

The Future of the Nonprofit Sector in the Boston Region*

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Since the early 1990s, countries, regions and communities have used scenario thinking as a tool for effecting societal change. In a civic scenario project, a group of citizens and civic leaders, drawn from a broad range of sectors and organizations, works together to understand what is happening, what might happen and what should happen in their community, region, or country. They then act together on that shared understanding and vision.

By making different yet plausible assumptions about important but uncertain factors affecting the future, stakeholders construct a series of stories -- scenarios -- about how the future might unfold. These provocative, divergent and relevant stories expose challenging dimensions of possible futures that communities and regions may face in coming years. By developing a deeper understanding of possible future environments, communities and regions can make better, more grounded and realistic decisions.

The use of scenarios as a way of enhancing visioning and strategic planning efforts has expanded in recent years from the corporate world to government and, now, to communities, regions and countries. Royal Dutch Shell developed the methodology to help them make better decisions in a world of volatile oil prices. The Global Business Network, a California consulting group, refined the process in the private sector through its work with large corporations. In the public arena, scenarios have been used to guide South Africa's transition from apartheid to a multi-racial democracy, cope with the challenges of economic and population growth in Missoula, Montana and Charlotte, North Carolina, and restructure the non-profit sector in the Boston metropolitan region.

Communities and regions use scenarios in two ways: as a catalyst for working together and for decision making. As a catalyst for collaboration, scenarios offer a means for creating a common agenda for moving forward. Mutual learning and exploration build shared understanding of possible future environments. Scenarios serve several purposes. Scenarios can help a community or region identify an emerging public agenda and build agreement on concerns

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that need to be addressed. The stories offer a starting point or artifact to react to and build on. They inform the visioning process by helping stakeholders identify qualities or aspects of the future they would like to create or avoid. Stakeholders test strategies by evaluating which options work best in different future environments.

Within communities and regions, the scenarios process helps build trust and skills for collaboration among disparate stakeholders. The process provides a safe environment to explore difficult issues and to improve communication. Citizens create scenarios not experts. Different and varied perspectives among stakeholders challenge current assumptions about the future. The stakeholder group or a smaller task group can develop the scenarios. In the Boston region, the Goldberg Seminars brought together a wide range of stakeholders to develop strategies for coping with revolutionary changes in state and federal funding of human services.

The Future of the Non-Profit Sector in the Boston Region

In the 1990s, changes in federal and state policy regarding welfare and social services forced nonprofit organizations across the country to reconsider strategies and programs for meeting human service needs. The Greater Boston region, a broad landscape of urban and suburban areas with multiple and overlapping jurisdictions, was hard hit by these changes. As federal and state devolution progressed, several questions dominated the agenda. To what extent would local demand for human services increase as clients' benefits are cut? How would block grant accountability measures affect service delivery? Would block grant distribution favor large public institutions cutting out small nonprofit service providers?

In 1995, the Boston Foundation and several local family foundations started the Goldberg Seminar on the Future of Boston Area Nonprofits to address these questions. Initially designed to explore the impacts of state and federal policy changes, the seminars evolved into an action group ready to consider revolutionary changes in the region's human service infrastructure. Stakeholders included representatives of nonprofit organizations, businesses, state and local governments, universities, policy institutes and the media. Specifically, stakeholders needed to define the changing roles of governments, nonprofits and businesses in meeting community

needs, decide how to ensure community participation in decision-making about block grants, build the capacity of Boston area nonprofits to meet changing needs, foster collaboration and consolidation among nonprofits, develop public support for them, and improve accountability and evaluation.

Given the uncertainty about the direction and role of state and federal government policy in the human service arena, stakeholders would have to develop robust strategies for the nonprofit sector that would be viable in a range of possible future environments. Scenarios offered a tool for grappling with these uncertainties.

Participants in the scenarios working group identified 9 driving forces -- the most important and uncertain factors affecting the future of the nonprofit sector. These interconnected factors covered a range of considerations from the changing demand for service to the extent of polarization of race and class within the community.

