



Ruckus Society's Advanced Action Boot Camp for Eco-Justice in Clarks Grove, MN, September 2010. Photo by Bill Busse

## No Money, No Cry

### How Four Social Justice Organizations Succeeded in the Face of Financial Insecurity

by Karen Topakian

**IMAGINE FOR A MOMENT** what you and your organization would do if your key funders walked away. Most of them, at once. Would you hold on until you'd spent your last dollar? Would you close your doors immediately? Would you lay off all of your staff? Would you fundraise like hell?

Here are the stories of four social justice organizations—Ruckus Society, Southerners on New Ground (SONG), generationFIVE, and Generations Ahead — that experienced these losses and more. Instead of packing up and closing, they developed new organizational models and implemented successful, bold approaches to tackle their financial instability. By focusing on their core values and reaching out to their members for support, they've all made it through their crises with tales to tell of their successes.

#### Getting Rid of the Office

When Ruckus Society, an Oakland, California-based training organization for environmental, human rights and social justice activists, experienced an extreme loss of funding in the second quarter of 2008, they took radical steps to reorganize. Their first step: listening to the advice of their GIFT intern, Sabba Syal. "She did a lot to set us up to re-shift our priorities to grassroots fundraising," said co-director Megan Swoboda.

Their second step: heeding Kim Klein's advice in *Reliable Fundraising in Unreliable Times* to form a crisis task force. They called their task force the Ruckus Sustainers Team (RST). All seven staff members agreed to include the executive director,

operations director, development director, board president, and their accountant in the RST.

After looking at all of the financial information, the RST decided how many positions the organization could sustain, laying off everyone except the executive director and closing the office.

The former staff decided together on what the new staff positions would be, preferring fewer full-time positions rather than part-time positions merely to retain more individuals. Staff were then free to re-apply for the new positions.

By the fall of 2008, the group's staff had been reduced from seven to three, all of whom would now work from home. Since Ruckus depends on a network of more than 100 volunteer trainers, the staff decided "the best use of our funds (would) go directly to programs."

In keeping with their network model, Ruckus created a leadership team of six people, consisting of two board members, two staff people, and two volunteers, all of whom share power and responsibility, with an equal say in decision-making about programmatic direction and goals. They meet in person twice a year and hold phone meetings monthly. Swoboda refers to this team as being an "overall guiding force in the organization."

She credits the formation of this team with meeting an organizational goal: "We've been trying to figure out for years how to provide transparency," said Swoboda. "This period has provided a really good opportunity to create a good model." Their model inspires transparency by requiring each of the members to collect feedback from, and report decisions to, their

constituents to facilitate the team's conversation and flow of information.

In order to build and maintain the bonds among the remaining staff, Ruckus staff hold weekly staff meetings at each other's homes, where they also make lunch together. When they're working on a big program, they add a weekly program meeting to the schedule, providing them with two face-to-face opportunities in a week.

Advanced technology allows the staff to work together regardless of their location. "We swear by Basecamp, an online work-management tool run by 37signals," said Swoboda. "It's a fabulous tool to help track things for full transparency and accountability." Basecamp allows them to share files and store documents.

Ruckus also relied on a technological solution to elect the two volunteer representatives for the new leadership team. Through an anonymous online voting system of one person-one vote, the volunteer network of 100+ members elected their two representatives for the leadership team, who serve staggered two-year terms.

Swoboda attributes Ruckus's success in weathering its difficult period to a few factors, starting with their network model, which she refers to as "really resilient." She credits the network's resiliency to its size — the large number of volunteers allows Ruckus to have its hands in many different projects in many different areas — and to the rotation of power among the volunteers who serve on the leadership team.

By investing in this higher level of engagement with the volunteers, Swoboda believes, "If it got to the point that we couldn't fund the staff at all, Ruckus would continue. The network model would continue."

Swoboda explains their success factors: "In 2008, when we started to focus on the restructuring, we took some advice from Kim Klein, who advises to focus on raising funds, not cutting program." Swoboda admits that "it takes a lot more time and energy to do grassroots fundraising." Taking this "long lens approach to fundraising" explains "why we're here now," said Swoboda who attended GIFT's Money for Our Movements conference in August 2010. Ruckus continues to increase its energy on grassroots fundraising.

She also attributes their success to their commitment to transparency about their financial reality — with both staff and shareholders — and in finding solutions within their community. "We know the best solutions come from communities working together. Having all of the creative brainpower together. Not being afraid that people will be focused on self-preservation," said Swoboda. "The more we align with our values the better we

are doing."

Swoboda acknowledged that all of the changes felt like a big risk. "As long as we continue to take the risk and do the work that we need to do, we're getting better and better. We pulled off some of our best work this year with the least [amount of] resources."

