

Call to Action

I spent a recent afternoon with a 15-year-old who, like many his age, wanted to generate controversy. He did so by introducing and arguing the value of Ayn Rand's philosophy as described in her book "The Virtue of Selfishness," which, simply put, opines that the ultimate moral value is to ensure one's own well being.

He extended this argument to the unnecessary work of nonprofit groups — he has no obligation to others, nor does he expect others to care about his well-being. This view of the world works well enough for people like my young friend. After all, he enjoys the benefits of attending a top-notch nonprofit school, and has grown up with economic, racial and gender privilege. The philosophy works less well for those with a passion to express themselves through the arts, those born into destructive environments or those with crippling challenges that most of us never think about.

But a soon-to-be-released study of the economic impact of Virginia's nonprofit sector offers evidence that might convince even Rand that the business of doing good benefits our collective well-being.

The preliminary results of "Virginia's Nonprofit Sector: A Major Economic Force," conducted by Lester Salamon at the Johns Hopkins Center for Civil Society Studies, reveals that nonprofits provide Virginians with \$8.2 billion in wages. With 350,000 workers, including 211,000 paid and 139,000 full-time-equivalent volunteers, the sector is the second-largest employer in the state — bigger than finance, insurance and real estate combined.

Between 1995 and 2005, the report shows, nonprofit employment grew by 34 percent, versus 19.5 in the for-profit sector and 11.9 percent in government. It generates at least \$461 million in income, sales and use taxes and provides six percent of the state's employment. The sector holds \$67 billion in assets, including \$6 billion in foundation assets.

But as the study's author points out, there are two Virginias. Looking at national trends, Virginia distinguishes itself in one way — it has the largest gap in the nation between the highest and lowest paid workers. At the same time, our fast-growing state enjoys low unemployment, one of the highest median incomes, and regions of great prosperity with thriving nonprofit sectors.

These pluses, concentrated in Northern Virginia, contrast sharply with the rest of the state and among localities, such as many in Central Virginia, where alarming poverty rates are expected to grow as the nation's economy continues to slide. Further, the state faces a serious budget shortfall, which will likely squeeze funding for all public services, including the work of nonprofits.

So what?

For those of you who work for, are on the boards of, contribute to, or enjoy the benefits of nonprofits, this study is a call to action. As Salamon says, "The time is now." Nonprofits advance a central democratic concept — pluralism — in a society ruled by the majority. As Americans' realities become increasingly virtual and



global, nonprofits fulfill the human need for community and offer ordinary people opportunities to lead change. Here's how to start:

1 Become an advocate. Find a cause you care about, and act on its behalf. If you represent a nonprofit, there's a common misconception about the legality of lobbying. While nonprofits may not participate in political activity for or against a particular candidate, lobbying, within limits, on behalf of the cause you support is not only legal but also ethical, if you're committed to making real change and not just providing Band-Aid fixes. Environmentalists and animal advocates are the most likely to further their work by calling for stricter laws to govern people's destructive behavior. Imagine if all nonprofits advocated for the rights they stood behind.

2 Increase your commitment. Virginians give about \$25 per \$1,000 earned in adjusted gross income, a statistic on a par with the U.S. average. This amount drops quickly outside of Northern Virginia. If each of us would increase our weekly time commitment by an hour or contributions each year by \$20, we could begin to move Virginia to a leadership position among the states in which residents are solving civic issues.

3 Demand a seat at the table. Nonprofits are affected by political, regulatory, social, demographic, economic and technological trends. The study makes clear that the state's 9,000 nonprofits are significant employers and financial contributors to our economy, so why are so few of us at the table when it comes to decisions that will affect our businesses? Because we don't demand it. The report says the single biggest determinant of the scale of nonprofit activity is the

extent to which government supports it. Take this study as an invitation to improve your visibility and credibility, boost giving and volunteering and strengthen partnerships to create strong organizations for change.

These three actions will benefit you. But I'm not telling my young friend that.

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MORE ON THE STUDY

ConnectNetwork.org and the Community Foundation Serving Richmond and Central Virginia led the effort to commission the Johns Hopkins study, with Ukrop's Super Markets, First Market Bank, the Cameron Foundation, Philip Morris USA, the Norfolk Foundation, the Jessie Ball duPont Fund, the Nonprofit Center for Excellence, the Rappahannock United Way and the Mary Washington Hospital Foundation. The full report will be online at tcrichmond.org and www.connectrichmond.com in the fall. For info, e-mail nstutts@connectnetwork.org or call 804-827-2164.