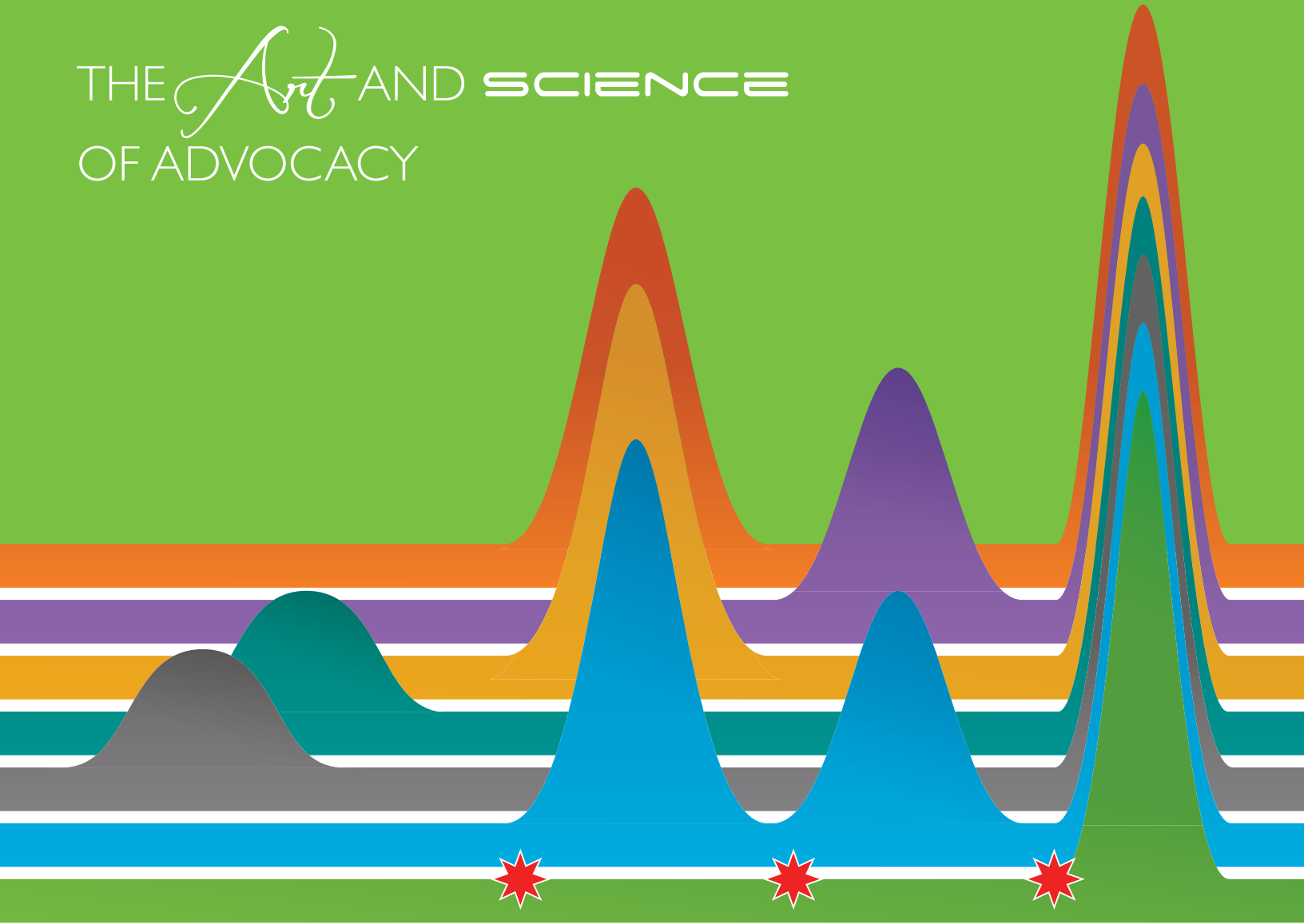


# BEYOND THE CAUSE

THE *Art* AND SCIENCE  
OF ADVOCACY



**INDEPENDENT SECTOR**  
A vital voice for us all

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### **About Independent Sector**

Independent Sector is the leadership network for nonprofits, foundations, and corporate giving programs committed to advancing the common good in America and around the world. Our nonpartisan coalition of approximately 600 organizations leads, strengthens, and mobilizes the nonprofit and philanthropic community in order to fulfill our vision of a just and inclusive society and a healthy democracy of active citizens, effective institutions, and vibrant communities.

Independent Sector  
1602 L Street, NW  
Washington, D.C. 20036  
202-467-6100 phone  
202-467-6101 fax  
[info@independentsector.org](mailto:info@independentsector.org)

Cover design by Alexander Isley Inc. Designers

# EXECUTIVE SUMMARY

With the goal of identifying how the nonprofit and philanthropic sector can increase its influence on public policy, Independent Sector set out to answer two questions:

1. What approaches and strategies shape consistently successful advocacy efforts?
2. How well does the community of organizations currently engaged in sector-wide advocacy perform?

This summary highlights the findings from a study conducted in 2011–12, which included three surveys, over 100 interviews, a review of existing literature on advocacy and lobbying by charitable organizations, and research on publicly available information about 528 organizations' engagement in sector-wide public policy issues.<sup>1</sup> It draws on lessons from three detailed case studies of highly effective organizations, four coalition profiles, and six issue analyses of federal, sector-wide public policy issues that were undertaken as part of this study. Insights from expert political strategists, seasoned advocates, and academic researchers informed the findings.

The detailed analysis of individual case studies of organizations and coalitions that consistently achieved their goals over time yielded a number of activities and characteristics common to these entities. The report also examines how charitable organizations deal with broad policy issues common to the sector and reports on perceptions of their effectiveness in achieving their goals. This study concludes with recommendations for how the sector can increase its effectiveness in the public policy arena, particularly at the federal level. A brief summary of the findings follows.

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1. For the purposes of this study, sector-wide issues are defined as those that affect the entire or significant parts of the nonprofit and/or philanthropic community, such as tax issues related to nonprofit tax exemptions or charitable tax deductions. For a full list of these issues, see Appendix B.

## ESSENTIALS OF SUCCESSFUL ADVOCACY

Five strategic approaches emerged as the common ingredients in successful advocacy both for the corporate and nonprofit lobbying groups.<sup>2</sup> While many factors can account for an isolated policy win, these components consistently were present in successful advocacy outcomes over time. How and when they were employed, as well as in what combination or under what specific circumstances, often determined the outcome of an advocacy campaign.

### 1. Sustain a laserlike focus on long-term goals.

Time frames of 10, 20, or 25 years are common among the most successful groups engaged in advocacy in Washington, D.C. Little can be accomplished in a year unless there are either extenuating circumstances (such as a pressing national crisis) or if years of advanced planning have already taken place and a serendipitous opportunity is seized. The keys to achieving long-term goals are to work backward from the goal, be proactive, and alter tactics over time as necessary.

### 2. Prioritize building the elements for successful campaigns.

Successful advocates constantly invest in relationships with public officials, deepening their understanding of the issues and of the legislative process. These so-called “building phases” undergird their work and prepare them well for the time they need to mobilize on a particular issue. They include: conducting research, developing policy solutions, building

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2. Americans for Tax Reform, General Electric, and Human Rights Campaign were the subjects of the comprehensive case studies. Four additional coalition profiles were developed on Health Care for America Now, Patriots Defending the Bill of Rights, Panel on the Nonprofit Sector, and Reentry Working Group.



relationships with potential allies, testing key messages with target audiences, building out their grassroots and grass-tops contacts, and deeply understanding the priorities of public officials. They are time consuming, expensive, ongoing, and must be conducted by an organization with the ability to maintain the knowledge and relationships garnered throughout the process. Campaign activities are efforts related to promoting or blocking a specific policy proposal or law. The need to prepare for a campaign before its launch is not new. The findings revealed, however, that the most successful advocates were as active during the building phase as they were during the campaign phase.

**3. Consider the motivations of public officials.** It takes time and resources to build relationships with public officials, but few investments are more valuable to achieving success in the public policy arena. Successful advocates invested considerable time in understanding the policy environment and the players, including a thorough knowledge of public officials' backgrounds, family histories, connections, and the priorities of their constituents. Decisions regarding the allocation of resources toward research, polling, media, grassroots, grass-tops, and other tools in the advocate's arsenal were based on the answer to the following question: *What activity is most likely to motivate this particular public official?*

**4. Galvanize coalitions to achieve short-term goals.** Coalitions can be very useful in aggregating the diverse voices, skills sets, and other assets necessary for an effective advocacy campaign. This is especially true when one organization does not have all the requisite components necessary to execute a campaign. However, this study revealed that successful organizations did not always use coalitions as the only vehicle for advancement. Over the course of a long-term advocacy effort, some organizations executed parts of their strategies alone or in collaboration with limited partners depending on the circumstances. In each case, the goal and environmental analysis always shaped the strategy. When coalitions were successful, they tended to form around a specific issue at a given moment in time and disband once their goal had been achieved or retool for the next issue. Strong

leadership, a shared vision, clear decision-making structures, and members who brought complementary assets to the table and who put some "skin in the game" were the cornerstones of effective coalitions.

**5. Ensure strong, high-integrity leadership.** Individuals at the helm of successful advocacy organizations often display the following common characteristics:

- High integrity and transparency
- A reputation for being an honest broker of information
- Relationships that reflect a level of trust between the leader and his/her colleagues and target audiences
- The ability to articulate a compelling vision and mobilize people around it

Developing an effective advocacy strategy requires creative judgment, experience, thoroughness, and significant skill to determine which approach is likely to succeed at a given time. Even with all these elements and resources in place, the overall political climate can make a particular victory out of reach or just the opposite. The most important role of leadership is to master the art of this process—to understand all of these elements and deploy them in a way that will advance the goal.

## SECTOR-WIDE ADVOCACY AND POLICY ISSUES

While a number of organizations have met with some success achieving their policy goals, findings showed that many of their advocacy efforts were duplicative, uncoordinated, and did not maximize their combined assets.

This community of organizations has strengths, including favorable public opinion; a network of hundreds of organizations already engaged in this work, many of whom know and communicate with each other regularly; some relationships with key public officials responsible for oversight and governance of the sector; and a slowly growing field of credible research directly related to key policy issues. Public policy successes prove that it is pos-

sible for this network to pool assets and achieve important outcomes.

At the same time, the collaborative model was not the most common practice, and most participants in the study believed that more can be done to increase the effectiveness of sector-wide advocacy around important national public policy issues affecting the charitable sector as a whole. Developing shared, long-term goals; increasing the number and depth of relationships with a broader range of key public officials; improving coordination among organizations; and increasing the visibility and clout of the sector particularly with government officials will likely increase the sector's influence. Advocates engaged in this work called for strong leadership to organize the sector around a common agenda in order to create a more favorable regulatory and legislative environment that will facilitate the work of the charitable sector.

Among the challenges of improving sector-wide advocacy efforts are the limited resources available to develop a shared, long-term vision and to sustain the level of ongoing building activities found among the most effective advocates. This work would require a significant shift in the status quo—a reimagined structure for convening and harnessing the assets of sector organizations with stronger incentives for collaboration and an operational model that could sustain the level of activity required to achieve consistent success over time.

With Congress poised to take a closer look at the charitable sector through tax reform in 2013 and beyond, it is propitious for the nonprofit and philanthropic sector to align its efforts by creating a joint strategy that will enable organizations to better serve the growing needs of American communities.

# BEYOND THE CAUSE

THE *Art* AND SCIENCE OF ADVOCACY

## SUMMARY

# ESSENTIALS OF SUCCESSFUL ADVOCACY

Public policy advocacy is a critical function of the non-profit community. Elevating the voices and needs of the communities we serve, creating policy solutions for society's pressing social and economic problems, and championing these solutions with public officials are some of the vital aspects of our advocacy role. In today's complex environment, it takes great skill combined with a compelling cause to advance a public policy objective. The pressure on the federal budget, the polarization of the political parties, the ever-widening influence of money in the political process, and the crowded field of interest groups are but a few of the hurdles facing even the most capable, seasoned, and well-funded advocates. Yet despite these challenges, or in some cases because of them, many organizations and coalitions successfully achieve their public policy goals. This study identifies and shares the art and science behind various highly effective advocacy efforts.

This research included dozens of interviews and a series of case studies of nonprofit, corporate, and coalition advocacy efforts.<sup>1</sup> The findings revealed five strategic approaches to be the key ingredients for successful advocacy:

- 1 Sustain a laserlike focus on long-term goals;
- 2 Prioritize "building" the elements for an effective advocacy campaign;
- 3 Consider the motivations of public officials;
- 4 Galvanize coalitions to achieve short-term goals; and
- 5 Ensure strong, high-integrity leadership.

While many factors can account for an isolated policy win, these approaches contributed to advocacy efforts of organizations that consistently achieved their goals. How and when the approaches were employed – as well as in what combination or under what specific circumstances – often determined the outcome of an advocacy campaign. Based on these five approaches, this study sets forth a new strategic framework for successful advocacy. When properly developed and implemented, the framework can help advocates widen their influence and advance their legislative agenda on behalf of their organizations and the people they serve.

The following pages outline these approaches, offer a menu of elements to implement them, and provide concrete examples. Furthermore, they describe the importance of tailoring strategies to particular circumstances. The conclusions reflect the best thinking and most salient experiences of colleagues within the nonprofit community and others who practice the art and science of advocacy.

1. See the Methodology, Appendix D, for more information about the study.

## APPROACHES TO SUCCESSFUL ADVOCACY

### 1 Sustain a laserlike focus on long-term goals.

Timeframes of 10, 20, or 25 years are common among the most successful groups engaged in federal advocacy in Washington, D.C. Little can be accomplished in a year unless there are extenuating circumstances (such as a pressing national crisis) or years of advanced planning that have already taken place. Indeed, as one effective advocate said, “almost nothing can be accomplished in 25 weeks and almost nothing can’t be accomplished in 25 years.”

The most successful advocates identified a specific, ambitious long-term outcome and then worked backward to devise a plan to accomplish it. Their plans included a balance of premeditated activities, such as amassing a body of research and building lasting relationships, and took advantage of opportunities to move the cause forward. Success required reading the environment accurately and altering the plan as appropriate. Organizations that were nimble, opportunistic, and fluid – while remaining steadfast in their commitment to their long-term goal – proved more effective over time than those that were less flexible in their approach when circumstances shifted, waived in their commitment to their long-term objectives, focused only on short-term goals, or engaged in advocacy work sporadically over time.