### Developing a New Generation of Leadership

Organizational changes at Southerners on New Ground (SONG) reached a new level in 2006 when co-directors Paulina Hernandez and Caitlin Breedlove, each 25 years old, wrote a document titled, "Overview of Our New Work." The two women outlined the key problems that faced this Atlanta-based organization, whose mission is to provide a home for LGBTQ liberation across lines of race, class, abilities, age, culture, gender, and sexuality in the South. The new co-directors observed that SONG, founded in 1993, now suffered from a number of problems, including a lack of comprehensive plans in response to older staff transitioning out of the organization, lack of opportunities for younger staff, reduced numbers of organizers, small constituencies, lack of funding, and internal conflicts, especially regarding race, gender, and age.

This bold assessment led the directors to propose solutions in the form of two action plans: "1. Develop strategies to create a younger, fresher board and staff, surrounded by older activists who would transfer their skills and provide ongoing support; 2. Focus our work more strategically, with small, flexible staffing and a modest budget that realistically could be raised."

A younger, fresher board of directors was soon recruited, with five new members between the ages of 24 and 34 who shared SONG's values bringing along their organizing expertise. When this new board of directors first met, they asked themselves, "What do you wish had been in place for the LGBTQ community in the South the day before Katrina hit?" The board replied, "A large number of organizers, all connected to one another."

From that day forward, the staff focused on expanding the number of organizers. They designed an organizing school; built a network of organizers in Virginia, North Carolina, South Carolina, and Alabama who listened to community issues and concerns; and developed community-based organizing projects and campaigns. With this model, SONG built its membership from 0 to 700 in three years. Breedlove describes the membership as a "deep-build model, not just names on a sign-up sheet." SONG members have attended SONG retreats, six-month-long programs, or other events.

Co-director Caitlin Breedlove admits to being overwhelmed

when she started at SONG, noting that it was the kind of job she would expect to be held by someone with a nonprofit management degree. But she persevered, applying her working-class experiences to help her with money management. “If you’ve never had to shop for groceries on a budget, it might be hard to tighten purse strings in an organization,” she said.

Because many members don’t have a lot of financial resources, SONG puts a special emphasis on managing its resources carefully. “When you take money from poor people you have a sacred trust to spend it wisely,” says Breedlove.

SONG practices what it preaches about economic equality: “We try to put an economic justice frame on our work,”

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Breedlove explains. “All of our staff make within \$2 of each other on an hourly rate.” Full-time employees receive healthcare benefits; part-time employees were given the choice of receiving healthcare or earning a higher hourly wage; they chose the higher wage.

When creating new positions, SONG asks itself whether their members’ donations should be spent hiring full or part-time staff. “I think it’s better for staff to hire full-time employees with benefits,” says Breedlove, noting that sometimes that’s not financially possible. “How do we do what’s best for staff and what the organization needs? Sometimes those things are in conflict.”

Because the group focuses on how it is spending its money, SONG also looks at where they are raising it. Currently, 20 percent of SONG’s funds come from the grassroots and 80 percent from institutions. Given that imbalance, SONG recently hired a staff person to focus just on grassroots fundraising, which they saw as an area of great potential. They are discussing asking their members to tithe to the organization.

SONG has gone through a lot of changes in the last five years and remains committed to its vision. According to Breedlove, “If we want organizations in the South, we have to build them ourselves.”

### Going All-Volunteer

generationFIVE, an organization committed to ending the sexual abuse of children within five generations, struggled with financial and organizational problems early in 2008. “We had a sudden collapse in the ability to maintain infrastructural support that we needed,” said Chris Lymbertos, a member of the generationFIVE (gen5) leadership team and the director. “We

had to lay off staff. We had some internal challenges around skills. We had a bad couple of years.”

In order to keep their programmatic work of ending abuse moving forward, the staff of this 10 plus-year-old organization based in Oakland, California temporarily transformed into an all-volunteer leadership team.

The team kept the organization together through meetings, both by phone and in person, every other week that lasted for a few hours even though everyone, Lymbertos acknowledged, was super busy.

“We didn’t know when we took that decision (to serve as volunteers) how long we would do it for,” said Lymbertos. “One

of the most important things I learned: check to make sure everyone has the capacity to do the work involved.”

Working on ending child sexual abuse was a personal issue for every team member, so they stuck it out. Lymbertos noted that as a collective they were operating on consensus, making some days really hard.

But they persevered by creating a timeline, incorporating constant assessments, and establishing an internal feedback mechanism. Lymbertos admitted that they thought they’d get further a little sooner.

