the* Road to Find Out"

By Ruth McCambridge

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THIS EDITION OF THE NONPROFIT QUARTERLY is about the importance of accurately discerning and understanding the forces at work in our environments. The image of storm researchers on the opposite page is an apt metaphor for the way this feels at times: there are times we are right in the maelstrom trying to figure out what is happening. But we are sure that this hardy team of researchers is part of a larger process that takes a longer view of weather patterns. If nonprofits have no way to determine what is gathering on our horizons and what faults may be opening up beneath us, our responses can be inadequate in the moment.

The nonprofit landscape is dotted with signs and directional signals, but which of these are worthy of our notice? Nonprofits, as Paul Light has mentioned in a previous issue of *NPQ*, are besieged with wave upon wave of reforms, often prescribed by their funding sources. This has become status quo. This is not to say that all of the beliefs that such reforms flow from (too many nonprofits, nonprofits need to act more like business, etc.) are entirely wrong, but they often have limited or questionable validity. No matter; a nonprofit faced with a reform champi-

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oned by a powerful set of funders is a little bit like a patient being prescribed medication in the secure ward at a psychiatric facility—you refuse at your own risk.

Many nonprofits, God bless them, have become masters at hiding the “what ails you” pills under their tongues or just trying to stay out of sight at medication time, but this sets up a kind of a bunker mentality that we probably do not want to have pervade. We need to grow and adapt in order to adjust to our changing world, but we need to be more active in searching out our own answers.

This search for real effectiveness is made more difficult by the questionable nature of conventional wisdom in our sector. One article in this issue places in question a well worn prescription for boards and fundraising in revealing early research findings that cast doubt on the correlation between installing influential people on nonprofit boards and a healthier budget. Another, countering common knowledge about founders, surfaces the characteristics and conditions under which founders can sustain over time without causing damage to the organizations they love. These pieces begin to debunk conventional wisdom that is not exactly wrong, but is presented in brush strokes that are too broad to be useful to us.

We deserve better. We need to become more proficient at separating wheat from chaff, both in conventional knowledge and in proposed “innovations.”

Another article in this issue differentiates between the substantive and the insubstantial in the everything-but-the-kitchen-sink venture philanthropy/social entrepreneurship conversation.

But there are a hundred such semi-alien conversations going on around us. How do we know what to pay attention to or try to do something about?

Not paying attention has its consequences. Dynamics that happen at a distance can emerge up close, fully formed and ready to take our world by storm.

Recently, a friend called me about a conversation she had had with her local United Way representative. The United Way contributes about 10% of her community agency’s annual revenues, and a particularly valuable 10% in that it is not tied to any program in her agency. Nearly every other penny is tied to a single program.

She told me her representative “asked me to state clearly how we were contributing to the United Way’s mission and to back that up with data that relates to the United Way’s goals and objectives.”

“But when did this happen?” she asked, “I was under the impression that the United Way was supposed to be advancing *our* mission!”

My friend is caught in the local version of a national maelstrom—the United Way’s identity crisis/“transformation” and the resultant transformation of its relationships with the community agencies it funds.

In 2004, while still recovering from the effects of its high profile scandal (coupled with that of the United Way of the National Capital Area), United Way of America, under the leadership of Brian Gallagher, decided to re-invent itself to focus on community impact. In its own words:

“The true measure of success for United Way and other philanthropic organizations is bottom-line results: the lives that are changed and the communities that are shaped. This represents a dynamic shift from the United Way recognized for decades as the nation’s premier fund raiser and distributor.”¹

The language sounds fine on the surface, but what are the potential consequences of this shift? United Way is a powerful actor in many communities. What would this mean for the nonprofits they touch?

This is the kind of trend that nonprofits should be watching for on the horizon—but what is a small, community-based nonprofit to do? My friend lives in the community her organization serves. She knows where every barbecue



is on days of local celebration, where the street-walkers are working this week, what's nominally behind the recent rash of young people murdering each other in her neighborhood, who goes to what church, and what types of mental illness are going untreated in her community. The agency's relationship with the United Way has always been strained, so she did not discern that there was a growing problem overall with the apparent self-centeredness of that institution.