Organizations that have successfully implemented a long-term approach have mastered four key skills:

- Working backward from the goal. Developed strategies, tactics, activities, and resources based on what it would take to achieve the goal.
- Being proactive. Successful advocates were disciplined about achieving their goal, generated the necessary resources, developed ideas, and proposed policy solutions.
- Partnering with those most likely to propel the movement toward the goal. This might include working with coalitions, organizations, or individu-

als with a shared interest in achieving a particular goal, even if their ideologies or priorities on other matters are in conflict. (Organizations with funding constraints or other limitations might benefit the most from this element because of the synergies generated by effective partnerships.)

- Planning carefully and managing thoughtfully all advocacy elements, including relationships, resources, and timing. This approach is not haphazard or hurried; it is methodical, deliberate, and gains steady momentum over time.

*...as one effective advocate said, “almost nothing can be accomplished in 25 weeks and almost nothing can’t be accomplished in 25 years.”*

Americans for Tax Reform (ATR), an organization featured in a case study, provides a useful example of how to maintain a laserlike focus on long-term objectives. ATR’s long-range goal was to reduce the size of government by curtailing federal revenue. ATR’s executive director, Grover Norquist, has been working to implement this goal since ATR’s founding in 1985.

Norquist devised the Taxpayer Protection Pledge, a promise signed by legislators and candidates for office that commits them to oppose “any and all” efforts to increase income taxes on individuals and businesses. Since ATR first sponsored the pledge in 1986, hundreds of U.S. Representatives and Senators and every successful Republican presidential candidate have signed it. In the 112<sup>th</sup> Congress, 238 U.S. Representatives and 41 U.S. Senators have signed the pledge (all but 13 Republicans currently serving in Congress), and more than 1,200 state officials, including 13 governors, have done so.<sup>2</sup>

Over time, the pledge has reshaped what it means to be a member of the Republican Party. The intended outcome, Norquist explains, is that a voter can enter the voting booth “with little knowledge of the candi-

2. Americans for Tax Reform, [www.atr.org](http://www.atr.org)

## LITERATURE REVIEW FINDINGS

The comprehensive literature review identified five internal factors and five external factors that can influence advocacy outcomes. The internal factors include five elements related to any organization's approach to advocacy. Successful advocates demonstrate **staying power** by maintaining a stable, focused presence in the policy arena over the long haul. They have issue area **expertise** and use a **proactive approach** to develop and pursue policy goals. They develop **partnerships** with other organizations for the purpose of achieving a shared goal. Finally, they **organize for action** through investing in staff and other resources to support advocacy efforts.

In general, context is critical in advocacy. More specifically, five external factors can greatly influence policy outcomes.

First, lawmakers are less likely to act on policy proposals that are surrounded by a **high level of conflict**. Second, "**institutional influences**" do matter. For example, presidential support is a significant indicator of whether or not a proposal will be adopted, and congressional polarization decreases the chances that a bill will pass. Resources and volume of support also matters. The policy issue with the most **resources** behind it is more likely to succeed. Likewise, the **majority preference** theory holds that a proposal supported by the greatest number of voices will succeed over policies with fewer active advocates. Finally, research shows initiating a new public policy is much more difficult than maintaining the **status quo**.

dates, and know with 98 percent certainty that if he votes for the Republican, that candidate will not raise his taxes."<sup>3</sup> In effect, Republicans are now branded as the party that will not raise taxes, making the pledge a public, self-enforcing mechanism that discourages lawmakers from increasing taxes.

Norquist's long-term approach has paid off for ATR on several fronts. First, its clarity of purpose provides the organization a steady compass heading to navigate the ever-changing players and legislative environment in Washington, D.C. When there are competing priorities or distracting issues, ATR remains committed to ensuring public officials do not raise taxes and will partner with any organization that can help it achieve its long-term goal. Second, adhering to a singular vision has helped strengthen ATR and has reinforced its credibility over time. Finally, a long-term goal affords ATR a time horizon commensurate with the kind of profound impact the organization seeks to accomplish.

**2 Prioritize "building" the elements for a successful advocacy campaign.** Advocates who are effective over time distinguish "campaign" activities from "building" activities – and prioritize the latter. Doing so ensures that an organization's relationships, reputation, and expertise accumulate over time and, moreover, are at the ready whenever an opportunity arises.

Campaign activities are efforts related to promoting or blocking a specific policy proposal, executive order, or regulation. They include:

- exercise thoughtful leadership; continuously evaluating and redirecting activities in response to the environment;
- monitor the political and economic climate carefully to ascertain the best time to proceed and the optimal approach, being mindful of public officials' circumstances and imperatives;
- work closely with lawmakers and their staff to, among other things, ensure that the public officials coordinate their efforts in support of the goal;
- align efforts of engaged organizations to maximize the impact of related advocacy activities;

3. Grover Norquist, "Pledge Allegiance," *The American Spectator* (October 2011), <http://spectator.org/archives/2011/10/04/pledge-allegiance/print>



## THINK TANKS

Even though many think tanks are known for their research and analysis, many have 501(c)(4) arms designed to promote their policy ideas. Over the course of this study, experts singled out think tanks for their ability to shape public policy in three distinct ways. First, successful think tanks can convene word-class experts at the center of public policy developments who are capable of generating actionable, data-driven policy recommendations. Second, they are capable of attracting accomplished scholars and thought leaders at the forefront of their respective fields who often are well connected in the public policy arena. Finally, think tanks can be effective vehicles for creating long-term change by leveraging their constant presence in the transitory environment of Washington, D.C.

- engage targeted grassroots and grass-tops validators to coordinate outreach to key public officials in a deliberate and timely way;
- propose well-researched policy solutions;
- ensure the communications plan is closely synchronized with the advocacy work, including, as necessary, a disciplined approach to enable “radio silence” about some activities under way; and
- understand deeply the legislative and regulatory process and policy environment.

***These activities are most successful when a strong foundation has been laid in advance of the campaign.*** Building the assets that need to be in place for an effective advocacy campaign is time consuming, expensive, and ongoing, and it must be conducted by an organization with the ability to maintain the knowledge and relationships garnered throughout the process. Key building activities include:

- cultivating a reputation for integrity and effectiveness;
- securing adequate resources to develop and manage the elements necessary for successful advocacy;

- researching and developing policy solutions;
- building relationships with public officials;<sup>4</sup>
  - identify public officials to cultivate based on their interest in and/or ability to influence policy in a targeted area;
  - analyze key public officials' personal interests, relationships, and networks, the priorities of their constituents, as well as what it takes for them to win elections (if applicable);
  - develop relationships defined by trust and informed by a deep understanding of public officials' interests and needs;
- building relationships with potential allies and managing opposition;
  - deepen connections with allies and potential allies, especially organizations with access to key stakeholders or the capabilities needed to achieve the policy goal;
  - identify and develop relationships with community members, leaders, and organizations with strong ties to the targeted public official, including tailored education of targeted grass-tops and grassroots individuals who can act as validators;
  - examine the motivations and interests of how different stakeholders might be affected by a policy change and what influence they may wield in assisting or hindering an advocacy effort;
- identifying target audiences and testing messages, including through polling in key districts; and
- monitoring the public and political climate to identify windows of opportunity.

4. Public officials refer to elected officials in Congress and their staff, appointed members of the Administration and their staff, and career civil servants.

## RESEARCH, COMMUNICATION, AND MOBILIZATION

Understanding what motivates people is an essential part of an advocate's job. Organizations cannot influence communities or expect their support if they don't understand people's needs and interests. Credible research into a public concern can be used to show how one particular solution might best resolve a problem and demonstrate an issue's relevance to an elected official, who may not initially be invested in solving it. A deep understanding of a public concern also helps advocates play defense when necessary and enables an organization to move outside the political arena when needed.

Because lawmakers and their staff have packed agendas, policy positions are best addressed through clear, short documents that include references. Reports should be targeted and tailored to specific audiences; offering data on a particular district to a U.S. Representative is far more influential than providing only national research. When appropriate, communicate findings in ways that make a splash – a White House press call, a full-page ad in a national newspaper, or a viral online advocacy campaign – may also help an organization gain leverage and influence to advance its cause.

Polls help advocates identify supporters and detractors. Regarding the latter, polls are important tools for testing which messages might be more palatable to target audiences and enable advocates to create strategies that steer clear of adversaries or may even allay their concerns. Polling also helps advocates test and develop messages that can offer an elected official political cover so that he or she can champion a position without drawing undue attention or causing others to withdraw support. If the goal of the poll is to influence a particular legislator and advocates are fairly confident in what the results will show, using that legislator's own pollster is one way to bolster the credibility of the findings. Advocates caution against using pollsters who "ask the questions to get an answer they want."

Messaging – identifying language that resonates with different audiences – has an enormous impact in any

advocacy effort. It is most effective when messages are tailored not only to one individual (e.g., a public official) but also the individual's audience (e.g., his/her constituents). Tailored communications offer political cover to elected officials with the people they represent; how the message is framed and what words are used prove to be critical. (Organizations that lack the wherewithal to test messages may consider asking their elected representative for his/her insight on framing the issue.) This study found that multipronged messages – designed for separate campaigns and targeted to different audiences – were more likely to advance legislation than less customized communications. Social media also can be an effective tool for advocacy, if used for the right audience, with a tested message, and when coordinated carefully with other aspects of the advocacy effort.

*Advocates who are effective over time distinguish “campaign” activities from “building” activities – and prioritize the latter.*

This study reinforces a time-tested notion that mobilizing communities and grassroots supporters can carry tremendous weight in the legislative arena. Organizations have many ways to develop, maintain, and use their grassroots bases. Some have employees in congressional districts that can be brought to Washington to personalize statistics. Others run meetings or task forces in every state to recruit participants willing to petition their elected officials when needed. Still others host galas, annual conferences, or other high-visibility events with ample media coverage. In each case, the structure or means of mobilizing people must align with the long-term goals.

The Human Rights Campaign (HRC) illustrates the value of maintaining building activities in a difficult legislative environment. The organization was founded in 1980 to achieve equality for homosexuals. During its early years, HRC faced daunting struggles such as overcoming homophobia and cultural mores hostile to lesbians and gays. In addition, HRC had to try to represent a largely closeted constituency and work with legislators who, in

*Decisions regarding the allocation of resources toward research, polling, media, grassroots, grass-tops, and other tools in the advocate's arsenal are based on the answer to the following question: What activity is most likely to motivate this particular public official?*

some cases, believed there were no lesbian, gay, bisexual, and transgender(LGBT) people in their districts.<sup>5</sup>

HRC encountered another hurdle in 2001 with the election of President George W. Bush, known for his unfavorable record on LGBT issues. A Republican-controlled House of Representatives added to its concerns.<sup>6</sup> HRC sought to find other ways to advance its public policy agenda. In an effort to continue to promote the welfare of LGBT individuals, HRC designed a Corporate Equality Index (CEI) in 2002, a tool that enabled it to continue to move its agenda forward in a way that did not require action by either the Administration or Congress.

CEI ranks Fortune 1000 companies on whether they have LGBT-friendly policies, environments, and practices. It includes a range of issues, from nondiscriminatory hiring and partner benefits to inclusive advertising. Its impact has been considerable. More businesses participate every year in the hopes of achieving top ratings. In 2002, for instance, 89 companies participated in the voluntary survey. Thirteen companies achieved the top score of 100 percent. In 2012, 636 companies voluntarily participated in the survey, and 190 workplaces achieved a perfect score, including 10 of the top 20 Fortune-ranked companies. HRC announces the findings annually with considerable media attention and makes them readily available on its website.

5. See HRC's case study for details.

6. Democrats held a one-seat majority in the Senate early in President Bush's term; Republicans swept both chambers in 2003, just one year after HRC created the Corporate Equality Index.

CEI served as an effective building activity during a time when HRC likely would have faced difficulties on Capitol Hill. The initiative strengthened HRC's connections with corporate leaders and media, broadened the reach of pro-LGBT awareness and messaging, and helped brand HRC as an effective leader.

**3 Consider the motivations of public officials.**

It takes time and resources to build relationships with public officials, but few investments are more valuable to achieving success in the public policy arena. Successful advocates invested considerable time in understanding the federal policy environment and the players, both elected and appointed, in the Administration and Congress. This theme surfaced repeatedly during the study.

Effective advocates conduct a "power analysis," or an exercise that identifies which public officials to target, as well as comprehensive research into select officials that includes thorough knowledge of their backgrounds, family histories, connections, and the priorities of their constituents. The results drive the timing and development of tactics. Decisions regarding the allocation of resources toward research, polling, media, grassroots, grass-tops, and other tools in the advocate's arsenal are based on the answer to the following question: What activity is most likely to motivate this particular public official? Even organizations that lack the resources to conduct a thorough assessment of an official's motivations would benefit from using this question as a starting point for advocacy planning.

Developing an enduring relationship with public officials in Congress and the Administration, as well as officials with regulatory and policy making bodies, is a key element of long-term advocacy success. A trusted advisor who can provide relevant, timely, reliable information and talking points on demand becomes a go-to resource, not only for the elected official but also for his or her staff and gatekeepers. Once advocates know what it takes to gain the support of public officials or their staff, they can work efficiently to meet the needs of these key targets. The more responsive an organization is to an of-

ficial's agenda, the more likely it is to be supported and its advocacy effort embraced.

Each of the coalitions profiled in this assessment conducted some degree of power analysis of decision makers and public officials to advance their cause. The Panel on the Nonprofit Sector formed in 2004 in response to congressional pressure to strengthen the accountability, transparency, and ethical conduct of the charitable sector. Panel members met regularly with the key Senate staff to understand their perspectives, intentions, and objectives as well as to keep them well informed of their actions. They also did the spadework to gather deep knowledge about key decision maker's backgrounds and motivations.