Lymbertos noted that dealing with an issue that’s so intense, “has pushed us into a somatized organization, an organization that sees itself as a living body that holds individual and collective processes.”

gen5 works to end abuse through the concept of Transformative Justice, which they define as seeking to provide people who experience violence with immediate safety and long-term healing and reparations while holding people who commit violence accountable within and by their communities. Currently, a Transformative Justice (TJ) Collaborative operates in New York, the San Francisco Bay Area, Atlanta, Seattle, and soon in Los Angeles. Each TJ collaborative raises money for its own work with some help from gen5. Future plans, according to Lymbertos, include holding an annual convening: “We have different approaches and contexts and communities we want to learn and document from each other. And create the space to build together.”

Currently, supported by a grant from the Ms. Foundation acknowledging the group’s need to stay in existence, gen5 employs three consultants on six-month contracts to serve as executive

director, program director, and development director.

“In our next phase we’re going to focus deeply on the questions of essential programs, fundraising, organizational development, and coaching,” said Lymbertos. “Our hope is that Ms. will continue its funding and that we can reignite some lapsed relationships with donors. We plan to do an assessment of the work in six months, assess people in the positions. Then transition from contractor to staff and run the way we used to be.”

### Considering Consultants Rather Than Staff

In early 2009, Generations Ahead anticipated major financial problems once several of its key funders announced cutbacks. Major cutbacks from institutional funders were not part of the group’s plan when it started in 2007. In fact, Generations Ahead, which brings diverse communities together to debate and promote policies on the just and ethical uses of human genetic technologies, thought that by 2009 it would reach the million-dollar mark.

Instead, the foundations that supported their activism during the Bush years were focused on policy victories in the Obama years. Sujatha Jesudason, Generations Ahead’s executive director, realized that the organization’s work did not fit its funders’ new strategy.

The organization decided to make proactive decisions that would enable it to have the most impact in a short period of time.

Deciding that their greatest impact would be in the area of reproductive rights, they realized they needed to restructure by replacing a mid-level person with a high-impact person. However, they discovered they couldn’t afford the best candidate for the new position. Jesudason recognized that perhaps they didn’t need a full-time person in the role, asking herself, “If we need high-impact folks and we can only afford this much, can we only hire what we need?” Thus was born the consultant model.

Once the best candidate agreed to serve as a consultant instead of as a staff person, Jesudason felt that they found “a super successful strategy” for her organization. Through attrition of other staff, she implemented the consultant strategy in other positions, allowing the organization to move its resources around. As a result, they’ve been able to invest more in other programs, such as communications.

Jesudason contends that nonprofits often don’t have the resources to hire high-impact people. Instead, they hire people with lower skills who need much more development. “The hardest struggle for the smaller organization is to hire highly experienced staff. When we hire people we can afford, we don’t do the high-impact work.”

Hiring consultants instead of permanent staff people doesn’t

entirely feel right to Jesudason. “I struggle with the more long-term social justice implications,” she confesses. “Especially about developing and training staff people.”

Nonetheless, Generations Ahead’s consultant approach has proved successful. “Even so, I’m finding that I adore this model,” said Jesudason, as she notes that she spends less time on supervision and more time on program. “Ninety-five percent of my time I’m working to my strengths and doing the things I love. Supervising consultants is so different than managing staff. I don’t have to walk them through it. If you don’t do the project, I don’t pay for it.”

For organizations that are faced with similar funding problems, Jesudason advises, “Make hard and courageous decisions to do high-impact, excellent work early and not when you’re backed into a corner. Go with the areas that have the most juice and momentum.”

She continues, “One of the hardest things to say is, we’re going to focus on one thing and not everything,” said Jesudason, who acknowledges that organizations often value inclusivity over effectiveness. “We could be making scratching sounds on a number of issues instead of zooming sounds on one.”

“We cared about the results more than about the process or the relationships,” said Jesudason, who also noted that this isn’t necessarily good. It took a tremendous amount of courage and risk for the organization to focus 80 percent of its energy on one issue and only 20 percent on the others. “There are moments where you have to say, we have to show results.”

They are showing results in fundraising as well. They’ve retained three out of four of the funders they thought they had lost and raised an additional \$95,000. “We’re now seen as a good investment,” said Jesudason. “We have more money than we expected with a low-overhead model. We have more opportunity than I expected us to have at this point.”

In the face of serious financial and organizational challenges, each of these four groups created new ways of working to accomplish their organization’s mission. By developing teams and task forces they kept their programmatic work alive. By changing their fundraising focus from a reliance on institutional funders to a cultivation of grassroots donors, they will achieve greater financial stability. By being resilient and transparent, intentional and honest they will continue to be effective social change organizations. ■

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