Not all storms can be predicted. After 9/11, Dennis Derryck and Rikki Abzug of the Milano School of Management at New York's New School studied what variables existed in the capacity of local nonprofit organizations to key in to and distribute resources quickly in the wake of that disaster ("Lessons from Crisis," *NPQ*, Spring 2002). Their conclusion was that agencies that were interconnected either formally or informally were the ones that were able to hit the ground running. They did not have to be large or well monied; they had to be well linked. These linkages gave them access to information and allowed them to combine services in a way that made the best use of the characteristics of each agency in serving their constituents. Agencies that were not networked experienced lags in knowledge about the existence of pools of funding. Overall, they had less advocacy and leveraging capability.

Whether the changes you are facing can be foreseen or not, as in the post-9/11 example, networks are invaluable sensing and timely action networks.

Any nonprofit leader knows that such connectedness can levy its own cost: networks require care and feeding—you have to use and inform and challenge them for them to function well. But, counter to the daunting images we have had in the past regarding the demands of collaborations, we now know that sometimes it is unnecessary to formalize your networks for them to work well—they can be loose, as long as you are open and active in them. In fact, sometimes they work better that way (see "Building Adaptive Communities through Network Weaving," *NPQ*, Winter 2005).

A recent example of the strategic use of a loose network is the collection of immigrant organizations in Boston who realized that an edict from a funder about their need to "comply" with the PATRIOT Act in a particular way would

leave them unable to do their work. They met, developed a case statement, and as a class of locally critical nonprofits, talked with the funder who agreed immediately to back off not only with those groups but with all of their grantees. Their interaction and the subsequent action they took were brief but powerful. Their work together was timely and well informed, and it had teeth. It also created a bond between these organizations, who now know they can call one another on such stuff.

The *Nonprofit Quarterly* itself has a lot of experience with this kind of networking. Its editorial agenda is developed through loose networks kept active through conversation. We continually gather new conversants to keep us abreast of the details of what is going on in various fields of nonprofit work, in policy development, in philanthropy, and in academia. The many voices do not confuse—rather they provide sufficient information for us to interpret what is happening both at, as one reader said, "30,000 feet" and at the street level. Of course, this is our job, and so we have acted as a purposeful hub, but now we see our network progressing to the next level—where conversations we help to start flow out and develop and then come back to us. And conversations that start on their own among people to whom we are networked are brought to us for dissemination.

Networks that evolve to such a level are acutely sensitive—with many thousands of nerve endings and multiple hubs through which information flows. Nonprofits need to play more with these loose but rich arrangements. They suit us in all of our diversity and we need them to be flexible, judicious, and powerful on behalf of our constituencies, but we have to risk new relationships and realities to make them happen.

Most nonprofits exist in multiple networks; these may be organized along geographic lines, interest areas, fields of practice, or attachment to a particular funder—and then there are our own valuable networks that are attached in various ways to the work done by our own organizations. Most of these networks have political, informational, and connective value, and many nonprofits, struggling with the need to identify and make sense of what is happening around them, are becoming highly skilled at working fluidly with these.

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Still, what we invest in our networks often determines the quality of our return. If we act only as recipients, we get less worth. This may be particularly true when networks are more formal—as in the case of national federated organizations. Just over the past few days, I have spoken with representatives of local affiliates of three different federations: the United Way, the Girl Scouts, and Catholic Charities. Each of these people had his/her own story to tell about trends in those federations, about their interpretations of the operating environment, and about what responses were called for. All also talked about how they were attempting to challenge and inform them. They had stories about the varying degree to which each network was open to such input. It is pretty understandable when such federated or intermediary structures get something wrong—temporarily—but recalibration comes easier when the organization is actively using its network to guide it.

I will end by urging every reader to look at the “Phoenix in Calgary” article on page 40. This is a case in point—a crisis point was reached, and, in the midst of chaos, the authors were astute and faithful enough to understand that the many were far wiser than the few. The results are striking and inspirational. We can all take a lesson from it.

Endnote

1. <http://national.unitedway.org/about/leadership.cfm>

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