Another coalition, Patriots Defending the Bill of Rights (a bipartisan coalition formed after the passage of the PATRIOT Act in October 2001) used in-depth messaging and focus-group work commissioned by the ACLU to develop messages for specific constituencies. This allowed it to better understand lawmakers' perspectives and provide them tailored, nuanced messaging that ranged from eliciting overt support from voters to a more subtle approach that might afford political cover. Patriots Defending the Bill of Rights developed state-level support for congressional offices that was instrumental in moving the legislation. Health Care for American Now (a group of leading progressive organizations seeking to enact comprehensive health care reform) pursued this approach as well.

## POLITICAL ACTIVITY

Offering election-related support can also serve as a means to deepen relationships with lawmakers. While public charities and private foundations (both 501(c)(3) organizations) are prohibited from engaging in election activity, 501(c)(4) social purpose organizations can engage in independent, political campaign activity that includes making financial contributions, developing policy backgrounders, and lending staff

## KNOWN WINNERS, UNKNOWN LOSERS

In our research, experts cited the notion of “known winners and unknown losers.” This means policy changes have a greater chance of success if winners are clear and concentrated and the losers are vague and diffuse. For example, reform of energy policies often involves changing tax subsidies in ways that make the winners clear (i.e., well-organized interest group benefiting from the tax break) and losers less so (i.e., tax payers who may not know they are subsidizing this effort). Because of such issues of visibility—or the invisibility of who bears the burden or cost—one of the most important activities advocates can do is to meet with their Member of Congress to underscore in concrete, measurable ways how the otherwise “unknown losers” may be impacted by policy proposals.

to political campaigns.<sup>7</sup> Political action committees (PACs) are popular vehicles for providing resources to a candidate.

Strategic political expenditures help strengthen relationships with public officials, who appreciate the financial support in an era when running for election can cost hundreds of thousands or even millions

7. Rules regarding advocacy, lobbying, and political campaign activity vary for different types of nonprofit organizations. Public charities formed as 501(c)(3) organizations have the right to advocate for policies they believe in, and they may also engage in a limited amount of lobbying (i.e., advocate for or against specific legislation with legislators, legislative staff, executive branch officials, or the public). They may also engage in nonpartisan election-related activities such as get-out-the-vote drives or candidate forums. Private foundations, another type of 501(c)(3) organization, are generally not permitted to lobby (with some exceptions, which include self-defense, nonpartisan research and analysis, technical assistance to legislative bodies, and discussions of broad social problems), but they can inform public policy in other ways, including by providing general operating support to nonprofits that lobby on issues. Public charities and private foundations are both prohibited from engaging in partisan political campaign activity. Another type of nonprofit organization, 501(c)(4) social welfare organizations, may engage in unlimited advocacy and lobbying to advance their social purposes, and they may engage in limited political campaign activity as long as it does not constitute the primary activity of the organization. Political action committees, known as PACs, are permitted to campaign for or against specific candidates, ballot initiatives, and legislation. For more information, see “Rules Governing Nonprofit Lobbying and Political Activity,” Appendix A.



of dollars. In addition, donations increase the likelihood of access to members of Congress – and thus opportunities to build deeper relationships – during fundraising and other events.

In this assessment, experts generally felt that the combination of a 501(c)(3) and 501(c)(4) provided important advantages for advancing advocacy efforts, including the ability to accept donations that are eligible for charitable deductions by donors for nonpolitical activities such as research and education, as well as increased flexibility in lobbying and political activity. They did not feel that PAC contributions themselves influenced a legislator's vote (they are capped at \$5,000 per candidate per cycle). But several experts noted that members of Congress took note of, and afforded greater access to, those who spent generously on their political campaign fieldwork or assisted with bundling operations, which involve gathering contributions from multiple individuals or organizations for a candidate. PACs that helped officials get re-elected were able to attract more and more money on their own behalf in subsequent elections by virtue of their success. They could thus offer an increasing amount of financial support to lawmakers over time and, in turn, earn even greater leverage. Experts universally cautioned that 501(c)(4) organizations and PACs are expensive and time consuming to manage effectively.

- 4 Galvanize coalitions to achieve short-term goals.** Coalitions can be useful vehicles to aggregate the diverse elements necessary for an effective advocacy campaign. This is especially true when one organization does not have the requisite components necessary to execute an advocacy campaign alone. These components include a strong research capability, stakeholders in key states, access to targeted administration officials, a politically connected community with national leaders, a respected voice and clout, media access, staff expertise, and the means to support or oppose candidates for office.

Successful coalitions tend to form around a specific issue at a given moment and then disband or retool for the next issue. Retooling increases the likelihood that an advocacy campaign will succeed when there are intentional actions in response to new information,

a changing environment, or other circumstances that call for a prudent response. To some extent, coalition membership can evolve organically over time. New members may join. Others may depart due to limited resources, changing priorities, the chance of success, or for other reasons. However, successful advocates are more deliberate about coalition membership, opting for a more strategic and a less organic approach.

Many groups reach for natural allies within a field of practice or look to those who share similar ideological perspectives. Inviting “unlikely bedfellows” can help a coalition in several ways. It may help validate a policy position and attract greater interest from lawmakers and the media. Working with unlikely alliances may also allow an organization to advance its mission in a politically difficult climate. When the Republican Party controls Congress, for example, a progressive organization may encourage its more moderate and conservative partners to represent the coalition.

The Patriots Defending the Bill of Rights coalition offers an example. The bipartisan coalition was founded by the ACLU, which is known as a progressive organization, and included organizations on the political right such as the American Conservative Union. Conservative coalition members took the lead on reaching out to Republican offices and helped to provide political cover for public officials when needed.

## CHARACTERISTICS OF EFFECTIVE COALITIONS

While much has been written about what it takes for coalitions to thrive, this study revealed four cornerstones regarding coalition work that have the potential to enhance significantly the ways in which sector organizations advocate. They include:

- A strong leading or convening organization responsible for managing the structure, flow of information, resources, and strategy and that also provides stability for the larger group. The coalition is best positioned when the leading organization and other groups have engaged in significant building activities referenced earlier, either individually or



## CORPORATE-ORGANIZED COALITIONS

Being perceived as a broad lobby for the public good is always preferable to being perceived as motivated by self-interest. This lesson, gleaned from corporate policy experts, can lead private-sector coalitions to recruit nonprofit allies and can be applied to nonprofit coalitions. A recent effort related to Internet access provides a case in point. In October 2009, the Federal Communications Commission adopted net neutrality rules that would limit the ability of Internet service providers to slow or block access to sites.

Instead of creating their own advocacy campaigns, AT&T and other telecoms launched “Hands Off the Internet,” a coalition to oppose the new rules. It included civil rights organizations determined to ensure low-income populations and communities of color retained access to broadband. The convergence of these groups around a shared interest gave “Hands Off” a high degree of credibility that otherwise it might not have enjoyed.

collectively.<sup>8</sup> Leading organizations, however, must have the ability and willingness to discern what roles can be played most productively by others. Such decisions, for example, might include when to involve a neutral third party to facilitate a coalition meeting or when to recruit a credible community leader to serve as the spokesperson.

- The coalition should be united by a clear vision and a shared understanding of the compromises that the group agrees not to make; this may involve adhering to a strategy of “no compromise” in the beginning of building activities, but may take on quite a different approach in the endgame strategy. These explicit guideposts help individual organizations identify the overlap between the interests of the coalition and their self-interests. Clarity strengthens coalitions, as positions will likely be tested over the course of the advocacy campaign.
- Clear and predictable information and decision-making structures must balance strong, nimble leadership with coalition members having ownership over the group’s efforts and autonomy over their own actions. Allowing coalition members some flexibility regarding what actions they are willing to take helps to cultivate buy-in and engagement. When

used conscientiously, transparent decision making can help mitigate disagreements within the coalition.

- The muscle of any coalition lies in the complementary assets each organization brings to the table. Coalitions need members with a variety of different assets (e.g., funding, communications skills, relationships with key lawmakers, etc.), and those organizations must make a commitment to use them for the collective goal. The coalition’s strength also depends on engaging individuals who have the skills, authority, and time to participate in the strategy sessions and who are willing to spend the time executing the strategy. This approach ensures that the coalition has the resources and expertise it needs to be powerful.

These cornerstones provide stability, structure, predictability, flexibility, collective knowledge, tools, and the trust necessary for productive, coordinated action.

Research further revealed that successful organizations did not always use coalitions as the key vehicle for policy advancement. Over the course of a long-term advocacy effort and depending on the circumstances, nimble organizations executed their strategies alone, in collaboration with limited partners, or as part of large coalitions. In each case, a thoughtful strategy always determined the methodology – not vice versa. Coalitions were seen to be one of many means to the end goal.

8. This is a role often played by associations and membership organizations.

## 5 Ensure strong, high-integrity leadership.

Strong leadership is critical to effective advocacy. Individuals at the helm of successful advocacy organizations often display several common characteristics. They demonstrate integrity and transparency, build relationships that reflect a level of trust with colleagues and target audiences, and articulate a compelling vision and mobilize people around it.

### INTEGRITY

In this study, two qualities surfaced as key elements of leaders known for their integrity: honesty and sincerity.<sup>9</sup> Being an honest broker of information means sharing reliable, credible information in a transparent manner. This does not preclude being able to keep some information confidential, on occasion, at the request of a public official. But it does mean that all parties believe that they are working to achieve the agreed upon goals and will whenever possible share all relevant information. Because of their integrity, honest brokers are more likely to be able to partner with unlikely allies or manage long-standing antagonisms.

### RELATIONSHIPS

Given the primacy of relationships in successful advocacy efforts, it is beneficial for the leader to have access to – and preferably deep relationships with – key public officials, allies, and grass-tops leaders. Active outreach and networking with individuals on different sides of the ideological spectrum, when done openly and transparently, enables leaders to build trust, establish credibility, and take advantage of opportunities to move an advocacy issue forward. By its nature, relationship building often leads to increased visibility of a leader or organization, which may result in the growth of new partnerships or resources.

9. In the context of this report, sincerity refers to an individual's genuine belief in a cause. It involves remaining true to agreed upon principles even when politically expedient to do otherwise. Such leaders pursue an advocacy issue doggedly, in part, because they believe in its merits. Their actions and beliefs are congruous and both reflect the value placed on advancing their cause.

Individuals with a long history of advocacy in a given (or closely related) field are highly valued because of the time it takes to develop enduring connections and the advantages those connections provide. Like compounding interest in a bank, such connections grow increasingly valuable as longer-serving members of Congress not only earn seats on key tax and appropriations committees but also widen their influence with each year of successive seniority. At the same time, the relatively frequent turnover in Congress and successive Administrations means that leaders with shorter tenure can achieve significant goals if they assiduously develop the requisite relationships.

### VISION

Successful leaders excelled at motivating staff, volunteers, colleagues, and others to perform at their very best. They did not micromanage their staff (or their partners), but ceded day-to-day management to others. Their role was to convey a steady vision over the long haul, chart a path for accomplishing it, and offer course corrections as needed.

For decades, General Electric (GE) has built a corporate culture based on integrity. The company runs an expansive training program to inculcate its workers with its corporate values and emphasize their employees' role in maintaining GE's reputation as one of the world's most respected companies. GE also holds employees accountable to high standards of integrity. CEO Jeffrey Immelt called it a "one strike and you're out" approach. Even the appearance of dishonesty or duplicity tarnishes GE's reputation. Such behavior is not tolerated.

GE's approach to public policy is driven by Immelt's vision to integrate government relations into all levels of its business. This includes engaging senior and middle managers in developing government relations goals and strategies in an ongoing basis. Another important aspect of GE's advocacy work is building trustworthy relationships with policy makers. GE demands that staff exhibit credibility, reliability, and honesty in all dealings with government officials. Consistent with the corporate culture, GE representatives are counseled not to sacrifice the company's reputa-

tion for a short-term policy gain. Furthermore, GE has become a trusted resource for policy makers because they back their policy work with technical and business expertise. Their positions are well researched, clearly documented, and useful to decision makers. All told, GE has been able to position itself as an honest broker and trusted agent on legislative issues.

## A NEW STRATEGIC FRAMEWORK

The five approaches affirm the importance of several elements of advocacy and are well known to effective advocates: clear goals, strong relationships with public officials, productive coalitions, and skilled leaders. However, this study shows that it is not the presence of these elements that matters but rather the consistency with which they are applied, the sophistication of combining them properly, and judgment in knowing when, where, and how to so that will make or break an advocacy campaign.

For example, a common approach to advocacy involves setting goals and planning strategy based on available resources. The long-term approach described here recommends a different model: determining what assets are necessary to achieve a goal and then amassing and mobilizing them over the long term. Another example is the value of “building” activities over time, which may represent a shift for organizations that tend to reallocate resources away from advocacy efforts<sup>10</sup> when they are not actively engaged in a campaign. Similarly, organizations may customize tactics for targeted public officials and re-tool coalitions for each advocacy campaign. However, the extent to which these efforts are informed by deep research into the needs of public officials and the requirements for a successful coalition increases the likelihood of achieving the policy goal.

This strategic framework can help organizations in general – and the nonprofit and philanthropic community in particular – advocate more effectively by executing the

five approaches in concert, when and where appropriate, to help unlock consistent policy success over time. The study underscores the fact that no single model for successful advocacy exists. Each effort must be customized based on the issue and the particular moment in time. Developing an advocacy strategy that is effective requires creative judgment and significant skill to determine which approach is most effective. Effective advocates are opportunistic and nimble, as this assessment repeatedly showed, in adapting to changing circumstances that could further their organization’s agendas.

*The nonprofit community can advocate more effectively by executing the five approaches in concert.*

Even with all these elements and resources in place, the overall political climate can make a particular victory out of reach or just the opposite. The “art” of this process – and one of the primary purposes of this study – is to help advocates understand all of these elements and how to leverage them over time to advance their policy goals. Based on a comprehensive literature review, numerous case studies, and dozens of interviews, this report offers readers insight into those who have perfected the “art and science of advocacy.”

The ultimate goal is to help our individual organizations and the greater charitable community become more influential on the issues that affect the quality of life for the millions of people they serve daily.