DRIVING FORCES

"The Future of the Nonprofit Sector in the Boston Region"

- Changing demands for service (broader community needs).
- Willingness for consolidation and collaboration within the nonprofit sector.
- Extent of collaboration across all sectors (government, business, nonprofit).
- Ability of the nonprofit sector to influence government decision-making.
- Adequacy of professional management capacity within the nonprofit sector.
- Extent of polarization of race and class within the community.
- Citizen participation in the community and political process.
- Direction and role of state and federal government policy.
- The impact of the global economy on our community.

Each of these statements identifies the particular content of the driving force and defines the nature of the uncertainty (for example, willingness, extent, direction, and so on). A wide range

of plausible assumptions can be made about what may happen to these dimensions in the future. The interplay of differing assumptions about the driving forces leads to a range of stories about possible futures the Boston region might experience. The scenario working group needed to choose a handful of provocative stories in order to develop strategies that would help them cope with the uncertainties. The stories described both positive and negative futures (see box).

BOSTON SCENARIOS

THE CITY OF VILLAGES

A wave of immigration brought educated newcomers to Boston, just as the city needed their language skills for its new role in the global marketplace. As a result, Boston's long-time anti-immigrant feelings began giving way to a new appreciation of people from other cultures. With high-paying jobs now available to people living in the city's neighborhoods, new prosperity and stability reigned throughout the city. Money has become available for community development, and judicious investment in decaying commercial centers has resulted in the revitalization of entire neighborhoods. Crime has gone down, the streets are safer, local politics have been revitalized, the schools -- now decentralized -- have improved, and the exodus to the suburbs of the previous century has been reversed. After a long history of taking second place to the interests of "downtown," Boston's neighborhoods have developed a new economic independence, and Boston has become a city of villages.

Indicators (signs that this future is emerging)

- More newspaper advertisements in foreign languages
- Fewer empty storefronts
- More community-owned cooperative businesses

- More multi-lingual facilities

Newspaper Headlines (that might be seen if this future emerges)

- "Local Economy Boosted by Immigrants"
 - "First Generation Asian-American Becomes Mayor"
 - "School Committee Grants Autonomy to Neighborhood Schools"
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TEA PARTY II

Something very like a revolution took place in Boston in the year 2028. As with the first Revolution, this one too began with mounting hostility toward a government regarded as uncaring and remote. Anger and resentment toward the federal government gradually mounted in the years of devolution following 1997. When a young leader emerged who understood from her own experience both how beneficial government programs could be and how painful life in poverty was without them, she quickly developed an enthusiastic following. Further moves by the federal government to shed responsibility for the poor brought things to a crisis, and a near revolution took place in Boston. For a while, power was transferred to the people in a meaningful way. However, Boston's ethnic and racial groups, divided for so long, were unable, despite the opportunity of a century, to come together to create a new democracy.

Indicators (signs that this future is emerging)

- Increased percentage of nonprofit budgets supported by individual contributions
- High voter turnout
- Large percentage of citizens involved in voluntarism
- Increased civility
- Increase in partnerships and collaborations

Newspaper Headlines (that might be seen if this future emerges)

- "Power to the People"
 - "America's Promise Realized"
 - "Prison Construction Hits New Low"
 - "Long Lines at Voting Booths Late into the Night"
 - Boston High School Students Playing New Roles in the Community"
 - Multicultural Festival Draws Bigger Crowds than Bicentennial"
 - The New America in the New Millennium
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DEVIL-UTION

Bostonians seem less that appropriately enthusiastic about celebrating the 400th anniversary of the city's founding in the year 2030. Some of the great gathering places, including the Esplanade, have lost their old appeal, as the homeless population increases in the parks, squares and on the banks of the Charles. People hadn't quite realized how essential the federal government's support had been to sustaining the city's poor. When a mild economic downturn occurs just as the cuts take their full effect, the nonprofit organizations that serve the poor are overwhelmed. Many close or consolidate. Only the very neediest are served; others are turned away. Meanwhile, downtown, the economy is booming. The rift between rich and poor has widened dramatically, and Boston enters its fifth century with a community that is deeply divided.

