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Non-profit sector undervalued at our peril

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"America needs a new social priority: to triple the productivity of the nonprofits and to double the share of gross personal income they collect as donations. Government has proved incompetent at solving social problems. Virtually every success we have scored has been achieved by nonprofits."

Sound like the words of some left wing nut?

Quite to the contrary, these are the words of Peter Drucker, one of the most influential thought leaders on business issues, as recorded in his 1995 book, "Managing in a Time of Great Change." He goes on to assert that unless this new priority is accepted, "the country faces, only a few years out, social polarization."

Well guess what. Here we are 12 years later and Drucker's prediction can be seen to have come to pass in our city. We encounter, in 2007, many examples of social polarization in Calgary -- for example, in the growing gap between the rich and the poor and in our housing crisis. In our mad rush to exploit our booming economy for our own individual purposes, we have continually under valued the importance of non-profit agencies which struggle daily with the results of this polarization.

Leading edge thought in North America, for many years, has pointed to the significant and growing importance of the non-profit sector. Many have pointed to the importance of social capital, the critical contribution of the non-profit sector to it and the risk inherent to all aspects of modern life in allowing it to erode.

Thirty-four years ago, in his seminal work, "Small is Beautiful," E.F. Schumacher lamented that "today, the main content of politics is economics," and argued that "the case for hope rests (with) ordinary people" who take a "more 'humanistic' view than is taken by the experts." Sadly, the content of politics continues to be focused, often almost exclusively, on economics. Perhaps not surprisingly, many have given up on politics as evidenced by low voter turnout in elections at every level. And, we often wonder, where are the ordinary people in all of this?

In spite of these words and of the growing awareness of their obvious credence, precious little has been gained by sector advocates and practitioners, in terms of the value attributed to the sector or the resources allocated to its work. Although we often hear the right words, we continue to undervalue the sector and to expect excellence from agencies operating with inadequate resources.

We observe examples of this in the salaries accorded to sector staff by funders, governments included. In a recent case, government funding to an agency providing services directed by the same government was increased by one per cent while inflation increased three to four times that and salary levels in general by at least the inflation rate.

At the same time, the government funder hired an experienced staff member from the agency at a premium of more than 20 per cent, with superior benefits added,

leaving the agency to cope with inexperienced replacement staff. No surprise that client service suffered. No surprise at the impact on agency leadership and staff.

Social needs in our city are significant and growing. Non-profit agencies which provide services to those in need are under enormous stress; many are in crisis from lack of resources and inability to recruit staff to replace those who have been recruited away by the public and private sectors, all the while facing increasing demand for services.

The pressure on non-profit agencies is relentless. While we give lip service to the importance of their services, our collective actions suggest that we really do not value the contribution of those who provide them. People who have chosen a career in service to those in need approach their work with passion and huge commitment.

We have come to believe, as evidenced by the attitude and actions of Schumacher's 'ordinary people,' that their passion will sustain them, that they should be prepared to work long hours at low pay, because of the payoff from doing good work.

In a time when more than enough of these committed people have to rely on the services of their own or another agency to survive, it is no surprise that many have lost their passion through stress and burnout and are opting for work in the public or private sector.

The way out of our dilemma begins with a change in attitude toward the value of the non-profit sector. We can broaden the focus of politics beyond economics, for the political agenda is driven by concerns of 'ordinary people.' We must, individually and together, become aware of the good work of the non-profit sector and advocate for appropriate allocation of resources.

Only then will we begin to reverse the trend to social polarization that is increasingly evident in our city. The risk of any other approach is simply too great.

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