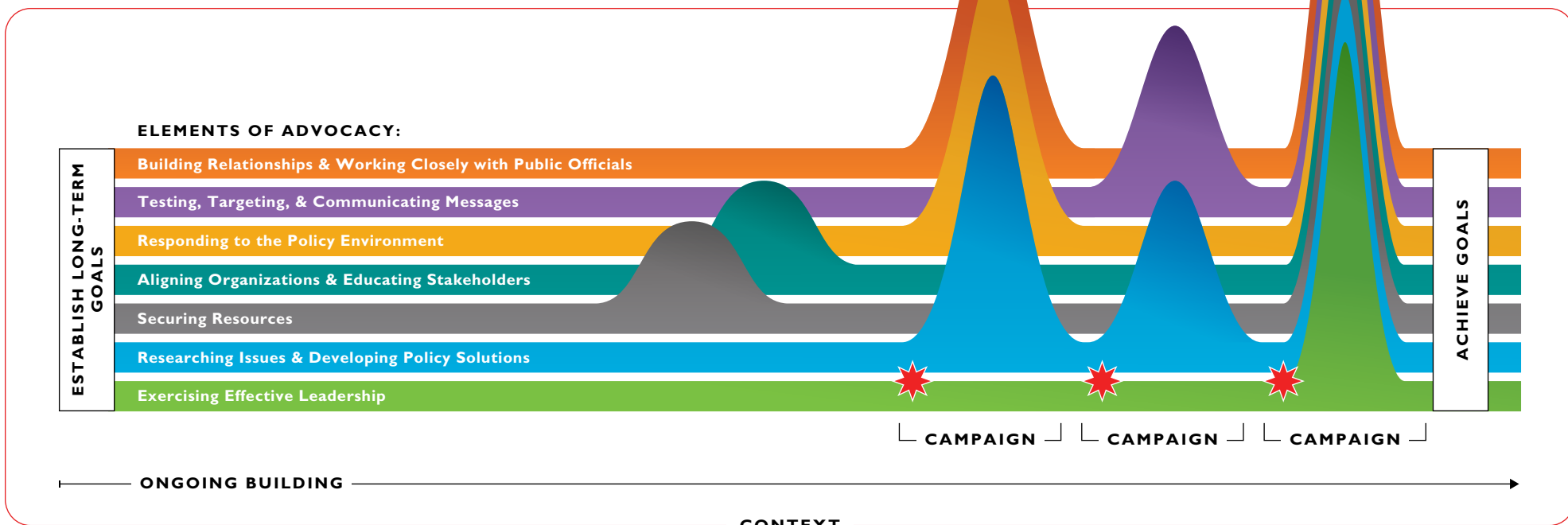
10. It is not uncommon for organizations to shift resources because their funders are not willing to invest in the building phases of advocacy.






# BEYOND THE CAUSE

THE *Art* AND SCIENCE OF ADVOCACY



**CONTEXT** influences every aspect of advocacy; this includes public opinion, political climate, major events and crises

**ONGOING BUILDING** is a process where advocates gather resources to marshal the elements of advocacy necessary for successful long-term goals

 **PRECIPITATING FACTORS** emerge from the context and catalyze campaigns

**CAMPAIGNS** are concentrated periods when advocates are mobilized in pursuit of the goal and leverage elements developed during ongoing building

To achieve long term goals, these elements of advocacy must be developed and sustained through ongoing building. The timing, scope, order, and intensity of campaigns vary depending on the issue and context.



**INDEPENDENT SECTOR**  
A vital voice for us all

# BEYOND THE CAUSE

THE *Art* AND SCIENCE OF ADVOCACY

## PERCEPTIONS OF ADVOCACY EFFECTIVENESS REGARDING SECTOR-WIDE ISSUES

### Introduction

Charitable and philanthropic organizations are created to serve the common good. Having long recognized the value that charitable organizations add to our communities and our world, for almost a century public officials have exempted these organizations from paying many taxes and have incentivized donations from the public that support their work. In return these organizations are bound by federal and state regulations and rules that govern their activities. These special protections and rules apply not only to funding flowing to charitable organizations, but also to a broad range of practices and permitted activities. These include, for example, rules regarding executive and board compensation, board governance obligations, income generating endeavors, government grants, distribution of philanthropic dollars, employee practices, IRS annual returns, and lobbying and political activity. Over the years as charitable organizations have proliferated and invented new structures and systems to achieve their missions, laws and rules have been added to ensure that the resources and activities of these groups continue to serve the public interest. While there are some rules that apply to specific types of organizations, such as nonprofit hospitals, private foundations, and credit counseling services, there are a number of policies and regulations that apply to a broad swath of organizations

serving quite different missions.<sup>1</sup> For the purposes of this study we have named these “sector-wide” policy issues.<sup>2</sup>

This paper analyzes the practices and effectiveness of nonprofit and philanthropic organizations in ensuring that sector-wide policies facilitate their work.<sup>3</sup> To facilitate this work, Independent Sector commissioned three surveys, over 100 interviews, and seven group conversations.<sup>4</sup> It also draws from a review of the literature pertaining to this subject and an analysis of six sector-wide policy issues that are currently relevant to many charitable organizations. Those issues are: IRS Forms 990 and 990 PF, advocacy and lobbying regulations,<sup>5</sup> charitable tax deduction, government contracting with nonprofits,

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1. See “Sector-Wide Public Policy Issues,” Appendix B for a full list.
  2. In this study, sector-wide public policy issues refer to those rules and benefits afforded to nonprofits and foundations across subsectors, such as the nonprofit tax exemption, the charitable tax deduction, and regulations that govern the advocacy activity of sector organizations.
  3. This paper uses the terms charitable and nonprofit interchangeably.
  4. See Methodology, Appendix D for more details.
  5. In this study, “advocacy” as a sector-wide policy issue refers to the public policy implications of definitions of permissible advocacy, lobbying regulations, and political activity for tax-exempt organizations.

government-funded research on the charitable community, and nonprofit tax exemptions.<sup>6</sup>

This paper is structured in three parts:

1. *External perceptions of the nonprofit and philanthropic community* provides a brief overview of public opinion of the nonprofit sector in comparison with business and government. In addition, it includes opinions of government officials and D.C. thought leaders on nonprofits' contributions to society and advocacy efforts.
2. *Nonprofit and philanthropic community's relationship to sector-wide issues* describes the general level of awareness and engagement of all sector organizations in relation to these issues.
3. *Advocacy capabilities on sector-wide issues* looks closely at the networks and practices of engaged organizations. Observations and conclusions by the authors of this study are based on data from multiple sources.

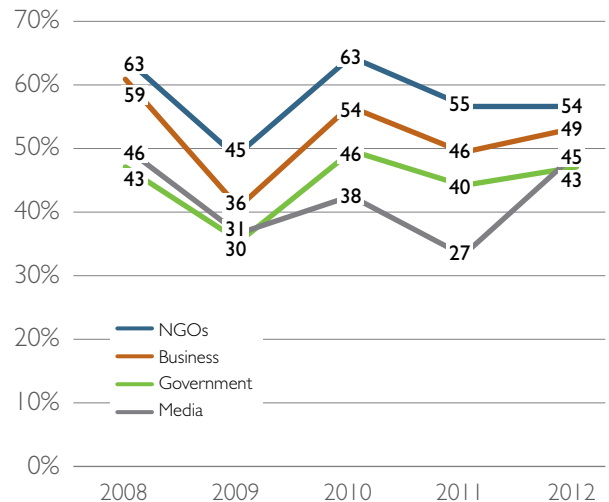
The findings paint a mixed picture. While the public and Washington, D.C., insiders view the sector in generally positive terms, this study identified several weaknesses in the sector's ability to achieve its public policy goals consistently over time.

## External Perceptions of the Nonprofit and Philanthropic Community

The nonprofit and philanthropic community currently enjoys favorable public opinion. Surveys have shown the public has greater trust in the nonprofit community than in business and government. For example, the Edelman Trust Barometer found that informed publics consistently give the NGO (nongovernmental organization) community higher ratings than the other sectors (see Figure 8.1).

6. Full definitions of the six issues addressed appear in the Methodology, Appendix D.

FIGURE 8.1  
TRUST IN INSTITUTIONS, 2008–2012



Source: Edelman Trust Barometer; 2011 and 2012 Survey of U.S. informed publics.

Note: "Edelman Trust Barometer, 2012 Annual Global Study," <http://trust.edelman.com/>; "Edelman Trust Barometer, 2011 Annual Global Study," <http://trust.edelman.com/>

Independent Sector commissioned a survey for this study to determine what public officials and thought leaders (such as the media, association and interest group executives, and professionals that are highly engaged in political activities) in Washington, D.C., thought of the nonprofit and philanthropic communities and their advocacy activities.<sup>7</sup> The survey revealed generally positive results, with some cautionary findings.

Thought leaders see charities and foundations as organizations that provide services to help others, provide an alternative to government, are motivated by the common good, and provide a vehicle for engaging communities, fostering altruism, and allowing the public to donate resources to benefit others. Their greatest concerns about the nonprofit community related to questions about wasteful spending and high administrative costs,

7. The survey was conducted as part of Harris Interactive's Spring 2011 Beltway Omnibus. Survey results appear in Appendix C, Methodology appears in Appendix D.



fraud within the sector, and political activity that was perceived as inappropriate for this class of organizations.<sup>8</sup>

When asked about factors that influence nonprofit success in public policy, Washington influentials listed a wide range of assets. In order of frequency, these included nonprofits':

- broad reach and many engaged stakeholders
- strong reputation and communications abilities
- engagement in lobbying and political activity
- focus on the common good rather than self-interest
- strong organizational management and governance practices
- access to resources from individual donors and other sources

There was overwhelming agreement among respondents that corporations have a greater influence on public policy decisions in Washington, D.C., than do nonprofit organizations. An average of 86 percent believed that corporations have significant influence on policy decisions, while only 38 percent believed the same of the nonprofit community.

The survey also asked specifically about the impact of sector-wide issues on organizations' abilities to achieve their goals. More than three-quarters of respondents said that tax exemptions and the charitable tax deduction significantly help nonprofits to achieve their missions. This finding was welcomed by organizations making the case for maintaining current benefits in these areas. Two other issues received less attention: less than half of the respondents thought that the federal budget cuts and advocacy regulations have a significant impact on nonprofit mis-

sions. This perception is inconsistent with the experience of organizations that are largely funded by government and by organizations that pursue public policy advocacy as a vehicle toward securing systemic change.

## Nonprofit and Philanthropic Community's Relationship to Sector-Wide Issues

A national random sample survey<sup>9</sup> of charity and foundation leaders explored the relationship of sector organizations to the sector-wide issues listed above.<sup>10</sup> Specifically, the survey explored the leaders' awareness, engagement, and perceived importance of each of the issues, and whether mission area or budget size affected organizations' relationship with the issues.

The survey revealed that awareness and engagement varied by issue. Sector leaders were most likely to be aware of tax-related issues—the charitable tax deduction and nonprofit tax exemptions.<sup>11</sup> Engagement was low across all issues, with less than 5 percent engagement on any one issue (see Figure 8.2).

Organizations with revenues of over \$1 million were more likely to be aware of the charitable tax deduction than other issues, and nonprofits with annual revenues of over \$5 million were more likely to engage in policy issues related to government contracting with nonprofits.

8. During interviews, nonprofit leaders expressed appreciation for the positive public opinion but worried that the public and "key influentials" in Washington, D.C., do not understand the depth and breadth of the sector's role in society. Several cited, for example, a lack of awareness related to the sector's role as employer of 10 percent of the workforce; educator of the public about issues related to the common good; advocator, especially for underserved or marginalized populations; and mobilizer of volunteer power for the sake of local communities, to name a few.

9. The survey was conducted by phone between December 21, 2011, and January 26, 2012. Respondents were a random sample of 500 public charities and private foundations. The sample was weighted for NTEE (mission area) groups, annual revenue (for charities), fair market value of assets (for foundations), and region. For details, see the Methodology, Appendix D.

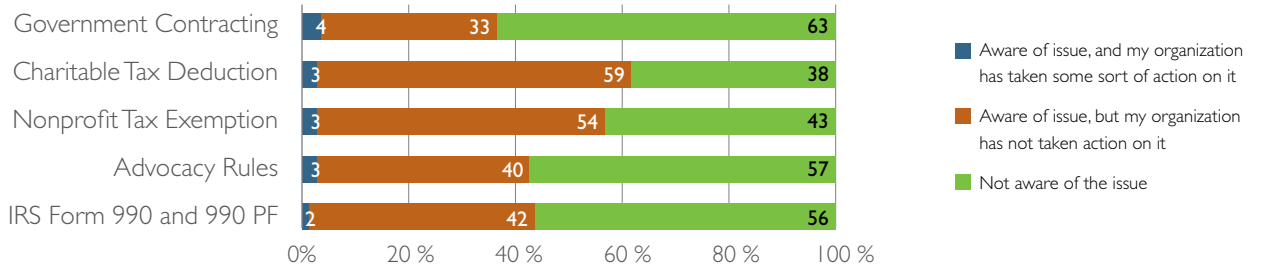
10. Issues included in the random sample survey included: IRS Forms 990 and 990-PF, advocacy and lobbying regulations, charitable tax deduction, government contracting with nonprofits, and nonprofit tax exemptions. This survey did not include questions related to government-funded research on the nonprofit community.

11. It is no surprise that organizations are aware of those issues considering that Congress and the Administration have indicated that as part of their tax policy review they also will be looking at the tax-exempt sector.



FIGURE 8.2

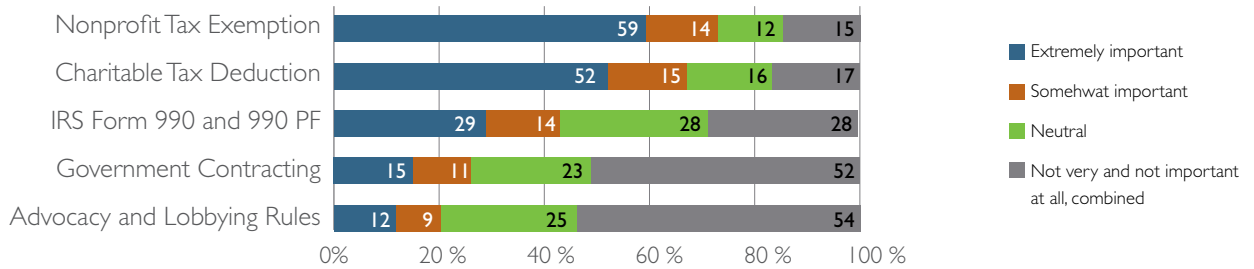
**AWARENESS OF AND ENGAGEMENT IN SECTOR-WIDE ISSUES**



A random sample of nonprofits and foundation leaders were asked, "Which of the following best describes your organization's involvement with the [issue] over the last five years?"

