

Philanthropy Journal

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OF NORTH CAROLINA

Emerging trends

Nonprofit sector facing new challenges on all fronts

The strong economy, universality of technology and increasing minority population are changing the way nonprofits do business.

By EMILY BREWER

Times have changed since the days of volunteer-run charities, bake sales and bazaars.

Today's nonprofits are more advanced, sophisticated and accountable than they ever have been. They also face higher costs, greater needs and more competition.

The number of active 501(c)(3) charities in the state jumped from 12,592 in 1992 to almost 16,000 in 1996, according to the National Center for Charitable Statistics —

proof of the strength and growth of the sector, even in the past few years. The age of technology and corporate mergers has revamped the way nonprofits do business.

The prevalence of technology has made up-to-date computers and software a necessity for the sector. Old company computer castoffs will no longer do the job for nonprofits.

The sector better understands how to use technology to its advantage. With the dropping prices, increasingly user-friendly software and the outcrop of computer-savvy people, technology is more accessible than ever.

"The probability of a nonprofit having a Web site two or three years ago was very low, except for specific

TRENDS

pockets," says Don Wells, director of Duke University's certificate program in nonprofit management. "Now, in rural areas as well, there is greater understanding and greater use."

The influx of technology has meant a significant increase in time and money devoted to training employees and updating equipment.

Technology is just one trend. Among others:

- More minorities work in the sector and serve on nonprofit boards.
- The strong economy has generated more money for nonprofits from individuals and grantmakers.
- The sector is more sophisticated

and professional.

- Donors today demand greater accountability of nonprofits.

- Corporate mergers and buy-outs have shifted some corporate funding.

The competition for funding, volunteers, media attention and community presence grows increasingly fierce as more nonprofits acquire directors of development — and even directors of planned giving — ushering in a new level of professionalism for fundraising, says Anne Register, executive director of Second Harvest Food Bank of Metrolina in Charlotte.

The stepped-up fundraising is just one part of the increased sophistication in the sector as a whole. While great headway still must be made

before nonprofits enjoy the status of the corporate community, its sophistication is improving.

"When we're invited to participate in community settings, we're listened to and heard as well as any corporate executive," says Register.

Nonprofits today are called on to act in some ways like businesses, with a strong emphasis on evaluation and accountability. "There are scarce resources and people have to document their work," says Leslie Takahaski Morris, executive director of Wildacres Leadership Initiative in Raleigh.

As executive director for the Mary Reynolds Babcock Foundation in

Look for TRENDS, page 28

It takes a village

Interlace program combines services of five local nonprofits to help battered homeless women

After learning the majority of homeless women are victims of domestic violence, five organizations in Asheville combine services to ready women for independent living and to help them establish a home of their own.

By EMILY BREWER

In 1996, Asheville resident Rhonda Wellmon had nowhere to turn. She packed the children and left her violently abusive husband, squeezing into her sister-in-law's small trailer. Bruised physically, financially and emotionally, Wellmon lost her job, her self-esteem and her independence.

Through a program called Interlace, which brings together the counseling, legal, financial and housing services of five nonprofits in Asheville, however, Wellmon got back on her feet and earned the keys to a home of her own.

"I really feel that the Interlace program has given me my life back," says Wellmon, one of the program's first graduates.

Interlace is an 18-month transitional program that takes in mothers on the streets, in shelters or doubled up with friends, escaping the abuse of husbands or boyfriends.

One in three women in an intimate relationship is abused — a problem that cuts across age, race and income level, says program coordinator Judy Chaet. In a point-in-time survey in Asheville on March 27, 1995, 86

women and children in the shelters that night were fleeing violence.

Domestic violence is the leading cause of homelessness among women, whereas men tend to cite unemployment, drugs and alcohol and imprisonment as leading causes of their homelessness, says Chaet.

Nonprofits in partnership

More and more nonprofits are examining the benefits of strategic alliances — or partnerships — bringing together services and talents to fulfill their missions more completely.

"It saves resources," says Chaet. "It's like creating synergy — together we are stronger than the pieces."

Formed in 1995, Interlace is a partnership of the Affordable Housing Coalition of Buncombe County, Pisgah Legal Services, the battered women's support organization Helpmate, Consumer Credit Counseling Services and the Housing Authority of Asheville.

"Transitional housing is a movement that is coming along in domestic violence work," says Chaet. "There are a variety of models out there, though it is really still in its infancy."

Interlace came into being after the survey in Asheville of the city's home-



Rhonda Wellmon seated near the Interlace office with her sons Richard, 13, and Brandon, 5. Wellmon tells her story of abuse and homelessness in hopes of helping other women.

less population in local shelters. Results showed that the majority of women without a home were fleeing domestic violence.

By looking into the stories behind the homelessness, they could pinpoint its cause and direct efforts toward fighting the problem.

Either they could continue to turn women and children away from crowded shelters, or they could attack the whole problem, says Chaet.

Look for INTERLACE, page 8

Philanthropy called vital to South's success

A report on the state of the South calls for creative solutions to the region's traditional economic and social problems.

By JAMES B. HYATT

Foundations and nonprofits in the South must work with the region's civic leadership to find creative solutions to the region's historic economic disadvantages and racial issues in the face of government cutbacks of social programs, according to a new report.

At the same time, the wealth created in the South during this time of unprecedented economic growth must be put to use through new foundations to augment the work of other groups and government agencies, Chapel Hill-based think tank MDC Inc. says in its report, "The State of the South 1998."

While the Triangle, the Triad, Charlotte and Atlanta often are seen as representative of progress, the South is burdened with 40 percent of the nation's poverty but only holds 10 percent of America's philanthropic wealth, according to U.S. Census data cited in the MDC report.

The "State of the South 1998" follows MDC's initial report two years ago that tracked progress made during the last three decades. The new report examines Southern race, gender and ethnicity issues in greater detail and how these issues affect and are affected by the region's economic development. The report is

based on demographic studies of the 14 Southern states, including Texas and Oklahoma.

The South also must resolve long-lived problems caused by its traditional lack of a broad industrial base and historic racial issues. The region may not progress as far as it could during the 1990s' economic boom if philanthropy for social support pro-

"It is important that voices be raised to say that the South particularly needs increased homegrown philanthropy."

— MDC's State of the South report

grams doesn't exceed reductions to these programs, the report says.

"There has been an evaporation of federal funding for research, evaluation and demonstration, and also programs," says George B. Autry, president of MDC and an author of the report. "The government historically has a short attention span to enduring problems."

Rather than blaming the region's political leadership, the report says innovative programs will be established by new foundations set up by

Look for SOUTH, page 23

INSIDE

Opinion10
Grants & Gifts20
In September21
People.....21
Professional Services..22

NONPROFITS

Success By 6 targets early childhood development in 200 communities nationwide.

■ Page 4

FOUNDATIONS

A new study exposes the Internet's failure to reach and attract poorer communities.

■ Page 6

OPINION

Despite national economic prosperity, poverty and inequities abound. Patricia O'Toole comments.

■ Page 10

FUNDRAISING

Spurred by last year's fundraising success, many United Ways are raising their goals this year.

■ Page 14