Indicators (signs that this future is emerging)

- Sales and mergers of nonprofit organizations are up
- Increased % of population living in poverty
- Infant mortality rate rising
- Increased number of people uninsured
- High turnover rate in nonprofit management
- Voter registration down
- Newspaper readership drops

Newspaper Headlines (that might be seen if this future emerges)

- "Columbia HCA Buys Partners"
- "Lowest Voter Turnout Ever in Mayoral Election"
- "Disparity between Black and White Infant Mortality Rates Increases Dramatically"
- "Homeless Outnumber Tourists on Freedom Trail"

TO HELL IN A HANDBASKET

Devolution has proceeded at a rapid pace for several years, uncorrected even by an economic downturn in the late '90s that reveals the seriousness of unmet social needs under the "reformed" system. When the international economy crashes a few years later, hardship spreads through Boston and the nation. Diminished services are hardly able to dent the distress, but the worst effects of the new poverty are the conflicts it breeds first between the old and young and then between the suburbs and city, natives and immigrants, blacks and whites, middle-class and poor. Boston in 2010 is a grim city, the only ray of hope being the revival of concern among a few religious and ethnic organizations which, unfortunately, have very scant resources at their disposal.

Indicators (signs that this future is emerging)

- Market at all time low
- Unemployment rising dramatically
- Six "Black Tuesdays" in a row
- Nursery school becomes halfway house
- Retirement age rises to 75

Newspaper Headlines (that might be seen if this future emerges)

- "Gray Panthers Form Third Party"
- "Run on Hemlock and Ginseng"
- "Elderly Abuse up 500%"
- "National Guard Replaces Community Police Force"

Each scenario calls for different responses. "The City of Villages" suggests investments in local economies, technology, education and youth services to further enhance its positive aspects. "Tea Party II" demands effective cross-sector collaboration within the region in order to compensate for the federal government pullback and stronger roles for communities and clients in setting priorities for meeting human service needs and overcoming racial barriers. Similarly, "Devil-lution" requires decentralizing decision-making in schools, economic development and social services to respond to local needs and to overcome the decline in federal support. Increased collaboration across sectors could help address the rift between rich and poor. Mitigating the egregious consequences of "To Hell in a Handbasket" calls for a wholesale re-visioning or reengineering of the nonprofit sector. The social contract -- the roles and responsibilities of government, business, philanthropy and nonprofits -- needs to be redefined. Nonprofits must

develop a strong and coherent voice in the policy arena. All sectors need to learn to collaborate in order to make the most of limited local resources.

Since no one knows which of these futures will unfold, stakeholders identified robust strategies that would mitigate the effects of changes in government policy, strengthen the region in ways that prevent the worst consequences of these scenarios and build on existing strengths. Specifically, this required increased collaboration among different sectors, a redefining of roles and responsibilities -- a new social contract -- and better communication and public relations to help the nonprofit sector develop political leverage.

Prior to the introduction of scenarios, participants tended to analyze needs and opportunities based on well-established assumptions and, so, considered a narrow range of fairly predictable responses. The scenarios helped open up people's minds encouraging them to think more deeply and creatively about what futures might unfold. Specifically, the scenarios called participants' attention to the possible impacts of substantial changes in the population mix and to potential changes in policies, practices and roles of the different sectors. By exposing these dimensions, the scenarios helped participants develop viable strategies for the nonprofit sector by challenging old assumptions and stale responses

The process as a whole proved valuable to the region. Several key participants in the initiative helped boost the quality and quantity of management support services available to nonprofits. The specific strategies for addressing the challenges of the nonprofit sector became a point of reference for many local organizations helping them gain more support from their boards and constituencies. New working relationships emerging from the collaboration led to new partnerships between organizations from different sectors where none existed before.