FIGURE 8.3

**PERCEIVED IMPORTANCE OF SECTOR-WIDE ISSUES**



A random sample of nonprofit and foundation leaders were asked, "How important are each of the following issues to your organization?"

Perceived importance varied greatly across the issues studied. Once again, the two tax issues received the highest ratings (see Figure 8.3).

The survey also found that human service and health organizations were more likely than other groups to identify each of the sector-wide issues as important. There was no correlation between annual revenue and perceived importance.<sup>12</sup>

In general, nonprofit tax exemptions and the charitable deduction were identified as mainstream issues, con-

sidered very important and yet revealed relatively low engagement. Government contracting and advocacy regulations emerged as niche issues, as they garnered overall low importance but high relative engagement from specific clusters of organizations.

**Perceptions of Advocacy Effectiveness Regarding Sector-Wide Issues**

The "Summary: Essentials of Successful Advocacy," which appears earlier in this volume, outlines five approaches used by advocates that have helped to achieve their policy goals over time, including identifying and maintain-

12. There appears to be a lack of consistency in types of organizations that indicated increased awareness, engagement, and perceived importance of sector-wide issues, respectively. These findings may warrant further research.



ing focus on specific long-term policy goals, developing deep relationships with public officials, and investing in the essential building blocks that will support specific advocacy campaigns such as research, communications, and the connections to grassroots constituents—in an ongoing way. These time-tested approaches were used as the starting point for the categories of analysis of advocacy capabilities of sector-wide issues that appear below:

- long-term goals and approach
- collaboration and network structure
- relationships with public officials
- research
- communications
- grassroots
- leadership

The information used for this analysis was gathered from the 528 organizations that had taken action in the last five years on at least one of the six issues studied.<sup>13</sup> The analysis was based on responses provided in an email survey, 32 in-depth interviews, and seven group discussions. While perceptions that were widely held were given greater weight in the analysis, authors of this study did not verify independently the opinions expressed by study participants.

## LONG-TERM GOALS AND APPROACH

**Perception #1:** Organizations engaged in sector-wide advocacy would benefit from clearly articulated, long-term public policy goals for themselves and for the sector.

General agreement exists that the goal of sector-wide issues is to strengthen the nonprofit and philanthropic

community so that organizations might better serve their missions; however, organizations disagree about what public policy outcomes to prioritize, especially over the long term. Interviewees offered several explanations for a lack of consensus on a shared vision. Some opined that it was due to the absence of leadership and focus: that no leader has stepped forward to unify sector organizations around a shared long-term vision. Others argued that it would be very difficult to develop a broadly shared agenda because of the diversity of sector organizations and their interests. As one CEO said, “There are times when there are parts of our sector that are at war with each other” about sector-wide issues.

Several of the leaders interviewed expressed a sense of urgency and a willingness to move toward a shared vision and priorities, as difficult as that may be. “What is it that the sector could agree upon? ... That’s the debate we need to have,” said one leader.

**Perception #2:** The majority of advocacy on sector-wide issues was reactive, conducted in response to proposals from government, and did not reflect a proactive policy agenda.

A vice president of government relations said her sector-wide priorities were established based on, “what the biggest threat to the sector is” and an analysis of “what’s Congress going to be doing?” A CEO echoed this approach, stating that her organization’s sector-wide policy priorities “change all the time.” Most interviewees agreed on two points that described the reactive nature of sector-wide policy priorities. First, the starting point for policy engagement was often protecting benefits that organizations currently enjoy and, second, it was much easier to mobilize their organization (and sometimes their members or affiliates) around a threat. While it was relatively easy to mobilize organizations around a threat, a lack of urgency and sometimes also clarity has been an obstacle when organizations pursued proactive policy solutions. A senior leader remarked that even if “everyone agrees with the problem, not everyone agrees with the solution.” In addition, lack of resources was consistently mentioned as an obstacle in developing and pursuing proactive policy solutions.

13. The 528 organizations were identified through their participation in public advocacy activities, such as joining a coalition or a sign-on letter. This group does not represent all organizations engaged in sector-wide issues; it is limited to groups that took public action on the issue or self-reported engagement on a survey. Organizations from the random sample survey that indicated engagement in these issues were not included in data gathering for this section of the report. Please see the Methodology in Appendix D for additional information.



## DIFFERING PERSPECTIVES ON IMPLICATIONS OF FEDERAL BUDGET ISSUES

Interview subjects were asked to identify the most significant public policy threat or opportunity facing the nonprofit and philanthropic sector. The answers confirmed a lack of consensus about public policy priorities—not surprising given the lack of agreement over long-term policy goals. While almost all interviewees named issues related to the federal budget and national deficit, perceived implications of these challenges for their own organizations and the sector at large varied widely. Responses generally fell into one of four categories:

- an expressed need to revisit the social compact and better define the responsibilities the U.S. government has to its people
- the far-reaching impact of significant, across-the-board spending cuts that are expected in the future
- threats to nonprofit tax exemptions and/or the charitable deduction
- the imperative to secure government funding for specific types of nonprofit organizations serving vulnerable populations

Over half of those interviewed referenced a distinction between prioritizing policy issues that supported society-wide issues often referred to as “the common good” (as evidenced by the first two categories above) and issues that supported nonprofit organizations specifically. Leaders concerned about promoting the common good implored the organizations engaged in sector-wide issues to be visionary not protectionist. They argued that the sector should engage in a values-based public discussion on likely budget cuts, which would likely have a far greater impact on the sector’s bottom line than the tax-exemption issues. In contrast, others asserted that protecting the self-interest of the nonprofit sector is an important way to promote the common good; they did not distinguish between these two categories.

**Perception #3:** There was a lack of consensus on public policy goals of specific sector-wide issues.

Survey results revealed the absence of a consensus regarding policy goals on several sector-wide issues (see Figure 8.4). Responses varied significantly across issues. For example, 32 percent strongly agreed that there was a broad consensus around charitable tax deductions—namely to protect the existing deduction—but only 3 percent strongly agreed that there was consensus around the policy goals related to government-funded research on the nonprofit community. On average, 15 percent of respondents indicated that they strongly agreed there was a consensus on policy goals related to a particular issue, with an average of 33 percent additional respondents somewhat agreeing.

The highest level of agreement on policy goals appeared in relation to the charitable tax deduction and the nonprofit tax exemption. These issues also are current threats to the sector, and reinforce the earlier suggestion that the sector is able to come together around threats and during crises.

## COLLABORATION AND NETWORK STRUCTURE

**Perception #1:** There is a modest level of coordination across organizations engaged in sector-wide advocacy.

Survey results found that coordination across organizations varied by issue but on average, 35 percent of respondents believed that organizations were very effective at coordinating with others. Another 24 percent of respondents (on average) thought coordination across organizations was somewhat effective (see Figure 8.5). The policy issue with the greatest amount of perceived coordination—the charitable tax deduction—was the most active issue at the time of the interview, as many sector organizations were involved in mostly opposing President Obama’s proposal to limit the deduction for high income earners.<sup>14</sup> This finding is consistent with the

14. See “Issue Paper: Charitable Tax Deduction” in this study for more information.



earlier conclusion that sector organizations will work collaboratively in response to a commonly perceived threat.

Some interviewees provided examples of effective coordination across organizations. They reported communicating and lobbying regularly with other advocates; attending monthly breakfasts convened by Independent Sector to discuss sector-wide issues; joining coalitions; and signing joint letters to public officials when applicable.

However, a majority of interviewees suggested that the level of current coordination is limited in scope and there was significant room for improvement.

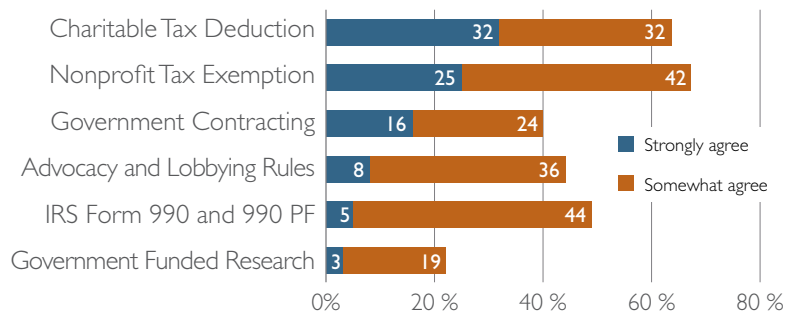
**Perception #2:** Coordination among organizations was limited for a variety of reasons and, ultimately, restricted the network’s effectiveness in achieving their sector-wide goals.

The general consensus among interviewees was that many advocates knew and communicated with each other but did not coordinate well, and they cited numerous examples to illustrate the point. These included advocates running into colleagues while lobbying the same Member of Congress or staff on the identical issue; multiple organizations issuing their own letters rather than agreeing on one unified message to share with the field, the Administration and Congress; and a lack of meaningful and timely information sharing across organizations about policy developments and strategy.

Lack of trust among organizations emerged as one of the most important reasons for inadequate coordination. Other reasons included the apparent absence of shared goals and willingness of organizations to “step back or step up” depending in the situation. Some sector leaders suggested that the obstacles to productive collaboration were structural. Namely, that each organization is beholden to its own board of directors and for some, its membership, which can inhibit the flexibility of a particular organization from joining a coalition or signing a letter circulated by another organization. In addition, foundations, members, and other stakeholders often press organizations to differentiate themselves, rather than join a collective effort and share credit. Another structural

FIGURE 8.4

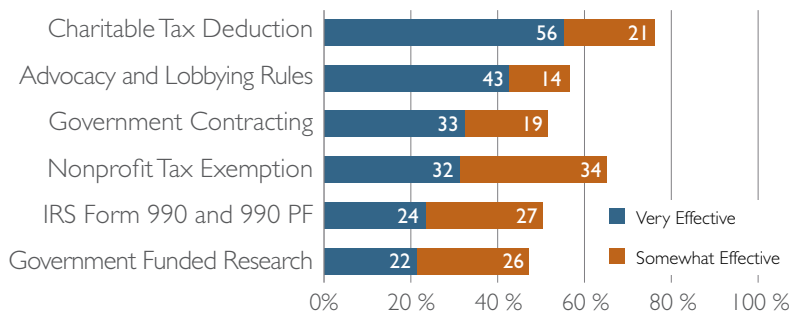
**ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY HAVE A BROAD CONSENSUS ABOUT PUBLIC POLICY GOALS RELATED TO EACH ISSUE**



Results from survey to public policy professionals aware of sector-wide issues. Respondents were asked to address the following regarding issues of which they were aware: How much do you agree or disagree that there is a broad consensus within the nonprofit and philanthropic community about the public policy goals in each of these areas?

FIGURE 8.5

**ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY REGULARLY COORDINATE WITH OTHERS**



Results from survey of public policy professionals engaged in sector-wide issues. Respondents were asked to address the following regarding issues in which they were engaged: In general, does the group of organizations engaged in this issue regularly coordinate with other organizations working toward the same or similar policy goal? [Yes/No] If yes, in general, how effective are these organizations with this element of advocacy?



problem noted was the capacity of various organizations to invest in collaborative work. Some organizations leading advocacy efforts found it difficult to continue to engage advocates with limited resources or assets to contribute to joint efforts.

One foundation leader summarized the status quo in this way, “There is a lack of coordination and I get it. I know why, but we need to work against it.” Another foundation leader echoed the point and noted that “putting together limited firepower” would increase the network’s collective impact.

Sector leaders underscored that additional time and resources were necessary to build effective collaborations.

**Perception #3:** Many leaders were hesitant to leverage their organization’s relationships or assets toward collective sector-wide goals.

Most organizations develop advocacy assets—grassroots, grass-tops, relationships with key public officials, etc.—in order to support their public policy priorities. The same is true with the network of groups engaged in sector-wide advocacy. While a number of interviewees reported that some colleagues would contact a key public official on behalf of sector-wide issues, they also acknowledged that many organizations were reluctant to expend advocacy assets on these issues. For example, advocacy organizations dedicated to issues such as human rights, the environment, or health issues may be able to mobilize hundreds or thousands of grassroots supporters for their cause, but many were unwilling or unable to marshal those resources towards sector-wide issues. One nonprofit leader defined her organization’s limited engagement in sector-wide issues in this way, “we have to stay very focused on either what impacts us directly or what we care most about.”

As a result, advocacy assets throughout the network were viewed as belonging to the organization and not to the collaborative effort. Sector leaders, on one hand, understood the need for organizations to focus on their own priorities but, on the other hand, were concerned that organizations are not deploying their collective mus-

cle in the most effective and efficient way. One senior policy leader with several years of experience working in sector-wide coalitions remarked: “I don’t think people in this community have ever really put their assets on the table ... I’ve never been at a meeting on nonprofit issues and talked about, really, what assets they have.”

**Perception #4:** The way in which sector-wide advocacy activity was conducted was not optimal, but disagreement existed about the best path forward.

Interviewees identified several shortcomings in the way in which the sector-wide network conducts its business. First, many of the existing broad-based coalitions and work groups lack representation from several arms of the nonprofit community, such as hospitals, universities, and religious institutions. Second, the lack of an inclusive agenda setting processes contributed to the reasons why some organizations stated that they were reluctant to allocate resources to sector-wide issues. Several feedback groups had robust conversations about this topic, recognizing both the difficulty and importance of developing a shared agenda that inspires organizations to buy-in to collective goals and act on them.<sup>15</sup> Finally, several interviewees believed that the current network lacks the resources it needs to achieve its goals consistently and to pursue a long-term agenda. Even if organizations agreed to deploy their assets toward sector-wide issues, interviewees argued, activities such as developing shared goals and ensuring ongoing coordination requires a level of resources that the nonprofits in the network do not currently have.

Several interviewees echoed the need to have a national coordinating body to bring together “networks of networks” engaged in and affected by these issues. However, there were competing recommendations for how it should be structured. Some sector leaders argued that, in order to be sustainable financially, the organizing body needed to recruit large, well-resourced organizations prepared to contribute significantly to the maintenance of a strong sector-wide advocacy network. Others suggested that a “pay-to-play” model—even with flexibility

15. Feedback groups were groups of sector leaders convened to identify and discuss key issues emerging from the findings of this study. For more information see the Methodology in Appendix D.

to include in-kind resources —was not appropriate for the charitable community because most organizations have budgets of under \$1 million and the values of fairness and inclusion that characterized the sector militated against such a structure. Still others suggested that foundations are in a position to support and sustain a robust sector-wide network even though few do at present.

## RELATIONSHIPS WITH PUBLIC OFFICIALS

**Perception #1:** Close relationships with key public officials have driven successful sector-wide advocacy campaigns; however, many organizations' relationships with public officials are limited both in terms of number and depth of connections.

Organizations working on sector-wide issues have achieved significant successes in the last several years. Among them was the Pension Protection Act of 2006, legislation that promoted transparency, accountability, and good governance in the nonprofit community. The coalition profile on the Panel on the Nonprofit Sector in this study describes how close relationships with lawmakers and their staffs were critical to the sector's success.<sup>16</sup> More recently, many count the sector's ability to preserve the charitable deduction in spite of proposals by President Obama on seven separate occasions to reduce it as another public policy success story.<sup>17</sup> Advocates involved in this issue attribute the success, at least in part, to consistent communication with leaders on the tax-writing committees in the House of Representatives and Senate. Such ongoing communication is evidence of relationships between sector organizations and key public officials that likely have been cultivated over time.

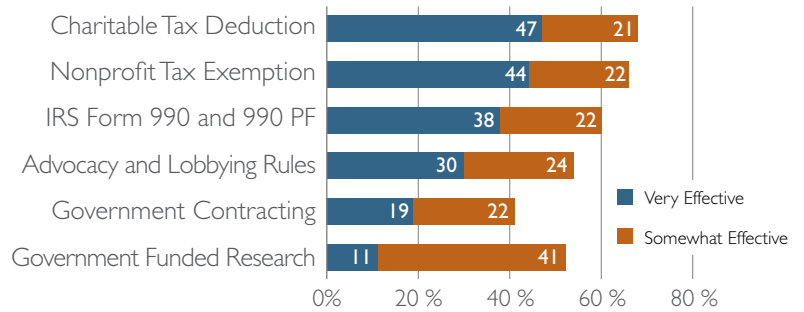
Survey respondents and interviewees called for more robust relationships with public officials on other issues that had not enjoyed similar success. Interviewees noted the lack of champions for the nonprofit community in Congress, and survey results showed that the strength of relationships with government officials varied by is-

16. For more information, see "Case Study Coalition Profiles."

17. For more information, see "Issue Paper: Charitable Tax Deduction."

FIGURE 8.6

### ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY HAVE RELATIONSHIPS WITH RELEVANT POLICYMAKERS



Results from survey of public policy professionals engaged in sector-wide issues. Respondents were asked to address the following regarding issues in which they were engaged: In general, does the group of organizations engaged in this issue have relationships with relevant policy makers to advance this issue? [Yes/No] If yes, in general, how effective are these organizations with this element of advocacy?

sue (see Figure 8.6). Over 40 percent of respondents thought engaged organizations were very effective at leveraging relationships with public officials around the two tax issues (47 percent for the charitable tax deduction and 44 percent for the nonprofit tax exemption). In contrast, less than 20 percent of survey respondents thought engaged organizations had built or leveraged their relationships with public officials who might be helpful with policy pertaining to government-nonprofit contracting (19 percent) and government-funded research on the sector (11 percent).

Generally, respondents believed that relationships with members of congressional tax-writing committees and IRS officials responsible for oversight of the nonprofit and philanthropic community (including the Forms 990 and 990-PF) were seen as relatively strong, but many of the organizations engaged in sector-wide advocacy lack deep knowledge of, or have built relationships with, officials from other committees or agencies. A former government official familiar with sector-wide issues suggested that sector organizations should develop stronger relationships with key officials in agencies such as the Office of Management and Budget, the Congressional

## THE POLITICAL ACTIVITY QUESTION

Sector leaders and former government officials had strong but varying opinions about whether organizations should engage in political activity around sector-wide issues.<sup>1</sup> Most groups engaged in these issues are 501(c)(3) organizations and therefore subject to restrictions on lobbying and political activity. The question for sector advocates was whether to establish 501(c)(4) organizations or political action committees (PACs), which they believed would allow a greater range of advocacy strategies and increased access to elected leaders.

One common argument for engaging in political activity was that it enabled organizations to work more effectively toward long-term goals. One leader articulated the benefits of political activity as, “The 501(c)(3) has a large portfolio of legislative positions ... they are dealing with legislative issues for that particular fiscal year ... essentially playing the hand you’re dealt.” In contrast, the 501(c)(4) entity “is

looking 12, 15 years ahead saying, this is where we want to go. And we’re trying to influence candidates now to get us close to that bigger vision.” Other benefits of 501(c)(4)s cited included more opportunities to develop relationships and trust with elected officials; fully engage grass-tops contacts; and build relationships and partnerships with other advocates through attendance at fundraisers and events.

A number of sector leaders were opposed to engaging in political activity because they felt it would taint the non-partisan image of charities and because advocates supporting sector-wide policy issues were likely to be outspent by corporations and other well-resourced groups.

There was widespread consensus that any political activity would require significant resources both to manage the (c)(4) and to enable support of candidates.

1. Rules regarding advocacy, lobbying, and political campaign activity vary for different types of nonprofit organizations. Public charities formed as 501(c)(3) organizations have the right to advocate for policies they believe in, and they may also engage in a limited amount of lobbying (i.e., advocate for or against specific legislation with legislators, legislative staff, executive branch officials, or the public). They may also engage in nonpartisan election-related activities such as get-out-the-vote drives or candidate forums. Private foundations, another type of 501(c)(3) organization, are generally not permitted to lobby (with some exceptions, which include self-defense, nonpartisan research and analysis, technical assistance to legislative bodies, and discussions of broad social

problems), but they can inform public policy in other ways, including by providing general operating support to nonprofits that lobby on issues. Public charities and private foundations are both prohibited from engaging in partisan political campaign activity. Another type of nonprofit organization, 501(c)(4) social welfare organizations, may engage in unlimited lobbying to advance their social purposes, and may engage in limited political campaign activity as long as it does not constitute the primary activity of the organization. For more information on nonprofit advocacy, lobbying and political campaign activity regulations, see Appendix A. <http://www.independentsector.org/uploads/advocacystudy/IS-BeyondtheCause-RulesandRegs.pdf>

Budget Office, and the Treasury Department’s Office of Tax Analysis in order to share information and be in a position to identify and work on mutual goals.

**Perception #2:** Sector-wide advocacy efforts would benefit from specific strategies to increase the sector’s visibility and influence among public officials.

Many of the interviewees noted that leaders representing the nonprofit and philanthropic community were absent from important public policy discussions in Washington, D.C., such as the economy, employment, and other broad issues that affect sector organizations and the communities they serve. Several respondents specifically noted that government representatives viewed the busi-

ness sector as a vital partner in these discussions. They suggested the sector should develop clout and power, so that public officials would seek sector input. To do so, they argued for ensuring access to credible research to be used in developing policy solutions, pursuing communications strategies promoting the sector in every congressional district, and building grassroots power and grass-tops connections.

A former public official noted that the sector should develop its reputation as a standard bearer for the common good and partner with government, claiming that it is often perceived as just “another interest group” that might be more part of the problem than part of the solution.

RESEARCH

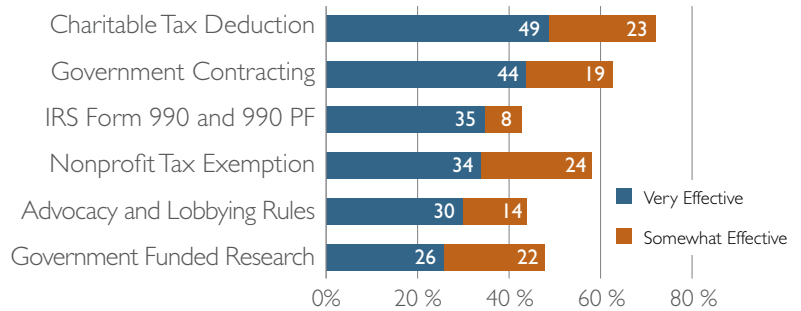
**Perception #1:** Several recent studies have contributed significantly to the understanding of and advocacy for two sector-wide issues.

Advocates welcomed recent research on the charitable tax deduction and government-nonprofit contracting. In 2011, the Urban Institute launched a project dedicated to studying the impact of tax issues on the nonprofit community.<sup>18</sup> Several papers released in its first 18 months have been used by advocates to help frame their communications and advocacy strategies.<sup>19</sup> In addition, a paper by the Urban Institute and a companion paper by the National Council of Nonprofits, both released in October 2010, have helped to galvanize state-level advocacy efforts related to government-nonprofit contracting.<sup>20</sup> Survey results reflected these developments: 49 percent and 44 percent of respondents reported that research in these areas was “very effective.” These were among the highest “very effective” rankings across the survey (see Figure 8.7).

Research on other issues received lower marks. Interviews suggested this was because studies were dated, the scope of research was not directly relevant to public policy proposals, or of a lack of research in a particular area.

**Perception #2:** There remain significant gaps in available research and well-developed policy proposals that could support sector-wide advocacy efforts.

FIGURE 8.7  
ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY HAVE CREDIBLE RESEARCH ON THIS ISSUE



Results from survey to public policy professionals engaged in sector-wide issues. Respondents were asked to address the following regarding issues in which they were engaged: In general, does the group of organizations engaged in this issue have credible research on this issue? [Yes/No] If yes, in general, how effective are these organizations with this element of advocacy?

Several leaders interviewed lamented the lack of ideas, research, and well-developed policy proposals on issues that would support the nonprofit community. This gap took two forms. First, the substantial absence of policy proposals designed to strengthen nonprofits and foundations. One researcher described his search for such information and remarked, “One of the major takeaways from that exercise for me was how little there was to choose from.” Another researcher described several challenges when trying to pursue a research agenda that addressed proactive policy issues. Observers pointed to the limited funding and investment in this area.

A second gap pertained to the availability of timely information that described the scope, impact, and value of the sector. For example, data on nonprofit sector organizations employing some 12 million workers or a state-by-state analysis of the value of charitable organizations to local economies had been hard to find on a regular basis. There were some studies that reported on these issues, but no comprehensive, consistent, timely system for collecting and sharing such information.<sup>21</sup>

18. See Urban Institute’s Tax Policy and Charities project for more details. “Tax Policy and Charities,” Urban Institute, <http://www.urban.org/taxandcharities/index.cfm>

19. For example, see Roger Colinvax, Brian Galle, and C. Eugene Steuerle, “Evaluating the Charitable Deduction and Proposed Reforms” Urban Institute, June 13, 2012, <http://www.urban.org/publications/412586.html>; Jon Bakija and Bradley T. Heim, “How Does Charitable Giving Respond to Incentives and Income? New Estimates from Panel Data” *National Tax Journal* 2, pt. 2 (June 2011): 615-650, <http://web.williams.edu/Economics/wp/BakijaHeimCharity.pdf>

20. Elizabeth T. Boris, Erwin de Leon, Katie L. Roeger, Milena Nikolova, “Human Service Nonprofits and Government Collaboration: Findings from the 2010 National Survey of Nonprofit Government Contracting and Grants,” Urban Institute, October 7, 2010; “Costs, Complexification, and Crisis: Government’s Human Services Contracting ‘System’ Hurts Everyone,” National Council of Nonprofits, October 7, 2010; <http://www.govtcontracting.org/sites/default/files/Costs%20Complexification%20and%20Crisis.pdf>

21. For more information, see “Issue Paper: Government-Funded Research on the Nonprofit Sector” in this study.

## TRENDS IN TYPES OF ADVOCACY

Given the severe budget constraints and recent gridlock in Congress, advocates reported increased focus on areas other than lobbying with the Congress. Several sector leaders expressed a growing interest in building relationships with public officials in the Administration and relevant agencies; advocacy in the regulatory arena; and researching policy change opportunities that did not require legislative fixes. Four national associations indicated a shift in attention and resources toward state-level advocacy. The motivation was two-fold: the significant obstacles to federal advocacy and the fact that sector-wide issues—including those related to nonprofit tax exemptions—are playing out at the state level.

Of note, participants reported a declining interest in judicial advocacy on behalf of progressive causes citing the current composition of the Supreme Court, which added a level of risk to the types of legal challenges that organizations may have brought forward in a different era.

A number of interviewees called for increased coordination among researchers and advocates to help to develop a meaningful research agenda that can support the nonprofit and philanthropic sector generally and sector-wide advocacy efforts specifically. The Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA) has begun to develop such an agenda though several nonprofit respondents and researchers were unclear on its status.

**Perception #3:** There was deep support for and interest in research that would demonstrate the value of the sector to society.

Participants expressed significant interest in research that measures the range of impact nonprofits have on their communities. Hospitals and other types of organizations have developed systems to quantify public outreach and education, free services, research, and other contributions nonprofits make to their communities. Several types of organizations—especially those that are facing

questions about their tax-exempt status—indicated an interest in learning how to measure the value of their contributions to the common good. One advocate reported that she was a member of a coalition struggling to defend nonprofit tax exemptions at the local level. When the coalition hired experts in these areas to help define their value, the research “was extremely detailed ... layering of information we would never have thought to ask.” Once the coalition began to use the community value data, she said “it changed everything,” and they were able to prevail in their advocacy efforts. A number of advocates agreed that it will become more important for more types of organizations to quantify their value-added benefits to society as tax exemptions continue to be questioned, especially at the state and local level.

## COMMUNICATIONS

**Perception #1:** Communicating with audiences outside of the charitable sector was considered important, though current efforts were viewed as relatively weak.

Survey results revealed that communications and media strategies related to sector-wide issues were among the areas where the organizations were seen to be the least effective (the only area where the sector was seen as even less effective was in mobilizing grassroots constituents). In four of the six issues discussed, respondents that believed communications strategies were “very effective” ranged from 16 to 22 percent (see Figure 8.8). Interviewees suggested that many sector-wide issues were not appropriate for broad-based communications strategies but that two types of communications would be relevant to these issues. These included carefully targeted communications about specific issues to key audiences and a robust strategy to educate public officials and key stakeholders about the value of the sector at large.

Interviewees described several examples of how limited communications about the sector and its impact on communities and society at large became missed opportunities. As an example they noted that the nonprofit and philanthropic sector created jobs during the recent recession, but that many public officials and the general public did not know that information. In addition, lob-



byists continually are “startled” (to quote one typical interview respondent) at how little public officials know about the sector. Even staff members of many nonprofit organizations, they observed, do not see themselves as part of a larger sector working toward the public good.

**Perception #2:** The effectiveness of current messaging strategies varied by issue and by organizational expertise.

Survey responses indicated that the quality of messaging related to specific sector-wide issues varied widely. Nineteen to 56 percent of respondents believed that messages were “very effective.” As with every other strategy, the highest mark was given to messaging concerning the charitable tax deduction (see Figure 8.9).

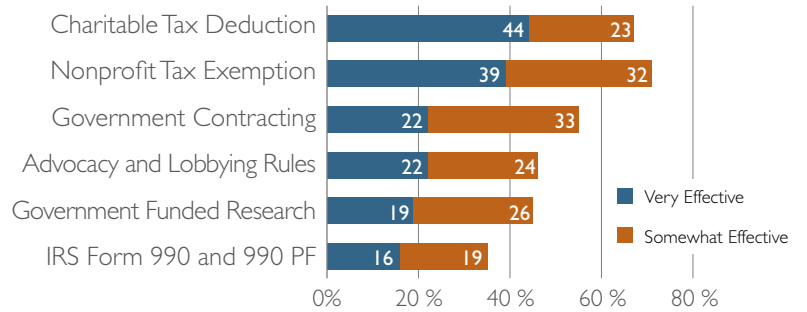
Interviewees largely agreed that “we [sector organizations] haven’t quite hit the right marketing note yet” regarding communications describing the impact of nonprofit and philanthropic community.

Generally, leaders who had not formally tested their messages were much more optimistic about the effectiveness of their language than those who had tested specific language with target audiences. The latter described being surprised at the feedback they received. One nonprofit leader observed, “We’re so immersed in these issues and ... we think we know how to talk about them.” After seeing the results of message testing, she learned the value of “not presuming you know what the message is and being sure you’re really testing it with your target audience.” Reasons respondents gave to explain the general lack of message testing included lack of time and resources.

**Perception #3:** Weaknesses in communications on sector-wide issues were due in part to limited reach.

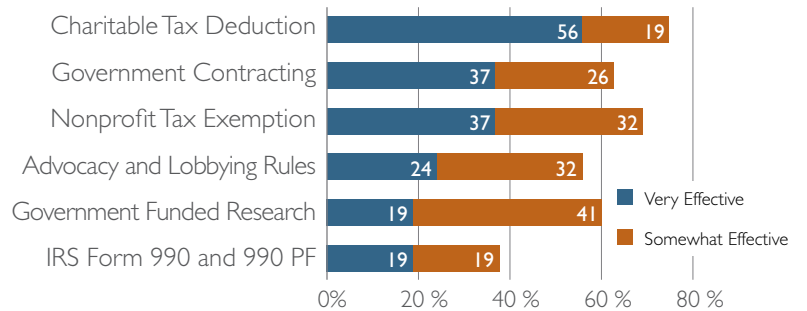
Most often, respondents claimed that organizations engaged in sector-wide public policy issues do not disseminate their messages broadly. The majority of communication takes place on websites, in newsletters, and—to a limited extent—through social media, and as a result has limited visibility. One senior policy leader remarked that most of his organization’s key messages were disseminat-

**FIGURE 8.8**  
**ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY HAVE COMMUNICATIONS AND MEDIA STRATEGIES**



Results from survey of public policy professionals engaged in sector-wide issues. Respondents were asked the following for issues in which they were engaged: In general, does the group of organizations engaged in this issue have communications and media strategies to advance this issue, including traditional and social media? [Yes/No] If yes, in general, how effective are these organizations with this element of advocacy?

**FIGURE 8.9**  
**ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY HAVE LANGUAGE THAT SUCCESSFULLY FRAMES THIS ISSUE TO TARGET AUDIENCES**



Results from survey of public policy professionals engaged in sector-wide issues. Respondents were asked to address the following for issues in which they were engaged: In general, does the group of organizations engaged in this issue have language that successfully frames this issue in a way that resonates with target audiences, such as lawmakers, media, and constituents? [Yes/No] If yes, in general, how effective are these organizations with this element of advocacy?

ed via email to their various stakeholders and expressed dismay at the lack of effectiveness of this vehicle, “Three-quarters of the people don’t even open [the email] and [the communications team is] delighted?” Communications professionals interviewed noted that these types of marketing challenges are not unique to the charitable sector nor is a broad communications strategy necessary in all advocacy initiatives.

Interviewees offered notable cases where sector leaders have created broad-based campaigns. For example, Americans for the Arts created a multipronged public-education campaign to promote arts education.<sup>22</sup> The Minnesota Council of Nonprofits launched statewide campaigns in 2002 and 2006 promoting the value of nonprofits in conjunction with an effort to restore funding for the sector.<sup>23</sup> The Entertainment Industry Foundation planted positive stories about volunteerism in television shows in 2009.<sup>24</sup> But these activities have been episodic. Sector leaders were unable to identify sustained initiatives designed to educate the general public or targeted audiences about the role and value of the sector.

Observers point out that news coverage of activities by nonprofits and foundations is assigned to reporters who lack expertise on the sector, including knowledge of its scope and how it functions. The last full-time correspondent of a major newspaper covering the sector was reassigned in 2012.

**Perception #4:** Organizations must do a better job communicating their value to the public if they are to influence policy makers and affect legislation.

22. For more information, see the summary of “The Arts, Ask for More,” American’s for the Arts, National Arts Education Public Awareness Campaign, [http://www.artsusa.org/public\\_awareness/default.asp](http://www.artsusa.org/public_awareness/default.asp)

23. For details, see Minnesota Council of Nonprofits overview of its ad campaigns: “Deleted for Budgetary Reasons Campaign,” Minnesota Council of Nonprofits, <http://www.minnesotanonprofits.org/mcn-at-the-capitol/past-successes/deleted-for-budgetary-reasons-campaign>

24. See the Entertainment Industry Foundation’s press release about the kick-off event for more information: “Entertainment Industry Foundation, mayors from all over the U.S. kick off two major initiatives encouraging volunteerism,” Entertainment Industry Foundation press release, September 10, 2009, <http://www.eifoundation.org/press-room/entertainment-industry-foundation-mayors-all-over-us-kick-two-major-initiatives-encouragi>

The study revealed widespread agreement regarding this opinion. When asked what activities would be most useful to “increase the sector’s effectiveness on sector-wide issues, increase public awareness of the importance of the sector” topped the list. Twenty-eight percent of respondents listed it as the single most important investment the sector can make, and an additional 42 percent ranked it among their top four. A feedback group participant remarked that this was a familiar topic among sector leaders: “This is the third convening I’ve been in, in the last six months, where the need for [better messaging about the sector] has been brought up as a central challenge for our sector.”

Many interviewees echoed the belief that the sector would be unable consistently to achieve its sector-wide goals unless the public had a better understanding of its value to society. A CEO with expertise in public policy said, “You want the general public influencing policy makers . . . . The intentionality would be to build a really broad, strong base of support that becomes so common in its language that policy makers have to bend to it.”

Several participants believed that educating the public was not possible because the resources required to do so were not available to organizations.

## GRASSROOTS

**Perception #1:** Access to grassroots constituencies was a key asset for the sector and should be developed further.

Many interviewees underscored that the sector’s greatest potential source of power relative to political leaders was its access to grassroots, but added that the sector must be able to show its ability to mobilize people in order to leverage that strength. Policy and lobbying experts interviewed for the case studies shared this view.

Three nonprofit CEOs reflected on the common call for greater public awareness of the sector and suggested that positive public sentiment was not enough—it must be translated into political power. One CEO argued that educating the public about “all the good things we [the

sector] do ... doesn't get to the crux ... it doesn't make us powerful enough to influence the debate." Another asked: "I know that our sector is loved. But is it feared?"

**Perception #2:** Grassroots work was universally seen as challenging and expensive.<sup>25</sup>

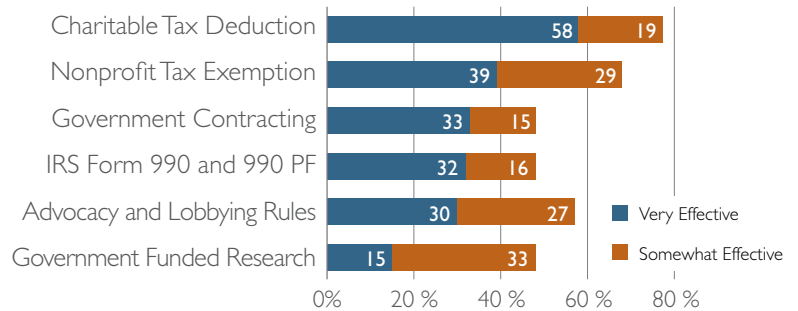
Senior policy professionals described the heavy investment of time and resources required to mobilize their constituents. First, providing education about the issue and creating compelling messages and stories that captured the minds and hearts of the target audience. Second, providing information about the kinds of advocacy activities nonprofits can undertake, explicitly describing safe and legal ground for organizations that may be hesitant to engage. And, further, this information must be shared with staff, board members, and other stakeholders who influence the stances and strategies of the organization. Finally, coordinators need to equip would-be advocates with tools and options for taking action.

Several leaders explained that their organizations pursued grass-tops strategies—leveraging existing connections between particular local leaders and lawmakers or public officials—because it was less expensive than a broad, grassroots approach. One leader of a large network remarked that it was very difficult to track grassroots activity and that her team did not have dependable measures for the extent of the activity they hoped was happening in the field.

Connections between national and local nonprofit organizations emerged as a critical factor in grassroots activity. A regional leader described these connections as “fragmented and episodic” and noted that they must be strengthened in order to facilitate strong grassroots campaigns. Another regional leader referenced a complicated dynamic between some national and local groups, where local leaders want to be connected to national organizations but not co-opted by them. He suggested that the latter often happens when national

25. In the survey, an average of 37 percent of respondents marked “don't know” when asked about the presence and effectiveness of grassroots mobilization strategies among the organizations engaged in sector-wide issues.

**FIGURE 8.10**  
**ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY HAVE STRONG LEADERSHIP THAT ALIGNS GOALS AND ACTIONS**



Results from survey of public policy professionals engaged in sector-wide issues. Respondents were asked to address the following regarding issues in which they were engaged: In general, does the group of organizations engaged in this issue have strong leadership that helps to align goals and actions across organizations? [Yes/No] If yes, in general, how effective are these organizations with this element of advocacy?

organizations try to engage local groups in advocacy actions without consulting them in advance about priorities, positions, and strategies.

## LEADERSHIP

**Perception #1:** There was no single individual or organizational leader recognized as providing a unifying force on all sector-wide issues.

Survey results showed that leadership varied widely across issues. Fifty-eight percent of respondents said that leadership related to the charitable tax deduction was “very effective,” which was the single highest score received in relation to elements of advocacy. By contrast, only 15 percent of respondents said leadership related to government-funded research on the sector was “very effective.” This represented the largest variance across issues of all nine elements of advocacy studied (see Figure 8.10). The high marks for charitable deduction reflect current coordinated activity in response to a threat. Issues with the lowest marks for leadership include advocacy and lobbying rules, and government-funded



## PERCEPTIONS OF ASSOCIATIONS DEDICATED TO SECTOR-WIDE ISSUES

Interviewees were forthcoming about their opinions of the organizations dedicated to sector-wide issues. Opinions varied considerably depending on the organizations being described. Some organizations were viewed as being very effective on particular issues; while others were considered ineffective at mobilizing their members around major issues and threats. Some organizations were described as responsive primarily to the largest organizations in the sector; others effective with their particular constituencies on focused issues. Overall the picture was mixed depending on the organization or the issue being described. Many interviewees saw room for improvement.

research on the sector. Advocacy related to these issues is not defined by a coordinated response to a particular threat, but rather myriad organizations addressing particular issues alone or in small groups. For these issues, no acknowledged leader is working to align diverse organizations around shared goals.<sup>26</sup>

Survey respondents were asked to identify organizations that play leading roles in the specific sector-wide issues. Figure 8.11 shows a consolidated list of the groups that were identified.<sup>27</sup>

26. For more information on these issues, please see corresponding issue papers in this study, "Issue Paper: Advocacy and Lobbying Rules for Public Charities and Private Foundations" at, and "Issue Paper: Government-Funded Research on the Nonprofit Community."

27. The survey was confidential, and this question was open-ended in order to avoid influencing the answers. Independent Sector was identified to respondents as the author of the survey. The table that appears here includes organizations mentioned a total of three or more times in relation to any of the six issues studied.

FIGURE 8.11  
ORGANIZATIONS IDENTIFIED AS LEADING EFFORTS ON SECTOR-WIDE ISSUES

Organization	Number of Times Identified as "Leading Efforts"
Independent Sector	104
National Council of Nonprofits	63
Council on Foundations	13
Urban Institute	9
ASAE	8
Philanthropy Roundtable	7
Alliance for Justice	7
American Council on Education	6
Association of American Universities	4
United Way Worldwide	4
Center for Lobbying in the Public Interest*	3

\* Center for Lobbying in the Public Interest is no longer a stand-alone organization; it became part of the National Council of Nonprofits in 2012.

Independent Sector and the National Council of Nonprofits were most often seen as leaders in the six issues studied.

**Perception #2:** There are significant challenges to succeeding in a leadership role on sector-wide issues.

Interviewees noted a number of obstacles that leaders must overcome in order to be effective on sector-wide issues. These include significant differences in the interests and ideological perspectives of sector organizations, lack of trust, and incentives to differentiate—rather than join with—other organizations.

Several CEOs of membership organizations noted the challenge of creating a fine balance between developing a broad consensus and moving forward with fewer supporters but a more potent message. One senior leader suggested that "exaggerated fears of negative consequences" can hold membership associations back from bold leadership. He gave an example of an associa-

tion that carefully avoided but then finally took a new position on a controversial issue. While they expected significant backlash from members, they only received one negative email. Another leader gave an example of taking a position on a particular issue and, as a result, losing a number of members that represented an important constituency within the larger community.

Despite—and in some cases because of—these difficulties, many sector leaders underscored the need for strong leadership to help galvanize and push forward a shared sector-wide agenda.

## Conclusion

Organizations currently engaged in sector-wide issues have significant assets at their disposal. These include: favorable public opinions; a network of hundreds of organizations already engaged in this work, many of whom know and communicate with each other regularly; existing relationships with key public officials responsible for oversight and governance of the sector; and a slowly growing field of credible research directly related to key policy issues. They also have some important successes they can point to, such as the sector-specific provisions in the Pension Protection Act of 2006 and the prevention of limitations of the charitable tax deduction.

At the same time, a majority of the leaders engaged in this work feel more can be done, especially if the sector's ambitions include pursuing a proactive agenda to develop a more favorable regulatory and legislative environment for its work. Developing shared, long-term goals; increasing the number and depth of relationships with a broader range of key public officials; improving coordination among organizations; and increasing the visibility and clout of the sector among the public and among government officials surfaced as ways to increase the sector's influence. Interviewees believed that it is time for strong leadership to step up, notwithstanding the challenges, and organize the sector around a common agenda.

# BEYOND THE CAUSE

THE *Art* AND SCIENCE OF ADVOCACY

## RECOMMENDATIONS FOR ORGANIZATIONS ENGAGED IN SECTOR-WIDE ADVOCACY

*Organizations and companies demonstrating the most effective advocacy and lobbying capabilities are those with a clear long-term vision.*

The current fiscal climate demands a strong nonprofit voice on public policy matters now more than ever. The decisions lawmakers and the administration will be making in the next few years could have a profound effect on the ability of large segments of the charitable sector to fulfill their missions. The sector must be well positioned to respond to public policy initiatives concerning tax laws that affect charitable and philanthropic organizations, which are expected to be considered in the near term. Further, the sector must be prepared to shape future policies to ensure that they enable organizations to do their work. For these reasons it is important to strengthen and support the charitable sector's advocacy skills and capacities.

A detailed analysis of the sector's track record and approach to public policy advocacy on sector-wide issues found notable gaps between their strategies and those of the organizations that achieved their public policy goals on a consistent basis. There also were differences between the perceptions of many of those working on sector-wide issues and the successful advocates regarding

the actions necessary for a successful campaign. Some of the reasons for these differences are: limited resources; boards who don't understand all of the elements necessary for an effective campaign; the reluctance by some to work with organizations with conflicting positions on other issues; and a belief that the only authentic approach is one that engages grassroots right from the beginning and throughout the campaign.

It is our view that organizations focusing on sector-wide issues would benefit from looking closely at the case studies included in this report.<sup>1</sup> Based on the results of this study, we have concluded that the way in which organizations engage in sector-wide issues will not yield consistently positive results except in isolated instances, because these organizations lack the incentives to work together and a structure that enables the pooling of resources, among other considerations.

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1. Recommendations in this paper are based on findings from Section I of this report, including "Summary: Essentials of Successful Advocacy," the literature review, and case studies.

The recommendations that follow offer one way to improve the status quo in order to maximize our potential impact in Washington, D.C. Achieving this goal will require a single organization to serve as a convener, coordinator, and driver of the entire process. To be successful the organization must have the credibility, expertise, and capacity to convene others, manage the ongoing building process, and work with various organizations on agreed upon campaigns. It is the convening organization that develops the long-term vision, strategy, and core advocacy capabilities but is influenced by and responsive to network participants.

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With the help of the convening organization, individual organizations within the network may decide to participate in a particular campaign on an issue that is important to them. Each coalition will draw on the various organizations' assets and together will develop the strategy for that campaign. The convening organization will be responsible for seeing that there is an ongoing building phase, and will work closely with others in the network to build out the grassroots and grass-tops connections to public officials; conduct deep research of the issues; develop a detailed analysis of public official's priorities and motivations; and ensure a keen understanding of options and opportunities for proactive action. It is also possible that, depending on the particular policy initiative, different organizations might play the convening role.

## Necessary Capabilities for an Effective Advocacy Network

The network of organizations engaged in sector-wide policy issues collectively must have a significant number of the following capabilities. Specific, issue-based campaigns will not utilize every capability listed below, but the ability to build and draw on this combination of assets and strategies is likely to increase public policy impact.

### I. Vision, Leadership, Planning

- **Create a Shared Vision**—Develop and publicly articulate a big picture vision around which to mobilize sector organizations and educate policy makers that is shared, proactive, and long-term.
- **Ensure Effective Leadership**—Ensure the sector has strong leaders who are committed to and able to generate momentum for the vision. These leaders must have access to relevant policy makers, the support and trust of key nonprofit allies, and a reputation for accuracy, reliability, and integrity.
- **Build and Sustain the Elements of Advocacy**—Commit to the ongoing building of key elements of advocacy, including developing close relationships with public officials, understanding the political context and processes relevant to key policy issues, testing and refining messages with target audiences, and strengthening grassroots and grass-tops support.
- **Develop Artful Strategy**—Prepare comprehensive short and long-term plans that leverage assets developed during the ongoing building phase and during targeted campaigns. Plans must be customized and adjusted as necessary to respond to the shifting policy environment and changing players in the political arena. The most successful strategies work backward from the policy goal; proactive goals often require long-term time horizons to achieve desired change.

## 2. Network and Coalition Building

- **Support a Convening Organization**—Invest in an organization capable of serving as the coordinator and leader for the network that develops and sustains advocacy capabilities that can be deployed as needed to address shared policy goals.
- **Build the Network**—Develop a broad, diverse network of organizations (including global, national, regional, and local) that reflect the interests relative to the particular issue or set of issues. Members of this network will inform particular policy goals and priorities, and participate in the issue-based coalitions and campaigns most relevant to them. The convening organization and engaged leaders within the network together must build trust, value, and incentives for engagement and collaboration within the network. Enabling participants to become active leaders in the network will be central to success. This work is part of the building phase of any successful campaign.

*Develop a long-term sustainable model that ensures adequate resources to support ongoing advocacy capacity building as well as increased activity related to issue-based coalitions and campaigns as necessary.*

- **Ensure Ongoing, Open Communications within the Network**—The network must include robust opportunities for communicating with all participants in order to share perspectives and feedback. The communications infrastructure must be consistent, transparent, timely, and structured to ensure the participating organizations are able to be part of the deliberations on the particular issue at the appropriate time. There are periods in the campaign when public officials may share vital information on condition of confidentiality. This is a normal part of the process but does not preclude clear and transparent communication about the progress in general.

## 3. Agenda Setting

- **Identify Proactive and Emerging Issues**—Develop relationships, communications vehicles, and research that capture a broad range of issues. Potential policy issues emerge from multiple sources, including actions of and ongoing communications with public officials, concerns from the grassroots or other groups of organizations and their stakeholders, policy developments in state capitals, and information from policy analysts or think tanks.
- **Develop a Balanced Decision-Making Process**—Create a process for agenda setting and decision making that balances the desire for inclusive input from diverse sector stakeholders with the imperative to avoid gridlock and ensure timely decision making and useful outcomes. These processes are necessary at the network level and at the level of individual issue-based coalitions and will vary according to the issues.

Some issues will be shepherded by a particular organization with the gravitas to move the agenda. Whatever process is used for issue identification, there must be a common understanding of and support for the goal and the strategies to be deployed. Part of the consideration of the issue will be an analysis of the scope of opposition and what it would take to diminish or neutralize that opposition, and the respective positions and passions of coalition members so as to move toward alignment of goals and priorities. Members of the network should be clear on their respective roles and agree to a timetable and feedback loops as the campaign unfolds.

## 4. Resources and Sustainability

Develop a long-term sustainable model that ensures adequate resources to support ongoing *advocacy capacity building* as well as increased activity related to *issue-based coalitions and campaigns* as necessary. Different campaigns will generate interest from different funders. But all campaigns must include support for the building phase as well. Sources might include contributions from the network of engaged organizations, foundations, individuals, and interested corporations.

## 5. Research and Public Policy Development

- **Research and Analysis**—Collect the data required to understand the scope, urgency, and potentially interested stakeholders of relevant public policy issues. Research and analysis must be rigorous and relevant to the concerns of advocates and stakeholders so that it can inform policy development and communications. The basic research and policy analysis are best done during the building phase so that clear, concise information is available for use during advocacy campaigns.
- **Develop Policy Solutions**—Generate ideas and potential solutions for policy problems and conduct rigorous analysis of policy alternatives and tradeoffs. Ensure there is a clear understanding of the legislative history, relevant stakeholders, and the political context with regard to each issue.

*Research related to communications and developing relationships with public officials is noted in sections below.*

## 6. Federal Government Relations

- **Develop Champions and Ongoing Support**—Build ongoing relationships with public officials relevant to the given issue. The starting point is a deep analysis into the public official's interests and motivations, the needs and priorities of their constituents, and the ways in which the political context of a given issue might influence the public official's perspective. This analysis will inform a customized approach for each official.
- **Secure Support and Votes during Campaigns**—Work with targeted public officials directly or with allies and partners to ensure that champions and supporters coordinate their efforts in pursuit of the goal. Where possible, draw on analysis of targeted policy makers described above.
- **Serve as a Reliable Source of Information**—Establish a reputation as a high-integrity, accurate, reliable, engaged, and respectful partner. Provide information in a timely way that is responsive to the perspectives and needs of the public officials. Recognize the larger context in which issues are being debated and participate as needed in larger policy and budget discussions.

## 7. Communications

- **Increase Awareness of the Sector as Part of Ongoing Building Efforts**—Promote an understanding of the sector among policy makers, the media, key influencers, and other stakeholders. Messages should be based on a comprehensive, data-based analysis of the impact of the sector, including its economic value, community benefit, and other contributions to society. These communications should be an integral part of an overarching strategy and be incorporated into specific issue-based campaigns as appropriate.
- **Develop Campaign-Related Communications**—Campaign communications will include the development of a specific set of strategies and timetable; customization of up-to-date materials; identification of opportunities to make the case for the issue; and coordination with partner organizations to implement a national strategy. Messages and dissemination will be based on audience segmentation, message testing, and utilization of effective messengers. As with all communications, the fundamental question is not *what is our best argument?* Rather, it is, *what does this audience need to hear right now?* Communications must be tailored for different audiences and leverage a broad range of outlets to advance a message consistent with the particular strategy.

## 8. Mobilization and Education

- **Build and Engage Grass-tops**—Identify and engage targeted grass-tops individuals as necessary to gain deep access to key policy makers in Congress and the administration. The system must include an analysis of policy makers' networks; programs to build relationships with local, regional, and national sector organizations and other allies that have access to relevant grass-tops leaders; and a well-crafted process for engaging grass-tops as appropriate.



- **Build and Engage Grassroots**—Ensure access to and engagement with grassroots organizations that can support issue-specific coalitions as needed. This includes developing a sustainable, knowledgeable grassroots base of nonprofit organizations as part of a long-term strategy. In conjunction with national, regional, and local intermediaries, coordinating organizations should strengthen grassroots advocacy capacity and understanding of key issues. The grassroots groups will be cultivated as part of the broad network of engaged organizations and therefore will have access to and participate in ongoing communication regarding issue identification and other activities.

Grassroots groups will be targeted and prioritized based on their access to and influence with targeted public officials in Congress and the administration, and their ability to identify effective messengers and to mobilize at the local level.

## 9. State Activity

Work with partners to track and engage in state activity that is directly related to active federal policies. Ensure a timely communications loop between state and federal actors addressing similar policy issues. Information exchanged should include policy proposals, trends, and lessons learned in relation to messaging or strategy. Where relevant, share with federal public officials actions taking place in states, if it advances the policy issue.

## 10. Political Activity

If resources permit, consider creating a 501(c)(4) organization focused on sector-wide issues in order to increase the network's access to elected officials and provide flexibility related to lobbying and other key strategies. Put in place a funding plan that is viable and sustainable. Develop a structure that allows maximum information sharing and communication with the 501(c)(3) organization, including a clear reporting mechanism.

## Conclusion

This study provides insights into the best ways to channel resources to achieve successful public policy outcomes. Among its key findings—shared by the authors and leaders engaged in sector-wide issues—are that the network of organizations engaged in these issues must organize its advocacy efforts more effectively if they are to achieve consistently their public policy goals. The sector needs a structure that better connects the many groups currently engaged in this work; this includes developing incentives that encourage alignment and coordination among diverse organizations and mini-coalitions. It also must establish a convening organization and ensure there are adequate resources to support investments in the type of functions and relationships noted in this study. To make this work would require an investment of approximately \$5 million a year for four years. This would enable the coordinating organization to give financial support to partners working on shared goals and activities. By comparison, the U.S. Chamber of Commerce spent more than \$20 million on lobbying in the first quarter of 2012,<sup>2</sup> \$81 million in 2010, and \$71 million in 2009.

As the coalition of organizations begins to gain traction and each success builds on the last, the sector will increase its clout and be seen as an important player to consult prior to policy actions being considered both by the White House and by Members of Congress. This in turn will give the sector an opportunity, not only to be reactive, but also proactive in advancing a policy agenda it deems important.

People coming together to solve problems is central to the American experience and a vital part of our economy. Through America's strong tradition of giving and volunteering generously, the charitable community has worked to solve problems, address needs, and improve lives here and around the world. The collective role and missions of these nonprofit and philanthropic organizations will be furthered by a regulatory and legislative environment that supports and incentivizes its work. These recommendations provide a blueprint to do just that—enable the sector to better serve the common good.

2. Kate Ackley, "U.S. Chamber of Commerce Continues to Spend Heavily on Lobbying, Filings Show," *Roll Call*, April 20, 2012., [http://www.rollcall.com/news/chamber\\_of\\_commerce\\_continues\\_to\\_spend\\_heavily\\_on\\_lobbying\\_filings\\_show-213978-1.html](http://www.rollcall.com/news/chamber_of_commerce_continues_to_spend_heavily_on_lobbying_filings_show-213978-1.html)





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